

Legislative Journal

TUESDAY, DECEMBER 13, 1983

SESSION OF 1983

167TH OF THE GENERAL ASSEMBLY

No. 98

**HOUSE OF REPRESENTATIVES**

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

**THE SPEAKER (K. LEROY IRVIS)  
IN THE CHAIR**

**PRAYER**

REV. DR. DAVID R. HOOVER, chaplain of the House of Representatives, from McConnellsburg, Pennsylvania, offered the following prayer:

Through the turbulent storms and upheavals of life, O God, we need the serenity and calm which Thou hast to give. In the tensions, anxieties, and difficulties we face, we turn to Thee for the stabilizing influence which Thou hast to exert. Amidst the many pitfalls, temptations, and allurements which confront us on our daily pathway, we look to Thee for the guidance and direction which Thou dost impart. We pray that Thou wilt keep these workmen of Thine in the hollow of Thy hand, constantly reaching out to Thee for the strength which Thou hast to share, and bringing to its fullest fruition Thy will and Thy way in our world. Amen.

**PLEDGE OF ALLEGIANCE**

(The Pledge of Allegiance was enunciated by members.)

**JOURNAL APPROVAL POSTPONED**

The SPEAKER. Without objection, approval of the Journal of Monday, December 12, 1983, will be postponed until the Journal is in print. The Chair hears no objection.

**HOUSE BILLS  
INTRODUCED AND REFERRED**

**No. 1801** By Representatives ITKIN, GEIST, PISTELLA, CESSAR, SWEET, DeWEESE, PRATT, TRELLO, SEMMEL, JAROLIN, SEVENTY, COLAFELLA, MORRIS, OLASZ, PETRONE, WOZNIAC and BURD

An Act amending the "Capital Facilities Debt Enabling Act," approved July 20, 1968 (P. L. 550, No. 217), providing for the estimated cost of repair and maintenance of capital projects.

Referred to Committee on APPROPRIATIONS, December 13, 1983.

**No. 1802** By Representatives FREIND, E. Z. TAYLOR, MORRIS, DIETZ, A. C. FOSTER, JR., WOGAN, WESTON, VROON, TIGUE, SERAFINI, PHILLIPS, O'BRIEN, OLASZ, MRKONIC, McMONAGLE, STEVENS, ARTY, CIVERA, GANNON, LESCOVITZ, JAROLIN, KOSINSKI, TELEK, MACKOWSKI, JOHNSON, HALUSKA, GRUPPO, FEE, CLYMER, CIMINI, CAWLEY, BOYES, BLAUM, BELARDI, ALDERETTE, PITTS, PRATT, PETRARCA, MARKOSEK, SIRIANNI and TRELLO

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, precluding a defense in actions for support; precluding actions for wrongful birth and wrongful life; and precluding a defense against claims for injuries sustained in utero.

Referred to Committee on JUDICIARY, December 13, 1983.

**No. 1803** By Representatives DUFFY, VAN HORNE, GAMBLE, MRKONIC, MICHLOVIC, DeLUCA and PISTELLA

An Act regulating facilities operating under "continuing care," "life lease" and "life care" contracts; regulating residents' agreements; establishing the right of residents of such facilities to elect a proportionate number of the members of the managing boards of such facilities; the right of residents of such facilities to have regular financial reports, including detailed accounting for all funds paid by residents that are or may be used for services collateral to the facility but not directly used for residential facilities; and granting right of organizations.

Referred to Committee on HEALTH AND WELFARE, December 13, 1983.

**SENATE BILL FOR CONCURRENCE**

The clerk of the Senate, being introduced, presented the following bill for concurrence:

**SB 709, PN 1581**

Referred to Committee on STATE GOVERNMENT, December 13, 1983.

REMARKS ON VOTE

The SPEAKER. The Chair is in receipt of a note from Representative Frances Weston, who requests that her vote be recorded as being in the negative on SB 308, amendment 2349. The remarks of the lady will be spread upon the record.

SENATE MESSAGE

HOUSE BILL CONCURRED IN BY SENATE

The clerk of the Senate, being introduced, returned HB 1438, PN 1714, with information that the Senate has passed the same without amendment.

SENATE MESSAGE

HOUSE AMENDMENTS CONCURRED IN BY SENATE

The clerk of the Senate, being introduced, informed that the Senate has concurred in the amendments made by the House of Representatives to SB 966, PN 1496; and SB 967, PN 1510.

LEAVE OF ABSENCE GRANTED

The SPEAKER. The Chair now turns to leaves of absence. Does the gentleman, Mr. O'Donnell, have any requests for leaves? The gentleman indicates he has no requests. Does the gentleman, Mr. Hayes, have any requests for leaves of absence? Mr. HAYES. I request a leave for the gentleman from Luzerne, Mr. STEVENS, for the day. The SPEAKER. Without objection, the leave is granted. The Chair hears no objection.

REMARKS ON VOTES

The SPEAKER. For what purpose does the gentleman from York, Mr. Snyder, rise? Mr. G. M. SNYDER. Mr. Speaker, I just discovered that several of my votes yesterday were not recorded by the computer. I would like the record to show that I voted "nay" on final passage of HB 880, "yea" on amendment 4230 to HB 1546, and "yea" on final passage of HB 1546. Thank you, Mr. Speaker. The SPEAKER. The remarks of the gentleman will be spread upon the record.

MASTER ROLL CALL RECORDED

The SPEAKER. The Chair is about to take the master roll call. Members will proceed to vote. The following roll call was recorded:

PRESENT—199

Table listing names of present members: Afflerbach, Alderette, Angstadt, Armstrong, Arty, Baldwin, Barber, Battisto, Belardi, Belfanti, Beloff, Blaum, Book, Bowser, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Caltagirone, Cappabianca, Carn, Cawley, Cessar, Cimini, Civera, Clark, Clymer, Cohen, Colafella, Cole, Cordisco, Cornell, Coslett, Cowell, Coy, Deluca, DeVerter, DeWeese, Daley, Davies, Dawida, Deal, Dietz, Dininni, Dombrowski, Donatucci, Dorr, Duffy, Durham, Evans, Fargo, Fattah, Fee, Fischer, Flick, Foster, W. W., Foster, Jr., A., Freeman, Freind, Fryer, Gallagher, Gallen, Gamble, Gannon, Geist, George, Gladeck, Godshall, Greenwood, Grieco, Gruitza, Gruppo, Hagarty, Haluska, Harper, Hasay, Hayes, Herman, Hershey, Hoeffel, Honaman, Hutchinson, Itkin, Jackson, Jarolin, Kasunic, Kennedy, Klingaman, Kosinski, Kowalshyn, Kukovich, La hinger, La ghlin, Leh, Lescovitz, Letterman, Levi, Levin, Linton, Livengood, Lloyd, Lucyk, McCall, McClatchy, McHale, McIntyre, McMonagle, McVerry, Mackowski, Madigan, Maiale, Manderino, Manmiller, Markosek, Markynik, Merry, Michlovic, Micozzie, Miller, Miscevich, Moehlmann, Morris, Mowery, Mrkonic, Murphy, Nahill, Noye, O'Brien, O'Donnell, Olasz, Oliver, Perzel, Peterson, Petrarca, Petrone, Piccola, Pievsky, Pistella, Pitts, Pott, Pratt, Preston, Punt, Rappaport, Reber, Reinard, Richardson, Rieger, Robbins, Rudy, Ryan, Rybak, Saloom, Salvatore, Saurman, Scheetz, Schuler, Semmel, Serafini, Seventy, Showers, Sirianni, Smith, B., Smith, L. E., Snyder, D. W., Snyder, G. M., Spencer, Spitz, Stairs, Steighner, Stewart, Stuban, Sweet, Swift, Taylor, E. Z., Taylor, F. E., Telek, Tigue, Trello, Truman, Van Horne, Vroon, Wachob, Wambach, Wargo, Wass, Weston, Wiggins, Williams, Wilson, Wogan, Wozniak, Wright, D. R., Wright, J. L., Wright, R. C., Zwinkl, Irvis, Speaker

ADDITIONS—0

NOT VOTING—1

EXCUSED—3

Phillips

Johnson

Marmion Stevens

LEAVES ADDED—2

Olasz

Phillips

LEAVE CANCELED—1

Phillips

WELCOME

The SPEAKER. The Chair is delighted to welcome to the hall of the House, as guests of the Philadelphia delegation,

Herman Mattleman, the new president of the Philadelphia Board of Education; Ernestine Rouse, who is the vice president of the Board of Education in Philadelphia; Constance Clayton, the new superintendent—well, not as new as Mr. Mattleman is in his office; she has been there for a few months—the superintendent of schools in Philadelphia; and Irvin Davis, who is the managing director of finance.

### **SPEAKER THANKS MR. D. R. WRIGHT**

The SPEAKER. The Chair wishes to thank the gentleman from Clarion, Mr. David Wright, for presiding so ably over Monday's session, and contrary to the rumors that the Chair heard, to the Chair's knowledge, the Chair has not died. The Chair was, on the contrary, very active in Pittsburgh testifying to try and save a home for the aged and, therefore, did not come to Harrisburg.

### **CALENDAR**

#### **BILLS AGREED TO ON SECOND CONSIDERATION**

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

**HB 922, PN 1060.**

\* \* \*

The House proceeded to second consideration of **HB 1698, PN 2168**, entitled:

An Act creating a task force on rural affairs; providing powers and duties for the task force; making an appropriation; and establishing a termination date.

On the question,  
Will the House agree to the bill on second consideration?

#### **BILL RECOMMENDED**

The SPEAKER. The Chair recognizes the majority leader.  
Mr. MANDERINO. Mr. Speaker, I move that HB 1698, PN 2168, be recommitted to the Committee on Appropriations for a fiscal note.

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

#### **BILLS AGREED TO ON SECOND CONSIDERATION CONTINUED**

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

**HB 615, PN 2323; and SB 288, PN 1252.**

\* \* \*

The House proceeded to second consideration of **HB 484, PN 2123**, entitled:

An Act authorizing agreements between institutions of the State System of Higher Education and emergency service providers; providing for payments and certain legal services; and making an appropriation.

On the question,  
Will the House agree to the bill on second consideration?

#### **BILL RECOMMENDED**

The SPEAKER. The Chair recognizes the majority leader.  
Mr. MANDERINO. Mr. Speaker, I move that HB 484, PN 2123, be recommitted to the Committee on Appropriations for a fiscal note.

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

\* \* \*

The House proceeded to second consideration of **HB 980, PN 1790**, entitled:

An Act amending the "Public School Code of 1949," approved March 10, 1949 (P. L. 30, No. 14), providing college education for certain Vietnam veterans.

On the question,  
Will the House agree to the bill on second consideration?

#### **BILL RECOMMENDED**

The SPEAKER. The Chair recognizes the majority leader.  
Mr. MANDERINO. Mr. Speaker, I move that HB 980, PN 1790, be recommitted to the Committee on Appropriations for a fiscal note.

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

#### **BILLS AGREED TO ON SECOND CONSIDERATION CONTINUED**

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

**HB 1616, PN 2021; HB 1617, PN 2022; and SB 198, PN 1580.**

#### **RULES COMMITTEE MEETING**

The SPEAKER. The Chair recognizes the majority leader, who announces a meeting of the Rules Committee in the majority leader's office at the lunch recess.

**BILLS ON SECOND CONSIDERATION CONTINUED**

The House proceeded to second consideration of **SB 152, PN 1549**, entitled:

An Act amending Title 30 (Fish) of the Pennsylvania Consolidated Statutes, further providing for membership on the commission.

On the question,  
Will the House agree to the bill on second consideration?

**BILL RECOMMENDED**

The SPEAKER. The Chair recognizes the majority leader. Mr. MANDERINO. Mr. Speaker, I move that SB 152, PN 1549, be recommended to the Committee on Appropriations for a fiscal note.

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

**BILLS AGREED TO ON SECOND CONSIDERATION CONTINUED**

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

**HB 1720, PN 2324; HB 1325, PN 1583; HB 1578, PN 1958; and SB 730, PN 1594.**

\* \* \*

The House proceeded to second consideration of **HB 1520, PN 1854**, entitled:

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, changing provisions relating to the State Veterans' Commission.

On the question,  
Will the House agree to the bill on second consideration?

**BILL RECOMMENDED**

The SPEAKER. The Chair recognizes the majority leader. Mr. MANDERINO. Mr. Speaker, I move that HB 1520, PN 1854, be recommended to the Committee on Appropriations for a fiscal note.

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

**BILLS AGREED TO ON SECOND CONSIDERATION CONTINUED**

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

**SB 403, PN 1566.**

**WELCOMES**

The SPEAKER. The Chair is delighted to welcome to the floor of the House a ninth grade class from Red Land High School in Lewisberry and their teacher, Mrs. Ruth Smith. They are here as the guests of Representative Bruce Smith of York County.

Representative Kurt Zwinkl has as his guest here today Dave Hirchak from Allentown.

The Chair also welcomes to the floor of the House Mr. Lee Knauss, who is here as the guest of Representative Paul McHale and Representative Robert Freeman.

**FILMING PERMISSION GRANTED**

The SPEAKER. PPTN has been given permission by the Speaker to film on the floor of the House beginning now.

**BILLS ON THIRD CONSIDERATION**

The House proceeded to third consideration of **HB 702, PN 784**, entitled:

An Act amending the act of June 28, 1935 (P. L. 477, No. 193), referred to as the "Enforcement Officer Disability Benefits Law," extending benefits to mine inspectors of the Department of Environmental Resources.

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

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

The question is, shall the bill pass finally?

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

**YEAS—197**

Afflerbach	Durham	Livengood	Ryan
Alderette	Evans	Lloyd	Rybak
Angstadt	Fargo	Lucyk	Saloom
Armstrong	Fattah	McCall	Salvatore
Arty	Fee	McClatchy	Saurman
Baldwin	Fischer	McHale	Scheetz
Barber	Flick	McIntyre	Schuler
Battisto	Foster, W. W.	McMonagle	Semmel
Belardi	Foster, Jr., A.	McVerry	Serafini
Belfanti	Freeman	Mackowski	Seventy
Beloff	Freind	Madigan	Showers
Blaum	Fryer	Maiale	Sirianni
Book	Gallagher	Manderino	Smith, B.
Bowser	Gallen	Manmiller	Smith, L. E.
Boyes	Gamble	Markosek	Snyder, D. W.
Brandt	Gannon	Mayernik	Snyder, G. M.
Broujos	George	Merry	Spencer
Bunt	Gladeck	Michlovic	Spitz
Burd	Godshall	Micozzie	Stairs
Burns	Greenwood	Miller	Steighner
Caltagirone	Grieco	Moehlmann	Stewart
Cappabianca	Gruitza	Morris	Stuban
Carn	Gruppo	Mowery	Sweet
Cawley	Hagarty	Mrkonic	Swift
Cessar	Haluska	Murphy	Taylor, E. Z.
Cimini	Harper	Nahill	Taylor, F. E.

Civera	Hasay	Noye	Telek
Clark	Hayes	O'Brien	Tigue
Clymer	Herman	O'Donnell	Trello
Cohen	Hershey	Olasz	Truman
Colafella	Hoeffel	Oliver	Van Horne
Cole	Honaman	Perzel	Vroon
Cordisco	Hutchinson	Peterson	Wachob
Cornell	Itkin	Petrarca	Wambach
Coslett	Jackson	Petrone	Wargo
Cowell	Jarolin	Piccola	Wass
Coy	Kasunic	Pievsky	Weston
Deluca	Kennedy	Pistella	Wiggins
DeVerter	Klingaman	Pitts	Williams
DeWeese	Kosinski	Pott	Wilson
Daley	Kowalshyn	Pratt	Wogan
Davies	Kukovich	Preston	Wozniak
Dawida	Lashinger	Punt	Wright, D. R.
Deal	Laughlin	Rappaport	Wright, J. L.
Dietz	Lehr	Reber	Wright, R. C.
Dininni	Lescovitz	Reinard	Zwinkl
Dombrowski	Letterman	Richardson	
Donatucci	Levi	Rieger	Irvis,
Dorr	Levin	Robbins	Speaker
Duffy	Linton	Rudy	

NAYS—1

Geist

NOT VOTING—2

Miscevich

Phillips

EXCUSED—3

Johnson

Marmion

Stevens

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.

\* \* \*

The House proceeded to third consideration of **HB 1608, PN 2273**, entitled:

An Act amending the "Milrite Act," approved July 1, 1978 (P. L. 584, No. 109), providing for the establishment, operation and functions of area labor management committees; and extending the existence of the council.

On the question,

Will the House agree to the bill on third consideration?

Bill was agreed to.

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

The question is, shall the bill pass finally?

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

YEAS—194

Afflerbach	Duffy	Levi	Robbins
Alderette	Durham	Levin	Rudy
Angstadt	Evans	Linton	Ryan
Armstrong	Fargo	Livengood	Rybak
Arty	Fattah	Lloyd	Saloom
Baldwin	Fee	Lucyk	Salvatore
Barber	Fischer	McCall	Saurman
Battisto	Flick	McClatchy	Scheetz
Belardi	Foster, W. W.	McHale	Schuler
Belfanti	Foster, Jr., A.	McIntyre	Semmel
Beloff	Freeman	McMonagle	Serafini

Blaum	Freind	McVerry	Seventy
Book	Fryer	Mackowski	Showers
Bowser	Gallagher	Maiale	Sirianni
Boyes	Gallen	Manderino	Smith, B.
Brandt	Gamble	Manmiller	Smith, L. E.
Broujos	Gannon	Markosek	Snyder, D. W.
Bunt	Geist	Mayernik	Snyder, G. M.
Burd	George	Merry	Spencer
Burns	Gladeck	Michlovic	Stairs
Caltagirone	Godshall	Micozzie	Steighner
Cappabianca	Greenwood	Miller	Stewart
Carn	Grieco	Miscevich	Stuban
Cawley	Gruitza	Moehlmann	Sweet
Cessar	Gruppo	Morris	Swift
Cimini	Hagarty	Mowery	Taylor, E. Z.
Civera	Haluska	Mrkonic	Taylor, F. E.
Clark	Harper	Murphy	Telek
Clymer	Hasay	Nahill	Tigue
Cohen	Hayes	Noye	Trello
Colafella	Herman	O'Brien	Truman
Cole	Hershey	O'Donnell	Van Horne
Cordisco	Hoeffel	Olasz	Vroon
Cornell	Honaman	Oliver	Wachob
Coslett	Hutchinson	Perzel	Wambach
Cowell	Itkin	Peterson	Wargo
Coy	Jackson	Petrarca	Wass
Deluca	Jarolin	Petrone	Weston
DeVerter	Kasunic	Piccola	Wiggins
DeWeese	Kennedy	Pievsky	Williams
Daley	Klingaman	Pistella	Wilson
Davies	Kosinski	Pott	Wogan
Dawida	Kowalshyn	Preston	Wozniak
Deal	Kukovich	Punt	Wright, D. R.
Dietz	Lashinger	Rappaport	Wright, J. L.
Dininni	Laughlin	Reber	Zwinkl
Dombrowski	Lehr	Reinard	
Donatucci	Lescovitz	Richardson	Irvis,
Dorr	Letterman	Rieger	Speaker

NAYS—0

NOT VOTING—6

Madigan  
Phillips

Pitts  
Pratt

Spitz

Wright, R. C.

EXCUSED—3

Johnson

Marmion

Stevens

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.

\* \* \*

The House proceeded to third consideration of **HB 828, PN 925**, entitled:

An Act amending "The Administrative Code of 1929," approved April 9, 1929 (P. L. 177, No. 175), requiring the filing of additional materials on contracts with corporations.

On the question,

Will the House agree to the bill on third consideration?

Mr. AFFLERBACH offered the following amendments No. A4406:

Amend Sec. 1 (Sec. 1104), page 2, line 7, by inserting after "furnished"

by the contracting agency

Amend Sec. 1 (Sec. 1104), page 2, line 8, by inserting a bracket before "within"

Amend Sec. 1 (Sec. 1104), page 2, line 10, by inserting a bracket after "Commonwealth"

Amend Sec. 1 (Sec. 1104), page 2, by inserting between lines 21 and 22

(c) No contract, subject to subsection (a), shall be issued by any department, board, commission, agency, instrumentality, authority or institution of the Commonwealth unless a copy of the contract has been filed by the contracting agency with the Treasury Department and the contract documents and the notice to proceed shall include a statement from the Treasury Department acknowledging receipt of a copy of said contract.

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

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

Mr. AFFLERBACH. Thank you, Mr. Speaker.

Basically, this amendment is an agreement reached between the Treasurer's Office, myself, and a number of people who contract with the State. Present law requires that any agency issuing a contract on behalf of the State in excess of \$5,000 must file a copy of that contract with the State Treasurer's Office. The Treasurer has informed me that he has difficulty enforcing that requirement. The language of this amendment attempts to correct that difficulty and attempts to draw to the attention of the agency the importance of adhering to present law. I would ask support for the amendment.

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

The following roll call was recorded:

YEAS—195

Table listing names of members who voted YEAS, including Afflerbach, Alderette, Angstadt, Armstrong, Arty, Baldwin, Barber, Battisto, Belardi, Belfanti, Beloff, Blaum, Book, Bowser, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Caltagirone, Cappabianca, Carn, Cawley, Cessar, Cimini, Civera, Clark, Clymer, Cohen, Colafella, Cole, Cordisco, Cornell, Coslett, and Cowell.

Table listing names of members who voted NAYS, including Coy, Deluca, DeVerter, DeWeese, Daley, Davies, Dawida, Deal, Dietz, Dininni, Dombrowski, Donatucci, Dorr, and Duffy.

NAYS—0

NOT VOTING—5

Table listing names of members who did not vote, including Merry, Phillips, Pitts, Spitz, and Wright, R. C.

EXCUSED—3

Table listing names of members who were excused, including Johnson, Marmion, and Stevens.

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

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

Bill as amended was agreed to.

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

The question is, shall the bill pass finally?

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

YEAS—193

Table listing names of members who voted YEAS, including Afflerbach, Alderette, Angstadt, Armstrong, Arty, Baldwin, Barber, Battisto, Belardi, Belfanti, Beloff, Blaum, Book, Bowser, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Caltagirone, Cappabianca, Carn, Cawley, Cessar, Cimini, Civera, Clymer, Cohen, Colafella, Cole, Cordisco, Cornell, Coslett, and Duffy.

Cowell	Itkin	Peterson	Wass
Coy	Jackson	Petrarca	Weston
Deluca	Jarolin	Petrone	Wiggins
DeVerter	Kasunic	Piccola	Williams
DeWeese	Kennedy	Pievsky	Wilson
Daley	Klingaman	Pistella	Wogan
Davies	Kosinski	Pott	Wozniak
Dawida	Kowalyszyn	Pratt	Wright, D. R.
Deal	Kukovich	Preston	Wright, J. L.
Dietz	Lashinger	Punt	Zwinkl
Dininni	Laughlin	Rappaport	
Dombrowski	Lehr	Reber	Irvis,
Donatucci	Lescovitz	Reinard	Speaker
Dorr	Letterman	Richardson	

NAYS—0

NOT VOTING—7

Miscevich	Pitts	Spencer	Wright, R. C.
Phillips	Smith, L. E.	Spitz	

EXCUSED—3

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

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

\* \* \*

The House proceeded to third consideration of **HB 1436, PN 1748**, entitled:

An Act amending "The Third Class City Code," approved June 23, 1931 (P. L. 932, No. 317), further providing for membership on certain pension boards.

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

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

The question is, shall the bill pass finally?

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

YEAS—193

Afflerbach	Duffy	Levin	Rieger
Alderette	Durham	Linton	Robbins
Angstadt	Evans	Livengood	Rudy
Armstrong	Fargo	Lloyd	Ryan
Arty	Fattah	Lucyk	Rybak
Baldwin	Fee	McCall	Saloom
Barber	Fischer	McClatchy	Salvatore
Battisto	Flick	McHale	Saurman
Belardi	Foster, W. W.	McIntyre	Schuler
Belfanti	Foster, Jr., A.	McMonagle	Semmel
Beloff	Freeman	McVerry	Serafini
Blaum	Freind	Mackowski	Seventy
Book	Fryer	Madigan	Showers
Bowser	Gallagher	Maiale	Sirianni
Boyes	Gallen	Manderino	Smith, B.
Brandt	Gamble	Manmiller	Smith, L. E.
Broujos	Gannon	Markosek	Snyder, D. W.
Bunt	Geist	Mayernik	Snyder, G. M.
Burd	George	Merry	Spencer
Burns	Gladeck	Michlovic	Stairs
Caltagirone	Godshall	Micozzie	Steighner
Cappabianca	Greenwood	Miller	Stewart
Carn	Grieco	Miscevich	Stuban

Cawley	Gruitza	Moehlmann	Sweet
Cessar	Gruppo	Morris	Swift
Cimini	Hagarty	Mowery	Taylor, E. Z.
Civera	Haluska	Mrkonic	Taylor, F. E.
Clark	Harper	Murphy	Telek
Clymer	Hasay	Nahill	Tigue
Cohen	Hayes	Noye	Trello
Colafella	Herman	O'Brien	Truman
Cole	Hershey	O'Donnell	Van Horne
Cordisco	Hoeffel	Olasz	Vroon
Cornell	Honaman	Oliver	Wachob
Coslett	Hutchinson	Perzel	Wambach
Cowell	Itkin	Peterson	Wargo
Coy	Jackson	Petrarca	Wass
Deluca	Jarolin	Petrone	Weston
DeVerter	Kasunic	Piccola	Wiggins
DeWeese	Kennedy	Pievsky	Williams
Daley	Klingaman	Pistella	Wilson
Davies	Kosinski	Pott	Wozniak
Dawida	Kowalyszyn	Pratt	Wright, D. R.
Deal	Kukovich	Preston	Wright, J. L.
Dietz	Laughlin	Punt	Zwinkl
Dininni	Lehr	Rappaport	
Dombrowski	Lescovitz	Reber	Irvis,
Donatucci	Letterman	Reinard	Speaker
Dorr	Levi	Richardson	

NAYS—0

NOT VOTING—7

Lashinger	Pitts	Spitz	Wright, R. C.
Phillips	Scheetz	Wogan	

EXCUSED—3

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

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

**BILL ON CONCURRENCE  
IN SENATE AMENDMENTS**

The clerk of the Senate, being introduced, returned the following **HB 743, PN 2178**, with information that the Senate has passed the same with amendment in which the concurrence of the House of Representatives is requested:

An Act amending the "Tax Reform Code of 1971" approved March 4, 1971 (P. L. 6, No. 2), further providing for exclusions from sales tax, for a minimum tax for capital stock and foreign franchise tax purposes, for an election in computing franchise tax and for the calculation of tax when tax rates are changed during a tax year; providing for the tax treatment of Pennsylvania S corporations and their shareholders; defining the phrase "installment sales method of reporting"; and further defining "sales" for the purpose of apportionment of income and, in certain cases, apportionment of capital stock value.

On the question,  
Will the House concur in Senate amendments?

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

Mr. TRELLO. Mr. Speaker, I request that the House do concur in the amendments inserted by the Senate to HB 743, PN 2178.

The SPEAKER. Does the gentleman from Philadelphia, Mr. Levin, wish to speak to the question?

Mr. LEVIN. Yes.

The SPEAKER. The gentleman is recognized and may so speak.

Mr. LEVIN. Mr. Speaker, the members will recall that I vehemently opposed a bill a week ago, a House bill, which created a subchapter S corporation. That bill was passed overwhelmingly by this House and sent to the Senate. The bill was not considered by the Senate, but rather the same issue was raised in this composite bill which is coming back in front of you. This creates more serious problems for me, because there are many things in this bill that I do not find objectionable and would have no opposition to. However, I am going to ask the membership to return this bill to a conference committee. Now, since I am realistic and I know you overwhelmingly approved the subchapter S, I am just going to call it to your attention in a short fashion so that you will understand my objection.

Many of you voted for the subchapter S provision with the expectation that there would be increased investment in Pennsylvania and that there would be increased job formation by that investment. Now, one of the proponents of this bill, one of the accounting firms, wrote a letter to one of the members in this House advancing reasons why subchapter S is a valuable item, and I would like to read you one of the arguments that was made for why we should have a subchapter S corporation. "The reduction"—and I am reading now—"of the federal personal rate to a maximum—"

Mr. MANDERINO. Mr. Speaker?

The SPEAKER. Will the gentleman, Mr. Levin, yield to the majority leader?

Mr. MANDERINO. Mr. Speaker, the gentleman, Mr. Levin, is speaking to the subchapter S provisions of this bill, and to my knowledge, those have not been altered by the Senate. We are speaking now to the Senate amendments in HB 743.

Mr. LEVIN. Mr. Speaker, it is my understanding that that was placed in by the Senate.

Mr. MANDERINO. I am sorry. I thought this was the original bill.

The SPEAKER. Is the gentleman, Mr. Manderino, suggesting that the gentleman, Mr. Levin, is wrong on his objection to this?

Mr. MANDERINO. No, Mr. Speaker. I am in error.

The SPEAKER. The gentleman, Mr. Levin, may continue.

Mr. LEVIN. Thank you.

The comment—and this is a very difficult subject because it is very technical—is an argument for a proponent, for someone who says we should do this. "The reduction of the federal personal rate to a maximum of 50% has created a situation wherein qualified corporations which have been in business for years are looking at 'Subchapter S' as a legitimate tool for tax savings and estate planning. Without going into detail, consider the 'mature' corporation which consistently has more income than it needs for normal replacements...."

Now, what he is talking about is a corporation that has excess earnings and does not want to invest it in Pennsylvania. As of now it invests that surplus money in T bills (Treasury bills). It does nothing. As a subchapter S, it would distribute those funds to the shareholders—hopefully, many of them are children of the principals—and effectively freeze the corporate values from a Federal estate tax standpoint. All of this could be done at less than paying corporate tax plus personal income on the dividend, which would be required to accomplish the same result.

Let me put that in language to you. What he is saying is that this corporation has too much money, does not want to invest it in Pennsylvania, and wants to find some way to pump it out of that corporate shell without paying its taxes. And this provision gives them a way of doing it. Now, obviously there are many good sides to giving tax relief to create investment, but I told you before and tell you now that this is an ill-conceived way of doing it, that you will, by this method, fundamentally cause an increase in the income tax rates of your constituents.

Two things are going to happen here, and they are going to act in conjunction. Many of you who were here a couple of years ago will remember that I had an objection when the Republican Party, at that point led on the floor in debate by Sam Hayes, insisted on accepting the Federal governmental tax exemptions as our standard. We argued on our side that we could do that when we wanted to in the future. Well, that is in the act. It is going to come in by itself. When you combine the Reagan tax cuts for corporations with a subchapter S corporation that you are creating here today, you are in effect telling those taxpayers who bear the brunt of the income tax that they are going to have to increase their contribution because somebody else is significantly decreasing his.

Now, I do not want anybody here to say that they voted on this without understanding that they were doing a dangerous thing, that they did not have adequate explanation. You are voting to increase the taxes of your constituents and reduce business taxes, and you are not going to create new jobs in Pennsylvania.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. DORR. Thank you, Mr. Speaker.

Very briefly, Mr. Speaker, this bill is in fact a major bill as far as our small businesses in Pennsylvania are concerned. I think one of the things that we, as members of the General Assembly, ought to be looking most carefully at in Pennsylvania is creating a climate in which small business can flourish, and I think this is one way in which we can do that. Small business has in fact said to us that this is their major push for the year, to obtain small corporation coverage in the Tax Code. So I would urge the members to concur in the Senate amendments and pass subchapter S legislation.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes, for the second time, the gentleman, Mr. Levin.

Mr. LEVIN. If I could just respond very quickly, Mr. Speaker, I think Mr. Dorr and myself are in total agreement



that we certainly should help small business. The problem is this provides very little help for small business, for "mom and pop," and provides very significant relief for people who make a great deal of money. As I explained last time, people who are making between \$500,000 and \$700,000 a year are going to be the beneficiaries of this. In addition to which, there is a significant problem with the Constitution, and I am not going to argue that to you, but hopefully, this will be unconstitutional. I would ask for a nonconurrence so that the conference committee could deal with the issue.

On the question recurring,  
Will the House concur in Senate amendments?

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

YEAS—186

Afflerbach	Durham	McCall	Ryan
Angstadt	Evans	McClatchy	Rybak
Armstrong	Fargo	McHale	Saloom
Arty	Fee	McIntyre	Salvatore
Baldwin	Fischer	McMonagle	Saurman
Battisto	Flick	McVerry	Scheetz
Belardi	Foster, W. W.	Mackowski	Schuler
Belfanti	Foster, Jr., A.	Madigan	Semmel
Beloff	Freeman	Maiale	Serafini
Blaum	Freind	Manderino	Showers
Book	Gallagher	Manmiller	Sirianni
Bowser	Gamble	Markosek	Smith, B.
Boyes	Gannon	Mayernik	Smith, L. E.
Brandt	Hayes	Merry	Smith, D. W.
Broujos	George	Michlovic	Snyder, G. M.
Bunt	Gladeck	Micozzie	Spencer
Burd	Godshall	Miller	Spitz
Burns	Greenwood	Miscevich	Stairs
Caltagirone	Grieco	Moehlmann	Steighner
Cappabianca	Gruitza	Morris	Stewart
Carn	Gruppo	Mowery	Stuban
Cawley	Hagarty	Mrkonic	Sweet
Cessar	Haluska	Murphy	Swift
Cimini	Harper	Nahill	Taylor, E. Z.
Civera	Hasay	Noye	Taylor, F. E.
Clark	Hayes	O'Brien	Telek
Clymer	Herman	O'Donnell	Tigue
Cohen	Hershey	Olasz	Trello
Colafella	Hoeffel	Oliver	Truman
Cole	Honaman	Perzel	Van Horne
Cordisco	Itkin	Peterson	Vroon
Cornell	Jackson	Petrarca	Wachob
Coslett	Jarolin	Petrone	Wambach
Cowell	Kasunic	Piccola	Wass
Coy	Kennedy	Pievsky	Weston
Deluca	Klingaman	Pistella	Wiggins
DeVerter	Kosinski	Pitts	Williams
DeWeese	Kowalyszyn	Pott	Wilson
Daley	Lashingner	Pratt	Wogan
Davies	Laughlin	Preston	Wozniak
Dawida	Lehr	Punt	Wright, D. R.
Dietz	Lescovitz	Rappaport	Wright, J. L.
Dininni	Letterman	Reber	Wright, R. C.
Dombrowski	Levi	Reinard	Zwikl
Donatucci	Livengood	Rieger	
Dorr	Lloyd	Robbins	Irvis,
Duffy	Lucyk	Rudy	Speaker

NAYS—13

Alderette	Fryer	Kukovich	Richardson
Barber	Gallen	Levin	Seventy
Deal	Hutchinson	Linton	Wargo
Fattah			

NOT VOTING—1

Phillips

EXCUSED—3

Johnson Marmion Stevens

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

Ordered, That the clerk inform the Senate accordingly.

BILL ON CONCURRENCE  
IN SENATE AMENDMENTS

The clerk of the Senate, being introduced, returned the following **HB 947, PN 2211**, with information that the Senate has passed the same with amendment in which the concurrence of the House of Representatives is requested:

An Act amending the "Public School Code of 1949," approved March 10, 1949 (P. L. 30, No. 14), further providing for the duties of the school director district reapportionment commission and clarification of the number of school director districts within a first class A school district; further providing for exceptional children; providing for the transfer of certain funds; deleting the time limitation on the conveyance of property to historical societies; and conforming provisions on school subsidies to existing law.

On the question,  
Will the House concur in Senate amendments?

RULES SUSPENDED

The SPEAKER. The Chair recognizes the gentleman from Washington, Mr. Lescovitz.

Mr. LESCOVITZ. Mr. Speaker, I would like to make a motion to suspend the rules to offer an amendment to **HB 947**.

The SPEAKER. It is moved by the gentleman, Mr. Lescovitz, that the House suspend its rules in order that he may offer an amendment to the amendments inserted by the Senate to **HB 947**.

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

The following roll call was recorded:

YEAS—189

Afflerbach	Dorr	Levi	Rybak
Alderette	Duffy	Levin	Saloom
Angstadt	Durham	Linton	Salvatore
Armstrong	Evans	Livengood	Saurman
Arty	Fargo	Lucyk	Scheetz
Baldwin	Fattah	McCall	Schuler
Barber	Fee	McClatchy	Semmel
Battisto	Fischer	McHale	Serafini
Belardi	Flick	McIntyre	Seventy
Belfanti	Foster, W. W.	McMonagle	Showers
Beloff	Freeman	Mackowski	Sirianni
Blaum	Freind	Maiale	Smith, B.
Book	Fryer	Manderino	Smith, L. E.
Bowser	Gallagher	Manmiller	Snyder, D. W.
Boyes	Gallen	Markosek	Spencer
Brandt	Gamble	Mayernik	Spitz
Broujos	Gannon	Michlovic	Stairs

Bunt	Geist	Micozzie	Steighner
Burd	George	Miller	Stewart
Burns	Gladeck	Miscevich	Stuban
Caltagirone	Godshall	Morris	Sweet
Cappabianca	Greenwood	Mowery	Swift
Carn	Grieco	Mrkonic	Taylor, E. Z.
Cawley	Gruitza	Murphy	Taylor, F. E.
Cessar	Gruppo	Nahill	Telek
Cimini	Hagarty	Noye	Tigue
Civera	Haluska	O'Brien	Trello
Clark	Harper	O'Donnell	Truman
Clymer	Hasay	Olasz	Van Horne
Cohen	Hayes	Oliver	Vroon
Colafella	Herman	Perzel	Wachob
Cole	Hershey	Peterson	Wambach
Cordisco	Hoeffel	Petrarca	Wargo
Cornell	Honaman	Petrone	Wass
Coslett	Hutchinson	Piccola	Weston
Cowell	Itkin	Pievsky	Wiggins
Coy	Jackson	Pistella	Williams
Deluca	Jarolin	Pitts	Wilson
DeVerter	Kasunic	Preston	Wogan
DeWeese	Kennedy	Punt	Wozniak
Daley	Klingaman	Rappaport	Wright, D. R.
Davies	Kosinski	Reber	Wright, J. L.
Dawida	Kowalshyn	Reinard	Wright, R. C.
Deal	Kukovich	Richardson	Zwilk
Dietz	Laughlin	Rieger	
Dininni	Lehr	Robbins	Irvis,
Dombrowski	Lescovitz	Rudy	Speaker
Donatucci	Letterman	Ryan	

NAYS—9

Foster, Jr., A.	McVerry	Merry	Pott
Lashinger	Madigan	Moehlmann	Snyder, G. M.
Lloyd			

NOT VOTING—2

Phillips	Pratt
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EXCUSED—3

Johnson	Marmion	Stevens
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A majority of the members elected to the House having voted in the affirmative, the question was determined in the affirmative and the motion was agreed to.

On the question recurring,  
Will the House concur in Senate amendments?

Mr. LESCOVITZ offered the following amendments No. A4439:

Amend Title, page 1, line 11, by inserting after "SOCIETIES;"

further providing for revised computations of certain payments;

Amend Bill, page 13, by inserting between lines 27 and 28

Section 7. Section 2502.10 of the act, added June 25, 1982 (P.L.643, No.182), is amended by adding a subsection to read:

Section 2502.10. Temporary Special Aid to School Districts Due to Real Property Reassessments.—\*\*\*

(d) The provisions of this subsection shall apply to any school district qualifying for the temporary aid provided for in this section and receiving its second year of such aid during the 1982-1983 school year. For the purpose of computing a school district's equalized subsidy for basic education for the 1982-1983 school year, as provided for and limited by 24 Pa.C.S. § 2903(b)(2) (relating to limitation of certain payments), the Department of Education shall adjust the computation of payments on account of section 2502.9 of this act for the 1981-1982 school year as follows: the department shall recompute the dis-

trict's guarantee, as provided for in section 2502.9(a) of this act, by adding to the computation of the guarantee for the 1980-1981 school year the amount of the second year payment of temporary special aid provided for in this section: Provided, however, That no district shall receive a lesser subsidy for the 1982-1983 school year as a result of such revised computation, nor a subsidy in excess of the full amount to which it would be entitled under the provisions of 24 Pa.C.S. §§ 2902 (relating to payments on account of instruction) and 2905 (relating to economic supplement) and that no district shall be entitled to an increased subsidy payment for the 1981-1982 school year as a result of such revised computation.

Section 8. The act is amended by adding a section to read:

Section 2502.11. Revised Computations of Certain Payments.—For the purpose of computing a school district's equalized subsidy for basic education for the 1982-1983 school year, as provided for and limited by 24 Pa.C.S. § 2903(b)(2) (relating to limitation of certain payments), the Department of Education shall adjust the computation of payments on account of section 2502.9 of this act for the 1981-1982 school year as follows: the department shall recompute the district's guarantee, as provided for in section 2502.9(a) of this act, for the 1980-1981 school year, so as not to account for the subsidy increase limitation imposed by the act of July 1, 1981 (P.L.628, No.5A), known as the "General Appropriation Act of 1981": Provided, however, That no district shall receive a lesser subsidy for the 1982-1983 school year under the provisions of 24 Pa.C.S. §§ 2902 (relating to payments on account of instruction) and 2905 (relating to economic supplement), or section 2502.10 of this act, as a result of such revised computation and that no district shall be entitled to an increased subsidy payment for the 1981-1982 school year as a result of such revised computation. If the amounts appropriated for the equalized subsidy for basic education for the 1982-1983 school year are insufficient to pay in full the amounts to which districts affected by the limitation in the "General Appropriation Act of 1981" are entitled, payments to such districts shall be proportionately reduced to the extent necessary to bring the payments within the limits of the amounts appropriated: Provided, however, That computation of payments to be made beginning in the 1984-1985 fiscal year shall be based upon a district's full entitlement under the provisions of this section, any such proportionate reduction notwithstanding.

Amend Sec. 7, page 13, line 28, by striking out "7" and inserting

9

Amend Sec. 8, page 14, line 26, by striking out "8" and inserting

10

Amend Sec. 9, page 15, line 26, by striking out "9" and inserting

11

Amend Sec. 10, page 17, line 10, by striking out "10" and inserting

12

Amend Sec. 11, page 17, line 20, by striking out "11" and inserting

13

Amend Sec. 12, page 17, line 22, by striking out "12" and inserting

14

Amend Sec. 12, page 17, line 22, by striking out "AND 10" and inserting

, 10, 11 and 12

Amend Sec. 13, page 17, line 24, by striking out "13" and inserting

15

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

The SPEAKER. The Chair recognizes the gentleman from Washington, Mr. Lescovitz.

Mr. LESCOVITZ. Thank you, Mr. Speaker.

Mr. Speaker, this amendment is broken down into two parts. The first section just takes the base allocation up for the basic instructional subsidy for three school districts - Midland and Aliquippa in Beaver County, and Iroquois in Erie. Back in 1982, Act 115 froze their base instructional subsidy, so this amendment brings their base back up. They had a problem with reassessment appeals and also with plant closings, and we tried to help them out last year with temporary aid. This amendment just increases their base so they are in line with every other school district.

The second section deals with taking off the cap for the Philadelphia School District. There was an artificial cap that was put on back in 1982 in Act 115. This takes that cap off and actually gives them the money that they are due. It does not take away any money from any other school district; it just puts Philadelphia where they should be and the three school districts - two in Beaver and one in Erie - where they should be. It is also agreed to by, I believe, both leaders, the Senate, and the Governor's Office. So I would appreciate an affirmative vote. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

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

The following roll call was recorded:

YEAS—199

Afflerbach	Evans	Livengood	Rudy
Alderette	Fargo	Lloyd	Ryan
Angstadt	Fattah	Lucyk	Rybak
Armstrong	Fee	McCall	Saloom
Arty	Fischer	McClatchy	Salvatore
Baldwin	Flick	McHale	Saurman
Barber	Foster, W. W.	McIntyre	Scheetz
Battisto	Foster, Jr., A.	McMonagle	Schuler
Belardi	Freeman	McVerry	Semmel
Belfanti	Freind	Mackowski	Serafini
Beloff	Fryer	Madigan	Seventy
Blaum	Gallagher	Maiale	Showers
Book	Gallen	Manderino	Sirianni
Bowser	Gamble	Manmiller	Smith, B.
Boyes	Gannon	Markosek	Smith, L. E.
Brandt	Geist	Mayernik	Snyder, D. W.
Broujos	George	Merry	Snyder, G. M.
Bunt	Gladeck	Michlovic	Spencer
Burd	Godshall	Micozzie	Spitz
Burns	Greenwood	Miller	Stairs
Caltagirone	Grieco	Miscevich	Steighner
Cappabianca	Gruitza	Moehlmann	Stewart
Carn	Gruppo	Morris	Stuban
Cawley	Hagarty	Mowery	Sweet
Cessar	Haluska	Mrkonic	Swift
Cimini	Harper	Murphy	Taylor, E. Z.
Civera	Hasay	Nahill	Taylor, F. E.
Clark	Hayes	Noye	Telek
Clymer	Herman	O'Brien	Tigue
Cohen	Hershey	O'Donnell	Trello
Colafella	Hoeffel	Olasz	Truman
Cole	Honaman	Oliver	Van Horne
Cordisico	Hutchinson	Perzel	Vroon
Cornell	Itkin	Peterson	Wachob

Coslett	Jackson	Petrarca	Wambach
Cowell	Jarolin	Petrone	Wargo
Coy	Kasunic	Piccola	Wass
Deluca	Kennedy	Pievsky	Weston
DeVerter	Klingaman	Pistella	Wiggins
DeWeese	Kosinski	Pitts	Williams
Daley	Kowalyszyn	Pott	Wilson
Davies	Kukovich	Pratt	Wogan
Dawida	Lashinger	Preston	Wozniak
Deal	Laughlin	Punt	Wright, D. R.
Dietz	Lehr	Rappaport	Wright, J. L.
Dininni	Lescovitz	Reber	Wright, R. C.
Dombrowski	Letterman	Reinard	Zwilk
Donatucci	Levi	Richardson	
Dorr	Levin	Rieger	Irvis,
Duffy	Linton	Robbins	Speaker
Durham			

NAYS—0

NOT VOTING—1

Phillips

EXCUSED—3

Johnson Marmion Stevens

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

On the question,  
Will the House concur in Senate amendments as amended?

