

COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

TUESDAY, JUNE 20, 1989

SESSION OF 1989

173D OF THE GENERAL ASSEMBLY

No. 45

HOUSE OF REPRESENTATIVES

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

THE SPEAKER (JAMES J. MANDERINO) IN THE CHAIR

PRAYER

REV. CLYDE W. ROACH, Chaplain of the House of Representatives, from Harrisburg, Pennsylvania, offered the following prayer:

Let us pray:

Gracious God, our Father, teach us Your will and guide us in our deliberations. It is our desire to be among the best legislators in the history of this Commonwealth. We want to be numbered with those who, by precept and example, moved this State to unparalleled heights.

Like our predecessors, we, too, wish to set norms and standards worthy of emulation. We pray that one day our progeny will rise up and call us blessed. We want to plant seeds that will spring forth and blossom and adorn our glorious State.

But, Lord, to do this we need Your constant guidance and direction and pray that You will ever be near unto us.

In Your dear name we pray. Amen.

PLEDGE OF ALLEGIANCE

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

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, we will postpone approval of the Journal dated Monday, June 19, 1989, until the same has been printed. The Chair hears no objection.

HOUSE BILLS INTRODUCED AND REFERRED

No. 1724 By Representatives ADOLPH, MICOZZIE, CIVERA, FLICK, FLEAGLE, HERMAN, ROBBINS, ALLEN, MELIO, KOSINSKI, KONDRICH, GANNON, FREIND, DIETTERICK, MARSICO, LEH, DEMPSEY, LAUGHLIN, GIGLIOTTI, WOGAN, B. SMITH, DURHAM, J. L. WRIGHT, DISTLER, FARMER,

BELARDI, NAHILL, KENNEY, GODSHALL, RYBAK, GEIST, FOX, MARKOSEK, McHALE, BUNT, STABACK, MILLER, TANGRETTI, E. Z. TAYLOR, TRICH, TRELLO, CORNELL, ACOSTA, McVERRY, RAYMOND, ANGSTADT, JOHNSON, HASAY, RITTER, KASUNIC, REBER and MRKONIC

An Act amending the act of March 11, 1971 (P. L. 104, No. 3), known as the "Senior Citizens Rebate and Assistance Act," further providing for property tax and rent rebate.

Referred to Committee on FINANCE, June 20, 1989.

No. 1725 By Representative GAMBLE

An Act amending the act of April 9, 1929 (P. L. 343, No. 176), known as "The Fiscal Code," further providing for the times for reports to the Secretary of Revenue.

Referred to Committee on FINANCE, June 20, 1989.

No. 1726 By Representatives GAMBLE, BILLOW, HERMAN, LANGTRY, FOX, BOYES, GIGLIOTTI, VEON, MICHLOVIC, VROON, LAUGHLIN, PISTELLA, MORRIS, MRKONIC, LEH, BARLEY, KASUNIC, SERAFINI, GEIST, PESCI, E. Z. TAYLOR, PETRARCA, DeLUCA, LEVDANSKY, STABACK, FARGO, RITTER and OLASZ

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further restricting the sale of certain intercepting devices.

Referred to Committee on JUDICIARY, June 20, 1989.

No. 1727 By Representatives FAIRCHILD, PITTS, GODSHALL, SEMMEL, NAHILL, WESTON, McVERRY, ROBBINS, ALLEN, BLACK, BUSH, CARLSON, ANGSTADT, FARGO, JACKSON, JADLOWIEC, GEIST, DIETTERICK, NOYE, NAILOR, SCHEETZ, BARLEY, TELEK, DISTLER, CLYMER, HERMAN, BURD, S. H. SMITH, KENNEY, LEH, TRELLO, HECKLER, SAURMAN, ADOLPH, FLEAGLE, JOHNSON, DEMPSEY, FOX, HERSHEY, LASHINGER, MRKONIC and BATTISTO

An Act amending the act of March 4, 1971 (P. L. 6, No. 2), known as the "Tax Reform Code of 1971," further providing for a carryover; and providing for a phased in carryback for corporate net income taxes.

Referred to Committee on FINANCE, June 20, 1989.

No. 1728 By Representatives TRELLO, MAIALE, GIGLIOTTI, OLASZ, O'BRIEN, HOWLETT, PISTELLA, TIGUE, KENNEY, PRESTON, DALEY, CIVERA, HALUSKA and LAUGHLIN

An Act providing for licensing and placement of video poker machines in this Commonwealth, for powers and duties of the Department of Revenue, for local option and for distribution of revenues.

Referred to Committee on FINANCE, June 20, 1989.

No. 1729 By Representatives ANGSTADT, CALTAGIRONE, MOEHLMANN, JOSEPHS, HECKLER, HAGARTY, McVERRY, DAVIES, GALLEN, SEMMEL, LEH, BOYES, ARGALL, ALLEN, NOYE, JACKSON, ROBINSON, HALUSKA, MELIO, NAILOR, MERRY, CARLSON, B. SMITH, FARGO, FAIRCHILD, DISTLER, J. L. WRIGHT, PHILLIPS, MORRIS, D. W. SNYDER, SAURMAN, BARLEY, BUNT, MILLER, STABACK, TIGUE, DIETTERICK, VROON, LANGTRY, TRELLO, GRUPPO, JOHNSON, BURD, FLICK, KASUNIC, MRKONIC, BILLOW and BATTISTO

An Act amending the act of May 16, 1921 (P. L. 579, No. 262), referred to as the "County Prison Board Law," further providing for powers of the board of prison inspectors.

Referred to Committee on JUDICIARY, June 20, 1989.

No. 1730 By Representatives BOYES, McVERRY, KOSINSKI, VEON, ROBINSON, TRELLO, PHILLIPS, GIGLIOTTI, B. D. CLARK, COHEN, MARSICO, JOSEPHS, KASUNIC, DeLUCA, D. F. CLARK, BUNT, BILLOW, RICHARDSON, BISHOP, OLASZ and GANNON

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, providing for the offense of unlawful disclosure.

Referred to Committee on JUDICIARY, June 20, 1989.

No. 1733 By Representatives FOX, KUKOVICH, STUBAN, NAHILL, DININNI, FAIRCHILD, VROON, WAMBACH, MORRIS, SCHULER, WILSON, COLE, SAURMAN, RAYMOND, WILLIAMS, BOYES, MRKONIC, DISTLER, PERZEL, TRELLO, FREEMAN, MELIO, COY, DeLUCA, ALLEN, CAWLEY, KOSINSKI, CESSAR, GEIST, NAILOR, KASUNIC,

RYBAK, LANGTRY, VEON, GAMBLE, ROBINSON, JAMES, COWELL, BILLOW, JOHNSON, MARKOSEK, E. Z. TAYLOR, GRUPPO, THOMAS, BUNT, BORTNER, LAUGHLIN, JACKSON, ADOLPH, LETTERMAN, ITKIN, GIGLIOTTI, TANGRETTI, LINTON, FARMER, McVERRY, WESTON, J. TAYLOR, SEMMEL, TRICH, CIVERA, BELARDI and BISHOP

An Act providing for a program known as the Silver-Haired Legislature Program to be established by the Pennsylvania Council on Aging in cooperation with the Department of Aging and other groups; and making an appropriation.

Referred to Committee on YOUTH AND AGING, June 20, 1989.

No. 1734 By Representatives PISTELLA, PESCI, LESCOVITZ, ROBINSON, GIGLIOTTI, MELIO, REBER, DALEY, TRELLO, MICHLOVIC, BELARDI, PRESTON, ITKIN, TELEK, RITTER, JAMES and JOSEPHS

An Act providing procedures for informed consent and counseling for all persons undergoing an HIV-related test; providing for confidentiality of sources of information that identify an individual as a person with AIDS or an AIDS-related condition, or a person who has consented to an HIV-related test; providing for exceptions for authorized sharing of such information; providing for civil immunity to physicians who contact certain persons at risk for HIV infection in accordance with Department of Health procedures; and providing a penalty.

Referred to Committee on HEALTH AND WELFARE, June 20, 1989.

No. 1735 By Representatives PISTELLA, PESCI, LESCOVITZ, GIGLIOTTI, MELIO, REBER, DALEY, TRELLO, BELARDI, PRESTON, ITKIN, RITTER, JAMES and JOSEPHS

An Act amending the act of April 23, 1956 (1955 P. L. 1510, No. 500), known as the "Disease Prevention and Control Law of 1955," further providing for confidentiality of reports and records.

Referred to Committee on HEALTH AND WELFARE, June 20, 1989.

No. 1736 By Representatives JOHNSON, MORRIS, NOYE, TRELLO, BOYES, HALUSKA, ROBBINS, CARLSON, DEMPSEY, PHILLIPS, VEON, NAHILL, ANGSTADT, FOX, KASUNIC, CAWLEY, SERAFINI, BILLOW, GEIST, ALLEN, D. F. CLARK, THOMAS and BISHOP

An Act amending the act of June 13, 1967 (P. L. 31, No. 21), known as the "Public Welfare Code," including tunnel vision for purposes of State blind pensions.

Referred to Committee on HEALTH AND WELFARE, June 20, 1989.

No. 1737 By Representatives JOHNSON, MORRIS, TRELLO, NOYE, BISHOP, HALUSKA, BILLOW, GEIST, ROBBINS, CARLSON, PHILLIPS and CAWLEY

An Act amending the act of June 13, 1967 (P. L. 31, No. 21), known as the "Public Welfare Code," further providing for standards for institutions.

Referred to Committee on HEALTH AND WELFARE, June 20, 1989.

No. 1738 By Representatives JOHNSON, NOYE, MORRIS, TRELLO, ROBBINS, CARLSON, E. Z. TAYLOR, PHILLIPS, VEON, CAWLEY, HALUSKA, BILLOW, GEIST, ALLEN and D. F. CLARK

An Act amending the act of February 1, 1966 (1965 P. L. 1656, No. 581), known as "The Borough Code," further providing for when president or vice-president of council to act as mayor.

Referred to Committee on LOCAL GOVERNMENT, June 20, 1989.

No. 1739 By Representatives JOHNSON, TRELLO, DORR, MORRIS, NOYE, BOYES, ROBBINS, CARLSON, DISTLER, DEMPSEY, PHILLIPS, G. SNYDER, NAHILL, ANGSTADT, FOX, CAWLEY, SERAFINI, GEIST, HALUSKA, BILLOW, ALLEN, D. F. CLARK and BISHOP

An Act amending the act of March 4, 1971 (P. L. 6, No. 2), known as the "Tax Reform Code of 1971," granting an exemption from filing personal income tax returns for certain persons.

Referred to Committee on FINANCE, June 20, 1989.

No. 1740 By Representative PIEVSKY

An Act providing for the capital budget for the fiscal year 1989-1990.

Referred to Committee on APPROPRIATIONS, June 20, 1989.

HOUSE RESOLUTIONS INTRODUCED AND REFERRED

No. 154 By Representatives LANGTRY, McVERRY, DeLUCA, JACKSON, KAISER, ROBINSON, GIGLIOTTI, VAN HORNE, LESCOVITZ, MARKOSEK, FARMER, GEIST, PISTELLA, GAMBLE, BUNT, TANGRETTI, HERSHEY, TRELLO, COLAFELLA, BURD, PETRARCA, STEIGHNER, JOHNSON, KASUNIC, MRKONIC, ITKIN and BILLOW

Honoring Eat'n Park on the celebration of its 40th year of doing business in Pennsylvania.

Referred to Committee on RULES, June 20, 1989.

No. 155 By Representatives JACKSON, MOEHLMANN, SCHULER, MILLER, STRITTMATTER and BRANDT

Recognizing the contribution of Artists Raising the Consciousness of Humanity, Inc.

Referred to Committee on RULES, June 20, 1989.

SENATE BILLS FOR CONCURRENCE

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

SB 252, PN 1242

Referred to Committee on EDUCATION, June 20, 1989.

SB 287, PN 294

Referred to Committee on STATE GOVERNMENT, June 20, 1989.

SB 699, PN 762

Referred to Committee on EDUCATION, June 20, 1989.

SB 875, PN 996

Referred to Committee on JUDICIARY, June 20, 1989.

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
June 19, 1989

RESOLVED, (the House of Representatives concurring), That when the Senate adjourns this week it reconvene on Monday, June 26, 1989, unless sooner recalled by the President Pro Tempore of the Senate; and be it further

RESOLVED, That when the House of Representatives adjourns this week it reconvene on Monday, June 26, 1989, unless sooner recalled by the Speaker of the House of Representatives.

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.

CALENDAR

BILLS ON SECOND CONSIDERATION

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

HB 1700, PN 2067; HB 1701, PN 2068; SB 904, PN 1157; SB 905, PN 1034; SB 906, PN 1035; SB 907, PN 1036; SB 908, PN 1037; SB 909, PN 1038; SB 910, PN 1039; and SB 357, PN 1240.

BILLS PASSED OVER TEMPORARILY

The SPEAKER. The majority leader has asked that we go over temporarily several bills on today's calendar. Without objection, on page 3 of today's calendar, HB 756 will go over temporarily. The Chair hears no objection. On page 4 of today's calendar, HB 1302 will go over temporarily. The Chair hears no objection. On page 5 of today's calendar, HB 1694. Without objection, this bill will go over temporarily. The Chair hears no objection. On page 7 of today's calendar, HB 247. Without objection, this bill will go over temporarily. The Chair hears no objection. On page 10 of today's calendar, HB 1069. Without objection, HB 1069 will go over temporarily. The Chair hears no objection.

The majority leader has indicated that today's voting schedule, as so far determined, which may be added to by the bills just passed over temporarily, but so far determined today's voting schedule begins on page 3 of today's calendar with HB 1293. On page 5, HB 3 and HB 429 are on today's voting schedule. Also on page 5, HB 567 is on today's voting schedule. On page 6, HB 765, HB 1669, HB 1671, and HB 1672 are all on today's voting schedule. On page 12, HB 589 is on today's voting schedule. On page 7, HB 1429 is on today's voting schedule. On page 9, HB 1374 and HB 222 are on today's voting schedule. And on page 10, HB 1197 and HB 1198 are on today's voting schedule.

In addition to the voting schedule announced, the Chair has gone over a number of bills temporarily that may appear on the voting schedule. The bills that are over temporarily may be on this afternoon's voting schedule.

We will add to the bills that will go over temporarily, on page 3 of today's calendar, HB 1627. Without objection, HB 1627 will go over temporarily. The Chair hears no objection.

BILLS AND RESOLUTIONS PASSED OVER

The SPEAKER. The voting schedule, those bills over temporarily, and those bills moved to third consideration have already been considered, and no action will take place on any other bill.

Without objection, all other bills and resolutions on today's calendar, aside from those that we moved to third, those that went over temporarily, and those that are on the voting schedule, will go over in order, without objection. The Chair hears no objection.

LEAVES OF ABSENCE

The SPEAKER. Are there leaves of absence from the majority party? The gentleman, Mr. DeWeese, the majority whip, is recognized.

Mr. DeWEESE. Mr. Speaker, the leaves for today are the gentleman, Mr. BATTISTO, from Monroe County, and the gentleman, Mr. EVANS, from Philadelphia.

The SPEAKER. Without objection, the Chair grants the leaves of absence. The Chair hears no objection.

The Chair recognizes the minority whip, Mr. Hayes, for purposes of leaves.

Mr. HAYES. Thank you, Mr. Speaker.

I request a leave for the gentleman from Dauphin County, Mr. DININNI, for the day.

The SPEAKER. The Chair thanks the gentleman. Without objection, the leave requested will be granted. The Chair hears no objection.

MASTER ROLL CALL

The SPEAKER. The Chair is about to take today's master roll. Members are to indicate their presence in the hall by voting "yea" on the master roll call. Members will proceed to vote.

The following roll call was recorded:

PRESENT—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Suban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.

Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashingner	Rieger	Speaker
Donatucci	Laughlin		

ADDITIONS—0

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 429, PN 544**, entitled:

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, adding provisions relating to insurance fraud in making insurance claims and applications; imposing penalties; and making repeals.

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

FILMING PERMISSION

The **SPEAKER**. The Chair informs the members of the House that "The People's Business" and John Dille have been granted, under the rules of the House, unlimited permission to film proceedings in the House today. The gentleman's camera is directly in front of the Speaker.

CONSIDERATION OF HB 429 CONTINUED

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

Mr. **HAYDEN** offered the following amendments No. A1768:

Amend Title, page 1, line 4, by striking out "making repeals." and inserting
further providing for the effect of restriction of operating privileges on insurance premiums.

Amend Sec. 2 (Sec. 4117), page 4, line 9, by striking out "A person" and inserting
An entity

Amend Sec. 2 (Sec. 4117), page 4, line 9, by striking out "he:" and inserting
it:

(1) knowingly and with the intent to defraud a government or local agency files, presents or causes to be filed with or presented to such government or local agency any document that contains false, incomplete or misleading information concerning any fact or thing material to the agency's determination in approving or disapproving a filing, transaction or other action which is required or filed in response to an agency's request;

(2) engages in unlicensed agent or broker activity as defined by the act of May 17, 1921 (P.L.789, No.285), known as The Insurance Department Act of one thousand nine hundred and twenty-one, knowingly and with the intent to defraud any entity or the public;

Amend Sec. 2 (Sec. 4117), page 4, line 10, by striking out "(1)" and inserting

(3)

Amend Sec. 2 (Sec. 4117), page 4, line 10, by striking out the comma after "defraud" and inserting

any entity

Amend Sec. 2 (Sec. 4117), page 4, line 11, by striking out "insurer" and inserting

entity

Amend Sec. 2 (Sec. 4117), page 4, line 16, by striking out "(2)" and inserting

(4)

Amend Sec. 2 (Sec. 4117), page 4, line 16, by removing the comma after "defraud" and inserting

any entity

Amend Sec. 2 (Sec. 4117), page 4, line 18, by striking out "insurer" and inserting

entity

Amend Sec. 2 (Sec. 4117), page 4, lines 23 through 28, by striking out all of lines 23 through 27 and "(4)" in line 28 and inserting

(5)

Amend Sec. 2 (Sec. 4117), page 5, line 4, by striking out "(5)" and inserting

(6)

Amend Sec. 2 (Sec. 4117), page 5, line 10, by striking out "person" and inserting

entity

Amend Sec. 2 (Sec. 4117), page 5, line 11, by striking out "person" and inserting

entity

Amend Sec. 2 (Sec. 4117), page 5, line 14, by striking out "Penalty" and inserting

Grading

Amend Sec. 2 (Sec. 4117), page 5, line 20, by striking out "a person" and inserting

an entity

Amend Sec. 2 (Sec. 4117), page 5, lines 23 through 30; page 6, lines 1 through 25, by striking out all of said lines on said pages and inserting

(e) Immunity from liability.—Nothing in this section is intended to abrogate or modify a common law or statutory immunity heretofore enjoyed by any person.

Amend Sec. 2 (Sec. 4117), page 6, by inserting between lines 28 and 29

"Entity." Any individual, corporation, association, partnership, reciprocal exchange, inter-insurer, Lloyd's insurer, fraternal benefit society, beneficial association and any other legal entity engaged or proposing to become engaged, either directly or indirectly, in the business of insurance, including agents, brokers, adjusters and health care plans as defined in 40 Pa.C.S. Chs. 61 (relating to hospital plan corporations), 63 (relating to professional health services plan corporations), 65 (relating to fraternal benefit societies) and 67 (relating to beneficial societies) and the act of December 29, 1972 (P.L.1701, No.364), known as the Health Maintenance Organization Act. For purposes of this section, health care plans, fraternal benefit societies and beneficial societies shall be deemed to be engaged in the business of insurance.

Amend Sec. 2 (Sec. 4117), page 7, lines 8 through 20, by striking out all of said lines

Amend Sec. 2 (Sec. 4117), page 7, line 21, by striking out "presentation" and inserting

representation

Amend Bill, page 7, lines 28 through 30; page 8, lines 1 through 8, by striking out all of said lines on said pages and inserting

Section 3. Section 6310.4(d) of Title 18 is amended to read: § 6310.4. Restriction of operating privileges.

(d) Insurance premiums.—An insurer shall not increase premiums, impose any surcharge or rate penalty, or make any driver record point assignment for automobile insurance, nor shall an insurer cancel or refuse to renew an automobile insurance policy on account of a suspension under this section. However, the provisions of this subsection shall not apply where violations of section 6307 (relating to misrepresentation of age to secure liquor or malt or brewed beverages), 6308 (relating to purchase, consumption, possession or transportation of liquor or malt or brewed beverages) or 6310.3 (relating to carrying a false identification card) occur in connection with the operation of a motor vehicle.

Section 4. This act shall take effect in 60 days.

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

The SPEAKER. On that question, from Philadelphia, Representative Hayden is recognized.

Mr. HAYDEN. Thank you, Mr. Speaker.

Mr. Speaker, this amendment would broaden the definition of those types of conduct which would now be covered under the new definition of "insurance fraud" to include the kind of conduct that occurs between companies, the kind of conduct that companies on occasion perpetrate against consumers, and the kind of conduct that companies sometimes perpetrate against individual governmental agencies.

I would appreciate an affirmative vote on this amendment.

The SPEAKER. The Chair thanks the gentleman.

The question is, will the House agree to the amendment? On that question, the gentleman from Northampton County, Representative Rybak, is recognized.

Mr. RYBAK. Will the gentleman from Philadelphia submit to interrogation?

The SPEAKER. The gentleman indicates that he will be interrogated.

Mr. RYBAK. Mr. Speaker, I refer you to page 5, line 23, of the bill entitled "Civil penalties."

Mr. HAYDEN. Yes, sir.

Mr. RYBAK. Is it a fact that the original version provided for triple damages, attorney fees, and restitution? Is that still in the bill or deleted?

Mr. HAYDEN. Mr. Speaker, in this particular bill, in HB 429, that would be deleted. There are other bills which are on the calendar today which would permit recovery for attorney's fees, for costs, for those who have been defrauded by conduct of insurers and insurance companies.

The reason for the deletion here was the requirement within this bill for a mandatory assessment of treble damages and that this would apply only to insurers.

Mr. RYBAK. Thank you, Mr. Speaker.

I have no objections to the amendment. Thank you.

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

The following roll call was recorded:

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck

Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micoozie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino, Speaker
Dombrowski	Lashingier	Rieger	
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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. SAURMAN offered the following amendments No. A0723:

Amend Title, page 1, line 3, by inserting after "applications;" further providing for the sale of tobacco;

Amend Bill, page 7, by inserting between lines 27 and 28 Section 3. Section 6305 of Title 18 is amended to read:

§ 6305. Sale of tobacco.

(a) Offense defined.—A person is guilty of a summary offense if he sells tobacco, in any form, to any minor under the age of [16] 18 years, or by purchase, gift or other means, furnishes tobacco, in any form, to a minor under the age of [16] 18 years.

(b) Penalty.—A person who violates this section shall, upon conviction, be sentenced to pay a fine of not less than \$25 for a first offense and not less than \$100 for a subsequent offense.

Amend Sec. 3, page 7, line 28, by striking out "3" and inserting

4

Amend Sec. 4, page 8, line 1, by striking out "4" and inserting

5

Amend Sec. 5, page 8, line 8, by striking out "5" and inserting

6

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

The SPEAKER. On that question, the gentleman from Montgomery, Representative Saurman, is recognized.

Mr. SAURMAN. Thank you, Mr. Speaker.

Mr. Speaker, this is an amendment which we have passed earlier this year but remains in the Senate. It was also passed in the last session. It is an amendment to Title 18 that increases the legal age to purchase tobacco from 16 to 18.

I would appreciate an affirmative vote. Thank you.

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

The following roll call was recorded:

YEAS—192

Table of names for YEAS—192: Acosta, Adolph, Allen, Angstadt, Argall, Barley, Belardi, Belfanti, Billow, Birmelin, Bishop, Black, Blaum, Bortner, Bowley, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Bush, Caltagirone, Cappabianca, Carlson, Cawley, Cessar, Chadwick, Civera, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, Dorr, Durham, Fairchild, Fargo, Farmer, Fee, Fleagle, Flick, Foster, Fox, Freeman, Freind, Gallen, Gamble, Gannon, Geist, George, Gladeck, Godshall, Gruppo, Hagarty, Haluska, Harper, Hasay, Hayden, Hayes, Heckler, Herman, Hershey, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, Lescovitz, Letterman, Levdansky, Linton, Lucyk, McCall, McHale, McNally, McVerry, Maiaie, Maine, Markosek, Marsico, Mayernik, Melio, Merry, Michlovic, Micozzie, Miller, Moehlmann, Morris, Mowery, Mrkonic, Murphy, Nahill, Nailor, Noye, O'Brien, O'Donnell, Olasz, Oliver, Perzel, Petarca, Petrone, Phillips, Piccola, Pievsky, Pistella, Pitts, Pressmann, Preston, Robbins, Robinson, Roebuck, Rudy, Ryan, Rybak, Saloom, Saurman, Scheetz, Schuler, Scrimenti, Semmel, Serafini, Smith, B., Smith, S. H., Snyder, D. W., Snyder, G., Staback, Stairs, Steighner, Stish, Strittmatter, Stuban, Tangretti, Taylor, E. Z., Taylor, F., Taylor, J., Telek, Thomas, Trello, Trich, Van Horne, Veon, Vroon, Wambach, Wass, Weston, Williams, Wilson, Wogan, Wright, D. R.

Table of names: Daley, Davies, Dempsey, Dieterick, Distler, Dombrowski, Donatucci, Kosinski, Kukovich, LaGrotta, Langtry, Lashinger, Laughlin, Leh, Raymond, Reber, Reinard, Richardson, Rieger, Ritter, Wright, J. L., Wright, R. C., Yandrisevits, Manderino, Speaker

NAYS—4

Table of names: DeWeese, Lee, Lloyd, Tigue

NOT VOTING—4

Table of names: Carn, Gigliotti, Gruitza, Josephs

EXCUSED—3

Table of names: Battisto, Dininni, Evans

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?

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—196

Table of names for YEAS—196: Adolph, Allen, Angstadt, Argall, Barley, Belardi, Belfanti, Billow, Birmelin, Bishop, Black, Blaum, Bortner, Bowley, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Bush, Caltagirone, Cappabianca, Carlson, Cawley, Cessar, Chadwick, Civera, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, Durham, Fairchild, Fargo, Farmer, Fee, Fleagle, Flick, Foster, Fox, Freeman, Freind, Gallen, Gamble, Gannon, Geist, George, Gigliotti, Gladeck, Godshall, Gruitza, Gruppo, Hagarty, Haluska, Harper, Hasay, Hayden, Hayes, Heckler, Herman, Hershey, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, Leh, Lescovitz, Letterman, Levdansky, Linton, Lloyd, Lucyk, McCall, McHale, McNally, McVerry, Maiaie, Maine, Markosek, Marsico, Mayernik, Melio, Merry, Michlovic, Micozzie, Miller, Moehlmann, Morris, Mowery, Mrkonic, Murphy, Nahill, Nailor, Noye, O'Brien, O'Donnell, Olasz, Oliver, Perzel, Petarca, Petrone, Phillips, Piccola, Pievsky, Pistella, Robbins, Robinson, Roebuck, Rudy, Ryan, Rybak, Saloom, Saurman, Scheetz, Schuler, Scrimenti, Semmel, Serafini, Smith, B., Smith, S. H., Snyder, D. W., Snyder, G., Staback, Stairs, Steighner, Stish, Strittmatter, Stuban, Tangretti, Taylor, E. Z., Taylor, F., Taylor, J., Telek, Thomas, Tigue, Trello, Trich, Van Horne, Veon, Vroon, Wambach, Wass, Weston, Williams, Wilson, Wogan

DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Preston	Wright, D. R.
Davies	Kosinski	Raymond	Wright, J. L.
Dempsey	Kukovich	Reber	Wright, R. C.
Dietterick	LaGrotta	Reinard	Yandrisevits
Distler	Langtry	Richardson	
Dombrowski	Lashinger	Rieger	Manderino,
Donatucci	Laughlin	Ritter	Speaker
Dorr	Lee		

NAYS—1

Acosta

NOT VOTING—3

Carn Josephs Pressmann
EXCUSED—3

Battisto Dininni Evans

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

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

WELCOMES

The SPEAKER. The Speaker is happy to welcome a guest, Mr. Klugiewicz of Erie, who is in the gallery, and he is the guest of the Erie delegation.

The Erie delegation has another guest here today - Joyce Savocchio. Joyce is currently the principal for girls at Strong Vincent High School in Erie, and she is the Democratic candidate for mayor in the city of Erie. She is the guest of the Erie delegation. She is to the left of the Speaker.

BILLS ON THIRD CONSIDERATION CONTINUED

The House proceeded to third consideration of **HB 765, PN 1907**, entitled:

An Act amending the act of June 5, 1968 (P. L. 140, No. 78), entitled "An act regulating the writing, cancellation of or refusal to renew policies of automobile insurance; and imposing powers and duties on the Insurance Commissioner therefor," further providing for automobile insurance premiums.

On the question,

Will the House agree to the bill on third consideration?

Mr. COLAFELLA offered the following amendments No. A1888:

Amend Title, page 1, line 8, by removing the period after "PREMIUMS" and inserting , for policies and portions of policies governed by the act, and for the conditions under which insurers may refuse to renew, refuse to write or cancel policies or impose surcharges, rate penalties or driver record point assignments; requiring certain notices; further providing for penalties and sanctions; and making a repeal.

Amend Sec. 1, page 2, lines 4 through 8, by striking out all of said lines and inserting

Section 1. Section 1(1) of the act of June 5, 1968 (P.L.140, No.78), entitled "An act regulating the writing, cancellation of or refusal to renew policies of automobile insurance; and imposing powers and duties on the Insurance Commissioner therefor,"

amended October 5, 1978 (P.L.1060, No.248), is amended to read:

Section 1. As used in this act the following definitions shall apply:

(1) "Policy of automobile insurance" or "policy" means a policy delivered or issued for delivery in this Commonwealth insuring a natural person as named insured or one or more related individuals resident of the same household, and under which the insured vehicles therein designated are of the following types only: (i) a motor vehicle of the private passenger or station wagon type that is not used as a public or livery conveyance for passengers and is not rented to others; or (ii) any other four-wheel motor vehicle with a gross weight not exceeding nine thousand pounds which is not principally used in the occupation, profession or business of the insured other than farming: Provided, however, That this act shall not apply to any policy issued under an automobile assigned risk plan[, nor to any policy insuring more than four automobiles.] any policy covering automobiles under a commercial automobile insurance policy nor to any policy covering garage, automobile sales agency repair shop, service station or public parking place operation hazards.

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

Section 2. This act shall apply only to that portion of a policy of automobile insurance providing bodily injury and property damage liability, comprehensive, and collision coverages and to the provisions therein, [if any, relating to medical payments] first party benefits, extraordinary medical benefits and [uninsured] uninsured/underinsured motorists coverage.

Section 3. Section 3 of the act is repealed.

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

Section 3.1. (a) No insurer shall refuse to renew a policy of automobile insurance except for one or more of the following specified reasons:

(1) The driver's license or motor vehicle registration of the named insured has been suspended or revoked within the previous twenty-four months. However, if such insured's driver's license has been suspended under 75 Pa.C.S. § 1533 (relating to suspension of operating privilege for failure to respond to citation), and the insured is able to produce proof that he has responded to all citations and paid all fines and penalties imposed under that section and that he has done so on or before the termination date of the policy, then the suspension cannot be used as a reason to refuse to renew the policy; the applicability of this reason to one who is either a resident in the same household or who customarily operates an automobile insured under the policy shall be a proper reason for the insurer to exclude such individual from coverage under the policy, but not for refusing to renew the policy.

(2) Any material misrepresentation.

(3) Two or more accidents within the previous thirty-six months where the aggregate cost to the insurer for each accident of repair or replacement of property or bodily injury is determined to be more than six hundred and fifty dollars (\$650), in excess of any self-insured retention or deductible. However, this provision shall not apply to any accident occurring under the comprehensive portion of the policy unless the accident was intentionally caused by the insured, to any accident where the insurer is reimbursed by, or on behalf of, a person who is responsible for the accident or has judgment against such person, or to any accident where the insured's vehicle is struck by a "hit-and-run" vehicle, if the accident is reported to the proper authority within twenty-four hours by the insured or operator.

(4) A substantial and material increase in hazard.

(5) Fraudulent activities.

(6) Three or more moving violations in any jurisdiction or jurisdictions during the previous twenty-four month period, or where the named insured's motor vehicle record bears six points

or more resulting from violations during the previous twenty-four month period, or where any single violation results in five points during the previous twenty-four month period. "Points" shall mean points as set forth in 75 Pa.C.S. Ch. 15 (relating to licensing of drivers). The applicability of this reason to one who is either a resident in the same household or who customarily operates an automobile insured under the policy should be a proper reason for the insurer to exclude such individual from coverage under the policy, but not for refusing to renew the policy.

(7) Illness or permanent or temporary disability, where such illness or disability impairs the named insured's ability to operate a motor vehicle, except that such illness or disability shall not be a proper reason where the insured can medically document that such illness or disability will not impair his ability to operate a motor vehicle. Illness, or permanent or temporary disability, on the part of any insured shall not be a proper reason for refusing to renew the policy of the named insured; however, such insured may be excluded from coverage.

(8) Other reasons approved by the Insurance Commissioner.

(b) For a period of twelve months after notice of termination given to an agent:

(1) An insurer shall not cancel or refuse to renew existing policies written through the terminated agent because of such termination except as provided in clause (2).

(2) An insurer may cancel or refuse to renew only such policies as could have been cancelled or nonrenewed had the agency relationship continued.

(3) An insurer shall be obligated to pay commissions for such policies that are continued or renewed through the terminated agent, except where:

(i) the insurer retained ownership of the expirations of such policies; or

(ii) the agent has misappropriated funds or property of the insurer or has failed to remit to the insurer funds due it promptly upon demand or has been terminated for insolvency, abandonment, gross and willful misconduct or has had his license suspended or revoked.

(c) Subsequent to the twelve-month period after notice of agency termination given to an agent, an insurer shall not refuse to renew existing policies written through the terminated agent without offering each insured coverage on a direct basis or offering to refer the insured to a new agent. If the insurer retains ownership of the expirations of the policies, the insurer need not offer the services of a new agent to the insured.

(d) No insurer shall refuse to write a policy of automobile insurance except for one or more of the following specified reasons:

(1) Any material misrepresentation.

(2) An accident occurring within the previous thirty-six months. However, this provision shall not apply to any accident occurring under the comprehensive portion of the policy unless such accident was intentionally caused by the applicant, to any accident where the insurer is reimbursed by, or on behalf of, a person who is responsible for the accident or has judgment against such person, or to any accident where the applicant's vehicle is struck by a "hit-and-run" vehicle, if the accident is reported to the proper authority within twenty-four hours by the applicant or operator.

(3) Two or more moving traffic violations as enumerated in 75 Pa.C.S. § 1535 (relating to schedule of convictions and points).

(4) Any license suspension or revocation within the previous thirty-six months, except as shown in subsection (a)(1).

(5) A substantial and material increase in hazard.

(6) Other reasons approved by the Insurance Commissioner.

(e) All policies subject to this act must contain all of the specified reasons for refusals to renew as described in subsection (a).

Section 5. Section 4 of the act, amended October 5, 1978 (P.L.1060, No.248), is amended to read:

Section 4. No insurer shall cancel a policy except for one or more of the following specified reasons:

(1) Nonpayment of premium;

(2) The driver's license or motor vehicle registration of the named insured has been under suspension or revocation during the policy period except as stated in section 3.1(a)(1); the applicability of this reason to one who either is a resident in the same household or who customarily operates an automobile insured under the policy shall be proper reason for the insurer thereafter excluding such individual from coverage under the policy, but not for cancelling the policy; or

(3) A determination that the insured has concealed a material fact, or has made a material allegation contrary to fact, or has made a misrepresentation of a material fact and that such concealment, allegation or misrepresentation was material to the acceptance of the risk by the insurer.

Section 6. Section 4.1 of the act is amended by adding a subsection to read:

Amend Bill, page 2, by inserting between lines 14 and 15

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

Section 4.2. (a) An insurance company, association or exchange shall not increase the premium rate or assess a premium surcharge or penalty of an owner of a policy of automobile liability and physical damage coverages solely because one or more of the insureds under the policy made a claim under the policy and was paid thereon unless it is determined that the insured was at fault in contributing to the accident giving rise to the claim. An insured shall not be considered at fault in contributing to an accident under the following circumstances:

(1) The motor vehicle is lawfully parked and is struck by another vehicle, provided the parked vehicle did not roll from the parked position.

(2) The insured, or owner of the motor vehicle, is reimbursed by, or on behalf of, a person who is responsible for the accident for sixty per cent to one hundred per cent of the total amount of the paid claim, or the insured is able to subrogate its entire payment to the insured.

(3) The insured, or owner of the motor vehicle, has a judgment against a person who is responsible for the accident.

(4) The motor vehicle is struck in the rear by another vehicle and the insured has not been convicted of a traffic violation in connection with the accident.

(5) The driver of the other motor vehicle involved in the accident was convicted of a moving traffic violation and the insured was not convicted of a moving traffic violation in connection with the accident.

(6) The motor vehicle driven by the insured is struck by a hit-and-run vehicle, if the accident is reported to the proper authority within twenty-four hours by the insured.

(7) The accident involves damage by contact with animals or fowl.

(8) The accident involves physical damage, limited to and caused by flying gravel, missiles or falling objects.

(9) The accident occurs when the insured is using the motor vehicle in response to an emergency if the insured was a paid or voluntary member of a police or fire department, first-aid squad, or a law enforcement agency at the time of the accident. This exception does not apply to an accident occurring after the motor vehicle ceases to be used in response to the emergency.

(b) No insurance company, association or exchange shall charge an insured who has been convicted of a violation of an offense enumerated in 75 Pa.C.S. § 1535 (relating to schedule of convictions and points) a higher rate or premium surcharge or penalty for a policy of auto liability and physical damage coverage solely on account of less than two convictions during any thirty-six-month period. An insurer may charge an insured a

higher rate for a policy of insurance if a claim is made and not prohibited under subsection (a).

(c) No insurance company, association or exchange shall increase the premium rate or assess a premium surcharge or penalty of a policy of insurance subject to this act if the aggregate cost to the insurer of repair or replacement of property or bodily injury is determined to be less than six hundred fifty dollars (\$650), in excess of any self-insured retention or deductible applicable to the named insured or a claim is made under the comprehensive portion of a policy unless the loss was intentionally caused by the insured.

Section 4.3. The Insurance Department, once every three years, shall adjust the six hundred and fifty dollar (\$650) cap or limit on property or bodily injury surcharge, rate penalty or driver record point assignment as referenced in sections 3.1(a)(3) and 4.2(c) relative to changes in the components of the consumer price index-urban to measure seasonally adjusted changes in automobile maintenance and repair costs and shall make such adjustments to the cap or limit as shall be necessary to maintain the same rate of change in the cap or limit as has occurred in the consumer price index-urban components. Such adjustments may be rounded off to the nearest fifty dollar (\$50) figure.

Section 8. Section 5 of the act, amended July 14, 1988 (P.L.546, No.97), is amended to read:

Section 5. No cancellation [or], refusal to renew, or refusal to write by an insurer of a policy of automobile insurance shall be effective unless the insurer shall deliver or mail, to the named insured at the address shown in the policy a written notice of the cancellation [or], refusal to renew or refusal to write. Such notice shall:

(1) Be approved as to form by the Insurance Commissioner prior to use;

(2) State the date, not less than sixty days after the date of such mailing or delivering on which such cancellation or refusal to renew shall become effective, except that such effective date may be fifteen days from the date of mailing or delivery when it is being cancelled or not renewed for the reasons set forth in clauses (1) and (2) of section 4, or the insurer refuses to write for the reasons set forth in section 3.1(c);

(3) State the specific reason or reasons of the insurer for cancellation [or], refusal to renew or refusal to write;

(4) Advise the insured of his right to request in writing, within thirty days of the receipt of the notice of cancellation or intention not to renew, and of the receipt of the reason or reasons for the cancellation or refusal to renew as stated in the notice of cancellation or of intention not to renew, that the Insurance Commissioner review the action of the insurer;

(5) Either in the notice or in an accompanying statement advise the insured of his possible eligibility for insurance through the automobile assigned risk plan;

(6) Advise the insured that he must obtain compulsory automobile insurance coverage if he operates or registers a motor vehicle in the Commonwealth, that the insurer is notifying the Department of Transportation that the insurance is being cancelled or not renewed, and that the insured must notify the Department of Transportation that he has replaced said coverage.

(7) Clearly state that, when coverage is to be terminated due to nonresponse to a citation imposed under 75 Pa.C.S. § 1533 (relating to suspension of operating privilege for failure to respond to citation) or nonpayment of a fine or penalty imposed under that section, coverage shall not terminate if the insured provides the insurer with proof that the insured has responded to all citations and paid all fines and penalties and that he or she has done so on or before the termination date of the policy.

Section 9. Sections 6, 8, 10(a) and 11 of the act, amended October 5, 1978 (P.L.1060, No.248), are amended to read:

Section 6. Nothing in this act shall apply:

(1) If the insurer has manifested its willingness to renew by issuing or offering to issue a renewal policy, certificate or other evidence of renewal at the annual renewal date, or has manifested such intention by any other means;

(2) If the named insured has demonstrated by some overt action to the insurer or its agent that he wishes the policy to be cancelled or that he does not wish the policy to be renewed;

(3) To any policy of automobile insurance which has been in effect less than sixty days, unless it is a renewal policy, [except] provided that [no] an insurer shall decline to continue in force such a policy of automobile insurance only on the basis of the grounds set forth in subsection [(a)] (b) of section 3 hereof and except that if an insurer cancels a policy of automobile insurance in the first sixty days, the insurer shall supply the insured with a [written statement of the reason for cancellation] refusal to write notice as set forth in section 5.

