

# COMMONWEALTH OF PENNSYLVANIA

## LEGISLATIVE JOURNAL

TUESDAY, APRIL 16, 1991

SESSION OF 1991

175TH OF THE GENERAL ASSEMBLY

No. 23

### HOUSE OF REPRESENTATIVES

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

#### THE SPEAKER PRO TEMPORE (EUGENE G. SALOOM) PRESIDING

#### PRAYER

The SPEAKER pro tempore. The prayer will be offered by our guest chaplain, Rev. Larry White, of the Mount Pleasant Church of God.

REV. LARRY WHITE offered the following prayer:

Let us pray together:

Almighty and Everlasting God, You who hold the world and all of its governments in the palm of Your hand, come now and hold us close to Yourself that we might sense Your presence in this chamber.

Grant to each that would share this governing responsibility of the Commonwealth the wisdom that only You are able to provide. Let spiritual discernment and clarity of vision dominate this session as each participate for the common good of the citizens of this great State.

May integrity and a sense of right prevail in each decision to be made, and may a commitment to servant leadership be established as a norm for legislative action.

Grant courage to all who would seek to govern with fairness and justice.

Once again we ask that Your strong presence would be felt by all who serve here, making them mindful of their responsibilities - to be men and women of commitment to the tasks of good government.

We commend all those who lead in this place into Your loving care.

In the name of the one who taught by His lifestyle the meaning of servant leadership. Amen.

#### PLEDGE OF ALLEGIANCE

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

The SPEAKER pro tempore. I request the gentleman, Mr. Itkin, to come to the podium at this time.

### WELCOME

The SPEAKER pro tempore. To the members of the House, I would like to introduce the senior life members of the Mount Pleasant Church of God, who are with us today at the rear of the House.

#### THE SPEAKER PRO TEMPORE (IVAN ITKIN) PRESIDING JOURNAL APPROVAL POSTPONED

The SPEAKER pro tempore. Without objection, the approval of the Journal of Monday, April 15, 1991, will be postponed until printed. The Chair hears no objection.

#### HOUSE BILLS INTRODUCED AND REFERRED

No. 1136 By Representatives MARKOSEK, KOSINSKI, ROBINSON, FARGO, FAIRCHILD, STUBAN, TRICH, TRELLO, COY, MELIO, JOSEPHS, TULLI, PETRARCA, STEIGHNER, LAUGHLIN, NAHILL, O'BRIEN, GEIST, VEON, COWELL, GERLACH, BUSH, BUNT, KRUSZEWSKI, BILLOW, CAPPABIANCA, BATTISTO, ITKIN, PISTELLA, ARGALL, RICHARDSON, HALUSKA, SEMMEL, STURLA, OLASZ, TANGRETTI, GIGLIOTTI, ARMSTRONG, JAMES, MICHLOVIC and TELEK

An Act establishing the Governor's Keystone Quality Award; establishing criteria and a selection process for the award; providing for presentation of the award; and providing funding for the award.

Referred to Committee on BUSINESS AND COMMERCE, April 16, 1991.

No. 1137 By Representatives DALEY, JOHNSON, KUKOVICH, PETRONE, RAYMOND, HALUSKA, TRICH, TRELLO, BISHOP, BELFANTI, BELARDI, ANGSTADT, NAHILL, PESCI, LEVDANSKY, CARLSON, HASAY, ARGALL, MICOZZIE, MELIO, FOX, TANGRETTI, STEELMAN, McCALL, LaGROTTA, KRUSZEWSKI, DENT and RICHARDSON

An Act amending the act of March 4, 1971 (P. L. 6, No. 2), known as the "Tax Reform Code of 1971," providing for personal income tax forgiveness for volunteer emergency workers.

Referred to Committee on FINANCE, April 16, 1991.

**No. 1138** By Representatives DALEY, GEIST, KOSINSKI, PETRONE, TIGUE, COHEN, PESCI, VEON, J. TAYLOR, HARPER, MELIO, DeLUCA, STABACK, PERZEL, SALOOM, KRUSZEWSKI and RICHARDSON

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for the scope of the Assigned Risk Plan.