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

YEAS—198

Afflerbach	Durham	Linton	Robbins
Alderette	Evans	Livengood	Rudy
Angstadt	Fargo	Lloyd	Ryan
Armstrong	Fattah	Lucyk	Rybak
Arty	Fee	McCall	Saloom
Baldwin	Fischer	McClatchy	Salvatore
Barber	Flick	McHale	Saurman
Battisto	Foster, W. W.	McIntyre	Scheetz
Belardi	Foster, Jr., A.	McMonagle	Schuler
Belfanti	Freeman	McVerry	Semmel
Beloff	Freind	Mackowski	Serafini
Blaum	Fryer	Madigan	Seventy
Book	Gallagher	Maiale	Showers
Bowser	Gallen	Manderino	Sirianni
Boyes	Gamble	Manmiller	Smith, B.
Brandt	Gannon	Markosek	Smith, L. E.
Broujos	Geist	Mayernik	Snyder, D. W.
Bunt	George	Merry	Snyder, G. M.
Burd	Gladeck	Michlovic	Spencer
Burns	Godshall	Micozzie	Spitz
Caltagirone	Greenwood	Miller	Stairs
Cappabianca	Grieco	Miscevich	Steighner
Carn	Gruitza	Moehlmann	Stewart
Cawley	Gruppo	Morris	Stuban
Cessar	Hagarty	Mowery	Sweet
Cimini	Haluska	Mrkonic	Swift
Civera	Harper	Murphy	Taylor, E. Z.
Clark	Hasay	Nahill	Taylor, F. E.
Clymer	Hayes	Noye	Telek
Cohen	Herman	O'Brien	Tigue
Colafella	Hershey	O'Donnell	Trello
Cole	Hoeffel	Olasz	Truman
Cordisico	Honaman	Oliver	Van Horne
Cornell	Hutchinson	Perzel	Vroon
Coslett	Itkin	Peterson	Wachob
Cowell	Jackson	Petrarca	Wambach
Coy	Jarolin	Petrone	Wargo
Deluca	Kasunic	Piccola	Wass
DeVerter	Kennedy	Pievsky	Weston
DeWeese	Klingaman	Pistella	Wiggins

Daley	Kosinski	Pitts	Williams
Davies	Kowalyshyn	Pott	Wogan
Dawida	Kukovich	Pratt	Wozniak
Deal	Lashinger	Preston	Wright, D. R.
Dietz	Laughlin	Punt	Wright, J. L.
Dininni	Lehr	Rappaport	Wright, R. C.
Dombrowski	Lescovitz	Reber	Zwilk
Donatucci	Letterman	Reinard	
Dorr	Levi	Richardson	Irvis,
Duffy	Levin	Rieger	Speaker

NAYS—1

Wilson

NOT VOTING—1

Phillips

EXCUSED—3

Johnson

Marmion

Stevens

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

Ordered, That the clerk inform the Senate accordingly.

**BILL ON CONCURRENCE  
IN SENATE AMENDMENTS**

The clerk of the Senate, being introduced, returned the following **HB 1342, PN 2209**, with information that the Senate has passed the same with amendment in which the concurrence of the House of Representatives is requested:

An Act amending the "County Pension Law," approved August 31, 1971 (P. L. 398, No. 96), further defining "county employe"; and providing that counties may make pickup contributions to the county employees' retirement system on behalf of county employees.

On the question,

Will the House concur in Senate amendments?

The SPEAKER. On that question, the Chair recognizes his very good friend, the gentleman from Berks, Mr. Fryer.

Mr. FRYER. Thank you, Mr. Speaker.

The Senate amendments do two things. First, they make the pickup contribution provision available to be retroactive to January 1, 1983, if a county so desires, by adopting an ordinance before the end of 1983.

Second, the Senate amendments eliminate a limitation on the salary includable in the base used in calculating benefits. This limitation limited the salary to that of the highest elected official in the pension system. The Public Employees Retirement Study Commission endorses this change.

Mr. Speaker, I would urge that the House concur in the Senate amendments to HB 1342.

The SPEAKER. The Chair thanks the gentleman.

On the question, the Chair recognizes the gentleman from Berks, Mr. Gallen.

Mr. GALEN. Mr. Speaker, I, too, urge concurrence.

**REMARKS ON VOTE**

Mr. GALEN. Mr. Speaker, I inadvertently voted in the negative on HB 743. I would like the record to show that I wish to be recorded in the affirmative on concurrence.

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

**CONSIDERATION OF HB 1342 CONTINUED**

On the question recurring,

Will the House concur in Senate amendments?

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

YEAS—197

Afflerbach	Durham	Linton	Rudy
Alderette	Evans	Livengood	Ryan
Angstadt	Fargo	Lloyd	Rybak
Armstrong	Fattah	Lucyk	Saloom
Arty	Fee	McCall	Salvatore
Baldwin	Fischer	McClatchy	Saurman
Barber	Flick	McHale	Scheetz
Battisto	Foster, W. W.	McIntyre	Schuler
Belardi	Foster, Jr., A.	McMonagle	Semmel
Belfanti	Freeman	McVerry	Serafini
Beloff	Freind	Mackowski	Seventy
Blaum	Fryer	Madigan	Showers
Book	Gallagher	Maiale	Sirianni
Bowser	Gallen	Manderino	Smith, B.
Boyes	Gamble	Manmiller	Smith, L. E.
Brandt	Gannon	Markosek	Snyder, D. W.
Broujos	Geist	Mayernik	Spyder, G. M.
Bunt	George	Merry	Spencer
Burd	Gladeck	Michlovic	Spitz
Burns	Godshall	Micozzie	Stairs
Callagirone	Greenwood	Miller	Steighner
Cappabianca	Grieco	Miscevich	Stewart
Carn	Gruitza	Moehlmann	Stuban
Cawley	Gruppo	Morris	Sweet
Cessar	Hagarty	Mowery	Swift
Cimini	Haluska	Mrkonic	Taylor, E. Z.
Civera	Harper	Murphy	Taylor, F. E.
Clark	Hasay	Nahill	Telek
Clymer	Hayes	Noye	Tigue
Cohen	Herman	O'Brien	Trello
Colafella	Hershey	O'Donnell	Truman
Cole	Hoeffel	Olasz	Van Horne
Cordisco	Honaman	Oliver	Vroon
Cornell	Hutchinson	Perzel	Wachob
Coslett	Itkin	Peterson	Wambach
Cowell	Jackson	Petrarca	Wargo
Coy	Jarolin	Petrone	Wass
Deluca	Kasunic	Piccola	Weston
DeVerter	Kennedy	Pievsky	Wiggins
DeWeese	Klingaman	Pistella	Williams
Daley	Kosinski	Pitts	Wilson
Davies	Kowalyshyn	Pott	Wogan
Dawida	Kukovich	Preston	Wozniak
Deal	Lashinger	Punt	Wright, D. R.
Dietz	Laughlin	Rappaport	Wright, R. C.
Dininni	Lehr	Reber	Zwilk
Dombrowski	Lescovitz	Reinard	
Donatucci	Letterman	Richardson	Irvis,
Dorr	Levi	Rieger	Speaker
Duffy	Levin	Robbins	

NAYS—0

NOT VOTING—3

Phillips Pratt Wright, J. L.

EXCUSED—3

Johnson Marmion Stevens

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

Ordered, That the clerk inform the Senate accordingly.

SENATE MESSAGE

SENATE ADOPTS REPORT OF COMMITTEE OF CONFERENCE

The clerk of the Senate, being introduced, informed that the Senate has adopted the Report of the Committee of Conference on the subject of the differences existing between the two Houses on SB 206, PN 1535.

REPORT OF COMMITTEE OF CONFERENCE CONSIDERED

Mr. MANDERINO called up for consideration the following Report of the Committee of Conference on SB 206, PN 1535, entitled:

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for prohibited offensive weapons; permitting the use and possession of black-jacks by certain police officers, sheriffs and deputy sheriffs; further providing for an exception relating to antique firearms; and further providing for institutional vandalism.

On the question,

Will the House adopt the report of the committee of conference?

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

YEAS—195

Afflerbach Durham Lloyd Ryan
Alderette Evans Lucyk Rybak
Angstadt Fargo McCall Saloom
Armstrong Fatah McClatchy Salvatore
Arty Fee McHale Saurman
Baldwin Fischer McIntyre Scheetz
Barber Flick McMonagle Schuler
Battisto Foster, W. W. McVerry Semmel
Belardi Foster, Jr., A. Mackowski Serafini
Belfanti Freind Madigan Seventy
Beloff Fryer Maiale Showers
Blaum Gallagher Manderino Sirianni
Book Gallen Manmiller Smith, B.
Bowler Gannon Markosek Smith, L. E.
Boyes Geist Mayernik Snyder, D. W.
Brandt George Merry Snyder, G. M.
Broujos Gladeck Michlovic Spencer
Bunt Godshall Micozzie Spitz
Burd Greenwood Miller Stairs
Burns Grieco Miscevic Steighner
Caltagirone Gruitza Moehlmann Stewart
Cappabianca Gruppo Morris Stuban
Carn Hagarty Mowery Sweet
Cawley Haluska Mrkonic Swift
Cessar Harper Murphy Taylor, E. Z.
Cimini Hasay Nahill Taylor, F. E.

Civera Hayes Noye Telek
Clark Herman O'Brien Tigue
Clymer Hershey O'Donnell Trello
Cohen Hoeffel Olasz Truman
Colafella Honaman Oliver Van Horne
Cole Hutchinson Perzel Vroon
Cordischo Itkin Peterson Wachob
Cornell Jackson Petrarca Wambach
Coslett Jarolin Petrone Wargo
Cowell Kasunic Piccola Wass
Coy Kennedy Pievsky Weston
Deluca Klingaman Pistella Wiggins
DeVerter Kosinski Pitts Williams
DeWeese Kowalshyn Pott Wilson
Daley Lashinger Pratt Wogan
Davies Laughlin Preston Wozniak
Dawida Lehr Punt Wright, D. R.
Deal Lescovitz Rappaport Wright, J. L.
Dietz Letterman Reber Wright, R. C.
Dininni Levi Reinard Zwinkl
Dombrowski Levin Rieger
Donatucci Linton Robbins Irvis,
Dorr Livengood Rudy Speaker
Duffy

NAYS—3

Freeman Kukovich Richardson

NOT VOTING—2

Gamble Phillips

EXCUSED—3

Johnson Marmion Stevens

The majority required by the Constitution having voted in the affirmative, the question was determined in the affirmative and the report of the committee of conference was adopted.

Ordered, That the clerk inform the Senate accordingly.

REMARKS ON VOTE

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

Mr. WILSON. Mr. Speaker, I was not paying attention when I voted HB 947, and evidently my switch did its thing again and voted in the negative. I should have been recorded in the affirmative on concurrence. Thank you.

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

BILLS ON THIRD CONSIDERATION CONTINUED

The House proceeded to third consideration of SB 1144, PN 1558, entitled:

An Act amending the act of May 5, 1933 (P. L. 364, No. 106), entitled, as amended, "Business Corporation Law," clarifying the right of directors and officers to consider the effects of corporate actions upon employees, suppliers, customers and communities; providing for interested shareholder transactions; and conferring certain rights on noncontrolling shareholders.

On the question,

Will the House agree to the bill on third consideration?

Mr. AFFLERBACH offered the following amendment No. A4535:

Amend Sec. 4 (Sec. 910), page 7, line 24, by removing the period after "group" and inserting, or to any corporation that on the effective date of this section is a subsidiary of any other corporation.

For purposes of this subsection, subsidiary shall mean any corporation as to which any other corporation has or has the right to acquire, directly or indirectly, through the exercise of all warrants, options and rights and the conversion of all convertible securities, whether issued or granted by the subsidiary or otherwise, voting power over voting shares of the subsidiary that would entitle the holders thereof to cast in excess of fifty percent of the votes that all shareholders would be entitled to cast in the election of directors of such subsidiary: Provided, however, That a subsidiary will not be deemed to cease being a subsidiary so long as such corporation remains a controlling person or group within the meaning of subsection B.

On the question,

Will the House agree to the amendment?

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

Mr. AFFLERBACH. Thank you, Mr. Speaker.

I am introducing this amendment on behalf of the entire Lehigh County delegation. It is my understanding that the amendment has been agreed to by all of the affected parties, and I would hope the House would give its full support on this amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—197

Afflerbach	Durham	Livengood	Ryan
Alderette	Evans	Lloyd	Rybak
Angstadt	Fargo	Lucyk	Saloom
Armstrong	Fattah	McCall	Salvatore
Arty	Fee	McClatchy	Saurman
Baldwin	Fischer	McHale	Scheetz
Barber	Flick	McIntyre	Schuler
Battisto	Foster, W. W.	McMonagle	Semmel
Belardi	Foster, Jr., A.	McVerry	Serafini
Belfanti	Freeman	Mackowski	Seventy
Beloff	Freind	Madigan	Showers
Blaum	Fryer	Maiale	Sirianni
Book	Gallagher	Manderino	Smith, B.
Bowser	Gallen	Manmiller	Smith, L. E.
Boyes	Gamble	Markosek	Snyder, D. W.
Brandt	Gannon	Mayernik	Snyder, G. M.
Broujos	Geist	Merry	Spencer
Bunt	George	Michlovic	Spitz
Burd	Gladeck	Micozzie	Stairs
Burns	Godshall	Miller	Steighner
Caltagirone	Greenwood	Miscevich	Stewart
Cappabianca	Grieco	Moehlmann	Stuban
Carn	Gruitza	Morris	Sweet
Cawley	Gruppo	Mowery	Swift
Cessar	Hagarty	Mrkonic	Taylor, E. Z.
Cimini	Haluska	Murphy	Taylor, F. E.
Civera	Harper	Nahill	Telek
Clark	Hasay	Noye	Tigue
Clymer	Hayes	O'Brien	Trello
Cohen	Herman	O'Donnell	Truman
Colafella	Hershey	Olasz	Van Horne

Cole	Hoeffel	Oliver	Vroon
Cordisco	Honaman	Perzel	Wachob
Cornell	Hutchinson	Peterson	Wambach
Coslett	Itkin	Petrarca	Wargo
Cowell	Jackson	Petrone	Wass
Coy	Jarolin	Piccola	Weston
Deluca	Kasunic	Pievsky	Wiggins
DeVerter	Kennedy	Pistella	Williams
DeWeese	Kosinski	Pitts	Wilson
Daley	Kowalyshyn	Pott	Wogan
Davies	Kukovich	Preston	Wozniak
Dawida	Lashingier	Punt	Wright, D. R.
Deal	Laughlin	Rappaport	Wright, J. L.
Dietz	Lehr	Reber	Wright, R. C.
Dininni	Lescovitz	Reinard	Zwilk
Dombrowski	Letterman	Richardson	
Donatucci	Levi	Rieger	Irvis,
Dorr	Levin	Robbins	Speaker
Duffy	Linton	Rudy	

NAYS—0

NOT VOTING—3

Klingaman	Phillips	Pratt
		EXCUSED—3

Johnson	Marmion	Stevens
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The question was determined in the affirmative, and the amendment was agreed to.

On the question,

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

Bill as amended was agreed to.

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

The question is, shall the bill pass finally?

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

YEAS—192

Afflerbach	Fargo	Livengood	Rudy
Alderette	Fattah	Lloyd	Ryan
Angstadt	Fee	Lucyk	Rybak
Armstrong	Fischer	McCall	Saloom
Arty	Flick	McClatchy	Salvatore
Baldwin	Foster, W. W.	McHale	Saurman
Barber	Foster, Jr., A.	McIntyre	Scheetz
Battisto	Freeman	McMonagle	Schuler
Belardi	Freind	McVerry	Semmel
Belfanti	Fryer	Mackowski	Serafini
Beloff	Gallagher	Maiale	Seventy
Blaum	Gallen	Manderino	Showers
Book	Gamble	Manmiller	Sirianni
Bowser	Gannon	Markosek	Smith, B.
Boyes	Geist	Mayernik	Smith, L. E.
Brandt	George	Merry	Snyder, D. W.
Broujos	Gladeck	Michlovic	Snyder, G. M.
Bunt	Godshall	Micozzie	Spencer
Burd	Greenwood	Miller	Spitz
Burns	Grieco	Miscevich	Stairs
Caltagirone	Gruitza	Moehlmann	Steighner
Cappabianca	Gruppo	Morris	Stewart
Carn	Hagarty	Mowery	Stuban
Cawley	Haluska	Mrkonic	Sweet
Cimini	Harper	Murphy	Swift
Civera	Hasay	Nahill	Taylor, E. Z.
Clark	Hayes	Noye	Taylor, F. E.
Clymer	Herman	O'Brien	Telek
Cohen	Hershey	O'Donnell	Tigue
Colafella	Hoeffel	Olasz	Trello
Cole	Honaman	Oliver	Truman

Cordisco	Hutchinson	Perzel	Van Horne
Cornell	Itkin	Peterson	Vroon
Coslett	Jackson	Petrarca	Wachob
Cowell	Jarolin	Petrone	Wambach
Coy	Kasunic	Piccola	Wargo
Deluca	Kennedy	Pievsky	Wass
DeVerter	Klingaman	Pistella	Weston
DeWeese	Kosinski	Pitts	Wiggins
Daley	Kowalshyn	Pott	Williams
Davies	Kukovich	Pratt	Wogan
Dawida	Lashingier	Preston	Wright, D. R.
Dietz	Laughlin	Punt	Wright, J. L.
Dininni	Lehr	Rappaport	Wright, R. C.
Dombrowski	Lescovitz	Reber	Zwinkl
Donatucci	Letterman	Reinard	
Dorr	Levi	Rieger	Irvis,
Durham	Levin	Robbins	Speaker
Evans	Linton		

**NAYS—3**

Duffy	Wilson	Wozniak
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**NOT VOTING—5**

Cessar	Madigan	Phillips	Richardson
Deal			

**EXCUSED—3**

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

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

**LEAVE OF ABSENCE GRANTED**

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

Mr. HAYES. Mr. Speaker, before we get to announcements, would it be possible to return to leaves of absence?

The SPEAKER. Certainly. Without objection, the Chair returns to leaves of absence and recognizes the minority whip.

Mr. HAYES. Thank you, Mr. Speaker.

I would request a leave for the gentleman from Northumberland, Mr. PHILLIPS, for the day.

The SPEAKER. Without objection, leave is granted. The Chair hears no objection.

**DEMOCRATIC CAUCUS**

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

Mr. ITKIN. Mr. Speaker, I would suggest that we now break for lunch and go into caucus at 1 o'clock and resume on the floor at 2:30. That would give us an hour and a half in caucus. We have several bills to caucus on. A couple of them, particularly no-fault, are highly controversial matters and highly complex. I would like to start the caucus promptly at 1 o'clock and move with dispatch. So I am requesting that all the members report to caucus at 1 o'clock and then return to the floor at 2:30.

The SPEAKER. The Chair thanks the gentleman.

**APPROPRIATIONS COMMITTEE MEETING**

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

Mr. PIEVSKY. Thank you, Mr. Speaker.

There will be a meeting of the Appropriations Committee immediately upon the lunch call at the rear of the chambers.

The SPEAKER. The Chair thanks the gentleman.

**REMARKS ON VOTE**

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

Mr. DEAL. Mr. Speaker, on SB 1144 I was not recorded. Had my switch been working properly, I would have voted in the affirmative.

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

**REPUBLICAN CAUCUS**

The SPEAKER. The Chair recognizes the gentleman from Perry, Mr. Noye.

Mr. NOYE. Thank you, Mr. Speaker.

The Republicans will caucus at 1 o'clock, and we will begin immediately with SB 942. I would ask your prompt attendance. One o'clock.

The SPEAKER. The Chair thanks the gentleman.

**RECESS**

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

**RECESS EXTENDED**

The time of recess was extended until 3 p.m.

**AFTER RECESS**

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

**BILL REREPORTED FROM COMMITTEE**

**SB 474, PN 1513**

By Rep. PIEVSKY

An Act amending the act of February 1, 1974 (P. L. 34, No. 15), entitled, "Pennsylvania Municipal Retirement Law," further providing for the payment of expenses of the board; and providing for approval of budget.

**APPROPRIATIONS.**

**BILLS REMOVED FROM TABLE**

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I move that the following bills be removed from the table and placed on the active calendar:

HB 1203;  
HB 1611;  
HB 1711; and  
HB 479.

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

### BILLS SIGNED BY SPEAKER

The Chair gave notice that he was about to sign the following bills, which were then signed:

#### HB 743, PN 2178

An Act amending the "Tax Reform Code of 1971" approved March 4, 1971 (P. L. 6, No. 2), further providing for exclusions from sales tax, for a minimum tax for capital stock and foreign franchise tax purposes, for an election in computing franchise tax and for the calculation of tax when tax rates are changed during a tax year; providing for the tax treatment of Pennsylvania S corporations and their shareholders; defining the phrase "installment sales method of reporting"; and further defining "sales" for the purpose of apportionment of income and, in certain cases, apportionment of capital stock value.

#### HB 1342, PN 2209

An Act amending the "County Pension Law," approved August 31, 1971 (P. L. 398, No. 96), further defining "county employe"; and providing that counties may make pickup contributions to the county employees' retirement system on behalf of county employees.

#### HB 1438, PN 1714

An Act providing for the capital budget for the fiscal year 1983-1984.

### RESOLUTIONS REPORTED FROM COMMITTEE

#### HR 160, PN 2236 By Rep. MANDERINO

Directing the Joint State Government Commission to undertake a codification of the statutes relating to insurance.

RULES.

#### HR 163, PN 2302 By Rep. MANDERINO

Urging the 98th United States Congress to take action that will limit foreign steel imports.

RULES.

### LEAVE OF ABSENCE GRANTED

The SPEAKER. Without objection, the Chair returns to leaves of absence. The Chair hears none.

The Chair recognizes the gentleman from Elk, Mr. Wachob.

Mr. WACHOB. Mr. Speaker, the gentleman from Allegheny, Mr. OLASZ, requests leave for the balance of today and Wednesday.

The SPEAKER. Without objection, leave will be granted. The Chair hears no objection.

### ANNOUNCEMENT BY SPEAKER

The SPEAKER. The Chair has been advised that a number of amendments have been offered in committee to HB 115, PN 129. There are so many amendments that it would make it impractical for anyone to read the bill and all the amendments. Therefore, the Chair is authorizing a reprinting of the bill, together with the amendments included by the Agriculture Committee.

### LEAVE OF ABSENCE CANCELED

The SPEAKER. The gentleman from Northumberland, Mr. Phillips' name will be removed from the leave list and added to the master roll call.

### BILLS REPORTED FROM COMMITTEES, CONSIDERED FIRST TIME, AND TABLED

#### HB 226, PN 2335 (Amended)

By Rep. BARBER

An Act amending the "Local Health Administration Law," approved August 24, 1951 (P. L. 1304, No. 315), further providing for State grants to county departments of health and to certain municipalities.

#### HEALTH AND WELFARE.

#### HB 628, PN 696

By Rep. BARBER

An Act requiring health insurers to cover radial keratotomy.

#### HEALTH AND WELFARE.

#### HB 1604, PN 1998

By Rep. FRYER

An Act amending the "Tax Reform Code of 1971," approved March 4, 1971 (P. L. 6, No. 2), excluding transfers between brothers and sisters or their spouses.

#### LOCAL GOVERNMENT.

#### HB 1723, PN 2336 (Amended)

By Rep. BARBER

An Act providing for the operation of vending facilities by licensed blind persons; creating a Committee of Blind Vendors; granting powers to the committee and imposing duties upon the committee; and granting powers to and imposing duties upon an administrative unit in the Department of Welfare.

#### HEALTH AND WELFARE.

#### HB 1726, PN 2337 (Amended)

By Rep. FRYER

An Act amending "The Second Class Township Code," approved May 1, 1933 (P. L. 103, No. 69), further providing for attendance at certain conferences, institutes and schools.

#### LOCAL GOVERNMENT.

#### HB 1727, PN 2338 (Amended)

By Rep. FRYER

An Act amending "The First Class Township Code," approved June 24, 1931 (P. L. 1206, No. 331), changing the rates



for per diem for attendance of appointed township officers and employees at conferences, institutes and schools.

#### LOCAL GOVERNMENT.

**HB 1752, PN 2250** By Rep. MORRIS

An Act amending the "Agricultural Land Acquisition by Aliens Law," approved April 6, 1980 (P. L. 102, No. 39), further restricting the acquisition by certain aliens of agricultural lands.

AGRICULTURE AND RURAL AFFAIRS.

#### BILL REPORTED AND REREFERRED TO COMMITTEE ON GAME AND FISHERIES

**HB 1780, PN 2284** By Rep. MORRIS

An Act providing a program of subsidization of Federal crop insurance; creating a fund; imposing powers and duties upon the Game Commission; providing for an audit; and making an appropriation.

AGRICULTURE AND RURAL AFFAIRS.

#### REPORT OF COMMITTEE OF CONFERENCE PRESENTED

Mr. COWELL presented the Report of the Committee of Conference on **HB 682, PN 2334**.

#### REMARKS ON VOTE

The SPEAKER. For what purpose does the gentleman from Allegheny, Mr. Cessar, rise?

Mr. CESSAR. Mr. Speaker, I would like to have my vote recorded on SB 1144, PN 1558. My switch, I find, was not operating, and I am not recorded as being voted. I would like to be recorded in the affirmative.

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

#### COMMUNICATION FROM TEMPLE UNIVERSITY

The SPEAKER. The Speaker acknowledges receipt of the audited financial statements for Temple University for the fiscal year ending June 30, 1983, according to law. The financial statement will be filed for the record.

The following communication was read:

Temple University  
of the Commonwealth System  
of Higher Education  
Philadelphia, Pennsylvania 19122  
December 9, 1983

The Honorable K. Leroy Irvis  
Speaker of The House  
Room 139 Main Capitol Building  
Harrisburg, Pennsylvania 17120

Dear Representative Irvis

In compliance with the act of 11(A), June 19, 1982, I submit to you herewith the Audited Financial Statements for Temple University for the fiscal year ended June 30, 1983.

Very truly yours,  
Lawrence C. Connolly  
Associate Vice  
President for  
Financial Operations  
and Assistant Treasurer

LCC:vp  
encl.

(Copy of statements are on file with the Journal clerk.)

#### SENATE MESSAGE

#### ADJOURNMENT RESOLUTION FOR CONCURRENCE

The clerk of the Senate, being introduced, presented the following extract from the Journal of the Senate, which was read as follows:

In the Senate, December 12, 1983

RESOLVED, (the House of Representatives concurring), That when the Senate adjourns this week it reconvene on Tuesday, January 3, 1984 unless sooner recalled by the President Pro Tempore and when the House of Representatives adjourns this week it reconvene on Tuesday, January 3, 1984 unless sooner recalled by the Speaker.

Ordered, That the clerk present the same to the House of Representatives for its concurrence.

On the question,  
Will the House concur in the resolution of the Senate?  
Resolution was concurred in.  
Ordered, That the clerk inform the Senate accordingly.

#### SENATE MESSAGE

#### AMENDED SENATE BILL RETURNED FOR CONCURRENCE

The clerk of the Senate, being introduced, informed that the Senate has concurred in the amendments made by the House by amending said amendments to **SB 950, PN 1595**.

Ordered, That the clerk present the same to the House requesting concurrence.

#### BILLS SIGNED BY SPEAKER

The Chair gave notice that he was about to sign the following bills, which were then signed:

**SB 206, PN 1535**

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for prohibited offensive weapons; permitting the use and possession of black-jacks by certain police officers, sheriffs and deputy sheriffs; further providing for an exception relating to antique firearms; and further providing for institutional vandalism.

**SB 966, PN 1496**

An Act amending the act of May 23, 1945 (P. L. 913, No. 367), entitled, as amended, "Professional Engineers Registration Law," reestablishing the State Registration Board for Profes-

sional Engineers; providing for certain land surveyors; and making a repeal.

**SB 967, PN 1510**

An Act amending the act of January 14, 1952 (1951 P. L. 1898, No. 522), entitled, as amended, "Funeral Director Law," reestablishing the State Board of Funeral Directors; providing for the establishment of fees; requiring reports to legislative committees; providing for civil penalties and revocations; specifying fee establishment procedures; requiring annual financial estimates; and making repeals.

**RULES SUSPENDED**

The SPEAKER. The Chair recognizes the gentleman from Cumberland, Mr. Broujos.

Mr. BROUJOS. Mr. Speaker, I move that the rules of the House be suspended so that a resolution I have to offer can be immediately taken up for consideration.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

**YEAS—188**

Afflerbach	Evans	Lucyk	Ryan
Alderette	Fargo	McCall	Rybak
Angstadt	Fattah	McClatchy	Saloom
Armstrong	Fee	McHale	Salvatore
Arty	Fischer	McIntyre	Saurman
Baldwin	Flick	McMonagle	Scheetz
Barber	Foster, W. W.	McVerry	Schuler
Battisto	Foster, Jr., A.	Mackowski	Semmel
Belardi	Freeman	Madigan	Serafini
Belfanti	Freind	Maiale	Seventy
Beloff	Fryer	Manderino	Showers
Blaum	Gallagher	Manmiller	Sirianni
Book	Gallen	Markosek	Smith, B.
Bowser	Gamble	Mayernik	Smith, L. E.
Boyes	Gannon	Merry	Snyder, D. W.
Brandt	Geist	Michlovic	Snyder, G. M.
Broujos	George	Micozzie	Spencer
Bunt	Gladeck	Miller	Spitz
Burd	Greenwood	Moehlmann	Stairs
Burns	Grieco	Morris	Steighner
Caltagirone	Gruitza	Mowery	Stewart
Cappabianca	Gruppo	Mrkonjic	Stuban
Cawley	Hagarty	Murphy	Sweet
Cessar	Haluska	Nahill	Swift
Cimini	Harper	Noye	Taylor, E. Z.
Civera	Hasay	O'Brien	Taylor, F. E.
Clark	Hayes	O'Donnell	Telek
Clymer	Herman	Oliver	Tigue
Cohen	Hershey	Perzel	Trello
Colafella	Hoeffel	Peterson	Van Horne
Cordisco	Honaman	Petrarca	Vroon
Cornell	Hutchinson	Petrone	Wachob
Coslett	Itkin	Phillips	Wambach
Cowell	Jackson	Piccola	Wargo
Coy	Jarolin	Pievsky	Wass
Deluca	Kasunic	Pistella	Weston
DeVerter	Kennedy	Pitts	Wiggins
DeWeese	Klingaman	Pott	Wilson
Daley	Kowalshyn	Pratt	Wogan
Davies	Kukovich	Preston	Wozniak
Dawida	Lashinger	Punt	Wright, D. R.
Dietz	Laughlin	Rappaport	Wright, J. L.
Dininni	Lehr	Reber	Wright, R. C.
Dombrowski	Lescovitz	Reinard	Zwikel
Donatucci	Levi	Rieger	
Dorr	Levin	Robbins	Irvis,

Duffy  
Durham

Livengood  
Lloyd

Rudy

Speaker

**NAYS—3**

Godshall

Letterman

Miscevich

**NOT VOTING—8**

Carn  
Cole

Deal  
Kosinski

Linton  
Richardson

Truman  
Williams

**EXCUSED—4**

Johnson

Marmion

Olasz

Stevens

A majority of the members elected to the House having voted in the affirmative, the question was determined in the affirmative and the motion was agreed to.

**RESOLUTION ADOPTED**

The SPEAKER. The Chair recognizes the gentleman from Cumberland, Mr. Broujos, who submits the following resolution, which the clerk will read.

The following resolution was read:

**House Resolution No. 165**

**A RESOLUTION**

Urging the Governor and the Pennsylvania Congressional Delegation to take action to assist farmers who have suffered losses by reason of the recent drought and Avian flu epidemic.

WHEREAS, The farm community has suffered substantial loss of grain crops and has suffered substantial consequential losses as a result of drought throughout the agricultural community; and

WHEREAS, The devastating effect of the drought has compounded existing hardships of the farm community, such as substantial increases in prices of feed, power and other products, a general Statewide recession and the loss of various markets; and

WHEREAS, The poultry industry of the Commonwealth is experiencing extreme financial loss, both present and future; and

WHEREAS, The traditional family farm, an integral part of Pennsylvania's history and economy, is threatened with irreparable harm; and

WHEREAS, Certain Federal and State programs can provide essential relief by making more readily available low-interest or no-interest loans and by reinstating Federal emergency feed programs and low-yield disaster payments; and

WHEREAS, Immediate action is required by the Federal and State Governments; therefore be it

RESOLVED, That the House of Representatives urge the Governor to make available immediately \$5,000,000 of emergency moneys and such General Fund moneys as the Legislature may provide for assistance to farmers; to take all steps necessary within the power and authority and influence of his office to prevail upon the United States Government to make available surplus grain commodities at reduced prices; and to take all steps necessary to obtain Federal farm relief, grants and free transportation for movement of surplus grains from point of origin; and be it further

RESOLVED, That the House of Representatives memorialize the Pennsylvania Congressional Delegation to introduce and support legislation to provide drought relief for the farmers of Pennsylvania by appropriate grants and low-interest loans, by making commodity credit corporation grains available at reduced prices, by grants and other appropriate relief; and be it further

RESOLVED, That copies of this resolution be transmitted to the Governor of the Commonwealth and to each member of Congress from Pennsylvania.

John H. Broujos  
 Samuel W. Morris  
 Joseph V. Grieco  
 H. William DeWeese  
 Kenneth J. Cole  
 David R. Wright  
 Lester K. Fryer  
 Roger F. Duffy  
 Terry E. Van Horne  
 William R. Lloyd, Jr.  
 Robert Freeman  
 Edward J. Haluska  
 Joseph A. Petrarca  
 Harold F. Mowery, Jr.  
 Kenneth E. Brandt  
 Fred C. Noye  
 Richard J. Cessar  
 Terrence F. McVerry  
 Richard A. Kasunic  
 Jeffrey W. Coy  
 A. Carville Foster, Jr.  
 Paul Wass  
 June N. Honaman  
 Harold L. Fargo  
 Terry R. Scheetz  
 George W. Jackson  
 Nicholas B. Moehlmann

On the question,  
 Will the House adopt the resolution?

The SPEAKER. The Chair recognizes the gentleman from Cumberland, Mr. Broujos.

Mr. BROUJOS. Mr. Speaker, the plight of the Pennsylvania farmer as a result of the drought is well recorded, and we do not have to dwell further on that except to reemphasize the seriousness of it. However, the nature of the programs that are available are very few. The Senate has already memorialized the Governor for the release of \$5 million through whatever funds, such as emergency moneys, are available.

In addition, the Federal Government has certain action they can take. The Federal Government has already taken action to provide emergency grain feed available. However, all of the regulations and the act itself disqualify from eligibility the very farmers, including poultrymen and cattle herds, that they seek to benefit. The people who are in most need through poultry and cattle farming have not been able to benefit in Adams County, for instance, from any of the programs.

This resolution memorializes not only the Governor but also the House of Representatives, the Pennsylvania delegation, to assist Pennsylvania farmers. I would ask, Mr. Speaker, at the end that all members of the House, with unanimous consent, be included as sponsors. I move the resolution.

The SPEAKER. The Chair thanks the gentleman.

On the resolution offered by the gentleman, Mr. Broujos, the Chair recognizes the gentleman from Centre, Mr. Letterman.

Mr. LETTERMAN. Mr. Speaker, has that resolution been put out among all the legislators?

The SPEAKER. No, it has not. The House suspended its rules so that the resolution could be offered and immediately acted upon.

There are copies of the resolution on the desks?

Mr. BROUJOS. Yes. They have been distributed this morning in fact.

The SPEAKER. The Chair stands corrected.

For the gentleman, Mr. Letterman's benefit, there is a copy of the resolution being handed to him now. Does the gentleman want time to look at it before we take the next step?

Does the gentleman from Lancaster, Mr. Brandt, want to debate the resolution?

Mr. BRANDT. Yes.

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

Mr. BRANDT. Thank you, Mr. Speaker.

I would just like to say that the resolution presently before us is one more step that we as a House of Representatives can take in continuing the effort and the concern we have for the agricultural community. Not only the resolution that the gentleman from Cumberland County has put in, but the bill that I am about to put in, with a wide range of cosponsorship, will be a continuing effort from our part on the issues of drought and the avian influenza, and I concur that we should pass HR 165.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,  
 Will the House adopt the resolution?

The following roll call was recorded:

YEAS—196

Afflerbach	Evans	Lucyk	Ryan
Alderette	Fargo	McCall	Rybak
Angstadt	Fattah	McClatchy	Saloom
Armstrong	Fee	McHale	Salvatore
Arty	Fischer	McIntyre	Saurman
Baldwin	Flick	McMonagle	Scheetz
Barber	Foster, W. W.	McVerry	Schuler
Battisto	Foster, Jr., A.	Mackowski	Semmel
Belardi	Freeman	Madigan	Serafini
Belfanti	Freind	Maiale	Seventy
Beloff	Fryer	Manderino	Showers
Blaum	Gallagher	Manmiller	Sirianni
Book	Gallen	Markosek	Smith, B.
Bowser	Gamble	Mayernik	Smith, L. E.
Boyes	Gannon	Merry	Snyder, D. W.
Brandt	Geist	Michlovic	Snyder, G. M.
Broujos	George	Micozzie	Spencer
Bunt	Gladeck	Miller	Spitz
Burd	Godshall	Miscevich	Stairs
Burns	Greenwood	Moehlmann	Steighner
Caltagirone	Grieco	Morris	Stewart
Cappabianca	Gruitza	Mowery	Stuban
Carn	Gruppo	Mrkonic	Sweet
Cawley	Hagarty	Murphy	Swift
Cessar	Haluska	Nahill	Taylor, E. Z.
Cimini	Hasay	Noye	Taylor, F. E.
Civera	Hayes	O'Brien	Telek
Clark	Herman	O'Donnell	Tigue
Clymer	Hershey	Oliver	Trello
Colafella	Hoeffel	Perzel	Truman
Cole	Honaman	Peterson	Van Horne
Cordisco	Hutchinson	Petrarca	Vroon
Cornell	Itkin	Petrone	Wachob
Coslett	Jackson	Phillips	Wambach
Cowell	Jarolin	Piccola	Wargo
Coy	Kasunic	Pievsky	Wass
Deluca	Kennedy	Pistella	Weston
DeVerter	Klingaman	Pitts	Wiggins
DeWeese	Kowalshyn	Pott	Williams

Daley	Kukovich	Pratt	Wilson
Davies	Lashinger	Preston	Wogan
Dawida	Laughlin	Punt	Wozniak
Deal	Lehr	Rappaport	Wright, D. R.
Dietz	Lescovitz	Reber	Wright, J. L.
Dininni	Letterman	Reinard	Wright, R. C.
Dombrowski	Levi	Richardson	Zwikl
Donatucci	Levin	Rieger	
Dorr	Linton	Robbins	Irvis,
Duffy	Livengood	Rudy	Speaker
Durham	Lloyd		

NAYS—0

NOT VOTING—3

Cohen	Harper	Kosinski
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the affirmative, and the resolution was adopted.

The SPEAKER. The request of the gentleman, Mr. Broujos, was that each member present have his or her name affixed to the resolution. Unless the Chair hears objection, and the Chair hears none, each member currently present will have his or her name affixed to the resolution as a sponsor.

The Chair thanks the gentleman.

**RULES SUSPENDED**

The SPEAKER. The Chair now recognizes the gentleman from Allegheny, Mr. Dawida.

Mr. DAWIDA. Mr. Speaker, I move that the rules of the House be temporarily suspended so that I may offer a resolution for immediate consideration.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—197

Afflerbach	Durham	Linton	Rudy
Alderette	Evans	Livengood	Ryan
Angstadt	Fargo	Lloyd	Rybak
Armstrong	Fattah	Lucyk	Saloom
Arty	Fee	McCall	Salvatore
Baldwin	Fischer	McClatchy	Saurman
Barber	Flick	McHale	Scheetz
Battisto	Foster, W. W.	McIntyre	Schuler
Belardi	Foster, Jr., A.	McMonagle	Semmel
Belfanti	Freeman	McVerry	Serafini
Beloff	Freind	Mackowski	Seventy
Blaum	Fryer	Madigan	Showers
Book	Gallagher	Maiale	Sirianni
Bowser	Gallen	Manderino	Smith, B.
Boyes	Gamble	Manmiller	Smith, L. E.
Brandt	Gannon	Markosek	Snyder, D. W.
Broujos	Geist	Mayernik	Snyder, G. M.
Bunt	George	Merry	Spencer
Burd	Gladeck	Michlovic	Spitz
Burns	Godshall	Micozzie	Stairs
Caltagirone	Greenwood	Miller	Steighner
Cappabianca	Grieco	Miscevich	Stewart
Carn	Gruitza	Moehlmann	Stuban
Cawley	Gruppo	Morris	Sweet
Cessar	Hagarty	Mowery	Swift
Cimini	Haluska	Mrkonic	Taylor, E. Z.
Civera	Harper	Murphy	Taylor, F. E.
Clark	Hasay	Nahill	Telek

Clymer	Hayes	Noye	Tigue
Cohen	Herman	O'Brien	Truman
Colafella	Hershey	O'Donnell	Van Horne
Cole	Hoefel	Oliver	Vroon
Cordisco	Honaman	Perzel	Wachob
Cornell	Hutchinson	Peterson	Wambach
Coslett	Itkin	Petrarca	Wargo
Cowell	Jackson	Phillips	Wass
Coy	Jarolin	Piccola	Weston
Deluca	Kasunic	Pievsky	Wiggins
DeVertter	Kennedy	Pistella	Williams
DeWeese	Klingaman	Pitts	Wilson
Daley	Kosinski	Pott	Wogan
Davies	Kowalysbyn	Pratt	Wozniak
Dawida	Kukovich	Preston	Wright, D. R.
Deal	Lashinger	Punt	Wright, J. L.
Dietz	Laughlin	Rappaport	Wright, R. C.
Dininni	Lehr	Reber	Zwikl
Dombrowski	Lescovitz	Reinard	
Donatucci	Letterman	Richardson	Irvis,
Dorr	Levi	Rieger	Speaker
Duffy	Levin	Robbins	

NAYS—0

NOT VOTING—2

Petrone	Trello
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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A majority of the members elected to the House having voted in the affirmative, the question was determined in the affirmative and the motion was agreed to.

**RESOLUTION ADOPTED**

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. Dawida, who offers the following resolution, which he has been given permission by the Chair to read before the clerk reads it. The gentleman may proceed.

Mr. DAWIDA. Mr. Speaker, before I go on, I have been asked by several members whether or not the board up there, which has not changed in numbers, is reflecting the actual recording.

The SPEAKER. The board is incorrect. The Speaker's board is correct. Apparently the board is stuck at 181 for some reason which is too arcane for the Speaker to understand or explicate, but the Speaker's board is correct.

Mr. DAWIDA. Thank you, sir.

Earlier today Representatives Rybak and Kowalysbyn and I had the pleasure of hosting a group which unfortunately had to leave, the Ukrainian Educational and Cultural Center, members of which reside in the Philadelphia and Montgomery County areas. What I am asking is a show of solidarity from the members of this House to recognize something which that group has been trying to get publicized, and that is the artificial famine which occurred in the Ukraine during 1932 and 1933.

This famine found 7 million to 10 million people starved deliberately to demolish the Ukraine as a political and individual entity. It is a blot on the history of the world which has not been correctly identified and shown for what it was.

What I am doing with this resolution is asking that this famine be recognized for what it was - the deliberate starvation of 7 million to 10 million people, which is something that no one in any good conscience can accept as a way for a country or a people to act. I ask that every member of this body vote in support of this resolution to recognize the plight that has existed in the past and still to some degree exists in the Ukraine. Thank you for your support.

The SPEAKER. The Chair thanks the gentleman.

Mr. DAWIDA. I have the similar request that Mr. Broujos made about all members being made cosponsors if they wish.

The following resolution was read:

**House Resolution No. 166**

**A CONCURRENT RESOLUTION**

Memorializing the United States Congress to support and pass House Concurrent Resolution 110.