Section 8. (a) Any insured may within [twenty] thirty days of the receipt by the insured of notice of cancellation [or notice of intention not to renew], refusal to renew or refusal to write, and of the receipt of the reason or reasons for the cancellation [or], refusal to renew or refusal to write as stated in the notice, request in writing to the Insurance Commissioner that he review the action of the insurer in cancelling [or], refusing to renew or refusing to write the policy of such insured.

(b) Any applicant for a policy who is refused such policy by an insurer shall be given a written notice of refusal to write by the insurer. Insurers must provide their agents with approved refusal to write forms which the agent must complete on behalf of each insurer with which he is licensed. Such notice shall state the specific reason or reasons of the insurer for refusal to write a policy for the applicant. Within [twenty] thirty days of the receipt of such reasons, the applicant may request in writing to the Insurance Commissioner that he review the action of the insurer in refusing to write a policy for the applicant.

(c) No insurer may take any action, overt or otherwise, against any agent complying with this section, whether or not such compliance is in conformance with any written guidelines of the insurer or any oral or implied statements of the insurer. An agent may appeal to the commissioner for relief and the commissioner may take remedial steps necessary to stop such action.

Section 10. (a) The Insurance Commissioner shall promulgate rules and regulations necessary for the administration of this act. The commissioner may [provide in such rules and regulations for the establishment of] establish a filing fee [not exceeding fifteen dollars (\$15),] to accompany the request for review. Should the Insurance Commissioner decide the appeal in favor of the insured, the filing fee shall be returned immediately and the fee shall be paid by the insurer. No part of the review by the Insurance Commissioner or his designated representative shall be subject to the provisions of 2 Pa.C.S. §§ 501-508 (relating to practice and procedure of Commonwealth agencies). The decision of the Insurance Commissioner or his designated representative shall be subject to appeal in accordance with 2 Pa.C.S. §§ 701-704 (relating to judicial review of Commonwealth agency action) provided, however, that the court hearing such appeal shall not decline to affirm such decision on the ground that the requirements of 2 Pa.C.S. §§ 501-508 have not been complied with.

Section 11. (a) Any individual or insurer who violates any of the provisions of this act [may be sentenced to pay a fine] shall be subject to a civil penalty not to exceed five thousand dollars (\$5,000) for each and every violation of this act.

(b) If any provision or clause of this act or application thereof to any person or situation is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application,

and to this end the provisions of this act are declared to be severable.

(c) Each insurer shall maintain records of the numbers of cancellations and refusals to write or renew policies and the reasons therefor and shall supply to the Insurance Commissioner such information as he may request.

(d) After a hearing and adjudication, the Insurance Commissioner is hereby empowered to order the payment of restitution to any person who is injured as a result of an insurer's actions in cancelling, refusing to renew or refusing to write a policy of automobile insurance.

Section 10. Section 1793(a) of Title 75 of the Pennsylvania Consolidated Statutes (relating to special provisions relating to premiums) is repealed.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

11

On the question,

Will the House agree to the amendments?

The SPEAKER. On that question, Representative Colafella from Beaver County is recognized.

Mr. COLAFELLA. Mr. Speaker, Representative Reinard will speak on the amendment.

The SPEAKER. Representative Reinard from Bucks County is recognized on the amendment.

Mr. REINARD. Thank you, Mr. Speaker.

Mr. Speaker, this amendment is offered by Representative Colafella and myself. It is an agreed-to amendment.

The amendment basically does two things. Number one, it puts into statute existing regulations used by the department currently in determining when an automobile policy can be nonrenewed. The second thing it does, it establishes for the first time in the statute legislation which this House overwhelmingly approved last year dealing with automobile rate surcharges, and it establishes that an insurance company cannot nonrenew or cancel or surcharge for any violation or accident where the loss is less than \$650 in excess of one's own deductible.

The SPEAKER. The Chair thanks the gentleman.

The question is, will the House agree to the amendment? On that question, Representative Lloyd from Somerset County is recognized.

Mr. LLOYD. Thank you, Mr. Speaker.

Mr. Speaker, I wonder if Mr. Reinard would stand for interrogation.

The SPEAKER. He indicates that he will. You may proceed.

Mr. LLOYD. Mr. Speaker, this is a seven-page amendment, most of which is single-spaced underlining, and I heard two statements about what is new in this. I do not understand, and I wish you would kind of take me through step by step. Are you saying that what is being put into this statute is already in some other statute and that therefore we are not changing any rules, we are just making statutes consistent?

Mr. REINARD. No. What I said originally was that what is underlined is existing regulations used by the department in determining what is grounds for nonrenewal. The department is wishing to establish the regulation as statute by inserting it into this legislation.

Mr. LLOYD. Now, it was my recollection in one of the bills in this package that we had some different standards, or some standards—I should not use the term "different"—spelled out for when surcharges could be imposed and when cancellation could occur, and I think some of that might have been amended out of some other bill. Is this something that is weaker than we were going to consider in some other bill? In other words, by voting for this, am I in fact going to maintain the status quo when there is some other bill on the calendar which would toughen the status quo as far as when surcharges can be imposed or when policies can be canceled?

Mr. REINARD. This legislation has incorporated in it for the first time the legislation which I brought before the House dealing with surcharge in its entirety. That is the section on page 5. All the underlined preceding page 5 is the regulations used by the department now when one of your constituents goes before the department to complain about an unfair cancellation. What this will do is put it into statute so now it is clear to the carriers and to the consumer what is actual law in the Commonwealth.

Mr. LLOYD. Okay. But this does not in any way diminish the rights of the consumer when he is contesting a cancellation or a rate increase.

Mr. REINARD. No. Actually it goes further, because it protects them by creating it for the first time in the law.

Mr. LLOYD. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? On that question, from Lehigh County, Representative Pressmann is recognized.

Mr. PRESSMANN. Mr. Speaker, I was wondering if we could pass over this bill for a moment. This is a very long amendment that has not been caucused on, and we did not know this amendment was coming to the floor until we received it today and it was put on my desk. I think a number of members expressed that to me. I wonder if we could put it off so we would have time to digest this.

The SPEAKER. Is there a wish on the matter being discussed from the majority leadership?

The gentleman, Mr. Pressmann, has asked that the bill go over because the amendment has not been caucused on. Is there a wish from the majority leadership?

Mr. DeWEESE. The majority leader at this moment is in budget negotiation. I would like for 1 minute to confer with staff.

The SPEAKER. The House will be at ease.

WELCOMES

The SPEAKER. The Speaker will take advantage of the lull to introduce some guests who are with us today.

The Chair welcomes Elaine Palahunik and Marylou Stefanko, members of the PSEA (Pennsylvania State Education Association), who are the guests of Fred Trello, Representative from Allegheny County. They are to the left of the Speaker. Will they please stand.

In the gallery we have about 10 members of the Tri-County Chamber of Commerce, the Chamber of Commerce from Chester, Berks, and Montgomery Counties. They are the guests of the delegations from those counties. Will they please stand.

In the gallery the Chair welcomes Joe McDonagh and John McDonagh, who are friends of Representative McNally from Allegheny County. They are in the gallery.

Also in the balcony are Lisa Monroe, Linda Monroe, Luanne Hall, and Barbara Flinn. They are the guests of Representative Connie Maine. Will they please stand.

CONSIDERATION OF HB 765 CONTINUED

The SPEAKER. Is there a resolution to the request?

The Chair recognizes the majority whip, Representative DeWeese.

Mr. DeWEESE. Mr. Speaker, the consensus is that we would like to pass over temporarily and deal with the measure this afternoon after several of the members have had more time to read the amendment.

BILL PASSED OVER TEMPORARILY

The SPEAKER. Without objection, we will pass over temporarily HB 765 with the amendments being considered. The Chair hears no objection.

* * *

The House proceeded to third consideration of **HB 1669, PN 2001**, entitled:

An Act amending the act of July 22, 1974 (P. L. 589, No. 205), known as the "Unfair Insurance Practices Act," further providing for unfair methods of competition and unfair or deceptive acts or practices; authorizing inspections and investigations; further providing for hearings and the effects of hearings; and further providing for penalties.

On the question,

Will the House agree to the bill on third consideration?

Mr. HAYDEN offered the following amendments No. A1873:

Amend Sec. 1 (Sec. 5), page 4, lines 2 through 4, by striking out all of said lines

Amend Sec. 2 (Sec. 7), page 4, line 28, by striking out "monitor,"

Amend Sec. 2 (Sec. 7), page 5, line 5, by striking out "format"

On the question,

Will the House agree to the amendments?

The SPEAKER. On that question, Representative Hayden from Philadelphia is recognized.

Mr. HAYDEN. Thank you, Mr. Speaker.

Mr. Speaker, this amendment is primarily of a technical nature. It is being offered at the suggestion of members of both the Republican and Democratic sides on the Insurance Committee.

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

The following roll call was recorded:

YEAS—198

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiore	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayerik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Cawley	Hasay	Mrkoncic	Taylor, E. Z.
Cessar	Hayden	Murphy	Taylor, F.
Chadwick	Hayes	Nahill	Taylor, J.
Civera	Heckler	Nailor	Telek
Clark, B. D.	Herman	Noye	Thomas
Clark, D. F.	Hershey	O'Brien	Tigue
Clark, J. H.	Hess	O'Donnell	Trello
Clymer	Howlett	Olasz	Trich
Cohen	Hughes	Oliver	Van Horne
Colafella	Itkin	Perzel	Veon
Colaizzo	Jackson	Pesci	Vroon
Cole	Jadlowiec	Petrarca	Wambach
Cornell	James	Petrone	Wass
Corrigan	Jarolin	Phillips	Weston
Cowell	Johnson	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wogan
DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Pressmann	Wright, D. R.
Davies	Kosinski	Preston	Wright, J. L.
Dempsey	Kukovich	Raymond	Wright, R. C.
Dietterick	LaGrotta	Reber	Yandrisevits
Distler	Langtry	Reinard	
Dombrowski	Lashingier	Richardson	Manderino, Speaker
Donatucci	Laughlin	Rieger	

NAYS—0

NOT VOTING—2

Carn Josephs

EXCUSED—3

Battisto Dininni Evans

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—200

Table listing names of members who voted 'YEAS' in four columns: Acosta, Adolph, Allen, Angstadt, Argall, Barley, Belardi, Belfanti, Billow, Birmelin, Bishop, Black, Blaum, Bortner, Bowley, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Bush, Caltagirone, Cappabianca, Carlson, Carn, Cawley, Cessar, Chadwick, Civera, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, DeWeese, Daley, Davies, Dempsey, Dieterick, Distler, Dombrowski, Donatucci, Dorr, Durham, Fairchild, Fargo, Farmer, Fee, Fleagle, Flick, Foster, Fox, Freeman, Freind, Gallen, Gamble, Gannon, Geist, George, Gigliotti, Goddeck, Godshall, Gruitza, Gruppo, Hagarty, Haluska, Harper, Hasay, Hayden, Hayes, Heckler, Herman, Hershey, Hess, Howlett, Hughes, Itkin, Jackson, Jadlowiec, James, Jarolin, Johnson, Josephs, Kaiser, Kasunic, Kenney, Kondrich, Kosinski, Kukovich, LaGrotta, Langtry, Lashinger, Laughlin, Lee, Leh, Lescovitz, Letterman, Levdansky, Linton, Lloyd, Lucyk, McCall, McHale, McNally, McVerry, Maiale, Maine, Markosek, Marsico, Mayernik, Melio, Merry, Michlovic, Micozzie, Miller, Moehlmann, Morris, Mowery, Mrkonic, Murphy, Nahill, Nailor, Noye, O'Brien, O'Donnell, Olasz, Oliver, Perzel, Pesci, Petrarca, Petrone, Phillips, Piccola, Pievsky, Pistella, Pitts, Pressmann, Preston, Raymond, Reber, Reinard, Richardson, Rieger, Ritter, Robbins, Robinson, Roebuck, Rudy, Ryan, Rybak, Saloom, Saurman, Scheetz, Schuler, Scrimenti, Semmel, Serafini, Smith, B., Smith, S. H., Snyder, D. W., Snyder, G., Staback, Stairs, Steighner, Stish, Strittmatter, Stuban, Tangretti, Taylor, E. Z., Taylor, F., Taylor, J., Telek, Thomas, Tigue, Trello, Trich, Van Horne, Veon, Vroon, Wambach, Wass, Weston, Williams, Wilson, Wogan, Wozniak, Wright, D. R., Wright, J. L., Wright, R. C., Yandrisevits, Manderino, Speaker

NAYS—0

NOT VOTING—0

EXCUSED—3

Table listing names of members who were 'EXCUSED': Battisto, Dininni, Evans

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

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

* * *

The House proceeded to third consideration of HB 1672, PN 2004, entitled:

An Act amending the act of May 17, 1921 (P. L. 789, No. 285), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," providing for investigatory powers and inspection rights; establishing a cause of action for persons who have suffered an insurance fraud; granting civil immunity to certain persons; imposing penalties; further providing for theft by agents, brokers and public adjusters; and making repeals.

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—200

Table listing names of members who voted 'YEAS' in four columns: Acosta, Adolph, Allen, Angstadt, Argall, Barley, Belardi, Belfanti, Billow, Birmelin, Bishop, Black, Blaum, Bortner, Bowley, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Bush, Caltagirone, Cappabianca, Carlson, Carn, Cawley, Cessar, Chadwick, Civera, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, DeWeese, Daley, Davies, Dempsey, Dieterick, Distler, Dombrowski, Dorr, Durham, Fairchild, Fargo, Farmer, Fee, Fleagle, Flick, Foster, Fox, Freeman, Freind, Gallen, Gamble, Gannon, Geist, George, Gigliotti, Goddeck, Godshall, Gruitza, Gruppo, Hagarty, Haluska, Harper, Hasay, Hayden, Hayes, Heckler, Herman, Hershey, Hess, Howlett, Hughes, Itkin, Jackson, Jadlowiec, James, Jarolin, Johnson, Josephs, Kaiser, Kasunic, Kenney, Kondrich, Kosinski, Kukovich, LaGrotta, Langtry, Lashinger, Laughlin, Lee, Leh, Lescovitz, Letterman, Levdansky, Linton, Lloyd, Lucyk, McCall, McHale, McNally, McVerry, Maiale, Maine, Markosek, Marsico, Mayernik, Melio, Merry, Michlovic, Micozzie, Miller, Moehlmann, Morris, Mowery, Mrkonic, Murphy, Nahill, Nailor, Noye, O'Brien, O'Donnell, Olasz, Oliver, Perzel, Pesci, Petrarca, Petrone, Phillips, Piccola, Pievsky, Pistella, Pitts, Pressmann, Preston, Raymond, Reber, Reinard, Richardson, Rieger, Ritter, Robbins, Robinson, Roebuck, Rudy, Ryan, Rybak, Saloom, Saurman, Scheetz, Schuler, Scrimenti, Semmel, Serafini, Smith, B., Smith, S. H., Snyder, D. W., Snyder, G., Staback, Stairs, Steighner, Stish, Strittmatter, Stuban, Tangretti, Taylor, E. Z., Taylor, F., Taylor, J., Telek, Thomas, Tigue, Trello, Trich, Van Horne, Veon, Vroon, Wambach, Wass, Weston, Williams, Wilson, Wogan, Wozniak, Wright, D. R., Wright, J. L., Wright, R. C., Yandrisevits, Manderino, Speaker

Donatucci Laughlin

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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

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

BILL ON FINAL PASSAGE POSTPONED

The House proceeded to consideration on final passage postponed of **HB 589, PN 2021**, entitled:

An Act to provide an optional automobile insurance plan to cover, at an affordable rate, all responsible drivers in cities of the first class; and creating the Philadelphia Automobile Insurance Authority and defining its powers and duties.

On the question recurring,
Shall the bill pass finally?

DECISION OF CHAIR RESCINDED

The **SPEAKER**. Without objection, the Chair rescinds its statement that **HB 589** has been agreed to for the third time.

On the question recurring,
Will the House agree to the bill on third consideration?
Mr. **CARN** offered the following amendments No. **A1956**:

Amend Title, page 1, lines 2 and 3, by striking out "in cities of the first class, and creating the Philadelphia" and inserting in Pennsylvania and creating the Pennsylvania Fair

Amend Table of Contents, page 1, line 12, by striking out all of said line

Amend Table of Contents, page 1, line 13, by striking out "8" and inserting

7

Amend Table of Contents, page 1, line 14, by striking out "9" and inserting

8

Amend Table of Contents, page 1, line 15, by striking out "10" and inserting

9

Amend Table of Contents, page 1, line 16, by striking out all of said line

Amend Table of Contents, page 1, line 17, by striking out "12" and inserting

10

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

Pennsylvania Fair

Amend Sec. 2, page 2, line 10, by striking out "Philadelphia" and inserting

"Pennsylvania Fair

Amend Sec. 2, page 2, line 14, by striking out all of said line
Amend Sec. 2, page 2, line 23, by striking out "cities of the first class" and inserting

Pennsylvania

Amend Sec. 2, page 2, line 25, by striking out "that plague large cities"

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

Pennsylvania Fair

Amend Sec. 3, page 3, line 10, by striking out "Philadelphia" and inserting

Pennsylvania Fair

Amend Sec. 4, page 3, line 24, by striking out "most drivers in cities of the first class" and inserting drivers in Pennsylvania

Amend Sec. 4, page 6, line 26, by striking out "an office in the city" and inserting offices

Amend Sec. 6, page 8, line 7, by striking out "seven" and inserting

five

Amend Sec. 6, page 9, lines 23 through 27, by striking out all of lines 23 through 26, "(4)" in line 27 and inserting

(3)

Amend Sec. 6, page 9, line 28, by striking out "six" and inserting

four

Amend Sec. 6, page 9, line 29, by striking out "(2) and (3)" and inserting

and (2)

Amend Sec. 6, page 10, line 1, by striking out "(5) The six" and inserting

(4) The four

Amend Sec. 6, page 10, line 1, by striking out "seventh" and inserting

fifth

Amend Sec. 6, page 10, line 3, by striking out "four" and inserting

three

Amend Sec. 6, page 10, line 5, by striking out "seventh" and inserting

fifth

Amend Sec. 6, page 10, line 11, by striking out "five" and inserting

three

Amend Sec. 6, page 10, line 12, by striking out "(6)" and inserting

(5)

Amend Sec. 6, page 11, line 6, by striking out "five" and inserting

three

Amend Sec. 6, page 11, line 12, by striking out "four" and inserting

three

Amend Sec. 6, page 12, line 6, by striking out "four" and inserting

three

Amend Bill, page 12, lines 18 through 30; page 13, line 1, by striking out all of said lines on said pages

Amend Sec. 8, page 13, line 2, by striking out "8" and inserting

7

Amend Sec. 8, page 15, line 19, by striking out "Philadelphia" and inserting

Pennsylvania Fair

Amend Sec. 9, page 15, line 24, by striking out "9" and inserting

8

Amend Sec. 10, page 16, line 2, by striking out "10" and inserting

9

Amend Sec. 11, page 16, line 13, by striking out "11" and inserting

10

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

The SPEAKER. On that question, from Philadelphia, Representative Carn is recognized.

Mr. CARN. Thank you, Mr. Speaker.

Since this bill was brought up last week, it has been brought to my attention that there are others in this Commonwealth of Pennsylvania who could benefit from an optional demonstration source of insurance.

This amendment changes the program to the Pennsylvania Fair Automobile Insurance Plan, and it also takes out the sovereign immunity clause. It also makes this plan available to any uninsured driver in the Commonwealth of Pennsylvania who finds it difficult or too expensive to purchase insurance through the private market.

So we ask for a positive vote on the amendment changing the name and the scope to cover all citizens in the Commonwealth of Pennsylvania.

The SPEAKER. The question is, will the House agree to the amendment? The gentleman, Mr. Freind, from Delaware County is recognized on the amendment.

Mr. FREIND. Thank you, Mr. Speaker.

The name has been changed, but the result is the same. For about the tenth time, I will admit that we have a problem with auto insurance in Pennsylvania. We took a huge step forward to deal with that problem last week. We are hopeful that the Senate will also deal with that problem. We have to bring rates down. The answer is not to come up with some arbitrary, makeshift, jury-rigged, quasi-governmental operation. Government does not belong in the insurance business.

What we have to do is change the existing law so that insurance companies can provide insurance for everyone at appropriate rates. That is the step we took last week. I hope the Senate follows through.

But once again I just have to say, we should learn from the CAT Fund (Catastrophic Loss Trust Fund). We do a lot of things by definition that we have to do. One thing we should not and must not do is get involved in the auto insurance business.

I hope that we vote "no" on this amendment. Thank you.

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

The following roll call was recorded:

YEAS—93

Acosta	Freeman	McNally	Rudy
Belardi	George	Maiale	Rybak
Belfanti	Gigliotti	Maine	Saloom
Billow	Godshall	Markosek	Saurman
Bishop	Gruitza	Melio	Staback
Blaum	Haluska	Michlovic	Stuban
Bortner	Harper	Morris	Tangretti
Broujos	Hayden	Mrkonc	Taylor, J.
Caltagirone	Howlett	Murphy	Thomas
Cappabianca	Hughes	O'Donnell	Tigue
Carn	Itkin	Olasz	Trello
Cawley	James	Oliver	Trich
Clark, B. D.	Josephs	Perzel	Van Horne
Cohen	Kasunic	Petrarca	Veon
Colafella	Kosinski	Petrone	Wambach

Cole	Kukovich	Pievsky	Weston
Corrigan	LaGrotta	Pistella	Williams
Cowell	Lescovitz	Pressmann	Wozniak
DeLuca	Letterman	Preston	Wright, D. R.
DeWeese	Levdansky	Richardson	Yandrisevits
Daley	Linton	Rieger	
Dombrowski	Lloyd	Ritter	Manderino, Speaker
Donatucci	McCall	Robinson	
Fee	McHale	Roebuck	

NAYS—106

Adolph	Distler	Johnson	Reber
Allen	Dorr	Kaiser	Reinard
Angstadt	Durham	Kenney	Robbins
Argall	Fairchild	Kondrich	Ryan
Barley	Fargo	Langtry	Scheetz
Birmelin	Farmer	Lashinger	Schuler
Black	Fleagle	Lee	Scrimenti
Bowley	Flick	Leh	Semmel
Boyes	Foster	Lucyk	Serafini
Brandt	Fox	McVerry	Smith, B.
Bunt	Freind	Marsico	Smith, S. H.
Burd	Gallen	Mayermik	Snyder, D. W.
Burns	Gamble	Merry	Snyder, G.
Bush	Gannon	Micozzie	Stairs
Carlson	Geist	Miller	Steighner
Cessar	Gladeck	Moehlmann	Stish
Chadwick	Gruppo	Mowery	Strittmatter
Civera	Hagarty	Nahill	Taylor, E. Z.
Clark, D. F.	Hasay	Nailor	Taylor, F.
Clark, J. H.	Hayes	Noye	Telek
Clymer	Heckler	O'Brien	Vroon
Colaizzo	Herman	Pesci	Wass
Cornell	Hershey	Phillips	Wilson
Coy	Hess	Piccola	Wogan
Davies	Jackson	Pitts	Wright, J. L.
Dempsey	Jadlowiec	Raymond	Wright, R. C.
Dieterick	Jarolin		

NOT VOTING—1

Laughlin

EXCUSED—3

Battisto Dininni Evans

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?

BILL PASSED OVER

The SPEAKER. Representative Carn of Philadelphia asks that the House pass over at this time HB 589.

Without objection, HB 589 will go over in order. The Chair hears no objection.

BILLS ON THIRD
CONSIDERATION CONTINUED

The House proceeded to third consideration of **HB 1374, PN 1595**, entitled:

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, providing for the disposition of the proceeds of rentals and sales of State armories; and further providing for expenditures from the State Treasury Army Fund.

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—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colaella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino, Speaker
Dombrowski	Lashinger	Rieger	
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

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

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

* * *

The House proceeded to third consideration of **HB 222, PN 2031**, entitled:

An Act authorizing and directing the Department of General Services and the General State Authority, with the approval of the Governor, to convey to Westmoreland County a tract of land situate in Hempfield Township, Westmoreland County.

On the question,

Will the House agree to the bill on third consideration?

Mr. TANGRETTI offered the following amendments No. A2026:

Amend Sec. 1, page 2, line 4, by striking out "57" and inserting

53

Amend Sec. 1, page 2, line 8, by striking out "27" and inserting

28

On the question,

Will the House agree to the amendments?

The SPEAKER. On that question, Representative Tangretti from Westmoreland County is recognized.

Mr. TANGRETTI. Mr. Speaker, thank you.

Mr. Speaker, this is just a technical amendment to correct a legal description of the property to be transferred between the State, the Commonwealth, and Westmoreland County for the purposes of the construction of a new Westmoreland County jail, and I urge my colleagues all to support the amendment. 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—198

Acosta	Donatucci	Lashinger	Rieger
Adolph	Dorr	Lee	Ritter
Allen	Durham	Leh	Robbins
Angstadt	Fairchild	Lescovitz	Robinson
Argall	Fargo	Letterman	Roebuck
Barley	Farmer	Levdansky	Rudy
Belardi	Fee	Linton	Ryan
Belfanti	Fleagle	Lloyd	Rybak
Billow	Flick	Lucyk	Saloom
Birmelin	Foster	McCall	Saurman
Bishop	Fox	McHale	Scheetz
Black	Freeman	McNally	Schuler
Blaum	Freind	McVerry	Scrimenti
Bortner	Gallen	Maiale	Semmel
Bowley	Gamble	Maine	Serafini
Boyes	Gannon	Markosek	Smith, B.
Brandt	Geist	Marsico	Smith, S. H.
Broujos	George	Mayernik	Snyder, D. W.
Bunt	Gigliotti	Melio	Snyder, G.
Burd	Gladeck	Merry	Staback
Burns	Godshall	Michlovic	Stairs
Bush	Gruitza	Micozzie	Steighner
Caltagirone	Gruppo	Miller	Stish
Cappabianca	Hagarty	Moehlmann	Strittmatter
Carlson	Haluska	Morris	Stuban
Carn	Harper	Mowery	Tangretti

Cawley	Hasay	Mrkonic	Taylor, E. Z.
Cessar	Hayden	Murphy	Taylor, F.
Chadwick	Hayes	Nahill	Taylor, J.
Civera	Heckler	Nailor	Telek
Clark, B. D.	Herman	Noye	Thomas
Clark, D. F.	Hershey	O'Brien	Tigue
Clark, J. H.	Hess	O'Donnell	Trello
Clymer	Howlett	Olasz	Trich
Cohen	Hughes	Oliver	Van Horne
Colaifella	Itkin	Perzel	Veon
Colaizzo	Jackson	Pesci	Vroon
Cole	Jadlowiec	Petrarca	Wambach
Cornell	James	Petrone	Wass
Corrigan	Jarolin	Phillips	Weston
Cowell	Johnson	Piccola	Wilson
Coy	Josephs	Pievsky	Wogan
DeLuca	Kaiser	Pistella	Wozniak
DeWeese	Kasunic	Pitts	Wright, D. R.
Daley	Kenney	Pressmann	Wright, J. L.
Davies	Kondrich	Preston	Wright, R. C.
Dempsey	Kosinski	Raymond	Yandrisevits
Dietterick	Kukovich	Reber	
Distler	LaGrotta	Reinard	Manderino,
Dombrowski	Langtry	Richardson	Speaker

NAYS—0

NOT VOTING—2

Laughlin Williams

EXCUSED—3

Battisto Dininni Evans

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—199

Acosta	Dorr	Laughlin	Rieger
Adolph	Durham	Lee	Ritter
Allen	Fairchild	Leh	Robbins
Angstadt	Fargo	Lescovitz	Robinson
Argall	Farmer	Letterman	Roebuck
Barley	Fee	Levdansky	Rudy
Belardi	Fleagle	Linton	Ryan
Belfanti	Flick	Lloyd	Rybak
Billow	Foster	Lucyk	Saloom
Birmelin	Fox	McCall	Saurman
Bishop	Freeman	McHale	Scheetz
Black	Freind	McNally	Schuler
Blaum	Gallen	McVerry	Scriminti
Bortner	Gamble	Maiale	Semmel
Bowley	Gannon	Maine	Serafini
Boyes	Geist	Markosek	Smith, B.
Brandt	George	Marsico	Smith, S. H.
Broujos	Gigliotti	Mayermik	Snyder, D. W.
Bunt	Gladeck	Melio	Snyder, G.
Burd	Godshall	Merry	Staback
Burns	Gruitza	Michlovic	Stairs
Bush	Gruppo	Micozzie	Steighner
Caltagirone	Hagarty	Miller	Stish
Cappabianca	Haluska	Mochlmann	Strittmatter
Carlson	Harper	Morris	Stuban
Carn	Hasay	Mowery	Tangretti

Cawley	Hayden	Mrkonic	Taylor, E. Z.
Cessar	Hayes	Murphy	Taylor, F.
Chadwick	Heckler	Nahill	Taylor, J.
Civera	Herman	Nailor	Telek
Clark, B. D.	Hershey	Noye	Thomas
Clark, D. F.	Hess	O'Brien	Tigue
Clark, J. H.	Howlett	O'Donnell	Trello
Clymer	Hughes	Olasz	Trich
Cohen	Itkin	Oliver	Van Horne
Colaifella	Jackson	Perzel	Veon
Colaizzo	Jadlowiec	Pesci	Vroon
Cole	James	Petrarca	Wambach
Cornell	Jarolin	Petrone	Wass
Corrigan	Johnson	Phillips	Weston
Cowell	Josephs	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wogan
DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Pressmann	Wright, J. L.
Davies	Kosinski	Preston	Wright, R. C.
Dempsey	Kukovich	Raymond	Yandrisevits
Dietterick	LaGrotta	Reber	
Distler	Langtry	Reinard	Manderino,
Dombrowski	Lashingier	Richardson	Speaker
Donatucci			

NAYS—0

NOT VOTING—1

Wright, D. R.

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of **HB 1198, PN 1911**, entitled:

An Act providing for the regulation of professional wrestlers and promoters; imposing a tax on certain receipts; requiring the posting of performance bonds; and providing penalties.

On the question,

Will the House agree to the bill on third consideration?

Mr. MILLER offered the following amendments No. A1685:

Amend Sec. 3, page 3, line 10, by striking out "OR MANAGER'S"

Amend Sec. 3, page 3, line 29, by striking out "ASSAULT WITH INTENT TO RAVISH" and inserting Indecent assault

Amend Sec. 3, page 4, lines 4 and 5, by striking out "BOXING AND WRESTLING" and inserting Athletic Commission

On the question,

Will the House agree to the amendments?

The SPEAKER. On that question, Representative Miller from Lancaster County is recognized.

Mr. MILLER. Thank you, Mr. Speaker.

Mr. Speaker, amendment A1685 is a corrective and technical amendment to the bill you have before you.

As you may notice, the language "assault with intent to ravish" was corrected to the modern term in the Crimes Code "indecent assault," and the term "manager" was deleted because it was the intent of the committee to only include wrestling promoters as licensees.

The amendment has been agreed to on the Democratic side of the aisle as a corrective amendment, and I encourage the membership's support. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? On that question, Representative Linton from Philadelphia is recognized.

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

As Representative Miller has indicated, this is a technical amendment and is in fact an agreed-to amendment, and I encourage the members to vote in the affirmative.

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

The following roll call was recorded:

YEAS—199

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdanský	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gamble	Maiale	Semmel
Bortner	Gannon	Maine	Serafini
Bowley	Geist	Markosek	Smith, B.
Boyes	George	Marsico	Smith, S. H.
Brandt	Gigliotti	Mayernik	Snyder, D. W.
Broujos	Gladeck	Melio	Snyder, G.
Bunt	Godshall	Merry	Staback
Burd	Gruitza	Michlovic	Stairs
Burns	Gruppo	Micozzie	Steighner
Bush	Hagarty	Miller	Stish
Caltagirone	Haluska	Moehlmann	Strittmatter
Cappabianca	Harper	Morris	Suban
Carlson	Hasay	Mowery	Tangretti
Carn	Hayden	Mrkonic	Taylor, E. Z.
Cawley	Hayes	Murphy	Taylor, F.
Cessar	Heckler	Nahill	Taylor, J.
Chadwick	Herman	Nailor	Telek
Civera	Hershey	Noye	Thomas
Clark, B. D.	Hess	O'Brien	Tigue
Clark, D. F.	Howlett	O'Donnell	Trello
Clark, J. H.	Hughes	Olasz	Trich
Clymer	Itkin	Oliver	Van Horne
Cohen	Jackson	Perzel	Veon
Colaifella	Jadlowiec	Pesci	Vroon
Colaizzo	James	Petrarca	Wambach
Cole	Jarolin	Petrone	Wass
Cornell	Johnson	Phillips	Weston
Corrigan	Josephs	Piccola	Williams
Cowell	Kaiser	Pievsky	Wilson
Coy	Kasunic	Pistella	Wogan
DeLuca	Kenney	Pitts	Wozniak
DeWeese	Kondrich	Pressmann	Wright, D. R.
Daley	Kosinski	Preston	Wright, J. L.
Davies	Kukovich	Raymond	Wright, R. C.
Dempsey	LaGrotta	Reber	Yandrisevits
Dietterick	Langtry	Reinard	
Distler	Lashingier	Richardson	Manderino,

Dombrowski Laughlin Rieger Speaker
Donatucci

NAYS—0
NOT VOTING—1

Gallen

EXCUSED—3

Battisto Dininni Evans

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—199

Acosta	Dorr	Laughlin	Ritter
Adolph	Durham	Lee	Robbins
Allen	Fairchild	Leh	Robinson
Angstadt	Fargo	Lescovitz	Roebuck
Argall	Farmer	Letterman	Rudy
Barley	Fee	Levdanský	Ryan
Belardi	Fleagle	Linton	Rybak
Belfanti	Flick	Lloyd	Saloom
Billow	Foster	Lucyk	Saurman
Birmelin	Fox	McCall	Scheetz
Bishop	Freeman	McHale	Schuler
Black	Freind	McNally	Scrimenti
Blaum	Gallen	McVerry	Semmel
Bortner	Gamble	Maiale	Serafini
Bowley	Gannon	Maine	Smith, B.
Boyes	Geist	Markosek	Smith, S. H.
Brandt	George	Marsico	Snyder, D. W.
Broujos	Gigliotti	Mayernik	Snyder, G.
Bunt	Gladeck	Melio	Staback
Burd	Godshall	Merry	Stairs
Burns	Gruitza	Michlovic	Steighner
Bush	Gruppo	Micozzie	Stish
Caltagirone	Hagarty	Miller	Strittmatter
Cappabianca	Haluska	Moehlmann	Suban
Carlson	Harper	Morris	Tangretti
Carn	Hasay	Mowery	Taylor, E. Z.
Cawley	Hayden	Mrkonic	Taylor, F.
Cessar	Hayes	Murphy	Taylor, J.
Chadwick	Heckler	Nahill	Telek
Civera	Herman	Nailor	Thomas
Clark, B. D.	Hershey	Noye	Tigue
Clark, D. F.	Hess	O'Brien	Trello
Clark, J. H.	Howlett	O'Donnell	Trich
Clymer	Hughes	Olasz	Van Horne
Cohen	Itkin	Oliver	Veon
Colaifella	Jackson	Perzel	Vroon
Colaizzo	Jadlowiec	Pesci	Wambach
Cole	James	Petrarca	Wass
Cornell	Jarolin	Petrone	Weston
Corrigan	Johnson	Phillips	Williams
Cowell	Josephs	Piccola	Wilson
Coy	Kaiser	Pievsky	Wogan
DeLuca	Kasunic	Pistella	Wozniak
DeWeese	Kenney	Pitts	Wright, D. R.
Daley	Kondrich	Pressmann	Wright, J. L.
Davies	Kosinski	Preston	Wright, R. C.
Dempsey	Kukovich	Raymond	Yandrisevits
Dietterick	LaGrotta	Reinard	

Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashinger	Rieger	Speaker
Donatucci			

NAYS—0

NOT VOTING—1

Reber

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of **HB 1429, PN 2056**, entitled:

An Act amending the act of April 9, 1929 (P. L. 177, No. 175), known as "The Administrative Code of 1929," further providing for increased fees and additional fees for the Department of Labor and Industry.

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

Mr. DORR offered the following amendments No. A2013:

Amend Title, page 1, line 22, by removing the period after "Industry" and inserting

; providing for the obtaining of permits by businesses; and imposing duties on the Department of Commerce.

Amend Bill, page 12, by inserting between lines 6 and 7

Section 2. The act is amended by adding a section to read:

Section 2505-B. Business Licensing Assistance.—

(a) (1) It is the sense of the General Assembly that the burdens placed upon persons proposing to undertake certain types of businesses in this Commonwealth through requirements to obtain numerous permits and related documents from various State agencies are undesirable and should be alleviated. The General Assembly further finds that present methods for obtaining the permits from State agencies place hardships on persons attempting to go into business for themselves. The General Assembly further finds that multiple inspections related to these permits by the various State agencies are also a burden on many businesses which should be alleviated.

(2) It is hereby declared to be the policy of the Commonwealth that a program be established to seek to alleviate these problems for businesses.

(b) Any person proposing a new business operation after June 1, 1990, shall submit a master application to the department requesting the issuance of all permits necessary prior to opening a new operation in this Commonwealth. The master application shall be on a form furnished by the department and shall contain in consolidated form all information necessary for the various State agencies to issue a permit. These provisions shall apply to persons seeking to continue an existing operation after January 1, 1991.

(c) Upon receipt of a properly completed master application, the department shall immediately send a copy to each State agency with potential jurisdiction over the proposed operation. Each notified agency shall respond in writing to the department within a reasonable time, as determined by the department, advising the department and the applicant:

- (1) that it approves the application;
- (2) that it approves with certain conditions as specified; or
- (3) that it denies the application with reasons given for the denial.

The department shall then issue a master permit covering all the approvals and conditions, excluding any denials. It shall be the responsibility of the applicant to make appeals on conditions imposed or on permit denial through that normal appeal process established by the agency with jurisdiction for issuance of such permit.

(d) A total fee based on the sum of fees for individual permits requested shall accompany each master application and shall be collected by the department and used to reimburse the various State agencies as per their schedules. The issuance of a master permit shall be in lieu of any permit, certificate or similar document required by any agency listed in subsection (c).

(e) All permits and inspections related to business operations by the following State agencies shall be covered under this section:

- (1) Department of Revenue.
- (2) Department of Labor and Industry.
- (3) Department of Commerce.
- (4) Department of Agriculture.
- (5) Department of State.
- (6) Pennsylvania Liquor Control Board.
- (7) Pennsylvania Public Utilities Commission.
- (8) Department of Transportation.

(9) Any other State agency that may now or in the future issue permits or make inspections of business operations, but nothing in this section shall be construed to eliminate State or local government health or safety inspections.

(f) All individual permits covered by this section shall expire according to a staggered schedule to be specified by the Department of Commerce. Costs for permits issued in the interim will be prorated according to the time each permit is in force.

(g) Starting January 1, 1990, annual renewals for all individual permits shall be replaced by a master permit issued by the Department of Commerce. Renewals shall be automatically granted under conditions originally imposed unless one of the regulatory agencies informs the department of revised restrictions to be imposed prior to such issuance.

(h) The Secretary of Revenue is authorized to establish a program for coordinating all inspections by State agencies of business establishments. Where practicable under existing law, he is authorized to require that inspections with similar objectives or involving common expertise be consolidated and performed by one inspector at one time. The secretary shall be authorized to provide special training to inspectors where it is determined that such training will assure the consolidation of certain inspections.

(i) The department shall establish permit-issuing centers in its offices at Harrisburg and in cooperation with the Department of Revenue, in all of the district offices of the Department of Revenue.

(j) The department, after consultation with other State agencies and affected businesses, shall submit to the General Assembly by January 1, 1991, a report setting forth the results of the experience under this section, together with any recommendations for:

- (1) Consolidating inspections further by change in existing statutes.
- (2) Expanding the program to include other types of permits.
- (3) Further improving procedures.

(k) The following words and phrases when used in this section shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Department" means the Department of Commerce of the Commonwealth.

“Permit” means any license, permit, certificate, certification, approval, compliance schedule or other similar document pertaining to regulation of businesses in general, plus all health, safety and consumer protection regulations as required by any State agency. For purposes of this section, the term does not include licenses issued by the Bureau of Motor Vehicles of the Department of Transportation.

“Person” means any individual, partnership, cooperative or private corporation attempting to establish a business operation in a new location or seeking to continue an existing business operation.

Amend Sec. 2, page 12, line 7, by striking out “2” and inserting

3

Amend Sec. 3, page 12, line 20, by striking out “3” and inserting

4

On the question,

Will the House agree to the amendments?

AMENDMENTS WITHDRAWN

The SPEAKER. On the question of agreeing to the amendment, the gentleman from York, Representative Dorr, is recognized.

Mr. DORR. Mr. Speaker, the amendment is a redraft of HB 340.

The bill is a very important bill to the small business people of Pennsylvania, and having just received encouraging news from the chairman of the Business and Commerce Committee, Mr. Speaker, I am going to withdraw the amendment at this time and ask that the House go ahead with final passage of this bill and look forward to passing HB 340 at a later time.

The SPEAKER. The gentleman, Mr. Dorr, has indicated that he wants to withdraw the amendment offered. Without objection, the amendment is withdrawn. The Chair hears no objection.

On the question recurring,

Will the House agree to the bill on third consideration?

Bill was agreed to.

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

The question is, shall the bill pass finally?