Referred to Committee on INSURANCE, April 16, 1991.

**No. 1139** By Representatives DALEY, JOHNSON, KUKOVICH, HALUSKA, TRELLO, COHEN, BISHOP, BELARDI, JOSEPHS, NAHILL, PESCI, VEON, MELIO, MICHLOVIC, STABACK, CLARK, STEELMAN, KRUSZEWSKI and RICHARDSON

An Act requiring warnings for sale of pressure-treated lumber; providing penalties; and conferring powers and duties on the Department of Environmental Resources.

Referred to Committee on CONSERVATION, April 16, 1991.

**No. 1140** By Representatives DALEY, GEIST, KUKOVICH, BUSH, PETRONE, CAPPABIANCA, HALUSKA, TRICH, TRELLO, COHEN, BISHOP, BELFANTI, BELARDI, ANGSTADT, VAN HORNE, PESCI, RUDY, ITKIN, VEON, CARLSON, LAUGHLIN, OLASZ, HARPER, MELIO, DeLUCA, TELEK, FOX, PISTELLA, ARGALL, MICOZZIE, STEELMAN, KOSINSKI, BUNT, KRUSZEWSKI and RICHARDSON

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, defining the offense of transporting foodstuffs in vehicles used to transport chemicals.

Referred to Committee on CONSERVATION, April 16, 1991.

**No. 1141** By Representatives KREBS, COLE, FARGO, DeWEESE, GERLACH, ARGALL, McNALLY, ARMSTRONG, BELARDI, LUCYK, FAIRCHILD, HANNA, KOSINSKI, TULLI, VEON, NICKOL, HERSHEY, SEMMEL, JAROLIN, TRELLO, E. Z. TAYLOR, NOYE, ARNOLD, KRUSZEWSKI, VANCE, CARONE, SURRA, STURLA, STETLER, BILLOW, MELIO, KUKOVICH, RUDY and COY

An Act amending the act of June 30, 1981 (P. L. 128, No. 43), known as the "Agricultural Area Security Law," providing for notification of rejection.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, April 16, 1991.

**No. 1142** By Representatives McHUGH, J. TAYLOR, McGEEHAN, KOSINSKI, JOSEPHS, CARN, O'BRIEN, ACOSTA and KENNEY

An Act amending the act of July 7, 1980 (P. L. 380, No. 97), known as the "Solid Waste Management Act," further providing for action on permits and licenses.

Referred to Committee on CONSERVATION, April 16, 1991.

**No. 1143** By Representatives EVANS, STUBAN, NAHILL, HAGARTY, JOSEPHS, E. Z. TAYLOR, PETRONE, HERMAN, KUKOVICH, HAYDEN, BATTISTO, KOSINSKI, PETRARCA, CAPPABIANCA, STISH, FREEMAN, TIGUE, WAMBACH, TRICH, TRELLO, COHEN, ROEBUCK, DALEY, MICHLOVIC, BISHOP, BELFANTI, BELARDI, MIHALICH, STURLA, VAN HORNE, RAYMOND, MICOZZIE, ITKIN, RUDY, LUCYK, VEON, COY, COLAIZZO, ROBINSON, BLAUM, PESCI, LAUGHLIN, HARPER, DeLUCA, GODSHALL, GIGLIOTTI, KENNEY, STABACK, FOX, LINTON, PISTELLA, MAIALE, KASUNIC, DeWEESE, McCALL, SURRA, RITTER, KRUSZEWSKI, BUNT, WILLIAMS, LaGROTTA, HUGHES, MARKOSEK, HALUSKA, STETLER, RICHARDSON, S. H. SMITH and SCRIMENTI

An Act amending the act of June 13, 1967 (P. L. 31, No. 21), known as the "Public Welfare Code," providing for training for family day-care providers; providing for an annual State plan for child-care services; further providing for powers and duties of the Department of Public Welfare; and making repeals.