WHEREAS, During 1932-1933 there occurred an artificial famine in the Ukraine; and

WHEREAS, This famine is one of the major examples of genocide in this century, an effort by the Soviet Union to destroy the Ukraine as a Nation; and

WHEREAS, The famine, which was largely orchestrated by Stalin, had killed between seven million and ten million people; therefore be it

RESOLVED (the Senate concurring), That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States to support and pass House Concurrent Resolution 110, which commemorates the famine victims and warns "that continued enslavement of the Ukrainian Nation, as well as within the U.S.S.R., constitutes a threat to world peace and normal relationships among the people of Europe and the world at large"; and be it further

RESOLVED, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

- Michael M. Dawida
- James L. Wright, Jr.
- Ted Stuban
- Joseph F. Markosek
- Russell Kowalyshyn
- William C. Rybak
- Paul I. Clymer
- Fred A. Trello
- Richard J. Cessar
- Joseph M. Gladeck, Jr.
- Joseph A. Lashinger, Jr.
- Mark B. Cohen
- Thomas A. Michlovic
- John N. Wozniak
- Christopher R. Wogan
- Barry L. Alderette
- Gerard A. Kosinski
- Frank J. Pistella

On the question,  
Will the House adopt the resolution?

The following roll call was recorded:

**YEAS—198**

- |            |        |           |           |
|------------|--------|-----------|-----------|
| Afflerbach | Durham | Linton    | Rudy      |
| Alderette  | Evans  | Livengood | Ryan      |
| Angstadt   | Fargo  | Lloyd     | Rybak     |
| Armstrong  | Fattah | Lucyk     | Saloom    |
| Arty       | Fee    | McCall    | Salvatore |

- |             |                 |            |               |
|-------------|-----------------|------------|---------------|
| Baldwin     | Fischer         | McClatchy  | Saurman       |
| Barber      | Flick           | McHale     | Scheetz       |
| Battisto    | Foster, W. W.   | McIntyre   | Schuler       |
| Belardi     | Foster, Jr., A. | McMonagle  | Semmel        |
| Belfanti    | Freeman         | McVerry    | Serafini      |
| Beloff      | Freind          | Mackowski  | Seventy       |
| Blaum       | Fryer           | Madigan    | Showers       |
| Book        | Gallagher       | Majale     | Srihanni      |
| Bowser      | Gallen          | Manderino  | Smith, B.     |
| Boyes       | Gamble          | Manmiller  | Smith, L. E.  |
| Brandt      | Gannon          | Markosek   | Snyder, D. W. |
| Broujos     | Geist           | Mayernik   | Snyder, G. M. |
| Bunt        | George          | Merry      | Spencer       |
| Burd        | Gladeck         | Michlovic  | Spitz         |
| Burns       | Godshall        | Micozzie   | Stairs        |
| Caltagirone | Greenwood       | Miller     | Steighner     |
| Cappabianca | Grieco          | Miscevich  | Stewart       |
| Carn        | Gruitza         | Moehlmann  | Stuban        |
| Cawley      | Gruppo          | Morris     | Sweet         |
| Cessar      | Hagarty         | Mowery     | Swift         |
| Cimini      | Haluska         | Mrkoncic   | Taylor, E. Z. |
| Civera      | Harper          | Murphy     | Taylor, F. E. |
| Clark       | Hasay           | Nahill     | Telek         |
| Clymer      | Hayes           | Noye       | Tigue         |
| Cohen       | Herman          | O'Brien    | Trello        |
| Colafella   | Hershey         | O'Donnell  | Truman        |
| Cole        | Hoeffel         | Oliver     | Van Horne     |
| Cordisco    | Honaman         | Perzel     | Vroon         |
| Cornell     | Hutchinson      | Peterson   | Wachob        |
| Coslett     | Itkin           | Petrarca   | Wambach       |
| Cowell      | Jackson         | Petrone    | Wargo         |
| Coy         | Jarolin         | Phillips   | Wass          |
| Deluca      | Kasunic         | Piccola    | Weston        |
| DeVerter    | Kennedy         | Pievsky    | Wiggins       |
| DeWeese     | Klingaman       | Pistella   | Williams      |
| Daley       | Kosinski        | Pitts      | Wilson        |
| Davies      | Kowalyshyn      | Pott       | Wogan         |
| Dawida      | Kukovich        | Pratt      | Wozniak       |
| Deal        | Lashinger       | Preston    | Wright, D. R. |
| Dietz       | Laughlin        | Punt       | Wright, J. L. |
| Dininni     | Lehr            | Rappaport  | Wright, R. C. |
| Dombrowski  | Lescovitz       | Reinard    | Zwinkl        |
| Donatucci   | Letterman       | Richardson |               |
| Dorr        | Levi            | Rieger     | Irvis,        |
| Duffy       | Levin           | Robbins    | Speaker       |

**NAYS—0**

**NOT VOTING—1**

Reber

**EXCUSED—4**

Johnson                      Marmion                      Olasz                      Stevens

The question was determined in the affirmative, and the resolution was adopted.

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

The SPEAKER. The request of the gentleman, Mr. Dawida, was that each separate member here present have his or her name affixed to the resolution. In the absence of objection, and the Chair hears none, each separate member will have his or her name affixed as a sponsor of the resolution.

**WELCOMES**

The SPEAKER. The Chair is delighted to welcome to the hall of the House, as guests of Representative Stanley Jarolin, Dennis Jarolen and Chet Madura.

The Chair also wishes to recognize that during the hiatus in which we were not on the floor of the House, a large delegation of Ukrainian Americans were here. They were here as the guests of Representative Rybak, I am told, Representative Kowalyshyn, and Representative Dawida, and they were here to dramatize the concern of the present generation of Ukrainian Americans with the holocaust which destroyed so many Ukrainians under the control of the Soviet Union. The Ukrainian Americans have been in this Commonwealth a strong people, but too often their history has not been learned by those of us who have not participated in it. We welcome them here in the Capitol, and we are delighted that they were able to come today and sorry that they were unable to remain until we came into session.

The Chair recognizes the gentleman from Northampton, Mr. Rybak.

Mr. RYBAK. Mr. Speaker, I understand they were delayed because of the time frame, but they are on their way here, and at that time I would like to be recognized for some brief, appropriate remarks.

The SPEAKER. The gentleman will be recognized.

Mr. RYBAK. Thank you.

The SPEAKER. The Chair welcomes also to the hall of the House, as guests of Representative Kosinski, Al and Harriet Carlone and their children, Michele and Louis. They are here as the guests of Representative Kosinski.

The Chair also welcomes the brother of Representative Frances Weston, Stephen Peteraf.

### ANNOUNCEMENT BY SPEAKER

The SPEAKER. The Chair suggests that the members pay attention to this announcement.

The only accurate total which will appear on any board is on the board to the right of the Speaker. That is the only board where the accurate total of the vote will appear. The other board where the total should appear is to the left of the Speaker, board No. 1, and that is defective. Consequently, the Speaker's totals are correct and will tally with the total appearing on the far board to the Speaker's right. We will be extra careful on announcing the totals so that you may hear them clearly. Of course, there certainly will be controversial votes, but we cannot wait until a repairman can get here from Virginia to repair the board to the left of the Speaker.

### CALENDAR CONTINUED

#### BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **SB 942, PN 1593**, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for financial responsibility; providing for motor vehicle insurance first party benefits; providing for uninsured and underinsured motorist coverage; providing for an Assigned Risk Plan and Assigned Claims Plan; providing for a Catastrophic Loss Trust Fund; providing for insurance premiums; providing for fraud reporting immunity; providing for judicial arbitration limits; and making repeals.

On the question,

Will the House agree to the bill on third consideration?

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. Murphy, who offers the following amendment, which the clerk will read. We are on the no-fault bill, SB 942, page 5. Mr. Murphy is offering an amendment which the clerk will read.

### PARLIAMENTARY INQUIRY

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

Mr. GALLEN. A point of parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state the point of parliamentary inquiry.

Mr. GALLEN. Mr. Speaker, yesterday I was in attendance at the Insurance Committee hearing at which this subject was discussed, and there was an attempt at that time by Mr. Murphy to offer his amendment in committee, and he was told that he was out of order, that he could not offer an amendment since another amendment had already been inserted, Mr. Speaker. I think that ruling was incorrect, and I would like to have the opinion of the Chair.

The SPEAKER. I am sorry. The Chair did not fully hear your statement because of the background noise. Please, the gentleman, Mr. Gallen, has asked a parliamentary inquiry which may have far-reaching consequences, and the Chair could not hear him.

Will the gentleman state the question again.

Mr. GALLEN. All right. Mr. Speaker, yesterday at the Insurance Committee meeting, at which this bill was discussed, Mr. Kowalyshyn's amendment was adopted. Mr. Murphy then attempted to offer his amendment to the bill. He was told by the Chair that he was out of order; he could not offer his amendment to that bill because the bill had already been amended, and the chairman said that this would be amending an amendment. Mr. Speaker, I disagree with that, and I would like to know the opinion of the Chair.

The SPEAKER. The Chair would, rather than give an off-the-cuff opinion, like to talk to the chairman, Mr. Kowalyshyn, and to the gentleman, Mr. Murphy, but for the benefit of the gentleman, Mr. Gallen, the Chair's position has always been that you may not amend an amendment, but once I amend the bill, it is then part of the bill and is subject, like any other part of the bill, to further amendment.

Mr. GALLEN. Thank you, Mr. Speaker.

Mr. Speaker, I do not want to delay the proceedings here. As a matter of fact, if you want to do further research and inform us in writing, that is fine. I just wanted to clear this up, because it was an unusual ruling as far as I was concerned.

The SPEAKER. Well, the Chair does not want to say that this will be its final position, but that appears to be the position the Chair would find itself in.

**WELCOME**

The SPEAKER. The Chair recognizes at this time the appearance of the delegation of Ukrainian Americans who have come here to remind us of the great gifts which Ukrainian Americans have given to this Commonwealth and to this Nation and to also remind us of the holocaust of starvation which wiped out millions of Ukrainians who were subject to that pressure from the Soviet Union.

We welcome them here. We advise them that the House has unanimously passed a resolution offered by the gentleman, Mr. Dawida, condemning that holocaust, stating again the power and respect to which we hold Ukrainian Americans as citizens of the United States and as citizens of this Commonwealth.

The Chair recognizes on this issue, first, the gentleman from Northampton, Mr. Rybak.

Mr. RYBAK. Thank you, Mr. Speaker.

Ladies and gentlemen of this House, what occurred 50 years ago in the Ukraine is a blot on the history of the human beings in this country and in the world. It brings to mind how lucky we are, as Americans, to live in a land where all of us are free to pursue happiness, to practice the religion of our faith, and to exercise the privilege of free speech.

I used to think about America when I was a little boy. I used to ask myself, what is the United States but a conglomerate of all of its people. The pioneers who conquered the West did so by hard work and perseverance, and where, I ask you, is the origin of that perseverance to be found? Certainly not in the air which they breathe, for the air is substantially the same in all sections of the world. That perseverance can only be found in their love of freedom, in their worship of God, and in their perseverance, and that is what America is all about. When we come to think about it, we know that America is a land of fair play. It is a system, a judicial system, which is dedicated to human rights, and all these qualities are qualities that came from other lands, of all religions and all nationalities, not the least of which were the Ukrainians and the Ukrainians who followed those pioneers who perished in that orchestrated famine 50 years ago. They contributed to this country in their ethnic food, in their culture, and in their intelligence, and that is what America is all about.

I am proud, with Russell Kowalshyn, Mike Dawida, Ted Stuban, and John Wozniak as Ukrainian Americans, to be here, to be part of this great legislative body, and I congratulate all of you for joining in that resolution to memorialize Congress in order to document this in the Senate of the United States. Thank you, Mr. Speaker. Thank you, my colleagues.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. SEVENTY. Mr. Speaker, I would like to say something to the Ukrainian people back there.

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

Mr. SEVENTY. Thank you, Mr. Speaker.

(Speaking in Ukrainian:) I welcome the Ukrainian group to Harrisburg.

The SPEAKER. If the Ukrainian American delegation will please rise to be officially welcomed, the Chair will be proud to welcome them. Please rise.

As you can see, we come in all colors; we come in both sexes; we come in different ages; but we all come to the hall of this House as Americans, and we welcome the Ukrainian Americans as among the strongest, most reliable people who have ever come to these shores, and we put that officially in the record. The Chair means it personally, and the House, each individual member, means it also.

The Chair recognizes the gentleman from Columbia, Mr. Stuban.

Mr. STUBAN. Thank you, Mr. Speaker, and thank you, Mr. Speaker, for your remarks here on the floor of this House about the Ukrainians.

I said to the Ukrainians earlier today, this is a group of people who have come to this country, have persevered, have given of their time, have contributed to government and everybody else, and have never asked for anything in return. The reason that they are here today is they are looking for a little extra money for their senior citizens center in Philadelphia, also looking for a few bucks to persevere the arts that they have brought to this country.

I said to them, in my lifetime—and I know that the Ukrainians are the type of people who have always given of themselves, contributed of themselves—this is the first time that I have ever seen a group of Ukrainians asking government to do anything for them. I take my hat off to them, because I think it has taken a long time that they have decided that they have contributed their fair share, and now all they want is a little in return. I think they are a good group for coming here today and leading the Ukrainian cause. Thank you.

The SPEAKER. The Chair thanks the gentleman.

**FILMING PERMISSION GRANTED**

The SPEAKER. The Chair has given permission for Jim Bowman of WCAU-TV to film for 10 minutes on the floor of the House.

**CONSIDERATION OF SB 942 CONTINUED**

On the question recurring,

Will the House agree to the bill on third consideration?

Mr. MURPHY offered the following amendments No. A4577:

Amend Title, page 1, lines 10 through 18, by striking out all of said lines and inserting

Amending the act of July 19, 1974 (P.L.489, No.176), entitled "An act providing for a compensation system for persons injured in motor vehicle accidents; requiring insurance for all motor vehicles required to be registered in Pennsylvania; defining compensable damage in motor vehicle accident cases; establishing an assigned claims plan; providing for arbitra-

tion; imposing powers and duties on courts, the Department of Transportation and the Insurance Commissioner; prohibiting certain discrimination; and providing penalties," redefining and adding terms; further providing for motor vehicle insurance, proof of security at vehicle inspection, the financial responsibility of owners, temporary suspension of coverage and availability of insurance; providing for settlement agreements and payment of claims and for assigned claims plans; further providing for rates, motor vehicles in interstate travel, rights and duties of obligors, basic loss and collateral benefits, work loss and net loss, additional coverage options and ineligible claimants; increasing the threshold; further providing for examinations; providing for immunity from liability for release of information; further providing for operation of a vehicle without security; providing for surrender of registration on suspension, for a penalty relating to fraudulent claims and for rates; and making a repeal.

Amend Bill, pages 2 through 48, by striking out all of said lines on said pages and inserting

Section 1. The definitions of "added loss benefits," "allowable expense," "injury," "insured," "medical and vocational rehabilitation services," "motor vehicle," "obligor," "replacement services loss," "state," "survivor," "survivor's loss" and "work loss" in section 103 of the act of July 19, 1974 (P.L.489, No.176), known as the Pennsylvania No-fault Motor Vehicle Insurance Act, are amended and a definition is added to read: § 103. Definitions.

As used in this act:

"Added loss benefits" means benefits provided by added loss insurance in accordance with section 207 of this act. Added loss benefits shall not include benefits for net loss sustained by an operator or passenger of a motorcycle.

"Allowable expense" means reasonable charges incurred for, or the reasonable value of (where no charges are incurred), reasonably needed and used products, services, and accommodations for:

- (A) professional medical treatment and care;
  - (B) emergency health services;
  - (C) medical and vocational rehabilitation services;
- and
- (D) expenses directly related to the funeral, burial, cremation, or other form of disposition of the remains of a deceased victim, not to exceed one thousand five hundred dollars (\$1,500); and].

The term does not include that portion of a charge for a room in a hospital, clinic, convalescent, or nursing home, or any other institution engaged in providing nursing care and related services, in excess of a reasonable and customary charge for semiprivate accommodations, unless more intensive care is medically required; or any amount includable in work loss, replacement services loss, or survivor's loss.

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"Injury" means accidentally sustained bodily harm to an individual and that individual's illness, disease, or death resulting therefrom which arises out of the maintenance or use of a motor vehicle.

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"Insured" means:

- (A) an individual identified by name as an insured in a contract of basic loss insurance complying with this act; and
- (B) a spouse or other relative of a named insured, a minor in the custody of a named insured, and a minor in the custody of a relative of a named insured if:
  - (i) not identified by name as an insured in any other contract of basic restoration insurance complying with this act; [and]

(ii) in residence in the same household with a named insured[.]; and

(iii) not excluded by name from the contract by specific endorsement at the request of the named insured.

An individual is in residence in the same household if he usually makes his home in the same family unit, even though he temporarily lives elsewhere.

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"Medical and vocational rehabilitation services" means services necessary to reduce disability and to restore the physical, psychological, social, and vocational functioning of a victim. Such services may include, but are not limited to, medical care, diagnostic and evaluation procedures, physical and occupational therapy, other necessary therapies, including but not limited to chiropractic care, speech pathology and audiology, optometric services, nursing care under the supervision of a registered nurse, medical social services, vocational rehabilitation and training services, occupational licenses and tools, and transportation where necessary to secure medical and vocational rehabilitation services. A basic loss obligor is not obligated to provide basic loss benefits for allowable expense for medical and vocational rehabilitation services unless the facility in which or through which such services are provided has been accredited by the Department of Health, the equivalent governmental agency responsible for health programs, or the accrediting designee of such department or agency of the state in which such services are provided, as being in accordance with applicable requirements and regulations.

"Motorcycle" means a motor vehicle with a two-wheel frame having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground.

"Motor vehicle" means a vehicle of a kind required to be registered under [the act of April 29, 1959 (P.L.58, No.32), known as The Vehicle Code,] 75 Pa.C.S. (relating to vehicles).

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"Obligor" means an insurer, self-insurer, or obligated government providing no-fault benefits in accordance with this act. The term does not include an insurer or provider of health care benefits for medical or health care or work loss through a program, group, contract or other arrangement when such insurer or other provider of such benefits or work loss is elected by the insured to be the primary source of no-fault benefits pursuant to the provisions of section 203.

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"Replacement services loss" means expenses reasonably incurred in obtaining ordinary and necessary services in lieu of those the victim would have performed, not for income, but for the benefit of himself or his family, if he had not been injured. Replacement services loss does not include expenses incurred for services performed following death of a victim.

\*\*\*

"State" means a state of the United States, the District of Columbia, Guam, [and] the Virgin Islands, and Puerto Rico.

\*\*\*

"Survivor" means:

- (A) spouse; or
- (B) child, adopted child, ward, child under guardianship of the deceased, foster child, parent, brother, sister or relative dependent upon the deceased for [support] his or her support immediately prior to the accident causing death.

"Survivor's loss" means the[;]

- (A) loss of income of a deceased victim which would probably have been contributed to a survivor or survivors, if such victim had not sustained the fatal injury; and



(B) expenses reasonably incurred by a survivor or survivors, after a victim's death resulting from injury, in obtaining ordinary and necessary services in lieu of those which the victim would have performed, not for income, but for their benefit, if he had not sustained the fatal injury,

reduced by expenses which the survivor or survivors would probably have incurred but avoided by reason of the victim's death resulting from injury.

\*\*\*

"Work loss" means:

(A) loss of gross income of a victim earned during his lifetime, as calculated pursuant to the provisions of section 205 of this act; and

(B) reasonable expenses of a victim incurred during his lifetime for hiring a substitute to perform self-employment services, thereby mitigating loss of income, or for hiring special help, thereby enabling a victim to work and mitigate loss of income earned during his lifetime.

Work loss does not include (i) loss of expected income for any period following the death of a victim, or (ii) expenses incurred for services performed following the death of a victim.

Section 2. Sections 104 and 106 of the act are amended to read:

§ 104. Required motor vehicle insurance.

(a) Security covering a motor vehicle.—Every owner of a motor vehicle which is registered or which is operated in this Commonwealth by the owner or with his permission, shall continuously provide security covering such motor vehicle while such vehicle is either present or registered in the Commonwealth. Security shall be provided for the payment of basic loss benefits, and for the payment of sums up to a total limit of thirty thousand dollars (\$30,000) which the owner or any person operating the vehicle with the express or implied permission of the owner may become liable to pay as damages because of bodily injury or death arising out of any one accident (subject to a sublimit of fifteen thousand dollars (\$15,000) for damages arising out of the bodily injury or death of any one person) and for the payment of damages for injury to or destruction of property in any one accident of amounts up to a total limit of five thousand dollars (\$5,000). The owner or any other person may provide security covering a motor vehicle by a contract of insurance with an insurer or by qualifying as a self-insurer or as an obligated government.

(a.1) Proof of security at registration or renewal of registration.—The owner of a motor vehicle shall provide proof of compliance with the security requirements of this act at the time of registration or renewal of registration of any such motor vehicle through the use of a uniform proof of purchase of insurance identification card specifying such coverage, or such other method of furnishing proof of purchase of insurance or compliance with self-insurance requirements as may be required to the department. The department shall refuse to issue registration of any motor vehicle for which satisfactory proof of compliance is not made.

(b) Self-insurance.—Self-insurance, subject to approval of the commissioner [and department], is effected by filing with the [department] commissioner in satisfactory form:

(1) a continuing undertaking by the owner or other appropriate person to pay basic [restoration] loss benefits and any tort liability required in amounts not less than those required, by subsection (a) of this section, to perform all obligations imposed in accordance with this act, and to elect to pay such added [restoration] loss benefits as are specified in the undertaking;

(2) evidence that appropriate provision exists for prompt and efficient administration of all claims, benefits, and obligations provided in accordance with this act; and

(3) evidence that reliable financial arrangements, deposits, resources, or commitments exist providing assurance substantially equivalent to that afforded by a contract of insurance complying with this act for payment of no-fault benefits, any required tort liability, and performance of all other obligations imposed in accordance with this act.

(c) Obligated government.—A government may provide security with respect to any motor vehicle owned or operated by it by lawfully obligating itself to pay basic [restoration] loss benefits in accordance with this act, and such added [restoration] loss benefits as are specified in the undertaking.

(d) Obligations upon termination of security.—An owner of a motor vehicle who ceases to maintain the security required in accordance with this act shall immediately surrender the registration certificate and license plates for the vehicle to the department and may not operate or permit operation of the vehicle in this Commonwealth until security has again been furnished as required in accordance with this act. A person other than the owner who ceases to maintain such security shall immediately notify the owner and the department, who may not operate or permit operation of the vehicle until security has again been furnished. An insurer who has issued a contract of insurance and knows or has reason to believe the contract is for the purpose of providing security shall immediately give notice to the department of the termination of the insurance. If the commissioner or department withdraws approval of security provided by a self-insurer or knows that the conditions for self-insurance have ceased to exist, he shall immediately give notice thereof to the department. These requirements may be modified or waived by the department.

(e) Temporary suspension of coverage.—An owner of a motor vehicle, who has provided security in accordance with the provisions of subsection (a) and who has one or more vehicles not in use for periods of time in excess of forty-five consecutive calendar days, may obtain from his insurer an agreement to the policy of insurance suspending temporarily any coverages for the duration of time such vehicle may not be in use: Provided, however, That such owner shall maintain basic loss benefits coverage for at least one of the vehicles during the period of suspension. In all such cases, an owner of such a motor vehicle shall not be required to surrender the registration certificate and license plates to the department as provided in subsection (d). The commissioner shall promulgate reasonable and necessary rules and regulations governing such agreements between an owner and his insurer including provisions for an equitable reduction from the annual policy premium of the insurer.

§ 106. Payment of claims for no-fault benefits.

(a) In general.—

(1) No-fault benefits are payable monthly as loss accrues. Loss accrues not when injury occurs, but as allowable expense, work loss, replacement services loss, or survivor's loss is sustained.

(2) No-fault benefits are overdue if not paid within thirty days after the receipt by the obligor of each submission of reasonable proof of the fact and amount of loss sustained, unless the obligor designates, upon receipt of an initial claim for no-fault benefits, periods not to exceed thirty-one days each for accumulating all such claims received within each such period, in which case such benefits are overdue if not paid within fifteen days after the close of each such period. If reasonable proof is supplied as to only part of a claim, but the part amounts to one hundred dollars (\$100) or more, benefits for such part are overdue if not paid within the time mandated by this paragraph. An obligation for basic loss benefits for an item of allowable expense may be discharged by the obligor by reimbursing the victim or his estate or by making direct payment to the supplier or provider of products, services, or accommodations within the time mandated by this paragraph.

Overdue payments bear interest at the rate of eighteen per cent (18%) per annum. However, if an obligor withholds payments and is later found by a court of competent jurisdiction to have had reasonable cause for the withholding of such payments, said payments shall not be overdue but shall bear interest at the rate of twelve per cent (12%) per annum from the date such payments were withheld.

(3) A claim for no-fault benefits shall be paid without deduction for the benefits or advantages which are to be subtracted from loss in calculating net loss if such benefits or advantages have not been paid or provided to such claimant prior to the date the no-fault benefits are overdue or the no-fault benefits claim is paid whichever is later. The obligor is thereupon entitled to recover reimbursement from the person obligated to pay or provide such benefits or advantages or from the claimant who actually receives them. Benefits or advantages that are subtracted and which are reasonably expected in the ordinary course of events shall be deemed to have been provided until receipt by the obligor of written notice that the amount or the payment thereof is in dispute or that for any other reason the payment may not be promptly made. Benefits subtracted by reason of this provision shall not be overdue if paid within thirty days following receipt of such notice.

(4) An obligor may bring an action to recover reimbursement for no-fault benefits which are paid upon the basis of an intentional misrepresentation of a material fact by a claimant or a supplier or provider of an item of allowable expense, if such obligor reasonably relied upon such misrepresentation. The action may be brought only against such supplier or provider, unless the claimant has intentionally misrepresented the facts or knew of the misrepresentation. An obligor may offset amounts he is entitled to recover from the claimant under this paragraph against any no-fault benefits otherwise due.

(5) An obligor who rejects a claim for basic loss benefits shall give to the claimant written notice of the rejection promptly, but in no event more than thirty days after the receipt of reasonable proof of the loss. Such notice shall specify the reason for such rejection and inform the claimant of the terms and conditions of his right to obtain an attorney. If a claim is rejected for a reason other than that the person is not entitled to basic loss benefits claimed, the written notice shall inform the claimant that he may file his claim with the assigned claims bureau and shall give the name and address of the bureau.

(6) No attorney shall petition any court of this Commonwealth for approval of any contingent fee agreement or contract which provides for such contingent fee to be deducted from or to reduce the no-fault benefits paid or payable to a claimant. Attorney's fees and costs shall be paid in accordance with section 107 with respect to payment of no-fault benefits.

(b) Release or settlement of claim.—

(1) Except as otherwise provided in this subsection, no-fault benefits shall not be denied or terminated because the victim executed a release or other settlement agreement. A claim for no-fault benefits may be discharged by a settlement agreement for an agreed amount payable in installments or in a lump sum, if the reasonably anticipated net loss does not exceed [two thousand five hundred dollars (\$2,500)] five thousand dollars (\$5,000). A claim for survivor's loss, up to the limit of liability thereof, may be discharged by settlement in a lump sum. In all other cases, a claim may be discharged by a settlement to the extent authorized by law and upon a finding, by a court of competent jurisdiction, that the settlement is in the best interest of the claimant and any beneficiaries of the settlement, and that the claimant understands and

consents to such settlement, and upon payment by the restoration obligor of the costs of such proceeding including a reasonable attorney's fee (based upon actual time expended) to the attorney selected by or appointed for the claimant. Such costs may not be charged to or deducted from the proceeds of the settlement. Upon approval of the settlement, the court may make appropriate orders concerning the safeguarding and disposing of the proceeds of the settlement and may direct as a condition of the settlement agreement, that the restoration obligor pay the reasonable cost of appropriate future medical and vocational rehabilitation services.

(2) A settlement agreement for an amount payable in installments shall be modified as to amounts to be paid in the future, if it is shown that a material and substantial change of circumstances has occurred or that there is newly-discovered evidence concerning the claimant's physical condition, loss, or rehabilitation which could not have been known previously or discovered in the exercise of reasonable diligence.

(3) A settlement agreement may be set aside if it is procured by fraud or if its terms are unconscionable.

(c) Time limitations on actions to recover benefits.—

(1) If no-fault benefits have not been paid for loss arising otherwise than from death, an action therefor may be commenced not later than two years after the victim suffers the loss and either knows, or in the exercise of reasonable diligence should have known, that the loss was caused by the accident, or not later than four years after the accident, whichever is earlier. If no-fault benefits have been paid for loss arising otherwise than from death, an action for further benefits[, other than survivor's benefits,] on account of such loss, by either the same or another claimant[;], may be commenced not later than two years after the last payment of benefits. Except as this paragraph prescribes a longer period, if the victim dies, an action for loss arising otherwise than from death may be commenced not later than one year after the victim's death.

(2) If no-fault benefits have not been paid [to the deceased victim or his survivor or survivors], for loss arising from death, either for survivor's loss or the funeral expense benefit provided under allowable expense an action for survivor's [benefits] loss or the said funeral expense may be commenced not later than [one year] two years after the death or four years after the accident from which death results, whichever is earlier. If survivor's [benefits have] loss has been paid to any survivor, an action for further survivor's [benefits] loss by either the same or another claimant may be commenced not later than two years after the last payment of benefits. If no-fault benefits have been paid for loss suffered by a victim before his death resulting from the injury, an action for survivor's [benefits] loss or the said funeral expense may be commenced not later than one year after the death or six years after the last payment of benefits, whichever is earlier.

(3) If timely action for basic restoration benefits is commenced against an obligor and benefits are denied because of a determination that the obligor's coverage is not applicable to the claimant under the provisions of section 204 of this act, an action against the applicable obligor or the obligor to whom a claim is assigned under an assigned claims plan may be commenced not later than sixty days after the determination becomes final or the last date on which the action could otherwise have been commenced, whichever is later.

(4) Except as paragraph (1), (2), or (3) prescribes a longer period, an action by a claimant on an assigned claim which has been timely presented in accordance with the provisions of section 108(c) or section 108.1(c) of this act, whichever shall be applicable to the claim, may not be commenced more than sixty days after the claimant receives written notice of rejection of the claim by the [restoration obligor] entity to which it was assigned.

(5) If a person entitled to no-fault benefits is under a legal disability when the right to bring an action for the benefits first accrues, the period of his disability is not a part of the time limited for commencement of the action.

(d) Assignment of benefits.—An assignment of or an agreement to assign any right in accordance with this act for loss accruing in the future is unenforceable except as to benefits for:

(1) work loss to secure payment of alimony, maintenance, or child support; or

(2) allowable expense to the extent the benefits are for the cost of products, services, or accommodations provided or to be provided by the assignee.

(e) Deduction and setoff.—Except as otherwise provided in this act, basic loss benefits shall be paid without deduction or setoff.

(f) Exemption of benefits.—

(1) No-fault benefits for allowable expense are exempt from garnishment, attachment, execution, and any other process or claim, except upon the claim of a creditor who has provided products, services, or accommodations to the extent benefits are for allowable expense for those products, services, or accommodations.

(2) Basic loss benefits other than those for allowable expense are exempt from garnishment, attachment, execution, and any other process or claim for benefits attributable to loss sustained within the first sixty days following the accident resulting in injury. Other basic loss benefits (except for items of allowable expense) are exempt to the extent that wages or earnings are exempt under any applicable law exempting wages or earnings from such process or claims.

Section 3. Section 108 of the act is repealed.

Section 4. The act is amended by adding a section to read:

**§ 108.1. Assigned claims plan.**

(a) Organization.—Obligors other than self-insurers and governments providing basic loss insurance in this Commonwealth shall organize and maintain, subject to approval and regulation by the commissioner, an assigned claims bureau and an assigned claims plan and adopt rules for their operation and for assessment of costs on a fair and equitable basis consistent with this act. If such bureau and plan are not organized and maintained in a manner considered by the commissioner to be consistent with this act, he shall organize and maintain an assigned claims bureau and an assigned claims plan. Each obligor insurer providing basic loss insurance in the Commonwealth shall participate in the assigned claims bureau and the assigned claims plan. Costs incurred shall be allocated fairly and equitably among the obligors.

(b) Basic loss benefits.—

(1) If this act is in effect on the date when the accident resulting in injury occurs, a victim or the survivor or survivors of a deceased victim may obtain basic benefits through the assigned claims plan established pursuant to subsection (a), if:

(A) basic loss insurance applicable to the injury cannot be identified;

(B) basic loss insurance applicable to the injury is inadequate to provide the contracted for benefits because of financial inability of an obligor to fulfill its obligations; or

(C) benefits are refused by an obligor for a reason other than that the individual is not entitled in accordance with this act to the basic loss benefits claimed.

(2) If a claim qualifies for assignment under subparagraph (A), (B) or (C) of paragraph (1), the assigned claims bureau or any entity to whom the claim is assigned is subrogated to all rights of the claimant against the obligor legally obligated to provide basic benefits to the claimant or against any successor in interest to or substitute for such obligor for such benefits as are provided by the assignee.

(3) If an individual receives basic loss benefits through the assigned claims plan, all benefits or advantages that such individual receives or is entitled to receive as a result of such injury, other than life insurance benefits or benefits by way of succession at death or in discharge of familial obligations of support, shall be subtracted from loss in calculating net loss.

(4) The assigned claims bureau shall promptly assign each claim for no-fault benefits to an assignee so as to minimize inconvenience to claimants and shall notify the claimant of the identity and address of such assignee. Subject to the terms and limitations of this section, the assignee thereafter has rights and obligations as if it had issued a policy of basic loss benefits insurance complying with this act, but not in excess of the basic loss benefits insurance or self-insurance contract, if any, in substitution for which the claim is assigned.

(c) Time limitations on filing claims.—

(1) Except as provided in paragraph (2), an individual authorized to obtain basic loss benefits through the assigned claims plan shall notify the assigned claims bureau of his claim within the time that would have been allowed pursuant to section 106(c) for commencing an action for basic loss benefits against any obligor, other than an assigned claims bureau.

(2) If timely action for basic loss benefits is commenced against an obligor who is unable to fulfill its obligations because of financial inability, an individual authorized to obtain basic loss benefits through the assigned claims plan shall notify the bureau of his claim within six months after his discovery of such financial inability.

(d) Ineligible claimants.—An individual, whether resident of this Commonwealth or not, who does not comply with the requirement of providing security for the payment of basic loss benefits, if he is injured while occupying a motor vehicle for which there is no security in force applicable to his injury or loss, or an individual as to whom the security is invalidated because of his fraud or willful misconduct, shall not be entitled to receive benefits under the assigned claims plan. An individual, whether resident of this Commonwealth or not, who operates a motor vehicle with knowledge that security required by this act is not in effect with respect to such operation shall not be entitled to receive benefits under the assigned claims plan if injured in the course of such operation.

(e) Limitation on benefits.—An individual, whether resident of this Commonwealth or not, who qualifies for payment of basic loss benefits under the assigned claims plan is entitled to claim basic loss benefits only and shall not be afforded the benefit of any other mandated or optional insurance or security coverages required under this act or any other law.

Section 5. Sections 110 and 111 of the act are amended to read:

**§ 110. Motor vehicles in interstate travel.**

(a) General.—An owner of a motor vehicle who has complied with the requirements of security covering a motor vehicle in this Commonwealth shall be deemed to have complied with the requirements for such security in any state in which such vehicle is operating.

(b) Conforming coverage.—

(1) An obligor providing security for the payment of basic loss benefits shall be obligated to provide, and each contract of insurance for the payment of basic loss benefits shall be construed to contain, coverage sufficient to satisfy the requirements for security covering a motor vehicle in any state in which any victim who is a claimant or whose survivors are claimants is domiciled or is injured.

(2) An obligor providing security for the payment of basic loss benefits shall include in each contract of insurance for the payment of basic loss benefits, coverage to protect the

owner or operator of a motor vehicle from tort liability to which he is exposed through application of the law of any state in which the motor vehicle may be operated and arising out of the ownership, maintenance or use of a motor vehicle.

**(c) Applicable law.—**

(1) The basic loss benefits available to any victim or to any survivor of a deceased victim shall be determined pursuant to the provisions of the state no-fault plan for motor vehicle insurance in effect in the state of domicile of the victim on the date when the motor vehicle accident resulting in injury occurs. If there is no such state no-fault plan in effect or if the victim is not domiciled in any state, then basic loss benefits available to any victim shall be determined pursuant to the provisions of the state no-fault plan for motor vehicle insurance, if any, in effect in the state in which the accident resulting in injury occurs.

(2) The right of a victim or of a survivor of a deceased victim to sue in tort shall be determined by the law of the state of domicile of such victim. If a victim is not domiciled in a state, such right to sue shall be determined by the law of the state in which the accident resulting in injury or damage to property occurs.]

**(c) Nonduplication of economic detriment benefits.—**

(1) The basic loss benefits available to a victim or to the survivor of a deceased victim who is domiciled in this Commonwealth and who shall be injured in a motor vehicle accident in any other state shall be determined pursuant to the provisions of this act. Obligors providing security to the owner or operator of a motor vehicle who is domiciled in another state for the payment of basic loss benefits and coverage to protect the owner or operator of a motor vehicle from tort liability to which he is exposed through the application of the law of any state in which the motor vehicle may be operated shall provide in the contract of insurance issued by said obligor for payment of basic loss benefits determined pursuant to the provisions of this act while such vehicle is being operated in this Commonwealth.

(2) When a victim or a survivor of a deceased victim domiciled in this Commonwealth and injured in another state as the result of a motor vehicle accident has a cause of action in such other state for recovery of economic detriment suffered as a consequence of such injury, an obligor providing basic loss benefits has and may contract for a right of subrogation or reimbursement for basic loss benefits paid, but only to the nature and extent of basic loss benefits paid to or on behalf of the victim or the survivor of a deceased victim which the victim or survivor may recover in any such action. An obligor's right of subrogation shall be subordinated to the victim's or survivor's right of action to recover economic detriment suffered in excess of any economic detriment not recoverable by the victim or survivor from the obligor because of any limitation in the payment of basic loss benefits in accordance with section 202(a), (b), (c) or (d) and the victim's or survivor's right of action to recover damages for noneconomic detriment.

#### § 111. Rights and duties of obligors.

**(a) Reimbursement and subrogation.—**

(1) Except as provided in paragraphs (2) and (3) of this subsection and section 110, an obligor:

(A) does not have and may not contract, directly or indirectly, in whole or in part, for a right of reimbursement from or subrogation to the proceeds of a victim's claim for relief or to a victim's cause of action for noneconomic detriment; and

(B) may not directly or indirectly contract for any right of reimbursement based upon a determination of fault from any other obligor not acting as a reinsurer for no-fault benefits which it has paid or is obligated to pay as a result of injury to a victim.

[(2) Whenever an individual who receives or is entitled to receive no-fault benefits for an injury has a claim or cause of action against any other person causing the injury as based upon a determination of fault, the obligor is subrogated to the rights of the claimant only for:

(A) elements of damage compensated for by security for the payment of no-fault benefits in excess of the minimum basic loss benefits required under this act are recoverable; and

(B) the obligor has paid or become obligated to pay accrued or future no-fault benefits in excess of the minimum basic loss benefits required under this act.]

(2) Whenever an individual who receives or is entitled to receive no-fault benefits for an injury has a claim or cause of action for the same elements of economic detriment against any other person causing the injury based upon a determination of fault, the obligor is subrogated to the rights of the claimant only for the same elements of economic detriment compensated for by security for the payment of no-fault benefits the obligor has paid or has become obligated to pay for accrued or future benefits in excess of basic loss benefits required under this act except that said obligor does not have nor may not contract for a right of subrogation to recover any economic detriment recovered by the victim or survivor not compensated for because of any limitation in applicable security in accordance with section 202(a), (b), (c) or (d).

(3) Nothing in this subsection shall preclude any person supplying or providing products, services, or accommodations from contracting or otherwise providing for a right of reimbursement to any basic [restoration] loss benefits for allowable expense.

[(4) In no event shall any entity providing benefits other than no-fault benefits to an individual as described in section 203 of this act, have any right of subrogation with respect to said benefits.]

(b) **Duty to pay basic loss benefits.—**An obligor providing security for the payment of basic loss benefits shall pay or otherwise provide such benefits without regard to fault to each individual entitled thereto, pursuant to the terms and conditions of this act.

(c) **Indemnity.—**An obligor has a right of indemnity against an individual who has converted a motor vehicle involved in an accident, or against an individual who has intentionally injured himself or another individual, for no-fault benefits paid for:

(1) the loss caused by the conduct of that individual;

(2) the cost of processing the claims for such benefits; [and]

(3) payments under the assigned claims plan to an individual who does not comply with the requirement of providing security for the payment of basic loss benefits or whose security has been invalidated because of fraud or willful misconduct; and

[(3)] (4) the cost of enforcing this right of indemnity, including reasonable attorney's fees.

(d) **Referral for rehabilitation services.—**The obligor shall promptly refer each victim to whom basic loss benefits are expected to be payable for more than two months to the State vocational rehabilitation agency.

**(e) Nonduplication of benefits under uninsured motorist coverage.—**Every victim or survivor of a deceased victim making claim under the uninsured motorist coverage prescribed by the act of August 14, 1963 (P.L.909, No.433), entitled "An act requiring, with limitations, that insurance policies insuring against loss occurring in connection with motor vehicles provide protection against certain uninsured motorists," or under any other form of uninsured or underinsured motorist coverage that may be hereafter provided or required to be offered or provided shall be entitled to make claim for noneconomic detriment and economic det-

riment only to the extent that said claim for economic detriment is for elements of economic detriment not compensated for by security for the payment of no-fault benefits or because of limitations in applicable security in accordance with section 202(a), (b), (c) or (d). No obligor shall make any payment under any uninsured motorist coverage for any element of economic detriment for which the victim or survivor of a deceased victim has been compensated for or for which the obligor has paid or has become obligated to pay for accrued or future benefits by security for the payment of no-fault benefits.

(f) Tort payment without regard for rights of obligor having reimbursement interest.—An obligor with a right of subrogation or reimbursement interest who shall suffer loss from inability to collect such reimbursement out of a payment received by a claimant upon a tort claim is entitled to indemnity from one who, having notice of the obligor's interest, made such a payment to the claimant without making the claimant and the insurer joint payees as their respective interests may appear, or without obtaining the obligor's consent to a different method of payment.

Section 6. Sections 202, 203, 204 heading, 205(c), 206(a), 207, 208(a)(1), 301(a)(4) and (5) and 401 of the act are amended, paragraphs are added to section 301(a) and a subsection is added to section 301 to read:

§ 202. Basic loss benefits.

(a) Allowable expense limits.—Allowable expense, as defined in section 103 of this act shall be provided for an amount not less than the sum of one million dollars (\$1,000,000) or the equivalent in the form of a contract to provide for services required. Insureds may obtain lower limits of allowable expense coverage in appropriate increments to an amount not less than one hundred thousand dollars.

(b) Work loss limits.—Work loss, as defined in section 103 shall be provided:

(1) up to a monthly maximum of:

(A) one thousand dollars (\$1,000) multiplied by a fraction whose numerator is the average per capita income in this Commonwealth and whose denominator is the average per capita income in the United States, according to the latest available United States Department of Commerce figures; or

(B) the disclosed amount, in the case of a named insured who, prior to the accident resulting in injury, voluntarily discloses his actual monthly earnings to his obligor and agrees in writing with such obligor that such sum shall measure work loss; and

(2) up to a total amount of [fifteen thousand dollars (\$15,000)] twenty thousand dollars (\$20,000).

(c) Replacement services losses.—Replacement services loss, as defined in section 103 shall be provided up to a daily maximum of twenty-five dollars (\$25) for an aggregate period of one year.

[(d) Survivors losses.—Survivors loss, as defined in section 103 shall be provided in an amount not to exceed five thousand dollars (\$5,000).

(e) [d] Deductibles; waiting period.—Allowable expense, work loss and replacement services loss may include provisions to provide:

(1) a deductible not to exceed [one hundred dollars (\$100)] five hundred dollars (\$500) for each individual and one thousand five hundred dollars (\$1,500) in the aggregate for three or more individuals arising out of any one accident; or

(2) with respect to work loss or replacement services only, a waiting period not to exceed [one week] four weeks.

Such deductible or waiting period shall be elected in writing upon a form approved by the Insurance Commissioner and, if elected, shall be effective only as against the named insured and his or her immediate family.

(e) Stacking of basic loss benefits prohibited.—Unless an insurer expressly provides otherwise, basic loss benefits and uninsured and underinsured motorists coverage shall not be increased by stacking the limits of coverage of multiple motor vehicles covered by the same policy or multiple policies covering the individual for the same loss.

§ 203. Collateral benefits.

(a) If benefits other than no-fault benefits are provided to an individual through a program, group, contract or other arrangement for which some other person pays in whole or in part that would inure to the benefit of a victim or the survivor of a deceased victim injured as a result of an accident in the absence of no-fault benefits, then any reduction or savings in the direct or indirect cost to such person of such benefits resulting from the existence of no-fault benefits shall be returned to such individual or utilized for his benefit.

(b) The owner or operator of a motor vehicle may elect to provide for security in whole or in part for the payment of basic loss benefits through a program, group, contract or other arrangement that would pay to or on behalf of the victim or members of his family residing with him or the survivor of a deceased victim, allowable expense, loss of income, work loss, replacement services loss and survivors loss. In all such instances, each contract of insurance issued by an insurer shall be construed to contain a provision that all basic loss benefits provided therein shall be in excess of any valid and collectible benefits otherwise provided through such program, group, contract or other arrangement as designated at the election of the owner or operator which shall be primary.