The gentleman, Mr. Wass, from Indiana County seeks recognition on final passage.

Mr. WASS. Thank you, Mr. Speaker.

May I interrogate the maker of the legislation?

The SPEAKER. The gentleman, Mr. DeWeese, indicates that he will stand for interrogation.

Mr. WASS. Mr. Speaker, if you turn to page 6 of the legislation, under number (4), “Fees for building plans approval.....actual cost incurred in examination,” can you help put into record what that truly means?

Mr. DeWEESE. Mr. Speaker, that is under the Fire and Panic Act, and this just restates that kind of language.

Mr. WASS. For the record, can we determine what it means?

Mr. DeWEESE. Mr. Speaker, on page 6, lines 3, 4, and 5, “actual cost incurred in examination” is specifically outlined

in the Fire and Panic Act. Those fees are not covered in this particular legislation. They are done by regulation.

Mr. WASS. Mr. Speaker, so you are saying that that particular line could have been omitted out of the fee system?

Mr. DeWEESE. Yes.

Mr. WASS. Thank you.

Mr. Speaker, if I may continue. I am deeply concerned about the fees involved here. If we turn to page 9, “Ski Lifts,” what is the present fee for ski lifts?

Mr. DeWEESE. The present fee is \$35, Mr. Speaker.

Mr. WASS. The present fee is \$35, and we now have it at \$350. Is that right?

Mr. DeWEESE. I have \$100.

You are talking about inspections in one area and plan approvals in the other part of the bill.

Mr. WASS. I am talking about (C) under (2). Let us see; item (C), letter (C), under “Fees for elevators.”

Mr. DeWEESE. Mr. Speaker, on page 10, section (C), line 7, ski lifts are \$100.

Mr. WASS. Mr. Speaker, for clarification, I understand they will go from \$35 to \$100. Is that right?

Mr. DeWEESE. Yes.

Mr. WASS. Thank you, Mr. Speaker.

Mr. Speaker, how are these fees determined? How do we come up with these figures, the increases?

Mr. DeWEESE. That is a valid question and it is a good question. It has a very easy answer. They were based on actual costs, actual costs to carry out these procedures and these inspections.

Mr. WASS. Mr. Speaker, if I may, what is the total increase in fees listed here? The increase in fees.

Mr. DeWEESE. The total increase across the breadth of the legislation is \$1.6 million.

Mr. WASS. A \$1.6-million increase in fees.

Mr. DeWEESE. Total.

Mr. WASS. Total.

Mr. DeWEESE. For the State.

Mr. WASS. Am I to then accept the fact that the costs of implementing these particular examinations and other costs to the department are 1.6 million additional dollars?

Mr. DeWEESE. I think it is important for the gentleman from Indiana County and the people across the aisle, on both sides, both aisles, to realize that we have not had an increase in these fees for almost a decade, sir, and the cumulative costs for almost a decade do amount to \$1.6 million. But there has not been any kind of maneuvering in this direction since, I believe, 1980 or 1981.

Mr. WASS. Thank you, Mr. Speaker. That concludes my interrogation. I have no comment other than I will vote against the legislation.

The SPEAKER. The question is on final passage of the bill. The gentleman, Mr. DeWeese, is recognized on final passage.

Mr. DeWEESE. I would respectfully request the gentleman, Mr. Wass, to reconsider his point of view and the other men and women that serve in the hall to do the same.

We are trying to enhance our delivery of services in government across the board. Day in and day out we go home to our districts and we talk about what the State of Pennsylvania is going to try to do for them. We talk about the delivery of services. It makes good common sense that \$1.6 million in increased fees over a period of almost a decade would be appropriate, would be necessary, and I think it is shortsighted and I think it is blindly conservative to not go along with this very marginal increase in fees that our State Government needs, that our Department of Labor and Industry needs.

I would ask for an affirmative vote on this measure. Thank you.

On the question recurring,
Shall the bill pass finally?

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

YEAS—173

Acosta	Donatucci	Lashingner	Reinard
Adolph	Dorr	Laughlin	Richardson
Belardi	Durham	Lee	Rieger
Belfanti	Fairchild	Lescovitz	Ritter
Billow	Farmer	Letterman	Robbins
Birmelin	Fee	Levdansky	Robinson
Bishop	Fleagle	Linton	Roebuck
Black	Flick	Lloyd	Rudy
Blaum	Foster	Lucyk	Ryan
Bortner	Freeman	McCall	Rybak
Bowley	Freind	McHale	Saloom
Boyes	Gamble	McNally	Scrimenti
Broujos	Gannon	McVerry	Smith, B.
Burd	Geist	Maiale	Smith, S. H.
Burns	George	Maine	Staback
Bush	Gigliotti	Markosek	Stairs
Caltagirone	Gladeck	Marsico	Steighner
Cappabianca	Gruitza	Mayermik	Stish
Carlson	Gruppo	Melio	Stuban
Carn	Hagarty	Michlovic	Tangretti
Cawley	Haluska	Micozzie	Taylor, E. Z.
Cessar	Harper	Miller	Taylor, F.
Chadwick	Hasay	Mochlmann	Taylor, J.
Civera	Hayden	Morris	Telek
Clark, B. D.	Hayes	Mrkonic	Thomas
Clark, D. F.	Heckler	Murphy	Tigue
Clark, J. H.	Hershey	Nahill	Trello
Clymer	Hess	O'Brien	Trich
Cohen	Howlett	O'Donnell	Van Horne
Colafrella	Hughes	Olasz	Veon
Colaizzo	Itkin	Oliver	Vroon
Cole	Jackson	Perzel	Wambach
Cornell	Jadlowiec	Pesci	Weston
Corrigan	James	Petrarca	Williams
Cowell	Jarolin	Petrone	Wilson
Coy	Johnson	Phillips	Wogan
DeLuca	Josephs	Piccola	Wozniak
DeWeese	Kaiser	Pievsky	Wright, D. R.
Daley	Kasunic	Pistella	Wright, R. C.
Davies	Kenney	Pitts	Yandrisevits
Dempsey	Kondrich	Pressmann	
Dietterick	Kosinski	Preston	Manderino,
Distler	Kukovich	Raymond	Speaker
Dombrowski	LaGrotta	Reber	

NAYS—26

Allen	Fox	Nailor	Serafini
Angstadt	Gallen	Noye	Snyder, D. W.
Argall	Godshall	Saurman	Snyder, G.
Barley	Herman	Scheetz	Strittmatter
Brandt	Langtry	Schuler	Wass
Bunt	Lch	Semmel	Wright, J. L.

Fargo Mowery
NOT VOTING—1

Merry
EXCUSED—3

Battisto Dininni Evans

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

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

WELCOMES

The SPEAKER. The Chair is happy to welcome to the hall of the House, to the left of the Speaker, from the Pennsylvania National Guard, Capt. Jim Lauria and his wife, Geni, with Annie and Danielle Lauria, who are all from Allegheny County, guests of Representatives Mayermik, Trello, and Petrone. Will they please stand.

Representative Karl Boyes has indicated that there are guests that he honors today, and I am happy to announce to the House that Gerald and Diane Gleisner and their daughter, Heather, are visiting the Capitol, and they are to the left of the Speaker. Will they rise.

In the gallery, Rebecca Timura from Cambria County, Doris Jean Lazere from Cambria County, and Janet Cowan from Armstrong County are here as the guests of Representative Wozniak and Representative Andrew Billow. They are in the gallery.

VOTE CORRECTIONS

The SPEAKER. The Chair recognizes the lady from Beaver County, Susan Laughlin, Representative. For what purpose does the lady rise?

Mrs. LAUGHLIN. Mr. Speaker, I want to be recorded in the affirmative on the Tangretti amendment A2026 to HB 222. Also, Mr. Speaker, please record my vote in the affirmative on the Carn amendment A1956 to HB 589. Thank you.

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

BILLS ON THIRD
CONSIDERATION CONTINUED

The House proceeded to third consideration of **HB 1293, PN 1486**, entitled:

An Act amending the act of July 2, 1984 (P. L. 568, No. 113), known as the "Employee-Ownership Assistance Program Act," further providing for the final date for approvals.

On the question recurring,
Will the House agree to the bill on third consideration?
(Amendment A1894, offered by Mr. Michlovic on June 19, 1989, was withdrawn.)

Mr. MICHLOVIC offered the following amendments No. A1990:

Amend Title, page 1, line 8, by inserting after "appropriations,"

defining employee-owned enterprises, regulating technical assistance, financial assistance and program administration;

Amend Title, page 1, line 9, by removing the period after "approvals" and inserting
; and making repeals.

Amend Bill, page 1, by inserting between lines 11 and 12

Section 1. The title of the act of July 2, 1984 (P.L.568, No.113), known as the Employee-Ownership Assistance Program Act, is amended to read:

AN ACT

Providing technical and financial assistance to employee-ownership groups that seek to retain or [preserve] create jobs by restructuring an existing or starting a new business [into] as an employee-owned enterprise [with a substantial prospect of future recovery]; providing technical assistance on employee-ownership to existing and new firms and current employee-owned enterprises in Pennsylvania; encouraging employee-ownership and employee participation in Pennsylvania businesses; and making appropriations.

Section 2. Sections 2 and 3 of the act are amended to read:

Section 2. Definitions.

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

"Department." The Department of Commerce.

"Employee-owned enterprise." A business which either:

(1) meets all of the following conditions:

(i) is organized as:

(A) a worker cooperative, within the meaning of Subchapter T of the Internal Revenue Code of 1954, as amended; or

(B) a corporation in which the employees own the stock of the corporation through an Employee Stock Ownership Plan, within the meaning of section 4975(e)(7) of the Internal Revenue Code of 1954, as amended;

(ii) a majority of the voting rights are held by employees and all employees who have stock allocated to them are entitled to vote; shares are voted in such a manner that the vote of the majority of the employees controls the vote of the majority of shares; voting rights on corporate matters for shares held in a trust for the employees shall pass through to those employees, at least to the extent required by the pass through voting requirements of section 409A(e) of the Internal Revenue Code of 1954, as amended;

(iii) the majority of the members of the board of directors are elected by the employees; [or]

(iv) is a business which involves substantial employee participation; or

(2) [is organized in a manner determined by the secretary to involve substantial employees' participation.] is a business in which 30% to 50% of the stock is owned by the employees and which involves substantial employee participation. In the case of a business whose employees own less than 50% of the stock at the time of application for feasibility study assistance, the feasibility study must include a plan for employee-ownership of at least 50% of the stock within ten years of the restructuring or creation of the business.

"Employee-ownership group." A corporation or other entity, including labor unions, formed by or on behalf of the current or former employees of [an industrial or commercial] a

firm or facility located in this Commonwealth for the purpose of exploring the feasibility of assuming ownership or control, or participating in the ownership of the firm or facility [and operating it as an employee-owned enterprise].

["Local administrative agency." An organization which enters into a written agreement with the department to administer technical and financial assistance pursuant to this act, including a municipality, a county, a local development district of the Appalachian Regional Commission, an industrial development corporation organized and existing under the act of May 17, 1956 (P.L.1609, No.537), known as the Pennsylvania Industrial Development Authority Act, or any other nonprofit economic development organization designated by the secretary.]

"Secretary." The Secretary of Commerce.

"Technical assistance." Prefeasibility assessments, feasibility studies and professional services.

Section 3. Employee-ownership program.

The department will establish a technical and financial assistance program to promote the development of employee-owned enterprises and increase employee participation in new and existing businesses for the purpose of retaining existing jobs and creating new employment opportunities.

Section 3. Sections 4 and 5 of the act, amended July 9, 1986 (P.L.1197, No.102), are amended to read:

Section 4. Technical assistance.

(a) Authorization to advance funds.—The department is authorized to [advance funds to local administrative agencies for the purpose of providing] provide grants and loans to employee-ownership groups [in industrial and commercial enterprises as defined in section 3 of the act of August 23, 1967 (P.L.251, No.102), known as the Industrial and Commercial Development Authority Law.] for technical assistance to develop or improve an employee-owned enterprise.

(b) Eligibility.—Employee-ownership groups, including those in firms where the owners are not amenable to the reorganization of the firm as an employee-owned enterprise, shall be eligible for assistance if the employees in the employee-ownership group are employed by, formerly employed by or affiliated with one of the following:

(1) Existing firms facing a threat of substantial layoffs or a plant closing and investigating a reorganization of all or some portion of the firm's business activity, at sites located within this Commonwealth, as an employee-owned enterprise. For purposes of this section "existing firm" shall include an ongoing concern, the assets of an existing company or the assets of a company which has been closed for no more than two years as of the date of application for the [feasibility study loan] technical assistance.

(2) Existing firms, not necessarily facing a threat of substantial layoffs or a plant closing, but considering a conversion to an employee-owned enterprise and seeking [professional services] technical assistance to accomplish this, if conversion to employee-ownership will create net new jobs or retain existing jobs at sites within this Commonwealth.

(3) Existing firms which currently have some form of employee ownership and require professional services to insure success of the employee-owned enterprise in its effort to create net new jobs or retain existing jobs at sites within this Commonwealth.

(4) New firms seeking to structure a business as an employee-owned enterprise and requiring professional services.

(c) Uses.—[Loans, grants or a combination of the two] Grants and loans will be made to employee-ownership groups for the following purposes:

(1) Prefeasibility assessments to indicate quickly if an employee ownership structure can or cannot succeed. The prefeasibility assessment shall include, but is not limited to, an investigation of the following:

(i) whether a company's product or service is obsolete or in demand;

(ii) whether a plant is obsolete or efficient;

(iii) whether present owners are amenable to the reorganization; and

(iv) whether a firm has the qualified and committed labor and management to succeed.

[(1)] (2) Feasibility studies to investigate a reorganization or new incorporation as an employee-owned enterprise will be funded if the prefeasibility assessment set forth in subsection (c)(1) or other assessment, indicates that a conversion is possible. At a minimum, the feasibility study should:

[(i) Assess the market value and demand for the product produced by the plant affected by the closing or layoff.

[(ii) Assess the market value and demand for other products which could be manufactured or assembled at the plant affected by the closing or layoff.

[(iii) Evaluate the production costs incurred if the plant were to be operated by the employee-ownership group.

[(iv) Determine whether there exists in the affected area and in the employee-ownership group, the desire and capacity to create a new production entity and to become competitive.]

[(i) investigate the existing and future market value and demand for the company's existing products and for other products and services which could be produced and delivered;

[(ii) determine the level of investment necessary to convert the business and make it viable, including the costs of any employee ownership-training;

[(iii) determine whether financing can be obtained;

[(iv) develop a business plan for the company, including a plan to phase-in the agreed upon percentage of employee-ownership and a plan to ensure substantial employee participation; and

[(v) determine the number of jobs which would be created or retained.

[(2)] (3) Professional services to [implement a feasibility study and other professional services] reorganize or convert a business to an employee-owned enterprise and to develop or insure the success of an employee-owned enterprise.

[(3) Grants for feasibility studies shall be awarded for not more than 90% of the cost of the study. Local matching shares should include, but are not limited to, individual contributions by affected employees.]

(d) Amounts, repayments.—

(1) The department may contract annually with consultants who will perform the prefeasibility assessments.

(2) Feasibility study funds shall be awarded for 90% of the cost of a feasibility study, not to exceed \$100,000.

(3) Funds for professional services shall be awarded for 90% of the total cost of professional services, not to exceed \$50,000.

[(d) Repayment.—Loans] (4) Funds provided for feasibility studies [and other] or professional services [to employee-ownership groups to investigate a conversion to an employee-owned enterprise] are subject to the following repayment [condition] conditions:

(i) If the enterprise studied is purchased or improved [by the employee group,] as an employee-owned enterprise, the employee group shall repay the entire amount of the loan, at no interest, in a lump sum at the closing of the purchase of the company or within two years after the date of the release of the loan by the department, whichever occurs later.

[(e) Other conditions.—

(1)] (ii) The applicant shall provide evidence that there is a prospect for recovery and future job growth or job retention in applications under subsection (b)(1) or a substantial prospect of job growth or job retention in applications under subsection (b)(2) and (3).

[(2) Maximum State participation is 90% of the total cost of the technical assistance and the maximum size of State participation is \$100,000.]

(e) Other conditions.—Parties shall not use feasibility studies to gain an advantage in a labor dispute or negotiation.

Section 5. Financial assistance.

[(a) Authorization to advance funds.—The department is authorized to advance funds to local administrative agencies for the purpose of providing loans and loan guarantees to employee-owned enterprises reorganizing industrial, manufacturing and agricultural enterprises as defined in section 3 of the act of May 17, 1956 (1955 P.L.1609, No.537), known as the Pennsylvania Industrial Development Authority Act, for the development of employee-owned enterprises.

[(b)] (a) Eligibility.—[Eligibility for this assistance shall be limited to employee-ownership groups reorganizing an existing enterprise which is facing a threat of substantial layoffs or a plant closing,] Employee ownership groups in the types of firms defined in section 4(b) are eligible for financial assistance where adequate private financing is not available. For purposes of this subsection "existing enterprise" shall include an ongoing concern, the assets of an existing company or the assets of a company which has been closed for no more than [two] five years as of the date of completion of a feasibility study.

[(c)] (b) Uses.—Eligible project costs shall include land and buildings, machinery and equipment and working capital secured by accounts receivable and inventory.

[(d)] (c) Debt instruments.—The financial subsidy provided should be the minimum necessary to accommodate the borrower's financial needs. Debt instruments shall include either or both of the following:

(1) Loans, including deferred interest and principal payments.

(2) Loan guarantees.

[(e)] (d) Security.—Funds loaned shall be secured by lien positions on collateral at the highest level of priority which can accommodate the borrower's ability to raise sufficient debt and equity capital. When the obligation of a firm is guaranteed, the financial institution holding the obligation shall be required to adequately secure the obligation.

[(f)] (e) Loan limits.—The maximum loan or guarantee is \$1,500,000 per firm. Loan funds shall not exceed 25% of the total project costs and guarantees shall not exceed 25% of the total loan value. The term of the loan shall be the shortest consistent with the needs of the firm, but no longer than 20 years. The interest rate shall be determined by the department.

[(g)] (f) Equity requirement.—A significant equity investment by the employee-ownership group equal to at least 10% of the project cost and including substantial participation by having at least two-thirds of the current members of the employee-ownership group employed at the project is required to qualify for the loan or guarantee.

[(h)] (g) Feasibility study.—Assistance shall not be approved without a feasibility study demonstrating a substantial prospect for job retention or future job growth and a business plan including steps to facilitate labor-management cooperation. General adherence to the plan is required to receive funding.

Section 4. Section 6 of the act is repealed.

Section 5. Section 7 of the act, amended July 9, 1986 (P.L.1197, No.102), is amended to read:

Section 7. Administration of the program.

[(a) Responsibility of local administrative agencies.—Local administrative agencies will be responsible for promoting the program, soliciting applications, evaluating applications and making preliminary decisions on both technical assistance and financial assistance. Up to 2% of the funds appropriated for the purpose of this act may be used by local administrative agencies for the purpose of administering this program.]

(a) Application evaluations.—Criteria for evaluating applications shall be specified by the department.

(b) Approval by secretary.—The secretary will have full responsibility for final approval of all applications for assistance and shall make every attempt possible to intervene as early as possible in situations which may benefit from assistance under this act. The secretary shall approve or disapprove applications for assistance within 45 days of receipt of the completed application. The secretary shall inform an applicant within 20 days of any additional information required.

[(c) Advances.—The department may make advances to local administrative agencies for the purpose of making loans or loan guarantees consistent with this act.

(d) Loan and loan guarantee fees.—Local administrative agencies may establish and charge reasonable fees for processing loans or loan guarantees under section 5, with the approval of the secretary.]

(c) Funds appropriated for the purpose of this act may be used by the department for the purpose of administering and marketing the program.

[(e)] (d) Rules and regulations.—The secretary may adopt any rules and regulations, statements of policy, forms, guidelines and other procedures, forms and requirements necessary for the implementation of this act.

Section 6. Sections 8 and 9 of the act are amended to read:

Section 8. Indicators of program impact.

On March 1 of each year of the program's existence, the secretary shall submit a report to the Chief Clerk of the House of Representatives and the Secretary of the Senate on the impact of the program, including the rules, guidelines or statements of policy used in administering this program, the number of employee-ownership groups and firms receiving assistance, the number of feasibility studies which were actually implemented and the number of jobs retained or created [and the number of jobs created or retained as a result of financial assistance]. All recipients of funds under this program shall provide the department with any or all information needed to fulfill this requirement. The secretary shall provide copies of all official policies, guidelines, regulations or rules regarding the program to the Chief Clerk of the House of Representatives and to the Secretary of the Senate.

Section 9. Nondiscrimination.

No [loan, loan guarantee or other financial] assistance shall be made to a recipient under this act unless the recipient certifies to the department, in a form satisfactory to the department, that it shall not discriminate against any employee or against any applicant for employment because of race, religion, color, national origin, sex or age.

Section 7. Section 11 of the act is repealed.

Amend Sec. 1, page 1, line 12, by striking out "1" and inserting

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Amend Sec. 1, page 1, line 12, by inserting a comma after "act"

Amend Sec. 1, page 1, lines 12 and 13, by striking out "of July 2, 1984 (P.L.568," in line 12 and all of line 13

Amend Sec. 2, page 1, line 18, by striking out "2" and inserting

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On the question,

Will the House agree to the amendments?

The SPEAKER. On that question, Representative Michlovic from Allegheny County is recognized.

Mr. MICHLOVIC. Thank you, Mr. Speaker.

Amendment 1990 is a comprehensive amendment that places a number of recommendations that were made pursuant to a program review report by the Department of Commerce internally on the Pennsylvania Employee-Ownership Assistance Program. HB 1293 as it currently is drafted is simply a renewal of an agency that admittedly has some major deficiencies. The program review report by the department was attempting to address some of those deficiencies and place the ESOP program, the Employee Stock Ownership Program, into a far more progressive mode, something along the lines of the State of New York, which is known country-wide as one of the best programs in the country.

Essentially, the amendment that is derived from this program review report does a number of things. It changes the focus of the legislation from simply trying to use ESOP to address plant shutdowns and runaway plant situations to providing a broader base of eligibility to those companies that are currently in existence that are, let us say, a small manufacturing company that is a family-owned company where the owner wishes to slowly move out of the business and allow the employees to take over the plant. To do that, we have placed in the amendment provisions which would allow a company to be considered eligible if only 30 percent of the employees are involved in the ownership of the company. In that particular circumstance where 30 to 50 percent of the employees are involved, they would have to have a commitment from the owner to turn over 50 percent of the ownership in a 10-year period.

Another procedural piece of the amendment would remove the area loan organizations from the program review and administrative process. The department has found that the area loan organizations have not been very effective in running this program.

For the first time, the amendment allows the use of some of the funds for marketing the program. One of the big faults of the program is that it is not marketed. People do not know about it. They do not know that it is available.

I should point out that ESOP's are a growing mechanism of ownership in this country. There are some 10,000 companies in the United States that are now employee-owned companies, and this is largely because there are major Federal tax incentives for a company to move in this direction. It is very lucrative for a company under the tax law to hand it over to their employees. This amendment would encourage that, and we are actually trying to market it.

Essentially what we are doing here is providing eligibility for groups to get a feasibility study to go into an ESOP. There are two stages of that feasibility study as outlined in this amendment. The first stage is a prefeasibility study. If you do have a situation of a plant shutdown or a financial economic crisis of a little company, the Department of Commerce can send out a team of consultants and experts to do a quick

down-and-dirty study of whether this thing can go if the employees owned it. That is the prefeasibility study stage. If the arrangement passes that criteria, then the employees can come in with an application under the terms of the amendment for a feasibility study. Feasibility studies would be from \$50,000 to \$100,000. Ninety percent of it would be funded in a loan from the State. Ten percent would have to come from the employee.

There is also language in the amendment which would allow employee groups to apply for this assistance, this money, even if the owner objected to their application, even if the owner was not in agreement with that, and I placed this language in the amendment because of cases that I have been personally involved with in my district. U.S. Steel Corporation did not want the workers to even look at an employee buyout, because they had a company in Korea; they had a company in Brazil. They did not want this steel company in my community to compete with them. So I placed that provision in there. I think it is an important provision that we need to allow.

Finally, I placed language in this amendment at the request of Representative Geist not to allow these feasibility studies to be used in labor negotiations or labor disputes.

Essentially, Mr. Speaker, that is the gist of the amendment, and I urge support and approval.

The SPEAKER. The question is, will the House agree to the amendment? On that question, the minority whip, Representative Hayes, is recognized.

Mr. HAYES. Thank you, Mr. Speaker.

The gentleman, Mr. Michlovic, went over rather lightly a very important provision of his amendment which for the first time would allow State money to be used for what could be viewed by at least some as a hostile takeover. It is that provision whereby employee-ownership groups include those in firms where the owners are not agreeable to the reorganization of the firm or company as an employee-owned enterprise. I think that we should tread very lightly as a State Government in almost inviting hostility between employee-owner groups and those persons who are currently doing business in the Commonwealth of Pennsylvania.

These employees that Mr. Michlovic talks about do not necessarily have to be those who are currently employed by the company. It can be a formerly employed person or group of persons, or it can be a group of persons who are no more than affiliated with the company in question, but not currently an employee group that is at the factory, at the plant, in the company, with the corporation, currently trying to work through some difficult times.

This State-funded hostile takeover would not have to be involved with a firm that is facing a threat of substantial layoffs or a plant closing but rather just considering a conversion to an employee-owned enterprise. So we are not talking about a place of work, Mr. Speaker, where you have the immediate, imminent threat of layoff or plant closing.

Now, let us bring all these pieces together. One, you do not even have to be a current employee; and two, the plant in question does not even have to be imminently, immediately faced with a downturn in jobs or in fact a plant closing.

Now, just last year, last session, we passed Act 27 of 1988, and that was the hostile takeover legislation which those of us who were here last session voted unanimously for, and it was signed by the Governor of the Commonwealth. That particular piece of legislation, this relatively new law, Mr. Speaker, had 13 pages - 13 pages - of process and protections against hostile takeovers. Mr. Michlovic's amendment does not have a line of process or protections. Just because we cloak someone with this term "employee" does not mean that it is always going to be friendly or in the best interest of other people who are currently working at a corporation, firm, plant, company, whatever the case may be. Make no mistake about that. And last year, to protect Pennsylvania-based corporations from hostile takeovers, we passed it; we passed Act 27, and we had 13 pages of solid-gold-plated law governing, protecting, Pennsylvania-based firms.

The gentleman from Allegheny County, Mr. Michlovic, does not have one word of process or protection. All he is offering to us today in this amendment is the opportunity for these groups, friend or foe, to get State money for their game plan. Now, there may be a way of correcting that serious deficiency, but the gentleman has not brought to us at this moment an amendment that does that.

It is seriously flawed, and I urge a "no" vote.

The SPEAKER. The question is, will the House agree to the amendment? On that question, from York County, Representative Dorr is recognized.

Mr. DORR. Thank you, Mr. Speaker.

I, too, rise to oppose this amendment. Mr. Speaker, there are essentially, as I see it, two major provisions of this amendment which create the flaws that the gentleman, Mr. Hayes, mentioned.

The first provision that I am concerned about is one which would allow ESOP's to invest in nonrelated businesses and with State grants to go out and presumably look for investment opportunities in other businesses that are unrelated to their employment situation. Mr. Speaker, we do not do that; we do not create such State grants, or there is no program available for other people, the citizens of this Commonwealth in any other field of a similar nature, and I do not think that we should be doing it for the ESOP's when we do not do it for our regular citizens.

The second objection, Mr. Speaker, is along the lines that the gentleman, Mr. Hayes, mentioned. We should definitely not be creating a situation where an ESOP can in effect create a hostile takeover situation with its own plant.

The existence of both of these provisions in the law will be self-defeating of the ESOP idea. If you were the owner of a company, would you encourage the creation of an ESOP when you knew that that group could then turn around and become a hostile takeover party in your own company? I do not think you would. I think we should be encouraging better labor-management relations, not discouraging them, not creating opportunities for hostility, and I, too, oppose this amendment for those reasons, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? On that question, from Washington County, Representative Daley is recognized.

Mr. DALEY. Thank you, Mr. Speaker.

Will the maker of the amendment stand for a brief interrogation?

The SPEAKER. The gentleman indicates he will, and you may proceed.

Mr. DALEY. Thank you, Mr. Speaker.

On the question concerning prefeasibility assessments, you said that there will be a quick-and-dirty assessment of the situation at the plant or the company done by the Department of Commerce. Could you further elaborate how that will be done, and if indeed a decision is made at that point that it is not financially feasible or economically feasible, what option do the employees have to go ahead and try to get an assessment of the situation?

Mr. MICHLOVIC. The prefeasibility study stage was put into the language in the bill, I think, tracking some experiences of other States, and essentially, the department is permitted under the legislation to contract with a private consultant on a retainer basis. Oftentimes in these kinds of circumstances the department has to move quickly. So they would send in the consultant; the consultant would go over the books in a couple days, very quickly, and come back with a recommendation of whether this thing is overall a real prospect or not. At that stage, if they meet that requirement, then the group would be eligible for the feasibility study. Without that approval, they would not be eligible.

Mr. DALEY. So the employees at that point would have nowhere else to turn other than raising their own money to do a feasibility study.

Mr. MICHLOVIC. That is correct. If the prefeasibility study said, no, this thing cannot go; no, the owner objects—For example, the concerns raised by the gentleman, Mr. Hayes, could be addressed in the prefeasibility study. It might come back and say, you know, the owner objects to this, and the problems raised by that objection are just insurmountable in terms of starting a new company, and consequently, we would recommend it not be approved for eligibility for the feasibility study money.

Mr. DALEY. Could you further explain the idea of the grant? The feasibility study itself, you said 90 percent of the funding will come from the Commonwealth. Is that a loan or is that a grant?

Mr. MICHLOVIC. It is actually a loan up front for a 2-year period. After a 2-year period, they have to pay back the loan. There are some grants for some professional services that are beyond the capability of the local group, but it is loan money.

Mr. DALEY. I am finished with my questions. May I make a statement on the amendment, Mr. Speaker?

The SPEAKER. The Representative is in order and may proceed on the question of the amendment.

Mr. DALEY. Thank you, Mr. Speaker.

Real quickly, I think some of the objections raised by the minority party are not completely founded here. I think that what we have seen is a genesis in terms of a change of economic climate in Pennsylvania. ESOP's have provided an access for many companies to have new life, and I think with this amendment, we will see some new life coming from like a phoenix in the smoldering ashes in the declining western Pennsylvania and other parts of the State. We have seen new growth and new ideas. Case in point is Weirton Steel. Many people said Weirton was not going to be able to happen; they could not put it together. Many people condemned that ESOP. What we simply have seen with Weirton Steel is, Weirton is now turning a profit of about \$330 million a year through one of the best ESOP's, and that is right across our State line.

I urge adoption of this amendment, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? On that question, from Beaver County, Representative Veon is recognized.

Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, I would like to briefly interrogate the maker of the amendment.

The SPEAKER. The gentleman indicates he will stand for interrogation. You may proceed.

Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, in this amendment, is there any money provided for actual financing of the takeover or the purchase of a plant, or is this money to be spent only for feasibility studies to determine whether that can or should be done by the employees of that plant?

Mr. MICHLOVIC. There are not moneys allocated in this bill. There are terms of provisions for eligibility. If the ESOP is found to be a workable situation and is approved by the department, then they are eligible for assistance from the department in a variety of other programs. Most of the financing of these companies is like any other company. They use the same structure, and that is what the department would concentrate on.

Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, that concludes the interrogation. I would like to make a brief comment on the amendment.

The SPEAKER. The gentleman is in order.

Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, I strongly support this amendment. I think the gentleman, Mr. Michlovic, has already mentioned that ESOP's are a growing trend in this country, and they certainly should be in this State. We have an ESOP program in Pennsylvania that has not worked, has not been accessible to workers, and I think the gentleman's amendment improves that.

I would like to comment for a moment on some of the comments made by members from the other side of the aisle in that this amendment allows for funds to be spent for technical assistance, for feasibility studies, and not for the financing or the takeover of any plants in this Commonwealth. I would suggest to this House that at the very least, we ought to afford

the employees the opportunity to put forth a program, to put forth a project, to put forth a plan, to prevent what have been in many cases hostile takeovers by firms who do not have the interest of the workers at heart. This Commonwealth has funded many takeovers of firms who have come in and reduced the amount of money earned by the employees. I would consider those hostile takeovers.

This particular plan goes a long way toward allowing employees to put forth their own best plan, their own best program, and I would urge support of this amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? On that question, from Allegheny County, Representative Levdansky is recognized.

Mr. LEVDANSKY. Thank you, Mr. Speaker.

Mr. Speaker, I rise in support of the Michlovic amendment. I support this amendment because I believe it will make a program operable and much more efficient and accessible to workers throughout Pennsylvania as a viable tool to making their plants and production facilities operable once again. The present program in far too many cases has not worked in the Commonwealth. Under the Michlovic amendment, this program, I believe and we believe, will certainly be made more workable and enhance employee ownership as a viable option for Pennsylvania's workers.

I would like to also take this opportunity to comment on a few remarks raised by the opposition to this amendment. The opposition to this amendment has characterized this amendment as inviting hostile takeovers, inviting hostilities, and permitting the State to become engaged in State-funded hostile takeovers. Well, I respectfully disagree with that opinion. You know, the plants and companies close their production facilities for a variety of different reasons, and sometimes they do it in fact to benefit their long-term corporate interests. There are some companies in this State that, believe it or not, have it in their interest to close down production facilities to reduce competition or to reduce supply. In those particular circumstances, I think it is vitally important that the employees have as an option an ESOP program so that they can study the feasibility of making that plant or production facility operable again. In some of those cases, you find out that that production facility was profitable but is shut down because it does not fit in the long-range corporate interest of that national or, in many cases, multinational corporation.

What we are talking about here is extending competition and capitalism to workers and to communities, and I for one do not know how anybody on either side of the aisle would want to argue against enhancing competition across the State or encouraging capitalism, be it through corporations or through employees. So I respectfully disagree and do not think that it would be inviting hostility at all. As a matter of fact, I think it encourages the interest of workers and communities in Pennsylvania.

For those reasons, Mr. Speaker, I would respectfully urge all members to support the Michlovic amendment.

The SPEAKER. The question is, will the House agree to the amendment? On that question, from Mercer County, Representative Fargo is recognized.

Mr. FARGO. Thank you, Mr. Speaker.

As I look at this amendment, I have tried to, in my own mind, determine just what this amendment would do to me if I were a businessman and I had 25 employees and a very successful company and it was a stockholder type; it was a corporation. The possibilities here are that if my employees or my former employees—and I look at the possibility of having, for some reason or the other, dismissed five or six employees who would like to take some kind of action against my dismissal—or anyone affiliated with my company—and that is what I am reading on this, because we are saying here that if the employees in an employee-ownership group are employed by, formerly employed by, or affiliated with—so any one of these three groups could instigate the possibility of a feasibility study to determine whether we should, through the employees of my firm, take over my firm.

Now, how could they possibly do this? Well, by getting this feasibility study and having the State finance that feasibility study, and incidentally, the maker of this bill has indicated that this would be a loan. As I read this particular provision on page 4, they indicate that it would only have to be repaid if that employee-owned enterprise ultimately came into being, so if the employee-owned enterprise did not come into being, it appears to me that the State is going to actually give up to 90 percent of the cost of the feasibility study as an out-and-out grant.

So what have my employees done or my former disgruntled employees done? They have made an application to find out whether my company could run as an employee-owned company. Of course, I have a successful company, so all probabilities are, and as you go down through the provisions that are involved here, in all probability they are going to come up with such a study.

Now this very intensive study that we have made with the money provided by the State can then be taken by my former employees or my employees to any investment management company and say, look, how are we going to provide the money that is necessary to buy out this company, which is a successful company, and I do not have anything to say about it because of the provision in this bill which says, "...including those in firms where the owners are not amenable to the reorganization of the firm...." So what they have done is taken my firm, taken it away from me, by the use of the State's money to do it. To me, that does not sound like a fair bill that any of us should be looking at and saying that we are in favor of it, unless you would like to see this kind of thing happen.

This amendment very definitely has some things in it which are of value, but it needs to be corrected and worked on before it is voted on here on the floor of this House. Thank you for your consideration.

The SPEAKER. The Chair thanks the gentleman.

WELCOME

The SPEAKER. Before engaging in additional debate, the Chair would like to welcome to the hall of the House T.J. Tangretti, who is the son of our Representative Tangretti, and Justin Wolfe, who is the nephew of Representative Tangretti. They are Representative Tangretti's guests, and they are to the left of the Speaker.

CONSIDERATION OF HB 1293 CONTINUED

The SPEAKER. The question is, will the House agree to the amendment? On that question, the gentleman, Mr. Hayes, is recognized.

Mr. HAYES. I yield to the gentleman, Mr. Leh.

The SPEAKER. Does the gentleman, Mr. Leh, from Berks County seek recognition?

Mr. LEH. Would the speaker submit to a brief interrogation?

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

Mr. LEH. Mr. Speaker, it seems that the remarks I have heard from the other side so far are from the presupposition that all the employees would be of the same mind. Now, I was involved as a member in good standing of the United Auto Workers Union for 21 years and still am. We were involved in an issue at the plant I worked at where we decided we would like to take over the company—the plant was up for sale—and there were at least three factions within our company that wanted to take over that plant, three different employee groups, and it got quite nasty. Now, under your amendment, would all three of those groups have the same opportunities?

Mr. MICHLOVIC. They might. The department might decide, however, the better approach would be to have a single feasibility study for the entire plant and find out which of the three groups has the best chance to succeed, if they can succeed at all. I think that that is a more rational process, and the department, in this amendment and by this amendment, has the discretion to take that course.

Mr. LEH. Who would hold the money? Who would be responsible for— In other words, somebody in one of those three groups would have to take the initiative. The response from the State would have to be to one of those three groups or to all of them.

Mr. MICHLOVIC. That is true.

Mr. LEH. It seems to me it could be quite confusing.

Mr. MICHLOVIC. They may choose to join in an application, or one of those groups could file the application and receive administrative responsibility for the funding.

I think the gentleman from Mercer was correct that if the money for the feasibility study is spent and the whole operation fails - it does not go - it then becomes a grant. There is nobody to pay back. You know, the workers are out of work. It does not make any sense for them to pay back a loan, and besides, there is no corporation at that point. So that is why it becomes a grant at that point.

Mr. LEH. Okay. Thank you, Mr. Speaker.

May I make a brief remark on the amendment?

The SPEAKER. The gentleman is in order.

Mr. LEH. Thank you.

I support the concept of employee ownership. I went through a similar circumstance back home about 5 years ago with a company I worked for. We were not able to take over the company. That company was sold out through a leverage buyout, which was disastrous for that company, disastrous to the employees that I worked with - my fellow union members. That plant today, the welfare of that company and those employees, is still in jeopardy, although I think the maker of this amendment, I cannot help but say, I think it goes too far. This is nothing more than a hostile takeover by an employee group, a takeover that may not be in the best interest or agreeable to the rest of the employees, and I have severe reservations about that, and therefore, I will vote against the amendment. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question of agreeing to the amendment, the minority whip, Representative Hayes, is recognized.

Mr. HAYES. Thank you, Mr. Speaker.

As I listened to several of the Representatives make comment about this amendment, oftentimes their comments were laudatory statements concerning the philosophical foundations of the ESOP principle or principles. In my previous comments and those that I am about to make again, I have no quarrel with their general philosophical comments about the ESOP program, but I would ask everyone to pick up the amendment and read it. Do not listen to the gentleman, Mr. Levinsky, tell us about what is in the amendment. Please do not just take Mr. Veon's word about what is in the amendment or is not in the amendment. Read it for yourself.

Let us take, for instance, Mr. Veon's comment that we are just merely talking about feasibility studies. If everyone would direct their attention to page 4 of the amendment, you would see that the gentleman from Beaver, Mr. Veon, is patently wrong when he says the thrust of this amendment touches only feasibility studies. Look about one-third the way down the page where it says "Professional services." Clearly, the language dealing with a feasibility study is taken out by this amendment, and as a result, Mr. Speaker, you will not be limited to just questions dealing with feasibility. You are giving them a broad license with regard to professional services to pay for lawyers and bond counsel during the actual reorganization of a business or corporation. Mr. Veon is not right. Read the amendment, Mr. Speaker. He is patently wrong.

Mr. Levinsky would have us believe that if we are for ESOP's, we should vote for this amendment; if we are against ESOP's, we should vote against it. It is just as clear and as simple as that. But nowhere in those comments of Mr. Levinsky, when he just tiptoed around the question of hostile takeover, did he address the comments that I made previously with regard to what we did in this chamber, sponsored by the majority leader, Bob O'Donnell, with regard to

Act 27 of 1988, where we put 13 pages of law on the books of this Commonwealth. There are times, Mr. Speaker, when it is good for one corporation to buy out another corporation. We also have learned by experience that you can have a bad circumstance result, and we have now learned to call them hostile takeovers. To protect our workers and our corporations, our job base in this Commonwealth, we passed Act 27.

I ask the gentleman, Mr. Levdansky, does Mr. Michlovic in his amendment bring one word of the English language to this amendment that would protect against hostile takeovers in the case of those disheartened, those upset, those aggrieved persons who are not even any longer an employee, who may be no more than just affiliated, coming back with this garland of respectability, says Mr. Michlovic and Mr. Levdansky, of "employee group"? An investor can be good, an investor can be hostile, and an employee group can be good, and an employee group can also be hostile. There is nothing sacred about the fact that someone has garlanded a group as an employee group. Remember, read this amendment. Read current law. We are not talking about an actual plant closing only. We are not talking about the pending cutback of jobs only. We are also talking about corporations that are up and running, healthy, doing well.