Referred to Committee on AGING AND YOUTH, April 16, 1991.

**No. 1144** By Representatives STUBAN, CAPPABIANCA, STISH, MELIO, NOYE, JAROLIN, HALUSKA, KRUSZEWSKI, JOSEPHS, PESCI, BILLOW, HARPER, BUSH, MAIALE, LEVDANSKY, DALEY, DeLUCA, E. Z. TAYLOR, STABACK, McCALL, PISTELLA and MICHLOVIC

An Act amending the act of May 1, 1933 (P. L. 216, No. 76), known as "The Dental Law," further defining the term "dental hygienist."

Referred to Committee on PROFESSIONAL LICENSURE, April 16, 1991.

**No. 1145** By Representatives STUBAN, CAPPABIANCA, STISH, COLAIZZO, McGEEHAN, JOHNSON, MELIO, SALOOM, NOYE, FAIRCHILD, VEON, JAROLIN, FARGO, HALUSKA, KRUSZEWSKI, JOSEPHS, BILLOW, HARPER, PRESTON, BELFANTI, RUDY, MAIALE, NAHILL, BELARDI, PISTELLA, BLAUM, J. TAYLOR, CORRIGAN, OLASZ, DALEY, DeLUCA, TRELLO, FOX, BUNT, CESSAR, STABACK, HECKLER, STEELMAN and HANNA

An Act prohibiting abuse of residents of long-term care facilities; providing for license revocation; providing for immunity for long-term care ombudsmen and persons reporting thereto; and providing for compensatory and punitive damages.

Referred to Committee on AGING AND YOUTH, April 16, 1991.

**No. 1146** By Representatives CAPPABIANCA, KUKOVICH, COLE, WAMBACH, ITKIN, BELARDI, CALTAGIRONE, S. H. SMITH, COLAIZZO, MELIO, KOSINSKI, FAIRCHILD, PESCI, JAROLIN, D. W. SNYDER, HALUSKA, McNALLY, JOSEPHS, BILLOW, CORRIGAN, STURLA, HARPER, BELFANTI, JOHNSON, GIGLIOTTI, BATTISTO, TRELLO, McCALL, STEELMAN, PISTELLA, BOYES, VAN HORNE and MICHLOVIC

An Act providing for the establishment, operation and administration of the State Food Purchase Program.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, April 16, 1991.

**No. 1147** By Representatives COLE, CAPPABIANCA, SERAFINI, NICKOL, BOWLEY, GRUPPO, GIGLIOTTI, HANNA, S. H. SMITH, STURLA, CORRIGAN, TRICH, M. N. WRIGHT and MELIO

An Act amending the act of July 29, 1953 (P. L. 970, No. 235), referred to as the "Middle Atlantic Interstate Forest Fire Protection Compact Act," authorizing the admission of other states into the compact; and making an editorial change.

Referred to Committee on FEDERAL-STATE RELATIONS, April 16, 1991.

**No. 1148** By Representatives CAPPABIANCA, KUKOVICH, COHEN, KOSINSKI, CESSAR, PETRONE, GEIST, FREEMAN, TRELLO, BELARDI, PESCI, VEON, LAUGHLIN, KRUSZEWSKI, MICOZZIE, ULIANA, McNALLY and ARMSTRONG

An Act amending the act of June 23, 1931 (P. L. 932, No. 317), known as "The Third Class City Code," further providing for retirement and discharge of firefighters.

Referred to Committee on URBAN AFFAIRS, April 16, 1991.

**No. 1149** By Representative MARKOSEK

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for suspension of operating privilege for failure to respond to citation.

Referred to Committee on TRANSPORTATION, April 16, 1991.

**No. 1150** By Representatives MARKOSEK and STABACK

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for registration and certificate of title.

Referred to Committee on TRANSPORTATION, April 16, 1991.

**No. 1151** By Representatives MARKOSEK, GRUITZA, COY, VAN HORNE and RITTER

An Act relating to the practice of opticianry and contact lens fitting; requiring licensing of persons; providing for injunctions and penalties; and making an appropriation.