(c) An insurer providing basic loss benefits and tort liability in accordance with the provisions of subsection (b) above shall reduce the cost of such contract of insurance to reflect the anticipated reduction in basic loss benefits payable by the insurer by reason of the election of the owner or operator to provide substitute security.]

(a) Election by named insured.—Every obligor providing security covering a motor vehicle shall offer options to the named insured to elect to provide security, in whole or in part, for the payment of basic loss benefits through a program, group, contract or other arrangement that would pay to, or on behalf of, the victim or members of his family residing with him or to or on behalf of the survivor of a deceased victim, allowable expense, loss of income, work loss, replacement services loss, or survivors loss. In all such instances in which the named insured exercises such an election, each contract of insurance issued by an insurer shall be construed to contain a provision that all basic loss benefits provided therein shall be in excess of any valid and collectible benefits otherwise provided through such program, group, contract or other arrangement which as designated at the election of the owner or operator shall be primary. If no such election is made, then any group program, group contract or similar group arrangement shall be construed, with respect to any claim arising from any accident occurring fourteen months or more after the effective date of this amendatory act, to contain a provision that the coverage thereunder shall be in excess of, and not in duplication of, any valid and collectible allowable expense contained in any security covering a motor vehicle which, because of the absence of such election, shall be primary. Notwithstanding the foregoing, if any group program, group contract or similar group arrangement is provided pursuant to a collective bargaining agreement in effect on the effective date of this amendatory act and the then current term of which does not expire within fourteen months thereafter, then the foregoing automatic elimination of duplicate allowable expense shall not apply until the current term of said collective bargaining agreement has expired or until thirty-six months after the effective date of this amendatory act, whichever is shorter.

(b) Return of savings.—If benefits other than no-fault benefits are provided to an individual through a program, group, contract or other arrangement for which the individual's employer or some other person pays in whole or in part that would inure to the benefit of a victim or the survivor of a deceased victim injured as the result of an accident in the absence of no-fault benefits, then any reduction or savings in the direct or indirect cost to such employer or other person of such benefits resulting from the existence of no-fault benefits shall be utilized for his benefit by the employer or other person providing such other benefits. The requirements of these provisions shall be satisfied by a reduction in premium or an increase in benefits in any program, group, contract or other arrangement that is attributable to good experience resulting from the existence of no-fault benefits.

(c) Reduction of cost.—An insurer providing basic loss benefits and tort liability in accordance with the provisions of subsection (a) shall reduce the cost of such contract of insurance to reflect the anticipated reduction in basic loss benefits payable by the insurer by reason of the election of the owner or operator to provide substitute security.

(d) Information program.—The commissioner shall formulate a program and promulgate rules and regulations to provide for dissemination of information to the public of the options available pursuant to subsection (a) which reduce the cost of maintaining security covering a motor vehicle. Every insurer or agent of an insurer offering security under the provisions of this act shall affirmatively inform the insured in writing of the right of the insured to elect to provide security through a program, group, contract or other arrangement of medical benefits, and shall further specify the anticipated savings in no-fault medical benefit premium by percentage or by actual dollars of the options and savings in accordance with the rules and regulations promulgated.

(e) Certification by insured of other security.—Basic loss insurers may require policyholders to certify as to the existence of other security and such other reasonable information as to such security as may be required.

(f) Construction of section.—This section shall not be construed to effect, limit or impair section 106(d).

(g) Definitions.—As used in this section "program, group, contract or other arrangement" shall include, but not be limited to, benefits payable by a hospital plan corporation subject to 40 Pa.C.S. § 6101 (relating to definitions) or a professional health service corporation subject to 40 Pa.C.S. § 6301 (relating to application of chapter).

§ 204. Source of basic [restoration] loss benefits.

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§ 205. Work loss.

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(c) Not employed.—The work loss of a victim who is currently employable but not employed when the accident resulting in injury occurs shall be calculated by:

(1) determining his probable weekly income by dividing his probable annual income by fifty-two; and

(2) multiplying that quantity by the number of work weeks, or fraction thereof, if any, the victim would reasonably have been expected to realize income during the accrual period.

For purposes of this subsection, a currently employable victim is one who could reasonably expect to find employment, for which he is fitted by training or experience, within a period of one year and, if employment opportunity were available, could reasonably be expected to accept it.

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§ 206. Net loss.

(a) General.—Except as provided in section [108(a)(3)] 108.1(b)(3) of this act, all benefits or advantages (less reasonably incurred collection costs) that an individual receives or is entitled

to receive from social security (except those benefits provided under Title XIX of the Social Security Act and except those medicare benefits to which a person's entitlement depends upon use of his so-called "life-time reserve" of benefit days) workmen's compensation, any State-required temporary, nonoccupational disability insurance, and all other benefits (except the proceeds of life insurance) received by or available to an individual because of the injury from any government, unless the law authorizing or providing for such benefits or advantages makes them excess or secondary to the benefits in accordance with this act, shall be subtracted from loss in calculating net loss.

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§ 207. [Added loss benefits] Additional coverage options.

(a) [Mandatory offering] Availability of coverage.—Obligors other than self-insurers or governments providing security for the payment of basic loss benefits shall [offer or obligate themselves to provide added loss benefits] make available additional insurance for injury or damage arising out of the ownership, maintenance, or use of a motor vehicle, including:

(1) loss excluded from basic loss benefits by limits on [allowable expense,] work loss, replacement services loss, and survivor's loss;

(2) [benefits] insurance for damage to property;

(3) [benefits] insurance for loss of use of a motor vehicle;

(4) benefits for expense for remedial religious treatment and care;

(5) insurance for physical damage to a motor vehicle, a coverage for all collision and upset damage, subject to an optional deductible and comprehensive material damage coverage, subject to an optional deductible; and

(6) for economic detriment, a coverage for work loss sustained by a victim in excess of limitations on basic loss benefits for work loss.

(7) Survivors loss insurance in the amount of ten thousand dollars (\$10,000).

(b) Additional loss coverage.—Subject to the approval of terms and forms by the commissioner, obligors may offer or obligate themselves to provide other [added loss coverages] coverage options.

The commissioner may adopt rules requiring that insurers providing basic loss insurance offer, in accordance with this act, any other specified added loss coverages and promulgate regulations with respect thereto.

(c) Named insurer required.—The coverage which is offered pursuant to this section shall not be provided, or deemed provided under any provision of this act, except upon the election of a named insured under a policy of motor vehicle insurance issued by an insurer.

§ 208. Ineligible claimants.

(a) Converter.—

(1) [Except as provided for assigned claims, a] A converter of a motor vehicle is ineligible to receive no-fault benefits, including benefits otherwise due him as a survivor, from any source other than a contract of insurance under which he is an insured, for any injury arising out of the maintenance or use of the converted vehicle. If a converter dies from such injuries, his survivor or survivors are not entitled to no-fault benefits for survivor's loss from any source other than a contract of insurance under which the converter is an insured.

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§ 301. Tort liability.

(a) Partial abolition.—Tort liability is abolished with respect to any injury that takes place in this State in accordance with the provisions of this act if such injury arises out of the maintenance or use of a motor vehicle, except that:

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(4) A person remains liable for loss which is not compensated because of any limitation in accordance with section 202 (a), (b), (c) or (d) of this act and nothing in this act shall be construed to have limited or impaired the right to recover at law as heretofore for an element of economic detriment for which there is no applicable security under the provisions of this act. A person is not liable, however, for loss which is not compensated because of limitations in accordance with subsection (e) of section 202 of this act.

(4.1) A person remains liable for loss upon conviction of operating a motor vehicle while under the influence of alcohol or other controlled substance.

(4.2) A person remains liable for loss upon conviction of operating a motor vehicle in wanton disregard for the safety of persons or property.

(5) A person remains liable for damages for non-economic detriment if the injury sustained in the accident results in:

(A) death or serious and permanent injury; or

(B) the reasonable value of reasonable and necessary medical and dental services, including prosthetic devices and necessary ambulance, hospital and professional nursing expenses incurred in the diagnosis, care and recovery of the victim, exclusive of diagnostic x-ray costs and rehabilitation costs in excess of one hundred dollars (\$100) is in excess of [seven hundred fifty dollars (\$750)] two thousand five hundred dollars (\$2,500). For purposes of this subclause, the reasonable value of hospital room and board shall be the amount determined by the Department of Health to be the average daily rate charged for a semi-private hospital room and board computed from such charges by all hospitals in the Commonwealth[:]. Commencing one year following the effective date of this amendatory act, and annually thereafter, the commissioner shall adjust the monetary limits contained in this subclause to reflect the increase or decrease of the health care component of the United State Bureau of Labor Statistics document entitled "Consumer Price Index For All Urban Consumers of the Consumer Price Index Detailed Report" for the preceding twelve months, as it relates to Pennsylvania; or

(C) medically determinable physical or mental impairment which prevents the victim from performing all or substantially all of the material acts and duties which constitute his usual and customary daily activities and which continues for more than sixty consecutive days; or

(D) injury which in whole or in part consists of cosmetic disfigurement which is permanent, irreparable and severe.

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(c) Statute of limitations.—Except as section 106(c)(1), (2) or (3) of this act may otherwise prescribe, any action to recover damages for economic loss or non-economic detriment shall be commenced not later than two years following the date of the occurrence that has given rise to such action.

#### § 401. Examination.

Whenever the mental or physical condition of a [person] victim is material to any claim that has been or may be made for past or future basic loss benefits, [a court of competent jurisdiction may order the person to submit to mental or physical examination by a physician or physicians. The order may be made only on the motion for good cause shown and upon notice to the person to be examined and to all other persons having an interest and shall specify the time, place, manner, conditions, and scope of the examination and the person or persons by whom it is to be made.] such victim, upon request of an obligor, shall submit to mental or physical examination by a physician or physicians. The

cost of any such examination requested by an obligor shall be borne entirely by the obligor. Any such examination shall be conducted within the city or county of residence of the victim, but if there is no qualified physician to conduct the examination within such city or county of residence of the victim, then such examination shall be conducted in an area of closest proximity to the victim's residence. If the victim shall refuse to submit to any such examination, a court of competent jurisdiction may, upon the motion or petition of the obligor, require the victim to be examined by such physicians selected and paid by the obligor or by a physician or physicians designated by the court and paid by the obligor. The victim shall have at all times the right to have a physician, selected and paid by the victim, participate in any such examination.

Section 7. The act is amended by adding a section to read:

#### § 409. Release of information; immunity from liability.

Any person who releases information, whether oral or written, acting in good faith, pursuant to the requirements of sections 106(a)(5), 109(d), 401, 402 and 408(a), (b) or (d) or pursuant to any proceeding for the release, discovery or production of information under this act is immune from liability, whether civil or criminal, that might otherwise be incurred or imposed.

Section 8. Section 601 of the act is repealed.

Section 9. Section 602 of the act is amended to read:

#### § 602. [Excessive charges] Fraudulent claims.

[Any person who charges, demands, receives or collects for hospital or medical products, services or accommodations rendered in the treatment of an injured person or for rehabilitative occupational training or for legal services rendered in connection with a claim for basic loss benefits, any amount in excess of that authorized by this act with awareness that the charge is in excess of that authorized is guilty of a misdemeanor and upon conviction may be fined not less than one hundred dollars (\$100) or more than five hundred dollars (\$500) or may be imprisoned for not more than six months or both.]

Any person who knowingly issues false claims or statements to an insurance company or is employed in any artifice or scheme with the intent to deceive or defraud such company, is guilty of a felony of the third degree and upon conviction thereof shall be sentenced to imprisonment for a period not to exceed seven years, or a fine of not more than fifteen thousand dollars (\$15,000), or both. This section shall apply to the following conduct:

(1) Statements, oral or written, as part of or supporting a claim for payment or benefit pursuant to an insurance policy.

(2) Acts or statements by physicians, osteopaths, chiropractors or other practitioners including specialists, licensed in Pennsylvania, which are directed towards urging or assisting an insured to fraudulently violate these provisions:

(A) This paragraph shall include any practitioner who knowingly or willfully benefits from proceeds resulting from such fraud.

(B) If any State-licensed practitioner is adjudicated guilty of a violation of this section, the appropriate licensing authority shall hold an administrative hearing to consider the imposition of administrative sanctions, as the authority sees fit.

(3) Attorneys who knowingly or willfully assist or urge a claimant to fraudulently violate this section.

(4) All persons who knowingly benefit due to any assistance or urging on the part of the attorney.

(5) Persons, employees, administrators or governmental units licensed to operate a hospital, who knowingly or willfully allow the use of the facilities in a scheme or conspiracy which violates this section. Any adjudication of guilt for a violation of this paragraph shall be grounds for revocation or suspension of the hospital's license, or imposition of a penalty of up to five thousand dollars (\$5,000).

(6) Persons, firms, partnerships, copartnerships or associations, which, for purposes of making motor vehicle tort claims, participate in the solicitation of business in or about any:

- (A) hospital;
- (B) court; or
- (C) public institution, street or highway.

Section 10. The act of August 14, 1963 (P.L.909, No.433), entitled "An act requiring, with limitations, that insurance policies insuring against loss occurring in connection with motor vehicles provide protection against certain uninsured motorists," is repealed.

Section 11. This act applies to insurance policies issued or renewed on or after the effective date of this act.

Section 12. This act shall take effect July 1, 1984, or immediately, whichever is later.

On the question,

Will the House agree to the amendments?

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

Mr. MURPHY. Thank you, Mr. Speaker.

This is amendment A4577, and it is an important amendment in that it deals with compulsory no-fault. It is a reform measure, not a repeal of no-fault. It continues to maintain compulsory insurance.

I would like to point out, on all of your desks is a comparison of SB 942 and what my amendment will do. Let me go over that briefly.

In SB 942 is a \$5 charge to create a catastrophic fund. That \$5 charge is on your automobile registration. That is \$5 per year, and in the legislation it says that we will keep it at \$5 for 3 years.

I want to point out to you that time and again the insurance industry has said to us that the cost of injury over \$100,000 is the riskiest portion of insurance and the most difficult to charge for, and yet here we are today talking about the State taking over that system and creating a new bureaucracy to run it and oversee it, and if any of you believe that that \$5 registration fee will stay at \$5, then let me sell you the Brooklyn Bridge, because it is not going to stay at \$5; it is going to go up. As claims go up and as hospital costs go up, that cost will go up also. Your constituents do not want to pay that \$5 additional on their registration fees. It also raises serious concerns about how the coverage will be provided, whether your constituents will have enough coverage for the accidents they have, and it turns an efficient system of medical provision into a State bureaucracy, and I think that is a real concern.

My amendment, on the other hand, provides for compulsory \$1 million medical coverage. That will cover 99.7 percent of the claims in Pennsylvania, essentially cover everybody in Pennsylvania who has had an automobile accident and has had serious losses.

In addition, I believe it is important to require compulsory liability. Let us talk about liability a little bit. What does that mean? Under SB 942, the liability coverage is optional. If a person buys insurance, they will be required to buy liability. It is not called liability though; it is called "financial responsibility," which means you do not even need any liability insur-

ance. You could put a house up for financial responsibility, a boat, and you could write anything down on the form because there is no enforcement of that liability provision or that responsibility provision.

What I see happening, in effect, is those of you who have assets to protect - a home, some other things - you are going to want to buy coverage. You will want to protect those coverages, so you will want to get liability coverage. You also will want medical coverage, and in doing that you will buy the protection. Those individuals who have no assets do not want any protection at all and will not buy any insurance. When your constituent has an accident with that person, they are not going to be able to have any protection, anything to recover against, because the person will not have liability insurance. If the uninsured motorist in Pennsylvania is a problem now, that problem is going to increase dramatically with the adoption of SB 942. That will not happen with my bill.

Finally, let us talk about cost. The most important part of this debate is that the no-fault system is out of control and it costs too much. And that might be true. I think that is a debatable point. But let us assume that that is true. If that is true, then what are we doing? Does SB 942 lower the cost? I do not believe so, but I know that my amendment will provide reasonable coverages for individuals because it does a couple of things to get those coverages under control.

One, it deals with a lot of the major deficiencies of the original no-fault bill - the question of double dipping, the question of stacking, the question of the uninsured motorist being able to collect. It eliminates those abuses of the system. At the same time, it raises the threshold to \$2,500 with the medical care index for Pennsylvania. In doing that, it keeps some lawsuits out of the system and is able to provide lower costs.

And I again urge you to look at the comparison before you. If you look at that comparison, you will see in Pennsylvania for no-fault that the average rate is \$152 today for the present system. Under SB 942, that average rate will be \$135 if you want to buy just basic liability and \$5,000 medical coverage. Under my plan, it will be \$127, which is cheaper than what this bill does. So if you are concerned about cost, I suggest that you support my amendment.

If you are concerned about getting people coverage when they have an automobile accident, which is important, I urge you to look at the letter that you received from the Pennsylvania Rehabilitation Association. They are very concerned about SB 942 and in fact oppose it, because they know that under that bill, rehabilitation services will be slow in coming, will sometimes not be coming, and will leave people in a desperate situation. Under my amendment with \$1 million medical coverage, you are assured effective and rapid rehabilitation efforts for people.

I think that is what we are doing here. We are trying to balance cost versus benefits. And I urge you to look and compare the two, because in SB 942, what we are doing is giving away tremendous benefits that we have for the people of this State for a marginal or no reduction in cost, and in that regard this bill is a sham. You are not going to save money.



The only way you save money is if you do not buy any insurance at all, and I do not know that you want to do that, encourage people not to have insurance. In my amendment we are providing reasonable medical coverage, we are providing liability insurance, we are providing an increased work loss from \$15,000 to \$20,000 and we are providing it at a more reasonable cost than either SB 942 or what people are paying for now.

I urge your support of my amendment. It is a critical issue for the people of Pennsylvania, and I urge you to do what is right and just for those people. Please support amendment A4577. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Mifflin, Mr. DeVerter.

Mr. DeVERTER. Thank you, Mr. Speaker.

Mr. Speaker, I rise in support of the Murphy amendment. The Murphy amendment contains all of those reform measures including cleaning up those court interpretations that have so badly emasculated the no-fault insurance plan.

As many of you know, I have stood on this floor many a time trying to grab your attention, if you will, to address this matter in a very sincere and dedicated way. I think with the caucuses that were held today there is a better understanding among all the members of what we are attempting to do. What we are attempting to do with SB 942, as it is presently constituted without the Murphy amendment, is not the right thing to do. I concur with Mr. Murphy's amendment and, without being repetitive, would only ask you to give it your consideration and your vote. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Montgomery, Mr. Hoeffel.

Mr. HOEFFEL. Thank you, Mr. Speaker.

I rise in opposition to the Murphy amendment, Mr. Speaker. I rise because the amendment contains what I consider to be a fatal flaw; that is, that Mr. Murphy would continue the monetary threshold that exists in current law. He would raise that threshold. Current law has it at \$750; Mr. Murphy would place it at \$2,500. But the concept of a monetary threshold that must be reached before someone can sue, and after it is reached someone may sue, is in my judgment a fatal flaw to any no-fault bill. It dooms that law to an extraordinary amount of fraud and increased costs as both accident victims and unscrupulous doctors and medical personnel and hospitals collaborate in driving up costs, reaching the monetary threshold, and allowing a lawsuit to commence.

I think that is a fatal flaw. It will continue the rise in no-fault cost. I think it is something that we cannot allow to continue. The monetary threshold is what drove up the cost of the current law. If it is \$750, \$2,500, it really does not matter. If there is a monetary threshold there will be an incentive for people to engage in fraud to reach that level. Most insurance experts said in 1974 that the inclusion in our law of a monetary threshold would drive up costs and destroy the pure

no-fault concept. They were absolutely right. The combination of a monetary threshold and compulsory medical benefits simply encourages too many people to take advantage of the system. I think that we should oppose any change in the law that continues a monetary threshold. Thank you.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. GAMBLE. Mr. Speaker, I rise in support of the Murphy amendment. SB 942, as it stands, guarantees one thing, and that is that the insurance coverage will be diminished. It does not guarantee a reduction in the premium. I do not personally want to vote for a no-fault reform package that cuts the insurance coverage and will possibly increase the consumer's premium because the threshold is removed. I do not want to do that especially since I am tacking \$5 on the auto registration fee July 1, which the consumer has been told is necessary to lower their premium.

The American Insurance Association, in their testimony, said, contrary to what Mr. Hoeffel said, that a dollar threshold of \$2,500, such as the Murphy amendment has included, would be a percentage savings on bodily injury coverage of 13 percent, which would add up to \$65 million in savings to the consumers of Pennsylvania. SB 942 eliminates the threshold. There is no threshold of \$2,500, so we can assume then that the \$65-million savings would not be there because the threshold was not there.

SB 942 as it stands - less coverage? Yes. Less premium? This Gamble is not ready to take that gamble, because I think there is not going to be less premium.

Much too, has been said, I know at our hearings and in our committee, about how many people in Pennsylvania are in effect ripping off the system. How many people do not have insurance? The trial lawyers told us somewhere between 25 and 35 percent do not buy insurance, even though they are supposed to. And the insurance industry threw some figures out around 25 and 30 percent. But none of those figures were documented. No one checked with PennDOT, but I did. There is a report out dated November 1981, "Uninsured Motorist Problem in Pennsylvania," and for one minute I want to read the conclusion: "The verified uninsured rate in Pennsylvania is 4.4 percent on any given date." Four point four percent, not 25 or 30 percent. "Owners of motor vehicles registered in Pennsylvania are in substantial compliance with the compulsory insurance provision of the 'Pennsylvania No-fault Motor Vehicle Insurance Act.'"

So the argument that 25 or 35 percent of the consumers do not buy the insurance, that it is unmanageable, is not true. It is false and therefore renders the argument moot, that actually millions of people are not complying with the present uninsured motorist coverage. That also makes moot the argument for SB 942. One of the big arguments in committee was that it is just getting out of hand; next year it will be 40 percent because Pennsylvanians just cannot afford the insurance. So what this bill is directed at is cutting the coverage in an effort to cut the premium, and it just does not wash with the elimination of the threshold, as I pointed out.

Therefore, the alternative today is the Murphy amendment. Mr. Murphy has addressed the changes. There will not be a \$5 fee on the registration of every Pennsylvanian starting July 1. There is a threshold that will put some reins on the trial lawyers, and I ask you today, without further ado, that we support the Murphy amendment as the alternative to what you see in front of you. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the amendment offered by the gentleman, Mr. Murphy, the Chair now calls on the gentleman from Beaver, Mr. Alderette.

Mr. ALDERETTE. Thank you, Mr. Speaker.

I rise to oppose the Murphy amendment. We are here today because we have a truly utopian plan in Pennsylvania insurance, and the result of that plan, which in many respects is great, is that it is becoming unaffordable, and that is what our constituents know. The Murphy amendment maintains a \$1-million cap. That certainly approaches an unlimited benefit, which is what we now have.

The \$5 fee is not a registration fee; it is a convenient means of collection to have it paid along with your vehicle registration. You still will be able to claim a catastrophic loss if you choose, under the options that the Kowalshyn amendment is proposing, to be responsible and purchase insurance.

The \$5 fee has become a political issue here. It was originally put in as a means to take care of those few people who are unfortunate to have a catastrophic accident. It is less than a penny a day; think about that. It is less than a penny a day. And the actuarial studies show that if it raises \$30 million, \$24 million may be needed to pay claims, so we have a little cushion there.

In summary, let me say that this issue has been discussed for years, and we have a neighboring State of Ohio which is very similar in demographics to Pennsylvania - populationwise and also with urban areas and rural areas similar to Pennsylvania. They have a system that works; they have a system that auto premiums are almost one-half of what we pay in Pennsylvania.

I ask for the defeat of the Murphy amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the Murphy amendment, the Chair recognizes the gentleman from Allegheny, Mr. Michlovic.

Mr. MICHLOVIC. Thank you, Mr. Speaker.

Mr. Speaker, I do not know why we in this House would choose to set up a double system of insurance - one where we pay the insurance companies and the other where we pay another \$5 for a catastrophic fund with our license or registration fee. Now, you can say anything you like about that extra \$5, that it is not really a registration fee, but those constituents of yours are going to see it as an add-on to the registration fee. Remember that.

I am also absolutely amazed at the system we are about to set up here in SB 942. We are going to have all the people who register their cars in Pennsylvania, when they sign for their license, sign a statement of financial responsibility, saying that they will indeed protect anybody whom they injure as a

result of an accident. That financial responsibility may be their home, may be a boat, may be an automobile, but who is going to know? Who is going to know if they do in fact have those assets? And if that person becomes unemployed, are they going to have those assets at a later time? I think it is absolutely ludicrous that we use this as a backup or some sort of system to enforce our no-fault insurance system.

If we are talking about cost in insurance, remember that two-thirds of the bill is not even in either the bill or the Murphy amendment. Two-thirds of the insurance comes from your collision and your liability. It does not come from the no-fault at all, and that is one of the puzzles that we have had throughout the whole period of the 5 years that I have been on the Insurance Committee. The insurance industry comes to us and says that if we do away with no-fault or if we put up higher thresholds or if we do away with the unlimited benefits, we are going to save the consumers of automobile insurance in Pennsylvania a great deal of money. But we are not even going to touch the collision portion of the payment. So remember, the people out there, the consumers, are not going to see any great reduction in any bill that we pass, and there is no sense, if that is the case, to bail out a system that is indeed working - the no-fault system, the compulsory insurance system.

Our legislative delegation from Allegheny County, some time ago, met with the judges to discuss a number of issues, and we discussed no-fault insurance. They said—and they see these cases every day—that even at \$750 today, the no-fault system does work. It does eliminate a lot of nuisance lawsuits. It is working today. They indicated that the only thing we really had to do was to raise that threshold somewhat to get it to the point where we originally passed it.

There is another little benefit here, and that deals with the naming of the primary coverage. SB 942, as it stands now, requires that the first \$5,000 of insurance is automobile. It requires mandatory automobile primacy. That is a huge savings for the businesses of Pennsylvania. That is probably why the Chamber is supporting it. But remember that those benefits have been negotiated by labor throughout this State. Labor has negotiated those agreements, and here we are in this decision arbitrarily deciding that those benefits that they have negotiated for are no longer in effect. That is why the AFL-CIO supports the Murphy amendment over SB 942 as it now stands. It is also why I support the Murphy amendment, and I think, to just bring it back to the most fundamental argument here, it really makes absolutely no sense for us to take the responsibility of raising the funds through our legislative votes every 2 or 3 or 5 years for something that is an insurance responsibility. Why put it on the license fee? It does not make any sense, and I urge you to vote for the Murphy amendment, which would gut the Kowalshyn-Spencer amendment and SB 942 and get on with real reform in Pennsylvania no-fault insurance. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the Murphy amendment, the Chair recognizes the gentleman from Allegheny, Mr. Dawida.

Mr. DAWIDA. Mr. Speaker, this is a very complex issue. I beg the members' indulgence to kind of get into this issue in a rather complicated way, but it is a complicated issue, and I have been working on it for 5 years in the Insurance Committee, struggling with a system that has some value, some good things that it gives to our constituents, and yet is increasingly less affordable. I speak in favor of the Murphy amendment because, of the two ideas being presented before you, I think it is the better of the two.

The Murphy amendment, so you understand it clearly, cuts off uninsured drivers who have been gaining the same benefits as those of us who get car insurance. The Kowalshyn amendment does this as well. It also reforms court decisions, which have given people benefits that were never dreamed of by the legislature 9 years ago. Those things are in both the Kowalshyn bill and the Murphy amendment. But additionally, the Murphy amendment raises the threshold to a more appropriate level to cut off lawsuits which clutter the courts and which raise premiums. The Murphy amendment places a sensible restraint on costs. The Murphy amendment maintains the choice to pick health care or car insurance as primary, and if you do not think that is important, that saved me \$70 this year by making my health insurance my primary coverage - \$70. It avoids the loose financial responsibility section which this bill has in it, which no one in their right mind believes can work. It avoids involving PennDOT as a car insurance agent. PennDOT has enough trouble doing what it has to do without getting involved in the business of insurance.

The Murphy amendment avoids the complicated set of coverage which, if you can follow this and explain it to your constituents, you may be a better man than I, that they have a mandatory \$5,000 coverage; that they have a mandatory offering up to \$100,000; that over \$100,000 they have a catastrophic fund; and if they do not have health insurance between \$5,000 and \$100,000 and are unable to purchase car insurance because of cost, they do not have to get it. People are going to fall through the cracks, and they are pretty wide cracks.

I urge your serious consideration of the Murphy amendment. It is a serious, well-thought-out piece of legislation which encompasses most of what we have learned is needed to help cut costs and yet still provide a decent benefit package for your constituents. The Murphy amendment had the aid in drafting of the AFL-CIO and various elements of the insurance industry, of lawyers, and people in the hospital field to try to give you the best benefit for the dollar. I urge, out of the two, that you vote "yes" for the Murphy amendment.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes, on the Murphy amendment, the gentleman from Erie, Mr. Bowser.

Mr. BOWSER. Thank you, Mr. Speaker.

I just want to say a few words about this debate, Mr. Speaker.

Mr. Speaker, I have grown exceedingly weary of the never-ending rhetoric concerning the no-fault insurance issue. It has

been going on a long time down here. I find it confusing, often inaccurate, and almost always biased. For this reason I have tried to search through the mountains of paperwork made available to us from the past and present sessions, and, if possible, come up with brief, factual, probable answers to the following questions: Number one, does the Pennsylvania no-fault law really work? Is it too expensive, and if so, why? Is it enforceable? Are there language problems within the current system that force the courts to reinterpret the intent of the law, and if so, can they be corrected? Why are we here today debating repeal of the no-fault law?

After many long hours of research and evaluation, I have got my answers, and I would be remiss if I did not share them with you today.

Question number one: Does the Pennsylvania no-fault law work? Certainly it does. Since July 19, 1975, every insured citizen - man, woman, and child - in the Commonwealth of Pennsylvania who was injured in an automobile accident was restored to the best possible state of health promptly and without litigation. Throughout the years of debate on no-fault, no one has ever testified to the contrary. Section 102 of Act 176 states that this was the original intent of the law, and it worked.

Question number two: Is it too expensive, and if so, why? The answer is obviously "yes." There is only one no-fault coverage on your auto insurance policy, the medical benefits coverage, and it is expensive. Why? Because the costs incurred during a hospital stay and doctors' fees have escalated at a more rapid pace than any other products or services in our inflated economic system.

Would the repeal of no-fault lower the costs of health care? Certainly not. With or without no-fault, accidents will continue to happen, and people will still need medical care. The repeal of no-fault might change who pays for it, but the costs will remain the same.

Is it enforceable? The answer is "yes." Statistical data from PennDOT shows that in 1982, 184,000 license plates were actually removed from vehicles now in noncompliance with the no-fault law. Persons who bought insurance and dropped it after they received their registration card found that the next time the registration came due, they could not buy insurance in the regular insurance market, because they had been uninsured for more than 30 days. They were forced to buy coverage through the assigned risk plan where they had to pay the first 3 months of premium before they got the policy and continue to pay their premiums once a month every month thereafter or cancel and lose their registration. Yes, our current no-fault law is enforceable.

Number four: Are there language problems in the current system, and if so, can we correct them? I feel we can. The language in the current law has allowed for the same costly interpretations of the intent of the law. Everyone who testified at the recent no-fault hearing pointed out the same problems in the language of the law. Can these problems be corrected? We are legislators; we wrote the law; there is no reason why we cannot correct it.

Question number five: Why are we here today debating the repeal of the no-fault law? The answer simply is that there are two powerful lobbies down here on the Hill that made it happen. That is the reason for this debate. After all the reams of paperwork are sorted and filed away and our vote on this issue is history, it will not matter what reason you have given yourself or the press or the people you represent. Whatever decision you make here today, the people will have to live with it. The results of that decision will soon become self-evident. The current no-fault system works, and it is enforceable. Time and experience have shown us where the problems are, and we know how to correct them. It is expensive because health care is expensive, and repeal will not change that.

In the best interests of the people I represent, I intend to support the Murphy amendment. I see it as the best game in town today. It might not be totally what we need, but if we do this reform, I think we can clean more up later. I cannot in good conscience support any system that requires an additional fee attached to motor vehicle registration. I do not think the government should get into the insurance business. People will look on it only as an additional tax, and I think it is wrong. The people who will have to pay for our decision here today deserve the truth. There is no doubt in my mind that we are debating this issue today because of these strong lobby groups. Common sense tells me that they would not have spent so much time and effort to serve the best interests of the people. Mr. Speaker, that is our job here today. Thank you.

*The SPEAKER. The Chair thanks the gentleman.*

On the Murphy amendment, the Chair recognizes the gentleman from Washington, Mr. Sweet.

Mr. SWEET. Thank you, Mr. Speaker.

Mr. Speaker, a number of those who have discussed the Murphy amendment have used some numbers that have been plucked out of various reports. I would suggest, as far as predictions about expenses as were made by the gentleman, Mr. Murphy, what you are really going to find is that those companies that are for the bill are going to suggest that it will be cheaper, and those companies that are against it are going to say it is going to be more expensive. I do not think you could really make much hay out of any of those numbers.

I think as far as the gentleman, Mr. Gamble's comments about the PennDOT study, that really needs to be looked at very, very carefully. I think most of us know that there are problems of uninsured motorists in this Commonwealth. Let me say a couple of things directly from the study from which Mr. Gamble I think very intelligently plucked a couple of numbers that proved his point but left out of his very careful reading some other numbers.

First of all, the study was done in 1980. This is now 1983. Secondly, the PennDOT study verified that 88 percent of the drivers were insured. There was a gap of about 6 or 7 percent that they could not find out anything about. My guess is that those people were not insured or they would have been able to be easily verified. Remember that the Pennsylvania Department of Transportation is the agency that is charged with

enforcing this law. I think it would have been highly unlikely that they would have published a major study that showed that they were failing in that regard. I think the numbers were cooked here a little bit. I think my friend, Mr. Gamble, chose to pick out the number that most favored his case. The best reading of this report is that in 1980 statewide, 12 percent of the drivers could not be verified as having insurance.

In addition, on the same page of the study that Mr. Gamble quoted from, it also noted that 38 percent of the drivers in the Philadelphia area were without insurance, 17 1/2 percent of those in Pittsburgh, and on down the line in the other major metropolitan areas. With the dramatic rise that we have seen in insurance premiums over the last couple of years, my guess is that these numbers have increased and that in fact we do know, as each of us knows from our own districts, that there is a problem of uninsured drivers in this Commonwealth.

I do not believe the Murphy amendment is going to deal with that. I am hopeful that the approach that Representative Kowalshyn has sponsored will encourage more people to purchase auto insurance, and that is why I think we should reject the Murphy amendment. Please do not be fooled by very careful reading and very careful cooking of the statistics by some of the members today. Thank you, Mr. Speaker.

*The SPEAKER. The Chair thanks the gentleman.*

On the amendment, the Chair recognizes the gentleman from Philadelphia, Mr. Richardson.

Mr. RICHARDSON. Mr. Speaker, I would like to interrogate the prime sponsor of the amendment.

*The SPEAKER. The gentleman, Mr. Murphy, indicates he will stand for interrogation. The gentleman, Mr. Richardson, is in order and he may proceed.*

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

There are some major concerns that have reached my mind and, I think, probably several others. I am not clear on the Murphy amendment, the Kowalshyn amendment, and the bill itself. I just believe that there is a lot of confusion based on that, and a lot of people feel that way, and it is not just a sentiment of mine as an individual.

I am concerned from the point of view that the \$5 added cost that is to go to the consumer, the motorist, on the registration, is in fact costing, at least at this moment, 5 more additional dollars, and I want to know, in your amendment, does this take that \$5 out completely or does it transfer it somewhere else?

Mr. MURPHY. My amendment completely eliminates that \$5 charge. My amendment requires that coverage for that catastrophic medical coverage will be part of the general insurance policy.

Mr. RICHARDSON. Okay. Now, as part of that general service insurance policy, that additional cost then would go to the consumer based on his insurance policy. How much more would that increase the average, normal, individual insured who wants insurance at this juncture with your amendment?

Mr. MURPHY. It really does not increase it at all. My amendment requires a \$1-million medical coverage. With that \$1-million medical coverage, you include from dollar 1 to \$1

million, so it would be part of the package. That \$5 does not transfer over there like that. You simply eliminate the \$5 charge on the registration fee.

Mr. RICHARDSON. The next question is with respect to the nonthreshold versus the \$2,500 threshold for medical care. Could you explain that increase and what that means from the \$750 of 9 years ago to now the \$2,500 of today in your amendment?

Mr. MURPHY. Nine years ago this General Assembly debated, as you know, long and hard on the question of threshold. Some people wanted it higher; some people wanted it lower. It was compromised at \$750. It has stayed at \$750 for 9 years; it has not increased. The cost of health care has gone up between \$1,500 and \$2,500, depending on what part of the State you are in. What we are saying is that \$2,500, given the inflation rate of medical care over the last 9 years, is now a reasonable number. We have also added a medical care index so that there would be an effort to keep pace with inflation at least over the coming years with that.

Mr. RICHARDSON. In your amendment at this point, does this in fact allow persons in the Commonwealth to come to a more reasonable insurance premium? For an example, in Philadelphia it seems that we pay an enormous rate for insurance, but across the rest of the Commonwealth of Pennsylvania it does not seem to be that high. Does your amendment in any way reduce that amount of money that we would pay upon insurance premiums at all?

Mr. MURPHY. Mr. Speaker, I believe that it will, because we are doing two important things. One is we continue to provide a basic package of coverage at the same time in raising the threshold. If you turn to the handout you have on your desk to the third page, you will see that my amendment also deals with a whole host of abuses in the no-fault system, such as double dipping and uninsured motorists being able to collect. In eliminating those abuses, there will be a significant savings to the system. So with the increased threshold and the improvement on the abuses, there will be, I believe, a reduced cost, reduced I believe even further than what is in SB 942 if a person wants to buy insurance.

Mr. RICHARDSON. Are there any other major points—and I will conclude with this question and try to make a comment—are there any other questions that specifically point to a major difference between your amendment today and the present law as it exists now, because this is a new concept for all of us. I do not think all of us can automatically just say that the new concept that you have thrown out to us today is in fact the panacea. But for an example—you have it in front of us—what will be and what are any other basic differences that can point directly to the reason why we should be in favor of the Murphy amendment today?

Mr. MURPHY. The basic differences again are, from what is in the present law, that we are capping somewhat medical benefits at \$1 million. We have increased work loss. We increased the threshold to \$2,500. We deal with a lot of the abuses in the system. That basically is what it does. My amendment can be characterized as an effort, which we all

recognize is necessary, to reform the no-fault system. It continues to keep compulsory insurance. It is an effort to reform though, not repeal, the system. That is the major importance.

If you believe that there ought to be a basic compulsory insurance program in Pennsylvania, you should support my amendment.

Mr. RICHARDSON. Thank you very much.

Mr. Speaker, I would like to have an opportunity to speak to the amendment.

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

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

Mr. Speaker, I have tried to outline, at least for my own mind, how we can begin to reach a compromise. It seems that there has been a compromise reached on the other half through many of the industries that are involved - the insurance industry; it seems that the lawyers have seemingly somewhat agreed; the Hospital Association has seemed somewhat to have agreed, and other individuals who have been a part of working out this compromise. But I am not clear in my mind today of whether or not this in fact does do what everybody is hoping that it will do in terms of the cost to the consumer.

My basic concern is the \$5 that has been raised as a point to be added to the consumer from \$24 to \$29, a major concern to myself. I am not clear on whether or not this problem in fact is resolved altogether with both this amendment and the Kowalshyn amendment. What I am concerned with, as I was saying, is the additional cost to the consumer and our constituents. While it may not be a problem for the individual members here to add another \$5 to pay for registration twice a year, there is a major concern that out of this money that will be derived, the setting up of who is going to handle it and how it will be dealt with looms in my mind as being another way of still more money being made.

It seems to me that the whole issue is based around dollars and cents as opposed to the humanistic side that deals specifically with the individual persons whom we are supposed to be representing. Now, it seems that right-out repeal does not answer that, but it seems that the Murphy amendment attempts to go into that area at least to deal with some of that problem. I am overly concerned with the fact that if this \$5 is taken out and not applied to the consumer directly, it leaves at least an opportunity for us to realize that it still does not take away the basic mandatory right of those individuals who must have insurance, which is what I think is the key. It does not seem, however, that either this amendment or others that I have seen thus far will stop motorists from not being insured necessarily. In other words, the 40 percent now that exists, in terms of those persons who are in fact uninsured today, I have not heard that that is going to decrease that number other than saying that, well, if you pay this \$5, this guarantees that this goes into a catastrophic fund. As a result of that, you will then find that people will then pay that \$5 guaranteeing at least some level of at least \$5,000 of insurance.

Now, to me that does not make sense in this sense, that it seems to me that we have gone already far afield this session

in applying more moneys against working-class people, to provide more moneys to be taken out of their pockets and no more in. If there is a serious problem dealing with fairness, then I believe there must be either a different approach resolved or the support of or maybe even more strengthening of the Murphy amendment. But I do feel that at this juncture I believe that there has to be a way that the consumer does not get duped again into believing that the answer to the problem that we have over and over again is for them to pay a punishment pay of \$5 in addition to the \$24 registration fee that they already pay.

Finally, Mr. Speaker, it seems to me that there is a difference between a nonthreshold and a threshold; meaning that if there is a hospital bill today of \$1,500 to \$2,500, that bill has to be paid, and somehow, someway, there have got to be some decisions made on what do you do about that, because so many people argued before that the threshold was so open-ended that it did not leave any clear line, particularly for the \$750, that this would now meet in compliance in terms of the cost of living, that everything has gone up from 9 years ago to today, and maybe that may be a realistic approach. I just believe that the compromise that has been made thus far has excluded a number of consumer-oriented persons and persons who would be in a position to sit down and discuss issues like this. I am just concerned with the fact that the exclusion again has gone, particularly in the urban areas, without question and the opportunity for us to discuss what we feel is a very important issue to the consumers of the Commonwealth of Pennsylvania.

In that regard, Mr. Speaker, I would ask that my colleagues look very, very closely at the Murphy amendment, with support to the Murphy amendment, and remember that we are representing constituents all across this Commonwealth. If there can be a lesser amount of burden that is applied to them, then I think that at least this amendment, based on what I have heard thus far, is the route for us to go. I thank you very much, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the Murphy amendment, the Chair recognizes the gentleman from York, Mr. Foster.

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

I think we are all aware by this time that as Euclid said there is no royal road to geometry, there is not even a goats path towards no-fault insurance reform. But nevertheless, we are faced with the job of making the best possible decision on a very difficult and complex issue. I have just a few points that I would like to share with the members.

I do not know what anyone else thinks about the \$5 fee increase in license fee, but I do not think that is going to be perceived by our constituents as anything else but an additional license fee that they will pay along with the same or higher insurance rates.

When we get to the matter of eliminating mandatory coverages, I think we all realize that there are a lot of uninsured motorists out there on the highway. Now, if anybody here really believes that we are going to get more of those people

insured by dropping mandatory coverage, I have got a couple of bridges I would like to talk about selling to them.

Finally, I would like us to think why we embarked on a no-fault system in the first place, and that is the fact that serious injuries are addressed speedily by the benefit system. People do not lie in the hospital and possibly lose their homes while the courts are deciding who is at fault in some accident. That was the real essence of no-fault, and it should have been sold on that basis rather than on any reduction of premiums.

I find in this difficult situation that the best course that we have is the Murphy amendment. I would urge acceptance of the Murphy amendment and passage of the bill in that amended fashion. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

### PARLIAMENTARY INQUIRY

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

Mr. DEAL. Mr. Speaker, may I ask for a point of parliamentary inquiry first before making my comment?

The SPEAKER. Certainly. The gentleman is in order and may state the point.

Mr. DEAL. Mr. Speaker, I rose to the mike to make a motion. However, I wanted to ask the Speaker if I may state first why I want to make my motion and then make the motion?

The SPEAKER. The gentleman is in order and may do so.

### MOTION TO RECOMMIT

Mr. DEAL. Mr. Speaker, I have listened to debate on the amendment A4577. I have listened to discussion on SB 942. Mr. Speaker, after having listened to comments all over this House, I am still not convinced that if either of these is passed it would be in the best interests of my constituents. Therefore, Mr. Speaker, I would like to move to recommit this bill so that the committee can weigh all of the arguments that came on this floor. Many of them offered no proof for us to be able to vote intelligently. Therefore, Mr. Speaker, I move for the recommittal of SB 942 and the amendment.

The SPEAKER. It is moved by the gentleman from Philadelphia, Mr. Deal, that SB 942, PN 1593, be recommitted to the Committee on Insurance.

On the question,

Will the House agree to the motion?

The SPEAKER. The Chair recognizes the gentleman from Mifflin, Mr. DeVerter.

Mr. DeVERTER. Thank you, Mr. Speaker.

Mr. Speaker, I did not hear the gentleman. Was his motion to recommit to the Committee on Insurance?

The SPEAKER. The gentleman's motion was to recommit. The Chair assumed, if he did not say otherwise, he meant it to go back to the Insurance Committee.

To the gentleman, Mr. Deal, to which committee does the gentleman wish to offer his motion to recommit?