I believe you will find that there is tremendous support on this side of the aisle for some of those ESOP principles that Mr. Michlovic talks about, that Mr. Veon talks about, that Mr. Levdansky talks about. But for this type of language, I suggest that, all of Mr. Michlovic's good intentions aside, he has a flawed amendment. Why does he not have at least one word; why does he not have at least one sentence; why does he not have at least one paragraph of protections such as the ones that we wrote into the lawbooks with regard to hostile takeovers and investors? What would be wrong with that? Why would he shy away from that? Why does he not admit maybe he did not do his homework, maybe he should put some process and protections in there?

Until that happens, Mr. Speaker, I encourage a "no" vote.

The SPEAKER. The question is on the amendment. On that question, from Allegheny County, the Chair recognizes Representative McNally.

Mr. McNALLY. Thank you, Mr. Speaker.

I urge a vote in support of the Michlovic amendment.

We have heard a lot of lip service to principles of economic democracy, but today I think we have the opportunity to act on that principle. That is what this debate and this amendment is all about. It is really, if you can frame the issue in a way that the opponents I think might understand it, this is a debate about freedom of choice, the freedom of working people in this State to choose to control their economic destiny. That is what an ESOP is all about. That is what this amendment is all about.

If you vote against the Michlovic amendment, you are voting against the freedom to choose to control one's economic destiny. This is a call to economic democracy. It is a call that we have to answer, and we have really had enough lip service to economic principles. Today it is time to act.

The SPEAKER. On the question of the amendment, the Chair recognizes, from Montgomery County, Representative Saurman.

Mr. SAURMAN. Thank you, Mr. Speaker.

Mr. Speaker, I wonder if the maker of the amendment would stand for a brief interrogation.

The SPEAKER. He indicates that he will. You may proceed.

Mr. SAURMAN. I wonder, Mr. Speaker, if you would outline for us, as briefly and succinctly as possible, the reason for this amendment. Why is it needed?

Mr. MICHLOVIC. I think the reason for this amendment is because the Pennsylvania Employee-Ownership Assistance Program, as it is currently constructed, is not very useful to a variety of employee-owned companies that are in the State. I think the major focus and the major thrust of the legislation is to expand and broaden that opportunity to as many companies and as many groups, employee groups, as possible, including small companies, including companies where a family owns a business and they wish to over a period of time slowly reduce their investment in it and hand it over to the employees and the community there.

So that is really why we are presenting a comprehensive amendment, and these amendments, as I said earlier, are in line with recommendations by the MILRITE (Make Industry and Labor Right in Today's Economy) Council and an internal program review report done within the Department of Commerce.

Mr. SAURMAN. Thank you, Mr. Speaker.

It seems to me that there might be a circumstance under which your amendment then would be appropriate, but it seems to me that there are far more situations where it would not be. One of the previous speakers talked about the freedom of the enterprise system and the free enterprise system and he was talking really about how to destroy it. We have an entrepreneur who invests his money, his time, and his ideas to develop a company, and he offers opportunities for someone to be employed. Somewhere along the line those employees, in their wish to express their freedom, decide they would like to take over that business that that individual has invested his initiative, his venture capital, and his time into. Now, the owner does not want to give that up, but some of his people who work for him would like to take it over.

I think that in our State we have been trying to provide a business climate that will attract new business, new industry, new jobs. We have people who have to compete with competitors. We have people who have to compete with State taxes and local taxes, and now we want to put in another form of competition, our employees.

I think we need to look at this very carefully. I think it really poses a serious threat to existing business, and we should vote down this amendment. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, the Chair recognizes, from Philadelphia, Representative Cohen.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, nothing in this amendment repeals the anti-takeover act that we passed. Why did Mr. Michlovic not write the anti-takeover act that passed the legislature last year into this amendment? I assume he did not write it into this amendment because it is already written into law, and we do not have to keep passing the same laws in every amendment. It is already on the books. If there is any relevance to anti-takeover legislation, we already have the protections that we passed into law.

Mr. Michlovic has written a good amendment to try to deal with problems in the existing legislation. It is technical in nature. It has nothing to do with takeovers. If people were concerned about takeovers in regard to this legislation, there was plenty of time to introduce anti-takeover amendments to this legislation. This legislation has nothing to do with takeovers. All it has to do with is preserving jobs.

I urge support of this amendment.

The SPEAKER. The question is on the amendment, and on that question, from Washington County, the Chair recognizes, for the second time, Mr. Daley.

Mr. DALEY. Thank you, Mr. Speaker.

I think I have learned a few things while I have been here for 7 years and that certain buzzwords attract everyone's attention, such as abortion and CAT Fund and hostile takeover, and it is a red flag that it seems the loyal opposition has raised so it would set some excitement among the hall of the House. Now, let us just go through a real quick scenario and let us explain what this red flag is all about.

What we are trying to say here is that we need a fair playing field, and I think that is what we want for a good business climate in Pennsylvania - a level playing field. If we have company A that employs 4,000 people in Pennsylvania and they grow to become a multinational corporation, they have employed three generations of people in a community, the community is dependent upon that company, and that plant decides to shut down and close its gate, we found out in many cases that that company refused to give those employees the option to buy that company out. A decision was not made to continue to make steel or produce coal or produce chemicals; it was to move to another field, even though they still could compete.

All we are saying here, with the adoption of this amendment, is that we want to give workers a chance to have their lives put in order by being on a level playing field. We do not think that lives should be just basically a business decision, and I urge support for this amendment, Mr. Speaker.

The SPEAKER. On the amendment, the Chair recognizes, from Lehigh County, Representative Snyder.

Mr. D. W. SNYDER. Thank you, Mr. Speaker.

Mr. Speaker, we are talking here this afternoon about the question of whether or not employees should have the right to purchase a company that they have invested their time and their effort into building up. I do not think that this amendment is going to change any of that. What this amendment does, Mr. Speaker, is shift the risk to the efforts that are necessary for employees to perhaps decide whether or not to become involved in an employee-ownership plant.

Mr. Speaker, whether this amendment gets passed or not, we are not changing the rights of employees to try to purchase the stock of a particular corporation, to be able to do many of the things that are mentioned in here. What we are doing though, Mr. Speaker, is making the State a partner to those efforts. We are taking the economic risk that one would first consider before investing the money to go through these studies to become involved in this kind of takeover of a corporation. What the State is doing is saying, go ahead and do it, whether or not there is a risk or not, because we are going to fund the bill for you; we are going to encourage you to do these kind of things.

I think that is what the fear is on this side of the aisle, Mr. Speaker, that this program will be used basically for fishing expeditions. We are taking the risk and the expense that normally a businessman would decide to enter into his decision whether or not to proceed with these kinds of studies and these kinds of efforts, and we are saying the State is going to become a partner with the employees. I am not sure, Mr. Speaker, we want the State to become involved to that degree of participation.

As I said, the freedom of choice that has been mentioned still exists. We are talking here about providing groups with \$150,000, which probably will be a grant if the group does not go through with it, of taxpayers' money to fight a corporation which may not want an employee-owned corporation.

We are basically, Mr. Speaker, changing the business climate of Pennsylvania to say the State has decided to get involved in areas where we do not traditionally belong. This is not a question of giving rights. This is not a question of taking away rights. It is a question of what role the State should be playing in this field.

Mr. Speaker, I think the State should stay out, allow economic and business decisions to be made on a level playing field, as the previous speaker noted. Thank you.

The SPEAKER. On the amendment, the Chair recognizes, from Mercer County, Representative Gruitza.

Mr. GRUITZA. Thank you, Mr. Speaker.

Mr. Speaker, I rise in support of the amendment. I come from a district where over the past several years we have had a number of varieties of scenarios where plants have closed, and I would like to tell you—and I do not mean to prolong the debate—one of those scenarios.

We had a plant, a good foundry, employing about 700 people on decent wages. They decided to shut down their operation in Sharon, Pennsylvania. Well, we all made all the contacts we could with the company, encouraging them to consider an employee buyout of the plant, encouraging them to work with us at the State level to see what types of things we could do to keep those people employed in Sharon, Pennsylvania. Well, ultimately we were advised that the decision was final, a decision that was made somewhere in Illinois, that that operation would be phased out.

Within a year a group of the same executives, the way I understand it, that were involved in making that decision ended up owning that subdivision of that corporation. Where

the workers of Sharon, who were put out of work, really did not have the opportunity to deal with the board of directors to save their jobs, the executives of that company had that opportunity and ended up owning that particular division of the corporation.

I do not think that this amendment is about hostile takeovers of corporations, but it has been suggested that the State does not have an interest in getting involved in this. I want to submit to the members of the House and for the record that there is a very compelling State interest here in trying to preserve these kinds of jobs and give our employees the opportunity to preserve their jobs in these communities where these kinds of things have occurred. There is a compelling State interest here to give these employees the opportunity and the tools that we can provide them to preserve these jobs. These people today are out there in our communities. They are without medical benefits. Many of them, some of them, are on the welfare rolls of the State. Many of them have exhausted the unemployment benefits that we have provided, and we are here using State dollars in programs and in services because they have lost those jobs.

So I want to submit to the record that maybe this bill is not perfect. Maybe there is some room in it to write in some protections. But as far as I am concerned, I am going to vote for the bill. And if there is an amendment that can be offered over there that would put some safeguards in, put it up there. We will look at it. But right now these workers need these tools. It has been demonstrated throughout particularly these steel valleys that these tools need to be made available. When we have had the opportunity to work with companies, such as Sharon Steel, that have a company management team that wants to save those jobs and that wants to stay in business, we have been able to do it. Let us give that same opportunity to the companies and the workers that have not had that management profile, that have ended up having a situation where the management has ended up owning the company. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, the Chair recognizes, from Allegheny County, Representative Kaiser.

Mr. KAISER. Mr. Speaker, 5 years ago I was employed at the Duquesne Works of United States Steel. In July of 1984, United States Steel decided to close the plant down; 3,000 workers lost their jobs. At the time, many workers wanted to know their situation. There was no State money available to conduct a feasibility study. We were very confused, down; we did not know what to do. The United Steelworkers came by and decided to fund a feasibility study. We wanted to know our situation. Unfortunately, the feasibility study decided that the Duquesne Works was not a good plant to invest money in. It was a very bitter pill to swallow, but at least we knew where we stood.

With this legislation it will provide the vehicle for any plant that shuts down; it will enable their workers to conduct a feasibility study to see if they will be able to start that plant up again. My legislator in the district, Mr. Michlovic, is very familiar with the Duquesne plant.

I ask for a favorable response on this amendment. Thank you.

The SPEAKER. On the amendment, from Chester County, the Chair recognizes Representative Vroon.

Mr. VROON. Mr. Speaker, may I interrogate the maker of the amendment?

The SPEAKER. The gentleman indicates that you may.

Mr. VROON. Mr. Speaker, will you please answer me as to whether or not my assumptions are correct. Under this area called number (4) on page 3, "New firms seeking to structure a business as an employee-owned enterprise and requiring professional services." Under that category, Mr. Speaker, suppose that I am a young man, very ambitious, and I am working for a very good company. The company is not under threat; the company has a good business, but I think I can make that company a whole lot better, so I am going to get to me 10 or 12 fellow employees in that company and say, hey, let us try to get a feasibility study made here and let us get it financed by the State, because they will pay for it to see whether or not it is feasible for us to take over this company and make more money than the current owners are making. Is that not true? Cannot that be done under this bill?

Mr. MICHLOVIC. There is nothing stopping a group from filing an application. Filing the application does not necessarily mean that the Department of Commerce agrees with you and is willing to give you from \$50,000 to \$100,000 for the feasibility study. I think we have to trust the people who are working day in and day out in our Department of Commerce evaluating applications, which ones are really genuine or not.

I would also remind you that the real protection in this amendment is not in the Department of Commerce. It is not in the language of the legislation. It is in the willingness of the financial community, the banks, to fund the operation, because the outcome of that feasibility study is going to be determined largely upon the ability of that group or group of employees to get financial support from a very, very conservative group, the bankers of this State or this country. Consequently, I really think it is much ado about nothing. You know, we are talking about feasibility studies here to determine whether a company could take it over. If the bank determines that the owners of the company— I mean, it does not make any sense for that group to try to override the wishes of the owners of the company. They are done, regardless of what the State says. Ultimately, it is going to be in the hands of the banking community to make any company successful.

Mr. VROON. You are going beyond the scope of the bill. As the bill now reads, the people are defined who may do this, and I gave you an instance, an example of those people who are genuine employee groups. And you even talk about a situation up above when you define eligibility. You say, "Employee-ownership groups, including those in firms where the owners are not amenable to the reorganization of the firm as an employee-owned enterprise...."

Mr. MICHLOVIC. That is what we have been arguing for the last half hour.

Mr. VROON. It just fits the whole bill. Your language permits this. How in the wide world can you expect somebody to assess the feasibility of this thing and say, no, you are not eligible for a feasibility study because yours is a questionable motive? But it fits the case here. Every case where it involves people who are employed by a company and want to take it over, even if the ownership is not amenable to it, may be eligible for a feasibility study. Now, who is going to determine which is a good deal and which is a bad deal and how?

Mr. MICHLOVIC. Under the terms of the amendment, Mr. Speaker, the company that is assigned that responsibility for the prefeasibility study.

There are two stages. The prefeasibility study is a group of professionals contracted by the department to go out and give a quick review of the situation to determine whether or not you can make a go of it, and if they see the situation which you just gave, I cannot imagine where they would say, yes, this is a good prospect; give them \$50,000 or give them \$75,000 for a feasibility study.

Mr. VROON. Why not?

Mr. MICHLOVIC. Because the owners are objecting. They are not going to be cooperating. It is clearly a takeover situation, and more than likely they are not going to get the bank financing to do that. I cannot see the State saying, yes, well, we will throw it in and provide money for this feasibility study. It would be money going down the drain.

Mr. VROON. Is there anything at all in your amendment which would preclude that feasibility study from being made for an ambitious group of employees that want to take over the company? I do not see that there is anything at all in this amendment which would preclude this from happening. This is a takeover situation, pure and simple, and it can be done. There are no arguments whatsoever. You can say what you want about who is going to assess the particular opportunity.

Does it have to be an employee group of a unionized company? Is that the idea? Or can it be a bunch of people who are working for a real estate company, for example, and they say, well, look, I think we can sell a lot more real estate than our owners do, and they go ahead and propose to start a whole new real estate company.

Under your language here, this is feasible, and I would challenge anybody who would come up and say, look, you are just trying to pull a fast one; you are not eligible for this. There is no prohibition in your amendment. This is wide open, and this is the kind of thing that the State wants to do is to get into the business of trying to satisfy the urge of individual employee groups to become entrepreneurs at the expense of the State.

The SPEAKER. On the question of the amendment, the Chair recognizes, from Allegheny County, Representative Trello.

Mr. TRELLO. Mr. Speaker, the dialogue has been great on this issue from both sides of the aisle, but let me bring you a scenario that happened in my hometown. Seven years ago Fisher Control decided to close the plant and move out. When I went down there to talk to the plant manager and the presi-

dent, he said, we have no complaints here to state. We do not need any help from the State or anybody. We are very satisfied. We are making a big profit. We are satisfied with the employees here. They are very dedicated, but we have to close down and we might open up somewhere else.

Well, what happened to Coraopolis with a population of 7,200? It was devastated. They lost 250 jobs and put 250 people on the unemployment line. But the most important thing other than that was the fact that the community of Coraopolis lost its tax base and lost an awful lot of money.

Now, the plant manager admitted that the plant was very successful and they were making a very, very big profit. If this amendment was law then 7 years ago, those employees would have been able to take over that plant and continue to work. There would have been no job losses and no tax base loss in that community.

I urge passage of the amendment. Thank you.

The SPEAKER. On the question of the amendment, the Chair recognizes, from Beaver County, Representative Veon for the second time.

Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, two quick points: Number one, I appreciate the gentleman, Mr. Hayes, clarifying something that I left out of my remarks, but I want to make sure that the members understand the point I was trying to make, that it is not obscured by the gentleman's comments. The point I was trying to make is that this bill and this amendment do not provide for any financing of employee stock ownership plans; that the feasibility studies have to be done, that the technical assistance is provided, that the professional services that the gentleman, Mr. Hayes, alluded to are provided, but that the employees still have to go to the private sector to get the financing to take over that plant. This is not a hostile takeover.

And let me give you the flip side of the argument of the gentleman, Mr. Vroon. Let us take a scenario in your legislative district where the company has decided to take that plant and locate it in South Korea because they can make it cheaper or they want to take that plant and locate it in some other East Asia country or they want to take that plant and locate it in the South, and they come to you as a State legislator and they say, Mr. Representative, we would like to do a feasibility study to see if the workers in this community that have been working here for 20 years in this plant can in fact produce a product at a cost, at a price, that we can sell on the marketplace in this country. You would have to say, well, we cannot allow you to do that, because this legislature did not pass a bill that allowed for employee feasibility studies against the wish of the management of that company. That company who decided to locate in some other country or in some other State now does not wish for the employees to have the opportunity to produce a product at that plant that will in some way, shape, or form compete with the product they want to produce overseas or in the South.

I say let us give Pennsylvania workers an opportunity to produce a product that they can sell on the marketplace. I am

confident they can do it. This bill does not finance hostile takeovers. I think this is a sensible amendment, an important amendment for Pennsylvania workers, and I urge an affirmative vote. Thank you, Mr. Speaker.

WELCOMES

The SPEAKER. The Chair is happy to welcome to the hall of the House this afternoon a number of citizens from Washington County - Tom Bell, Cynthia Darras, Jim Smith, Fred Berestecky, Dana Kabik, and Janice Pakaovitch. They are the guests of the Washington County delegation, and they are in the balcony.

Also in the balcony are Carol Francese and Marge Farr, who are the guests of Representative Tom Tangretti.

CONSIDERATION OF HB 1293 CONTINUED

The SPEAKER. On the amendment, the Chair recognizes, from Bucks County, Representative Heckler.

Mr. HECKLER. Thank you, Mr. Speaker.

I would ask the maker of the amendment if he would stand for a bit more interrogation.

The SPEAKER. He indicates that he will. You may proceed.

Mr. HECKLER. Mr. Speaker, directing your attention to page 4 and the discussion of professional services designated as subsection (3)—I cannot quite make out of what section—would it be fair to say that the professional services that are referred to would include legal fees, bond counsel fees, investment banker's fees, in connection with a takeover itself?

Mr. MICHLOVIC. It would be fair to say that it would include the legal fees. I doubt that in the prefeasibility study stage or the feasibility study stage that you are talking about bond counsel or anything like that. You are really talking about the legal fees, the filing maybe, the filing fee for a corporation if you are filing for a new firm, that kind of thing.

Mr. HECKLER. Well, now, if I may, I found the subsection that this all falls under, and it would appear to be "Uses," which starts at page 3, and that, as I read it, says, "Grants and loans will be made to employee-ownership groups for the following purposes," and then it lists a series: (1) is prefeasibility assessments; then (2), the feasibility study; and I am referring to (3), which says, "Professional services to reorganize or convert a business to an employee-owned enterprise and to develop or insure the success of an employee-owned enterprise." So would this not include those legal and bond counsel fees that would actually be involved in carrying this into fruition?

Mr. MICHLOVIC. I am trying to make the point that at the stage of feasibility studies, you are not joining the services of financial people that do bonding for a company. You are trying to determine whether or not those finances can be gathered by this group of employees or this management group. I think that, you know, that is a step down the line, and I do not think it is in that order.

The SPEAKER. The House will be at ease while the gentlemen confer.

WELCOMES

The SPEAKER. While the conference is taking place that is going to settle this entire issue, the Chair is happy to welcome to the House, as guest pages, Amy Wenger and Andrea Hougendobler, members of the Lancaster County 4-H. Amy and Andrea are here today as the guests of Representative Brandt and the Lancaster County delegation. Will they please stand.

We also have Emory Rank and Ann Leete, who are the guest pages of Representative Carlson. Will they please stand.

The Chair is happy to welcome to the hall of the House Ms. Ann Carter, who is serving as a guest page in today's session, the guest of Representative Pete Wambach of Dauphin County.

CONSIDERATION OF HB 1293 CONTINUED

The SPEAKER. How about the conference there? How long is it going to last?

The gentleman, Mr. Heckler, is in order to proceed.

Mr. HECKLER. I thank the Chair for its indulgence.

I wonder if I might direct one or two additional questions to the maker of the amendment. Specifically, Mr. Speaker, you made some comments previously, and I am directing this to page 2, subsection (2), the portion which refers to 30 to 50 percent of the stock in a business being owned by employees. You referred to this as a transition arrangement where an employer wanted to phase over from private, say family ownership of a business, to employee ownership. I do not see anything in this language which requires the agreement or cooperation of the business owner. Is there anything in here which would prevent me, again in this hostile mode, from saying, we own 30 percent of the stock of the business now, and we have the following plans to acquire another 20 percent which do not involve any agreement on the part of existing management. Is there anything that would prevent that from happening under the language of this amendment?

Mr. MICHLOVIC. The current manual used in the Pennsylvania Employee-Ownership Assistance Program provides that existing employee-owned enterprises are eligible for assistance to finance professional services to insure the success of that firm. So the question that you asked earlier, that is already in the regs used by the department in terms of providing money for the professional services.

On the question of the 30 to 50 percent, there is a protection, because in this case there has to be some sort of an agreement to turn over or acquire the remaining 20 percent. Let us say the employees own 30 percent at this point. There has to be some arrangement where they have agreed with the owner to take over 50 percent in a 10-year period. In order for them to be eligible under a 50-percent level, they would have to meet those terms, and that would, of and by its nature, require agreement and cooperation with the owner.

Mr. HECKLER. Okay. So if I understand you correctly, you are saying that there is nothing in this language which mandates an agreement, but you are saying just factual circumstances would in a sense mandate that result.

Mr. MICHLOVIC. Right. Correct.

Mr. HECKLER. One final question: Is there anything in this amendment which limits, targets, the firms which would be the subject of such employee acquisition to firms which are either failing or which are anticipated to be relocated so that there would be a job loss?

Mr. MICHLOVIC. No; there is nothing in here limiting it, and the reason for that is because I wanted to try to make it as broad as possible so we are not restricting ourselves in the language of the legislation to companies that simply want to do a feasibility study, employee groups. I wanted to make it as broad as I could.

Mr. HECKLER. Thank you.

I have no other questions. If I could make a brief statement, Mr. Speaker.

The SPEAKER. The gentleman is in order.

Mr. HECKLER. Thank you, Mr. Speaker.

There is much in this amendment that I could support, and there are certainly many economic circumstances which have happened in Pennsylvania over the last decade which create an understandable desire that employees have a voice in their destiny. I would suggest, however, that the way in which this amendment is written does not guarantee that we are talking about companies that are in any danger of going out of business or in any danger of simply relocating their functions to South Korea or someplace else.

I would suggest that with this language, we are creating the opportunity for State-funded, for our taxpayers' dollars to go into takeovers, hostile or otherwise, of essentially an entrepreneurial nature, carried on by various potential employee groups which may not even represent the majority of the employees employed in the particular business to be taken over.

I would suggest that we must defeat this amendment. Thank you.

WELCOME

The SPEAKER. The Chair is happy to welcome to the hall of the House Gerry Katona and his wife, Patti Katona, of Plum Borough, the guests of Allegheny County Representative Ted Kondrich. They are to the left of the Speaker.

The Speaker is about to declare a 1-hour recess for the purpose of lunch. Prior to that, I will give opportunity to members who want to make announcements.

APPROPRIATIONS COMMITTEE MEETING

The SPEAKER. The first announcement, Representative Pievsky from Philadelphia to announce a committee meeting of the Appropriations Committee in the rear of the House upon the declaration of that 1-hour recess.

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

Mr. RYAN. Mr. Speaker, I would like to call a Republican caucus for 2:15.

The SPEAKER. We are coming back to the floor. Caucuses will take place after the 1 hour for lunch.

Mr. RYAN. All right. Mr. Speaker, may I then suggest that—I am advised—and this would apply, I guess, to both caucuses—I am advised that we are going to run a bridge capital budget bill sometime today—

The SPEAKER. There will be caucuses before that.

Mr. RYAN. I understand—and if there are any amendments that are to be ordered, I am suggesting that they be ordered immediately.

MILITARY AND VETERANS AFFAIRS COMMITTEE MEETING

The SPEAKER. The chairman of the Military and Veterans Affairs Committee, from Allegheny County, Representative Mrkonic, is recognized and announces that the Military and Veterans Affairs Committee will meet off the floor of the House in the rear of the House immediately upon the call of the recess.

PROFESSIONAL LICENSURE COMMITTEE MEETING

The SPEAKER. The gentleman from Somerset County, Mr. Lloyd, is recognized.

Mr. LLOYD. Thank you, Mr. Speaker.

Mr. Speaker, the Professional Licensure Committee will have a very brief and immediate meeting in the rear of the House. Thank you, Mr. Speaker.

The SPEAKER. In the rear of the House, the Professional Licensure Committee will meet at the declaration of the recess.

HOUSE SCHEDULE

The SPEAKER. Representative O'Donnell is recognized.

Mr. O'DONNELL. Thank you, Mr. Speaker.

I would urge the members to pay attention to this announcement. It has to do with the schedule.

The SPEAKER. Will the House please be in order. We have not adjourned; we have not recessed. Representative O'Donnell has the floor.

Mr. O'DONNELL. We are going to return to the floor at 2:30, and we are going to begin work promptly at 2:30. If you are not in your seat, we are moving anyway.

Later this afternoon we are going to take a caucus on the bills that have not been considered, and those of you that are concerned about amendments to the bridge bill really ought not be concerned for reasons that will be expressed at caucus.

We are going to finish the day as late as it takes. The debate is taking much longer than I think anyone had anticipated. I would urge you to be more concise in your remarks, and we

will try and finish the entire calendar today. Inasmuch as we do not finish today, we will come back here at 10 o'clock—10 o'clock—tomorrow morning and run through until we are done tomorrow.

That is the schedule. Thank you.

VOTE CORRECTION

The SPEAKER. The gentleman from Lancaster, Mr. Brandt, from the Republican Caucus is recognized.

Mr. BRANDT. Thank you, Mr. Speaker.

On HB 1429, final passage, I was recorded as voting "no." I would like to be recorded as voting "yes."

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

ANNOUNCEMENT BY MR. RICHARDSON

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

Mr. RICHARDSON. Mr. Speaker, I would like to make an announcement.

The SPEAKER. The gentleman is in order, without objection.

Mr. RICHARDSON. Mr. Speaker, I would like to lay on the desk at this time a resolution that will be considered later on this afternoon calling for the commemoration of Schwerner, Chaney, and Goodman, who were killed in the civil rights struggle in 1964 in Philadelphia, Mississippi, for a ceremony that is taking place there tomorrow. I just want the members to know, if they want to sign on it, they can, and I have put it on the front desk until it is considered sometime this afternoon.

The SPEAKER. The resolution will be available for additional signatures.

JUDICIARY COMMITTEE MEETING

The SPEAKER. The Chair recognizes, from Berks County, Representative Caltagirone.

Mr. CALTAGIRONE. Mr. Speaker, I would like to call for a meeting of the House Judiciary Committee in room 39E.

The SPEAKER. The Judiciary Committee, for those of you who are on the Judiciary Committee, a meeting has been called of the Judiciary Committee, not off the floor of the House but in room 39E.

RECESS

The SPEAKER. This House stands in recess for a period of 1 hour.

AFTER RECESS

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

RULES SUSPENDED

The SPEAKER. This is that time of year that the rules of the House require that bills reported from committee for the first time automatically go to Rules.

The Chair recognizes the chairman of the Appropriations Committee, from Philadelphia, Mr. Pievsky.

Mr. PIEVSKY. Mr. Speaker, I ask that the rules of the House be suspended so that the bills reported from my committee, in the report given to the clerk, shall go immediately to the calendar.

On the question,

Will the House agree to the motion?

Motion was agreed to.

BILLS REPORTED FROM COMMITTEE AND CONSIDERED FIRST TIME

HB 1731, PN 2108

By Rep. PIEVSKY

An Act amending the act of March 4, 1988 (P. L. 1925, No. 1A), entitled "An act appropriating money from the Sunny Day Fund to the Department of Commerce for various projects throughout this Commonwealth for fiscal year 1987-1988," further providing for the award and expenditure of funds for certain projects.

APPROPRIATIONS.

HB 1732, PN 2109

By Rep. PIEVSKY

An Act amending the act of December 17, 1988 (P. L. 2242, No. 69A), entitled "An act appropriating money from the Sunny Day Fund to the Department of Commerce for various projects throughout this Commonwealth for fiscal year 1988-1989," further providing for the award of funds for certain projects.

APPROPRIATIONS.

HB 1740, PN 2128

By Rep. PIEVSKY

An Act providing for the capital budget for the fiscal year 1989-1990.

APPROPRIATIONS.

BILLS REREPORTED FROM COMMITTEE

HB 507, PN 2131 (Amended)

By Rep. PIEVSKY

An Act concerning the fluoridation of public water.

APPROPRIATIONS.

HB 1086, PN 1634

By Rep. PIEVSKY

An Act establishing the Pennsylvania College of Technology as an affiliate of The Pennsylvania State University; granting to the Pennsylvania College of Technology the benefits and obligations of the status of The Pennsylvania State University as a State-related university and an instrumentality of the Commonwealth; providing for the powers, duties, rights and obligations of the college; and providing for the college to assume the functions of The Williamsport Area Community College.

APPROPRIATIONS.

SB 122, PN 1153

By Rep. PIEVSKY

An Act amending the act of July 28, 1953 (P. L. 723, No. 230), entitled, as amended, "Second Class County Code," further providing for certain annual assessments; providing for the standard of care and liability of retirement board members; further providing for payments into the fund, for the amount of retirement allowances, for eligibility for retirement allowances, for interest on contributions and for requirements for credit for previous service; and further providing for publication of the controller's report.

APPROPRIATIONS.

SB 363, PN 1309 (Amended)

By Rep. PIEVSKY

An Act amending the act of March 4, 1971 (P. L. 6, No. 2), entitled "Tax Reform Code of 1971," further defining the terms "employee" and "employer" for personal income tax purposes; and excluding certain transactions from the realty transfer tax.

APPROPRIATIONS.

BILLS ON SECOND CONSIDERATION

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

HB 507, PN 2131; HB 1086, PN 1634; SB 122, PN 1153; and SB 363, PN 1309.

BILL REPORTED FROM COMMITTEE, CONSIDERED FIRST TIME, AND RECOMMITTED TO COMMITTEE ON RULES

HB 1666, PN 1994

By Rep. MRKONIC

An Act creating a commission to facilitate cooperative efforts in celebrating and commemorating the launching and commissioning of the USS Pennsylvania and to honor the ship and its crew.

MILITARY AND VETERANS AFFAIRS.

HOUSE BILL INTRODUCED AND REFERRED

No. 1743 By Representatives ITKIN and
J. L. WRIGHT

An Act creating a fee system to cover the costs related to the establishment of a low-level radioactive waste disposal regional facility in Pennsylvania.

Referred to Committee on APPROPRIATIONS, June 20, 1989.

CALENDAR CONTINUED CONSIDERATION OF HB 1293 CONTINUED

The SPEAKER. When the House went into recess for the purpose of lunch, we were considering the Michlovic amendment to HB 1293, PN 1486.

On the question recurring,

Will the House agree to the amendments?

The SPEAKER. The gentleman from Northumberland County, Representative Belfanti, indicated that he wanted to be recognized on the amendment. He is in order at this time on the amendment.

Mr. BELFANTI. Thank you, Mr. Speaker.

Much has been said in support of the Michlovic amendment now before us, and I will not belabor the issue, but many of the scenarios put forth this morning discussed the steel industry and the number of plants that have closed in western Pennsylvania that perhaps could have been salvaged if a system like this were in place. I would like to address my remarks to particularly the members here from the northeast of Pennsylvania where we have seen what once was the hub of the American garment industry slowly ebbing away and seeing those operations go offshore.

In particular, one instance that I would like to at least briefly discuss is that in 1981, Cluett Peabody, who operated an Arrow shirt factory in my legislative district, announced that the Paxinos operation was the best in their entire system and awarded that operation their international award for excellence in productivity. In fact, the representatives of Arrow came to the district and presented each employee with a bonus check. Not 6 months later, that factory closed. We - many local industrial development leaders, myself, and a delegation composed of civic and governmental leaders - traveled to New York City and met with Cluett Peabody officials, who explained that, yes, this operation was productive, and yes, it produced a very positive cash flow, but that a corporate decision had been made to move much of their shirt manufacturing operations offshore because of some tax advantages and, of course, a lower wage scale.

Now, much of the garment industry in northeastern Pennsylvania has been devastated by similar moves, and many of these operations do not employ 500 or 600 or 700 people as did the operation that I made reference to. Many of them employ 25 or 50 or 75 workers, but taken together, my district has lost about 60 percent of the garment industry that had been a mainstay of employment for many, many years.

If the Michlovic amendment and the bill before us were in place, I daresay that many of those operations could have been saved, because the garment industry is very labor-intensive. There is very little in the way of outside overhead. It is almost a 90-percent labor-intensive industry, and employees would have been able to put together a package to present to commercial banks proving that the operations could continue and be competitive.

All we are asking under this legislation is a chance to allow employees who have invested 30 or 40 or 50 years of their lives into an industry to have a chance to take it over if an employer makes an arbitrary decision to close up shop, leave town, leave the State, or leave the country.

I urge a "yes" vote on both the amendment and later on the bill. Thank you.

The SPEAKER. The question is on the amendment. On that question for the second time, the author of the amendment, Representative Michlovic, is recognized.

Mr. MICHLOVIC. Thank you, Mr. Speaker.

Mr. Speaker, since 1983, better than 300 plants have shut down in the Commonwealth of Pennsylvania affecting over 475,000 employees. I venture to say that every one of us in this room has had some association or some effect in our district from one of those shutdowns. What we are discussing here in this amendment is an opportunity to revitalize some of those jobs, not all of them but some of them, in a way where the employees can have an opportunity to take charge.

There have been a lot of allegations about this amendment, that it is a hostile takeover situation, but take a look at what we are talking about. This whole amendment, this whole amendment, is \$500,000. That is all we are talking about in the whole pot for a year's appropriation - \$500,000. The maximum any one group could apply for under that situation is \$100,000 for a feasibility study, and in order to get to that point, they have to pass through a process that makes them get the okay through a prefeasibility study by a hired company by the Department of Commerce.

After they go through that process, if they have not been knocked out by those hurdles, they still must go through the major, the major obstacle in making a successful company or a successful venture, and that major obstacle is the financial community itself. They are not going to get funding from the banking community if they are trying to take over a company where the owner absolutely does not want them to and still wants to operate in that community. If the owner still wants to operate there, they are not going to get the feasibility study money, and they are certainly not going to get the bank money.

We are not talking about funds for the financing of companies in any of this legislation. This is only feasibility studies. And to boot, it is a maximum of \$500,000 for the whole year. Any one company can apply for \$50,000 to \$100,000, and even then they have to put 10 percent of that amount in out of their own pockets.

So what are we talking about? We are not talking about hostile takeovers here. We are talking about giving employees an opportunity to take a look to see if it is feasible to take back their jobs; to dig into their pockets and put some investment on the line; get a little help from the State to discover whether they can take over a company when the company has moved away. That is what this amendment is about.

At one point in his enthusiasm to debate the Democrats, Minority Whip Hayes talked about not one word of protection in this legislation. There are words of protection in this legislation. As I said earlier, I agreed to the recommendation made by Representative Geist that we protect against using feasibility studies as a labor-dispute tool so that the union could not take advantage of this money in a labor dispute or a labor negotiation. That is protection, and there are a variety of protections.

Some of the things that I am simply putting in this program are already under way in the Department of Commerce. They have no guides. Their regulations allow them many of these broad policies, and we are simply putting them into the legislative act.

For all of those reasons and for perhaps the most important reason, someday you may be faced in your legislative district with a takeover of a plant. It might be a steel company; it might be a little baking company like Braun's Baking in Pittsburgh where the company wanted to move operations to the other side of the State and left all the employees hanging. It might be that situation in your district, and when those employees come to the State for some help for feasibility studies and the owner does not want them to buy it out because he does not want them in that market, you are going to say to them, "No, we can't help you. We didn't have the guidelines in our ESOP program." Well, if you vote against this amendment today, I would like you to add, "And I voted to keep you out of that." You are voting here for your workers in your district to get a shot at trying to help their own situation. And it is a self-help program. They have to put in their own money out of their pockets to make this thing work.

For all of those reasons I urge adoption of the amendment. Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman, Mr. Wass, from Indiana County, on the amendment.

Mr. WASS. Mr. Speaker, may I interrogate the maker of the amendment?

The SPEAKER. The gentleman indicates he will stand for interrogation.

Mr. WASS. Mr. Speaker, as we debate your amendment this afternoon and this morning, would you be receptive to an amendment that would say your amendment only would trigger if a company was going to move, was willing to sell, or was going to close?

Mr. MICHLOVIC. I would be had we not had a week of going over this amendment, an opportunity— Your caucus was supposed to debate this thing twice. There was plenty of time for those kinds of amendments to be drafted. I mean, if you wish to have that kind of an amendment drafted, you had plenty of opportunity to get to me. This is a sunset bill. We only have another week and a half to get the legislation through the Senate and completed. For that reason I would urge we vote this amendment.

Mr. WASS. Mr. Speaker, if I may continue my interrogation.

Mr. Speaker, again, would you be receptive to an amendment to your legislation that would say that it would only trigger under the conditions where a company is going to move, a company is willing to sell, or a company is going to close?

Mr. MICHLOVIC. Mr. Speaker, I personally do not have an objection to that language. Let me put it in the record for that purpose. If the members of the Senate wish to add that kind of caveat, they are welcome, and I can support it on a consensus bill.

Mr. WASS. Thank you very much, Mr. Speaker. That ends my interrogation.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—104

Acosta	Freeman	McHale	Rudy
Belardi	Gamble	McNally	Rybak
Belfanti	George	Maiale	Saloom
Billow	Gigliotti	Maine	Scrimenti
Bishop	Gruitza	Markosek	Serafini
Blaum	Haluska	Mayermik	Staback
Bortner	Harper	Melio	Steighner
Bowley	Hayden	Michlovic	Stish
Broujos	Howlett	Morris	Stuban
Caltagirone	Hughes	Mrkonic	Tangretti
Cappabianca	Itkin	Murphy	Taylor, F.
Carn	James	O'Donnell	Telek
Cawley	Jarolin	Olasz	Thomas
Clark, B. D.	Josephs	Oliver	Tigue
Cohen	Kaiser	Pesci	Trello
Colaella	Kasunic	Petrarca	Trich
Colaizzo	Kosinski	Petrone	Van Horne
Cole	Kukovich	Pievsky	Veon
Corrigan	LaGrotta	Pistella	Wambach
Cowell	Laughlin	Pressmann	Williams
Coy	Lescovitz	Preston	Wozniak
DeLuca	Letterman	Richardson	Wright, D. R.
DeWeese	Levdansky	Rieger	Yandrisevits
Daley	Linton	Ritter	
Dombrowski	Lloyd	Robinson	Manderino,
Donatucci	Lucyk	Roebuck	Speaker
Fee	McCall		

NAYS—96

Adolph	Distler	Jackson	Raymond
Allen	Dorr	Jadlowiec	Reber
Angstadt	Durham	Johnson	Reinard
Argall	Fairchild	Kenney	Robbins
Barley	Fargo	Kondrich	Ryan
Birmelin	Farmer	Langtry	Saurman
Black	Fleagle	Lashinger	Scheetz
Boyes	Flick	Lee	Schuler
Brandt	Foster	Leh	Semmel
Bunt	Fox	McVerry	Smith, B.
Burd	Freind	Marsico	Smith, S. H.
Burns	Gallen	Merry	Snyder, D. W.
Bush	Gannon	Micozzie	Snyder, G.
Carlson	Geist	Miller	Stairs
Cessar	Gladeck	Moehlmann	Strittmatter
Chadwick	Godshall	Mowery	Taylor, E. Z.
Civera	Gruppo	Nahill	Taylor, J.
Clark, D. F.	Hagarty	Nailor	Vroon
Clark, J. H.	Hasay	Noye	Wass
Clymer	Hayes	O'Brien	Weston
Cornell	Heckler	Perzel	Wilson
Davies	Herman	Phillips	Wogan
Dempsey	Hershey	Piccola	Wright, J. L.
Dietterick	Hess	Pitts	Wright, R. C.