Referred to Committee on PROFESSIONAL LICENSURE, April 16, 1991.

**No. 1152** By Representatives SCRIMENTI, PISTELLA, TIGUE, CAPPABIANCA, FOX, KING, PESCI, MRKONIC, BELARDI, TANGRETTI, TRELLO, CLARK and FLICK

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

Referred to Committee on JUDICIARY, April 16, 1991.

**No. 1153** By Representatives PICCOLA, MAIALE, GERLACH, HECKLER, CLARK, HAGARTY, VROON, DEMPSEY, JOHNSON, BUSH, ARMSTRONG, SEMMEL, SCHULER, CLYMER, NOYE, BARLEY, SCHEETZ, MARSICO, E. Z. TAYLOR, GODSHALL, GEIST, KENNEY, NAHILL, OLASZ, FARGO, J. TAYLOR, SAURMAN, MERRY, FOX, BUNT and LEH

An Act regulating private correctional facilities; providing for contracts with, licensing of and employee status for private correctional facilities; and imposing powers and duties on the Department of Corrections.

Referred to Committee on JUDICIARY, April 16, 1991.

**No. 1154** By Representatives RITTER, FARGO, VAN HORNE, OLASZ, STABACK, MERRY, GEIST, FLEAGLE, TIGUE, SCRIMENTI, ARMSTRONG, BELFANTI, WOGAN, PRESTON, DeLUCA,

FAIRCHILD, CLARK, BOYES, MICOZZIE, WOZNIAK, TANGRETTI, JOHNSON, CAPPABIANCA, BUNT, DEMPSEY, McGEEHAN, PESCI, STURLA, NOYE, NICKOL, HERSHEY, HALUSKA, KRUSZEWSKI, BILLOW, ROBINSON, HARPER, E. Z. TAYLOR, GODSHALL, TRELLO, LEVDANSKY, MUNDY, NAHILL, LEE, G. SNYDER, LEH, S. H. SMITH, PISTELLA, GALLEN, RAYMOND and MICHLOVIC

An Act amending the act of April 6, 1951 (P. L. 69, No. 20), known as "The Landlord and Tenant Act of 1951," further providing for escrow accounts on appeals from certain judgments by district justices.

Referred to Committee on BUSINESS AND COMMERCE, April 16, 1991.

**No. 1155** By Representatives COLAFELLA, RICHARDSON, TRELLO, DALEY, NOYE, PESCI, HALUSKA, ACOSTA, HAYDEN, JOHNSON, CIVERA, E. Z. TAYLOR, SURRA, BISHOP and LESCOVITZ

An Act providing for indemnification of the cost of legal defense to health care providers for health care reporting requirements.

Referred to Committee on HEALTH AND WELFARE, April 16, 1991.

**No. 1156** By Representatives GAMBLE, GEORGE, HASAY, LAUGHLIN, STEELMAN, TRELLO, M. N. WRIGHT, KOSINSKI, GIGLIOTTI, BELARDI, PISTELLA, FOX, STABACK, FAIRCHILD, COLAIZZO, PHILLIPS, FEE, ANGSTADT, BILLOW, JOSEPHS, CAWLEY, HARPER, FARMER, HESS, WOGAN, BELFANTI, DeLUCA, E. Z. TAYLOR, TANGRETTI, RUDY, BUNT, HALUSKA, JOHNSON, D. R. WRIGHT, BUTKOVITZ and LINTON

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, providing for the discard of chemotherapeutic and infectious waste materials.

Referred to Committee on CONSERVATION, April 16, 1991.

**No. 1157** By Representatives BISHOP, VROON, KOSINSKI, HECKLER, PISTELLA, KRUSZEWSKI, BUNT, FOX, NOYE, RICHARDSON, SAURMAN, THOMAS, COLAFELLA, STEELMAN and LINTON

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further defining "dependent child"; and further providing for investigations on juvenile matters and for disposition of dependent children.

Referred to Committee on AGING AND YOUTH, April 16, 1991.