Mr. DEAL. Mr. Speaker, you are interpreting my statement correctly. I had assumed that it ought to go back to the committee from whence it came.

The SPEAKER. The Committee on Insurance, Mr. DeVerter.

Mr. DeVERTER. Thank you, Mr. Speaker.

Mr. Speaker, I would rise to oppose that motion. I think we have gone far into the debate on the issue, and it is the first time that I think we have been able to do that in a very comprehensive way. I would ask the members to be patient and continue on with the debate on the Murphy amendment so that we can dispose of the matter today. I would respectfully ask you to vote "no" on the Deal motion. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the motion, the Chair recognizes the gentleman from Philadelphia, Mr. Rappaport.

Mr. RAPPAPORT. Mr. Speaker, while I disagree with the gentleman, Mr. DeVerter, I am sure, on the value of this particular amendment, I rise to join with him in urging that the bill not be recommitted at this time. The bill came out of committee by a substantial vote. There were 6 "no" votes admittedly; however, there were 15 votes in favor of reporting it out, and I would suggest that nothing would be gained by recommitting it. We are going to have to face this issue at some point on the floor, and today is as good a day as next March. Therefore, I would oppose the motion to recommit to the Insurance Committee or to any other committee. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the motion to recommit, the Chair recognizes the gentleman from Berks, Mr. Gallen.

Mr. GALLEN. Mr. Speaker, the history of reforming no-fault seems to be, let us run away from it. I do not think we should run away from it today. I think we ought to face the issue. I feel we should not recommit this bill and we should support the Murphy amendment. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. McVERRY. Mr. Speaker, I urge a "no" vote on the recommittal motion. We have seen what has happened to this measure on previous recommitments and what has happened to it in committee in not only this session but other sessions. We are well into the debate, and let us hash it out now.

The SPEAKER. The Chair thanks the gentleman.

The question recurs, will the House agree to the motion to recommit to the Committee on Insurance SB 942? Those in favor of recommitment will vote "aye"; those opposed, "no."

On the question recurring,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—11

Baldwin	Fattah	Mrkonic	Taylor, F. E.
Cohen	Harper	Petrone	Wiggins
Deal	Kasunic	Richardson	

NAYS—187

Afflerbach	Evans	Lloyd	Ryan
Alderette	Fargo	Lucyk	Rybak
Angstadt	Fee	McCall	Saloom
Armstrong	Fischer	McClatchy	Salvatore
Arty	Flick	McHale	Saurman
Barber	Foster, W. W.	McIntyre	Scheetz
Battisto	Foster, Jr., A.	McMonagle	Schuler
Belardi	Freeman	McVerry	Semmel
Belfanti	Freind	Mackowski	Serafini
Beloff	Fryer	Madigan	Seventy
Blaum	Gallagher	Maiale	Showers
Book	Gallen	Manderino	Sirianni
Bowser	Gamble	Manmiller	Smith, B.
Boyes	Gannon	Markosek	Smith, L. E.
Brandt	Geist	Mayernik	Snyder, D. W.
Broujos	George	Merry	Snyder, G. M.
Bunt	Gladeck	Michlovic	Spencer
Burd	Godshall	Micozzie	Spitz
Burns	Greenwood	Miller	Stairs
Caltagirone	Grieco	Miscevich	Steighner
Cappabianca	Gruitza	Moehlmann	Stewart
Carn	Gruppo	Morris	Stuban
Cawley	Hagarty	Mowery	Sweet
Cessar	Haluska	Murphy	Swift
Cimini	Hasay	Nahill	Taylor, E. Z.
Civera	Hayes	Noye	Telek
Clark	Herman	O'Brien	Tigue
Clymer	Hershey	O'Donnell	Trello
Colafella	Hoefel	Oliver	Truman
Cole	Honaman	Perzel	Van Horne
Cordisco	Itkin	Peterson	Vroon
Cornell	Jackson	Petrarca	Wachob
Coslett	Jarolin	Phillips	Wambach
Cowell	Kennedy	Piccola	Wargo
Coy	Klingaman	Pievsky	Wass
Deluca	Kosinski	Pistella	Weston
DeVerter	Kowalyshyn	Pitts	Williams
DeWeese	Kukovich	Pott	Wilson
Daley	Lashinger	Pratt	Wogan
Davies	Laughlin	Preston	Wozniak
Dawida	Lehr	Punt	Wright, D. R.
Dietz	Lescovitz	Rappaport	Wright, J. L.
Dininni	Letterman	Reber	Wright, R. C.
Dombrowski	Levi	Reinard	Zwikl
Donatucci	Levin	Rieger	
Dorr	Linton	Robbins	Irvis,
Duffy	Livengood	Rudy	Speaker
Durham			

NOT VOTING—1

Hutchinson

EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the negative, and the motion was not agreed to.

On the question recurring,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the minority leader.

Mr. RYAN. Mr. Speaker, for the past hour, or approximately an hour, as I have observed the debate, the concern seems to principally center itself around the \$5 item that would be added to the cost of registration. I for one have no problem going back to my district and explaining why \$5 is being added to that cost. My explanation would go something like this: Number one, if the \$5 were not added to the cost of your registration, the \$5 obviously would be added to the cost

of your insurance premium so that you are not paying anything more for that coverage.

More importantly, without the \$5 being added to it, I suspect those of us who buy insurance would have more than \$5 added to give the same coverage, and I say that for this reason: I have heard figures bandied about in excess of 100,000 people who ride the streets of Pennsylvania today despite the law that says you must have insurance, but there are over 100,000 people today with automobiles with no insurance riding the streets of the Commonwealth. At least by putting tags on those cars and, at the same time they put the tags on the cars, by paying the \$5 into this central fund they have contributed something to the insurance and the welfare of the other members of the traveling public.

I think my explanation would be readily accepted at home, that without grabbing or taking or charging the \$5 to those uninsured motorists, who probably will continue to be uninsured, your premium would go up. At least these people who drive our streets without insurance have contributed something to the insurance policies of the people in the Commonwealth. So I have no problem with that \$5 item. In fact, I think it is not only very defensible but I think it is a good portion, a good argument, a good section of the particular bill.

Now, if there are those who disagree with that, I have seen on my desk a proposed amendment from Mr. Letterman that addresses simply the question of the \$5 contribution. So that should not be the sole reason for voting for or against the Murphy amendment, because you will have a chance to do that at a later date. I assume Mr. Letterman intends to offer it. But because I have heard so much about it over the past 15 minutes to three-quarters of an hour, I just wanted to stand up and make reference to my thoughts with respect to this \$5 item that seems to be preoccupying our minds in the debate of this bill.

I am, incidentally, against the Murphy amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Murphy amendment, the Chair recognizes the lady from Philadelphia, Mrs. Harper.

Mrs. HARPER. Thank you, Mr. Speaker.

I rise to support the Murphy amendment. I am totally against the repeal of no-fault insurance, and I speak from experience. No-fault insurance has worked; it is working, and we should reform the no-fault insurance law but certainly not repeal it, because before the no-fault insurance law, it was just a picnic for the lawyers and the insurance companies. Since no-fault, we do not have half as many court cases, plus I know from personal experience that I had to pay for insurance, also lawyer's fees for a small case, a small court case with an accident. Let us keep no-fault insurance and reform that insurance and vote for the Murphy amendment. Thank you.

The SPEAKER. The Chair thanks the lady.

On the Murphy amendment, the Chair recognizes the gentleman from Philadelphia, Mr. Rappaport.

Mr. RAPPAPORT. Thank you, Mr. Speaker.

Mr. Speaker, we have learned in the past several years that there is no free lunch. Everything must be paid for, whether it is social programs, industrial accidents in workmen's compensation, unemployment benefits, and now we are coming to auto insurance. We are going to have a certain number of accidents because of automobile operation in this Commonwealth every year. We can try and reduce them by drunk driving laws, and we have, but there will be accidents. There is no one in this House who can say, I have never been negligent; I have never been momentarily inattentive—and I have never told a lie, as my colleague prompts, and of course, he is correct. Each one of us can say that but for the grace of God we would have been in an accident, and accidents will happen.

What we are debating here is how the injuries shall be paid for. We have a choice. We can say, like workmen's compensation, it shall be borne by the people who drive and use automobiles, in which case the insurance premiums must pay the total cost. We can play games and say, well, you can save some auto insurance premiums if you make Blue Cross and Blue Shield prime. We heard that argument last year, I believe. That means that all of the people who have Blue Cross and Blue Shield coverage will be paying for these necessary costs, or the taxpayers can. Nobody is going to let somebody bleeding on the street bleed to death. An ambulance is going to come along, they are going to be taken to a hospital, and somebody is going to pay that hospital bill. Whether it is auto insurance, Blue Cross/Blue Shield, or the taxpayers, somebody is going to pay. Therefore, when we are talking about saving premiums by making a different kind of insurance prime, you are taking from one pocket and putting it in the other.

The major problem we have is the uninsured motorists. This \$5 fee is going to say, you are going to have to kick in something. Everybody is going to have to kick in something, which is not the case today. Will it be enough? Obviously not, but it is \$5 to go into the catastrophic fund. We know that the \$5,000 compulsory insurance will pay for about 90 percent of the accidents, and the catastrophic will do just that, it will handle the catastrophe. For that reason, Mr. Speaker, I urge a "no" vote on the Murphy amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the Murphy amendment, the Chair recognizes the gentleman from Cumberland, Mr. Broujos.

Mr. BROUJOS. Mr. Speaker, I would like to make a couple of observations on the impact and effect of no-fault.

First, I am afraid, although I have handled a number of no-fault cases, that I have never been involved in and I do not know any doctor or any other attorney who has been involved in attempting to increase the amount of specials in order to get over the threshold. It is unethical; it is improper, and I would say the vast number of doctors do not do it. We should not penalize the whole system of Pennsylvania for what may be a practice in some parts of Pennsylvania.

Secondly, I think it is important to recognize the impact of the pain and suffering of a fault situation. If the threshold



were \$2,500 and there was no pain and suffering, then they would have to go above \$2,500 to get pain and suffering. Let us go right below that to \$2,000. You take every case where there are special damages of \$2,000 or special damages in terms of medical benefits. You are going to multiply that by 3 to get to \$6,000, and in the big cities they tell me you multiply it by 5 for pain and suffering, which means that costs in a fault situation would be phenomenal. I wanted to bring those facts to the attention of the House in their deliberations on the Murphy amendment. Thank you.

The SPEAKER. The Chair recognizes, for the second time, the gentleman from Allegheny, Mr. Gamble.

Mr. GAMBLE. Mr. Speaker, I will only be a moment, but I want to rise to unequivocally assure the members of this House that I did not attempt to misrepresent this report. Perhaps the one who was accusing me was guilty of that. There are many facts and figures in this report. If you want a bunch of numbers, we can stand here for an hour. Sixty-nine percent of those 4.4 percent are from urban areas like Philadelphia and Pittsburgh, as he pointed out, but the bottom line is the conclusions. The verified uninsured rate in Pennsylvania is 4.4 percent on any given date, and the owners of motor vehicles registered in Pennsylvania are in substantial compliance with the compulsory insurance provision of the Pennsylvania No-fault Motor Vehicle Insurance Act, and I have this if anyone wants to see it.

In closing, I just want to make mention of who is on whose side here today. Being on the Insurance Committee, I was inundated by the briefcase brigade of the trial lawyers and the insurance representatives this week. But who is on whose side? The trial lawyers are on the side of the bill the way it stands. The majority of the insurance companies are on the side of the bill the way it stands because they have been taken care of. The trial lawyers have been taken care of by the elimination of the threshold, the insurance industry by the elimination of the responsibility for catastrophic loss. And who is on the side of the Murphy amendment, the reasonable alternative? The AFL-CIO represents consumers, and more importantly, the Triple A (American Automobile Association) federation, which represents the driving public of Pennsylvania, supports the Murphy amendment, and we should, too. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair now recognizes the gentleman from Philadelphia, Mr. Linton.

Mr. LINTON. Thank you, Mr. Speaker.

Mr. Speaker, I rise in opposition to the Murphy amendment. Mr. Speaker, I do not know where the gentleman gets his statistics from, but I am aware of one thing, that of the people in the city of Philadelphia, there are a large number of uninsured drivers who are driving without insurance under the current program, and I do not see the Murphy amendment addressing that problem.

Mr. Speaker, I also know that the high cost of insurance in the city of Philadelphia is such that people in the city of Philadelphia are not even getting insurance, even at this point

when we have a mandated insurance program. Once again, I do not see the Murphy amendment addressing that problem.

I rise in opposition to the Murphy amendment, and I encourage my colleagues to do likewise. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, I rise in opposition to the Murphy amendment. When this Assembly debated fault and no-fault a number of years ago, I was in the Assembly. I was told at that time by the proponents of no-fault that we were going to reduce premiums, and in fact we mandated a 15-percent premium reduction at the time we enacted no-fault. Since the enactment of no-fault, the premiums on automobile insurance in Pennsylvania have risen some 800 percent.

The Murphy amendment is no more than a warmed-over present system. It does not attack the problem as the individuals have indicated. Under the fault system in Pennsylvania, before we enacted no-fault, we had a higher percentage of drivers insured than we have presently under the no-fault system. That is a fact. I am sure Mr. Murphy knows that. Presumably what we are trying to do with the Kowalshyn-Spencer amendment is make insurance affordable. The Ohio statute on automobile insurance is quite similar to what is being proposed not in the Murphy amendment but in the Kowalshyn amendment, and the assigned risk plan in Ohio, where it is a voluntary system, is about 1 percent of the drivers when in Pennsylvania we have about 8 percent of the drivers.

It seems to me that we cannot continue to go down the line of trying to provide unlimited, first-class, Rolls Royce coverage in our automobile accident cases and expect premiums to go down, and that is the dream that Mr. Murphy has. I ask you to vote against that dream and vote for reality in the final outcome on this bill. I ask for a defeat of the Murphy amendment.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. MURPHY. Thank you, Mr. Speaker.

I really do not want to prolong this. I just want to very quickly summarize what is reality, as the former speaker said. Reality is, if you vote for this bill, reality is that we create a new State bureaucracy to manage and run the most risky portion of the insurance premium, the catastrophic loss. We create a State bureaucracy that takes 9 pages to set up in this bill that will undoubtedly make less efficient and less rapid health care available to the motoring individual who has been injured. Reality is going back to a tort system that 9 years ago took an average of 16 months for your constituents to settle a case and only 50 percent of them settled a case and won. Do you want to send your constituents back to that tort system where they have to sue to get rapid and efficient coverage for their needs? I do not think you do, and that is what reality is if you support the bill and not my amendment.

Reality is a sham in suggesting that reasonable people and responsible people in this Commonwealth will save money

under this bill. Under my amendment there is that possibility that they can. Under this bill, with a smaller base of people buying insurance, you are going to have higher premiums. If you want to buy liability, if you want to buy medical coverage, you are going to pay more for that. You are going to pay more for that, and most of your constituents will want to be responsible individuals. They will not want their house in jeopardy or their other possessions in jeopardy, so they will want to have liability insurance. Only those individuals who have nothing to lose will not buy the insurance. What you are going to do is to put more uninsured motorists on the road under this bill, so please support my amendment. That is the danger of the bill, that you are putting uninsured motorists on the road. If the issue is there are too many uninsured motorists on the road, you support this amendment because it will at least make an effort to have people have liability insurance. Thank you.

The SPEAKER. The Chair recognizes, on the Murphy amendment, the gentleman from Berks, Mr. Gallen.

Mr. GALLEN. Mr. Speaker, reality is that today people are being paid under the no-fault system for their medical bills, and we do not know what is going to happen if we go back to a tort system.

Mr. Speaker, one of the biggest lies, it is said, is the man who says, I am from the government; I am here to help you. Well, I think we have the same situation here. We have a bill, under the Kowalyshyn portion of the bill which we are attempting to amend here, which is a collusion, it seems, between the insurance companies and trial lawyers, and they are saying, hey, look at this; we are here to help you. It is not going to work like that. Please support this amendment. Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Allegheny, Mr. McVerry, on the amendment.

Mr. McVERRY. Mr. Speaker, I rise in opposition to the Murphy amendment. I rise with some reluctance, because I think that the no-fault system could be reformed, but under the current complexion of the legislative process in the General Assembly, it is obvious that it will not be.

However, adoption of the Kowalyshyn-Spencer amendment will not be a reversion to the tort system as it was known pre-1975. Reality is that that amendment will require \$5,000 of medical coverage to be primary. That \$5,000 will cover approximately 90 percent of all personal injury claims. The catastrophic loss fund, which will be a \$5 assessment, will cover approximately 1 to 2 percent of all personal injury claims. That is a very small amount to request to cover all personal injury claims between \$100,000 and \$1 million. If you stop and think for a minute that we are requiring 98 percent of the people to pay unlimited medical benefits to provide for 1 to 2 percent, it is ludicrous to think that your premiums will not go down when you can buy the coverage between \$100,000 and \$1 million for \$5 per registration in the Commonwealth. And when you couple that consideration with the fact that that \$5 will be being contributed by that significant or insignificant number of insureds on our highways, we

are at least getting them to contribute to that area where the biggest premium dollar is going. If we are in fact going to require a system where \$5,000 of coverage is going to take care of 95 percent of the claims and you are so worried about the trial lawyers in 7 or 8 percent of the claims, I would simply remind you that the trial lawyers represent your consumers, who are injured people, and without them they would have no protection from the insurance industry or the system.

Please vote against the Murphy amendment.

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

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, the Murphy amendment, it seems to me, is based on a premise, and that premise is that the Pennsylvania mandatory no-fault insurance system works, and all we have to do is tinker with it a little bit and we will improve something that already works. Mr. Speaker, unfortunately, that is not reality. We have heard a lot about reality today, and the reality is that Pennsylvania's mandatory no-fault automobile insurance system does not work. If that was not reality, we would not be here today debating the Murphy amendment or even looking at SB 942 at all.

The Murphy amendment compounds some of the serious problems that are contained in present law. For example, it requires Pennsylvania insureds to continue to purchase coverages that they do not want and do not need. It requires the disabled and the retired to purchase disability benefits. It requires those without dependents to purchase survivor's loss benefits, and these are all included in the cost of the insurance. Mr. Speaker, what it does is continues the present program and the present system of requiring Pennsylvania citizens to become lawbreakers, because it mandates that they purchase insurance that they cannot afford and that they do not want.

Mr. Speaker, I ask for a "no" vote on the Murphy amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman, Mr. Gannon.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—93

Angstadt	Fischer	Klingaman	Pratt
Belardi	Foster, W. W.	Laughlin	Punt
Bowser	Foster, Jr., A.	Lehr	Richardson
Broujos	Freeman	Letterman	Robbins
Burd	Fryer	Levi	Saloom
Caltagirone	Gallagher	Livengood	Semmel
Cappabianca	Gallen	Lloyd	Seventy
Cawley	Gamble	McCall	Sirianni
Cessar	Geist	McHale	Smith, B.
Cimini	George	Mackowski	Smith, L. E.
Cohen	Godshall	Madigan	Snyder, G. M.
Colafella	Greenwood	Michlovic	Stairs
Cole	Grieco	Miller	Stewart
Coslett	Haluska	Miscevich	Swift
Cowell	Harper	Morris	Telek
DeVerter	Hasay	Mowery	Tigue
DeWeese	Hayes	Murphy	Wachob
Davies	Herman	Noye	Wargo
Dawida	Hershey	Peterson	Wilson

Dietz	Hutchinson	Petrarca	Wozniak
Dombrowski	Itkin	Phillips	Wright, D. R.
Dorr	Jarolin	Pitts	Wright, J. L.
Fargo	Kennedy	Pott	Zwilk
Fee			

## NAYS—101

Afflerbach	Durham	Manderino	Scheetz
Alderette	Evans	Manniller	Schuler
Armstrong	Fattah	Markosek	Serafini
Arty	Flick	Mayernik	Showers
Baldwin	Freind	Merry	Snyder, D. W.
Barber	Gannon	Micozzie	Spencer
Battisto	Gladeck	Moehlmann	Spitz
Belfanti	Gruitza	Mrkonic	Steighner
Beloff	Gruppo	Nahill	Stuban
Blaum	Hagarty	O'Brien	Sweet
Book	Hoeffel	O'Donnell	Taylor, E. Z.
Boyes	Honaman	Oliver	Taylor, F. E.
Bunt	Jackson	Perzel	Truman
Burns	Kasunic	Piccola	Van Horne
Carn	Kosinski	Pievsky	Vroon
Civera	Kowalshyn	Pistella	Wambach
Clymer	Kukovich	Preston	Wass
Cordisco	Lashinger	Rappaport	Weston
Cornell	Lescovitz	Reber	Wiggins
Coy	Levin	Reinard	Williams
DeLuca	Linton	Rieger	Wogan
Daley	Lucy	Rudy	Wright, R. C.
Deal	McClatchy	Ryan	
Dininni	McIntyre	Rybak	Irvis,
Donatucci	McMonagle	Salvatore	Speaker
Duffy	McVerry	Saurman	

## NOT VOTING—5

Brandt	Maiale	Petrone	Trello
Clark			

## EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the negative, and the amendments were not agreed to.

## REMARKS ON VOTES

The SPEAKER. For what purpose does the gentleman from Allegheny, Mr. DeLuca, rise?

Mr. DeLUCA. Mr. Speaker, I wanted to vote in the affirmative, and my button malfunctioned on the Murphy amendment.

The SPEAKER. The gentleman, Mr. DeLuca's remarks that he wishes to be recorded in the affirmative on the Murphy amendment will be spread upon the record.

The Chair recognizes the gentleman from Blair, Mr. Geist.

Mr. GEIST. Thank you, Mr. Speaker.

Earlier today, I just noticed on the printout on HB 702 there was only one "nay" vote, and that was mine. My switch must have malfunctioned. I would like to be recorded in the positive.

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

## CONSIDERATION OF SB 942 CONTINUED

On the question recurring,

Will the House agree to the bill on third consideration?

Mr. DeVERTER offered the following amendment No. A4623:

Amend Sec. 5, page 46, lines 18 through 26, by striking out all of said lines and inserting

Section 5. (a) All insurers licensed in this Commonwealth and desiring to qualify to write insurance applicable to motor vehicle accidents shall, as a condition of qualifications, prepare and file policy forms and insurance rates for coverages affected by 75 Pa.C.S. Ch. 17 (relating to financial responsibility). Such policy forms and rates shall be filed with the Insurance Commissioner and shall be subject to the provisions of the act of June 11, 1947 (P.L.538, No.246), known as The Casualty and Surety Rate Regulatory Act. The premiums charged by any insurer during the first 18-month period following the effective date of this act for the required medical benefit pursuant to 75 Pa.C.S. § 1711 (relating to required medical benefit) shall not exceed 30% of premium for personal injury protection coverage in effect within six months of the date this act becomes effective. The premiums charged by any insurer for medical benefits pursuant to 75 Pa.C.S. § 1712(1) (relating to availability of benefits) in excess of \$5,000 and up to \$100,000 shall not exceed 70% of the premium for personal injury protection coverage in effect within six months of the date this act becomes effective. The premium charged by any insurer for bodily injury liability insurance for the limits of liability applicable prior to July 1, 1986 shall not exceed 80% of the bodily injury liability insurance rates in effect for basic limits within the six months preceding the effective date of this act.

On the question,

Will the House agree to the amendment?

The SPEAKER. The Chair recognizes the gentleman from Mifflin, Mr. DeVerter.

Mr. DeVERTER. Thank you, Mr. Speaker.

Mr. Speaker, in the Kowalshyn amendment that was offered, there is a section under section 5 that relates to the prior approval that this State now requires for the companies to file with the Insurance Commission. Under that section, that prior approval has been removed, and the companies will have the opportunity to file twice in the ensuing year after this act becomes law for rate increases.

What my amendment will effectively do, we hope, is that under the medical benefits section, the personal injury protection coverage in effect within 6 months of the date of this act, that premium will be reduced by 70 percent. In addition, the premium charged in excess of \$5,000 up to \$100,000 shall not exceed 70 percent of the premium for personal injury protection coverage in effect within 6 months of the effective date of this act, which will, in effect, reduce that premium by 30 percent. And under the bodily injury portion that they will be filing under, we would reduce the premium for that particular portion of the premium by 20 percent.

This will have the effect, I think, that we are all seeking, and that is, if SB 942 as it is presently constituted is the cost-effective measure that everyone says it is, then I can see no harm in insuring the constituents whom we represent that in fact those premiums will be reduced. I would ask for the support of the amendment. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the minority leader.

Mr. RYAN. Mr. Speaker, I forget which one of the members said earlier that you cannot get something for nothing—I think it was Mr. Rappaport; he is over there waving his hand—and I would like to rhetorically ask Mr. DeVerter a question, and if he chooses to answer it, it is certainly all right; if he chooses to ignore it, that is all right.

It is my understanding—and no one has seriously disputed it—that somewhere between 88 and 95 percent of the cases, the medical cases, are for an amount less than \$5,000. And as I understand Mr. DeVerter's amendment, he would say that on the medical premium for that \$5,000 there shall be a reduction of 70 percent. Now, it just does not make sense to me that a 30-percent premium—100 less 70—is going to cover 88 to 95 percent of the payouts for medical expenses, which seems to be the agreed-to figure. I rather think, however—and I am not attacking Mr. DeVerter's motives, but I rather think, however—that this amendment is designed to appeal to a number of us so that it will be inserted into the bill so that the bill will then become totally unworkable and defective.

I do not think this is an area that we should be meddling with, and I believe that the amendment should go down, and I think I say that based on good, solid facts, that you do not take 70 percent of the premium dollars away from an area of risk that represents 88 to 95 percent of the payout under that category of expense. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the DeVerter amendment, the Chair recognizes the gentleman, Mr. DeVerter, for the second time.

Mr. DeVERTER. Mr. Speaker, the fact remains that while there may be that many covered under \$5,000, that does not take care of the distribution of the lost claim dollars that take place whether it is over \$5,000 or under \$5,000. The fact remains that if we are going to reduce benefit levels to the peoples of this Commonwealth, including those in a catastrophic situation, then I think that they are entitled to that premium break, and whether it is under the PIP (personal injury protection) coverage, the BI (bodily injury), or whatever, I feel that this General Assembly ought to assure that that takes place, and it will only impact over the first 18 months after the effective date of this act. I would ask for an affirmative vote.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—88

Angstadt	Fischer	Lehr	Punt
Armstrong	Foster, Jr., A.	Letterman	Reinard
Belardi	Freeman	Levi	Richardson
Blaum	Fryer	Livengood	Robbins
Brandt	Gallen	Lloyd	Rudy
Broujos	Gamble	Mackowski	Saurman
Burd	Geist	Madigan	Serafini
Burns	Gladeck	Markosek	Seventy
Cawley	Godshall	Mayernik	Smith, B.
Cessar	Grieco	Michlovic	Smith, L. E.
Cimini	Gruppo	Miller	Snyder, G. M.

Cohen	Haluska	Miscevich	Stairs
Coslett	Harper	Moehlmann	Stewart
Coy	Hasay	Morris	Swift
Deluca	Hayes	Murphy	Taylor, E. Z.
DeVerter	Herman	Noye	Telek
DeWeese	Hershey	Peterson	Tigue
Davies	Hoeffel	Petrone	Trello
Dawida	Honaman	Phillips	Wachob
Dietz	Hutchinson	Pitts	Wass
Dorr	Itkin	Pott	Wozniak
Fee	Klingaman	Pratt	Wright, J. L.

NAYS—108

Afflerbach	Durham	McIntyre	Scheetz
Alderette	Evans	McMonagle	Schuler
Arty	Fargo	McVerry	Semmel
Baldwin	Fattah	Maiale	Showers
Barber	Flick	Manderino	Sirianni
Battisto	Freind	Manmiller	Snyder, D. W.
Belfanti	Gallagher	Merry	Spencer
Beloff	Gannon	Micozzie	Spitz
Book	George	Mowery	Steighner
Boyes	Greenwood	Mrkonic	Stuban
Bunt	Gruitza	Nahill	Sweet
Caltagirone	Hagarty	O'Brien	Taylor, F. E.
Cappabianca	Jackson	O'Donnell	Truman
Carn	Jarolin	Oliver	Van Horne
Civera	Kasunic	Perzel	Vroon
Clark	Kennedy	Petrarca	Wambach
Clymer	Kosinski	Piccola	Wargo
Colafella	Kowalyshyn	Pievsky	Weston
Cole	Kukovich	Pistella	Wiggins
Cordisco	Lashinger	Preston	Williams
Cornell	Laughlin	Rappaport	Wogan
Cowell	Lescovitz	Reber	Wright, D. R.
Daley	Levin	Rieger	Wright, R. C.
Deal	Linton	Ryan	Zwinkl
Dininni	Lucyk	Rybak	
Dombrowski	McCall	Saloom	Irisv,
Donatucci	McClatchy	Salvatore	Speaker
Duffy	McHale		

NOT VOTING—3

Bowser	Foster, W. W.	Wilson
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the negative, and the amendment was not agreed to.

On the question recurring,

Will the House agree to the bill on third consideration?

Mr. LETTERMAN offered the following amendments No. A4639:

Amend Sec. 3 (Sec. 1793), page 41, line 27, by striking out "AN INSURER SHALL NOT" and inserting

(1) An insurer shall not

Amend Sec. 3 (Sec. 1793), page 42, by inserting between lines 2 and 3

(2) No insurer shall charge an insured who has been convicted of a violation of an offense enumerated in section 1535 (relating to schedule of convictions and points), a higher rate for a policy of insurance solely on account of the conviction. An insurer may charge an insured a higher rate for a policy of insurance if a claim is made under paragraph (1).

On the question,

Will the House agree to the amendments?

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

Mr. LETTERMAN. Thank you, Mr. Speaker.

Mr. Speaker, I looked at this bill and the total picture as not being able to reform anything, and I would have liked to have had it in the Game and Fisheries Committee and buried it in one of the lakes that we have in the State of Pennsylvania. But since it is before us, I felt the only right thing to do was try to put amendments in that were really "people legislation" amendments.

I feel that one of the worst things we allow to happen in this State is for us to let the insurance companies use moving violations under our driving record as a means of increasing the insurance. My amendment will eliminate the right for an insurance company to increase your insurance premium for a moving violation. I would ask for an affirmative vote.

The SPEAKER. The Chair thanks the gentleman.

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

The following roll call was recorded:

YEAS—140

Afflerbach	Donatucci	Letterman	Rieger
Baldwin	Duffy	Levi	Robbins
Barber	Evans	Linton	Rudy
Belardi	Fargo	Livengood	Saloom
Belfanti	Fattah	Lloyd	Scheetz
Blaum	Fee	Lucyk	Schuler
Book	Flick	McCall	Semmel
Bowser	Foster, W. W.	McIntyre	Serafini
Brandt	Foster, Jr., A.	McMonagle	Seventy
Broujos	Fryer	McVerry	Showers
Bunt	Gallagher	Mackowski	Smith, L. E.
Burns	Gamble	Madigan	Snyder, D. W.
Caltagirone	Geist	Manmiller	Stairs
Carn	George	Markosek	Steighner
Cawley	Gladeck	Mayernik	Stewart
Cessar	Godshall	Michlovic	Stuban
Cimini	Greenwood	Micozzie	Swift
Civera	Grieco	Miller	Taylor, E. Z.
Clark	Gruppo	Miscevich	Taylor, F. E.
Clymer	Haluska	Moehlmann	Telek
Cohen	Harper	Morris	Tigue
Colafella	Hasay	Murphy	Trello
Cole	Herman	Noye	Truman
Cordisco	Hoeffel	Oliver	Van Horne
Cornell	Honaman	Peterson	Wachob
Coslett	Hutchinson	Petrarca	Wambach
Cowell	Itkin	Petrone	Wargo
Coy	Jackson	Pistella	Wass
Deluca	Jarolin	Pott	Wiggins
DeVerter	Kasunic	Pratt	Williams
DeWeese	Kennedy	Preston	Wilson
Daley	Klingaman	Punt	Wozniak
Dawida	Lashinger	Reber	Wright, D. R.
Deal	Laughlin	Reinard	Wright, R. C.
Dietz	Lehr	Richardson	Zwilk

NAYS—57

Alderette	Freind	Merry	Saurman
Angstadt	Gallen	Mowery	Sirianni
Armstrong	Gannon	Mrkonic	Smith, B.
Arty	Gruitza	Nahill	Snyder, G. M.
Battisto	Hagarty	O'Brien	Spencer
Beloff	Hayes	O'Donnell	Spitz
Boyes	Hershey	Perzel	Sweet
Cappabianca	Kosinski	Phillips	Vroon
Davies	Kowalshyn	Piccola	Weston

Dininni	Kukovich	Pievsy	Wogan
Dombrowski	Lescovitz	Pitts	Wright, J. L.
Dorr	Levin	Rappaport	
Durham	McClatchy	Ryan	Irvis,
Fischer	McHale	Rybak	Speaker
Freeman	Manderino	Salvatore	

NOT VOTING—2

Burd Maiale

EXCUSED—4

Johnson Marmion Olasz Stevens

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

On the question,

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

Mr. LETTERMAN offered the following amendments No. A4635:

Amend Sec. 3 (Sec. 1793), page 41, line 27, by inserting after "INCREASES.—"

(1)

Amend Sec. 3 (Sec. 1793), page 42, by inserting between lines 2 and 3

(2) No insurer shall charge an insured under 25 years of age a rate for a policy of insurance which is higher than rates charged to persons 25 years of age and older unless an insured under 25 years of age has caused an accident involving damage to property or personal injury.

On the question,

Will the House agree to the amendments?

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

Mr. LETTERMAN. Thank you, Mr. Speaker.

Mr. Speaker, it has been my opinion that we have been mistreating our young people in the State of Pennsylvania in the insurance business ever since we said that once you are 16 to 25, you will pay more insurance because that is where the most accidents happen. I think that is absolutely discriminatory.

I know that a lot of people here are going to say to me that this piece of legislation that I have will increase the insurance of everybody overall. That is too bad. But to be fair, the way you do it is to be fair, and be fair to young people who would like to go out and get married and have an automobile to go get a job. We are depriving the young people of the State of Pennsylvania that right. People that age can hardly afford to pay for insurance to even drive a car to go look for a job. They cannot afford to get married. I think if we took that and spread it out over the entire insurance coverage program, we would be being very fair, and we would have a good policy in the State of Pennsylvania.

My amendment says that people 25 and younger shall not pay more insurance than anybody else until they have their first accident. Until they file a claim with an insurance company, I see no reason for them to be charged more insurance. I am asking you to really think about this, and I know for a lot of you it is going to be hard to swallow because it is

going to raise insurance on an overall picture, not that much to everybody, but it is going to be very fair to our young people. Thank you very much.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Berks, Mr. Gallen.

Mr. GALLEN. Mr. Speaker, would the gentleman stand for interrogation?

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

Mr. GALLEN. Mr. Speaker, you said that the rates for other people would increase. You said not very much.

Mr. LETTERMAN. I would think that it would increase, Mr. Speaker. I have not found out. I am only trying to be fair, with this piece of legislation, to the young people. I am not dealing with the total cost. That is going to be up to the insurance companies.

Mr. GALLEN. Would you believe this is going to drive up senior citizens' rates by about 30 percent?

Mr. LETTERMAN. I do not know if it will or not, Mr. Speaker. I just said that I was being fair to everybody, period.

Mr. GALLEN. If you are being fair to everybody, then maybe you are in favor of having blanket rates statewide. I am sure the people in Philadelphia would like that.

Mr. LETTERMAN. Theirs would raise accordingly.

Mr. GALLEN. Well, if you own a frame home in an unprotected area, your fire insurance rate is higher, because it is a greater hazard.

Mr. LETTERMAN. I am not talking about fire insurance, Mr. Speaker.

Mr. GALLEN. I understand that.

The SPEAKER. The gentleman, Mr. Gallen, and the gentleman, Mr. Letterman, will yield.

If the gentleman, Mr. Gallen, wishes to argue a point, he will have the floor to do so, but the gentleman is limited at this point to interrogation at his own risk.

Mr. GALLEN. Mr. Speaker, in both these last two amendments, what you are doing is taking the prerogative of rating policies according to the hazard that exists. Is that not right?

Mr. LETTERMAN. I do not know if that is right. Somebody said that a long time ago, but they have never proven it to me.

Mr. GALLEN. Well, I think, Mr. Speaker, it is a very difficult—

Mr. LETTERMAN. Why do we not try it, Mr. Speaker, and find out?

Mr. GALLEN. Mr. Speaker, I oppose the amendment.

The SPEAKER. The gentlemen are advised that the Chair has an infinite supply of patience, but the infinite has a limit. We will restrict ourselves to the questions and answers.

The gentleman from Montgomery, Mr. McClatchy, is recognized on the Letterman amendment.

Mr. McCLATCHY. Thank you, Mr. Speaker.

I rise to oppose the Letterman amendment. I love my kids, and I remember some time ago, when my son was 18, he came

in and said, Dad, I am emancipated. I said, how about that; you are emancipated. He said, I would also like to go out and buy a car and drive it. Well, I said, who is going to pay for the insurance? He said, I do not know yet; I have not figured that one out. I said, well, you figure that one out. Well, he did figure it out, and he figured out that it was going to cost a bundle, and being somewhat sensitive, I said, all right, I will help you the first year. I was astounded to see what that cost. So then the first year went by and he got in an accident, and the second year went by and he got in another accident. The whole time I was telling him, look, improve your driving record; you know, stop doing all these goofy things you do out there on the road when you drive a car. He said, Dad, I am 18; I am emancipated. I said, you bet your life you are emancipated; I am stopping paying your insurance policy; you go out and get a job and pay for it.

I do not think we should pay for the irresponsibility of young people, and unfortunately, that category spells it out. It is a statistic maybe we do not like but we have to live with, and unfortunately, they are emancipated. Gee whiz, I think if they want to drive a car, if they are in that category and they are irresponsible, they are young, then they ought to pay for that privilege. They can get a job. They are usually living at home, and they could certainly afford it and work toward that. Mr. Speaker, I oppose the amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Philadelphia, Mr. Cohen.

Mr. COHEN. Mr. Speaker, the experience that Mr. McClatchy related about his son is surprisingly untypical. The fact is that while there are some drivers who are under 25 who have very poor records, like Mr. McClatchy's son, like some other people, that is not typical. The average driver under 25 is not any more likely to get into an accident than the average driver over 25. Far less than 5 percent of the drivers under 25 get into automobile accidents, though that is still a higher percentage of people who get into automobile accidents than those who are over 25. So the question is, should a good driver with a perfect record who is 23 years old pay a much higher rate than a bad driver who is 49 years old, or should he be judged on his own driving ability? There is no reason why a 23-year-old perfect driver should pay a much higher rate than a 49-year-old poor driver, and that is what the Letterman amendment says. People ought to be judged on their own merits; they ought not to be judged on arbitrary classifications.

Recently, a former Insurance Commissioner, I believe it was Harvey Bartle, abolished classifications by sex. It used to be that male drivers had to pay much higher rates than female drivers, and Commissioner Bartle changed that so that male and female drivers now are judged basically on their own record, and there is no reason why people under 25 cannot be judged on their own records.

There are far more people over 25 than under 25. There are far more accidents caused by people over 25 than under 25. The increase should be very nominal. All we are doing under

the current system is we are concentrating the insurance premiums on a small group of people who are the people who are least able to afford payments, and that is one of the reasons why there is such a high rate of people in this Commonwealth who are not getting insurance, because they cannot afford it. This ought to make it much more affordable, and you will have many more people covered by the insurance system. It is in the interest of fairness and equity, and I urge your support of this very important amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the minority leader.

Mr. RYAN. Mr. Speaker, with four children under 25 and one who just turned 16, I should join Mr. Letterman on this amendment. I cannot, however. I think if we start fooling around with what has been the practice in the insurance industry for 50 years, 100 years, we are going to be in trouble.

Someone mentioned it, Mr. Letterman—and I ask you to give some thought to what was said—why, if we cannot discriminate or should not discriminate because of age, why should we discriminate because of geography? Why should I pay—I looked at a sheet that was handed out here earlier that said the statewide average for a policy is about \$175 to \$202, depending on which one you were looking at—why should I pay \$700 for that same policy because I live close to Philadelphia in Delaware County and I am in that zone? Why, for that same policy, should someone from Philadelphia probably pay—and I am guessing this—\$1,500 or \$1,800? Why should you, for the same policy coverage, pay maybe \$120 or \$130 because you live out in the boondocks? I would assume it is because the risk of loss is greater in Philadelphia than it is in the rural counties. I would assume that living in Delaware County, the risk of loss is greater than the rural area but not as great as the city of Philadelphia. These are measures and standards that have been set over many years, and I have to suspect that the same measures and rates have been determined after close study of the driving habits of our citizens who are under 25.

I think it is a mistake to do this, because I also happen to agree with Jim Gallen that when we equalize these premiums, the bulk of the cost is going to go up onto the senior citizens and people like ourselves who are approaching senior citizenry.

I think we also made a mistake a moment ago when we voted on the prohibition against putting a penalty on people who have bad driving records with moving violations. I think that was a mistake, if you think about it, because that one will penalize those who do not have bad driving records.

All in all, as attractive as your amendment is, I cannot support it, and I think that if you think about it, you cannot support it either. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Allegheny, Mr. Trello.

Mr. TRELLO. Mr. Speaker, I rise to support the Letterman amendment.

First of all, Mr. McClatchy got up and spoke to the irresponsible drivers. What do we talk about? Why do we not talk about the ones who are responsible, the teenagers who go out and work very hard and pay their own premiums, like my daughter does. She is 16, she has not had any accidents, and she works to pay her own premium. What do we tell them, that they are second-class citizens? Hey, kid, you are under 25; you are going to pay twice as much as anybody else. I do not think that is right.

Mr. Ryan said that this was the policy for the past 50 years. Does that make it right, because it has been the policy for the past 50 years? That is why we change things so often up here, because maybe they were not right.

As far as geography is concerned, maybe we ought to do something about that. I mean, what is it, different strokes for different folks around here with the insurance companies? You know, I am inclined to believe that they complain about everything.

You know, talking about uniformity clauses and taxes, we have a uniformity act here that everybody has to be taxed equally. Well, what about the insurance premiums? Should that not be equal? Why should children be penalized because of their age and say, hey wait, wait 9 years until you are 25 and maybe you will just get a lower rate. I think that the majority of our young people today are very responsible, and I think we should support this amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Beaver, Mr. Alderette.

Mr. ALDERETTE. Thank you, Mr. Speaker.

I rise to oppose the Letterman amendment.

Insurance is a statistical and a mathematical business. The facts are that statistically there are four times more accidents per 10,000 drivers and four times more fatalities in that group of under-age-25 drivers. I am not so sure it is fair to place that premium to those drivers who are safe, over 65, and between 25 and 65. I would ask for a negative vote.

The SPEAKER. The Chair thanks the gentleman.

On the amendment, the Chair recognizes the gentleman from Bucks, Mr. Reinard.

Mr. REINARD. Mr. Speaker, I would like to interrogate the prime sponsor of this amendment.

The SPEAKER. The gentleman, Mr. Letterman, says he will stand for interrogation. The gentleman, Mr. Reinard, is in order and he may proceed.

Mr. REINARD. Thank you, Mr. Speaker.

Mr. Speaker, on the amendment that we are looking at right now, A4635, could you explain to me how this amendment reflects on the prior amendment that you offered and this House passed, A4639?

Mr. LETTERMAN. I do not know what you mean. I drew two separate amendments because I did not think they did reflect on each other.

Mr. REINARD. Right. Okay. I will phrase it again.

We just passed amendment 4639, which was your amendment. Could you explain to me how this amendment now

before us will come into play with amendment 4639 currently in the bill?

Mr. LETTERMAN. Well, when I read both amendments, I see that they are both drawn in separate sections here, and they will not affect the bill that way. They are separate lines.

Mr. REINARD. Could you give me an example? I understand—

Mr. LETTERMAN. Could you give me an example of what you are getting at?

Mr. REINARD. Okay. Fine.

Amendment 4635 says we are going to treat drivers under age 25 the same way we treat all drivers until the time they have an accident, and then we will charge them at that point. My question is, what does amendment 4639 say when they reach that point and have the accident?

Mr. LETTERMAN. Amendment 4635 was drawn on age. Amendment 4639 was drawn on the point system that is used by the Department of Transportation as a means for insurance companies to increase insurance. That is the full difference.

Mr. REINARD. Is it not true—I am sorry if I am confusing you a little bit, because I am a bit confused—that under 4639 at the time of an accident, you will not be assessed a higher rate?

Mr. LETTERMAN. No.

Mr. REINARD. Okay. Could you explain it.

Mr. LETTERMAN. It says there if you have a claim against an insurance company, then they can increase it but not because of the point system. That is what the prior amendment said. This one says that a person cannot be charged more insurance under the age of 25 until he has the first accident. That is the whole point. We are saying to you that at least 70 percent of the young people are good drivers, about 30 percent are bad drivers, so we are throwing them all in the same basket and treating them the same. To protect that, I have put the clause in there that because of the accident the insurance can be increased, but I think that the young people deserve that opportunity to prove that first.

Mr. REINARD. Back on the current amendment, do you know offhand whether this amendment only affects young people?

Mr. LETTERMAN. I beg your pardon. Someone was talking to me.