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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—121

Acosta	Freeman	McCall	Rybak
Angstadt	Gamble	McHale	Saloom
Belardi	George	McNally	Scrimenti
Belfanti	Gigliotti	McVerry	Serafini
Billow	Gruitza	Maiale	Staback
Bishop	Haluska	Maine	Stairs
Blaum	Harper	Markosek	Steighner
Bortner	Hasay	Mayermik	Stish
Bowley	Hayden	Melio	Stuban
Broujos	Heckler	Michlovic	Tangretti
Burns	Howlett	Morris	Taylor, F.
Caltagirone	Hughes	Mrkonic	Taylor, J.
Cappabianca	Itkin	Murphy	Telek
Carn	James	O'Brien	Thomas
Cawley	Jarolin	O'Donnell	Tigue
Cessar	Josephs	Olasz	Trello
Clark, B. D.	Kaiser	Oliver	Trich
Cohen	Kasunic	Perzel	Van Horne
Colaella	Kenney	Pesci	Veon
Colaizzo	Kondrich	Petrarca	Wambach
Cole	Kosinski	Petrone	Wass
Corrigan	Kukovich	Pievsky	Weston
Cowell	LaGrotta	Pistella	Williams
Coy	Lashinger	Pressmann	Wogan
DeLuca	Laughlin	Preston	Wozniak
DeWeese	Lescovitz	Richardson	Wright, D. R.
Daley	Letterman	Rieger	Yandrisevits
Dietterick	Levdansky	Ritter	
Dombrowski	Linton	Robinson	Manderino,
Donatucci	Lloyd	Roebuck	Speaker
Fee	Lucyk	Rudy	

NAYS—79

Adolph	Distler	Hershey	Raymond
Allen	Dorr	Hess	Reber
Argall	Durham	Jackson	Reinard
Barley	Fairchild	Jadlowiec	Robbins
Birmelin	Fargo	Johnson	Ryan
Black	Farmer	Langtry	Saurman
Boyes	Fleagle	Lee	Scheetz
Brandt	Flick	Leh	Schuler
Bunt	Foster	Marsico	Semmel
Burd	Fox	Merry	Smith, B.
Bush	Freind	Micozzie	Smith, S. H.
Carlson	Gallen	Miller	Snyder, D. W.
Chadwick	Gannon	Moehlmann	Snyder, G.
Civera	Geist	Mowery	Strittmatter
Clark, D. F.	Gladeck	Nahill	Taylor, E. Z.
Clark, J. H.	Godshall	Nailor	Vroon
Clymer	Gruppo	Noye	Wilson
Cornell	Hagarty	Phillips	Wright, J. L.
Davies	Hayes	Piccola	Wright, R. C.
Dempsey	Herman	Pitts	

NOT VOTING—0

EXCUSED—3

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

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

WELCOMES

The SPEAKER. The Speaker is happy to welcome to the hall of the House this afternoon Representative Gruitza from Mercer County's daughter, Rebecca, who is to the left of the Speaker.

The Chair is also happy to welcome to the hall of the House the wife of Representative Stanley Jarolin, Theresa Jarolin, who is here with Henry Shipkoski and Dorothy Shipkoski. They are also to the left of the Speaker. Will they please stand.

The seventh and eighth grade students from Nebinger School in Philadelphia are in the balcony. They are the guests of Representative Roebuck of Philadelphia and the Philadelphia delegation. Will they please stand.

Representative Fred Noye, a member of ALEC (American Legislative Exchange Council), and the members of ALEC in the House on both sides of the aisle have guests here this afternoon. ALEC is a national organization of State legislators, and the executive director, Sam Brunelli, is here with Matt Bordonaro of the ALEC staff.

CONSIDERATION OF HB 765 CONTINUED

The SPEAKER. Without objection, we will return to page 6 of today's calendar, HB 765. This bill was called up by Representative Colafella. We were considering the Colafella amendment that Representative Reinard cosponsored.

The question before the House is the Colafella amendment - the Reinard-Colafella amendment.

On the question recurring,

Will the House agree to the amendments?

AMENDMENTS WITHDRAWN

The SPEAKER. The Chair recognizes, from Beaver County, Representative Colafella, who indicates that the amendment offered and the amendment that the House was working on is to be withdrawn, and without objection, the Colafella amendment is being withdrawn. The Chair hears no objection.

On the question recurring,

Will the House agree to the bill on third consideration?

Mr. KUKOVICH offered the following amendments No. A1775:

Amend Bill, page 2, by inserting between lines 14 and 15

Section 2. The act is amended by adding a section to read:

Section 4.2. Every insurer which writes a policy of automobile insurance in this Commonwealth shall annually reduce the premiums charged for comprehensive and collision insurance on each vehicle to reflect the decrease in value of the vehicle attributable to its age.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

3

On the question,

Will the House agree to the amendments?

AMENDMENTS WITHDRAWN

The SPEAKER. On the Kukovich amendment, the Chair recognizes the author, Representative Kukovich from Westmoreland County.

Mr. KUKOVICH. Mr. Speaker, I have two amendments. I would like to consider amendment 1777 first. We are having some other discussion on amendment 1775.

The SPEAKER. All you have to do is send the right amendment to the amendment clerk for reading.

Mr. KUKOVICH. It has been sent to the amendment clerk, Mr. Speaker.

The SPEAKER. Just send the one that you want considered to the amendment clerk.

The Chair recognizes Representative Kukovich, who temporarily withdraws amendment 1775. Without objection, the amendment is withdrawn.

On the question recurring,

Will the House agree to the bill on third consideration?

Mr. KUKOVICH offered the following amendments No. A1777:

Amend Bill, page 2, by inserting between lines 14 and 15

Section 2. The act is amended by adding a section to read:

Section 4.2. Every insurer which writes a policy of automobile insurance in this Commonwealth shall allow a discount of ten per cent on the total premium charged for each vehicle as to which no at-fault claim has been filed for three consecutive years immediately preceding the period for which the policy is written if none of the drivers named in the policy has committed a moving violation during the three-year period which resulted in a conviction or which remains unresolved.

(1) If a violation which is unresolved at the time the policy is written results in an acquittal, the discount shall be allowed either as a refund or as a credit on a subsequent policy.

(2) For the purpose of this section, the term "conviction" includes a plea of guilty, a plea of nolo contendere, a finding of guilty by a court, an unvacated forfeiture of bail or collateral deposited to secure a defendant's appearance in court, and a payment by any person charged with a violation of the fine prescribed for the violation.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

3

On the question,

Will the House agree to the amendments?

The SPEAKER. On that question, the Chair recognizes Representative Kukovich from Westmoreland County.

Mr. KUKOVICH. Thank you, Mr. Speaker.

We have, over the last few weeks, had some extensive and complicated debate on a number of insurance issues. I think this amendment is more of a plain language, commonsense, proconsumer amendment that simply establishes within the act a good-driver discount. It would not trigger until 3 years from the enactment of the act. If a driver has not been involved in an accident and has not had a reason to have their rates raised, they could qualify at the end of that 3-year period of time for a 10-percent discount.

I have had a number of my constituents, as I am sure many of my colleagues here on the floor have had, complain to me

about the fact that their insurance rates are just as high or higher than some neighbor or some acquaintance who has had a series of accidents or problems, and they have maintained a clear record and have never seemed to have benefited from it. I think it is time, under this provision, that we give them that opportunity to benefit and provide an incentive to be a good and careful driver.

I would ask for an affirmative vote.

The SPEAKER. The question is on the amendment. The Chair recognizes the gentleman from Delaware, Mr. Gannon, on the amendment.

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

The SPEAKER. The gentleman indicates he will stand for interrogation.

Mr. GANNON. Mr. Speaker, I note that the discount in this amendment is for each vehicle. Does that mean if I own three vehicles and I am in an at-fault accident, that I get a discount on two of the vehicles but not the third one that I was involved in the accident with?

Mr. KUKOVICH. No, Mr. Speaker. The intention is for the discount to follow the driver.

Mr. GANNON. Well, that is not what the amendment says, Mr. Speaker. It says "each vehicle."

Mr. KUKOVICH. I think it does. If the driver has an accident, they do not get the discount. If they are a good driver, they get the discount for each vehicle.

Mr. GANNON. I do not see that in the amendment, Mr. Speaker. I am sorry. It says "each vehicle." It does not speak in terms of the insured driver.

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

The SPEAKER. The gentleman is in order to speak to the amendment.

Mr. GANNON. I think the maker of the amendment is well intended, Mr. Speaker. Unfortunately, I do not see the plain language here. This amendment, it seems to me, is very confusing. It talks about no at-fault claim filed for 3 years, and then it talks about if none of the drivers named in the policy has committed a moving violation during a 3-year period which results in a conviction, and then it talks about a discount on the vehicles. I think the amendment is well intended, Mr. Speaker, but the language is very unclear as to exactly where the discount would apply and to whom it would apply.

The other thing that troubles me is it says where no at-fault claim has been filed. Now, I never saw a claim that was filed against anybody where the person filing the claim did not accuse the other person of being at fault. That does not necessarily mean that the claim ultimately resolves itself in that fashion. That person who has the claim filed against him is certainly entitled to a defense, and many, many times that defense proves successful, and the at-fault claim is denied. My concern is that a person would have a claim made against him that is alleged to be at fault, would not be entitled to the discount, and yet ultimately that claim would be successfully defended.

So I think the language in here, although I think I understand it, is very, very confusing. I do not think it is very clear as to exactly how this type of discount would be administered. In fact, I do not think anybody would even get a discount with the language that is applied in this particular amendment because of the conflict, as I said before, between naming a vehicle and not talking about the driver and because of simply saying an at-fault claim filed. I think the amendment should be clarified. Perhaps the drafter, the proposer of the amendment, could redraft it to make it more specific and more clear so that we could get a better understanding of exactly what he wants to do and how this discount would be administered and applied.

I would ask for a "no" vote on the amendment, Mr. Speaker.

The SPEAKER. Representative Durham, from Delaware County, is recognized on the amendment.

Mrs. DURHAM. Thank you, Mr. Speaker.

Will the maker of the amendment stand for interrogation?

The SPEAKER. The indication is that he will. You may proceed.

Mrs. DURHAM. Mr. Speaker, under today's insurance regulations, how does an insurance company decide that you will get a reduction if you have not had any at-fault claim? Let me rephrase the question. What is the time period that they consider?

Mr. KUKOVICH. If I heard that right, you are referring to the timeframe. Under the amendment, it would be 3 years.

Mrs. DURHAM. And under today's regulations?

Mr. KUKOVICH. I could not hear that; I am sorry.

Mrs. DURHAM. Under today's regulations, today.

Under today's regulations, what is the time period? I understand the amendment is 3 years. My concern is that under today's regulations, it is less than 3 years, and I do not want us to lengthen the time.

Mr. KUKOVICH. I do not think today's regulations would apply. We are amending Act 78 of 1968. Under section 10 of that act, it would allow the Insurance Commissioner to promulgate the necessary regulations pursuant to the law, and I would assume they would do so under this provision if it was adopted.

Mrs. DURHAM. Under today's regulations, are there any companies that give you a discount if you have not had an at-fault claim for less than 3 years?

Mr. KUKOVICH. To the best of my knowledge, there are none required to do so.

Mrs. DURHAM. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, from Union County, Representative Fairchild is recognized.

Mr. FAIRCHILD. Mr. Speaker, will the author of the amendment stand for a brief interrogation?

The SPEAKER. He will. You may proceed.

Mr. FAIRCHILD. Mr. Speaker, what economic research did you use to come up with the figure 10 percent as compared to an 8 percent or a 12 percent?

Mr. KUKOVICH. Mr. Speaker, I could not hear one word of that.

Mr. FAIRCHILD. I questioned the author of the amendment as to what research was used to come up with the 10-percent figure, and I asked that question as compared to an 8-percent figure or a 12-percent figure. What kind of base data was researched or what type of data did you use to come up with that 10 percent?

Mr. KUKOVICH. Basically, we used the proposition 103 from the State of California. No matter what data you could use, you could come up with any arbitrary number. Ten percent is what is used in California. We think it is an adequate incentive without giving too large of a discount.

Mr. FAIRCHILD. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, the Chair recognizes, from Berks County, Representative Gallen.

Mr. GALLEN. Mr. Speaker, I would like to interrogate the chief sponsor of this amendment.

The SPEAKER. The gentleman indicates he will stand for interrogation.

Mr. GALLEN. Mr. Speaker, a couple of years ago this General Assembly passed a comparative negligence law, and insurance companies are using this to the hilt. There are accidents in which you really feel that the one person is blameless and the other is fully at fault, and yet they pay 90 percent, because they say the victim, so to speak, was 10 percent at fault. All right. So he has an at-fault claim, even though it was only 10 percent. You do not address that in your amendment. Did you mean to omit that, or is that just, in other words—

Mr. KUKOVICH. Mr. Speaker, this amendment was not drawn based on what the insurance company should pay out based on whose negligence was the greater or what the comparative negligence was. It is simply a 10-percent discount that can be available after 3 years if, according to the way the amendment has been drafted, someone has not been found guilty of such a violation.

Mr. GALLEN. So indeed, if I am struck by somebody who goes through a red light but I really did not look to see if he was going through a red light and the insurance company says to me, you were partially at fault, then I am not going to get the 10-percent discount. Is that correct?

Mr. KUKOVICH. I think that would be correct.

Mr. GALLEN. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, the Chair recognizes, from Cumberland County, Representative Mowery.

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

I would like to stand in opposition to this amendment. I believe just last week we passed an amendment here in the House that automatically reduced all automobile insurance rates by 25 percent. Previous to passing that amendment, there were other substantial discounts already passed in the bill prior to being amended, and now we are coming up with another 10 percent. Mr. Speaker, the insurance companies have to have enough premium to pay the claims, and if we are going to stand here on the floor and begin to tell them how they are going to charge that money and take 10 percent off,

which many companies already do today for those who are considered to be safe drivers, all they are going to do is add more on somewhere else.

So I would suggest we stay out of the insurance business. I think the insurance industry already has enough to consider after what we did last week, and I would like to ask for a "no" vote on this particular amendment.

The SPEAKER. The question is on the amendment. On that question, from Berks County, Representative Gallen is recognized.

Mr. GALLEN. Mr. Speaker, it seems to me that in this world when somebody's insurance rates go down, somebody else's go up, and I assume that it is Mr. Kukovich's intention to raise the rates of all those people who have been involved in any accident no matter how little their fault is, if indeed there is any fault. I guess that is a presumption. I do not know how this General Assembly can do the underwriting job, and I think that is why we have an Insurance Commissioner. I think this stuff is pandering. Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—155

Acosta	Fee	Linton	Rudy
Adolph	Fleagle	Lloyd	Ryan
Alien	Fox	Lucyk	Rybak
Angstadt	Freeman	McCall	Saloom
Argall	Gamble	McHale	Saurman
Belardi	Geist	McNally	Scrimenti
Belfanti	George	McVerry	Semmel
Billow	Gigliotti	Maiale	Serafini
Bishop	Gladeck	Maine	Smith, S. H.
Blaum	Gruitza	Markosek	Snyder, D. W.
Bortner	Gruppo	Mayernik	Snyder, G.
Bowley	Haluska	Melio	Staback
Boyes	Harper	Michlovic	Stairs
Burd	Hasay	Micozzie	Steighner
Caltagirone	Hayden	Miller	Stish
Cappabianca	Hayes	Morris	Stuban
Carlson	Heckler	Mrkonic	Tangretti
Carn	Herman	Murphy	Taylor, F.
Cawley	Hess	Nahill	Taylor, J.
Cessar	Howlett	Noye	Telek
Civera	Hughes	O'Brien	Thomas
Clark, B. D.	Itkin	O'Donnell	Tigue
Clark, D. F.	Jadlowiec	Olasz	Trello
Clark, J. H.	James	Oliver	Trich
Cohen	Jarolin	Perzel	Van Horne
Colafella	Johnson	Pesci	Veon
Cole	Josephs	Petrarca	Wambach
Corrigan	Kaiser	Petrone	Wass
Cowell	Kasunic	Phillips	Weston
Coy	Kenney	Pievsky	Williams
DeLuca	Kondrich	Pistella	Wilson
DeWeese	Kosinski	Pressmann	Wogan
Daley	Kukovich	Preston	Wozniak
Dietterick	LaGrotta	Raymond	Wright, D. R.
Distler	Lashinger	Reber	Wright, R. C.
Dombrowski	Laughlin	Richardson	Yandrisevits
Donatucci	Lescovitz	Rieger	
Dorr	Letterman	Ritter	Manderino, Speaker
Durham	Levdansky	Robinson	
Farmer			

NAYS—43

Barley	Cornell	Hershey	Pitts
Birmelin	Davies	Jackson	Reinard
Black	Dempsey	Langtry	Robbins
Brandt	Fairchild	Lee	Scheetz
Broujos	Fargo	Leh	Schuler
Bunt	Flick	Marsico	Smith, B.
Burns	Foster	Merry	Strittmatter
Bush	Freind	Moehlmann	Taylor, E. Z.
Chadwick	Gallen	Mowery	Vroon
Clymer	Gannon	Nailor	Wright, J. L.
Colaizzo	Godshall	Piccola	

NOT VOTING—2

Hagarty Roebuck

EXCUSED—3

Battisto Dininni Evans

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. KUKOVICH reoffered the following amendments No. A1775:

Amend Bill, page 2, by inserting between lines 14 and 15

Section 2. The act is amended by adding a section to read:

Section 4.2. Every insurer which writes a policy of automobile insurance in this Commonwealth shall annually reduce the premiums charged for comprehensive and collision insurance on each vehicle to reflect the decrease in value of the vehicle attributable to its age.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

3

On the question recurring,

Will the House agree to the amendments?

The SPEAKER. The gentleman from Westmoreland County, Mr. Kukovich, is recognized.

Mr. KUKOVICH. Thank you, Mr. Speaker.

I hesitate to say that this is another simple amendment, in light of the debate over the last one. Basically, what we are trying to do with A1775 is simply say that as one's automobile depreciates, the premium that you pay on it should also depreciate correspondingly. If you buy a car that is valued at X amount and a year later the car is worth less, for comprehensive and collision insurance the amount should also be reduced.

Now, I know what some of the opponents of the amendment will say. They will say, what about repair costs; they have nothing to do with the value of the car; it has to do with damageability. And that is true. This amendment does not reduce repairs. Whether the value of the car is \$10,000 or \$1,000 less a year later, you are still going to pay that amount of repairs which the mechanic and the parts and the labor cost. However, if a car is stolen or if it is totaled, the insurance industry goes by typically the blue book cost. I am saying—

The SPEAKER. Will the gentleman suspend. Will the gentleman, Mr. Kukovich, come to the podium?

(Conference held at Speaker's podium.)

AMENDMENTS WITHDRAWN

The SPEAKER. The Parliamentarian points out that there is a conflict with the amendment presently being offered and the amendment just adopted, and Representative Kukovich is recognized, who withdraws the amendment A1775, without objection. The Chair hears no objection.

PARLIAMENTARY INQUIRY

Mr. LLOYD. Parliamentary inquiry, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Somerset County, Mr. Lloyd.

Mr. LLOYD. Mr. Speaker, this is the same point which came up last week, and for purposes of knowing how to draft amendments in the future, in this situation I assume that the conflict was because two amendments were offered which would have added sections with the same number. In the past it was my understanding that what happened was, as long as the language of those two sections was not in conflict, we put them in the bill and then the Reference Bureau simply changed the numbers. If that is not the correct rule, then when we have a bill where 15 different people want to add amendments, how are we to have those amendments numbered so that whoever comes second, third, through fifteenth is not ruled out of order?

The SPEAKER. The gentleman is correct, if the amendments are not in conflict. The Parliamentarian indicates to me that the two amendments are in conflict that are being offered at this time.

Mr. LLOYD. Okay. So the numbers being the same is of no difference.

The SPEAKER. The numbers could be molded easily by the Reference Bureau.

Mr. LLOYD. Thank you, Mr. Speaker.

On the question recurring,

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

Mr. TRELLO offered the following amendments No. A1988:

Amend Sec. 1, page 2, line 8, by striking out "IS AMENDED BY ADDING A SUBSECTION" and inserting amended July 14, 1988 (P.L.546, No.97), is amended

Amend Sec. 1 (Sec. 4.1), page 2, line 9, by striking out all of said line and inserting

Section 4.1. (a) No insurer shall increase an individual insured's premium or assess a premium surcharge on the basis of any moving traffic violation records except for violations resulting in revocation or suspension of operating privileges as provided under 75 Pa.C.S. §§ 1532 (relating to revocation or suspension of operating privilege), 1539 (relating to suspension of operating privilege on accumulation of points), 1542 (relating to revocation of habitual offender's license), 1547 (relating to chemical testing to determine amount of alcohol or controlled substance)

and 3731 (relating to driving under influence of alcohol or controlled substance).

[(a)] (b) No insurer shall increase an individual insured's premium or assess a premium surcharge on the basis of any moving traffic violation records, or any revocation or suspension records, or any accident records, if any of the following occurs:

(1) The insured establishes that the records are erroneous or inaccurate.

(2) The citation is imposed under 75 Pa.C.S. § 1533 (relating to suspension of operating privilege for failure to respond to citation) and the insured is able to produce proof that he or she has responded to the citation and paid the fines and penalties imposed under that section. An increase or surcharge imposed prior to the date when an insured provides this proof shall terminate as of the date the insured responded to the citation which is the subject of the increase or surcharge.

[(b)] (c) At the time an increase or surcharge is applied, the insurer shall notify the insured that the increase or surcharge will be terminated if the insured is able to provide the insurer with proof that the insured has responded to all citations imposed under 75 Pa.C.S. § 1533 and paid any fines and penalties imposed under that section.

[(c)] (d) All insurers shall provide to insureds a detailed statement of the components of a premium and shall specifically show the amount of a surcharge or other additional amount that is charged as a result of a claim having been made under a policy of insurance or as a result of any other factors.

Amend Sec. 1 (Sec. 4.1), page 2, line 10, by striking out "(D)" and inserting

(e)

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, the gentleman from Allegheny County, Representative Trello, is recognized.

Mr. TRELLO. Mr. Speaker, this amendment indicates that no insurer shall increase an individual insurance premium or assess their premium surcharge on the basis of a moving traffic violation. What this bill is aimed at is preventing cancellation of an insurance policy or an increase in premium for a minor traffic violation. For an example, several young men and ladies in my district have recently had their insurance policies canceled altogether, and one violation was for failure to make a complete stop at a stop sign, and the other violation was going 61 miles an hour in a 55-mile-an-hour zone. I think those are minor traffic violations, and I do not think anybody should be put into an assigned risk category or lose their insurance altogether because of minor traffic violations. This does not deal with driving under the influence or reckless driving or passing a schoolbus or any serious violation. It only deals with the minor traffic violations, and it would prevent the insurance companies from putting them into an assigned risk category or canceling their policy altogether.

I ask for an affirmative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—186

Acosta	Donatucci	Lashingner	Richardson
Adolph	Dorr	Laughlin	Rieger
Allen	Durham	Leh	Ritter
Angstadt	Fairchild	Lescovitz	Robbins

Argall	Farmer	Letterman	Robinson
Belardi	Fee	Levdansky	Roebuck
Belfanti	Fleagle	Linton	Rudy
Billow	Flick	Lloyd	Ryan
Birmelin	Foster	Lucyk	Rybak
Bishop	Fox	McCall	Saloom
Black	Freeman	McHale	Saurman
Blaum	Freind	McNally	Schuler
Bortner	Gamble	McVerry	Scrimenti
Bowley	Gannon	Maiale	Semmel
Boyes	Geist	Maine	Serafini
Broujos	George	Markosek	Smith, B.
Bunt	Gigliotti	Marsico	Smith, S. H.
Burd	Gladeck	Mayernik	Snyder, D. W.
Burns	Godshall	Melio	Snyder, G.
Bush	Gruitza	Merry	Staback
Caltagirone	Gruppo	Michlovic	Stairs
Cappabianca	Hagarty	Micozzie	Steighner
Carlson	Haluska	Miller	Stish
Carn	Harper	Moehlmann	Stuban
Cawley	Hasay	Morris	Tangretti
Cessar	Hayes	Mrkonic	Taylor, E. Z.
Chadwick	Heckler	Murphy	Taylor, F.
Civera	Herman	Nahill	Taylor, J.
Clark, B. D.	Hershey	Nailor	Telek
Clark, D. F.	Hess	Noye	Thomas
Clark, J. H.	Howlett	O'Brien	Tigue
Clymer	Hughes	Olasz	Trello
Cohen	Itkin	Oliver	Trich
Colafella	Jackson	Perzel	Van Horne
Cole	Jadlowiec	Pesci	Veon
Cornell	James	Petrarca	Vroon
Corrigan	Jarolin	Petrone	Wass
Cowell	Johnson	Phillips	Weston
Coy	Josephs	Piccola	Williams
DeLuca	Kaiser	Pievsky	Wilson
DeWeese	Kasunic	Pistella	Wogan
Daley	Kenney	Pitts	Wozniak
Davies	Kondrich	Pressmann	Wright, D. R.
Dempsey	Kosinski	Preston	Wright, J. L.
Dietterick	Kukovich	Raymond	Wright, R. C.
Distler	LaGrotta	Reber	Yandrisevits
Dombrowski	Langtry		

NAYS—14

Barley	Gallen	O'Donnell	Wambach
Brandt	Hayden	Reinard	
Colaizzo	Lee	Scheetz	Manderino,
Fargo	Mowery	Strittmatter	Speaker

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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?

The SPEAKER. On that question, Representative Olasz from Allegheny County indicates there is an amendment.

Mr. OLASZ. Mr. Speaker, if you would pass over my amendment temporarily. We are checking something with the Reference Bureau.

The SPEAKER. The gentleman from Philadelphia, Mr. Hayden, indicates there is an amendment to the bill. The Hayden amendment is up from duplicating. The Hayden amendment will be sent to the clerk. The clerk will read the Hayden amendment.

Mr. HAYDEN. Mr. Speaker?

The SPEAKER. The gentleman, Mr. Hayden, is recognized. For what purpose does the gentleman rise?

Mr. HAYDEN. Mr. Speaker, thank you.

I rise, Mr. Speaker, to make a motion to withdraw my amendment A2056.

The SPEAKER. Without objection, the amendment 2056 is withdrawn.

VOTE CORRECTION

The SPEAKER. For what purpose does the gentleman from Montgomery, Mr. Godshall, rise?

Mr. GODSHALL. Thank you, Mr. Speaker. For the purpose of correcting a vote.

On amendment 1777 to HB 765, 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.

CONSIDERATION OF HB 765 CONTINUED

The SPEAKER. The Parliamentarian has indicated that on a closer review of the Kukovich amendment that he had indicated was in conflict with the amendment adopted by the House that Representative Kukovich had offered earlier, that the amendments are not really in conflict, that they address different subject matters, and that they may be offered and the numbers of the sections can be renumbered by the Legislative Reference Bureau.

On the question recurring,

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

Mr. KUKOVICH reoffered the following amendments No. A1775:

Amend Bill, page 2, by inserting between lines 14 and 15

Section 2. The act is amended by adding a section to read:

Section 4.2. Every insurer which writes a policy of automobile insurance in this Commonwealth shall annually reduce the premiums charged for comprehensive and collision insurance on each vehicle to reflect the decrease in value of the vehicle attributable to its age.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

3

On the question recurring,

Will the House agree to the amendments?

The SPEAKER. On the amendment, the Chair recognizes the gentleman from Westmoreland, Representative Kukovich.

Mr. KUKOVICH. Thank you, Mr. Speaker.

Again, the purpose of the amendment is to deal with comprehensive and collision coverage as the value annually of the car decreases. It does not deal with damageability. It does not deal with repairs. What it does do is say that if your car is stolen, if it is totaled, the premium you pay will be reduced annually as long as the value of the car is decreased. If you buy a car at \$10,000, why should you be paying 2, 3, 4 years

down the road for a car that is valued at much less for comprehension and collision?

I would ask for a "yes" vote.

The SPEAKER. The question is on the amendment. The gentleman from Cumberland County, Mr. Mowery, is recognized.

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

Not that it will make any difference, but just so that the sponsor of the amendment is aware that one of the highest costs today of auto repairs is replacement parts. They many times range anywhere from three to four times the cost of a new car. That is the reason that collision insurance is expensive regardless of the particular age of the vehicle that is involved.

As far as the comprehensive and to a certain degree the collision is already reduced as appropriate, but the real cost of fixing a car in a collision today is the high cost of replacement parts.

I would ask for no support on this particular amendment. Thank you.

The SPEAKER. On the amendment, from Bucks County, Representative Reinard is recognized.

Mr. REINARD. Thank you, Mr. Speaker.

Mr. Speaker, I wish that insurance was as easy as Representative Kukovich's four-line amendment.

The problem that Mr. Kukovich is failing to look at you can see in two different areas. Number one, Mr. Kukovich makes a blanket decision in his amendment that all vehicles will depreciate in value. If he takes a look at the current rate going in any blue book for a Corvette of any age, a Mercedes of any age, or any other type of car in that line or class, the value of those cars will appreciate from the purchase price and the date. For number one, in that point Representative Kukovich's amendment would be incorrect.

But the second point that he fails to understand or recognize is that insurers already are discounting the cost for comprehensive and collision based on the year the car is old. If it is a brand-new vehicle, the comprehensive premium is at one stage, and it continues to depreciate down through a series of five or six different stages until it hits a base price.

For those two reasons and probably many more, I would say we should vote against the Kukovich amendment.

The SPEAKER. On the question of the amendment, from Berks County, Representative Gallen is recognized.

Mr. GALLEN. Will the gentleman, Mr. Kukovich, stand for interrogation, please, Mr. Speaker?

The SPEAKER. He indicates that he will.

Mr. GALLEN. Mr. Speaker, can you give me any idea as to, of those cars involved in accidents, what percentage of them are total losses?

Mr. KUKOVICH. Was the question, what percentage of all accidents are totals? I do not know.

Mr. GALLEN. You do not know. Thank you, Mr. Speaker.

He does not know the answer to that. This shows the inanity of this type of legislation. We have no idea what we are voting on.

I ask for a negative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—134

Acosta	Freeman	Lloyd	Rudy
Allen	Gamble	Lucyk	Ryan
Angstadt	Geist	McCall	Rybak
Belardi	George	McHale	Saloom
Belfanti	Gigliotti	McNally	Saurman
Billow	Gladeck	McVerry	Scrimenti
Bishop	Gruitza	Maiale	Serafini
Blaum	Haluska	Maine	Snyder, G.
Bortner	Harper	Markosek	Staback
Boyes	Hasay	Mayernik	Steighner
Caltagirone	Hayes	Melio	Stish
Cappabianca	Heckler	Michlovic	Stuban
Carlson	Herman	Morris	Tangretti
Carn	Hess	Mrkonic	Taylor, F.
Cawley	Howlett	Murphy	Taylor, J.
Cessar	Hughes	Noye	Thomas
Clark, B. D.	Itkin	O'Donnell	Tigue
Clark, D. F.	James	Olasz	Trello
Cohen	Jarolin	Oliver	Trich
Colafella	Johnson	Perzel	Van Horne
Cole	Josephs	Pesci	Veon
Corrigan	Kaiser	Petrarca	Wambach
Cowell	Kasunic	Petrone	Wass
Coy	Kenney	Phillips	Weston
DeLuca	Kondrich	Pievsky	Williams
DeWeese	Kosinski	Pistella	Wilson
Daley	Kukovich	Pressmann	Wogan
Dietterick	LaGrotta	Preston	Wozniak
Dombrowski	Lashinger	Raymond	Wright, D. R.
Donatucci	Laughlin	Richardson	Wright, R. C.
Dorr	Lescovitz	Rieger	Yandrisevits
Durham	Letterman	Ritter	
Fee	Levdansky	Robinson	Manderino,
Feagle	Linton	Roebuck	Speaker

NAYS—65

Adolph	Cornell	Hershey	Pitts
Argall	Davies	Jackson	Reber
Barley	Dempsey	Jadlowiec	Reinard
Birmelin	Distler	Langtry	Robbins
Black	Fairchild	Lee	Scheetz
Bowley	Farmer	Leh	Schuler
Brandt	Flick	Marsico	Semmel
Broujos	Foster	Merry	Smith, B.
Bunt	Fox	Micozzie	Smith, S. H.
Burd	Freind	Miller	Snyder, D. W.
Burns	Gallen	Moehlmann	Stairs
Bush	Gannon	Mowery	Strittmatter
Chadwick	Godshall	Nahill	Taylor, E. Z.
Civera	Gruppo	Nailor	Telek
Clark, J. H.	Hagarty	O'Brien	Vroon
Clymer	Hayden	Piccola	Wright, J. L.
Colaizzo			

NOT VOTING—1

Fargo

EXCUSED—3

Battisto Dininni Evans

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. REINARD offered the following amendments No. A2043:

Amend Title, page 1, line 8, by removing the period after "PREMIUMS" and inserting

; and regulating auto insurance surcharge rates.

Amend Bill, page 2, by inserting between lines 14 and 15

Section 2. The act is amended by adding sections to read:

Section 11.1. If an insurance company, association or exchange offering any of the automobile coverages enumerated in section 11.2 bases its rates in whole or in part upon a surcharge, rate penalty or driver record point assignment scheme, the following shall apply:

(1) No surcharge, rate penalty or driver record point assignment, policy cancellation or nonrenewal shall be made if the aggregate cost to the insurer of repair or replacement of property damaged or bodily injury liability is determined to be less than six hundred fifty dollars (\$650), in excess of any self-insured retention or deductible applicable to the named insured.

(2) No surcharge, rate penalty or driver record point assignment shall be made as a result of an insurer paying a first party medical claim.

(3) If an insurer makes a determination to impose a surcharge, rate penalty or driver record point assignment, the insurer shall inform the named insured of the determination and shall specify the manner in which the surcharge, rate penalty or driver record point assignment was made and clearly identify the amount of the surcharge or rate penalty on the premium notice for as long as the surcharge or rate penalty is in effect.

(4) The Insurance Department, at least once every three years, shall adjust the six hundred fifty dollar (\$650) cap or limit on the property damage or bodily injury liability surcharge, rate penalty or driver record point assignment scheme relative to changes in the components of the consumer price index-urban to measure seasonally adjusted changes in medical care and automobile maintenance and repair costs and shall make such adjustments to the cap or limit as shall be necessary to maintain the same rate of change in the cap or limit as has occurred in the consumer price index-urban components. Such adjustments may be rounded off to the nearest fifty dollar (\$50) figure.

Section 11.2. This act shall apply to insurers offering one or more of the following automobile coverages: bodily injury and property damage liability, medical payments, comprehensive collision, fire and theft, and combined additional coverages.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

3

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, the Chair recognizes the gentleman from Bucks, Mr. Reinard.

Mr. REINARD. Thank you, Mr. Speaker.

Mr. Speaker, this is the same rate surcharge bill we passed last year in its entirety. It sets a \$650-level cap in excess of your deductible. You cannot be surcharged for any accident that occurs below that level, and also you cannot be nonrenewed or canceled.

It is a consumer-oriented piece of legislation, and I ask for your continued support. Thank you.

The SPEAKER. The question is on the amendment. From Philadelphia, Representative Hayden is recognized.

Mr. HAYDEN. Thank you, Mr. Speaker.

I rise in support of the amendment. It adds additional safeguards to our constituents against otherwise arbitrary decisions by insurance companies to surcharge or to deny additional coverage.

I ask for an affirmative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonc	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashinger	Rieger	Speaker
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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?

The SPEAKER. Is the gentleman from Allegheny, Mr. Olasz, ready with his amendment?

Mr. OLASZ. Mr. Speaker, it is being redrafted. It will be down temporarily. It is up in the Legislative Reference Bureau being redrafted.

The SPEAKER. What is the wish of the majority leader on HB 765?

COMMITTEE MEETING CANCELED

The SPEAKER. The Chair wishes to announce, on behalf of the Consumer Affairs chairman, Representative Wright, that because of the session's commencement at 10 a.m. tomorrow morning, the Consumer Affairs Committee meeting scheduled for 10 a.m. has been canceled.

VOTE CORRECTION

The SPEAKER. From Montgomery County, the gentleman, Representative Bunt, seeks recognition. For what purpose does the gentleman rise?

Mr. BUNT. Mr. Speaker, correction of the record.

On amendment 1777 to HB 765, sponsored by Representative Kukovich, the official record indicates that I voted against the amendment. I wish to have it recorded that I voted for the amendment.

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

BILL REPORTED FROM COMMITTEE, CONSIDERED FIRST TIME, AND TABLED

SB 193, PN 1310 (Amended)

By Rep. CALTAGIRONE

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for deposits into the Judicial Computer System Augmentation Account and providing for the imposition of additional fees for the use of the account; providing for the admissibility of certain out-of-court statements; and making refunds.

JUDICIARY.

WELCOMES

The SPEAKER. The Chair is happy to recognize guest page Danny Reese, who is the guest page of Representative Mark Cohen from Philadelphia. Will the gentleman please stand.

And guest page Jeff Dicello is a guest of Representative Levdansky. Will the gentleman please stand.

VOTE CORRECTIONS

The SPEAKER. The Chair recognizes, from Montgomery County, Representative Reber.

Mr. REBER. To correct the record, Mr. Speaker.

The SPEAKER. Without objection.

Mr. REBER. On HB 1198, I note in reviewing the electronic roll-call vote that my switch apparently did not operate. I would like to be recorded in the affirmative. Thank you.

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

From Crawford County, Representative Merry is recognized.

Mr. MERRY. Mr. Speaker, I would like to correct the voting record.

The official vote on HB 1429, final passage, indicates that my vote was not recorded. I would like to have the record show that had it been recorded, it would have been in the negative.

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

CONSERVATION COMMITTEE MEETING

The SPEAKER. From Clearfield County, Representative George is recognized.

Mr. GEORGE. Mr. Speaker, I would like to announce that the meeting of the Committee on Conservation that is to be held on Wednesday morning in the majority caucus room at 10 a.m., we have moved the time to 9 a.m. because of the majority leader's announcement that the session will take up at 10.

The SPEAKER. Meeting change of the Conservation Committee from 10 o'clock to 9 o'clock tomorrow morning.

VOTE CORRECTION

The SPEAKER. From Montgomery County, Representative Hagarty is recognized.

Mrs. HAGARTY. I would like to correct the record.

I would like to be recorded in the affirmative on amendment 1777 to HB 765. Thank you.

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

CONSIDERATION OF HB 765 CONTINUED

On the question recurring,

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

Mr. TRELLO offered the following amendment No. A2034:

Amend Sec. 1 (Sec. 4.1), page 2, by inserting between lines 14 and 15

(e) No insurer shall increase an individual insured's premium or assess a premium surcharge on the basis of any accident from which damages resulted if the insured was found not at fault for the accident.

On the question,

Will the House agree to the amendment?

The SPEAKER. The gentleman, Mr. Trello, from Allegheny County is recognized on the amendment.

Mr. TRELLO. Mr. Speaker, what this amendment does, it says that no insurer shall increase an individual's insurance premium or assess a premium surcharge on the basis of any accident from which damages resulted if the insured was found not at fault for the accident. It is a simple amendment. I think it is only right, and I think we should have an affirmative vote.

The SPEAKER. The question is on the amendment. Will the House agree to the amendment? From Berks County, Representative Gallen is recognized.

Mr. GALLEN. Thank you, Mr. Speaker.

Would the gentleman stand for interrogation?

The SPEAKER. The gentleman indicates that he will.

Mr. GALLEN. That terminology that you use, "not at fault for the accident." I come back to this comparative negligence. If he is at fault somewhat, according to his insurance company or somebody's insurance company, would your amendment then take effect? Would it affect that person?

Mr. TRELLO. Well, Mr. Speaker, let me answer it this way: You know, if two guys are robbing a bank and both of them take a shot at one of the tellers and both of them hit him, when the police come around, I think they are both guilty of shooting at the teller. Either a guy is at fault or he is not at fault. You know, if somebody runs into you, and I do not care what the reason is, they have got to have their car under control at all times. If they get hit by an automobile and they are faultless, I do not think their premium should be increased, period.

Mr. GALLEN. I appreciate your nonanswer to my question.

Mr. TRELLO. You are welcome.

Mr. GALLEN. The question is though, if the person is adjudged to be 5 percent at fault and the other person 95 percent at fault, how does this thing take effect? What happens?

Mr. TRELLO. Well, if the person is ruled not at fault—my amendment does not say 90 percent at fault or 80 percent—if they are ruled not at fault, their premium should not be increased. It should not be canceled.

Mr. GALLEN. Okay. Thank you, Mr. Speaker.

I think the gentleman has answered my question now. What you are saying is, if the person is completely exonerated, not considered 5 percent negligent, then he would get that discount or decrease. Thank you, Mr. Speaker.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—199

Acosta	Dorr	Laughlin	Ritter
Adolph	Durham	Lee	Robbins
Allen	Fairchild	Leh	Robinson
Angstadt	Fargo	Lescovitz	Roebuck
Argall	Farmer	Letterman	Rudy

Barley	Fee	Levdansky	Ryan
Belardi	Fleagle	Linton	Rybak
Belfanti	Flick	Lloyd	Saloom
Billow	Foster	Lucyk	Saurman
Birmelin	Fox	McCall	Scheetz
Bishop	Freeman	McHale	Schuler
Black	Freind	McNally	Scrimenti
Blaum	Gallen	McVerry	Semmel
Bortner	Gamble	Maiale	Serafini
Bowley	Gannon	Maine	Smith, B.
Boyes	Geist	Markosek	Smith, S. H.
Brandt	George	Marsico	Snyder, D. W.
Broujos	Gigliotti	Mayermik	Snyder, G.
Bunt	Gladeck	Melio	Staback
Burd	Godshall	Merry	Stairs
Burns	Gruitza	Michlovic	Steighner
Bush	Gruppo	Micozzie	Stish
Caltagirone	Hagarty	Miller	Strittmatter
Cappabianca	Haluska	Moehlmann	Stuban
Carlson	Harper	Morris	Tangretti
Carn	Hasay	Mowery	Taylor, E. Z.
Cawley	Hayden	Mrkonic	Taylor, F.
Cessar	Hayes	Murphy	Taylor, J.
Chadwick	Heckler	Nahill	Telek
Civera	Herman	Nailor	Thomas
Clark, B. D.	Hershey	Noye	Tigue
Clark, D. F.	Hess	O'Brien	Trello
Clark, J. H.	Howlett	O'Donnell	Trich
Clymer	Hughes	Olasz	Van Horne
Cohen	Itkin	Oliver	Veon
Colaella	Jackson	Perzel	Vroon
Colaizzo	Jadlowiec	Pesci	Wambach
Cole	James	Petrarca	Wass
Cornell	Jarolin	Petrone	Weston
Corrigan	Johnson	Phillips	Williams
Cowell	Josephs	Piccola	Wilson
Coy	Kaiser	Pievsky	Wogan
DeLuca	Kasunic	Pistella	Wozniak
DeWeese	Kenney	Pitts	Wright, D. R.
Daley	Kondrich	Pressmann	Wright, J. L.
Davies	Kosinski	Preston	Wright, R. C.
Dempsey	Kukovich	Raymond	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashinger	Rieger	Speaker
Donatucci			

NAYS—0

NOT VOTING—1

Reber

EXCUSED—3

Battisto

Dininni

Evans

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. OLASZ offered the following amendments No. A2053:

Amend Bill, page 2, by inserting between lines 14 and 15 Section 2. The act is amended by adding a section to read:
Section 4.2. Notwithstanding any other provision of law, an insurer shall not increase the premium rate of a policy of automobile insurance or assess a premium surcharge or penalty against an insured solely because the insured was involved in an accident if the accident involved an uninsured motorist.