**No. 1158** By Representatives WILLIAMS, STABACK, JOSEPHS, RICHARDSON, THOMAS, BISHOP, BELARDI, ROEBUCK, OLIVER, EVANS, McGEEHAN, JAMES and ACOSTA

An Act authorizing municipalities to establish municipal lotteries; providing for requirements, limitations and restrictions; and making repeals.

Referred to Committee on FINANCE, April 16, 1991.

## HOUSE RESOLUTIONS INTRODUCED AND REFERRED

**No. 87** By Representatives CAPPABIANCA, DeWEESE, GEORGE, MARSICO, VROON, HAYES, COWELL, KOSINSKI, FLEAGLE, COLAIZZO, NAILOR, NOYE, DEMPSEY, McGEEHAN, MELIO, JOHNSON, KRUSZEWSKI, SALOOM, STUBAN, GERLACH, LANGTRY, ARMSTRONG, CLARK, FAIRCHILD, NICKOL, PESCI, TANGRETTI, VEON, HERSHEY, LEVDANSKY, HARLEY, PRESTON, GRUPPO, MUNDY, SEMMEL, GAMBLE, O'BRIEN, WOGAN, BATTISTO, TRELLO, FARMER, DeLUCA, GODSHALL, JAROLIN, FARGO, KAISER, HALUSKA, ARNOLD, MICOZZIE, JADLOWIEC, LESCOVITZ, JOSEPHS, BILLOW, LINTON, BUSH, NAHILL, STEIGHNER, SAURMAN, BLAUM, PISTELLA, TIGUE, VAN HORNE, COY, CORRIGAN, SCRIMENTI, MIHALICH, STURLA, ANGSTADT, LAUGHLIN, M. N. WRIGHT, FREEMAN, RUDY, ALLEN, ARGALL, KENNEY, G. SNYDER, CORNELL, ADOLPH, GIGLIOTTI, BELARDI, E. Z. TAYLOR, HESS, BUNT, CESSAR, PHILLIPS, GEIST, SCHULER, STABACK, NYCE, McCALL, SERAFINI, STEELMAN, MERRY, HAGARTY, FAJT, WOZNIAK, S. H. SMITH, HANNA and ULIANA

A Resolution recognizing the week of May 5 through May 11, 1991, as "Small Business Week" in Pennsylvania.

Referred to Committee on RULES, April 16, 1991.

**No. 88** By Representatives HASAY, CAPPABIANCA and SERAFINI

A Resolution memorializing the President of the United States and the Department of State to recognize Alaska's interest in the boundary negotiations between the United States and the Soviet Union and to include Alaska in the negotiating process at the

proper time, recognizing Alaska's inherent interest in these negotiations.

Referred to Committee on RULES, April 16, 1991.

#### No. 89

(Concurrent) By Representatives RITTER, VEON, DeWEESE, GRUITZA, ITKIN, WOZNAK, FREEMAN, STEIGHNER, STEELMAN, KAISER, BOWLEY, CAPPABIANCA, FAJT, McNALLY, HAYDEN, PESCI, MAYERNIK, COY, COLAIZZO, DEMPSEY, MELIO, NICKOL, NOYE, HERSHEY, LESCOVITZ, KRUSZEWSKI, BILLOW, LAUGHLIN, LEVDANSKY, JADLOWIEC, VAN HORNE, MRKONIC, COLE, ARMSTRONG, BELFANTI, KENNEY, BELARDI, JOSEPHS, NAILOR, STABACK, CLARK, TRICH, COWELL, ANGSTADT, GEIST, VROON, PETRARCA, JOHNSON, KOSINSKI, FAIRCHILD, BUNT, RUDY, CARLSON, DALEY, TRELLO, GODSHALL, HESS, M. N. WRIGHT, STURLA, GIGLIOTTI, HASAY, G. SNYDER and RAYMOND

A Concurrent Resolution designating the month of May 1991 as "Motorcycle Safety Month."

Referred to Committee on RULES, April 16, 1991.