Mr. REINARD. Yes.

My question is, do you know that this amendment does not only affect young people but affects all new drivers in Pennsylvania, as the current rating goes now in Pennsylvania?

Mr. LETTERMAN. I already said it did. I already said it probably would.

Mr. REINARD. I am done with the interrogation, Mr. Speaker. I would like to make a point.

The SPEAKER. If the gentleman has finished his interrogation, he is in order to make a statement on the amendment.

Mr. REINARD. Mr. Speaker, as I understand the rating in Pennsylvania for new drivers, new drivers in Pennsylvania,

regardless of their age, whether they are age 16, age 25, or age 60, if they are a new driver in the Commonwealth of Pennsylvania, they are considered new drivers, and companies will make a charge against any inexperienced new driver in Pennsylvania regardless of their age. The reason why companies make charges against inexperienced drivers regardless of their age for the first 3 years is just that, the fact that they do not have the years behind the wheel that many of us currently have. I do not think it is very hard to understand that someone who is brand new, someone who has never driven an automobile before, regardless of their age, does have a disadvantage for a period of time when they are driving down the highway and are being experienced to driving for the first time. The charge that is put in there for inexperienced operators, in my opinion, is a reasonable charge. The charge is out there for 3 years and drops off once those drivers are no longer considered inexperienced.

The problem, as I see it, with this amendment is not that it is discriminatory against the age of our younger drivers; it is out there as a means of protection for the balance of us who are experienced drivers against those who are inexperienced. I would ask for the defeat of this amendment.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Delaware, Mr. Gannon.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, Mr. Letterman in his statement said let us be fair. Let us take a look at the amendment and see how fair it is.

He did admit that there would be some premium increase across the State statewide, and he is probably right on the average, but I do not think we can look at it statewide. We have to look at what are called rating territories that are used by underwriters and also age classifications. He is addressing a very, very complex issue in insurance underwriting and trying to make it very, very simple, which it is not.

But let me say this, Mr. Speaker, we talk about being fair. One of the members got up earlier and said that the insurance premiums for older folks would probably go up 30, 40 percent. Well, if we adopt the Letterman amendment, Mr. Speaker, that is probably being conservative, because you members who represent the city of Philadelphia and you members who represent the city of Pittsburgh and you members who represent the city of Scranton and Wilkes-Barre and other cities in this State are going to see insurance premiums for those older folks go through the roof if we adopt the Letterman amendment. Because of the cost of insurance for those people who cannot afford that high cost, they are going to have to take more money out of their social security checks and more money out of their retirement and pension checks to pay for insurance premiums that they do not have to pay for now.

Mr. Speaker, very briefly, the younger folks are in a risk classification by themselves. Younger folks tend to have more accidents than older folks, and that is why their premiums tend to be higher. But as they grow out of that risk classifica-



tion, as they go over 25, their premiums start to go down, assuming that they have a good track record as far as their automobile operation is concerned.

One other thing that has to be corrected, Mr. Speaker, is nowhere in this Commonwealth does a bad driver 49 pay less for his insurance than a good driver under 25. Mr. Speaker, I urge a "no" vote on the Letterman amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Philadelphia, Mr. Fattah.

Mr. FATTAH. Mr. Speaker, I rise in support of the Letterman amendment. The issue here seems to be clear to me, and that is that in this General Assembly we have an attempt to be fair to those citizens across the Commonwealth irrespective of age. Even if, as the last speaker suggests, other people may have to pay a little bit more, it would seem to me that in terms of being fair, especially to our younger citizens in this State, that may be a price we have to pay, because in every other instance before this General Assembly, we have attempted to be fair across the board, and we need to continue in that regard and support the Letterman amendment, and I would ask my colleagues to do the same. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Allegheny, Mr. Clark.

Mr. CLARK. Thank you, Mr. Speaker.

I want to oppose the Letterman amendment, and I want to point something out here.

The last amendment that the gentleman offered exempted moving violations for all of us, meaning speeding violations that we would be arrested for. But this amendment says that someone 25 years of age and younger would have to have an accident, which means that if they are convicted of reckless driving, drunken driving, or any of those charges, they could not raise their rates, because they were not involved in an accident. I really do not think that is what Mr. Letterman wants to do here.

I would urge a negative vote and hope that he would draft this amendment to agree with his last amendment. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the majority whip.

Mr. O'DONNELL. Mr. Speaker, the only thing wrong with the Letterman amendment is that it does not go far enough. Everybody who is sitting in this room has at one time or another been both the beneficiary and the victim of the type of thinking that Mr. Letterman is trying to correct.

There has been some discussion about what are the real facts. Is it not true that people in this category have a higher probability of being in an accident than in other age categories? That is not a fact; that is an abstraction. That is a convenience for the purpose of insurance companies. It is a statement of probability. It has nothing whatsoever to do with the realities of an individual who is purchasing insurance. It is a mere convenience in setting rates for them. If you decide that

that kind of thinking is legitimate because of its statistics, then you are deciding that it is legitimate for somebody to be screened out from getting a job because they do not have a college degree, because there is a probability, there is a correlation between a college degree and intelligence. Does that mean that people who do not have college degrees are not intelligent? Of course not. What is happening is that that is a mere reliance on statistics.

There was a time in neighborhoods in Philadelphia where you could not get mortgages. Why? Because the neighborhood was no good. That was a statistically relevant judgment. It was not a true and valid judgment, because what banks could do is go in and look at an individual borrower, an individual piece of real estate, and decide that that transaction was a good bet.

Whether or not Mr. McClatchy's son gets insurance and how much he should pay should depend entirely on an assessment of that individual, not a judgment about the probabilities based on the fact that he lives in the suburbs or that he is in a certain age or even that he is a Republican. What should happen is— Well, I assume there is probably a statistical difference between Republicans and Democrats in terms of how many accidents you are in.

I would remind everybody in this House that you have been the beneficiary and you have been the victim of this kind of thinking. All of you who have ever voted for anything have been placed in a category by the people over my shoulder. Your religion, your race, your party membership, and any other convenient probability device has been used by the observers to come to conclusions and lock you into some kind of a box. Nobody asked you what you really believed. Nobody cared who you really were or what your performance really was. The only thing that was important was your religion, your race, your party membership, et cetera. That is for their convenience; that is not valid.

I think the only thing wrong with the Letterman amendment is that it eliminates the age discrimination, but we should then go from there and eliminate every form of discrimination and make insurance companies make judgments about individuals before they set the rates on them.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Allegheny, Mr. Trello, for the second time on the Letterman amendment.

Mr. TRELLO. Mr. Speaker, will Mr. Letterman stand for brief interrogation?

The SPEAKER. The gentleman, Mr. Letterman, indicates he will so stand. The gentleman, Mr. Trello, is in order and may proceed.

Mr. TRELLO. Mr. Speaker, do you agree with the comments made by my colleague from Allegheny County, Mr. Clark?

Mr. LETTERMAN. Well, Mr. Speaker, the only thing that I would not agree with is he said I said they had to have an accident. That is not part of the amendment. My amendment says that they must have a claim put against them where they must claim against the insurance so that they can have it

repaired. That is where I thought that it took care of it, and I thought that Mr. Clark was completely wrong in his statement.

He also brought up another thing that I would like to clear up. The other thing is that he was referring to a moving violation, which does not include hit-and-run, drunken driving, because that is a misdemeanor, I understand, of the third degree that is treated separately by itself, and so that was not needed to be included in my amendment.

The SPEAKER. Has the gentleman, Mr. Trello, completed his interrogation?

Mr. TRELLO. Yes, Mr. Speaker. I would like to make a brief statement.

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

Mr. TRELLO. Mr. Speaker, it seems to me that we are forgetting about due process of law here. I think what we are doing here today is telling the youth of this great State that, hey, you are guilty before you have committed the crime, so you are going to pay until you are 25. I urge support of the Letterman amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment for the second time, the Chair recognizes the gentleman from Berks, Mr. Gallen.

Mr. GALLEN. Mr. Speaker, I do not know where Mr. O'Donnell is coming from, but insurance is nothing if it is not experience and probabilities. This is where we get our rates. If you are 16 years old, you pay a lower life insurance premium than somebody who is 60. If you have an unprotected frame home in the country, you pay a higher rate than somebody who has a brick home in the city. It is probabilities; it is how big a hazard there is and what rate should be gleaned from that hazard.

Mr. Speaker, I think this amendment is ridiculous, and insurance is exactly probabilities and experience.

The SPEAKER. The Chair thanks the gentleman.

The Chair has been interested in the mathematics of this afternoon and has heard a number of mathematical conjectures. The Chair calculates roughly that of 200 people, if each one speaks 5 minutes on a subject, it would be 1,000 minutes. With no interruption, that would mean approximately 16 hours of debate.

The Chair has now in place nine additional amendments before we get to the body of the bill. Now that you have been advised, the Chair will now continue to recognize the members under freedom of speech.

The Chair recognizes the gentleman from Cumberland, Mr. Mowery, who has not spoken yet.

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

I would just like to remind everyone here that we are talking about a bill, ultimately after nine amendments, that is designed supposedly, if it passes, to reduce the cost of car insurance in the State of Pennsylvania, or hopefully, at least maintain the current premium level. If this amendment passes, I would like to assure everyone here that the majority of those who are trying to make a change in the no-fault law

will find immediately the rates increasing for all of the wrong reasons. So I would just like to caution you before you vote on this, even though the merits may sound very reasonable to most of us here, that you are going to be defeating the purpose of what the ultimate bill is designed to do. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the amendment, the Chair recognizes, for the second time, the gentleman from Philadelphia, Mr. Cohen.

Mr. COHEN. Mr. Speaker, in brief, Mr. Gallen's statement that he does not understand the point that Mr. O'Donnell made can be answered as follows. Yes, there is a greater statistical probability that people under 25 will get into accidents, but only a very small number of people under 25 get into accidents. There probably are statistical correlations based on height, based on education, based on styles of dress, based on all sorts of different personality variables, based on kind of car, based on drinking habits, based on drug use, based on a lot of things. One could divide human beings into far more categories than age, but age is one of the few categories that is used, and what those people who oppose the status quo and support the Letterman amendment are saying is that age is an arbitrary classification; it is a classification without any merit, and it is a classification that ought to be changed. I would urge again support of the Letterman amendment.

The SPEAKER. The Chair recognizes the majority leader, on the amendment.

Mr. MANDERINO. Mr. Speaker, I rise to oppose the Letterman amendment. The Letterman amendment speaks again to the ideal, and the gentleman, Mr. Cohen, again speaks to the ideal. He says that an age classification has no basis in reason, age alone, but certainly something in the age group under 25 years of age, something within those young people could be identified, I guess, to show why they have 20 percent of the accidents when they only represent a little better than 10 percent of the people driving automobiles. I imagine that you might be able to make a category of flighty, irresponsible, not knowledgeable in the law, ability to drink before 21, access to liquor, a lot of things like that. Can you imagine that kind of classification or an attempt to make that kind of classification?

The facts are that the under-25 driver has 20 percent of the accidents, and they only represent about 10 percent of the people. When you get over the age of the twenties and you get into the thirties and the forties and the fifties and the sixties, in each one of those categories by 5-year increments—that is 30 to 35 and 35 to 40 and 40 to 45—the number of accidents is less percentagewise than that particular segment of the population is. So what you are going to do is, of course, spread the risk and cost of the under-25 driver to everyone. Now, you must realize that if that is your choice, you certainly can do it. You can say, we will all take on the burden of the under-25 driver. But if we do not do it in a comprehensive manner—and the gentleman, Mr. O'Donnell was right. If you want to do this, you do it in a comprehensive manner. You do not think of an amendment, send it up, and take only a portion of

it. You list the reasons and the classifications and the manner in which someone can be charged more in a premium, and you will have many more premium ratings; you will have premium ratings for any number of things.

What the insurance industry has done is to take the category of under-25 drivers and say, let us not try to identify the many myriad reasons that these people have twice as many accidents as everyone else; let us rate the class. Now, is it reasonable that we do that? I imagine that there are good drivers who pay a premium higher than they would have in that particular class, but I will tell you, if we try to do what the Letterman amendment asks us to do, you will not be helping the young people in Pennsylvania. What you will find is the companies will just simply refuse to write insurance for the under-25 driver, and they have a perfect right to do that. They will not write the insurance for the under-25 driver unless they are getting the premium rating. The under-25 driver will end up in the assigned risk pool, will end up paying probably a higher premium than they are paying now.

Now, you can shake your head, whether you are from Somerset County or from Indiana County or Philadelphia County, at the kinds of classifications that the insurance industry now makes, and you can say that they ought to be improved, and you say we can do a better job than that in identifying the problem drivers. If we can, let us do that. Let us just not simply say, you cannot rate them in the manner that you are rating them. Let us tell them how they can rate them. Let us introduce a comprehensive bill to that subject, and perhaps we could improve the system, but lacking that comprehensive bill, lacking going into it in depth, I must ask for a defeat of the Letterman amendment.

The SPEAKER. The Chair thanks the gentleman.

On the amendment, the Chair recognizes, for the second time, the author of the amendment, Mr. Letterman.

Mr. LETTERMAN. Mr. Speaker, I heard one person speak about a 3-year experience. I would love to see an insurance company give our young people a 3-year experience. I would be delighted if that was the way it is, but they give them a 9-year experience. I hear Mr. Manderino say they take in that entire space. That is what is wrong with this thing. They should not take in such a large area under one category. They have taken in a 9-year distance there of young persons and call them irresponsible for 9 years. This is exactly what I am getting at.

Maybe it is the wrong way to go about it, but I am going to plant somebody a good idea someplace along the line, because somebody should start to treat our young people a lot better than what we do. The only thing I am saying is, I think we are on the right track, and we should vote "yes" on this amendment until a better plan comes along.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—49

Angstadt	Haluska	Mayernik	Spitz
Blaum	Harper	Michlovic	Steighner
Cohen	Hasay	Miscevich	Stewart
Cowell	Herman	Murphy	Tigue
Deluca	Hershey	O'Donnell	Trello
DeWeese	Hutchinson	Petrone	Van Horne
Deal	Itkin	Pistella	Wiggins
Duffy	Jarolin	Pratt	Wozniak
Fattah	Klingaman	Preston	Wright, R. C.
Fee	Letterman	Reber	
Freind	Linton	Richardson	Irvis,
George	McCall	Saloom	Speaker
Godshall	Markosek	Saurman	

NAYS—148

Afflerbach	Dietz	Lescovitz	Rieger
Alderette	Dininni	Levi	Robbins
Armstrong	Dombrowski	Levin	Rudy
Arty	Donatucci	Livengood	Ryan
Baldwin	Dorr	Lloyd	Rybak
Barber	Durham	Lucyk	Salvatore
Battisto	Evans	McClatchy	Scheetz
Belardi	Fargo	McHale	Schuler
Belfanti	Fischer	McIntyre	Semmel
Beloff	Flick	McMonagle	Serafini
Book	Foster, W. W.	McVerry	Seventy
Bowser	Foster, Jr., A.	Mackowski	Showers
Boyes	Freeman	Madigan	Sirianni
Brandt	Fryer	Maiale	Smith, B.
Broujos	Gallagher	Manderino	Smith, L. E.
Bunt	Gallen	Manmiller	Snyder, D. W.
Burd	Gamble	Merry	Snyder, G. M.
Burns	Gannon	Micozzie	Spencer
Caltagirone	Geist	Miller	Stairs
Cappabianca	Gladeck	Moehlmann	Stuban
Carn	Greenwood	Morris	Sweet
Cawley	Grieco	Mowery	Swift
Cessar	Gruitza	Mrkonic	Taylor, E. Z.
Cimini	Gruppo	Nahill	Truman, F. E.
Civera	Hagarty	Noye	Truman
Clark	Hayes	O'Brien	Vroon
Clymer	Hoeffel	Oliver	Wachob
Colafella	Honaman	Perzel	Wambach
Cole	Jackson	Peterson	Wargo
Cordisco	Kasunic	Petrarca	Wass
Cornell	Kennedy	Phillips	Weston
Coslett	Kosinski	Piccola	Williams
Coy	Kowalshyn	Pievsky	Wilson
DeVerter	Kukovich	Pitts	Wogan
Daley	Lashinger	Punt	Wright, D. R.
Davies	Laughlin	Rappaport	Wright, J. L.
Dawida	Lehr	Reinard	Zwikl

NOT VOTING—2

Pott	Telek
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the negative, and the amendments were not agreed to.

REMARKS ON VOTE

The SPEAKER. The Chair recognizes the gentleman from Mercer, Mr. Robbins.

Mr. ROBBINS. Mr. Speaker, I was recorded on the Letterman amendment A4639 in the affirmative, and I want to be recorded in the negative.

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

**CONSIDERATION OF SB 942 CONTINUED**

The SPEAKER. Does the gentleman from Centre, Mr. Letterman, have a third amendment to offer?

Mr. LETTERMAN. Mr. Speaker, I think Mr. Dawida has one exactly like it. He would like to use his.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

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

Mr. WILSON offered the following amendments No. A4665:

Amend Sec. 3 (Sec. 1793), page 41, line 30, by inserting after "POLICY"

caused an accident within any five-year period,

Amend Sec. 3 (Sec. 1793), page 42, line 1, by inserting a period after "THEREON"

Amend Sec. 3 (Sec. 1793), page 42, lines 1 and 2, by striking out "UNLESS IT IS DETERMINED THAT THE INSURED WAS AT" in line 1, all of line 2 and inserting If within any five-year period an insured has caused more than one accident and has received payment on all claims arising out of the accidents, the insurer may increase the premium rate if the Insurance Department approves the increase.

Amend Sec. 3 (Sec. 1793), page 42, lines 28 through 30, by striking out "RULES AND REGULATIONS ESTABLISHING GUIDELINES AND" in line 28, all of line 29 and "OF SUBSECTION (A) AND" in line 30

On the question,

Will the House agree to the amendments?

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

Mr. WILSON. Mr. Speaker, as we attempt, I suppose, here in the House to propose a no-fault bill that takes care of our constituents, the insureds, and I guess is satisfactory to the trial lawyers and satisfactory to the insurance companies, I see a problem, and I think the majority leader spoke to this, and this is what I am trying to do in this amendment. I am simply saying here that if I buy an insurance policy, an insurance policy is something, as I see it, that is going to take care of me or protect me against those lawsuits, against those damages that I might cause in an inadvertent moment driving my vehicle. I think that is what we are paying the premium for. We are paying to have that protection. What I am attempting to say here is that if I have a frequent accident record, if I am the cause of an accident and I make a claim every year against my policy, I think that the company probably should have a right to ask for a higher premium from me than he does the rest of the persons who are being insured.

So I am suggesting here in this amendment that the insurance company cannot, they cannot, change your premium any differently than anybody else's in the type of coverage you have or the type of area that you are coming from with your vehicle if in fact you have not had more than one accident in 5

years that you have made a claim for and have received payment for. It is as simple as that. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

**YEAS—101**

Angstadt	Fischer	Lehr	Rudy
Armstrong	Flick	Letterman	Saloom
Baldwin	Foster, W. W.	Levi	Schuler
Battisto	Foster, Jr., A.	Linton	Semmel
Belfanti	Freeman	Lucyk	Seventy
Book	Gallen	McCall	Showers
Bowser	Gamble	McHale	Sirianni
Brandt	Geist	Madigan	Smith, L. E.
Burd	Godshall	Markosek	Snyder, G. M.
Burns	Greenwood	Merry	Stairs
Cessar	Grieco	Michlovic	Steighner
Cimini	Gruppo	Miller	Stewart
Clymer	Haluska	Miscevich	Stuban
Cordisco	Harper	Morris	Swift
Coslett	Hasay	Murphy	Trello
Coy	Hayes	Noye	Van Horne
Deluca	Herman	Oliver	Wachob
DeVerter	Hershey	Peterson	Wargo
Davies	Honaman	Petrone	Wozniak
Dawida	Hutchinson	Phillips	Wright, J. L.
Deal	Itkin	Pitts	Wright, R. C.
Dietz	Jarolin	Pott	Zwikl
Dorr	Kennedy	Preston	
Duffy	Klingaman	Punt	Irvis,
Fargo	Lashinger	Richardson	Speaker
Fattah	Laughlin	Robbins	

**NAYS—90**

Afflerbach	Donatucci	McVerry	Salvatore
Alderette	Durham	Mackowski	Saurman
Arty	Evans	Manderino	Scheetz
Barber	Fee	Manmiller	Serafini
Belardi	Freind	Micozzie	Smith, B.
Beloff	Fryer	Moehlmann	Snyder, D. W.
Blaum	Gallagher	Mowery	Spencer
Boyes	Gannon	Mrkonic	Spitz
Broujos	George	Nahill	Sweet
Bunt	Gladeck	O'Brien	Taylor, E. Z.
Caltagirone	Gruitza	Perzel	Taylor, F. E.
Cawley	Hagarty	Petrarca	Tigue
Civera	Hoeffel	Piccola	Truman
Clark	Jackson	Pievsy	Vroon
Cohen	Kasunic	Pistella	Wambach
Colafella	Kosinski	Pratt	Wass
Cole	Kowalyshyn	Rappaport	Weston
Cornell	Kukovich	Reber	Wiggins
Cowell	Lescovitz	Reinard	Williams
DeWeese	Levin	Rieger	Wilson
Daley	Livengood	Ryan	Wogan
Dininni	Lloyd	Rybak	Wright, D. R.
Dombrowski	McClatchy		

**NOT VOTING—8**

Cappabianca	McIntyre	Maiale	O'Donnell
Carn	McMonagle	Mayernik	Telek

**EXCUSED—4**

Johnson	Marmion	Olasz	Stevens
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The question was determined in the affirmative, and the amendments were agreed to.

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

Mr. SWEET offered the following amendments No. A4632:

Amend Subchapter analysis, page 36, line 21, by inserting after "PRIVILEGE"

or registration

Amend Sec. 3 (Sec. 1781), page 37, line 4, by inserting after "privilege"

or registration

Amend Sec. 3 (Sec. 1783), page 38, line 11, by inserting after "privilege"

or registration

Amend Sec. 3 (Sec. 1783), page 38, line 13, by inserting after "person"

or the registration of any vehicle

Amend Sec. 3 (Sec. 1784), page 38, line 30, page 39, line 1, by striking out both of said lines and inserting

the notice, the department shall revoke the registration of the vehicle. If the defendant is the owner of the vehicle, the department shall also revoke the operating privilege of the defendant.

Amend Sec. 3 (Sec. 1785), page 39, line 3, by striking out "person" and inserting

owner of a motor vehicle involved in an accident

Amend Sec. 3 (Sec. 1785), page 39, line 4, by inserting after "responsibility"

on the motor vehicle

On the question,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the gentleman from Washington, Mr. Sweet.

Mr. SWEET. Thank you, Mr. Speaker.

These amendments are more technical than controversial.

The amendment before us would correct a lewd drafting error and would make sure that when one violates the financial responsibility section of the law, their registration would be pulled as well as their license being revoked. I would ask for an affirmative vote, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—191

Afflerbach	Fee	Lucyk	Ryan
Alderette	Fischer	McCall	Rybak
Angstadt	Flick	McClatchy	Saloom
Armstrong	Foster, W. W.	McHale	Salvatore
Arty	Foster, Jr., A.	McIntyre	Saurman
Baldwin	Freeman	McMonagle	Scheetz
Barber	Freind	McVerry	Schuler
Battisto	Fryer	Mackowski	Semmel
Belardi	Gallagher	Madigan	Serafini
Beloff	Gallen	Maiale	Seventy
Blaum	Gamble	Manderino	Showers
Book	Gannon	Manmiller	Sirianni
Bowser	Geist	Markosek	Smith, B.
Boyes	George	Mayernik	Smith, L. E.
Brandt	Gladeck	Merry	Snyder, D. W.
Broujos	Godshall	Michlovic	Snyder, G. M.
Bunt	Greenwood	Micozzie	Spencer
Burd	Grieco	Miller	Spitz

Burns	Gruitza	Miscevich	Stairs
Caltagirone	Gruppo	Morris	Steighner
Cappabianca	Hagarty	Mowery	Stewart
Cessar	Haluska	Mrkonic	Stuban
Cimini	Harper	Murphy	Sweet
Civera	Hasay	Nahill	Swift
Clark	Hayes	Noye	Taylor, E. Z.
Clymer	Herman	O'Brien	Taylor, F. E.
Colafella	Hershey	O'Donnell	Telek
Cole	Hoefel	Oliver	Trello
Cordisco	Honaman	Perzel	Truman
Cornell	Hutchinson	Peterson	Van Horne
Cowell	Itkin	Petrarca	Vroon
Coy	Jarolin	Petrone	Wachob
Deluca	Kasunic	Phillips	Wambach
DeVerter	Kennedy	Piccola	Wargo
DeWeese	Klingaman	Pievsky	Wass
Daley	Kosinski	Pistella	Weston
Davies	Kowalshyn	Pitts	Wiggins
Dawida	Kukovich	Pott	Williams
Deal	Lashingier	Pratt	Wilson
Dietz	Laughlin	Preston	Wogan
Dininni	Lehr	Punt	Wozniak
Dombrowski	Lescovitz	Rappaport	Wright, D. R.
Donatucci	Letterman	Reber	Wright, J. L.
Dorr	Levi	Reinard	Wright, R. C.
Duffy	Levin	Richardson	Zwilk
Durham	Linton	Rieger	
Evans	Livengood	Robbins	Irvis,
Fargo	Lloyd	Rudy	Speaker
Fattah			

NAYS—6

Cawley	Coslett	Moehlmann	Tigue
Cohen	Jackson		

NOT VOTING—2

Belfanti	Carn
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the affirmative, and the amendments were agreed to.

On the question recurring,

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

Mr. SWEET offered the following amendment No. A4630:

Amend Sec. 3 (Sec. 1761), page 24, line 10, by inserting after "benefits)."

Catastrophic loss benefits shall not duplicate any other payments for medical treatment and rehabilitative services.

On the question,

Will the House agree to the amendment?

The SPEAKER. The Chair recognizes the gentleman from Washington, Mr. Sweet.

Mr. SWEET. Thank you, Mr. Speaker.

This, too, corrects an oversight in the bill as it was reported out of committee. This amendment makes it very clear that there can be no double dip when one collects from the catastrophic fund. The bill as it is now drafted would permit a double recovery for someone who got into the catastrophic category. This amendment would prohibit that and would say that the catastrophic loss benefit is the only benefit to be collected and the collection of that benefit would be primary for all types of insurance except workmen's compensation.

I would ask for an affirmative vote, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the Sweet amendment, the Chair recognizes the gentleman from Allegheny, Mr. Trello.

Mr. TRELLO. Mr. Speaker, I would like to interrogate Mr. Sweet.

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

Mr. TRELLO. Mr. Speaker, does this mean if a person has two insurance policies and he has a catastrophic accident, he cannot collect on both?

Mr. SWEET. That is right, Mr. Speaker. If an injured individual got into the catastrophic fund category and he was over \$100,000 and he also had Blue Cross or Blue Shield for some reason covering extreme losses like that, he would only collect medical payments from the catastrophic fund. There is already a provision in the bill that says that the catastrophic fund is primary for everything, as I said, except workmen's comp.

Mr. TRELLO. Well, Mr. Speaker, do you not think that the insurance companies should be a little responsible, too? I mean, if they find out that a person already has a policy that covers them, should they still be allowed to sell them another policy, knowing that they cannot collect on it?

Mr. SWEET. No one would be selling a second policy here, Mr. Speaker. When we get to the catastrophic fund area, we are talking about the fund that is to be supported from the \$5 fee that everyone will be paying.

Mr. TRELLO. In other words, you are saying that he should not have private insurance.

Mr. SWEET. Well, you would not be purchasing automobile first-party payments for over \$100,000 under this bill. You would go into the catastrophic fund category. So you will not be paying for two automobile insurance policies.

Mr. TRELLO. Thank you, Mr. Speaker.  
I would like to make a brief statement.

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

Mr. TRELLO. Mr. Speaker, in many cases now they do not allow you to collect on two policies, and if that be the case, then the insurance company should not be allowed to sell an individual two different policies. If in filling out the application they find out that he is insured by another company, they should not be allowed to sell to him. I think they sell two different policies, collect two different premiums, and tell them they are only allowed to collect on one.

I am not opposing or supporting this amendment, but I just wanted to make that statement that many times they are sold two different types of insurance but only can collect on one. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Washington, Mr. Sweet.

Mr. SWEET. Mr. Speaker, I just want to make sure the members are clear on this, because I am not sure that the pre-

vious speaker quite understood my response to his inquiry. We are talking about people who are not going to be buying a second policy. They are already into the catastrophic fund, which is going to be supported by the \$5 payment that all owners of registered vehicles will be paying. The only possibility that I can see in discussion with staff where there would be a duplicate payment is if for some reason you had employer-purchased medical coverage to cover health care and other kinds of situations where for some reason or other you had a very good and lucrative plan that covered medical costs over \$100,000.

What we are trying to do here, Mr. Speaker, is consistent with the goals of the entire Kowalshyn amendment and also, quite frankly, Mr. Speaker, consistent with the Murphy amendment, and that is to avoid duplicate recovery for medical expenses. So there will not be any situation where you bought two policies.

Thank you, Mr. Speaker. I would urge an affirmative vote.

The SPEAKER. The Chair thanks the gentleman.

On the Sweet amendment, the Chair recognizes the gentleman from Mercer, Mr. Gruitza.

Mr. GRUITZA. Thank you, Mr. Speaker.

I am rising to oppose this amendment. I think that although there are not two policies involved, in the discussion we have had, I think that in essence that \$5 fee that we are paying for that catastrophic fund amounts to a policy. That is a \$5-a-head or a vehicle fee that is being paid. I think that under this Kowalshyn amendment, as long as it is being built as a flexible program, I think if somebody is paying those premiums, they ought to be able to recover for that insurance that they are carrying.

Although I usually agree with my colleague, Mr. Sweet, on this issue I have to respectfully dissent.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. McVERRY. Mr. Speaker, would the maker of the amendment stand for interrogation, please?

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

Mr. McVERRY. Thank you, Mr. Speaker.

How, if at all, would this amendment affect a situation where a catastrophic event took place, the injured party had coverage up to \$100,000 and had an umbrella policy from \$1 million to \$5 million, and the catastrophe was such that it exhausted payment of the fund from \$100,000 to \$1 million?

Mr. SWEET. Mr. McVerry, as I understand his question, is talking about a situation where someone has purchased, under what he termed an "umbrella policy," coverage over \$100,000 and is wondering whether you can collect twice.

Mr. McVERRY. Coverage over \$1 million and the catastrophic loss fund has been exhausted.

Mr. SWEET. Already in the bill, Mr. Speaker, is a provision that the catastrophic fund would be primary, and it will cover between \$100,000 and \$1 million, as I understand the

Kowalyszyn proposal. It would be my understanding that over \$1 million, for those particular additional medical bills, if you had purchased a policy to do so, you would still collect those benefits and have them pay those costs, because the amendment is talking about duplicating other payments, and that would not be a duplicative payment.

Mr. McVERRY. Thank you.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—185

Afflerbach	Durham	Lloyd	Ryan
Alderette	Evans	Lucyk	Rybak
Angstadt	Fargo	McCall	Saloom
Armstrong	Fattah	McClatchy	Salvatore
Arty	Fee	McHale	Saurman
Baldwin	Fischer	McIntyre	Scheetz
Barber	Flick	McMonagle	Schuler
Battisto	Foster, W. W.	Mackowski	Semmel
Belardi	Foster, Jr., A.	Madigan	Serafini
Belfanti	Freind	Maiale	Seventy
Beloff	Fryer	Manderino	Showers
Blaum	Gallagher	Manmiller	Sirianni
Book	Gallen	Markosek	Smith, B.
Bowser	Gamble	Mayernik	Smith, L. E.
Boyes	Gannon	Merry	Snyder, D. W.
Brandt	Geist	Michlovic	Snyder, G. M.
Broujos	George	Micozzie	Spencer
Bunt	Godshall	Miller	Spitz
Burd	Greenwood	Miscevich	Stairs
Burns	Grieco	Moehlmann	Steighner
Caltagirone	Gruppo	Morris	Stuban
Cappabianca	Hagarty	Mowery	Sweet
Carn	Haluska	Murphy	Swift
Cessar	Harper	Nahill	Taylor, E. Z.
Cimini	Hasay	Noye	Taylor, F. E.
Civera	Hayes	O'Brien	Telek
Clark	Herman	O'Donnell	Tigue
Clymer	Hershey	Oliver	Truman
Colafella	Hoeffel	Perzel	Van Horne
Cole	Honaman	Peterson	Vroon
Cordisco	Itkin	Petrone	Wachob
Cornell	Jackson	Phillips	Wambach
Coslett	Jarolin	Piccola	Wargo
Cowell	Kasunic	Pievsky	Wass
Coy	Kennedy	Pistella	Weston
Deluca	Klingaman	Pitts	Wiggins
DeVerter	Kosinski	Pott	Williams
DeWeese	Kowalyszyn	Pratt	Wilson
Daley	Kukovich	Preston	Wogan
Davies	Lashinger	Punt	Wright, D. R.
Dawida	Laughlin	Rappaport	Wright, J. L.
Deal	Lehr	Reber	Wright, R. C.
Dietz	Lescovitz	Reinard	Zwikl
Dininni	Letterman	Richardson	
Dombrowski	Levi	Rieger	Irvis,
Donatucci	Levin	Robbins	Speaker
Dorr	Linton	Rudy	

NAYS—13

Cawley	Gruitza	McVerry	Stewart
Cohen	Hutchinson	Mrkonic	Trello
Duffy	Livengood	Petrarca	Wozniak
Freeman			

NOT VOTING—1

Gladeck

EXCUSED—4

Johnson Marmion Olasz Stevens

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

On the question recurring,

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

Mr. DAWIDA offered the following amendments No. A4649:

Amend Sec. 3 (Sec. 1720), page 15, line 3, by inserting after "BENEFITS,"

except in the case of a municipality where a municipal employee is injured,

Amend Sec. 3 (Sec. 1766), page 31, lines 15 through 17, by striking out all of said lines

On the question,

Will the House agree to the amendments?

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

Mr. DAWIDA. Thank you, Mr. Speaker.

This amendment is A4649. You have two amendments by me. This one deals with subrogation benefits. Those of us who represent, as we all do, different municipalities have some interest in this particular amendment.

Under the bill, the right of subrogation has been abolished completely. This is one of those various little perks in the bill that are designed to attract the various different groups that are supporting the bill. However, municipalities and their employees are in an interesting and different situation in that taxpayers' dollars are being used to pay for these benefits, and I think it is appropriate that subrogation, the right to go after the person who is truly at fault, should be used at least to recoup taxpayers' dollars. It is a simple proposition, and I urge, for the sake of your own municipalities, that you support this amendment.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, it is my understanding that although the Dawida amendment, which speaks to municipalities being able to subrogate, sounds like an amendment that will save municipalities money, it will only save those municipalities—with my understanding, there are very few—that are self-insured in the area of workmen's compensation. Most municipalities buy workmen's compensation insurance, and what you are talking about is taking the claimant, who has received payment, and not paying a municipality back but taking it from one insurance company's pocket and putting it into another insurance company's pocket.

I do not think that we ought to make a special exception for municipalities, because in reality it is not really a special exception; it is going from insurance company to insurance company. I am not sure how Mr. Dawida's municipality in the city of Pittsburgh does, but most municipalities are not self-insured.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes, for the second time on the amendment, the gentleman from Allegheny, Mr. Dawida.

Mr. DAWIDA. Mr. Speaker, the unfortunate truth is that more and more municipalities are turning to self-insurance simply because the cost of the insurance that they buy is so high. I would like to encourage that trend, because local governments are strapped at all levels and need every dime they can get. I do think that we ought to put this exception into the law for the sake of the local governments that do this type of insurance.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Philadelphia, Mr. Levin, on the Dawida amendment.

Mr. LEVIN. Will Mr. Dawida stand for brief interrogation?

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

Mr. LEVIN. Mr. Speaker, if this money is subrogated, who is paying it back? Who is giving it back to the municipality?

Mr. DAWIDA. The people who caused the accident.

Mr. LEVIN. Well, did they not pay it to the victim? Is it the victim who is paying it back, the person who was injured and got the benefit?

Mr. DAWIDA. I am not sure I am following what you are asking.

Mr. LEVIN. You just said that they are subrogated. If they paid a victim and the victim sued for damages, after he received damages he has to take part of what he got back and give it back to the municipality?

Mr. DAWIDA. No.

Mr. LEVIN. Well, explain. I do not understand.

Mr. DAWIDA. If a person working for a municipality, in his relationship as an employee of that municipality, is injured, there are certain costs that inure to the municipality from the person causing the accident and would allow the municipality to recoup those costs.

Mr. LEVIN. By suing whom?

Mr. DAWIDA. By suing the causer of the accident.

Mr. LEVIN. So that the municipality would have a right of action against— "Subrogated" normally means that they would go against the person who got the money.

Mr. DAWIDA. The third party.

Mr. LEVIN. I am confused. I will have to vote against it, because I do not understand what it does.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the majority leader on the Dawida amendment.

Mr. MANDERINO. Mr. Speaker, the gentleman, Mr. Dawida, in his amendment not only speaks to subrogation so far as the municipality is concerned. It is a two-part amendment. He also attacks the catastrophic loss fund. The manner in which the catastrophic loss fund is presently written into the bill, a victim, a person who has been injured in an accident, who collects from the catastrophic loss fund cannot

again collect those damages that he collected from the catastrophic loss fund in a tort action. Yet what Mr. Dawida's amendment says is those damages that were paid from the catastrophic loss fund can be recovered by the fund through subrogation in the tort claim and taken back off the victim. Now, that just does not make good sense, but that is what his amendment indicates.

For both the reasons on the municipality and the reasons that he is just taking money from the victims of accidents and, in the case of the catastrophic loss fund, he is removing the prohibition that presently exists against the fund recovering by subrogation in the tort action, the victim is prohibited from recovering the second time in the tort action, but the catastrophic loss fund Mr. Dawida is asking be allowed to recover the moneys that were paid by the fund, and that can only come from one place, and that is from the victim. I say that that just does not make good sense. It is a weird proposal, and I would ask for a negative vote.

The SPEAKER. The Chair thanks the gentleman.

On the Dawida amendment, the Chair recognizes the gentleman from Delaware, Mr. Gannon.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, some time back the General Assembly did away with subrogation in workmen's compensation claims, and they did that for a very good reason, because they found out under these subrogation claims that the big loser was the injured employee. Now, what Mr. Dawida wants to do with this amendment is partially reinstate that prior law but only as it deals with municipal employees. What he wants to do is to make the insurance companies be the big winners and the municipal employee would be the big loser when he is involved in an accident where there is workmen's compensation coverage. I ask for a "no" vote on the Dawida amendment, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—28

Cessar	George	Mayermik	Pistella
Cohen	Godshall	Michlovic	Pratt
Cornell	Hasay	Miscevich	Preston
Cowell	Itkin	Mrkonic	Rieger
Dawida	Lehr	Murphy	Stairs
Duffy	Linton	O'Donnell	Telek
Fattah	Markosek	Petrone	Trello

NAYS—167

Afflerbach	Evans	Lloyd	Saurman
Alderette	Fargo	Lucyk	Scheetz
Angstadt	Fee	McCall	Schuler
Armstrong	Fischer	McClatchy	Semmel
Arty	Flick	McHale	Serafini
Baldwin	Foster, W. W.	McIntyre	Seventy
Barber	Foster, Jr., A.	McMonagle	Showers
Battisto	Freeman	McVerry	Sirianni
Belardi	Freind	Mackowski	Smith, B.
Belfanti	Fryer	Madigan	Smith, L. E.
Beloff	Gallagher	Maiale	Snyder, D. W.
Blaum	Gallen	Manderino	Snyder, G. M.
Book	Gannon	Manmiller	Spencer



Bowser	Geist	Merry	Spitz
Boyes	Gladeck	Micozzie	Steighner
Brandt	Greenwood	Miller	Stewart
Bunt	Grieco	Moehlmann	Stuban
Burd	Gruitza	Morris	Sweet
Burns	Gruppo	Mowery	Swift
Caltagirone	Hagarty	Nahill	Taylor, E. Z.
Cappabianca	Haluska	Noye	Taylor, F. E.
Carn	Harper	O'Brien	Tigue
Cawley	Hayes	Oliver	Truman
Cimini	Herman	Perzel	Van Horne
Civera	Hershey	Peterson	Vroon
Clark	Hoeffel	Petrarca	Wachob
Clymer	Honaman	Phillips	Wambach
Colafella	Jackson	Piccola	Wargo
Cole	Jarolin	Pievsky	Wass
Cordisco	Kasunic	Pitts	Weston
Coslett	Kennedy	Pott	Wiggins
Coy	Klingaman	Punt	Williams
Deluca	Kosinski	Rappaport	Wilson
DeVerter	Kowalyszyn	Reber	Wogan
DeWeese	Kukovich	Reinard	Wozniak
Daley	Lashinger	Richardson	Wright, D. R.
Davies	Laughlin	Robbins	Wright, J. L.
Deal	Lescovitz	Rudy	Wright, R. C.
Dietz	Letterman	Ryan	Zwilk
Dombrowski	Levi	Rybak	
Donatucci	Levin	Saloom	Irvis,
Dorr	Livengood	Salvatore	Speaker
Durham			

NOT VOTING—4

Broujos	Dininni	Gamble	Hutchinson
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the negative, and the amendments were not agreed to.

On the question recurring,

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

Mr. DAWIDA offered the following amendments No. A4652:

Amend Sec. 2 (Sec. 1309), page 4, line 30, by inserting after "AND"

proof that

Amend Sec. 2 (Sec. 1309), page 4, line 30, by inserting after "CHARGE"

has been paid

Amend Sec. 3 (Sec. 1762), page 25, lines 21 through 24, by striking out "SHALL BE SEPARATE" in line 21, all of lines 22 through 24, and inserting shall be remitted to the insurance company at the same time as the payment of the premium. Upon receipt of the charge, the insurance company shall remit it to the Insurance Department for deposit in the trust fund. The

Amend Sec. 3 (Sec. 1762), page 25, line 28, by striking out "DEPARTMENT OF TRANSPORTATION" and inserting Insurance Department

Amend Sec. 3 (Sec. 1762), page 25, line 28, by inserting after "SHALL"

notify the insurance companies to

Amend Sec. 3 (Sec. 1762), page 25, lines 29 and 30, by striking out "TOGETHER WITH THE MOTOR VEHICLE REGISTRATION FEE"

Amend Sec. 3 (Sec. 1763), page 26, line 9, by inserting after "UNTIL"

there is proof that

Amend Sec. 3 (Sec. 1763), page 26, line 9, by striking out "IS" and inserting

was

Amend Sec. 3 (Sec. 1765), page 27, line 6, by inserting after "DIRECTORS"

, which board shall be an independent board in the Insurance Department and which board shall be

On the question,

Will the House agree to the amendments?

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

Mr. DAWIDA. Mr. Speaker, hopefully this will be a little better.

The purpose of amendment A4652 is to take that \$5 charge that puts PennDOT in the insurance business and put it where I think it more rightly belongs, in the insurance companies regulated by the Insurance Department. These are the people who know, one, very well, how to collect money, all too well; and secondly, they will be overseen by the proper body, the Insurance Department, which understands how these kinds of funds are put together and administered properly, which I do not believe we could do under the current bill.

It basically says this: That money should be part of a person's insurance policy. It is a \$5 fee for 1 million dollars' worth of insurance. That is what it is all about. I do not want my constituents thinking that it is \$5 extra for their driver's license or their license to own a car, as I believe they will think under this bill, but simply putting things in perspective and saying, Insurance Department, you regulate this new superfund and make sure it is done properly.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—158

Afflerbach	Donatucci	Letterman	Rudy
Angstadt	Dorr	Levi	Saloom
Armstrong	Duffy	Linton	Salvatore
Arty	Durham	Livengood	Saurman
Baldwin	Evans	Lloyd	Scheetz
Barber	Fargo	Lucyk	Schuler
Battisto	Fee	McCall	Semmel
Belardi	Fischer	McClatchy	Serafini
Belfanti	Flick	Mackowski	Seventy
Blaum	Foster, W. W.	Madigan	Showers
Book	Foster, Jr., A.	Markosek	Sirianni
Bowser	Freeman	Mayernik	Smith, B.
Boyes	Freind	Merry	Smith, L. E.
Brandt	Gallagher	Michlovic	Snyder, D. W.
Broujos	Gamble	Miller	Snyder, G. M.
Bunt	Geist	Miscevich	Spitz
Burd	Gladeck	Moehlmann	Stairs
Burns	Godshall	Morris	Steighner
Caltagirone	Greenwood	Mrkonic	Stewart
Cappabianca	Grieco	Murphy	Stuban
Carn	Gruppo	Nahill	Sweet
Cawley	Hagarty	Noye	Swift
Cessar	Haluska	O'Brien	Taylor, E. Z.
Cimini	Harper	O'Donnell	Telek
Clymer	Hasay	Oliver	Tigue
Cohen	Hayes	Perzel	Trello
Colafella	Herman	Peterson	Van Horne
Cole	Hershey	Petrarca	Wambach

Cordisco	Hoeffel	Petrone	Wargo
Cornell	Honaman	Phillips	Weston
Coslett	Hutchinson	Pistella	Wilson
Cowell	Itkin	Pitts	Wogan
Coy	Jackson	Pott	Wozniak
DeLuca	Jarolin	Pratt	Wright, D. R.
DeVerte	Kennedy	Preston	Wright, J. L.
DeWeese	Klingaman	Punt	Wright, R. C.
Davies	Kukovich	Reber	Zwinkl
Dawida	Lashinge	Reinard	
Deal	Laughlin	Richardson	Irvis,
Dietz	Lehr	Robbins	Speaker

NAYS—39

Alderette	Gruitza	Maiale	Rybak
Beloff	Kasunic	Manderino	Spencer
Civera	Kosinski	Manmiller	Taylor, F. E.
Clark	Kowalshyn	Micozzie	Truman
Daley	Lescovitz	Mowery	Vroon
Dininni	Levin	Piccola	Wachob
Dombrowski	McHale	Pievsky	Wass
Gallen	McIntyre	Rappaport	Wiggins
Gannon	McMonagle	Rieger	Williams
George	McVerry	Ryan	

NOT VOTING—2

Fattah	Fryer
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EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the affirmative, and the amendments were agreed to.