Amend Sec. 2, page 2, line 15, by striking out "2" and inserting

On the question,

Will the House agree to the amendments?

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

Mr. OLASZ. Mr. Speaker, the intent of this amendment, the legislative intent on my part, is that any insured motorist should not have his insurance, one, either canceled or raised because of an accident with an uninsured motorist, and the word "solely" is implied that there be no violation of the Motor Vehicle Code. Logically speaking, I cannot see why any motorist that is insured complying with the law should be penalized because he is involved in an accident with an uninsured motorist who, if he was observing the law, would not be on the road and the accident would not have occurred.

I would appreciate your support for this amendment.

The SPEAKER. The question is on the amendment. On that question, Representative Heckler from Bucks is recognized.

Mr. HECKLER. Thank you.

I would ask if the maker of the amendment would stand for interrogation.

Mr. OLASZ. Absolutely.

Mr. HECKLER. Mr. Speaker, would it be correct to say that if your amendment were enacted into law and I as an insured was driving drunk at 100 miles an hour and hit an uninsured motorist, that my insurance company would not be able to consider my conduct in having been engaged in that activity and having had that accident in setting my rates or determining whether to insure me in the future?

Mr. OLASZ. Mr. Speaker, in the next-to-the-last line, that is what I indicated in my presentation. The word "solely" would imply that there was no violation of the Motor Vehicle Code, be it going through a stop sign, red light, or speeding. That would not apply, if he was in violation of the Motor Vehicle Code.

Mr. HECKLER. Thank you.

If then I were nevertheless at fault in that accident, the police decided not to prosecute me for any particular violation of the Motor Vehicle Code, but if I were plainly at fault and the uninsured motorist was not at fault, in that situation your amendment would have effect. Is that correct?

Mr. OLASZ. That is correct, because the accident would not have occurred had that uninsured motorist been observing the law and not driving a vehicle.

Mr. HECKLER. Thank you. I have no other questions, and I have no comments, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? On that question, the Representative from Berks, Representative Gallen, is recognized.

Mr. GALLEN. Thank you, Mr. Speaker.

Mr. Speaker, will Mr. Olasz stand for further interrogation?

The SPEAKER. He indicates he will.

Mr. GALLEN. All right. Now, you have \$1 million/\$3 million limits on your automobile. You are driving in Pittsburgh and you strike a car in the rear end and injure

people severely. There is a \$1 1/2-million claim against you. The other person did not have any insurance, but you are the one responsible for the accident, and your company is paying them \$1 1/2 million. You mean to say that there should be no surcharge on your policy?

Mr. OLASZ. Mr. Speaker, I believe the tort section of this law was covered in last week's insurance bills. I am saying that this should not be applicable. How the court wants to handle the liability section of it is up to the court to decide. I am saying that that motorist who was observing the law by driving with insurance should not be penalized by his insurance company because he hit an uninsured motorist, because if that guy was complying with the law, he would not be on the road. He should have in fact been arrested and pulled off the road.

Mr. GALLEN. Thank you, Mr. Speaker.

I do not disagree with the last statement that you made concerning a person should not be on the road if they do not have insurance, but I certainly disagree with the premise of this amendment which says no matter how much at fault you are— I mean, you are driving down the road and now your brakes do not work, and you are going to hit this car or this car. You pray to God you know which one of those is uninsured so you will hit the right one.

I think again we have a silly amendment here, Mr. Speaker, and I ask for its defeat.

Mr. OLASZ. You may think it is silly, Mr. Speaker, but how many of us in this room have driven down the road and said, that individual, what is he doing on the road? He has no business out there. Why should I be penalized for him having, one, no insurance, no license, and maybe a stolen license plate?

Let your conscience be your guide on how you want to support this amendment or not. Think about it.

The SPEAKER. On the amendment, the gentleman from Delaware, Mr. Gannon, is recognized.

Mr. GANNON. Thank you, Mr. Speaker.

I would like to interrogate the sponsor, if I may.

The SPEAKER. The gentleman indicates he will stand for interrogation. You may proceed.

Mr. GANNON. Mr. Speaker, it seems to me that this word "solely" is the key to this amendment. Let me ask you this: Suppose you were involved in an accident with an uninsured motorist and it was determined that you were solely responsible for the accident. Would your insurance company, based on this amendment, be able to surcharge you additional premium, not because you were involved with an uninsured motorist, which in fact you were, but because you were solely responsible for the accident, based on the language in this amendment?

Mr. OLASZ. The word "solely," the legislative intent on my part is if you were in violation of some section of the motor vehicle law. My intent is that that individual had no business being on the road and the accident would not have occurred if he had been complying with the law that requires you to have insurance.

Mr. GANNON. Well, that is all well and good, Mr. Speaker, but that is not my question. I am concerned about whether or not a driver is going to be surcharged for the accident.

Now, the language, as I read this amendment, says "solely." As I understand, that means exclusively, only, because the insured was involved in an accident with an uninsured motorist.

Now, my question is, under this amendment can you be surcharged if you were at fault and that was the reason for the surcharge on your premium?

Mr. OLASZ. The answer is no, and I repeat again: "Solely" applies only if you were not in violation of some section of the Motor Vehicle Code.

Mr. GANNON. Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—179

Acosta	Donatucci	Laughlin	Rieger
Adolph	Dorr	Leh	Ritter
Allen	Durham	Lescovitz	Robbins
Angstadt	Fairchild	Letterman	Robinson
Argall	Farmer	Levdansky	Roebuck
Barley	Fee	Linton	Rudy
Belardi	Fleagle	Lucyk	Ryan
Belfanti	Flick	McCall	Rybak
Billow	Foster	McNally	Saloom
Bishop	Fox	McVerry	Schuler
Black	Gamble	Maiale	Scrimenti
Blaum	Gannon	Maine	Semmel
Bowley	Geist	Markosek	Serafini
Boyes	George	Marsico	Smith, B.
Brandt	Gigliotti	Mayernik	Smith, S. H.
Broujos	Gladeck	Merry	Snyder, G.
Bunt	Godshall	Michlovic	Staback
Burd	Gruitza	Micozzie	Stairs
Burns	Gruppo	Miller	Steighner
Bush	Hagarty	Moehlmann	Stish
Caltagirone	Haluska	Morris	Strittmatter
Cappabianca	Harper	Mowery	Stuban
Carlson	Hasay	Mrkonic	Tangretti
Carn	Hayes	Murphy	Taylor, E. Z.
Cawley	Herman	Nahill	Taylor, F.
Cessar	Hershey	Nailor	Taylor, J.
Chadwick	Hess	Noye	Telek
Clark, B. D.	Howlett	O'Brien	Thomas
Clark, D. F.	Hughes	O'Donnell	Tigue
Clark, J. H.	Itkin	Olasz	Trello
Clymer	Jackson	Oliver	Trich
Cohen	Jadlowiec	Perzel	Van Horne
Colafella	James	Pesci	Veon
Cole	Jarolin	Petrarca	Vroon
Cornell	Johnson	Petrone	Wambach
Corrigan	Josephs	Phillips	Wass
Coy	Kaiser	Piccola	Weston
DeLuca	Kasunic	Pievsky	Williams
DeWeese	Kenney	Pistella	Wilson
Daley	Kondrich	Pitts	Wogan
Davies	Kosinski	Pressmann	Wozniak
Dempsey	Kukovich	Preston	Wright, D. R.
Dietterick	LaGrotta	Raymond	Wright, J. L.
Distler	Langtry	Reber	Wright, R. C.
Dombrowski	Lashinger	Reinard	

NAYS—20

Birmelin	Freeman	Lloyd	Snyder, D. W.
Bortner	Freind	McHale	Yandrisevits
Civera	Gallen	Melio	
Colaizzo	Hayden	Saurman	Manderino,
Cowell	Heckler	Scheetz	Speaker
Fargo	Lee		

NOT VOTING—1

Richardson

EXCUSED—3

Battisto Dininni Evans

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?
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—197

Acosta	Durham	Leh	Robbins
Adolph	Fairchild	Lescovitz	Robinson
Allen	Fargo	Letterman	Roebuck
Angstadt	Farmer	Levdansky	Rudy
Argall	Fee	Linton	Ryan
Barley	Fleagle	Lloyd	Rybak
Belardi	Flick	Lucyk	Saloom
Belfanti	Foster	McCall	Saurman
Billow	Fox	McHale	Scheetz
Birmelin	Freeman	McNally	Schuler
Bishop	Freind	McVerry	Scrimenti
Black	Gamble	Maiale	Semmel
Blaum	Gannon	Maine	Serafini
Bortner	Geist	Markosek	Smith, B.
Bowley	George	Marsico	Smith, S. H.
Boyes	Gigliotti	Mayernik	Snyder, D. W.
Brandt	Gladeck	Melio	Snyder, G.
Broujos	Godshall	Merry	Staback
Bunt	Gruitza	Michlovic	Stairs
Burd	Gruppo	Micozzie	Steighner
Bush	Hagarty	Miller	Stish
Caltagirone	Haluska	Moehlmann	Strittmatter
Cappabianca	Harper	Morris	Stuban
Carlson	Hasay	Mowery	Tangretti
Carn	Hayden	Mrkonic	Taylor, E. Z.
Cawley	Hayes	Murphy	Taylor, F.
Cessar	Heckler	Nahill	Taylor, J.
Chadwick	Herman	Nailor	Telek
Civera	Hershey	Noye	Thomas
Clark, B. D.	Hess	O'Brien	Tigue
Clark, D. F.	Howlett	O'Donnell	Trello
Clark, J. H.	Hughes	Olasz	Trich
Clymer	Itkin	Oliver	Van Horne
Colaifella	Jackson	Perzel	Veon
Colaizzo	Jadlowiec	Pesci	Vroon
Cole	James	Petrarca	Wambach
Cornell	Jarolin	Petrone	Wass
Corrigan	Johnson	Phillips	Weston
Cowell	Josephs	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wogan
DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Pressmann	Wright, D. R.
Davies	Kosinski	Preston	Wright, J. L.

Dempsey	Kukovich	Raymond	Wright, R. C.
Dietterick	LaGrotta	Reber	Yandrisevits
Distler	Langtry	Reinard	
Dombrowski	Lashingier	Richardson	Manderino,
Donatucci	Laughlin	Rieger	Speaker
Dorr	Lee	Ritter	

NAYS—1

Gallen

NOT VOTING—2

Burns Cohen

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of **HB 1671, PN 2003**, entitled:

An Act requiring insurance companies to investigate and report insurance fraud and maintain plans to investigate and reduce the incidence of fraud; establishing a Fraud Information Exchange; providing for notice to insurance applicants and claimants that insurance fraud is a felony; providing law enforcement authorities and the Insurance Department access to fraud information and data; and imposing penalties.

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

Mr. HAYDEN offered the following amendments No. A2025:

Amend Sec. 5, page 5, lines 10 through 30; pages 6 and 7, lines 1 through 30; page 8, lines 1 through 12, by striking out all of said lines on said pages and inserting
Section 5. Insurance Index Bureau for detection of fraud and abuse.

(a) Reports required.—Each insurer licensed to write automobile insurance in this Commonwealth shall, as a condition of authority to transact the business of insurance in this Commonwealth, file reports containing information on suspected fraudulent claims and applications for benefits arising out of the maintenance and use of a motor vehicle in this Commonwealth with a fraud and abuse index bureau within 45 days of receipt of such claim.

(b) Content.—The information filed by insurers pursuant to subsection (a) shall include, but not be limited to:

- (1) Identification of claimants.
- (2) Identification of medical providers.
- (3) Identification of repair shops.
- (4) Identification of insurance adjusters.
- (5) Identification of attorneys representing claimants.
- (6) Description of claims.
- (7) Other information deemed relevant by the submitting insurer.

(8) Other information required by the Insurance Commissioner.

(c) Membership in bureau.—Each insurer licensed to write automobile insurance in this Commonwealth shall become members of a fraud and abuse index bureau within 120 days of the effective date of this act. Such insurers shall report to the

index bureau all relevant information on suspected fraudulent claims for benefits as provided for in subsection (a).

(d) Organization, reports, fees, etc.— Each index bureau utilized by insurers for purposes of complying with this section shall file with the Insurance Department a monthly report listing all insurance companies which are members of that bureau for purposes of complying with this section. Such bureaus shall be organized, maintained and funded by member insurers. Information reported to such bureaus shall be made available to law enforcement officials, any insurer licensed to write automobile insurance in this Commonwealth and any similar bureau upon request, provided that an appropriate fee may be charged if the request for such information is made by an insurer that is not a member of that bureau or the request is made by another index bureau.

(e) Use of information.—Information collected pursuant to this section shall be used by insurers, the department and law enforcement officials for the detection and prosecution of fraud or abuse, provided that insurers may not use the information in the data banks for underwriting purposes.

Amend Sec. 5, page 8, line 13, by striking out "(i)" and inserting

(f)

Amend Sec. 5, page 8, line 15, by striking out "exchange" and inserting

index bureau

Amend Sec. 7, page 9, line 1, by inserting after "act."

The department may promulgate rules and regulations establishing guidelines and procedures for insurance companies to follow in preparing and submitting the reports required by this act.

On the question,

Will the House agree to the amendments?

The SPEAKER. Representative Hayden from Philadelphia County is recognized on the amendment.

Mr. HAYDEN. Thank you, Mr. Speaker.

This amendment is being offered to more closely align the final version of the bill to that version which was passed in the House Insurance Committee. It simply deletes that section that appears in the bill related to the Insurance Index Bureau and replaces it with the language which was reported out by the committee.

I would ask for an affirmative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—199

Acosta	Durham	Lee	Ritter
Adolph	Fairchild	Leh	Robbins
Allen	Fargo	Lescovitz	Robinson
Angstadt	Farmer	Letterman	Roebuck
Argall	Fee	Levdansky	Rudy
Barley	Fleagle	Linton	Ryan
Belardi	Flick	Lloyd	Rybak
Belfanti	Foster	Lucyk	Saloom
Billow	Fox	McCall	Saurman
Birmelin	Freeman	McHale	Scheetz
Bishop	Freind	McNally	Schuler
Black	Gallen	McVerry	Scrimenti
Blaum	Gamble	Maiale	Semmel
Bortner	Gannon	Maine	Serafini
Bowley	Geist	Markosek	Smith, B.
Boyes	George	Marsico	Smith, S. H.
Brandt	Gigliotti	Mayernik	Snyder, D. W.
Broujos	Gladeck	Melio	Snyder, G.
Bunt	Godshall	Merry	Staback

Burd	Gruitza	Michlovic	Stairs
Burns	Gruppo	Micozzie	Steighner
Bush	Hagarty	Miller	Stish
Caltagirone	Haluska	Moehlmann	Strittmatter
Cappabianca	Harper	Morris	Stuban
Carlson	Hasay	Mowery	Tangretti
Carn	Hayden	Mrkonic	Taylor, E. Z.
Cawley	Hayes	Murphy	Taylor, F.
Cessar	Heckler	Nahill	Taylor, J.
Chadwick	Herman	Nailor	Telek
Civera	Hershey	Noye	Thomas
Clark, B. D.	Hess	O'Brien	Tigue
Clark, D. F.	Howlett	O'Donnell	Trello
Clark, J. H.	Hughes	Olasz	Trich
Clymer	Itkin	Oliver	Van Horne
Colafiglia	Jackson	Perzel	Veon
Colaizzo	Jadlowiec	Pesci	Vroon
Cole	James	Petrarca	Wambach
Cornell	Jarolin	Petrone	Wass
Corrigan	Johnson	Phillips	Weston
Cowell	Josephs	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wogan
DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Pressmann	Wright, D. R.
Davies	Kosinski	Preston	Wright, J. L.
Dempsey	Kukovich	Raymond	Wright, R. C.
Dietterick	LaGrotta	Reber	Yandrisevits
Distler	Langtry	Reinard	
Dombrowski	Lashinger	Richardson	Manderino,
Donatucci	Laughlin	Rieger	Speaker
Dorr			

NAYS—0

NOT VOTING—1

Cohen

EXCUSED—3

Battisto

Dininni

Evans

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—199

Acosta	Dorr	Laughlin	Rieger
Adolph	Durham	Lee	Ritter
Allen	Fairchild	Leh	Robbins
Angstadt	Fargo	Lescovitz	Robinson
Argall	Farmer	Letterman	Roebuck
Barley	Fee	Levdansky	Rudy
Belardi	Fleagle	Linton	Ryan
Belfanti	Flick	Lloyd	Rybak
Billow	Foster	Lucyk	Saloom
Birmelin	Fox	McCall	Saurman
Bishop	Freeman	McHale	Scheetz
Black	Freind	McNally	Schuler
Blaum	Gallen	McVerry	Scrimenti
Bortner	Gamble	Maiale	Semmel
Bowley	Gannon	Maine	Serafini
Boyes	Geist	Markosek	Smith, B.
Brandt	George	Marsico	Smith, S. H.
Broujos	Gigliotti	Mayernik	Snyder, D. W.

Bunt	Gladeck	Melio	Snyder, G.
Burd	Godshall	Merry	Staback
Burns	Gruitza	Michlovic	Stairs
Bush	Gruppo	Micozzie	Steighner
Caltagirone	Hagarty	Miller	Stish
Cappabianca	Haluska	Moehlmann	Strittmatter
Carlson	Harper	Morris	Stuban
Carn	Hasay	Mowery	Tangretti
Cawley	Hayden	Mrkonc	Taylor, E. Z.
Cessar	Hayes	Murphy	Taylor, F.
Chadwick	Heckler	Nahill	Taylor, J.
Civera	Herman	Nailor	Telek
Clark, B. D.	Hershey	Noye	Thomas
Clark, D. F.	Hess	O'Brien	Tigue
Clark, J. H.	Howlett	O'Donnell	Trello
Clymer	Hughes	Olasz	Trich
Cohen	Itkin	Oliver	Van Horne
Colaella	Jackson	Perzel	Yeon
Colaizzo	Jadlowiec	Pesci	Vroon
Cole	James	Petrarca	Wambach
Cornell	Jarolin	Petrone	Wass
Corrigan	Johnson	Phillips	Weston
Cowell	Josephs	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wogan
DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Pressmann	Wright, J. L.
Davies	Kosinski	Preston	Wright, R. C.
Dempsey	Kukovich	Raymond	Yandrisevits
Dietterick	LaGrotta	Reber	
Distler	Langtry	Reinard	Manderino,
Dombrowski	Lashingner	Richardson	Speaker
Donatucci			

NAYS—0

NOT VOTING—1

Wright, D. R.

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of **HB 3, PN 2020**, entitled:

An Act amending the act of May 17, 1921 (P. L. 682, No. 284), known as "The Insurance Company Law of 1921," providing for coverage for mammographic examination.

On the question,

Will the House agree to the bill on third consideration?

Mr. COLAFELLA offered the following amendments No. A2031:

Amend Title, page 1, line 11, by inserting after "laws," providing for requirements relating to minimum capital surplus for certain insurers; increasing capital requirements for certain insurance companies; and

Amend Bill, page 1, lines 17 through 19, by striking out all of said lines and inserting

Section 1. Section 206(c) of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, amended July 9, 1976 (P.L.948, No.184), is amended to read:

Section 206. Minimum Capital Stock and Financial Requirements To Do Business.—* * *

(c) Stock casualty companies, organized under this act for any of the purposes of insurance mentioned in subdivision (c) of section two hundred and two (202) of this act, must have a paid up capital stock of not less than [one hundred thousand dollars (\$100,000); except (i) companies organized for the purpose of credit insurance, which must have a paid up capital stock of not less than two hundred thousand dollars (\$200,000); (ii) companies organized for the purposes mentioned in clause (11) subdivision (c) of section two hundred and two (202) of this act, which must have a paid up capital stock of not less than five hundred thousand dollars (\$500,000); (iii) companies organized for the purpose of workmen's compensation insurance as provided for in clause (14) subdivision (c) of section two hundred and two (202) of the act, which must have a paid up capital stock of not less than seven hundred fifty thousand dollars (\$750,000); and (iv) companies organized to guarantee the fidelity of persons and contracts of suretyship, which must have a paid up capital stock of at least two hundred and fifty thousand dollars (\$250,000)] seven hundred fifty thousand dollars (\$750,000). Stock casualty companies organized under this act may undertake two or more classes of insurance mentioned in subdivision (c) of section two hundred and two (202) of this act, by providing at least fifty thousand dollars (\$50,000) [additional] paid up capital stock for each [additional] class of insurance; except [in case credit or fidelity and surety insurance is added to any other line or lines, in which case the additional] that the paid up capital stock for credit insurance shall be one hundred thousand dollars (\$100,000), and the [additional] paid up capital stock for fidelity and surety insurance shall be two hundred thousand dollars (\$200,000); and except that the paid up capital stock in the case of insurance for the purposes mentioned in clause (11) subdivision (c) of section two hundred and two (202) of this act [is added to any other line or lines, in which case the additional paid up capital stock] shall be five hundred thousand dollars (\$500,000) and except that the paid up capital stock in the case of workmen's compensation insurance as provided for in clause (14) subdivision (c) of section two hundred and two (202) of the act [is added to any other line or lines in which case the additional paid up capital stock] shall be seven hundred fifty thousand dollars (\$750,000). Any [such] stock casualty company [with a paid up capital stock of three hundred thousand dollars (\$300,000) may transact all of the] organized under this act to undertake two or more classes of insurance mentioned in subdivision (c) of section two hundred and two (202) of this act[, except credit, livestock, and fidelity and surety insurance, and except insurance for the purposes mentioned in clause (11) and except workmen's compensation insurance as provided for in clause (14) thereof;] must have a paid up capital stock equal to the greater of seven hundred fifty thousand dollars (\$750,000) or the sum total of the required capital paid up for each class of insurance for which the company is organized, and a company with a paid up capital stock of one million nine hundred fifty thousand dollars (\$1,950,000) may transact all of the classes of insurance mentioned in subdivision (c) of section two hundred and two (202) of this act. Every such company shall, in addition thereto, have a surplus paid in at least equal to fifty per centum (50%) of the [subscribed capital stock] required paid up capital.

* * *

Section 2. The act is amended by adding sections to read:

Section 206.1. Exclusion from Minimum Financial Requirements.—(a) A fire or casualty company seeking a certificate of authority to do business in Pennsylvania shall satisfy and continue to comply with the minimum capital and surplus requirements imposed by this act.

(b) An existing fire or casualty company with capital and surplus that satisfies the requirements imposed by this act shall comply and continue to comply with the requirements of this act.

(c) An existing fire or casualty company that has capital and surplus less than the minimum requirements imposed by this act shall be required to continue to comply with the minimum capital and surplus requirements imposed by this act as of January 1, 1989, and shall not be required to meet the minimum requirements of this act. However, an existing fire and casualty company must comply with the minimum capital and surplus requirements imposed by this act, if any of the following occurs:

(1) any change in charter powers expanding the lines of insurance the company is authorized to write, except for the limited purpose of issuing policies covering homeowners multiple peril, farmowners multiple peril, mobile homeowners multiple peril, personal liability and farmers personal liability;

(2) a merger or the acquisition of beneficial ownership of more than 10% of any class of such insurer's voting stock which requires a filing pursuant to section 337.6 of this act;

(3) a transaction under section 809 that results in a transfer of ownership, or acquisition of control of such insurer through purchase or assignment of a management contract; or

(4) a change in the majority of such insurer's board of directors as a result of a single event or series of related events.

Amend Sec. 2, page 2, line 29, by striking out all of said line and inserting

Section 3. This act shall take effect as follows:

(1) The amendments to sections 206(c) and 206.1 shall take effect in 60 days.

(2) The remainder of this act shall take effect immediately.

On the question,

Will the House agree to the amendments?

The SPEAKER. On amendment 2031, Representative Colafella from Beaver County is recognized.

Mr. COLAFELLA. Mr. Speaker, this amendment raises the minimum capital to \$750,000 for capital funds and \$325,000 for surplus funds for new insurance companies that want to come into Pennsylvania.

The SPEAKER. The gentleman, Mr. Lloyd, from Somerset County is recognized.

Mr. LLOYD. Thank you, Mr. Speaker.

Mr. Speaker, I wonder if Mr. Colafella would stand for interrogation.

The SPEAKER. He indicates he will. You may proceed.

Mr. LLOYD. Mr. Speaker, I understand that this makes the paid-in capital to get into the insurance business higher, if that was your explanation. Why should we want to do this?

Mr. COLAFELLA. Because in the last 3 years there were two companies that went bankrupt in this State, and the Insurance Department feels that if a company had more funds up front, it would make them a little more solvent and it would give greater credibility and it would certainly give more confidence to the people in Pennsylvania who do business with insurance companies.

Mr. LLOYD. Mr. Speaker, are you indicating that the Insurance Department is in support of this amendment?

Mr. COLAFELLA. Yes, I am.

Mr. LLOYD. Thank you, Mr. Speaker.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—197

Acosta	Donatucci	Lashing	Richardson
Adolph	Dorr	Laughlin	Rieger
Allen	Durham	Lee	Ritter
Angstadt	Fairchild	Leh	Robbins
Argall	Fargo	Lescovitz	Robinson
Barley	Farmer	Letterman	Roebuck
Belardi	Fee	Levdanskoy	Rudy
Belfanti	Fleagle	Linton	Ryan
Billow	Flick	Lloyd	Rybak
Birmelin	Foster	Lucyk	Saloom
Bishop	Fox	McCall	Saurman
Black	Freeman	McHale	Scheetz
Blaum	Freind	McNally	Schuler
Bortner	Gallen	McVerry	Scrimenti
Bowley	Gamble	Majale	Semmel
Boyes	Gannon	Maine	Serafini
Brandt	Geist	Markosek	Smith, B.
Broujos	George	Marsico	Smith, S. H.
Bunt	Gigliotti	Mayermik	Snyder, D. W.
Burd	Gladeck	Melio	Snyder, G.
Burns	Godshall	Merry	Staback
Bush	Gruitza	Michlovic	Stairs
Caltagirone	Gruppo	Micozzie	Steighner
Cappabianca	Hagarty	Miller	Stish
Carlson	Haluska	Moehlmann	Strittmatter
Carn	Harper	Morris	Tangretti
Cawley	Hasay	Mowery	Taylor, E. Z.
Cessar	Hayden	Mrkonic	Taylor, F.
Chadwick	Hayes	Murphy	Taylor, J.
Civera	Heckler	Nahill	Telek
Clark, B. D.	Herman	Nailor	Thomas
Clark, D. F.	Hershey	Noye	Trello
Clark, J. H.	Hess	O'Brien	Trich
Clymer	Howlett	O'Donnell	Van Horne
Cohen	Hughes	Olasz	Vroon
Colafella	Itkin	Oliver	Wambach
Colaizzo	Jackson	Perzel	Wass
Cole	Jadlowiec	Pesci	Weston
Cornell	James	Petrarca	Williams
Corrigan	Jarolin	Petrone	Wilson
Cowell	Johnson	Phillips	Wogan
Coy	Josephs	Piccola	Wozniak
DeLuca	Kaiser	Pievsky	Wright, D. R.
DeWeese	Kasunic	Pistella	Wright, J. L.
Daley	Kenney	Pitts	Wright, R. C.
Davies	Kondrich	Pressmann	Yandrisevits
Dempsey	Kosinski	Preston	
Dietterick	Kukovich	Raymond	Manderino,
Distler	LaGrotta	Reber	Speaker
Dombrowski	Langtry	Reinard	

NAYS—3

Stuban	Tigue	Veon
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NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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. COLAFELLA offered the following amendments No. A2046:

Amend Title, page 1, line 11, by inserting after "laws,""

authorizing stock insurers to establish more than one class or series of shares and to permit different voting rights according to the class of shares; and

Amend Bill, page 1, by inserting between lines 16 and 17

Section 1. The act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, is amended by adding a section to read:

Section 301.2. Classes of Shares.—Every stock insurance company shall have power to create and issue one or more classes of shares or one or more series of shares within any class thereof, any or all of which classes or series may have full, limited, multiple or fractional, or no voting rights, and such designations, preferences, qualifications, privileges, limitations, options, conversion rights and other special rights as shall be stated in the articles or in the resolution or resolutions providing for the issue of such shares adopted by the board of directors pursuant to authority expressly vested in it by the articles. Except as otherwise provided by the articles, each share shall be in all respects equal to every other share. Different series of the same class of shares shall not be construed to constitute different classes of shares for the purpose of voting by classes under this act. Unless the articles or by-laws otherwise provide, the board of directors shall have the power, by resolution duly adopted, to issue from time to time, in whole or in part, the classes or series of shares authorized in the articles. The power to increase or decrease or otherwise adjust the stated capital of a stock insurance company, as in this act elsewhere provided, shall apply to all or any such classes of shares authorized by this section.

Section 2. Section 309 of the act is amended to read:

Section 309. Voting by Stockholders and Members; Proxies; Record of Votes.—In the choice of directors or trustees, and at all meetings of the company, each share of stock having voting rights in a stock company, and each member in a mutual company, shall be entitled to [one] vote: Provided, however, That, in the case of mutual companies, other than mutual life companies, each member shall be entitled to one vote or to a number of votes based upon the insurance in force, the number of policies held, or the amount of premiums paid; and in the case of mutual life companies, each member shall be entitled to one vote. Proxies may be authorized by written power of attorney. The record of the votes made by the secretary, which shall show whether the same were cast in person or by proxy, shall be evidence of all such elections.

Amend Sec. 1, page 1, line 17, by striking out "1" and inserting

3

Amend Sec. 2, page 2, line 29, by striking out "2" and inserting

4

On the question,

Will the House agree to the amendments?

The SPEAKER. The Chair recognizes, on amendment A2046, Representative Colafella from Beaver County.

Mr. COLAFELLA. Mr. Speaker, this amendment enables the insurance company to have nonvoting preferred stock. There are 36 other States that have this option, and it enables investors who do not really have the desire to vote but want preferred stock the opportunity to do so.

The SPEAKER. The question is on the amendment. The Chair recognizes, from Somerset County, Representative Lloyd.

Mr. LLOYD. Mr. Speaker, once again I would like to interrogate the gentleman, Mr. Colafella.

The SPEAKER. The gentleman indicates he will stand for interrogation. You may proceed.

Mr. LLOYD. Mr. Speaker, it is my understanding that the right to have different classes of stock and to sell nonvoting preferred stock is something that the insurance companies want very badly. What I do not understand is why the law at the present time does not allow it. In order to make a judgment as to whether or not we should change that law, it would be helpful if you could explain what the rationale for the current law is and then why that rationale no longer applies.

Mr. COLAFELLA. The reason for it is that there are many people who have expressed an interest to insurance companies that they would like to buy preferred stock but are not interested in the voting aspect of it. What it does is it gives insurance companies another opportunity to obtain investors that they normally cannot get, and that is the reason why the insurance companies would like to have this option.

Mr. LLOYD. Well, Mr. Speaker, I do not understand why. What is the advantage? Is it because they get the guarantee of being paid? Is that why they are willing to give up their voting rights? And is it possible to have preferred stock in an insurance company and have voting rights? Is that possible, Mr. Speaker?

Mr. COLAFELLA. Yes, it is.

Mr. LLOYD. Well, if that is possible, then is this kind of stock going to carry a different rate of return?

Mr. COLAFELLA. No. The only reason why the insurance companies have expressed a desire for this piece of legislation is because it would put Pennsylvania domestic stock insurance companies on an equal basis with the typical business or corporation in the Commonwealth.

Mr. LLOYD. Thank you, Mr. Speaker.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—195

Acosta	Durham	Lee	Rieger
Adolph	Fairchild	Leh	Ritter
Allen	Fargo	Lescovitz	Robbins
Angstadt	Farmer	Letterman	Robinson
Argall	Fee	Levdansky	Roebuck
Barley	Fleagle	Linton	Rudy
Belardi	Flick	Lloyd	Ryan
Belfanti	Foster	Lucyk	Rybak
Billow	Fox	McCall	Saloom
Birmelin	Freeman	McHale	Saurman
Bishop	Freind	McNally	Scheetz
Black	Gallen	McVerry	Schuler
Bortner	Gamble	Maiale	Scrimenti
Bowley	Gannon	Maine	Semmel
Boyes	Geist	Markosek	Serafini
Brandt	George	Marsico	Smith, B.
Broujos	Gigliotti	Mayernik	Smith, S. H.
Bunt	Gladeck	Melio	Snyder, D. W.
Burd	Godshall	Merry	Snyder, G.
Burns	Gruitza	Michlovic	Staback
Bush	Gruppo	Micozzie	Stairs
Caltagirone	Hagarty	Miller	Steighner
Cappabianca	Haluska	Moehlmann	Stish
Carlson	Harper	Morris	Strittmatter
Carn	Hasay	Mowery	Tangretti

Cawley	Hayden	Mrkonic	Taylor, E. Z.
Cessar	Hayes	Murphy	Taylor, F.
Chadwick	Heckler	Nahill	Taylor, J.
Civera	Herman	Nailor	Telek
Clark, B. D.	Hershey	Noye	Thomas
Clark, D. F.	Hess	O'Brien	Trello
Clark, J. H.	Howlett	O'Donnell	Trich
Clymer	Hughes	Olasz	Van Horne
Colaella	Itkin	Oliver	Veon
Colaizzo	Jackson	Perzel	Vroon
Cole	Jadlowiec	Pesci	Wambach
Cornell	James	Petrarca	Wass
Corrigan	Jarolin	Petrone	Weston
Cowell	Johnson	Phillips	Williams
Coy	Kaiser	Piccola	Wilson
DeLuca	Kasunic	Pievsky	Wogan
DeWeese	Kenney	Pistella	Wozniak
Daley	Kondrich	Pitts	Wright, D. R.
Davies	Kosinski	Pressmann	Wright, J. L.
Dempsey	Kukovich	Preston	Wright, R. C.
Dietterick	LaGrotta	Raymond	Yandrisevits
Distler	Langtry	Reber	
Dombrowski	Lashinger	Reinard	Manderino,
Donatucci	Laughlin	Richardson	Speaker
Dorr			

NAYS—5

Blaum	Josephs	Stuban	Tigue
Cohen			

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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. COLAFELLA offered the following amendments No. A2048:

Amend Title, page 1, line 11, by inserting after "laws," extending provisions relating to the granting of allowances or pensions to include directors; and

Amend Bill, page 1, by inserting between lines 16 and 17

Section 1. Section 316 of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, amended May 21, 1943 (P.L.356, No.166), is amended to read:

Section 316. Pensions.—Any stock or mutual insurance company may, out of the earnings of said company, grant allowances or pensions to officers, directors and employes, for faithful and long continued service, who have in such service become old, infirm, or disabled. [The provisions of this section shall not apply to any director who is not an officer or employe of said company.]

Amend Sec. 1, page 1, lines 17 and 18, by striking out all of line 17, "as The Insurance Company Law of 1921," in line 18 and inserting

Section 2. The act

Amend Sec. 2, page 2, line 29, by striking out "2" and inserting

3

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, Representative Colafella from Beaver County is recognized.

Mr. COLAFELLA. Mr. Speaker, this amendment again is for the insurance companies who are having a very difficult time getting directors because of the legal liability problems that exist today where people are suing corporations and holding directors of corporations liable for exorbitant amounts of money. What this amendment simply does is enable insurance companies to provide directors with an option of some type of a pension whenever they are older and they retire from whatever they are doing.

The SPEAKER. The question is on the amendment. The gentleman, Mr. Blaum, from Luzerne is recognized on the amendment.

Mr. BLAUM. Thank you, Mr. Speaker.

Mr. Speaker, as I read the amendment, this allows the insurance companies to give allowances and pensions to members of their board of directors, and I would think that before this legislature allows that to happen, perhaps these boards of directors would stop opposing our efforts to enact a consumer advocate for insurance and a whole host of other consumer-related measures that have been before this House. When they stop opposing that legislation, maybe then we can consider granting them allowances and pensions.

I ask the members for a negative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—58

Billow	George	McCall	Robinson
Birmelin	Gladeck	McVerry	Roebuck
Caltagirone	Haluska	Maiale	Rudy
Carn	Hayden	Mowery	Rybak
Clark, B. D.	Heckler	Nailor	Saloom
Colafella	Howlett	O'Donnell	Staback
Colaizzo	Itkin	Oliver	Tangretti
Cole	Jarolin	Petrarca	Vroon
Corrigan	Kenney	Petrone	Williams
DeWeese	Langtry	Pievsky	Wogan
Donatucci	Lashinger	Pistella	Wozniak
Fox	Lee	Preston	Wright, D. R.
Freind	Leh	Reber	
Gallen	Lescovitz	Richardson	Manderino,
Gamble	Lucyk	Rieger	Speaker

NAYS—142

Acosta	Dempsey	Kosinski	Ritter
Adolph	Dietterick	Kukovich	Robbins
Allen	Distler	LaGrotta	Ryan
Angstadt	Dombrowski	Laughlin	Saurman
Argall	Dorr	Letterman	Scheetz
Barley	Durham	Levdansky	Schuler
Belardi	Fairchild	Linton	Scrimenti
Belfanti	Fargo	Lloyd	Semmel
Bishop	Farmer	McHale	Serafini
Black	Fee	McNally	Smith, B.
Blaum	Fleagle	Maine	Smith, S. H.
Bortner	Flick	Markosek	Snyder, D. W.
Bowley	Foster	Marsico	Snyder, G.
Boyes	Freeman	Mayernik	Stairs
Brandt	Gannon	Melio	Steighner
Broujos	Geist	Merry	Stish
Bunt	Gigliotti	Michlovic	Strittmatter
Burd	Godshall	Micozzie	Stuban
Burns	Gruitza	Miller	Taylor, E. Z.
Bush	Gruppo	Moehlmann	Taylor, F.
Cappabianca	Hagarty	Morris	Taylor, J.

Carlson	Harper	Mrkonic	Telek
Cawley	Hasay	Murphy	Thomas
Cessar	Hayes	Nahill	Tigue
Chadwick	Herman	Noye	Trello
Civera	Hershey	O'Brien	Trich
Clark, D. F.	Hess	Olasz	Van Horne
Clark, J. H.	Hughes	Perzel	Veon
Clymer	Jackson	Pesci	Wambach
Cohen	Jadlowiec	Phillips	Wass
Cornell	James	Piccola	Weston
Cowell	Johnson	Pitts	Wilson
Coy	Josephs	Pressmann	Wright, J. L.
DeLuca	Kaiser	Raymond	Wright, R. C.
Daley	Kasunic	Reinard	Yandrisevits
Davies	Kondrich		

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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?

Mrs. DURHAM offered the following amendment No. A2052:

Amend Sec. 1 (Sec. 631), page 2, lines 14 and 15, by striking out "a mammogram every year for" in line 14, all of line 15 and inserting

an annual screening mammogram based on a physician's recommendation.

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Chair recognizes, from Delaware County, Representative Durham.

Mrs. DURHAM. Mr. Speaker, I just want to make the announcement that I am going to withdraw amendment 2044 and I am only going to offer amendment 2052.

The amendment, I believe, is self-explanatory in that it states that there will be annual screening mammograms based on a physician's recommendation. This is different from the bill in that the bill states that there will be mandatory mammograms at age 50.

A woman who is age 35 is recommended to have a baseline mammogram, and then depending upon her results, her physician will recommend when she should have her next mammogram. But a woman who has a history of breast cancer in her family, her physician may recommend that she have a mammogram done at an earlier age. So therefore, the language does not limit when the mammogram should be performed.

If you do any research on this subject, you will see that the decrease in mortality or the decrease in mastectomies or lumpectomies is most significant when there is conjunction with other diagnostic tests that a physician would recommend.

Therefore, I am offering my amendment.

The SPEAKER. On the amendment, from Centre County, Representative Rudy is recognized.

Mrs. RUDY. Mr. Speaker, I rise to oppose this amendment, because this amendment would literally kill the bill.

I have been working with the insurance companies for several years now on this proposal, and to allow screening mammograms, while I admire what Representative Durham is trying to do, but to allow screening mammograms at the recommendation of a physician for any age would be an added cost, and I think it also would require a fiscal note, which we do not have before us right now.

So I rise to oppose this amendment, because according to the Health Care Cost Containment Council, which studied this situation quite thoroughly, they advise that, of course, screening mammograms should be mandated to be paid for by insurance companies for women age 50 and over only.

The SPEAKER. On the amendment, the Chair recognizes, from Lehigh County, Representative Ritter.

Ms. RITTER. Thank you, Mr. Speaker.

I rise also to oppose this amendment.

The purpose of this bill is to try to provide these services to a larger spectrum of women than are currently receiving these services. So to enable a woman to walk into a clinic and receive a screening mammogram is the intent of the bill. To require that women have a physician's prescription for this service is going to put us back to where we are now. If the woman's history indicates that she needs to have this performed more often, the physician can still give her a prescription for this service to be performed. What we are trying to get to are women who would walk into a clinic on an annual basis and decide to have this screening mammogram performed, and by that, we will save more lives.