On the question recurring,

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

Mr. REBER offered the following amendment No. A4655:

Amend Sec. 3 (Sec. 1766), page 30, line 22, by inserting after "AGGREGATE"

, unless said expenses for medical treatment are incurred and paid within one calendar year subject to the \$1,000,000 limit

On the question,

Will the House agree to the amendment?

The SPEAKER. The Chair recognizes the gentleman from Montgomery, Mr. Reber.

Mr. REBER. Thank you, Mr. Speaker.

This particular amendment is contained on page 30 of the bill and will be an addition to line 22 on that page relating to the maximum benefit section of the catastrophic loss fund. I think every member has received notification from the AFL-CIO with their concern relating to the \$50,000-per-year cap that is contained in that section of the bill that I previously mentioned as written. In short, this amendment will provide for the payment of a catastrophic loss in excess of the \$50,000 cap as presently written in the bill, when in fact the catastrophic loss takes place over the \$50,000 period within any calendar year. I think this is an amendment that certainly will provide the maximum protection, which everyone is desirous of seeing the catastrophic loss fund provide, and I would urge your support of this amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

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

The following roll call was recorded:

YEAS—199

Afflerbach	Evans	Livengood	Rudy
Alderette	Fargo	Lloyd	Ryan
Angstadt	Fattah	Lucyk	Rybak
Armstrong	Fee	McCall	Saloom
Arty	Fischer	McClatchy	Salvatore
Baldwin	Flick	McHale	Saurman
Barber	Foster, W. W.	McIntyre	Scheetz
Battisto	Foster, Jr., A.	McMonagle	Schuler
Belardi	Freeman	McVerry	Semmel
Belfanti	Freind	Mackowski	Serafini
Beloff	Fryer	Madigan	Seventy
Blaum	Gallagher	Maiale	Showers
Book	Gallen	Manderino	Sirianni
Bowser	Gamble	Manmiller	Smith, B.
Boyes	Gannon	Markosek	Smith, L. E.
Brandt	Geist	Mayernik	Snyder, D. W.
Broujos	George	Merry	Snyder, G. M.
Bunt	Gladeck	Michlovic	Spencer
Burd	Godshall	Micozzie	Spitz
Burns	Greenwood	Miller	Stairs
Caltagirone	Grieco	Miscevich	Steighner
Cappabianca	Gruitza	Moehlmann	Stewart
Carn	Gruppo	Morris	Stuban
Cawley	Hagarty	Mowery	Sweet
Cessar	Haluska	Mrkonic	Swift
Cimini	Harper	Murphy	Taylor, E. Z.
Civera	Hasay	Nahill	Taylor, F. E.
Clark	Hayes	Noye	Telek
Clymer	Herman	O'Brien	Tigue
Cohen	Hershey	O'Donnell	Trello
Colafella	Hoeffel	Oliver	Truman
Cole	Honaman	Perzel	Van Horne
Cordisco	Hutchinson	Peterson	Vroon
Cornell	Itkin	Petrarca	Wachob
Coslett	Jackson	Petrone	Wambach
Cowell	Jarolin	Phillips	Wargo
Coy	Kasunic	Piccola	Wass
DeLuca	Kennedy	Pievsky	Weston
DeVerte	Klingaman	Pistella	Wiggins
DeWeese	Kosinski	Pitts	Williams
Daley	Kowalshyn	Pott	Wilson
Davies	Kukovich	Pratt	Wogan
Dawida	Lashinge	Preston	Wozniak
Deal	Laughlin	Punt	Wright, D. R.
Dietz	Lehr	Rappaport	Wright, J. L.
Dininni	Lescovitz	Reber	Wright, R. C.
Dombrowski	Letterman	Reinard	Zwinkl
Donatucci	Levi	Richardson	
Dorr	Levin	Rieger	Irvis,
Duffy	Linton	Robbins	Speaker
Durham			

NAYS—0

NOT VOTING—0

EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the affirmative, and the amendment was agreed to.

On the question recurring,

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

Mr. KENNEDY offered the following amendment No. A4661:

Amend Sec. 2 (Sec. 1305), page 3, line 27, by inserting after "FEE."

The self-certification of financial responsibility shall include proof that automobile insurance coverage required by this act has been paid and is in effect for a period of at least one year.

On the question,

Will the House agree to the amendment?

The SPEAKER. The Chair recognizes the gentleman from Cumberland, Mr. Kennedy.

Mr. KENNEDY. Thank you, Mr. Speaker.

This is a very simple amendment. It simply says that any person who buys insurance for a 1-year period would pay 1 year in advance. Currently you can buy insurance and pay a quarter, stop paying, be canceled, and drive without coverage. It is somewhat antilawyer; it is somewhat anticompany; it is somewhat anticonsumer, but I feel that it is proutright, and I would ask for your affirmative vote.

The SPEAKER. The Chair thanks the gentleman.

On the question, does the gentleman from Beaver, Mr. Laughlin, desire recognition?

Mr. LAUGHLIN. Yes, Mr. Speaker, just briefly to interrogate the gentleman, Mr. Kennedy.

The SPEAKER. The gentleman, Mr. Kennedy, indicates he will stand for interrogation. The gentleman, Mr. Laughlin, may proceed.

Mr. LAUGHLIN. Mr. Speaker, a point of clarification. What you are saying is that the individual purchasing insurance will be required to pay 1 year in advance. Is that correct?

Mr. KENNEDY. He will be required to pay the whole full-year premium. If I buy insurance for my car and it is \$300 and it is January 1 to January 1, I pay \$300 on January 1, 1984.

Mr. LAUGHLIN. Mr. Speaker, are you aware that there are a number of people in this State who cannot afford to come up with \$300 in a singular payment, and you are going to be denying those people an opportunity to purchase insurance?

Mr. KENNEDY. No; I am not aware of that.

Mr. LAUGHLIN. Mr. Speaker, I have finished the interrogation.

The SPEAKER. The gentleman is in order to make a statement on the amendment.

Mr. LAUGHLIN. Mr. Speaker, I am sure the gentleman was speaking facetiously when he said that he does not know anyone like that. I would tell him that there are thousands of people, and hundreds of thousands, in this State who cannot afford the kind of money that he is talking about putting out, especially those who are in categories of risk, and I would ask for a negative vote, Mr. Speaker.

The SPEAKER. On the question, the Chair recognizes the gentleman from Philadelphia, Mr. Salvatore.

Mr. SALVATORE. Mr. Speaker, I rise to oppose this amendment. I just think it is impractical to ask people to buy a year's insurance at a time, when most people cannot afford to buy it 6 months at a time.

The SPEAKER. Does the gentleman from Allegheny, Mr. Cowell, require recognition?

Mr. COWELL. Yes, Mr. Speaker.

The SPEAKER. On the amendment, the Chair recognizes the gentleman, Mr. Cowell.

Mr. COWELL. Thank you, Mr. Speaker.

Mr. Speaker, this amendment is an amendment for rich people, for people who do not have to depend upon a paycheck on a monthly basis or a weekly basis. People today find that their insurance bills often exceed the cost of buying a refrigerator, buying a stove, or buying some type of home appliance, and I think everybody in this room recognizes that most people find it necessary to make weekly or monthly payments on those kinds of items, as they find it necessary to make monthly payments on their insurance.

This amendment is totally unrealistic. It would be totally unfair for us to adopt it. We ought to defeat it and defeat it overwhelmingly.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Delaware, Mr. Gannon, on the amendment.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, I am not going to support this amendment, but I do want to make a comment. One of the popular pastimes today is for an individual to go out and get an insurance policy and pay the first month's premium, or the first week's premium, send in his registration card to the Department of Transportation with the numbers on it, and then he never pays another penny until the next time around when he is required to show proof of insurance.

Mr. Kennedy's amendment, I believe, touches on something for those out there who are advocates of mandatory insurance, and I think that if Mr. Kennedy would study the matter a little bit further and maybe strengthen it, he could come up with a mechanism that would tell this General Assembly to either put up or shut up on mandatory insurance. If we are going to have mandatory insurance, let us have mandatory insurance, and if we are going to play around with it and require it but not enforce it, we should go another way, but the Kennedy amendment goes in that direction. I am not going to support the amendment, but I think it is something that we should seriously consider when we debate the issue of mandatory insurance.

The SPEAKER. The Chair recognizes the lady from Susquehanna, Miss Sirianni.

Miss SIRIANNI. Mr. Speaker, may I interrogate Mr. Kennedy?

#### AMENDMENT WITHDRAWN

Mr. KENNEDY. Mr. Speaker, I think we have been here a long time. I am going to withdraw the amendment.

Miss SIRIANNI. I was going to support it.

The SPEAKER. Miss Sirianni, if you insist, I will not allow him to withdraw the amendment. We will force him to the wall and let you interrogate him, if you insist. Are you going to let him off easily?

Miss SIRIANNI. Mr. Speaker, may I make a statement?

The SPEAKER. Mr. Kennedy, you have escaped with your life.

The lady is in order and may proceed.

Miss SIRIANNI. Mr. Speaker, it would not have been such a bad amendment if he just would have put in there that they could pay it quarterly.

Mr. KENNEDY. Why did you not tell me, Miss Sirianni?

Miss SIRIANNI. You did not give me an opportunity, Mr. Speaker. You ran away.

The SPEAKER. Discretion is still the better part of valor. I would have run, too.

**REMARKS ON VOTES**

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

Mr. WILSON. Mr. Speaker, on amendment A4665, that button back there is out to get me. It voted "no," and that is my amendment. It should have been "yes."

The SPEAKER. The Chair thanks the gentleman. His remarks will be spread upon the record.

The Chair recognizes the gentleman from Bucks, Mr. Reinard.

Mr. REINARD. Thank you, Mr. Speaker.

On the same amendment from Mr. Wilson, A4665, my button also had a problem and registered me "no," and I would like to be shown in the affirmative.

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

The Chair recognizes the gentleman from Delaware, Mr. Civera.

Mr. CIVERA. Mr. Speaker, on amendment A4652 I was recorded in the negative. I would like to be recorded in the affirmative.

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

The Chair recognizes the lady from Susquehanna, Miss Sirianni.

Miss SIRIANNI. Mr. Speaker, on Mr. Wilson's amendment, A4665, I would like to be recorded in the negative.

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

The Chair recognizes the gentleman from Delaware, Mr. Micozzie.

Mr. MICOZZIE. Mr. Speaker, on amendment A4652 my button malfunctioned. I would have voted in the affirmative if it had been working properly.

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

**CONSIDERATION OF SB 942 CONTINUED**

**AMENDMENT A4577 RECONSIDERED**

The SPEAKER. We have a number of reconsiderations before us. We will take them in the order in which the amendments were filed and debated.

On the amendment offered by the gentleman, Mr. Murphy—that was the first amendment—the gentleman, Mr.

Murphy, moves that the vote by which the House rejected his amendment, which was A4577, on this date, December 13, be reconsidered.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

**YEAS—181**

Afflerbach	Evans	Levin	Ryan
Alderette	Fargo	Livengood	Rybak
Angstadt	Fattah	Lloyd	Saloom
Armstrong	Fee	Lucyk	Salvatore
Arty	Fischer	McCall	Scheetz
Baldwin	Flick	McClatchy	Schuler
Battisto	Foster, W. W.	McHale	Semmel
Belardi	Foster, Jr., A.	McMonagle	Serafini
Beloff	Freeman	Mackowski	Seventy
Blaum	Freind	Madigan	Showers
Book	Fryer	Maiale	Sirianni
Boyes	Gallagher	Manderino	Smith, B.
Brandt	Gallen	Manmiller	Smith, L. E.
Broujos	Gamble	Markosek	Snyder, D. W.
Burd	Gannon	Mayernik	Snyder, G. M.
Burns	Geist	Merry	Spencer
Caltagirone	George	Michlovic	Spitz
Cappabianca	Godshall	Micozzie	Stairs
Carn	Greenwood	Miller	Steighner
Cawley	Grieco	Miscevich	Stewart
Cessar	Gruitza	Moehlmann	Stuban
Cimini	Gruppo	Morris	Swift
Civera	Hagarty	Mowery	Taylor, E. Z.
Clark	Haluska	Mrkonic	Taylor, F. E.
Clymer	Harper	Murphy	Telek
Cohen	Hasay	Nahill	Tigue
Colafella	Hayes	Noye	Trello
Cole	Herman	O'Brien	Truman
Cordisco	Hershey	O'Donnell	Van Horne
Coslett	Hoeffel	Oliver	Wachob
Cowell	Honaman	Perzel	Wambach
Coy	Hutchinson	Peterson	Wargo
Deluca	Itkin	Petrarca	Wass
DeVerter	Jackson	Petrone	Weston
DeWeese	Jarolin	Piccola	Wiggins
Daley	Kasunic	Pievsky	Wilson
Davies	Kennedy	Pistella	Wogan
Dawida	Klingaman	Pitts	Wozniak
Deal	Kowalshyn	Pott	Wright, D. R.
Dietz	Kukovich	Preston	Wright, J. L.
Dininni	Lashingier	Punt	Wright, R. C.
Dombrowski	Laughlin	Reinard	Zwikl
Donatucci	Lehr	Richardson	
Dorr	Lescovitz	Rieger	Irvis,
Duffy	Letterman	Robbins	Speaker
Durham	Levi	Rudy	

**NAYS—13**

Barber	Kosinski	Pratt	Sweet
Bunt	Linton	Rappaport	Vroon
Cornell	McVerry	Saurman	Williams
Gladeck			

**NOT VOTING—5**

Belfanti	McIntyre	Phillips	Reber
Bowser			

**EXCUSED—4**

Johnson	Marmion	Olasz	Stevens
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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 clerk read the following amendments No. A4577:

Amend Title, page 1, lines 10 through 18, by striking out all of said lines and inserting

Amending the act of July 19, 1974 (P.L.489, No.176), entitled "An act providing for a compensation system for persons injured in motor vehicle accidents; requiring insurance for all motor vehicles required to be registered in Pennsylvania; defining compensable damage in motor vehicle accident cases; establishing an assigned claims plan; providing for arbitration; imposing powers and duties on courts, the Department of Transportation and the Insurance Commissioner; prohibiting certain discrimination; and providing penalties," redefining and adding terms; further providing for motor vehicle insurance, proof of security at vehicle inspection, the financial responsibility of owners, temporary suspension of coverage and availability of insurance; providing for settlement agreements and payment of claims and for assigned claims plans; further providing for rates, motor vehicles in interstate travel, rights and duties of obligors, basic loss and collateral benefits, work loss and net loss, additional coverage options and ineligible claimants; increasing the threshold; further providing for examinations; providing for immunity from liability for release of information; further providing for operation of a vehicle without security; providing for surrender of registration on suspension, for a penalty relating to fraudulent claims and for rates; and making a repeal.

Amend Bill, pages 2 through 48, by striking out all of said lines on said pages and inserting

Section 1. The definitions of "added loss benefits," "allowable expense," "injury," "insured," "medical and vocational rehabilitation services," "motor vehicle," "obligor," "replacement services loss," "state," "survivor," "survivor's loss" and "work loss" in section 103 of the act of July 19, 1974 (P.L.489, No.176), known as the Pennsylvania No-fault Motor Vehicle Insurance Act, are amended and a definition is added to read:

§ 103. Definitions.

As used in this act:

"Added loss benefits" means benefits provided by added loss insurance in accordance with section 207 of this act. Added loss benefits shall not include benefits for net loss sustained by an operator or passenger of a motorcycle.

"Allowable expense" means reasonable charges incurred for, or the reasonable value of (where no charges are incurred), reasonably needed and used products, services, and accommodations for:

- (A) professional medical treatment and care;
- (B) emergency health services;
- (C) medical and vocational rehabilitation services;

and

- (D) expenses directly related to the funeral, burial, cremation, or other form of disposition of the remains of a deceased victim, not to exceed one thousand five hundred dollars (\$1,500); and].

The term does not include that portion of a charge for a room in a hospital, clinic, convalescent, or nursing home, or any other institution engaged in providing nursing care and related services, in excess of a reasonable and customary charge for semiprivate accommodations, unless more intensive care is medically required; or any amount includable in work loss, replacement services loss, or survivor's loss.

\*\*\*

"Injury" means accidentally sustained bodily harm to an individual and that individual's illness, disease, or death resulting therefrom which arises out of the maintenance or use of a motor vehicle.

\*\*\*

"Insured" means:

(A) an individual identified by name as an insured in a contract of basic loss insurance complying with this act; and

(B) a spouse or other relative of a named insured, a minor in the custody of a named insured, and a minor in the custody of a relative of a named insured if:

(i) not identified by name as an insured in any other contract of basic restoration insurance complying with this act; [and]

(ii) in residence in the same household with a named insured[.]; and

(iii) not excluded by name from the contract by specific endorsement at the request of the named insured.

An individual is in residence in the same household if he usually makes his home in the same family unit, even though he temporarily lives elsewhere.

\*\*\*

"Medical and vocational rehabilitation services" means services necessary to reduce disability and to restore the physical, psychological, social, and vocational functioning of a victim. Such services may include, but are not limited to, medical care, diagnostic and evaluation procedures, physical and occupational therapy, other necessary therapies, including but not limited to chiropractic care, speech pathology and audiology, optometric services, nursing care under the supervision of a registered nurse, medical social services, vocational rehabilitation and training services, occupational licenses and tools, and transportation where necessary to secure medical and vocational rehabilitation services. A basic loss obligor is not obligated to provide basic loss benefits for allowable expense for medical and vocational rehabilitation services unless the facility in which or through which such services are provided has been accredited by the Department of Health, the equivalent governmental agency responsible for health programs, or the accrediting designee of such department or agency of the state in which such services are provided, as being in accordance with applicable requirements and regulations.

"Motorcycle" means a motor vehicle with a two-wheel frame having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground.

"Motor vehicle" means a vehicle of a kind required to be registered under [the act of April 29, 1959 (P.L.58, No.32), known as The Vehicle Code,] 75 Pa.C.S. (relating to vehicles).

\*\*\*

"Obligor" means an insurer, self-insurer, or obligated government providing no-fault benefits in accordance with this act. The term does not include an insurer or provider of health care benefits for medical or health care or work loss through a program, group, contract or other arrangement when such insurer or other provider of such benefits or work loss is elected by the insured to be the primary source of no-fault benefits pursuant to the provisions of section 203.

\*\*\*

"Replacement services loss" means expenses reasonably incurred in obtaining ordinary and necessary services in lieu of those the victim would have performed, not for income, but for the benefit of himself or his family, if he had not been injured. Replacement services loss does not include expenses incurred for services performed following death of a victim.

\*\*\*

"State" means a state of the United States, the District of Columbia, Guam, [and] the Virgin Islands, and Puerto Rico.

\*\*\*

"Survivor" means:

(A) spouse; or

(B) child, adopted child, ward, child under guardianship of the deceased, foster child, parent, brother, sister or relative dependent upon the deceased for [support] his or her support immediately prior to the accident causing death.

“Survivor’s loss” means the[

(A) loss of income of a deceased victim which would probably have been contributed to a survivor or survivors, if such victim had not sustained the fatal injury; and

(B) expenses reasonably incurred by a survivor or survivors, after a victim’s death resulting from injury, in obtaining ordinary and necessary services in lieu of those which the victim would have performed, not for income, but for their benefit, if he had not sustained the fatal injury,

reduced by expenses which the survivor or survivors would probably have incurred but avoided by reason of the victim’s death resulting from injury.

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“Work loss” means:

(A) loss of gross income of a victim earned during his lifetime, as calculated pursuant to the provisions of section 205 of this act; and

(B) reasonable expenses of a victim incurred during his lifetime for hiring a substitute to perform self-employment services, thereby mitigating loss of income, or for hiring special help, thereby enabling a victim to work and mitigate loss of income earned during his lifetime.

Work loss does not include (i) loss of expected income for any period following the death of a victim, or (ii) expenses incurred for services performed following the death of a victim.

Section 2. Sections 104 and 106 of the act are amended to read:

§ 104. Required motor vehicle insurance.

(a) Security covering a motor vehicle.—Every owner of a motor vehicle which is registered or which is operated in this Commonwealth by the owner or with his permission, shall continuously provide security covering such motor vehicle while such vehicle is either present or registered in the Commonwealth. Security shall be provided for the payment of basic loss benefits, and for the payment of sums up to a total limit of thirty thousand dollars (\$30,000) which the owner or any person operating the vehicle with the express or implied permission of the owner may become liable to pay as damages because of bodily injury or death arising out of any one accident (subject to a sublimit of fifteen thousand dollars (\$15,000) for damages arising out of the bodily injury or death of any one person) and for the payment of damages for injury to or destruction of property in any one accident of amounts up to a total limit of five thousand dollars (\$5,000). The owner or any other person may provide security covering a motor vehicle by a contract of insurance with an insurer or by qualifying as a self-insurer or as an obligated government.

(a.1) Proof of security at registration or renewal of registration.—The owner of a motor vehicle shall provide proof of compliance with the security requirements of this act at the time of registration or renewal of registration of any such motor vehicle through the use of a uniform proof of purchase of insurance identification card specifying such coverage, or such other method of furnishing proof of purchase of insurance or compliance with self-insurance requirements as may be required to the department. The department shall refuse to issue registration of any motor vehicle for which satisfactory proof of compliance is not made.

(b) Self-insurance.—Self-insurance, subject to approval of the commissioner [and department], is effected by filing with the [department] commissioner in satisfactory form:

(1) a continuing undertaking by the owner or other appropriate person to pay basic [restoration] loss benefits and any tort liability required in amounts not less than those required, by subsection (a) of this section, to perform all obligations imposed in accordance with this act, and to elect to pay such added [restoration] loss benefits as are specified in the undertaking;

(2) evidence that appropriate provision exists for prompt and efficient administration of all claims, benefits, and obligations provided in accordance with this act; and

(3) evidence that reliable financial arrangements, deposits, resources, or commitments exist providing assurance substantially equivalent to that afforded by a contract of insurance complying with this act for payment of no-fault benefits, any required tort liability, and performance of all other obligations imposed in accordance with this act.

(c) Obligated government.—A government may provide security with respect to any motor vehicle owned or operated by it by lawfully obligating itself to pay basic [restoration] loss benefits in accordance with this act, and such added [restoration] loss benefits as are specified in the undertaking.

(d) Obligations upon termination of security.—An owner of a motor vehicle who ceases to maintain the security required in accordance with this act shall immediately surrender the registration certificate and license plates for the vehicle to the department and may not operate or permit operation of the vehicle in this Commonwealth until security has again been furnished as required in accordance with this act. A person other than the owner who ceases to maintain such security shall immediately notify the owner and the department, who may not operate or permit operation of the vehicle until security has again been furnished. An insurer who has issued a contract of insurance and knows or has reason to believe the contract is for the purpose of providing security shall immediately give notice to the department of the termination of the insurance. If the commissioner or department withdraws approval of security provided by a self-insurer or knows that the conditions for self-insurance have ceased to exist, he shall immediately give notice thereof to the department. These requirements may be modified or waived by the department.

(e) Temporary suspension of coverage.—An owner of a motor vehicle, who has provided security in accordance with the provisions of subsection (a) and who has one or more vehicles not in use for periods of time in excess of forty-five consecutive calendar days, may obtain from his insurer an agreement to the policy of insurance suspending temporarily any coverages for the duration of time such vehicle may not be in use: Provided, however, That such owner shall maintain basic loss benefits coverage for at least one of the vehicles during the period of suspension. In all such cases, an owner of such a motor vehicle shall not be required to surrender the registration certificate and license plates to the department as provided in subsection (d). The commissioner shall promulgate reasonable and necessary rules and regulations governing such agreements between an owner and his insurer including provisions for an equitable reduction from the annual policy premium of the insurer.

§ 106. Payment of claims for no-fault benefits.

(a) In general.—

(1) No-fault benefits are payable monthly as loss accrues. Loss accrues not when injury occurs, but as allowable expense, work loss, replacement services loss, or survivor’s loss is sustained.

(2) No-fault benefits are overdue if not paid within thirty days after the receipt by the obligor of each submission of reasonable proof of the fact and amount of loss sustained,

unless the obligor designates, upon receipt of an initial claim for no-fault benefits, periods not to exceed thirty-one days each for accumulating all such claims received within each such period, in which case such benefits are overdue if not paid within fifteen days after the close of each such period. If reasonable proof is supplied as to only part of a claim, but the part amounts to one hundred dollars (\$100) or more, benefits for such part are overdue if not paid within the time mandated by this paragraph. An obligation for basic loss benefits for an item of allowable expense may be discharged by the obligor by reimbursing the victim or his estate or by making direct payment to the supplier or provider of products, services, or accommodations within the time mandated by this paragraph. Overdue payments bear interest at the rate of eighteen per cent (18%) per annum. However, if an obligor withholds payments and is later found by a court of competent jurisdiction to have had reasonable cause for the withholding of such payments, said payments shall not be overdue but shall bear interest at the rate of twelve per cent (12%) per annum from the date such payments were withheld.

(3) A claim for no-fault benefits shall be paid without deduction for the benefits or advantages which are to be subtracted from loss in calculating net loss if such benefits or advantages have not been paid or provided to such claimant prior to the date the no-fault benefits are overdue or the no-fault benefits claim is paid whichever is later. The obligor is thereupon entitled to recover reimbursement from the person obligated to pay or provide such benefits or advantages or from the claimant who actually receives them. Benefits or advantages that are subtracted and which are reasonably expected in the ordinary course of events shall be deemed to have been provided until receipt by the obligor of written notice that the amount or the payment thereof is in dispute or that for any other reason the payment may not be promptly made. Benefits subtracted by reason of this provision shall not be overdue if paid within thirty days following receipt of such notice.

(4) An obligor may bring an action to recover reimbursement for no-fault benefits which are paid upon the basis of an intentional misrepresentation of a material fact by a claimant or a supplier or provider of an item of allowable expense, if such obligor reasonably relied upon such misrepresentation. The action may be brought only against such supplier or provider, unless the claimant has intentionally misrepresented the facts or knew of the misrepresentation. An obligor may offset amounts he is entitled to recover from the claimant under this paragraph against any no-fault benefits otherwise due.

(5) An obligor who rejects a claim for basic loss benefits shall give to the claimant written notice of the rejection promptly, but in no event more than thirty days after the receipt of reasonable proof of the loss. Such notice shall specify the reason for such rejection and inform the claimant of the terms and conditions of his right to obtain an attorney. If a claim is rejected for a reason other than that the person is not entitled to basic loss benefits claimed, the written notice shall inform the claimant that he may file his claim with the assigned claims bureau and shall give the name and address of the bureau.

(6) No attorney shall petition any court of this Commonwealth for approval of any contingent fee agreement or contract which provides for such contingent fee to be deducted from or to reduce the no-fault benefits paid or payable to a claimant. Attorney's fees and costs shall be paid in accordance with section 107 with respect to payment of no-fault benefits.

(b) Release or settlement of claim.—

(1) Except as otherwise provided in this subsection, no-fault benefits shall not be denied or terminated because the victim executed a release or other settlement agreement. A claim for no-fault benefits may be discharged by a settlement agreement for an agreed amount payable in installments or in a lump sum, if the reasonably anticipated net loss does not exceed [two thousand five hundred dollars (\$2,500)] five thousand dollars (\$5,000). A claim for survivor's loss, up to the limit of liability thereof, may be discharged by settlement in a lump sum. In all other cases, a claim may be discharged by a settlement to the extent authorized by law and upon a finding, by a court of competent jurisdiction, that the settlement is in the best interest of the claimant and any beneficiaries of the settlement, and that the claimant understands and consents to such settlement, and upon payment by the restoration obligor of the costs of such proceeding including a reasonable attorney's fee (based upon actual time expended) to the attorney selected by or appointed for the claimant. Such costs may not be charged to or deducted from the proceeds of the settlement. Upon approval of the settlement, the court may make appropriate orders concerning the safeguarding and disposing of the proceeds of the settlement and may direct as a condition of the settlement agreement, that the restoration obligor pay the reasonable cost of appropriate future medical and vocational rehabilitation services.

(2) A settlement agreement for an amount payable in installments shall be modified as to amounts to be paid in the future, if it is shown that a material and substantial change of circumstances has occurred or that there is newly-discovered evidence concerning the claimant's physical condition, loss, or rehabilitation which could not have been known previously or discovered in the exercise of reasonable diligence.

(3) A settlement agreement may be set aside if it is procured by fraud or if its terms are unconscionable.

(c) Time limitations on actions to recover benefits.—

(1) If no-fault benefits have not been paid for loss arising otherwise than from death, an action therefor may be commenced not later than two years after the victim suffers the loss and either knows, or in the exercise of reasonable diligence should have known, that the loss was caused by the accident, or not later than four years after the accident, whichever is earlier. If no-fault benefits have been paid for loss arising otherwise than from death, an action for further benefits[, other than survivor's benefits,] on account of such loss, by either the same or another claimant[;], may be commenced not later than two years after the last payment of benefits. Except as this paragraph prescribes a longer period, if the victim dies, an action for loss arising otherwise than from death may be commenced not later than one year after the victim's death.

(2) If no-fault benefits have not been paid [to the deceased victim or his survivor or survivors], for loss arising from death, either for survivor's loss or the funeral expense benefit provided under allowable expense an action for survivor's [benefits] loss or the said funeral expense may be commenced not later than [one year] two years after the death or four years after the accident from which death results, whichever is earlier. If survivor's [benefits have] loss has been paid to any survivor, an action for further survivor's [benefits] loss by either the same or another claimant may be commenced not later than two years after the last payment of benefits. If no-fault benefits have been paid for loss suffered by a victim before his death resulting from the injury, an action for survivor's [benefits] loss or the said funeral expense may be commenced not later than one year after the death or six years after the last payment of benefits, whichever is earlier.

(3) If timely action for basic restoration benefits is commenced against an obligor and benefits are denied because of

a determination that the obligor's coverage is not applicable to the claimant under the provisions of section 204 of this act, an action against the applicable obligor or the obligor to whom a claim is assigned under an assigned claims plan may be commenced not later than sixty days after the determination becomes final or the last date on which the action could otherwise have been commenced, whichever is later.

(4) Except as paragraph (1), (2), or (3) prescribes a longer period, an action by a claimant on an assigned claim which has been timely presented in accordance with the provisions of section 108(c) or section 108.1(c) of this act, whichever shall be applicable to the claim, may not be commenced more than sixty days after the claimant receives written notice of rejection of the claim by the [restoration obligor] entity to which it was assigned.

(5) If a person entitled to no-fault benefits is under a legal disability when the right to bring an action for the benefits first accrues, the period of his disability is not a part of the time limited for commencement of the action.

(d) Assignment of benefits.—An assignment of or an agreement to assign any right in accordance with this act for loss accruing in the future is unenforceable except as to benefits for:

(1) work loss to secure payment of alimony, maintenance, or child support; or

(2) allowable expense to the extent the benefits are for the cost of products, services, or accommodations provided or to be provided by the assignee.

(e) Deduction and setoff.—Except as otherwise provided in this act, basic loss benefits shall be paid without deduction or setoff.

(f) Exemption of benefits.—

(1) No-fault benefits for allowable expense are exempt from garnishment, attachment, execution, and any other process or claim, except upon the claim of a creditor who has provided products, services, or accommodations to the extent benefits are for allowable expense for those products, services, or accommodations.

(2) Basic loss benefits other than those for allowable expense are exempt from garnishment, attachment, execution, and any other process or claim for benefits attributable to loss sustained within the first sixty days following the accident resulting in injury. Other basic loss benefits (except for items of allowable expense) are exempt to the extent that wages or earnings are exempt under any applicable law exempting wages or earnings from such process or claims.

Section 3. Section 108 of the act is repealed.

Section 4. The act is amended by adding a section to read:

**§ 108.1. Assigned claims plan.**

(a) Organization.—Obligors other than self-insurers and governments providing basic loss insurance in this Commonwealth shall organize and maintain, subject to approval and regulation by the commissioner, an assigned claims bureau and an assigned claims plan and adopt rules for their operation and for assessment of costs on a fair and equitable basis consistent with this act. If such bureau and plan are not organized and maintained in a manner considered by the commissioner to be consistent with this act, he shall organize and maintain an assigned claims bureau and an assigned claims plan. Each obligor insurer providing basic loss insurance in the Commonwealth shall participate in the assigned claims bureau and the assigned claims plan. Costs incurred shall be allocated fairly and equitably among the obligors.

(b) Basic loss benefits.—

(1) If this act is in effect on the date when the accident resulting in injury occurs, a victim or the survivor or survivors of a deceased victim may obtain basic benefits through the assigned claims plan established pursuant to subsection (a), if:

(A) basic loss insurance applicable to the injury cannot be identified;

(B) basic loss insurance applicable to the injury is inadequate to provide the contracted for benefits because of financial inability of an obligor to fulfill its obligations; or

(C) benefits are refused by an obligor for a reason other than that the individual is not entitled in accordance with this act to the basic loss benefits claimed.

(2) If a claim qualifies for assignment under subparagraph (A), (B) or (C) of paragraph (1), the assigned claims bureau or any entity to whom the claim is assigned is subrogated to all rights of the claimant against the obligor legally obligated to provide basic benefits to the claimant or against any successor in interest to or substitute for such obligor for such benefits as are provided by the assignee.

(3) If an individual receives basic loss benefits through the assigned claims plan, all benefits or advantages that such individual receives or is entitled to receive as a result of such injury, other than life insurance benefits or benefits by way of succession at death or in discharge of familial obligations of support, shall be subtracted from loss in calculating net loss.

(4) The assigned claims bureau shall promptly assign each claim for no-fault benefits to an assignee so as to minimize inconvenience to claimants and shall notify the claimant of the identity and address of such assignee. Subject to the terms and limitations of this section, the assignee thereafter has rights and obligations as if it had issued a policy of basic loss benefits insurance complying with this act, but not in excess of the basic loss benefits insurance or self-insurance contract, if any, in substitution for which the claim is assigned.

(c) Time limitations on filing claims.—

(1) Except as provided in paragraph (2), an individual authorized to obtain basic loss benefits through the assigned claims plan shall notify the assigned claims bureau of his claim within the time that would have been allowed pursuant to section 106(c) for commencing an action for basic loss benefits against any obligor, other than an assigned claims bureau.

(2) If timely action for basic loss benefits is commenced against an obligor who is unable to fulfill its obligations because of financial inability, an individual authorized to obtain basic loss benefits through the assigned claims plan shall notify the bureau of his claim within six months after his discovery of such financial inability.

(d) Ineligible claimants.—An individual, whether resident of this Commonwealth or not, who does not comply with the requirement of providing security for the payment of basic loss benefits, if he is injured while occupying a motor vehicle for which there is no security in force applicable to his injury or loss, or an individual as to whom the security is invalidated because of his fraud or willful misconduct, shall not be entitled to receive benefits under the assigned claims plan. An individual, whether resident of this Commonwealth or not, who operates a motor vehicle with knowledge that security required by this act is not in effect with respect to such operation shall not be entitled to receive benefits under the assigned claims plan if injured in the course of such operation.

(e) Limitation on benefits.—An individual, whether resident of this Commonwealth or not, who qualifies for payment of basic loss benefits under the assigned claims plan is entitled to claim basic loss benefits only and shall not be afforded the benefit of any other mandated or optional insurance or security coverages required under this act or any other law.

Section 5. Sections 110 and 111 of the act are amended to read:

§ 110. Motor vehicles in interstate travel.



(a) General.—An owner of a motor vehicle who has complied with the requirements of security covering a motor vehicle in this Commonwealth shall be deemed to have complied with the requirements for such security in any state in which such vehicle is operating.

(b) Conforming coverage.—

(1) An obligor providing security for the payment of basic loss benefits shall be obligated to provide, and each contract of insurance for the payment of basic loss benefits shall be construed to contain, coverage sufficient to satisfy the requirements for security covering a motor vehicle in any state in which any victim who is a claimant or whose survivors are claimants is domiciled or is injured.

(2) An obligor providing security for the payment of basic loss benefits shall include in each contract of insurance for the payment of basic loss benefits, coverage to protect the owner or operator of a motor vehicle from tort liability to which he is exposed through application of the law of any state in which the motor vehicle may be operated and arising out of the ownership, maintenance or use of a motor vehicle.

[(c) Applicable law.—

(1) The basic loss benefits available to any victim or to any survivor of a deceased victim shall be determined pursuant to the provisions of the state no-fault plan for motor vehicle insurance in effect in the state of domicile of the victim on the date when the motor vehicle accident resulting in injury occurs. If there is no such state no-fault plan in effect or if the victim is not domiciled in any state, then basic loss benefits available to any victim shall be determined pursuant to the provisions of the state no-fault plan for motor vehicle insurance, if any, in effect in the state in which the accident resulting in injury occurs.

(2) The right of a victim or of a survivor of a deceased victim to sue in tort shall be determined by the law of the state of domicile of such victim. If a victim is not domiciled in a state, such right to sue shall be determined by the law of the state in which the accident resulting in injury or damage to property occurs.]

(c) Nonduplication of economic detriment benefits.—

(1) The basic loss benefits available to a victim or to the survivor of a deceased victim who is domiciled in this Commonwealth and who shall be injured in a motor vehicle accident in any other state shall be determined pursuant to the provisions of this act. Obligor providing security to the owner or operator of a motor vehicle who is domiciled in another state for the payment of basic loss benefits and coverage to protect the owner or operator of a motor vehicle from tort liability to which he is exposed through the application of the law of any state in which the motor vehicle may be operated shall provide in the contract of insurance issued by said obligor for payment of basic loss benefits determined pursuant to the provisions of this act while such vehicle is being operated in this Commonwealth.

(2) When a victim or a survivor of a deceased victim domiciled in this Commonwealth and injured in another state as the result of a motor vehicle accident has a cause of action in such other state for recovery of economic detriment suffered as a consequence of such injury, an obligor providing basic loss benefits has and may contract for a right of subrogation or reimbursement for basic loss benefits paid, but only to the nature and extent of basic loss benefits paid to or on behalf of the victim or the survivor of a deceased victim which the victim or survivor may recover in any such action. An obligor's right of subrogation shall be subordinated to the victim's or survivor's right of action to recover economic detriment suffered in excess of any economic detriment not recoverable by the victim or survivor from the obligor because of any limitation in the payment of basic loss benefits in

accordance with section 202(a), (b), (c) or (d) and the victim's or survivor's right of action to recover damages for noneconomic detriment.

§ 111. Rights and duties of obligors.

(a) Reimbursement and subrogation.—

(1) Except as provided in paragraphs (2) and (3) of this subsection and section 110, an obligor:

(A) does not have and may not contract, directly or indirectly, in whole or in part, for a right of reimbursement from or subrogation to the proceeds of a victim's claim for relief or to a victim's cause of action for noneconomic detriment; and

(B) may not directly or indirectly contract for any right of reimbursement based upon a determination of fault from any other obligor not acting as a reinsurer for no-fault benefits which it has paid or is obligated to pay as a result of injury to a victim.

[(2) Whenever an individual who receives or is entitled to receive no-fault benefits for an injury has a claim or cause of action against any other person causing the injury as based upon a determination of fault, the obligor is subrogated to the rights of the claimant only for:

(A) elements of damage compensated for by security for the payment of no-fault benefits in excess of the minimum basic loss benefits required under this act are recoverable; and

(B) the obligor has paid or become obligated to pay accrued or future no-fault benefits in excess of the minimum basic loss benefits required under this act.]

(2) Whenever an individual who receives or is entitled to receive no-fault benefits for an injury has a claim or cause of action for the same elements of economic detriment against any other person causing the injury based upon a determination of fault, the obligor is subrogated to the rights of the claimant only for the same elements of economic detriment compensated for by security for the payment of no-fault benefits the obligor has paid or has become obligated to pay for accrued or future benefits in excess of basic loss benefits required under this act except that said obligor does not have nor may not contract for a right of subrogation to recover any economic detriment recovered by the victim or survivor not compensated for because of any limitation in applicable security in accordance with section 202(a), (b), (c) or (d).

(3) Nothing in this subsection shall preclude any person supplying or providing products, services, or accommodations from contracting or otherwise providing for a right of reimbursement to any basic [restoration] loss benefits for allowable expense.

[(4) In no event shall any entity providing benefits other than no-fault benefits to an individual as described in section 203 of this act, have any right of subrogation with respect to said benefits.]

(b) Duty to pay basic loss benefits.—An obligor providing security for the payment of basic loss benefits shall pay or otherwise provide such benefits without regard to fault to each individual entitled thereto, pursuant to the terms and conditions of this act.

(c) Indemnity.—An obligor has a right of indemnity against an individual who has converted a motor vehicle involved in an accident, or against an individual who has intentionally injured himself or another individual, for no-fault benefits paid for:

(1) the loss caused by the conduct of that individual;

(2) the cost of processing the claims for such benefits;

[and]  
(3) payments under the assigned claims plan to an individual who does not comply with the requirement of providing security for the payment of basic loss benefits or whose security has been invalidated because of fraud or willful misconduct; and

~~[(3)] (4)~~ the cost of enforcing this right of indemnity, including reasonable attorney's fees.

(d) Referral for rehabilitation services.—The obligor shall promptly refer each victim to whom basic loss benefits are expected to be payable for more than two months to the State vocational rehabilitation agency.

(e) Nonduplication of benefits under uninsured motorist coverage.—Every victim or survivor of a deceased victim making claim under the uninsured motorist coverage prescribed by the act of August 14, 1963 (P.L.909, No.433), entitled "An act requiring, with limitations, that insurance policies insuring against loss occurring in connection with motor vehicles provide protection against certain uninsured motorists," or under any other form of uninsured or underinsured motorist coverage that may be hereafter provided or required to be offered or provided shall be entitled to make claim for noneconomic detriment and economic detriment only to the extent that said claim for economic detriment is for elements of economic detriment not compensated for by security for the payment of no-fault benefits or because of limitations in applicable security in accordance with section 202(a), (b), (c) or (d). No obligor shall make any payment under any uninsured motorist coverage for any element of economic detriment for which the victim or survivor of a deceased victim has been compensated for or for which the obligor has paid or has become obligated to pay for accrued or future benefits by security for the payment of no-fault benefits.

(f) Tort payment without regard for rights of obligor having reimbursement interest.—An obligor with a right of subrogation or reimbursement interest who shall suffer loss from inability to collect such reimbursement out of a payment received by a claimant upon a tort claim is entitled to indemnity from one who, having notice of the obligor's interest, made such a payment to the claimant without making the claimant and the insurer joint payees as their respective interests may appear, or without obtaining the obligor's consent to a different method of payment.

Section 6. Sections 202, 203, 204 heading, 205(c), 206(a), 207, 208(a)(1), 301(a)(4) and (5) and 401 of the act are amended, paragraphs are added to section 301(a) and a subsection is added to section 301 to read:

§ 202. Basic loss benefits.

(a) Allowable expense limits.—Allowable expense, as defined in section 103 of this act shall be provided for an amount not less than the sum of one million dollars (\$1,000,000) or the equivalent in the form of a contract to provide for services required. Insureds may obtain lower limits of allowable expense coverage in appropriate increments to an amount not less than one hundred thousand dollars.

(b) Work loss limits.—Work loss, as defined in section 103 shall be provided:

(1) up to a monthly maximum of:

(A) one thousand dollars (\$1,000) multiplied by a fraction whose numerator is the average per capita income in this Commonwealth and whose denominator is the average per capita income in the United States, according to the latest available United States Department of Commerce figures; or

(B) the disclosed amount, in the case of a named insured who, prior to the accident resulting in injury, voluntarily discloses his actual monthly earnings to his obligor and agrees in writing with such obligor that such sum shall measure work loss; and

(2) up to a total amount of [fifteen thousand dollars (\$15,000)] twenty thousand dollars (\$20,000).

(c) Replacement services losses.—Replacement services loss, as defined in section 103 shall be provided up to a daily maximum of twenty-five dollars (\$25) for an aggregate period of one year.

(d) Survivors losses.—Survivors loss, as defined in section 103 shall be provided in an amount not to exceed five thousand dollars (\$5,000).

~~(e) (d)~~ Deductibles; waiting period.—Allowable expense, work loss and replacement services loss may include provisions to provide:

(1) a deductible not to exceed [one hundred dollars (\$100)] five hundred dollars (\$500) for each individual and one thousand five hundred dollars (\$1,500) in the aggregate for three or more individuals arising out of any one accident; or

(2) with respect to work loss or replacement services only, a waiting period not to exceed [one week] four weeks.