So I think that this amendment, while the intent is very good, is going to, as Ruth said, is going to kill the bill, but it is also going to limit the number of women instead of expanding the number of women who are going to be having these services.

So I would also ask for a negative vote on this amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment? Representative Wambach from Dauphin County is recognized.

Mr. WAMBACH. Thank you, Mr. Speaker.

Mr. Speaker, I rise in opposition to the amendment in support of the position offered by Representative Rudy and Representative Ritter.

I do not think we should impose any impediment, if you will, Mr. Speaker, for a mammogram to occur, and as a result, I think the physician's recommendation requirement as expressed in Representative Durham's amendment would in fact impede the process.

Mr. Speaker, in a family that has a history where a mammogram turned out to be a procedure that saved the life of an aunt of mine, I am very concerned about adding these restrictions to the bill, and I would ask all of my colleagues to vote against the Durham amendment and eliminate the impediment to screening mammograms. Thank you.

The SPEAKER. The Chair thanks the gentleman.

On the question of agreeing to the amendment, from Delaware County, the Chair recognizes Mrs. Durham.

Mrs. DURHAM. Mr. Speaker, I have tried to ascertain—

The SPEAKER. Will the lady suspend.

Is there someone that seeks recognition for the second time before the author of the amendment? Is there someone who seeks recognition prior to the author of the amendment, who was being recognized for the second time?

The Chair recognizes the gentleman from Cumberland County, Representative Mowery.

Mr. MOWERY. Thank you, Mr. Speaker.

I have been informed that I should not get involved in this, but I only want to clarify a particular point, if I may, with the sponsor of the amendment.

Is it my understanding that your amendment takes out lines 14 and 15, and by taking out lines 14 and 15, we eliminate the women 50 years of age and older? Is that correct, Mr. Speaker?

Mrs. DURHAM. I apologize, Mr. Speaker. Would you be kind enough to repeat the question?

Mr. MOWERY. I will.

Mrs. DURHAM. Thank you.

Mr. MOWERY. Does your amendment take out lines 14 and 15 on page 2, which excludes the provision for women 50 years of age and older?

Mrs. DURHAM. It does take out lines 14 and 15, but that does not exclude women who are 50 or older. Women who are 50 or older are still included.

Mr. MOWERY. If I may, may I ask where else in the bill it limits it to women 50 years of age or older, since I only see it on line 15, which, as I read your amendment, it takes it out.

Mrs. DURHAM. It strikes that language, but it does not prohibit a woman who is 50 or older from having a mammogram.

Mr. MOWERY. What about those younger than age 50?

Mrs. DURHAM. It does not prohibit women who are 50 or younger from having a mammogram.

Mr. MOWERY. In other words, this allows for the payment of all mammograms regardless of age.

Mrs. DURHAM. Correct.

Mr. MOWERY. Thank you.

Mrs. DURHAM. You are welcome.

Mr. MOWERY. May I speak to the amendment?

The SPEAKER. The gentleman is in order.

Mr. MOWERY. I would like to recommend that we vote against this particular amendment. In the Insurance Committee, the Cost Containment Council indicated that the cost would be in the millions and millions of dollars if this were to be included at all ages, and in the Insurance Committee we did accept the Cost Containment Council's recommendations and inserted into the bill in committee line 15, limiting this to women 50 years and older. For the reasons of mandating something like this that would be at all ages, it was the feeling of the Cost Containment Council that it would be prohibitive from a cost viewpoint for employers and those paying for their health insurance coverage. Thank you, Mr. Speaker.

The SPEAKER. On whether or not we shall agree to the amendment, the Chair recognizes Representative Rudy for the second time.

Mrs. RUDY. Thank you, Mr. Speaker.

I would just like to give some historical data and the justification for including mandating the screening mammograms for women 50 and over.

My original bill, HB 3, did include a baseline mammogram for women between the ages of 35 and 39. It also included biennial mammograms for women between the ages of 40 and 50. But due to the fact that the Health Care Cost Containment Council recommended that screening mammograms be given to women age 50 and over, because from that time on it would be cost-effective, this is something that was worked out in the Insurance Committee; it has been worked out with the insurance companies, et cetera, and I am afraid if we tamper with this measure now and change it, it would literally kill the bill.

I would like to read what the Health Care Cost Containment Council recommended:

The Council recommends that, based on the data submitted, legislation be enacted which would mandate that all health insurance policies provide coverage for certain costs associated with annual mammography screenings for all women age 50 and older.... The Council does not recommend mandatory insurance coverage for biennial screening mammograms for women between the ages of forty and forty-nine or a baseline screening mammogram for women between the ages of thirty-five and thirty-nine based on the data submitted.

Thank you, Mr. Speaker.

The SPEAKER. On whether or not the House will agree to the amendment, the Chair recognizes Representative Wambach for the second time.

Mr. WAMBACH. If it is agreeable to the Chair, I will yield to Representative Hagarty for the first time.

The SPEAKER. Representative Hagarty from Montgomery seeks recognition. She is in order and is recognized.

Mrs. HAGARTY. Thank you, Mr. Speaker.

May I interrogate the sponsor of the bill?

Mr. Speaker, I am concerned that under the bill itself, that with a doctor's prescription for a woman who is not over 50, insurance would not cover the mammogram. Is that correct?

Mrs. RUDY. That is incorrect. I think you are confused as to what is a screening mammogram and what is a mammogram that is recommended by a physician. A screening mammogram is a mammogram that I can just walk into a clinic and obtain without a physician's prescription or something of that nature.

Presently, if a physician prescribes that you need a mammogram, he has to give the reason why the mammogram is needed. You cannot just obtain a screening mammogram on your own. And, of course, if the reason is given as to why the mammogram is needed, then insurance does cover the cost of the mammogram.

So we are talking about screening mammograms only, not mammograms that are given on a physician's recommendation.

Mrs. HAGARTY. Mr. Speaker, may I speak on the bill?

The SPEAKER. You are in order to speak on the amendment only.

Mrs. HAGARTY. May I speak on the amendment?

The SPEAKER. You may.

Mrs. HAGARTY. Mr. Speaker, I have to support the amendment, although let me explain what I think the problem is.

I think it is important that if a physician recommends a mammogram for women of any age, that insurance cover it. A screening mammogram, while Representative Rudy indicates it would be covered, the language of this bill—and I am reading from page 2, line 13—says, "The minimum coverage required under subsection (a) shall include all costs associated with a mammogram every year for women fifty years of age or older." Now, I may be missing something; it is the first time I have looked at this carefully, but it does not seem to me that without this amendment we are including women of a younger age than 50 who may, by a doctor's recommendation, be receiving mammograms. I think it is important to cover those.

I also agree, though, with Representative Rudy that women over 50 every year should have insurance coverage for a mammogram, and my first request would be to Representative Rudy, that she would hold this bill so that we could prepare an amendment to accomplish both purposes. If she is not willing to do that, I then think it is important to support this amendment so that when a doctor prescribes a mammogram, that it be covered. Thank you.

The SPEAKER. The question is, will the House agree to the amendment? The Chair is about to recognize, for the second time, Representative Durham and proceed to a vote.

Mrs. DURHAM. Thank you, Mr. Speaker.

Even though Representative Rudy has stated that she is speaking about a screening mammogram, if you look at the language of her bill, it clearly does not say that. It merely says "a mammogram."

If my amendment is not put into the bill, her bill will effectively eliminate any type of mammogram for any woman under age 50. We can differ as to what age or what type of mammogram, but I am sure that even Representative Rudy and I agree that mammograms are necessary for some women under age 50.

Representative Wambach talked about the impediment in my amendment. The impediment is that you see a physician. I do not know of any other diagnostic test that you can have performed without a doctor's prescription. I also do not know of any other diagnostic test that is not mandatorily covered by insurance.

Representative Mowery spoke about health care cost containment, and the best health care cost containment that we can have is prevention.

My amendment is not going to cost any more than what is presently occurring today. Women should seek guidance from their physicians. I think the thing that is so tough for us is we are being asked to decide whether or not a woman should have a mammogram when she is at age 50 or some other age, and other than one person in this room, none of us has a medical degree. If we are going to err, err on the side of caution, and let the doctor decide when and if the woman should have the mammogram.

Please support my amendment.

The SPEAKER. The question is, will the House agree to the amendment? On that question, Representative Olasz from Allegheny County is recognized.

Mr. OLASZ. Mr. Speaker, earlier in the debate it was alluded to the extreme cost of expanse of the mammogram program. Has anyone looked into the other end of the cost, what we would save by early detection? What happens to that young person that goes in and stays in the hospital for a year, a year and a half for treatment? Has anyone looked at the cost of that? I submit that the safeguards that Mrs. Durham's amendment offers more than outweigh the costs, and for that reason I would support her amendment. Thank you.

The SPEAKER. The question is, will the House agree to the amendment? On that question, the Chair recognizes, from Allegheny County, Representative Trello, but before Representative Trello speaks to the amendment, the Chair would like to ask Representative Coy to preside for the Speaker temporarily.

THE SPEAKER PRO TEMPORE (JEFFREY W. COY) IN THE CHAIR

The SPEAKER pro tempore. Nothing permanent, I assure you.

The Chair thanks the Speaker and recognizes the gentleman from Allegheny County, Representative Trello.

Mr. TRELLO. Mr. Speaker, first of all, I would like to congratulate Representative Rudy for even introducing this bill. I mean, this type of legislation hits me probably more than anybody on the floor of the House. You know, 18 years ago at age 31 my wife had a radical mastectomy, and I know of several young ladies in my district under the age of 30 that have had this very, very emotional and very, very serious operation.

I do not want to get involved in this debate with women, but all I know is this: If there is anything that we can do here in the General Assembly to prevent mastectomies or to discover breast cancer at an early age, I think we should go to all expense to do it.

So I support the Durham amendment, and I would appreciate everybody giving it an affirmative vote. I do not believe that we should be looking at the costs, and as Representative Olasz said, it might cost us more in the long run if we do not take preventative measures. So I would like to see the Durham amendment passed, and if there is something wrong with it, I am sure our good members in the Senate will correct it. Thank you very much.

The SPEAKER pro tempore. The Chair thanks the gentleman.

On the question, the Chair recognizes the gentleman from Dauphin County, Representative Wambach.

Mr. WAMBACH. Thank you, Mr. Speaker.

Mr. Speaker, you vote for the Durham amendment, you kill the examinations as expressed in HB 3. It is that simple.

Representative Mowery rose to the microphone and spoke very eloquently regarding the ramifications of the amendment in regard to the Health Care Cost Containment Council. Representative Durham's amendment strikes out line 15. It strikes out "for women fifty years of age or older." That was the requirement put in by the Health Care Cost Containment Council. We have to be realistic. I would like to in fact say, for screening purposes, let us eliminate any age, but we are not being practical if we do that regarding the limitations.

We are not indicating one iota that if a physician recommends an examination at any age, it shall in fact be done. Look at the general purpose of the bill, and then look at the limitations. The limitations are minimum coverages, not maximum coverages. Let us not get into a war of words when we talk about what is going to be covered and what is not going to be covered. You vote for the Durham amendment, you are voting for the minimum coverages requirement, the minimum coverages requirement for mammary examinations on a screening basis. And believe me, Mr. Speaker, if we do not in fact maintain lines 13, 14, and 15, you are going to put the death knell into this bill. It is that simple. If in fact the recommendations were such that they were covering screening mammary programs, then in fact I could submit to the lady's amendment. That is not what it does. It puts in the physician's recommendation limitation, period, with no age restrictions on the screening process only. And again, not that it will take in any way, shape, or form a physician's recommendation out of the bill. We are only looking for minimum coverages in the bill.

We ask for your support. It is critical that we get your support, and we ask you to support the defeat of the amendment. Do not be fooled by the rhetoric that we just heard from two gentlemen in Allegheny County. I think if they are in fact aware of the differences between the screening process and the physician's recommendation process coupled with, if you will, the minimum coverages as expressed in lines 13, 14, and 15, they would change their votes as well.

I appreciate the time of the House. I ask you not to defeat HB 3 by voting for the Durham amendment but to defeat the amendment and get on with passage of HB 3. Thank you very much, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman.

Will the House agree to the amendment? On that question, the Chair recognizes the minority whip, Representative Hayes.

Mr. HAYES. Thank you, Mr. Speaker.

Mr. Speaker, I believe that it is very obvious to a lot of us who have listened to this debate that neither the bill nor the

amendment alone achieves what this House of Representatives probably wants to achieve. I believe the House does want to achieve the screening at age 50 and above as called for in the bill. I believe that the House would also like to achieve the opportunity for women who are younger than age 50 to, upon recommendation of a doctor, receive the insurance coverage for this type of diagnostic service. I do not believe that the House should have to pick and choose between whether they want just the amendment offered by the lady from Delaware County, Mrs. Durham, or just the bill being offered by the lady from Centre County, Mrs. Rudy.

I believe that if the House had the opportunity to vote on a piece of legislation that would provide for screening over age 50 and diagnostic services under age 50 for women upon recommendation of a doctor, that the House would feel most comfortable in doing what it believes to be best for the ladies of this Commonwealth of Pennsylvania, and I would ask if the ladies would please, both the sponsor of the bill and the sponsor of the amendment, talk to each other for a moment and see if they would not give us, the rest of us, the opportunity to vote for what would be a much stronger amendment and bill for the ladies of this Commonwealth. Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman.

Will the House agree to the amendment? On that question, the Chair recognizes the lady from Lehigh County, Representative Ritter.

Ms. RITTER. Thank you, Mr. Speaker.

I agree with the gentleman, Mr. Hayes, that we should be able to have both what is in the bill and what Mrs. Durham is proposing, but our argument is that we can have both by rejecting the Durham amendment, because current regulations provide that a mammogram will be covered if it is prescribed by the doctor, which is what Mrs. Durham's amendment will do. What it does not provide and what we are trying to do in the bill is to expand that service to women age 50 and over to have the screening done without having the additional expense of going to their personal physician and getting the prescription.

So what Mr. Hayes has presented as would be the ideal situation is exactly what we have if we reject the Durham amendment, and so I would urge again that the members reject this amendment. Thank you.

The SPEAKER pro tempore. The Chair thanks the lady.

AMENDMENT WITHDRAWN

Mrs. DURHAM. Mr. Speaker, I would like to ask you to pass over this bill. Representative Hagarty and I would like time to prepare an amendment, and I will withdraw this amendment.

The SPEAKER pro tempore. The lady from Delaware, Mrs. Durham, recommends that the bill be gone over in order. What is the pleasure of the majority leader on the request?

Mr. HAYES. Mr. Speaker?

The SPEAKER pro tempore. The Chair recognizes the gentleman, Mr. Hayes.

Mr. HAYES. Thank you, Mr. Speaker.

First, in response to the lady from Lehigh, Ms. Ritter, I believe that what the lady is saying is probably right from a technical standpoint, but there is nothing wrong with this House of Representatives saying with a clarion voice for sure what I believe is the will of the majority in this House of Representatives today, and therefore, there would not be anything wrong with the two ladies getting together, if they would please, and come here with the language that takes care of all the circumstances which have been suggested here this afternoon.

Number two, I would not put the bill over, Mr. Speaker, until another day. I believe that there is sufficient time yet in this day to keep the bill before the Assembly. I understand an amendment has already been requested from Reference Bureau, and we can make peace with all the ladies and ourselves as well, so let us not pass the bill over today.

The SPEAKER pro tempore. The Chair thanks the gentleman. The House will be at ease.

BILL PASSED OVER TEMPORARILY

The SPEAKER pro tempore. Without objection, HB 3 will go over temporarily. The Chair hears no objection.

**ANNOUNCEMENT BY
SPEAKER PRO TEMPORE**

The SPEAKER pro tempore. The Chair is pleased to announce that the Southwest Caucus meeting tomorrow morning will be held at 9:30 a.m. in room 22 of the Capitol Annex.

**BILLS ON THIRD
CONSIDERATION CONTINUED**

The House proceeded to third consideration of **HB 567, PN 1905**, entitled:

An Act providing for reductions in automobile insurance rates for motor vehicles equipped with antitheft devices or passive restraint systems.

On the question,

Will the House agree to the bill on third consideration?

Mr. PETRONE offered the following amendments No. A1784:

Amend Sec. 2, page 7, line 30; page 8, line 1, by striking out "REDUCE BY 10% THE APPROVED RATE" and inserting as part of their insurance filing provide premium discount of at least 10%

Amend Sec. 3, page 8, lines 5 and 6, by striking out "REDUCE BY 20% THE APPROVED RATE" and inserting as part of their insurance filing provide premium discount for a passive restraint which shall include a 15% discount for passive seat belts, 20% for one airbag on the operator's side of the vehicle and 30% for two air bags,

On the question,

Will the House agree to the amendments?

The SPEAKER pro tempore. On that question, the Chair recognizes, from Allegheny County, Representative Petrone.

Mr. PETRONE. Thank you, Mr. Speaker.

This amendment changes the premium discount for passive restraints, which includes a 15-percent discount for seatbelts, 20 percent for one airbag, and 30 percent for two airbags. That is basically what it does. Thank you.

The SPEAKER pro tempore. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—197

Acosta	Dorr	Lee	Robbins
Adolph	Durham	Leh	Robinson
Allen	Fairchild	Lescovitz	Roebuck
Angstadt	Fargo	Letterman	Rudy
Argall	Farmer	Levdansky	Ryan
Barley	Fee	Linton	Rybak
Belardi	Fleagle	Lloyd	Saloom
Belfanti	Flick	Lucyk	Saurman
Billow	Foster	McCall	Scheetz
Birmelin	Fox	McHale	Schuler
Bishop	Freeman	McNally	Scrimenti
Black	Freind	McVerry	Semmel
Blaum	Gamble	Maiale	Serafini
Bortner	Gannon	Maine	Smith, B.
Bowley	Geist	Markosek	Smith, S. H.
Boyes	George	Marsico	Snyder, D. W.
Brandt	Gigliotti	Mayernik	Snyder, G.
Broujos	Gladeck	Melio	Staback
Bunt	Godshall	Merry	Stairs
Burd	Gruitza	Michlovic	Steighner
Burns	Gruppo	Micozzie	Stish
Bush	Hagarty	Miller	Strittmatter
Caltagirone	Haluska	Moehlmann	Stuban
Cappabianca	Harper	Morris	Tangretti
Carlson	Hasay	Mowery	Taylor, E. Z.
Carn	Hayden	Mrkonc	Taylor, F.
Cawley	Hayes	Murphy	Taylor, J.
Cessar	Heckler	Nahill	Telek
Chadwick	Herman	Nailor	Thomas
Civera	Hershey	Noye	Tigue
Clark, B. D.	Hess	O'Brien	Trello
Clark, D. F.	Howlett	O'Donnell	Trich
Clark, J. H.	Hughes	Olasz	Van Horne
Clymer	Itkin	Oliver	Veon
Cohen	Jackson	Perzel	Vroon
Colafella	Jadlowiec	Pesci	Wambach
Cole	James	Petrarca	Wass
Cornell	Jarolin	Petrone	Weston
Corrigan	Johnson	Phillips	Williams
Cowell	Josephs	Piccola	Wilson
Coy	Kaiser	Pievsky	Wogan
DeLuca	Kasunic	Pistella	Wozniak
DeWeese	Kenney	Pitts	Wright, D. R.
Daley	Kondrich	Pressmann	Wright, J. L.
Davies	Kosinski	Preston	Wright, R. C.
Dempsey	Kukovich	Raymond	Yandrisevits
Dietterick	LaGrotta	Reber	
Distler	Langtry	Reinard	Manderino,
Dombrowski	Lashingier	Rieger	Speaker
Donatucci	Laughlin	Ritter	

NAYS—2

Colaizzo Gallen

NOT VOTING—1

Richardson

EXCUSED—3

Battisto Dininni Evans

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. O'DONNELL offered the following amendments No. A1756:

Amend Sec. 1, page 7, by inserting between lines 27 and 28 "Preferred provider." A business which has entered into an agreement with an insurer for the provision of collision or comprehensive services for its insureds at favorable rates of reimbursement.

Amend Bill, page 8, lines 10 and 11, by striking out all of said lines and inserting Section 4. Plan.

An insurer may submit to the department for its approval a plan that shall include:

(1) The selection of an adequate number of preferred providers for the prompt provision of collision and comprehensive repair services in locations that are geographically convenient for its insureds.

(2) Procedures for the provision of collision and comprehensive repairs if the insured is in an accident in a location in which there are no preferred providers.

(3) Periodic review of the quality and service of the repairs provided by the preferred provider.

(4) Procedures for insureds to contest the quality of repairs and have any deficiencies corrected.

(5) Substantial discount in premiums for insureds agreeing to use a preferred provider for collision and comprehensive repairs based on the negotiated reduction in costs of the preferred provider.

Section 5. No prohibition.

A contract for insurance pursuant to section 4 shall not be subject to the prohibition set forth in section 11(d) of the act of December 29, 1972 (P.L.1713, No.367), known as the Motor Vehicle Physical Damage Appraiser Act.

Section 6. Effective date.

This act shall take effect immediately.

On the question,

Will the House agree to the amendments?

The SPEAKER pro tempore. The Chair recognizes the majority leader, Representative O'Donnell.

Mr. O'DONNELL. Thank you, Mr. Speaker.

This amendment creates the opportunity for insurance companies to offer a plan in which substantial reductions in premiums are made available if the insured is willing to use a designated body shop for doing their repairs. This is strictly an optional provision, and I think you are familiar with its terms.

The SPEAKER pro tempore. The Chair thanks the gentleman.

Will the House agree to the amendment? On the question, the Chair recognizes the gentleman from Cumberland County, Representative Mowery.

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

I rise in opposition to the amendment. I think that when we begin to narrow down the number of companies that can provide the services that we are talking about as far as repairs by our body shops in Pennsylvania, we are very definitely eliminating competition. Competition has historically given and I strongly believe will continue to give to the consumer over a period of time the lowest possible prices. When you limit it to only body shops that are approved and utilized by the insurance companies themselves, you may for a short time provide a reduction in cost, but over a period of time they will get to feel very comfortable, and with a little competition, you will find that rates will again go up.

So I ask that you defeat this amendment and let the free enterprise system, the many body shops in your hometowns who are doing a good job and a job at the right price, be allowed to continue to operate and not be put out of business, which this amendment would do. Thank you very much, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman from Cumberland, Mr. Mowery.

The Chair is pleased to return the gavel to the Speaker of the House, Representative James Manderino.

THE SPEAKER (JAMES J. MANDERINO) IN THE CHAIR

The SPEAKER. The Chair thanks Representative Coy for temporarily presiding for the Speaker.

On the amendment, from Delaware County, Representative Freind is recognized.

Mr. FREIND. Thank you, Mr. Speaker.

This is the now infamous preferred auto body shop amendment. This was a provision that the House Insurance Committee, after listening to members of that industry, unanimously removed from a bill in committee. It is an amendment which would have a devastating effect upon the auto body shop industry, particularly in the rural areas, and if you look at the reason for it, let us face it: The two major reasons why our insurance premiums are high are the cost of litigation and health care costs. Well, we have far outstripped the United States in average increase. That is not the case with respect to the cost of auto repair, where we have basically kept pace with the national average. So I think what you have to do in an amendment like this is look at the potential good that it does and weigh it against the harm, and in my opinion, the small good that it might do is far outweighed by the devastation that might wreak upon our auto body shops throughout the Commonwealth of Pennsylvania.

I hope that this House will follow the bipartisan example of the House Insurance Committee and resoundingly reject this amendment. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, Representative O'Donnell is recognized.

Mr. O'DONNELL. Thank you, Mr. Speaker.

I am going to be very brief, because I think we are all pretty confident of what the outcome is here, but let us not mischaracterize the situation. The benefits to be derived from this amendment are broad. They affect every consumer of automobile insurance in Pennsylvania. It creates the opportunity and only the opportunity for those reduced rates if you are willing to use a preferred provider. Now, it is also true that there is a limited category of people, who I expect have been fairly vocal and I expect have been prodded by official correspondence, who have made their wishes known, and I am sure they will be characterized as the "mom and pop" body shop. That is the only phrase that has been missing from this debate so far.

Now, you have a choice here. You can go for a broad benefit for consumers and vote for the amendment, or you can go with a very narrow benefit, in my opinion, to the people who are in this business currently. That is your choice.

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

The following roll call was recorded:

YEAS—28

Carn	Kosinski	Preston	Weston
Cohen	Maiale	Rieger	Williams
Donatucci	Melio	Roebuck	Wogan
Harper	O'Brien	Saurman	Wright, D. R.
Hayden	O'Donnell	Taylor, J.	
Howlett	Oliver	Thomas	Manderino,
James	Perzel	Tigue	Speaker
Josephs	Petrarca		

NAYS—169

Acosta	Dietterick	Kondrich	Pressmann
Adolph	Distler	Kukovich	Raymond
Allen	Dombrowski	LaGrotta	Reinard
Angstadt	Dorr	Langtry	Richardson
Argall	Durham	Lashingier	Ritter
Barley	Fairchild	Laughlin	Robbins
Belardi	Fargo	Lee	Robinson
Belfanti	Farmer	Leh	Rudy
Billow	Fee	Lescovitz	Ryan
Birmelin	Fleagle	Letterman	Rybak
Bishop	Flick	Levdansky	Saloom
Black	Foster	Linton	Scheetz
Blaum	Fox	Lloyd	Schuler
Bortner	Freeman	Lucyk	Scrimenti
Bowley	Freind	McCall	Semmel
Boyes	Gallen	McHale	Serafini
Brandt	Gamble	McNally	Smith, B.
Broujos	Gannon	McVerry	Smith, S. H.
Bunt	Geist	Maine	Snyder, D. W.
Burd	George	Markosek	Snyder, G.
Burns	Gigliotti	Marsico	Staback
Bush	Gladeck	Mayernik	Stairs
Caltagirone	Godshall	Merry	Steighner
Cappabianca	Gruitza	Michlovic	Stish
Carlson	Gruppo	Micozzie	Strittmatter
Cawley	Hagarty	Miller	Stuban
Cessar	Haluska	Moehlmann	Tangretti
Chadwick	Hasay	Morris	Taylor, E. Z.
Civera	Hayes	Mowery	Taylor, F.
Clark, B. D.	Heckler	Mrkonic	Telek
Clark, D. F.	Herman	Murphy	Trello
Clark, J. H.	Hershey	Nahill	Trich

Clymer	Hess	Nailor	Van Horne
Colaifella	Hughes	Noye	Veon
Colaizzo	Itkin	Olasz	Vroon
Cole	Jackson	Pesci	Wambach
Cornell	Jadlowiec	Petrone	Wass
Cowell	Jarolin	Phillips	Wilson
Coy	Johnson	Piccola	Wozniak
DeLuca	Kaiser	Pievsky	Wright, J. L.
DeWeese	Kasunic	Pistella	Wright, R. C.
Daley	Kenney	Pitts	Yandrisevits
Dempsey			

NOT VOTING—3

Corrigan	Davies	Reber
EXCUSED—3		

Battisto	Dininni	Evans
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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. FOX offered the following amendments No. A2040:

Amend Title, page 1, line 3, by removing the period after "SYSTEMS" and inserting
; and providing for good-driving insurance ratings for certain insureds.

Amend Bill, page 8, by inserting between lines 9 and 10 Section 4. Good-driving insurance rating.

An insurer shall give a good-driving insurance rating and a 10% overall premium rate discount to any insured who has held an operator's license for a continuous four-year period with no points assessed under 75 Pa.C.S. § 1535 (relating to schedule of convictions and points) and with no accidents for which an insurer was obligated to make a payment. The good-driving insurance rating required under this section shall be the same for all insureds, without regard to age, sex, ethnic background, disability, race, color or religious creed.

Amend Sec. 4, page 8, line 10, by striking out "4" and inserting

5

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, from Montgomery County, Mr. Fox is recognized.

Mr. FOX. Thank you, Mr. Speaker.

This is an agreed-to amendment by the bill's sponsor, Representative Petrone. This would apply to all drivers, not just their vehicles, as was pointed out earlier by Representative Gannon. As I understand the practice in the industry, the reason for this 10-percent discount after 4 years and not 3 is that under current practice procedure in Pennsylvania, you cannot get insurance without having 3 years of a good record, and this would give it on the first year thereafter.

Representative Kukovich had a similar amendment on a different bill. For the same reasons I asked you to support the Kukovich amendment, I am asking you to support this amendment. We do not know which bill will go through the Senate or if either, but hopefully we will have a positive response from the Senate for this 10-percent discount, which our drivers certainly need along with the other safeguards that have been afforded to our constituents in prior legislation.

I would ask the body for an affirmative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—199

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gamble	Maiale	Semmel
Bortner	Gannon	Maine	Serafini
Bowley	Geist	Markosek	Smith, B.
Boyes	George	Marsico	Smith, S. H.
Brandt	Gigliotti	Mayernik	Snyder, D. W.
Broujos	Gladeck	Melio	Snyder, G.
Bunt	Godshall	Merry	Staback
Burd	Gruitza	Michlovic	Stairs
Burns	Gruppo	Micozzie	Steighner
Bush	Hagarty	Miller	Stish
Caltagirone	Haluska	Moehlmann	Strittmatter
Cappabianca	Harper	Morris	Suban
Carlson	Hasay	Mowery	Tangretti
Carn	Hayden	Mrkonic	Taylor, E. Z.
Cawley	Hayes	Murphy	Taylor, F.
Cessar	Heckler	Nahill	Taylor, J.
Chadwick	Herman	Nailor	Telek
Civera	Hershey	Noye	Thomas
Clark, B. D.	Hess	O'Brien	Tigue
Clark, D. F.	Howlett	O'Donnell	Trello
Clark, J. H.	Hughes	Olasz	Trich
Clymer	Itkin	Oliver	Van Horne
Cohen	Jackson	Perzel	Veon
Colaifella	Jadlowiec	Pesci	Vroon
Colaizzo	James	Petrarca	Wambach
Cole	Jarolin	Petrone	Wass
Cornell	Johnson	Phillips	Weston
Corrigan	Josephs	Piccola	Williams
Cowell	Kaiser	Pievsky	Wilson
Coy	Kasunic	Pistella	Wogan
DeLuca	Kenney	Pitts	Wozniak
DeWeese	Kondrich	Pressmann	Wright, D. R.
Daley	Kosinski	Preston	Wright, J. L.
Davies	Kukovich	Raymond	Wright, R. C.
Dempsey	LaGrotta	Reber	Yandrisevits
Dietterick	Langtry	Reinard	
Distler	Lashinger	Richardson	Manderino,
Dombrowski	Laughlin	Rieger	Speaker
Donatucci			

NAYS—1

Gallen

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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. SAURMAN offered the following amendment No. A1887:

Amend Sec. 2, page 8, line 2, by removing the period after "DEVICES" and inserting , including vehicles that have an identification number permanently etched on the front windshield and windows of the vehicle pursuant to an etching program established by the Department of Transportation.

On the question,

Will the House agree to the amendment?

The SPEAKER. On the amendment, from Montgomery County, Representative Saurman is recognized.

Mr. SAURMAN. Thank you, Mr. Speaker.

Mr. Speaker, this amendment would just include in the language of the antitheft devices a system that is currently being used in Connecticut, Kentucky, and hopefully we will be able to do in this State as well. It identifies by etching on the window the vehicle identification number. In Kentucky, where 175,000 vehicles were so identified, only 4 of them were stolen. It is an antitheft device. I just wanted to have it included as one of those which would be recognized.

I would ask for your support.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—198

Acosta	Dorr	Laughlin	Rieger
Adolph	Durham	Lee	Ritter
Allen	Fairchild	Leh	Robbins
Angstadt	Fargo	Lescovitz	Robinson
Argall	Farmer	Letterman	Roebuck
Barley	Fee	Levdansky	Rudy
Belardi	Fleagle	Linton	Ryan
Belfanti	Flick	Lloyd	Rybak
Billow	Foster	Lucyk	Saloom
Birmelin	Fox	McCall	Saurman
Bishop	Freeman	McHale	Scheetz
Blaum	Freind	McNally	Schuler
Bortner	Gallen	McVerry	Scrimenti
Bowley	Gamble	Maiale	Semmel
Boyes	Gannon	Maine	Serafini
Brandt	Geist	Markosek	Smith, B.
Broujos	George	Marsico	Smith, S. H.
Bunt	Gigliotti	Mayernik	Snyder, D. W.
Burd	Gladeck	Melio	Snyder, G.
Burns	Godshall	Merry	Staback
Bush	Gruitza	Michlovic	Stairs
Caltagirone	Gruppo	Micozzie	Steighner
Cappabianca	Hagarty	Miller	Stish
Carlson	Haluska	Moehlmann	Strittmatter
Carn	Harper	Morris	Suban
Cawley	Hasay	Mowery	Tangretti
Cessar	Hayden	Mrkonic	Taylor, E. Z.
Chadwick	Hayes	Murphy	Taylor, F.
Civera	Heckler	Nahill	Taylor, J.
Clark, B. D.	Herman	Nailor	Telek
Clark, D. F.	Hershey	Noye	Thomas
Clark, J. H.	Hess	O'Brien	Tigue
Clymer	Howlett	O'Donnell	Trello
Cohen	Hughes	Olasz	Trich
Colaifella	Itkin	Oliver	Van Horne
Colaizzo	Jackson	Perzel	Veon
Cole	Jadlowiec	Pesci	Vroon

Cornell	James	Petrarca	Wambach
Corrigan	Jarolin	Petrone	Wass
Cowell	Johnson	Phillips	Weston
Coy	Josephs	Piccola	Wilson
DeLuca	Kaiser	Pievsky	Wogan
DeWeese	Kasunic	Pistella	Wozniak
Daley	Kenney	Pitts	Wright, D. R.
Davies	Kondrich	Pressmann	Wright, J. L.
Dempsey	Kosinski	Preston	Wright, R. C.
Dietterick	Kukovich	Raymond	Yandrisevits
Distler	LaGrotta	Reber	
Dombrowski	Langtry	Reinard	Manderino,
Donatucci	Lashingner	Richardson	Speaker

NAYS—0

NOT VOTING—2

Black Williams

EXCUSED—3

Battisto Dininni Evans

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. GANNON offered the following amendments No. A2024:

Amend Title, page 1, line 3, by removing the period after "SYSTEMS" and inserting

; and imposing limitations on reductions of insurance premiums and prohibitions against insurance premium increases.

Amend Bill, page 8, by inserting between lines 9 and 10 Section 4. Reduction of premiums and prohibitions against premium increases limited.

Any provision of this act or any other law that mandates a reduction or prohibits an increase in any automobile insurance premium shall apply only to an insurer certified by the Insurance Commissioner to be receiving an adequate and fair rate of return.

Amend Sec. 4, page 8, line 10, by striking out "4" and inserting

5

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, Representative Gannon from Delaware County is recognized.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, during the course of the Insurance Committee's inquiries into the insurance crisis in Pennsylvania, two factors became very prevalent, and that was price and availability. With all of the discounts that we have been putting into legislation over the past week or two on insurance pricing, one of the things that we want to make certain is that that insurance is available at those discounted prices, and this amendment simply would guarantee that the insurance would be available.

The SPEAKER. The question is on the amendment, and on that question, the Representative from Philadelphia, Representative Kosinski, is recognized.

Mr. KOSINSKI. Would the speaker stand for interrogation?

Mr. GANNON. Yes.

The SPEAKER. He indicates that he will.

Mr. KOSINSKI. Thank you.

Would you give me, Mr. Speaker, a legal definition of a fair and adequate rate of return?

Mr. GANNON. Well, the general rule in Pennsylvania has been 5 percent.

Mr. KOSINSKI. May I speak on final passage?

The SPEAKER. The gentleman is in order on final passage.

Mr. KOSINSKI. I stand against the Gannon amendment, because it in effect tries to ruin what this House did last week. I find it somewhat laughable that I hear from certain people that a rate reduction is unconstitutional. Yet to protect themselves against a rate reduction, we now have an amendment that guarantees a fair and adequate rate of return. Without knowing what a legal definition of "fair and adequate return" is, I would be very, very hesitant to vote for this type of amendment. This may put the brakes on any effective reform that guarantees, guarantees, reduction to our constituents.

So I ask every member of this chamber to vote against the Gannon amendment.

The SPEAKER. On the amendment, from Allegheny County, Representative Petrone is recognized.

Mr. PETRONE. Thank you, Mr. Speaker.

I, too, rise in opposition to the Gannon amendment and ask that everybody oppose it. It destroys the intent of the bill and what we have been trying to accomplish here in insurance reform for the past 2 weeks. Thank you.

The SPEAKER. From Northampton County, Representative Rybak is recognized on the amendment.

Mr. RYBAK. Thank you, Mr. Speaker.

Would the gentleman submit to interrogation?

Mr. GANNON. Yes, Mr. Speaker.

The SPEAKER. The gentleman may proceed.

Mr. RYBAK. Mr. Speaker, is it not a fact that the Insurance Commissioner now, presently now under the law and under the rules, has the authority to determine whether rates are adequate in Pennsylvania?

Mr. GANNON. Yes; yes, she does, Mr. Speaker.

Mr. RYBAK. In fact, she has the obligation to do that, does she not?

Mr. GANNON. Yes, she does, I believe.

Mr. RYBAK. Now, if that is the case, is this not surplusage?

Mr. GANNON. Excuse me? I cannot hear you, Mr. Speaker.

Mr. RYBAK. What does this amendment do if she already has that authority and that obligation?

Mr. GANNON. This amendment simply carries forward what was done in California, Mr. Speaker. When proposition 103 was passed by the people of California, rolling back the insurance rates, the insurance companies immediately filed suit, claiming that that was a violation of their Fifth Amendment rights, which was a taking of property without just compensation, which was confiscatory by the California statute,

and when the California Supreme Court reviewed that proposition 103, the only saving language that they found was the "fair and adequate return" provision, and that, in essence, saved proposition 103. Now, in Pennsylvania the Insurance Commissioner has allowed a 5-percent return. In California they are allowing 15 percent. So we are getting a far better deal here.

One other thing, Mr. Speaker: You are not going to be able to buy automobile insurance or any kind of insurance from a company that is bankrupt. This language simply says, we want to have those rate discounts, but we also want to have that insurance to be available for the people of Pennsylvania.

Mr. RYBAK. Mr. Speaker, can I speak on the bill?

The SPEAKER. The gentleman, Mr. Rybak, from Northampton County is in order on the bill.

Mr. RYBAK. Mr. Speaker, in my judgment, this proposal is nothing more than duplicitous. It adds nothing to what authority and rights and obligations the Commissioner has, and therefore, it does nothing to the existing power and law.

I would ask that you vote against this amendment. Thank you.

The SPEAKER. On the amendment, the Chair recognizes, from Somerset County, Representative Lloyd.

Mr. LLOYD. Thank you, Mr. Speaker.

Mr. Speaker, last week I joined with the gentleman, Mr. Gannon, in opposing what I thought was an unconstitutional confiscatory amendment. Today I rise to oppose this amendment, because it does a lot more than the gentleman, I think, appreciates.

If you read the language of this amendment and you put that in the context of all of the discounts which we have voted for, a technical conclusion is that before anybody's car insurance premium can be renewed with either a discount or a surcharge, there would have to be a certification by the Insurance Commissioner that the company involved was earning a fair rate of return. Now, that is totally impractical to do it on the basis of each and every insurance policy renewal, even if you assume that that is an overly technical reading of the law. It is the responsibility of insurance companies to come in when they want to raise rates. If what we are going to require is before any discounts can be ordered that the Insurance Commissioner has to initiate some kind of a rate review, we are voting to increase the cost of rate regulation and probably voting to put the onus for asking for a rate increase on the Commonwealth rather than on the insurance companies.

So the gentleman is correct to be concerned about confiscatory reductions, but this amendment confuses the law at the present time and in fact is going to be totally unworkable and totally eliminate the effect of discounts and surcharges.

So for those reasons, Mr. Speaker, I urge a "no" vote.

The SPEAKER. On the amendment, from Philadelphia County, Representative Thomas is recognized.

Mr. THOMAS. Thank you, Mr. Speaker.

I, too, rise in opposition to the Gannon amendment.

I think it is clear from testimony given prior to me that the Gannon amendment lacks both a factual and a legal basis for

making any determination of what constitutes a fair and reasonable return. It is clearly ambiguous, and for this body to entertain the Gannon amendment, we, too, would be giving support to this ambiguous terminology.

Therefore, I urge this full body, from both sides of the aisle, to oppose the Gannon amendment without further discussion. Thank you.

The SPEAKER. On the amendment for the second time, the author of the amendment, Representative Gannon from Delaware County, is recognized.

Mr. GANNON. Mr. Speaker, to correct the prior speaker, this amendment does not say "fair and reasonable." It says "fair and adequate," and that language has been interpreted by the courts extensively. It is not vague. It is not something that cannot be defined. As I stated earlier, in Pennsylvania a fair and adequate return has been determined by the Commissioner to be 5 percent.

One other thing, Mr. Speaker: In answering Representative Kosinski's interrogatory, I misstated when I said the Commissioner, with the rate reduction amendments that we have passed already, can guarantee a fair and adequate return. By mandating those reductions, those rollbacks, similar to what they did in California, we have taken away the Commissioner's power to guarantee or to make certain that a company remains solvent and can continue to do business in the Commonwealth of Pennsylvania. That is all this amendment says; that is all it asks for. It says, look, we are going to mandate these rollbacks in rates, and I think generally most of us have supported those rollbacks, including myself, but on the other hand, we have to have insurance companies that are going to offer insurance at those rates. We cannot buy insurance from companies that are bankrupt or on the verge of insolvency. They are going to end up on the Insurance Commissioner's watch list if we are not careful, and the problem will be one not only of affordability but where am I going to be able to buy my insurance.

This amendment is very simple, very plain. It says if a company is solid financially—and we want financially solid companies in this State—then they are going to have to roll back their rates, period. That is all the amendment says, and it places the responsibility on the Insurance Commissioner, where it lies right now, to say, yes, this company is making a fair and adequate return. It takes it right out of proposition 103 from California. There is nothing secret about this amendment. There is nothing unusual. There has been precedent in other States for this, where these rollbacks were put into place. But I want to make certain that they take effect and that we do not end up in years and years of litigation over rollbacks that we put in place, and this amendment is intended to avoid litigation, to get the rollbacks into place as quickly as possible, simply by having the Insurance Commissioner say, this company is financially sound; they can give a rollback; they have to give a rollback to their insurance customers.

As I said before, Mr. Speaker, it is plain and simple: You cannot buy insurance from a company that is bankrupt, and I ask for a "yes" vote on the amendment.

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

The following roll call was recorded:

YEAS—23

Adolph	Dempsey	Godshall	Moehlmann
Burns	Durham	Hagarty	Nahill
Bush	Fox	Langtry	Reinard
Civera	Freind	Lee	Vroon
Clymer	Gallen	Leh	Wright, R. C.
Colaizzo	Gannon	McVerry	

NAYS—174

Acosta	Fairchild	Linton	Roebuck
Allen	Fargo	Lloyd	Rudy
Angstadt	Farmer	Lucyk	Ryan
Argall	Fee	McCall	Rybak
Barley	Fleagle	McHale	Saloom
Belardi	Flick	McNally	Saurman
Belfanti	Foster	Maiale	Scheetz
Billow	Freeman	Maine	Schuler
Birmelin	Gamble	Markosek	Scrimenti
Black	Geist	Marsico	Semmel
Blaum	George	Mayernik	Serafini
Bortner	Gigliotti	Melio	Smith, B.
Bowley	Gladeck	Merry	Smith, S. H.
Boyes	Gruitza	Michlovic	Snyder, D. W.
Brandt	Gruppo	Micozzie	Snyder, G.
Broujos	Haluska	Miller	Staback
Bunt	Harper	Morris	Stairs
Burd	Hasay	Mowery	Steighner
Caltagirone	Hayden	Mrkonic	Stish
Cappabianca	Hayes	Murphy	Strittmatter
Carlson	Heckler	Nailor	Suban
Carn	Herman	Noye	Tangretti
Cawley	Hershey	O'Brien	Taylor, F.
Cessar	Hess	O'Donnell	Taylor, J.
Chadwick	Howlett	Olasz	Telek
Clark, B. D.	Hughes	Oliver	Thomas
Clark, D. F.	Itkin	Perzel	Tigue
Clark, J. H.	Jackson	Pesci	Trello
Cohen	Jadlowiec	Petrarca	Trich
Colafella	James	Petrone	Van Horne
Cole	Jarolin	Phillips	Veon
Cornell	Josephs	Piccola	Wambach
Corrigan	Kaiser	Pjevsky	Wass
Cowell	Kasunic	Pistella	Weston
Coy	Kenney	Pitts	Williams
DeLuca	Kondrich	Pressmann	Wilson
DeWeese	Kosinski	Preston	Wogan
Daley	Kukovich	Raymond	Wozniak
Davies	LaGrotta	Reber	Wright, D. R.
Dietterick	Lashinger	Richardson	Wright, J. L.
Distler	Laughlin	Rieger	Yandrisevits
Dombrowski	Lescovitz	Ritter	
Donatucci	Letterman	Robbins	Manderino,
Dorr	Levdansky	Robinson	Speaker

NOT VOTING—3

Bishop	Johnson	Taylor, E. Z.
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EXCUSED—3

Battisto	Dininni	Evans
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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?

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—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Suban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Cole	Jadlowiec	Petrarca	Wambach
Cornell	James	Petrone	Wass
Corrigan	Jarolin	Phillips	Weston
Cowell	Johnson	Piccola	Williams
Coy	Josephs	Pjevsky	Wilson
DeLuca	Kaiser	Pistella	Wogan
DeWeese	Kasunic	Pitts	Wozniak
Daley	Kenney	Pressmann	Wright, D. R.
Davies	Kondrich	Preston	Wright, J. L.
Dempsey	Kosinski	Raymond	Wright, R. C.
Dietterick	Kukovich	Reber	Yandrisevits
Distler	LaGrotta	Reinard	
Dombrowski	Langtry	Richardson	Manderino,
Donatucci	Lashinger	Rieger	Speaker
	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

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

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

* * *

The House proceeded to third consideration of **HB 1197, PN 2023**, entitled:

An Act reestablishing the State Athletic Commission; providing for an Executive Director and a Medical Advisory Board; permitting and regulating boxing contests and exhibitions; requiring licenses and permits; providing for the granting, suspension and revocation of licenses and permits issued by the State Athletic Commission; preserving the rights of existing licensees and permittees; prescribing penalties, fines, forfeitures and misdemeanors; requiring bonds and insurance; providing for rules and regulations; imposing a tax on certain receipts; and establishing a restricted account for such receipts.

On the question,

Will the House agree to the bill on third consideration?

Mr. PIEVSKY offered the following amendments No. A1941:

Amend Title, page 1, line 10, by striking out "AND"

Amend Title, page 1, line 11, by striking out all of said line and inserting

such receipts; and making an appropriation.

Amend Bill, page 41, by inserting between lines 22 and 23 Section 3107. Appropriation.

The sum of \$350,000, or as much thereof as may be necessary, is hereby appropriated from the Professional Licensure Augmentation Account to the State Athletic Commission for the payment of costs of processing permits, licenses and renewals, for the operation of the commission and for other general costs of the commission's operations relating to this act. The appropriation granted shall be repaid by the commission within three years of the beginning of issuance of licenses and permits under this act.

Amend Sec. 3107, page 41, line 23, by striking out "3107" and inserting

3108

Amend Sec. 3108, page 41, line 26, by striking out "3108" and inserting

3109

Amend Sec. 3109, page 41, line 29, by striking out "3109" and inserting

3110

On the question,

Will the House agree to the amendments?

The SPEAKER. On the amendment, from Philadelphia, Representative Pievsky is recognized.

Mr. PIEVSKY. Thank you, Mr. Speaker.

Mr. Speaker, this amendment provides for the initial funding for the State Athletic Commission. That funding would be \$350,000 for 1989 and 1990. The source of the funding would be a loan from the Professional Licensure Augmentation Account. That account would have to be paid back within 3 years. It is anticipated that revenues from the State Athletic Commission's licenses and fees will be adequate to make this agency self-sufficient by the end of 1989-90.

It is my understanding, Mr. Speaker, this is an agreed-to amendment, and I would urge an affirmative vote. Thank you, Mr. Speaker.

The SPEAKER. On the amendment, the minority leader, Matthew Ryan, is recognized.

Mr. RYAN. Mr. Speaker, I would agree with the gentleman and urge an affirmative vote.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colaella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashinger	Rieger	Speaker
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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—199

Acosta	Durham	Lee	Ritter
Adolph	Fairchild	Leh	Robbins
Allen	Fargo	Lescovitz	Robinson
Angstadt	Farmer	Letterman	Roebuck
Argall	Fee	Levdansky	Rudy
Barley	Fleagle	Linton	Ryan
Belardi	Flick	Lloyd	Rybak
Belfanti	Foster	Lucyk	Saloom
Billow	Fox	McCall	Saurman
Birmelin	Freeman	McHale	Scheetz
Bishop	Freind	McNally	Schuler
Black	Gallen	McVerry	Scrimenti
Blaum	Gamble	Maiale	Semmel
Bortner	Gannon	Maine	Serafini
Bowley	Geist	Markosek	Smith, B.
Boyes	George	Marsico	Smith, S. H.
Brandt	Gigliotti	Mayernik	Snyder, D. W.
Broujos	Gladeck	Melio	Snyder, G.
Bunt	Godshall	Merry	Staback
Burd	Gruitza	Michlovic	Stairs
Burns	Gruppo	Micozzie	Steighner
Bush	Hagarty	Miller	Stish
Caltagirone	Haluska	Moehlmann	Strittmatter
Cappabianca	Harper	Morris	Stuban
Carlson	Hasay	Mowery	Tangretti
Carn	Hayden	Mrkonic	Taylor, E. Z.
Cawley	Hayes	Murphy	Taylor, F.
Cessar	Heckler	Nahill	Taylor, J.
Chadwick	Herman	Nailor	Telek
Civera	Hershey	Noye	Thomas
Clark, B. D.	Hess	O'Brien	Tigue
Clark, J. H.	Howlett	O'Donnell	Trello
Clymer	Hughes	Olasz	Trich
Cohen	Itkin	Oliver	Van Horne
Colafella	Jackson	Perzel	Veon
Colaizzo	Jadlowiec	Pesci	Vroon
Cole	James	Petrarca	Wambach
Cornell	Jarolin	Petrone	Wass
Corrigan	Johnson	Phillips	Weston
Cowell	Josephs	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wogan
DeWeese	Kenney	Pitts	Wozniak
Daley	Kondrich	Pressmann	Wright, D. R.
Davies	Kosinski	Preston	Wright, J. L.
Dempsey	Kukovich	Raymond	Wright, R. C.
Dietterick	LaGrotta	Reber	Yandrisevits
Distler	Langtry	Reinard	
Dombrowski	Lashingier	Richardson	
Donatucci	Laughlin	Rieger	
Dorr			

NAYS—0

NOT VOTING—1

Clark, D. F.

EXCUSED—3

Battisto Dininni Evans

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

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

FINANCE COMMITTEE MEETING

The SPEAKER. The Chair recognizes the gentleman from Allegheny County, Representative Trello, chairman of the Finance Committee, for the purpose of an announcement.

Mr. TRELLO. Mr. Speaker, there will be a meeting of the House Finance Committee immediately at the call of the recess in the back of the House. Thank you. I encourage all members to attend, please.

APPROPRIATIONS COMMITTEE MEETING

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

Mr. PIEVSKY. Thank you, Mr. Speaker.

Mr. Speaker, there will be a brief meeting of the Appropriations Committee at the rear of the House immediately upon the call of the recess.

HOUSE SCHEDULE

The SPEAKER. The Chair recognizes the majority leader.

Mr. O'DONNELL. Thank you, Mr. Speaker.

On the subject of schedule, we would like to take a break now for both caucuses to have an opportunity to meet. We will be back on the floor promptly at 5:30. We have eight or nine bills to do. I think we can get them done quickly if there is not a lot of controversy, and if we get them done quickly, we will probably be out of here by 7 o'clock. Thank you.

DEMOCRATIC CAUCUS

The SPEAKER. The majority leader announces a caucus of the Democratic Party immediately upon the call of the recess.

REPUBLICAN CAUCUS

The SPEAKER. The Chair recognizes Matthew Ryan, the minority leader.

Mr. RYAN. Mr. Speaker, we will go immediately to caucus also, and let us go up as quickly as possible so we are back down here and we are out of here early.

The SPEAKER. The Chair is going to declare a recess until 5:30, and at 5:30 promptly we will begin the session.

VOTE CORRECTIONS

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

Mr. DORR. Mr. Speaker, may I correct a vote?

Mr. Speaker, my switch apparently malfunctioned on HB 567 on the O'Donnell amendment 1756. I wish to be recorded in the affirmative.

The SPEAKER. The Chair recognizes the lady from Chester, Mrs. Taylor.

Mrs. TAYLOR. Mr. Speaker, I would like to be recorded on the Gannon amendment 2024 to HB 567 in the negative.

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

From Philadelphia, Representative Hayden is recognized.

Mr. HAYDEN. Thank you, Mr. Speaker.

Mr. Speaker, I would like to correct the record. On the Colafella amendment 2048 to HB 3, I would like to be recorded in the negative. Thank you.

The SPEAKER. From Cumberland County, Representative Broujos is recognized.

Mr. BROUJOS. Mr. Speaker, I was erroneously recorded on amendment 1777 to HB 765. I should be recorded in the affirmative.

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

The Chair recognizes the gentleman from Juniata County, Representative Clark.

Mr. D. F. CLARK. Mr. Speaker, on final passage of HB 1197, my switch failed to activate, and I would like to be recorded as voting in the affirmative.

The SPEAKER. Those remarks will be spread upon the record.

**BILL REPORTED FROM COMMITTEE,
CONSIDERED FIRST TIME, AND TABLED**

SB 310, PN 318 By Rep. TRELLO

An Act amending the act of March 4, 1971 (P. L. 6, No. 2), entitled "Tax Reform Code of 1971," further providing for estimated tax.

FINANCE.

BILLS REMOVED FROM TABLE

The SPEAKER. The Chair recognizes the majority leader.

Mr. O'DONNELL. Mr. Speaker, I move that SB 310 and SB 193 be removed from the table.

On the question,

Will the House agree to the motion?

Motion was agreed to.

BILLS RECOMMITTED

The SPEAKER. The Chair recognizes the majority leader.

Mr. O'DONNELL. Mr. Speaker, I move that SB 310 and SB 193 be recommitted to the Appropriations Committee for fiscal notes.

On the question,

Will the House agree to the motion?

Motion was agreed to.

RECESS

The SPEAKER. This House stands in recess until 5:30 p.m.

AFTER RECESS

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

SENATE MESSAGE**HOUSE BILLS****CONCURRED IN BY SENATE**

The clerk of the Senate, being introduced, returned **HB 570, PN 1632**; and **HB 571, PN 1566**, with information that the Senate has passed the same without amendment.

BILLS REREPORTED FROM COMMITTEE

HB 31, PN 33 By Rep. PIEVSKY

An Act amending the act of April 9, 1929 (P. L. 343, No. 176), known as "The Fiscal Code," requiring the Board of Finance and Revenue to issue written opinions to accompany its decisions.

APPROPRIATIONS.

SB 253, PN 1245 By Rep. PIEVSKY

An Act amending the act of December 12, 1973 (P. L. 397, No. 141), entitled "Teacher Certification Law," further providing for the commission; and providing for the reestablishment of the commission.

APPROPRIATIONS.

SB 310, PN 318 By Rep. PIEVSKY

An Act amending the act of March 4, 1971 (P. L. 6, No. 2), entitled "Tax Reform Code of 1971," further providing for estimated tax.

APPROPRIATIONS.**BILLS ON SECOND CONSIDERATION**

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

HB 31, PN 33; and **SB 253, PN 1245**.

SUNSHINE NOTICE

The SPEAKER. The Chief Clerk has prepared a notice pursuant to the Sunshine Law regarding tomorrow's session beginning at 10 a.m. The clerk will read the prepared notice.

The following communication was read:

House of Representatives
Commonwealth of Pennsylvania
Harrisburg

NOTICE
SESSION TIME
HOUSE OF REPRESENTATIVES

Notice is hereby given, in accordance with the Act of July 3, 1986, P.L. 388, No. 84, that the House of Representatives will convene in open session in the Hall of the House on the following date and time:

Wednesday, June 21, 1989 at 10:00 a.m. instead of 11:00 a.m.

John J. Zubeck
Chief Clerk
House of Representatives

June 20, 1989

House of Representatives
Commonwealth of Pennsylvania
Harrisburg

I hereby certify that thirty copies of the foregoing notice were delivered to the Supervisor of the Newsroom of the State Capitol Building in Harrisburg, and a copy was also posted on the bulletin board outside the main entrance to the Chief Clerk's Office on the following date:

June 20, 1989

John J. Zubeck
Chief Clerk
House of Representatives

June 20, 1989

RULES SUSPENDED

The SPEAKER. The Chair recognizes, from Philadelphia, Representative Richardson.

Mr. RICHARDSON. Mr. Speaker, I move that this House suspend its rules so that HR 157 may be considered immediately.

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

RESOLUTION ADOPTED

The SPEAKER. The clerk will read HR 157.

The following resolution was read:

House Resolution No. 157

A RESOLUTION

Designating June 21, 1989, for the purpose of remembering and commemorating James Earl Chaney, Andrew Goodman and Michael Schwerner.

WHEREAS, In the summer of 1964, three young civil rights workers, James Earl Chaney, Andrew Goodman and Michael Schwerner, were brutally murdered in Philadelphia, Mississippi, while engaged in a humanitarian effort to overcome racism and to encourage voter registration in the community; and

WHEREAS, June of 1989 will mark the twenty-fifth year since these atrocious acts of violence occurred in which Chaney, Goodman and Schwerner paid the supreme sacrifice for the cause of freedom; and

WHEREAS, We believe that the cause for which these three courageous men died was just and that all America should be committed to insuring that the memory of their struggle against racial intolerance not only survives, but continues to inspire and activate others; and

WHEREAS, It is more than apparent that racial, ethnic and religious intolerance in our country, however and whenever it arises, poses a serious threat to the stability of our society; therefore be it

RESOLVED, That the House of Representatives hereby designates Wednesday, June 21, 1989, as a day to appropriately commemorate and pay tribute to the memories of James Earl Chaney, Andrew Goodman and Michael Schwerner upon the twenty-fifth anniversary of their deaths in one of the many battles fought for freedom, equality and justice for all people of this great Nation.

David P. Richardson, Jr.
James J. Manderino
Gerard A. Kosinski
Robert W. O'Donnell
Andrew J. Carn
Frank J. Pistella
Babette Josephs
Frank L. Oliver
W. Curtis Thomas
Gordon J. Linton
Harold James
Richard Hayden
Anthony Hardy Williams
Vincent Hughes
Mark B. Cohen
Ruth B. Harper
Dwight Evans
Ralph Acosta
Robert C. Donatucci
William W. Rieger
Joseph Preston, Jr.
Frances Weston
Chris R. Wogan
George T. Kenney, Jr.
John J. Taylor
Karen A. Ritter
Nicholas J. Maiale
Anthony L. Colaizzo
H. William DeWeese
Ivan Itkin
William Russell Robinson
Peter J. Daley II
Leo J. Trich, Jr.
Paul McHale
Robert C. Wright

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti

Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayermik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colaifella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino, Speaker
Dombrowski	Lashingier	Rieger	
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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

BILLS SIGNED BY SPEAKER

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

HB 570, PN 1632

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for spousal privilege in evidence.

HB 571, PN 1566

An Act designating February 16 of each year as "Lithuanian Independence Day."

CALENDAR CONTINUED

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 1627, PN 2024**, entitled:

An Act amending the act of June 14, 1961 (P. L. 324, No. 188), known as "The Library Code," further regulating equalization aid to libraries.

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—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Schetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayermik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colaifella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino, Speaker
Dombrowski	Lashingier	Rieger	
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of HB 1302, PN 1505, entitled:

An Act amending the act of July 2, 1984 (P. L. 553, No. 110), known as the "Engineering School Equipment Act," further providing for acquisition and upgrading of equipment and for the expiration of the act.

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—200

- Acosta Dorr Lee Ritter
Adolph Durham Leh Robbins
Allen Fairchild Lescovitz Robinson
Angstadt Fargo Letterman Roebuck
Argall Farmer Levdansky Rudy
Barley Fee Linton Ryan
Belardi Fleagle Lloyd Rybak
Belfanti Flick Lucyk Saloom
Billow Foster McCall Saurman
Birmelin Fox McHale Scheetz
Bishop Freeman McNally Schuler
Black Freind McVerry Scrimenti
Blaum Gallen Maiale Semmel
Bortner Gamble Maine Serafini
Bowley Gannon Markosek Smith, B.
Boyes Geist Marsico Smith, S. H.
Brandt George Mayerink Snyder, D. W.
Broujos Gigliotti Melio Snyder, G.
Bunt Gladeck Merry Staback
Burd Godshall Michlovic Stairs
Burns Gruitza Micozzie Steighner
Bush Gruppo Miller Stish
Caltagirone Hagarty Moehlmann Strittmatter
Cappabianca Haluska Morris Stuban
Carlson Harper Mowery Tangretti
Carn Hasay Mrkonic Taylor, E. Z.
Cawley Hayden Murphy Taylor, F.
Cessar Hayes Nahill Taylor, J.
Chadwick Heckler Nailor Telek
Civera Herman Noye Thomas
Clark, B. D. Hershey O'Brien Tigie
Clark, D. F. Hess O'Donnell Trello
Clark, J. H. Howlett Olasz Trich
Clymer Hughes Oliver Van Horne
Cohen Itkin Perzel Veon
Colaafella Jackson Pesci Vroon
Colaizzo Jadlowiec Petrarca Wambach
Cole James Petrone Wass
Cornell Jarolin Phillips Weston
Corrigan Johnson Piccola Williams
Cowell Josephs Pievsky Wilson
Coy Kaiset Pistella Wogan

- DeLuca Kasunic Pitts Wozniak
DeWeese Kenney Pressmann Wright, D. R.
Daley Kondrich Preston Wright, J. L.
Davies Kosinski Raymond Wright, R. C.
Dempsey Kukovich Reber Yandrisevits
Dietterick LaGrotta Reinard
Distler Langtry Richardson Manderino,
Dombrowski Lashinger Rieger Speaker
Donatucci Laughlin

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of HB 1694, PN 2046, entitled:

An Act amending the act of December 15, 1986 (P. L. 1585, No. 174), known as the "Private Licensed Schools Act," creating a special fund to serve as repository for license fees authorized by the act.

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

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

The question is, shall the bill pass finally?

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

YEAS—199

- Acosta Dorr Laughlin Rieger
Adolph Durham Lee Ritter
Allen Fairchild Leh Robbins
Angstadt Fargo Lescovitz Robinson
Argall Farmer Letterman Roebuck
Barley Fee Levdansky Rudy
Belardi Fleagle Linton Ryan
Belfanti Flick Lloyd Rybak
Billow Foster Lucyk Saloom
Birmelin Fox McCall Saurman
Bishop Freeman McHale Scheetz
Black Freind McNally Schuler
Blaum Gallen McVerry Scrimenti
Bortner Gamble Maiale Semmel
Bowley Gannon Maine Serafini
Boyes Geist Markosek Smith, B.
Brandt George Marsico Smith, S. H.
Broujos Gigliotti Mayerink Snyder, D. W.
Bunt Gladeck Melio Snyder, G.
Burd Godshall Merry Staback
Burns Gruitza Michlovic Stairs
Bush Gruppo Micozzie Steighner
Caltagirone Hagarty Miller Stish
Cappabianca Haluska Moehlmann Strittmatter
Carlson Harper Morris Stuban
Carn Hasay Mowery Tangretti
Cawley Hayden Mrkonic Taylor, E. Z.
Cessar Hayes Murphy Taylor, F.
Chadwick Heckler Nahill Taylor, J.

Civera	Herman	Nailor	Telek
Clark, B. D.	Hershey	Noye	Thomas
Clark, D. F.	Hess	O'Brien	Tigue
Clark, J. H.	Howlett	O'Donnell	Trello
Clymer	Hughes	Olasz	Trich
Cohen	Itkin	Oliver	Van Horne
Colaifella	Jackson	Perzel	Veon
Colaizzo	Jadlowiec	Pesci	Vroon
Cole	James	Petrarca	Wambach
Cornell	Jarolin	Petrone	Wass
Corrigan	Johnson	Phillips	Weston
Cowell	Josephs	Piccola	Williams
Coy	Kaiser	Pievsky	Wilson
DeLuca	Kasunic	Pistella	Wozniak
DeWeese	Kenney	Pitts	Wright, D. R.
Daley	Kondrich	Pressmann	Wright, J. L.
Davies	Kosinski	Preston	Wright, R. C.
Dempsey	Kukovich	Raymond	Yandrisevits
Dietterick	LaGrotta	Reber	
Distler	Langtry	Reinard	Manderino,
Dombrowski	Lashingier	Richardson	Speaker
Donatucci			

NAYS—0

NOT VOTING—1

Wogan

EXCUSED—3

Battisto Dininni Evans

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

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

CONSIDERATION OF HB 3 CONTINUED

On the question recurring,

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

Mrs. DURHAM offered the following amendment No. A2077:

Amend Sec. 1 (Sec. 631), page 2, line 15, by inserting after "older"

and any mammogram based on a physician's recommendation for all other women

On the question,

Will the House agree to the amendment?

The SPEAKER. On the amendment, from Delaware County, Representative Durham is recognized.

Mrs. DURHAM. Mr. Speaker, thank you very much.

Representative Rudy and I have reached an agreement on the amendment, but basically what the amendment does is it keeps my language, as the original amendment was drafted, and also keeps Representative Rudy's language so that women who are over 50 years will be eligible to have a screening mammogram and women under 50 will be able to have a mammogram with recommendation by their physician. Thank you.

The SPEAKER. The question is on the amendment. On that question, Representative Rudy from Centre County is recognized.

Mrs. RUDY. Thank you, Mr. Speaker.

Basically, this is an agreed-to amendment because it puts into law what is current practice plus keeps in the bill the provision that screening mammograms for women 50 years of age and older are mandated to be paid for by insurance companies.

So I do agree to this revised amendment.

The SPEAKER. The Chair thanks the Representative from Centre County and calls on the Representative from Cumberland County, Representative Mowery.

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

I would like to congratulate Representative Durham on the outstanding job in negotiating the amendment.

I would suggest that we all vote in favor of it. Thank you.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—199

Acosta	Dorr	Laughlin	Ritter
Adolph	Durham	Lee	Robbins
Allen	Fairchild	Leh	Robinson
Angstadt	Fargo	Lescovitz	Roebuck
Argall	Farmer	Letterman	Rudy
Barley	Fee	Levdansky	Ryan
Belardi	Fleagle	Linton	Rybak
Belfanti	Flick	Lloyd	Saloom
Billow	Foster	Lucyk	Saurman
Birmelin	Fox	McCall	Scheetz
Bishop	Freeman	McHale	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colaifella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	
Dombrowski	Lashingier	Rieger	Manderino,
Donatucci			Speaker

NAYS—0
NOT VOTING—1

McNally

EXCUSED—3

Battisto Dininni Evans

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

On the question recurring,

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

Bill as amended was agreed to.

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

The question is, shall the bill pass finally?

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

YEAS—199

Acosta	Dorr	Laughlin	Ritter
Adolph	Durham	Lee	Robbins
Allen	Fairchild	Leh	Robinson
Angstadt	Fargo	Lescovitz	Roebuck
Argall	Farmer	Letterman	Rudy
Barley	Fee	Levdansky	Ryan
Belardi	Fleagle	Linton	Rybak
Belfanti	Flick	Lloyd	Saloom
Billow	Foster	Lucyk	Saurman
Birmelin	Fox	McCall	Scheetz
Bishop	Freeman	McHale	Schuler
Black	Freind	McNally	Scrimenti
Blaum	Gallen	McVerry	Semmel
Bortner	Gamble	Maiale	Serafini
Bowley	Gannon	Maine	Smith, B.
Boyes	Geist	Markosek	Smith, S. H.
Brandt	George	Marsico	Snyder, D. W.
Broujos	Gigliotti	Mayernik	Snyder, G.
Bunt	Gladeck	Melio	Staback
Burd	Godshall	Merry	Stairs
Burns	Gruitza	Michlovic	Steighner
Bush	Gruppo	Micozzie	Stish
Caltagirone	Hagarty	Miller	Strittmatter
Cappabianca	Haluska	Moehlmann	Stuban
Carlson	Harper	Morris	Tangretti
Carn	Hasay	Mowery	Taylor, E. Z.
Cawley	Hayden	Mrkonic	Taylor, F.
Cessar	Hayes	Murphy	Taylor, J.
Chadwick	Heckler	Nahill	Telek
Civera	Herman	Nailor	Thomas
Clark, B. D.	Hershey	Noye	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashingier	Rieger	Speaker

Donatucci

NAYS—0
NOT VOTING—1

O'Brien

EXCUSED—3

Battisto Dininni Evans

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

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

* * *

The House proceeded to third consideration of **HB 1069, PN 1217**, entitled:

An Act amending Titles 24 (Education) and 71 (State Government) of the Pennsylvania Consolidated Statutes, further providing for the compensation and classification of persons appointed by the Public School Employees' Retirement Board and the State Employees' Retirement Board.

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—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon

Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashinger	Rieger	Speaker
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

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

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

* * *

The House proceeded to third consideration of **HB 756, PN 2022**, entitled:

An Act amending the act of December 8, 1982 (P. L. 848, No. 235), known as the "Highway-Railroad and Highway Bridge Capital Budget Act for 1982-1983," adding projects.

On the question,

Will the House agree to the bill on third consideration?

Mr. COY offered the following amendment No. A2057:

Amend Sec. 2 (Sec. 3), page 41, line 11, by striking out all of said line and inserting

(ii) State Bridges

* * *

(Q) I-81,

Expand Bridge

Overpass Route

997, at

Scotland Exit 8,

Greene Twp.,

Bridge Construc-

tion.....	<u>2,500,000</u>	<u>25,000</u>	<u>300,000</u>	<u>2,825,000</u>
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On the question,

Will the House agree to the amendment?

The SPEAKER. On the amendment, from Franklin County, Representative Coy is recognized.

Mr. COY. Thank you, Mr. Speaker.

This amendment proposes to increase an amount in the amount of \$2,825,000 to expand a current bridge over Interstate 81 in Greene Township, Franklin County, which has been encountering an unusually heavy amount of traffic.

I would appreciate your vote. Thank you very much.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashinger	Rieger	Speaker
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto	Dininni	Evans
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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?

Mr. PISTELLA offered the following amendment No. A2061:

Amend Sec. 2 (Sec. 3), page 5, by inserting between lines 22 and 23

(X5) Sedgewick

St. Bridge

over Girty's

Run, Boro.

of Millvale,

Bridge

Replace-

ment..... 108,000 22,000 11,000 141,000

On the question,

Will the House agree to the amendment?

The SPEAKER. The gentleman from Allegheny, Mr. Pistella, is recognized on the amendment. Under the rules of the House, the amendment must be explained.

Mr. PISTELLA. The amendment is self-explanatory, Mr. Speaker. It is for the Sedgewick Street Bridge. The total amount of money is \$141,000.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—200

Table with 4 columns of names: Acosta, Adolph, Allen, Angstadt, Argall, Barley, Belardi, Belfanti, Billow, Birmelin, Bishop, Black, Blaum, Bortner, Bowley, Boyes, Brandt, Broujos, Bunt, Burd, Burns, Bush, Caltagirone, Cappabianca, Carlson, Carn, Cawley, Cessar, Chadwick, Civera, Clark, B. D., Clark, D. F., Clark, J. H., Clymer, Cohen, Colafella, Colaizzo, Cole, Cornell, Corrigan, Cowell, Coy, DeLuca, DeWeese, Daley, Davies, Dorr, Durham, Fairchild, Fargo, Farmer, Fee, Fleagle, Flick, Foster, Fox, Freeman, Freind, Gallen, Gamble, Gannon, Geist, George, Gigliotti, Gladeck, Godshall, Gruitza, Gruppo, Hagarty, Haluska, Harper, Hasay, Hayden, Hayes, Heckler, Herman, Hershey, Hess, Howlett, Hughes, Itkin, Jackson, Jadlowiec, James, Jarolin, Johnson, Josephs, Kaiser, Kasunic, Kenney, Kondrich, Kosinski, Lee, Leh, Lescovitz, Letterman, Levdansky, Linton, Lloyd, Lucyk, McCall, McHale, McNally, McVerry, Maiale, Markosek, Marsico, Mayernik, Melio, Merry, Michlovic, Micozzie, Miller, Moehlmann, Morris, Mowery, Mrkonic, Murphy, Nahill, Nailor, Noye, O'Brien, O'Donnell, Olasz, Oliver, Perzel, Pesci, Petrarca, Petrone, Phillips, Piccola, Pievsky, Pistella, Pitts, Pressmann, Preston, Raymond, Ritter, Robbins, Robinson, Roebuck, Rudy, Ryan, Rybak, Saloom, Saurman, Scheetz, Schuler, Scrimenti, Semmel, Serafini, Smith, B., Smith, S. H., Snyder, D. W., Snyder, G., Staback, Stairs, Steighner, Stish, Strittmatter, Stuban, Tangretti, Taylor, E. Z., Taylor, F., Taylor, J., Telek, Thomas, Tigue, Trello, Trich, Van Horne, Veon, Vroon, Wambach, Wass, Weston, Williams, Wilson, Wogan, Wozniak, Wright, D. R., Wright, J. L., Wright, R. C.

Table with 4 columns of names: Dempsey, Dietterick, Distler, Dombrowski, Donatucci, Kukovich, LaGrotta, Langtry, Lashinger, Laughlin, Reber, Reinard, Richardson, Rieger, Yandrisevits, Manderino, Speaker

NAYS—0

NOT VOTING—0

EXCUSED—3

Table with 3 columns of names: Battisto, Dininni, Evans

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. PESCI offered the following amendment No. A2064:

Amend Sec. 2 (Sec. 3), page 6, by inserting between lines 11 and 12

(QQ) S.R.2026,

Cochran Mills

Bridge,

Burrell Twp.,

Bridge Replace-

ment..... 400,000 100,000 500,000

(RR) S.R.2036,

Rearick's

Fording Bridge,

Burrell Twp.,

Bridge Replace-

ment..... 400,000 100,000 500,000

On the question,

Will the House agree to the amendment?

The SPEAKER. On the amendment, from Armstrong County, the Chair recognizes Representative Pesci.

Mr. PESCI. Mr. Speaker, this amendment provides for the reconstruction of two bridges in Armstrong County that would enhance the economic development and the safety for the residents of the county.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—200

Table with 4 columns of names: Acosta, Adolph, Allen, Angstadt, Argall, Barley, Belardi, Belfanti, Billow, Birmelin, Bishop, Black, Blaum, Bortner, Bowley, Boyes, Brandt, Broujos, Bunt, Burd, Dorr, Durham, Fairchild, Fargo, Farmer, Fee, Fleagle, Flick, Foster, Fox, Freeman, Freind, Gallen, Gamble, Gannon, Geist, George, Gigliotti, Gladeck, Godshall, Lee, Leh, Lescovitz, Letterman, Levdansky, Linton, Lloyd, Lucyk, McCall, McHale, McNally, McVerry, Maiale, Maine, Markosek, Marsico, Mayernik, Melio, Merry, Michlovic, Ritter, Robbins, Robinson, Roebuck, Rudy, Ryan, Rybak, Saloom, Saurman, Scheetz, Schuler, Scrimenti, Semmel, Serafini, Smith, B., Smith, S. H., Snyder, D. W., Snyder, G., Staback, Stairs

Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino, Speaker
Dombrowski	Lashinger	Rieger	
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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. PHILLIPS offered the following amendment No. A1977:

Amend Sec. 2 (Sec. 3), page 85, by inserting between lines 5 and 6

(II) S.R.0061,
Railroad Bridge
over Pa.61, Upper
Augusta Twp.,
Bridge Rehabilita-
tion..... 260,000 10,000 30,000 300,000

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

The SPEAKER. On that question, the Chair recognizes Representative Phillips from Northumberland County.

Mr. PHILLIPS. Thank you, Mr. Speaker.

This amendment would allow money to raise a railroad bridge over Route 61 in Upper Augusta Township. At the present time the limit of clearance is 13 feet 1 inch, and it would allow it to be raised so all trucks could go through rather than detour through the residential section of the city of Sunbury.

I would ask for a "yes" vote on this amendment.

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

The following roll call was recorded:

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Stish
Caltagirone	Hagarty	Moehlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak
DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino, Speaker
Dombrowski	Lashinger	Rieger	
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

Battisto Dininni Evans

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

On the question recurring,

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

Bill as amended was agreed to.

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

The question is, shall the bill pass finally?

The Chair recognizes the gentleman from Indiana County, Mr. Wass.

Mr. WASS. Mr. Speaker, I am anticipating some amendments coming down to the floor. Is it possible to hold?

The SPEAKER. The indication from the leaders is that the bill will move and this is the last piece of business that we are doing today.

Mr. WASS. Mr. Speaker, may I make a statement for the record?

The SPEAKER. You may make a statement for the record in just one moment.

Can we pass the bill and then take your statement for the record?

Mr. WASS. Okay. All right. I do not care.

On the question recurring,
Shall the bill pass finally?

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

YEAS—200

Acosta	Dorr	Lee	Ritter
Adolph	Durham	Leh	Robbins
Allen	Fairchild	Lescovitz	Robinson
Angstadt	Fargo	Letterman	Roebuck
Argall	Farmer	Levdansky	Rudy
Barley	Fee	Linton	Ryan
Belardi	Fleagle	Lloyd	Rybak
Belfanti	Flick	Lucyk	Saloom
Billow	Foster	McCall	Saurman
Birmelin	Fox	McHale	Scheetz
Bishop	Freeman	McNally	Schuler
Black	Freind	McVerry	Scrimenti
Blaum	Gallen	Maiale	Semmel
Bortner	Gamble	Maine	Serafini
Bowley	Gannon	Markosek	Smith, B.
Boyes	Geist	Marsico	Smith, S. H.
Brandt	George	Mayernik	Snyder, D. W.
Broujos	Gigliotti	Melio	Snyder, G.
Bunt	Gladeck	Merry	Staback
Burd	Godshall	Michlovic	Stairs
Burns	Gruitza	Micozzie	Steighner
Bush	Gruppo	Miller	Strish
Caltagirone	Hagarty	Mochlmann	Strittmatter
Cappabianca	Haluska	Morris	Stuban
Carlson	Harper	Mowery	Tangretti
Carn	Hasay	Mrkonic	Taylor, E. Z.
Cawley	Hayden	Murphy	Taylor, F.
Cessar	Hayes	Nahill	Taylor, J.
Chadwick	Heckler	Nailor	Telek
Civera	Herman	Noye	Thomas
Clark, B. D.	Hershey	O'Brien	Tigue
Clark, D. F.	Hess	O'Donnell	Trello
Clark, J. H.	Howlett	Olasz	Trich
Clymer	Hughes	Oliver	Van Horne
Cohen	Itkin	Perzel	Veon
Colafella	Jackson	Pesci	Vroon
Colaizzo	Jadlowiec	Petrarca	Wambach
Cole	James	Petrone	Wass
Cornell	Jarolin	Phillips	Weston
Corrigan	Johnson	Piccola	Williams
Cowell	Josephs	Pievsky	Wilson
Coy	Kaiser	Pistella	Wogan
DeLuca	Kasunic	Pitts	Wozniak

DeWeese	Kenney	Pressmann	Wright, D. R.
Daley	Kondrich	Preston	Wright, J. L.
Davies	Kosinski	Raymond	Wright, R. C.
Dempsey	Kukovich	Reber	Yandrisevits
Dietterick	LaGrotta	Reinard	
Distler	Langtry	Richardson	Manderino,
Dombrowski	Lashingier	Rieger	Speaker
Donatucci	Laughlin		

NAYS—0

NOT VOTING—0

EXCUSED—3

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

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

STATEMENT BY MR. WASS

The SPEAKER. The gentleman, Mr. Wass, from Indiana County seeks recognition to make a statement on the bill just passed, and he is in order, without objection.

Mr. WASS. Mr. Speaker, for the record, I have requested amendments that would provide for seven bridges in Indiana County. The amendments are not down and the bill has been voted, so I will use the senatorial process to include my bridges in this piece of legislation.

The SPEAKER. The Speaker has indication from a number of members of the House that they were foregoing amendments in the House so that we could meet the time deadline on this bill. Amendments will be offered in the Senate, and we have an agreement in the Senate that the amendments that the House members propose will be placed into the bill.

We are going to meet tomorrow at 10 a.m. for those of you who feel constrained to leave before the business of the House has been completed this evening.

VOTE CORRECTIONS

The SPEAKER. From Cambria County, Representative Telek is recognized.

Mrs. TELEK. Mr. Speaker, I was incorrectly recorded on amendment A1775 to HB 765. I would like to be recorded in the affirmative.

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

Mrs. TELEK. Thank you.

The SPEAKER. From Clarion County, Representative Wright is recognized.

Mr. D. R. WRIGHT. Mr. Speaker, I would like to be recorded in the affirmative on HB 222, a bill of some interest to the Speaker.

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

Are there any other corrections of votes? Are there any announcements? Is there any more business to come before the House?

STATE GOVERNMENT COMMITTEE MEETING

The SPEAKER. The Chair will announce that the chairman of the State Government Committee indicates that a meeting is to be held at 9:30 tomorrow morning and that meeting is still on. The State Government Committee will meet at 9:30 tomorrow morning.

VOTE CORRECTIONS

The SPEAKER. From Venango County, Representative Black is recognized.

Mr. BLACK. Mr. Speaker, I would like to correct the record.

On amendment 1775 to HB 765, I was recorded in the negative. I would like to be in the affirmative. And on amendment 1887 to HB 567, I was not recorded. I would like to be recorded in the affirmative.

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

Mr. BLACK. Thank you, Mr. Speaker.

The SPEAKER. From Allegheny County, Representative McVerry is recognized.

Mr. McVERRY. Thank you, Mr. Speaker.

I was inadvertently recorded in the affirmative on amendment A2024 to HB 567. I would like to be recorded in the negative.

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

ANNOUNCEMENT BY MR. NOYE

The SPEAKER. The Chair recognizes, from Perry County, Representative Noye. For what purpose does the gentleman rise?

Mr. NOYE. Mr. Speaker, if I may, members of the House had received an invitation to an event scheduled to start at 4:30. That has been extended for those who would like to attend at the Strawberry Square complex. Thank you.

ADJOURNMENT

The SPEAKER. The Chair is about to take the adjournment motion. From Allegheny County, Representative Robinson is recognized.

Mr. ROBINSON. Mr. Speaker, I move that this House do now adjourn until Wednesday, June 21, 1989, at 10 a.m., e.d.t., unless sooner recalled by the Speaker.

On the question,

Will the House agree to the motion?

Motion was agreed to, and at 6:05 p.m., e.d.t., the House adjourned.