Such deductible or waiting period shall be elected in writing upon a form approved by the Insurance Commissioner and, if elected, shall be effective only as against the named insured and his or her immediate family.

(e) Stacking of basic loss benefits prohibited.—Unless an insurer expressly provides otherwise, basic loss benefits and uninsured and underinsured motorists coverage shall not be increased by stacking the limits of coverage of multiple motor vehicles covered by the same policy or multiple policies covering the individual for the same loss.

§ 203. Collateral benefits.

(a) If benefits other than no-fault benefits are provided to an individual through a program, group, contract or other arrangement for which some other person pays in whole or in part that would inure to the benefit of a victim or the survivor of a deceased victim injured as a result of an accident in the absence of no-fault benefits, then any reduction or savings in the direct or indirect cost to such person of such benefits resulting from the existence of no-fault benefits shall be returned to such individual or utilized for his benefit.

(b) The owner or operator of a motor vehicle may elect to provide for security in whole or in part for the payment of basic loss benefits through a program, group, contract or other arrangement that would pay to or on behalf of the victim or members of his family residing with him or the survivor of a deceased victim, allowable expense, loss of income, work loss, replacement services loss and survivors loss. In all such instances, each contract of insurance issued by an insurer shall be construed to contain a provision that all basic loss benefits provided therein shall be in excess of any valid and collectible benefits otherwise provided through such program, group, contract or other arrangement as designated at the election of the owner or operator which shall be primary.

(c) An insurer providing basic loss benefits and tort liability in accordance with the provisions of subsection (b) above shall reduce the cost of such contract of insurance to reflect the anticipated reduction in basic loss benefits payable by the insurer by reason of the election of the owner or operator to provide substitute security.]

(a) Election by named insured.—Every obligor providing security covering a motor vehicle shall offer options to the named insured to elect to provide security, in whole or in part, for the payment of basic loss benefits through a program, group, contract or other arrangement that would pay to, or on behalf of, the victim or members of his family residing with him or to or on behalf of the survivor of a deceased victim, allowable expense, loss of income, work loss, replacement services loss, or survivors loss. In all such instances in which the named insured exercises such an election, each contract of insurance issued by an insurer shall be construed to contain a provision that all basic loss benefits provided therein shall be in excess of any valid and collectible benefits otherwise provided through such program, group, contract or other arrangement which as designated at the election of the owner or operator shall be primary. If no such election is made, then any group program, group contract or similar group arrangement shall be construed, with respect to any claim arising from any accident occurring fourteen months or more after the effective date of this amendatory act, to contain a provision that

the coverage thereunder shall be in excess of, and not in duplication of, any valid and collectible allowable expense contained in any security covering a motor vehicle which, because of the absence of such election, shall be primary. Notwithstanding the foregoing, if any group program, group contract or similar group arrangement is provided pursuant to a collective bargaining agreement in effect on the effective date of this amendatory act and the then current term of which does not expire within fourteen months thereafter, then the foregoing automatic elimination of duplicate allowable expense shall not apply until the current term of said collective bargaining agreement has expired or until thirty-six months after the effective date of this amendatory act, whichever is shorter.

(b) Return of savings.—If benefits other than no-fault benefits are provided to an individual through a program, group, contract or other arrangement for which the individual's employer or some other person pays in whole or in part that would inure to the benefit of a victim or the survivor of a deceased victim injured as the result of an accident in the absence of no-fault benefits, then any reduction or savings in the direct or indirect cost to such employer or other person of such benefits resulting from the existence of no-fault benefits shall be utilized for his benefit by the employer or other person providing such other benefits. The requirements of these provisions shall be satisfied by a reduction in premium or an increase in benefits in any program, group, contract or other arrangement that is attributable to good experience resulting from the existence of no-fault benefits.

(c) Reduction of cost.—An insurer providing basic loss benefits and tort liability in accordance with the provisions of subsection (a) shall reduce the cost of such contract of insurance to reflect the anticipated reduction in basic loss benefits payable by the insurer by reason of the election of the owner or operator to provide substitute security.

(d) Information program.—The commissioner shall formulate a program and promulgate rules and regulations to provide for dissemination of information to the public of the options available pursuant to subsection (a) which reduce the cost of maintaining security covering a motor vehicle. Every insurer or agent of an insurer offering security under the provisions of this act shall affirmatively inform the insured in writing of the right of the insured to elect to provide security through a program, group, contract or other arrangement of medical benefits, and shall further specify the anticipated savings in no-fault medical benefit premium by percentage or by actual dollars of the options and savings in accordance with the rules and regulations promulgated.

(e) Certification by insured of other security.—Basic loss insurers may require policyholders to certify as to the existence of other security and such other reasonable information as to such security as may be required.

(f) Construction of section.—This section shall not be construed to effect, limit or impair section 106(d).

(g) Definitions.—As used in this section "program, group, contract or other arrangement" shall include, but not be limited to, benefits payable by a hospital plan corporation subject to 40 Pa.C.S. § 6101 (relating to definitions) or a professional health service corporation subject to 40 Pa.C.S. § 6301 (relating to application of chapter).

§ 204. Source of basic [restoration] loss benefits.

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§ 205. Work loss.

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(c) Not employed.—The work loss of a victim who is currently employable but not employed when the accident resulting in injury occurs shall be calculated by:

(1) determining his probable weekly income by dividing his probable annual income by fifty-two; and

(2) multiplying that quantity by the number of work weeks, or fraction thereof, if any, the victim would reasonably have been expected to realize income during the accrual period.

For purposes of this subsection, a currently employable victim is one who could reasonably expect to find employment, for which he is fitted by training or experience, within a period of one year and, if employment opportunity were available, could reasonably be expected to accept it.

\*\*\*

§ 206. Net loss.

(a) General.—Except as provided in section [108(a)(3)] 108.1(b)(3) of this act, all benefits or advantages (less reasonably incurred collection costs) that an individual receives or is entitled to receive from social security (except those benefits provided under Title XIX of the Social Security Act and except those medicare benefits to which a person's entitlement depends upon use of his so-called "life-time reserve" of benefit days) workmen's compensation, any State-required temporary, nonoccupational disability insurance, and all other benefits (except the proceeds of life insurance) received by or available to an individual because of the injury from any government, unless the law authorizing or providing for such benefits or advantages makes them excess or secondary to the benefits in accordance with this act, shall be subtracted from loss in calculating net loss.

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§ 207. [Added loss benefits] Additional coverage options.

(a) [Mandatory offering] Availability of coverage.—Obligors other than self-insurers or governments providing security for the payment of basic loss benefits shall [offer or obligate themselves to provide added loss benefits] make available additional insurance for injury or damage arising out of the ownership, maintenance, or use of a motor vehicle, including:

(1) loss excluded from basic loss benefits by limits on [allowable expense,] work loss, replacement services loss, and survivor's loss;

(2) [benefits] insurance for damage to property;

(3) [benefits] insurance for loss of use of a motor vehicle;

(4) benefits for expense for remedial religious treatment and care;

(5) insurance for physical damage to a motor vehicle, a coverage for all collision and upset damage, subject to an optional deductible and comprehensive material damage coverage, subject to an optional deductible; and

(6) for economic detriment, a coverage for work loss sustained by a victim in excess of limitations on basic loss benefits for work loss.

(7) Survivors loss insurance in the amount of ten thousand dollars (\$10,000).

(b) Additional loss coverage.—Subject to the approval of terms and forms by the commissioner, obligors may offer or obligate themselves to provide other [added loss coverages] coverage options.

The commissioner may adopt rules requiring that insurers providing basic loss insurance offer, in accordance with this act, any other specified added loss coverages and promulgate regulations with respect thereto.

(c) Named insurer required.—The coverage which is offered pursuant to this section shall not be provided, or deemed provided under any provision of this act, except upon the election of a named insured under a policy of motor vehicle insurance issued by an insurer.

§ 208. Ineligible claimants.

(a) Converter.—

(1) [Except as provided for assigned claims, a] A converter of a motor vehicle is ineligible to receive no-fault benefits, including benefits otherwise due him as a survivor, from

any source other than a contract of insurance under which he is an insured, for any injury arising out of the maintenance or use of the converted vehicle. If a converter dies from such injuries, his survivor or survivors are not entitled to no-fault benefits for survivor's loss from any source other than a contract of insurance under which the converter is an insured.

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§ 301. Tort liability.

(a) Partial abolition.—Tort liability is abolished with respect to any injury that takes place in this State in accordance with the provisions of this act if such injury arises out of the maintenance or use of a motor vehicle, except that:

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(4) A person remains liable for loss which is not compensated because of any limitation in accordance with section 202 (a), (b), (c) or (d) of this act and nothing in this act shall be construed to have limited or impaired the right to recover at law as heretofore for an element of economic detriment for which there is no applicable security under the provisions of this act. A person is not liable, however, for loss which is not compensated because of limitations in accordance with subsection (e) of section 202 of this act.

(4.1) A person remains liable for loss upon conviction of operating a motor vehicle while under the influence of alcohol or other controlled substance.

(4.2) A person remains liable for loss upon conviction of operating a motor vehicle in wanton disregard for the safety of persons or property.

(5) A person remains liable for damages for non-economic detriment if the injury sustained in the accident results in:

- (A) death or serious and permanent injury; or
- (B) the reasonable value of reasonable and necessary medical and dental services, including prosthetic devices and necessary ambulance, hospital and professional nursing expenses incurred in the diagnosis, care and recovery of the victim, exclusive of diagnostic x-ray costs and rehabilitation costs in excess of one hundred dollars (\$100) is in excess of [seven hundred fifty dollars (\$750)] two thousand five hundred dollars (\$2,500). For purposes of this subclause, the reasonable value of hospital room and board shall be the amount determined by the Department of Health to be the average daily rate charged for a semi-private hospital room and board computed from such charges by all hospitals in the Commonwealth;]. Commencing one year following the effective date of this amendatory act, and annually thereafter, the commissioner shall adjust the monetary limits contained in this subclause to reflect the increase or decrease of the health care component of the United State Bureau of Labor Statistics document entitled "Consumer Price Index For All Urban Consumers of the Consumer Price Index Detailed Report" for the preceding twelve months, as it relates to Pennsylvania; or

(C) medically determinable physical or mental impairment which prevents the victim from performing all or substantially all of the material acts and duties which constitute his usual and customary daily activities and which continues for more than sixty consecutive days; or

(D) injury which in whole or in part consists of cosmetic disfigurement which is permanent, irreparable and severe.

\*\*\*

(c) Statute of limitations.—Except as section 106(c)(1), (2) or (3) of this act may otherwise prescribe, any action to recover damages for economic loss or non-economic detriment shall be commenced not later than two years following the date of the occurrence that has given rise to such action.

§ 401. Examination.

Whenever the mental or physical condition of a [person] victim is material to any claim that has been or may be made for past or future basic loss benefits, [a court of competent jurisdiction may order the person to submit to mental or physical examination by a physician or physicians. The order may be made only on the motion for good cause shown and upon notice to the person to be examined and to all other persons having an interest and shall specify the time, place, manner, conditions, and scope of the examination and the person or persons by whom it is to be made.] such victim, upon request of an obligor, shall submit to mental or physical examination by a physician or physicians. The cost of any such examination requested by an obligor shall be borne entirely by the obligor. Any such examination shall be conducted within the city or county of residence of the victim, but if there is no qualified physician to conduct the examination within such city or county of residence of the victim, then such examination shall be conducted in an area of closest proximity to the victim's residence. If the victim shall refuse to submit to any such examination, a court of competent jurisdiction may, upon the motion or petition of the obligor, require the victim to be examined by such physicians selected and paid by the obligor or by a physician or physicians designated by the court and paid by the obligor. The victim shall have at all times the right to have a physician, selected and paid by the victim, participate in any such examination.

Section 7. The act is amended by adding a section to read:

§ 409. Release of information; immunity from liability.

Any person who releases information, whether oral or written, acting in good faith, pursuant to the requirements of sections 106(a)(5), 109(d), 401, 402 and 408(a), (b) or (d) or pursuant to any proceeding for the release, discovery or production of information under this act is immune from liability, whether civil or criminal, that might otherwise be incurred or imposed.

Section 8. Section 601 of the act is repealed.

Section 9. Section 602 of the act is amended to read:

§ 602. [Excessive charges] Fraudulent claims.

[Any person who charges, demands, receives or collects for hospital or medical products, services or accommodations rendered in the treatment of an injured person or for rehabilitative occupational training or for legal services rendered in connection with a claim for basic loss benefits, any amount in excess of that authorized by this act with awareness that the charge is in excess of that authorized is guilty of a misdemeanor and upon conviction may be fined not less than one hundred dollars (\$100) or more than five hundred dollars (\$500) or may be imprisoned for not more than six months or both.]

Any person who knowingly issues false claims or statements to an insurance company or is employed in any artifice or scheme with the intent to deceive or defraud such company, is guilty of a felony of the third degree and upon conviction thereof shall be sentenced to imprisonment for a period not to exceed seven years, or a fine of not more than fifteen thousand dollars (\$15,000), or both. This section shall apply to the following conduct:

(1) Statements, oral or written, as part of or supporting a claim for payment or benefit pursuant to an insurance policy.

(2) Acts or statements by physicians, osteopaths, chiropractors or other practitioners including specialists, licensed in Pennsylvania, which are directed towards urging or assisting an insured to fraudulently violate these provisions:

(A) This paragraph shall include any practitioner who knowingly or willfully benefits from proceeds resulting from such fraud.

(B) If any State-licensed practitioner is adjudicated guilty of a violation of this section, the appropriate licensing authority shall hold an administrative hearing to consider the imposition of administrative sanctions, as the authority sees fit.

(3) Attorneys who knowingly or willfully assist or urge a claimant to fraudulently violate this section.

(4) All persons who knowingly benefit due to any assistance or urging on the part of the attorney.

(5) Persons, employees, administrators or governmental units licensed to operate a hospital, who knowingly or willfully allow the use of the facilities in a scheme or conspiracy which violates this section. Any adjudication of guilt for a violation of this paragraph shall be grounds for revocation or suspension of the hospital's license, or imposition of a penalty of up to five thousand dollars (\$5,000).

(6) Persons, firms, partnerships, copartnerships or associations, which, for purposes of making motor vehicle tort claims, participate in the solicitation of business in or about any:

- (A) hospital;
- (B) court; or
- (C) public institution, street or highway.

Section 10. The act of August 14, 1963 (P.L.909, No.433), entitled "An act requiring, with limitations, that insurance policies insuring against loss occurring in connection with motor vehicles provide protection against certain uninsured motorists," is repealed.

Section 11. This act applies to insurance policies issued or renewed on or after the effective date of this act.

Section 12. This act shall take effect July 1, 1984, or immediately, whichever is later.

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

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

Mr. MURPHY. Mr. Speaker, very briefly. I think everybody has heard enough. If you are for the consumer in Pennsylvania, you want to support this amendment. The amendment gives people reasonable protection at reasonable prices. It will save money over the present system, and yet it does not strip the consumer of the coverage that they need when they face an accident that no one ever contemplates having. Please support this amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

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

Mr. LEVIN. I think it is unfair to let Mr. Murphy's statement go unanswered, and I think that we should have an equally brief answer.

The SPEAKER. The Chair has recognized the gentleman.

Mr. LEVIN. The answer, Mr. Speaker, is what Mr. Murphy has successfully hidden is that if you had a broken arm or a broken leg, under his amendment you would not recover any money. Now, he has avoided that all day. He keeps talking about how great his amendment is, and his amendment has the same problems that Mr. DeVerter's HB 1285 had. It takes all the little people who are honest and tells them they shall not collect. It should be opposed.

The SPEAKER. The Chair thanks the gentleman.

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

(Members proceeded to vote.)

The SPEAKER. The Chair will run the stopwatch on the vote.

Mr. GALLEN. Mr. Speaker, could we not just have the same amount of time as we had on the first one?

The SPEAKER. Mr. Gallen, we will have no more than 10 minutes on the stopwatch—hopefully less.

Mr. DeVERTER. I would hope much less, Mr. Speaker.

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

The following roll call was recorded:

YEAS—98

Angstadt	Dorr	Jarolin	Punt
Armstrong	Duffy	Kennedy	Richardson
Belardi	Fargo	Klingaman	Robbins
Belfanti	Fee	Laughlin	Saloom
Bowser	Fischer	Lehr	Scheetz
Broujos	Foster, W. W.	Letterman	Semmel
Burd	Foster, Jr., A.	Levi	Seventy
Caltagirone	Freeman	Lloyd	Sirianni
Cappabianca	Fryer	McCall	Smith, B.
Cawley	Gallagher	McHale	Smith, L. E.
Cessar	Gallen	Mackowski	Snyder, G. M.
Cimini	Gamble	Madigan	Stairs
Cohen	Geist	Michlovic	Stewart
Colafella	George	Miscevich	Swift
Cole	Godshall	Morris	Taylor, E. Z.
Coslett	Greenwood	Mowery	Telek
Cowell	Grieco	Murphy	Tigue
Deluca	Haluska	Noye	Trello
DeVerter	Harper	Peterson	Wachob
DeWeese	Hasay	Petrone	Wargo
Davies	Hayes	Phillips	Wozniak
Dawida	Herman	Pitts	Wright, D. R.
Deal	Hershey	Pott	Wright, J. L.
Dietz	Hutchinson	Preston	Zwikel
Dombrowski	Itkin		

NAYS—98

Afflerbach	Freind	Manmiller	Saurman
Alderette	Gannon	Markosek	Schuler
Arty	Gladeck	Mayernik	Serafini
Baldwin	Gruitza	Merry	Showers
Barber	Gruppo	Micozzie	Snyder, D. W.
Battisto	Hagarty	Miller	Spencer
Beloff	Hoeffel	Moehlmann	Spitz
Blaum	Honaman	Mrkonic	Steighner
Book	Jackson	Nahill	Stuban
Boyes	Kasunic	O'Brien	Sweet
Brandt	Kosinski	O'Donnell	Taylor, F. E.
Bunt	Kowalshyn	Oliver	Truman
Burns	Kukovich	Perzel	Van Horne
Carn	Lashingier	Petrarca	Vroon
Civera	Lescovitz	Piccola	Wambach
Clark	Levin	Pievsky	Wass
Clymer	Linton	Pistella	Weston
Cornell	Livengood	Rappaport	Wiggins
Coy	Lucyk	Reber	Williams
Daley	McClatchy	Reinard	Wilson
Donatucci	McIntyre	Rieger	Wogan
Durham	McMonagle	Rudy	Wright, R. C.
Evans	McVerry	Ryan	
Fattah	Maiale	Rybak	
Flick	Manderino	Salvatore	Irvis, Speaker

NOT VOTING—3

Cordisco	Dininni	Pratt
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## EXCUSED—4

Johnson            Marmion            Olasz            Stevens

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

**POINT OF ORDER**

Mr. GALLEN. Mr. Speaker, point of order.

The SPEAKER. The Chair recognizes the gentleman from Berks, Mr. Gallen.

Mr. GALLEN. Mr. Speaker, I feel that this gives the Speaker of this House the decision as to which type of insurance plan we are going to adopt. I think it is wrong. I think the vote should have been recorded as it was up there. And why give more time the second time than we did the first time? It makes the Speaker a decisionmaker as far as whether we are going to have this reform of no-fault insurance. That is wrong.

The SPEAKER. Does the gentleman have anything else to add?

Mr. DeVERTER. I do, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Mifflin, Mr. DeVerter.

Mr. DeVERTER. Mr. Speaker, I challenge that vote, and I do not know what the procedure is to do it, but I am making that as a formal request to the Parliamentarian at this time as to what needs to be done.

We have gone through this charade when it came to the pay raise on a member's vote, and I will be doggone if I am going to stand idly by in this Assembly and, as Mr. Gallen has put out, have the Speaker make the final decision as to how the members are going to vote either for or against an amendment. Now, it is time that we started to have some degree of decorum in this House, and that includes how the members' votes are recorded initially. There was no hesitation on the Speaker's part initially when the vote went up the first time on Mr. Murphy's amendment. Why there needed to be a delay this time, I am not certain, sir, except to say that it is wrong and we ought not to live with it.

The SPEAKER. Under rule 67, "Any member may challenge in writing the yea or nay or electrically recorded vote of other members. The allegations made shall be investigated by a committee composed of the Speaker, a majority member and a minority member appointed by the Speaker...." Ladies and gentlemen, the Speaker is only reading you your rules. Contrary to your belief, the Speaker did not pass these rules; the House did.

Mr. DeVERTER. Mr. Speaker, you may make light of it, and that is fine—

The SPEAKER. Mr. DeVerter—

Mr. DeVERTER. I am out of order; I know.

The SPEAKER. The Speaker is addressing the House, not you, sir. The Speaker kept silent until you were finished. You will do likewise, I am sure.

Mr. DeVERTER. I always have, have I not?

The SPEAKER. I am very grateful for the gentleman continuing that.

I have read you the rule. Now, if anyone wishes to challenge, that member may do so. We will abide by the rules, sir.

Mr. DeVERTER. And what does that challenge require?

The SPEAKER. You must "...challenge in writing the yea or nay or electrically recorded vote of other members. The allegations made shall be investigated by a committee composed of the Speaker, a majority member and a minority member appointed by the Speaker, who shall submit a report to the House not later than its next session. The House shall then decide whether the challenged vote shall be recorded or not. If the challenged vote would change the result, the announcement of the vote shall be postponed until the House decides the case."

Mr. DeVERTER. In other words, final passage on the bill could not take place until that were resolved. Is that correct?

The SPEAKER. No; I do not believe that is correct. We will check and see.

For the information of the gentleman, Mr. DeVerter, we are not certain. The rule indicates that the vote could be taken but it could not be announced. We are not certain that that is a correct interpretation. It has never occurred in the Speaker's 25 years on the floor, and the Parliamentarian does not know any precedent.

The Chair recognizes the gentleman from Mifflin, Mr. DeVerter.

Mr. DeVERTER. Mr. Speaker, it is very apparent from your reading the rule that it would be futile to file the challenge, quite frankly, and that is not to challenge your integrity or any member of the House who might be appointed to that committee. But it should be very apparent to the members here today that if we continue to have votes done in the manner in which we have again done them today, we are foisting upon the people of this Commonwealth that which is not reflective of the majority of the members' wishes. I will not offer that challenge. If some other member would like to, I would join in it, but it seems apparent that it is futile to do so.

**PARLIAMENTARY INQUIRY**

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

Mr. COWELL. Mr. Speaker, point of parliamentary inquiry.

The SPEAKER. The gentleman will state the point.

Mr. COWELL. Is it, under our rules, permissible for another reconsideration motion to be filed on the amendment which we just considered; that is, the Murphy amendment?

The SPEAKER. It is, and the Chair has been informed that another has already been filed.

Mr. COWELL. Thank you, Mr. Speaker.

**REMARKS ON VOTE**

The SPEAKER. The Chair recognizes the gentleman from Lawrence, Mr. Pratt.

Mr. PRATT. I was out of my seat when that vote on the Murphy amendment was taken. I would like to be recorded in the affirmative, please, on amendment A4577.

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

**CONSIDERATION OF SB 942 CONTINUED**

On the question recurring,

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

**AMENDMENT A4639 RECONSIDERED**

The SPEAKER. For the information of the rebellious troops, we do have another reconsideration motion filed, and for the information of the troops, as long as this person remains in the Chair as Speaker, he will close the vote according to the rules, not according to the anger of any member or members.

A motion for reconsideration has been filed by the gentleman, Mr. Manderino, on the Letterman amendment A4639. He moves that the vote by which the Letterman amendment A4639 was passed on this date, December 13, be reconsidered.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

**YEAS—190**

Afflerbach	Fattah	Lloyd	Rudy
Alderette	Fee	Lucyk	Ryan
Angstadt	Fischer	McCall	Rybak
Armstrong	Flick	McClatchy	Saloom
Arty	Foster, W. W.	McHale	Salvatore
Baldwin	Foster, Jr., A.	McIntyre	Saurman
Barber	Freeman	McMonagle	Scheetz
Battisto	Freind	McVerry	Schuler
Belardi	Fryer	Mackowski	Semmel
Belfanti	Gallen	Madigan	Serafini
Beloff	Gamble	Maiale	Seventy
Blaum	Gannon	Manderino	Showers
Book	Geist	Manmiller	Sirianni
Bowser	George	Markosek	Smith, B.
Boyes	Gladeck	Mayernik	Smith, L. E.
Broujos	Godshall	Merry	Snyder, D. W.
Bunt	Greenwood	Michlovic	Snyder, G. M.
Burd	Grieco	Micozzie	Spencer
Burns	Gruitza	Miller	Stairs
Caltagirone	Gruppo	Miscevich	Steighner
Cappabianca	Hagarty	Mochlmann	Stewart
Cawley	Haluska	Morris	Stuban
Cessar	Harper	Mowery	Sweet
Cimini	Hasay	Mrkonic	Swift
Civera	Hayes	Murphy	Taylor, E. Z.
Clark	Herman	Nahill	Taylor, F. E.
Clymer	Hershey	Noye	Telek
Cohen	Hoefel	O'Brien	Tigue
Cole	Honaman	O'Donnell	Trello
Cornell	Hutchinson	Oliver	Truman
Coslett	Itkin	Perzel	Van Horne
Cowell	Jackson	Peterson	Vroon
Coy	Jarolin	Petrarca	Wachob

DeLuca	Kasunic	Petrone	Wambach
DeVerter	Kennedy	Phillips	Wargo
DeWeese	Klingaman	Piccola	Wass
Daley	Kosinski	Pievsky	Weston
Davies	Kowalshyn	Pistella	Wiggins
Dawida	Kukovich	Pott	Williams
Deal	Lashinger	Pratt	Wilson
Dietz	Laughlin	Preston	Wogan
Dombrowski	Lehr	Punt	Wozniak
Donatucci	Lescovitz	Rappaport	Wright, D. R.
Dorr	Letterman	Reber	Wright, R. C.
Duffy	Levi	Reinard	Zwinkl
Durham	Levin	Richardson	
Evans	Linton	Rieger	Irvis,
Fargo	Livengood	Robbins	Speaker

NAYS—1

Wright, J. L.

NOT VOTING—8

Brandt	Colafella	Dininni	Pitts
Carn	Cordisco	Gallagher	Spitz

EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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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 clerk read the following amendments No. A4639:

Amend Sec. 3 (Sec. 1793), page 41, line 27, by striking out "AN INSURER SHALL NOT" and inserting

(1) An insurer shall not

Amend Sec. 3 (Sec. 1793), page 42, by inserting between lines 2 and 3

(2) No insurer shall charge an insured who has been convicted of a violation of an offense enumerated in section 1535 (relating to schedule of convictions and points), a higher rate for a policy of insurance solely on account of the conviction. An insurer may charge an insured a higher rate for a policy of insurance if a claim is made under paragraph (1).

On the question recurring,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes the gentleman from Washington, Mr. Sweet.

Mr. SWEET. Thank you, Mr. Speaker.

I would hope that the members would give the Letterman amendment a second sober thought. What Mr. Letterman's amendment does is say that anyone convicted of any violation under section 1535 of the Vehicle Code could not have their insurance rates increased because of said violation. Now, we are not talking about the earlier amendment where people were worried about predicting future behavior. We are now talking about past performance. We are talking about a driver who has been found guilty of such things as speeding, driving too fast for conditions, failure to stop for a school bus, exceeding speed limits in school zones, and a host of other moving violations that I think are rather serious, Mr. Speaker. Certainly, an insurance company, in reviewing someone's past driving record, ought to be able to adjust their rates upward when in fact they have been arrested and convicted for serious violations of this sort.

Mr. Speaker, I would ask for a negative vote on this amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Centre, Mr. Letterman.

Mr. LETTERMAN. Mr. Speaker, I rise to ask the people to stay the way they were before. I think you all realize that every one of you have friends and neighbors at home who have come to you— You know, a stop sign, 35 in a 25-mile zone, buddy, do not do it because your insurance is going up, I am telling you.

If you let my amendment be defeated, you are saying to these people in this State that that is too bad; you should not go out and even blink your eyes, because the cop can make that decision of whether you went through a red light or a yellow light. I want to tell you, you know, they can also adjust radar to say whether you went 35 or 37. You know, it could have been 47, but they will say 35.

I think it is a very good amendment. The majority of you thought it was a good amendment. I do not think that two people should get up and be able to speak against it and change that many people's minds, and I hope you stay with the amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes, on the Letterman amendment, the gentleman from Blair, Mr. Geist.

Mr. GEIST. Thank you, Mr. Speaker.

I rise in support of Mr. Letterman and would ask your permission to interrogate him.

The SPEAKER. Will the gentleman, Mr. Letterman, agree to interrogation? The gentleman indicates he will stand for interrogation. The gentleman, Mr. Geist, may proceed.

Mr. GEIST. Thank you, Mr. Speaker.

Some of the offenses that you have so named in your commentary, could they be spelled out in the amendment?

Mr. LETTERMAN. Well, they pretty much are. They are all under that one section. It does not include drunken driving; it does not include hit-and-run. Those are all misdemeanors under the third degree. I do not include any of them. These are only the moving violations.

Mr. GEIST. Thank you, Mr. Speaker.

May I be recognized for a comment?

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

Mr. GEIST. Thank you, Mr. Speaker.

I agree with the intent of the Letterman amendment. I also agree with Representative Sweet and the arguments that he has brought up. I would strongly suggest that the amendment be withdrawn and redrafted to spell out those offenses that we are all familiar with, the basic speeding, things like this that are minor offenses that jack up the rates. I would strongly suggest that the amendment be withdrawn, redrawn, and reoffered so that they are clearly spelled out. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the amendment, the Chair recognizes the gentleman from Delaware, Mr. Gannon.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, it has been the policy of this General Assembly to promote safe driving on our highways, to protect our citizens and to protect our children and to protect our drivers. One of the penalties the reckless driver now faces if he is caught and convicted in addition to getting points on his license and paying a fine is his insurance premium will probably go up. Mr. Speaker, I submit that that is a substantial deterrent. A driver may not care about the fine, that may be nominal; he may not care about the points against his license; he may not even care if his license gets suspended, but he may care about his insurance premium, and I say that that is a sufficient deterrent to keeping reckless drivers off the highways of this State that we should defeat the Letterman amendment.

Sure, as Mr. Letterman has said, I have had people come into my office and complain about the fact that their rates have gone up because of some traffic violation. But, Mr. Speaker, I am not quite as sympathetic with a reckless driver as Mr. Letterman is. I do not want to see reckless drivers on our highways. They kill and they maim. I think they should be taken off the highways by any means that we have available to us, and one of those means available to us, Mr. Speaker, is to permit the insurance carriers to adjust their rates to reflect higher premiums for reckless drivers who have been convicted of traffic violations. Mr. Speaker, I ask for a "no" vote on the Letterman amendment.

The SPEAKER. The Chair thanks the gentleman.

On the Letterman amendment, the Chair recognizes the gentleman from Philadelphia, Mr. Deal.

Mr. DEAL. Thank you, Mr. Speaker.

Mr. Speaker, I rise to support the Letterman amendment. Mr. Speaker, I rise to support that amendment because the amendment does not endorse reckless driving. All the amendment does say though is that the insurance company, under the guise of having an opportunity to extract more moneys from the consumer, should not be permitted.

Mr. Speaker, without this amendment, insurance companies can raise rates on violations. Many of the violations are made by police officers, and sometimes they are made and found to be wrong later. Sometimes when motorists may appear before magistrates, they are not even given an opportunity to defend themselves because the police have said that they committed the act. I think that is unfair.

Mr. Speaker, we have safeguards already in place. The Transportation Department now can suspend the license of reckless drivers, and we want them suspended if they are hazards on the highways. But what the amendment is saying is, do not let the insurance company have another excuse to raise your rates. I do not know of any case where the insurance company has had an opportunity to raise rates because of traffic violations and they have then turned around and reduced the rates of all of the other good drivers in Pennsylvania.

Mr. Speaker, I can understand people being concerned when we say that you may not use traffic violations, but do not misinterpret that to believe that anyone is saying that we



want people to have a license to run recklessly through our highways. All we are saying is that we do not want the insurance company to be reckless and raise rates and no one else profit from it but the insurance company. A person, without this amendment, could well have their insurance rates raised and still drive on our highways. There is nothing that says that because the insurance rates are raised one may not operate on these highways.

Then I am also concerned about that driver where the police officer may have made a mistake or one of the mechanical devices that are used may not have been calibrated and may be wrong. We ought to protect those people also. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the amendment, the Chair recognizes the gentleman from Washington, Mr. Sweet.

Mr. SWEET. Just very quickly, Mr. Speaker.

We are not talking here about people in all instances who just happen to cruise through a stop sign. We are talking about people who left the scene of an accident; we are talking about people who have been convicted of reckless driving; we may be talking about people who have been convicted a second or a third or a fourth time.

So while Mr. Letterman's intentions, I think, are good, and I think the comments Mr. Deal made are sound, the amendment's language does not say what they are intending to do. It is a very bad idea. Mr. Speaker, if the dangerous drivers do not pay high insurance rates, then the rest of those drivers who do not commit these kinds of violations are going to face increased rates. I would ask for a negative vote.

The SPEAKER. The Chair thanks the gentleman.

For the second time, the Chair recognizes the gentleman from Centre, Mr. Letterman.

Mr. LETTERMAN. Thank you, Mr. Speaker.

Mr. Speaker, we have a point system that takes care of the problem. My big problem with this whole thing is that I will guarantee you that if you have points on your record and your insurance gets increased and you serve 3 years and eliminate all the points off your record, your insurance policy will not come down. That is where the fallacy of the whole thing is. If they are going to use a tool which we have made for them in the Department of Transportation to raise your insurance, they should be made to use that same tool to lower your insurance. They do not do it. I ask for an affirmative vote.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—101

Afflerbach	Evans	Levi	Seventy
Belardi	Fattah	Linton	Snyder, D. W.
Belfanti	Fee	McCall	Stairs
Blaum	Fryer	McIntyre	Steighner
Bowser	Gallagher	McMonagle	Stewart
Broujos	Gamble	Markosek	Stuban
Bunt	Geist	Mayernik	Taylor, F. E.
Burd	George	Michlovic	Telek
Burns	Gladeck	Miller	Tigue

Caltagirone	Godshall	Miscevich	Trello
Carn	Grieco	Moehlmann	Truman
Cawley	Hagarty	Morris	Van Horne
Cimini	Haluska	Murphy	Vroon
Cohen	Harper	Noye	Wargo
Colafella	Hasay	Peterson	Wass
Cole	Herman	Petrarca	Wiggins
Cornell	Hershey	Petrone	Williams
Coslett	Hoefel	Pistella	Wilson
Cowell	Hutchinson	Pott	Wozniak
Coy	Itkin	Pratt	Wright, D. R.
Deluca	Jackson	Preston	Wright, R. C.
DeWeese	Jarolin	Punt	Zwilk
Deal	Klingaman	Richardson	
Dombrowski	Lashingier	Rieger	Irvis,
Donatucci	Laughlin	Saloom	Speaker
Duffy	Letterman	Semmel	

NAYS—93

Alderette	Fischer	Lucyk	Robbins
Angstadt	Flick	McClatchy	Rudy
Armstrong	Foster, W. W.	McHale	Ryan
Arty	Foster, Jr., A.	McVerry	Rybak
Baldwin	Freeman	Mackowski	Salvatore
Barber	Freind	Madigan	Saurman
Battisto	Gallen	Manderino	Scheetz
Beloff	Gannon	Manmiller	Schuler
Book	Greenwood	Merry	Serafini
Boyes	Gruitza	Micozzie	Showers
Brandt	Gruppo	Mowery	Sirianni
Cappabianca	Hayes	Mrkonic	Smith, B.
Cessar	Honaman	Nahill	Smith, L. E.
Civera	Kasunic	O'Brien	Snyder, G. M.
Clark	Kennedy	O'Donnell	Spencer
Clymer	Kosinski	Perzel	Spitz
DeVerter	Kowalshyn	Phillips	Sweet
Daley	Kukovich	Piccola	Swift
Davies	Lehr	Pievsky	Taylor, E. Z.
Dawida	Lescovitz	Pitts	Wachob
Dietz	Levin	Rappaport	Wambach
Dorr	Livengood	Reber	Wogan
Durham	Lloyd	Reinard	Wright, J. L.
Fargo			

NOT VOTING—5

Cordisco	Maiale	Oliver	Weston
Dininni			

EXCUSED—4

Johnson	Marmion	Olasz	Stevens
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The question was determined in the affirmative, and the amendments were agreed to.

On the question recurring,

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

REMARKS ON VOTE

The SPEAKER. For what purpose does the gentleman from Allegheny, Mr. Seventy, rise?

Mr. SEVENTY. Mr. Speaker, earlier in the day on concurrence in HB 743, I was voted in the negative. I would like to be put in the positive. Thank you.

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

**CONSIDERATION OF SB 942 CONTINUED**

**AMENDMENT A4665 RECONSIDERED**

The SPEAKER. We have a further reconsideration motion. It is moved by the majority leader that the vote by which the Wilson amendment A4665 was passed on this date, December 13, be reconsidered.

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

The following roll call was recorded:

**YEAS—191**

Afflerbach	Fargo	Lloyd	Ryan
Alderette	Fattah	Lucyk	Rybak
Angstadt	Fee	McCall	Saloom
Armstrong	Fischer	McClatchy	Salvatore
Arty	Flick	McHale	Saurman
Baldwin	Foster, W. W.	McIntyre	Scheetz
Barber	Foster, Jr., A.	McMonagle	Schuler
Battisto	Freeman	McVerry	Semmel
Belardi	Freind	Mackowski	Serafini
Belfanti	Fryer	Madigan	Seventy
Beloff	Gallen	Manderino	Showers
Blaum	Gamble	Manmiller	Sirianni
Book	Gannon	Markosek	Smith, B.
Bowser	Geist	Mayernik	Smith, L. E.
Boyes	George	Merry	Snyder, D. W.
Brandt	Gladeck	Michlovic	Snyder, G. M.
Broujos	Godshall	Micozzie	Spencer
Bunt	Greenwood	Miller	Spitz
Burd	Grieco	Miscevich	Stairs
Burns	Gruitza	Moehlmann	Steighner
Caltagirone	Gruppo	Morris	Stewart
Cappabianca	Hagarty	Mowery	Stuban
Cawley	Haluska	Mrkonc	Sweet
Cessar	Harper	Murphy	Swift
Cimini	Hasay	Nahill	Taylor, E. Z.
Civera	Hayes	Noye	Taylor, F. E.
Clark	Herman	O'Brien	Telek
Clymer	Hershey	O'Donnell	Tigue
Cohen	Hoeffel	Oliver	Trello
Colafigliola	Honaman	Perzel	Truman
Cole	Hutchinson	Peterson	Van Horne
Cornell	Itkin	Petrarca	Vroon
Coslett	Jackson	Petrone	Wachob
Cowell	Jarolin	Phillips	Wambach
Coy	Kasunic	Piccola	Wargo
Deluca	Kennedy	Pievsky	Wass
DeVerter	Klingaman	Pistella	Weston
DeWeese	Kosinski	Pitts	Wiggins
Daley	Kowalshyn	Pott	Williams
Davies	Kukovich	Pratt	Wilson
Dawida	Lashinger	Preston	Wogan
Deal	Laughlin	Punt	Wozniak
Dietz	Lehr	Rappaport	Wright, D. R.
Dombrowski	Lescovitz	Reber	Wright, R. C.
Donatucci	Levi	Reinard	Zwinkl
Dorr	Levin	Richardson	
Duffy	Linton	Rieger	Irvis,
Durham	Livengood	Robbins	Speaker
Evans			

**NAYS—1**

Wright, J. L.

**NOT VOTING—7**

Carn	Dininni	Letterman	Rudy
Cordisco	Gallagher	Maiale	

**EXCUSED—4**

Johnson      Marmion      Olasz      Stevens

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 clerk read the following amendments No. A4665:

Amend Sec. 3 (Sec. 1793), page 41, line 30, by inserting after "POLICY"

caused an accident within any five-year period,

Amend Sec. 3 (Sec. 1793), page 42, line 1, by inserting a period after "THEREON"

Amend Sec. 3 (Sec. 1793), page 42, lines 1 and 2, by striking out "UNLESS IT IS DETERMINED THAT THE INSURED WAS AT" in line 1, all of line 2 and inserting

If within any five-year period an insured has caused more than one accident and has received payment on all claims arising out of the accidents, the insurer may increase the premium rate if the Insurance Department approves the increase.

Amend Sec. 3 (Sec. 1793), page 42, lines 28 through 30, by striking out "RULES AND REGULATIONS ESTABLISHING GUIDELINES AND" in line 28, all of line 29 and "OF SUBSECTION (A) AND" in line 30

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

The SPEAKER. The Chair recognizes the majority leader.

Mr. MANDERINO. Mr. Speaker, the gentleman, Mr. Wilson's amendment, when explained to the House, sounded a lot different than when I meshed the amendment into the bill to try to figure out what the amendment really did, and therefore, the reconsideration motion.

Mr. Speaker, the Wilson amendment, if adopted, would put two conditions precedent to the rating of any insurance policy because of an accident. It would require, first, that all claims in the accident be paid before any rating could be done on the policy. We are talking about a process that may take 2, 3, 4, 6 years before a rating would be made on the policy, long since the accident, and no way to recover for the insurance carrier the premium in the 6 years of waiting. But that is just a minor part of what is wrong with the Wilson amendment.

There are over 100,000 accidents a year in Pennsylvania. The Wilson amendment would require that in every accident where someone is at fault—and I am assuming that someone was at fault in at least 80 percent of those 100,000 accidents—the Insurance Department must make an individual judgment in each one of those 100,000 or 75,000 accidents to decide whether or not a policy should be rated or a higher premium paid in an at-fault accident. We are not talking about those where there is no fault; we are talking about where it is clear that someone is at fault. The Insurance Department still must review each and every one of those 100,000 accidents. Mr. Speaker, I submit to you that we will have to double the size of the administrative part of the Insurance Department if not triple or quadruple the size of that department in order to achieve what Mr. Wilson wants to achieve.

Mr. Speaker, I think it is a bad idea to limit the insurance companies in the manner that this amendment wants to limit

the companies, to put these condition precedents, because those people who do not get their ratings on time and those people who have to pay for the cost of the 100,000 reviews that are going to go on each and every year, some overlapping by 2 and 4 and 5 and 6 years, the people who are going to pay for that are you and I and all the good drivers of the Commonwealth who do not have accidents and who drive and are accident free. Mr. Speaker, I think that the Wilson amendment deserves a negative vote.

The SPEAKER. The Chair thanks the gentleman.

The House will stand at ease.

Will the majority leader come to the podium for a moment. Will the minority leader come to the podium, please; and the gentleman, Mr. DeVerter; and the gentleman, Mr. Gallen; and the gentleman, Mr. Murphy. Come to the podium, please.

(Conference held at Speaker's podium.)

### BILLS AND RESOLUTIONS PASSED OVER

The SPEAKER. All the remaining bills and resolutions on the calendar which have not been acted upon today, without objection, will go over for the day. The Chair hears none.

### ANNOUNCEMENT BY SPEAKER

The SPEAKER. The Chair has ordered the balcony cleared.

The Chair has been advised that there has been a bomb threat, which the State Police— I do not think it is something to be lightly taken, nor would the Chair make a joke about such a thing. The State Police are on the alert, and they do not take it lightly. The two leaders have agreed that the staff and the members should leave quietly.

Session will be held tomorrow beginning at 11 a.m.

### BILL PLACED ON THIRD CONSIDERATION POSTPONED CALENDAR

The SPEAKER. The Chair recognizes the majority leader. Mr. MANDERINO. Mr. Speaker, I move that SB 942, PN 1593, be placed on the third consideration postponed calendar.

On the question,

Will the House agree to the motion?

Motion was agreed to.

### SENATE MESSAGE

#### HOUSE AMENDMENTS NONCONCURRED IN BY SENATE

The clerk of the Senate, being introduced, informed that the Senate has nonconcurred in the amendments made by the House of Representatives to **SB 877, PN 1137**, and has appointed Senators TILGHMAN, STAUFFER and LEWIS 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 AMENDMENTS

Mr. MANDERINO moved that the House insist upon its amendments nonconcurred in by the Senate to SB 877, PN 1137, and that a committee of conference on the part of the House be appointed.

On the question,

Will the House agree to the motion?

Motion was agreed to.

### APPOINTMENT OF COMMITTEE OF CONFERENCE

The SPEAKER. The Chair appoints as a committee of conference on the part of the House on SB 877, PN 1137:

Messrs. PIEVSKY, DOMBROWSKI and McCLATCHY.

Ordered, That the clerk inform the Senate accordingly.

### SUPPLEMENTAL CALENDAR A BILL AGREED TO ON SECOND CONSIDERATION

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

**SB 474, PN 1513.**

### ADJOURNMENT

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

Mr. DeLUCA. Mr. Speaker, I move that this House do now adjourn until Wednesday, December 14, 1983, at 11 a.m., e.s.t.

On the question,

Will the House agree to the motion?

Motion was agreed to, and at 7:32 p.m., e.s.t., the House adjourned.