### 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  
April 15, 1991

RESOLVED, (the House of Representatives concurring), That when the Senate adjourns this week it reconvene on Monday, April 22, 1991, 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, April 22, 1991, 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.

### WELCOMES

The SPEAKER pro tempore. The Chair at this time is delighted to welcome two guest pages who are the guests of

Representative Jerry Nailor. They are Brendan Curry and Peter Sung, and they are representing Trinity High School in Shiremanstown. Would the guest pages please rise and be recognized.

The Chair also at this time would like to welcome Michael Zahorchak and Dr. Robert Watson, who are the guests of Representatives Farmer and Colafella, and our guests are located to the left of the Speaker. Will they please rise and be recognized.

The Chair would also like to welcome to the House today two guest pages who are the guests of Representative Patricia Vance - Dana Flack and Debb Granger. They are seniors at the Cumberland Valley High School. Would these two guest pages stand and be recognized.

In honor of Local Government Week, we are pleased to have as guests of Representative Anthony Melio students and chaperons from Truman High School in Bristol Township, Bucks County: Students, Jason Leonard, Nicole Marcone, and Chad Bailey, along with their chaperons, Thomas McDermott and Ruby Williams. They are located in the rear of the chamber. Will they please rise and be recognized.

### LEAVES OF ABSENCE

The SPEAKER pro tempore. The Chair is about to begin with the formal proceedings of the House and is now going to take requests for leaves of absence.

The Chair recognizes the majority caucus secretary, the gentleman from Butler, Mr. Steighner.

Mr. STEIGHNER. Thank you, Mr. Speaker.

Mr. Speaker, I would like to request leave for the day for the gentleman from Cambria, Mr. BILLOW.

The SPEAKER pro tempore. Without objection, leave of absence is granted.

The Chair has been informed that there are no leaves of absence being requested from the other side of the aisle.

### MASTER ROLL CALL

The SPEAKER pro tempore. The Chair will now proceed to the master roll call. Members will proceed to vote.

The following roll call was recorded:

#### PRESENT—201

Acosta	Evans	Langtry	Rudy
Adolph	Fairchild	Laughlin	Ryan
Allen	Fajt	Lawless	Saloom
Anderson	Fargo	Lee	Saurman
Angstadt	Farmer	Leh	Scheetz
Argall	Fee	Lescovitz	Schuler
Armstrong	Fleagle	Levdansky	Scrimenti
Arnold	Flick	Linton	Semmel
Barley	Foster	Lloyd	Serafini
Battisto	Fox	Lucyk	Smith, B.
Belardi	Freeman	McCall	Smith, S. H.
Belfanti	Freind	McGeehan	Snyder, D. W.
Birmelin	Gallen	McHugh	Snyder, G.
Bishop	Gamble	McNally	Staback
Black	Gannon	Maiale	Stairs
Blaum	Geist	Markosek	Steelman
Bowley	George	Marsico	Steighner
Boyes	Gerlach	Mayernik	Stetler

Broujos	Gigliotti	Melio	Stish
Brown	Gladeck	Merry	Strittmatter
Bunt	Godshall	Michlovic	Stuban
Bush	Gruitza	Micozzie	Sturla
Butkovitz	Gruppo	Mihalich	Surra
Caltagirone	Hagarty	Mrkonic	Tangretti
Cappabianca	Haluska	Mundy	Taylor, E. Z.
Carlson	Hanna	Murphy	Taylor, F.
Carn	Harley	Nahill	Taylor, J.
Carone	Harper	Nailor	Telek
Cawley	Hasay	Nickol	Thomas
Cessar	Hayden	Noye	Tigue
Chadwick	Hayes	Nyce	Tomlinson
Civera	Heckler	O'Brien	Trello
Clark	Herman	Olasz	Trich
Clymer	Hershey	Oliver	Tulli
Cohen	Hess	Perzel	Uliana
Colafella	Hughes	Pesci	Van Horne
Colaizzo	Itkin	Petrarca	Vance
Cole	Jadlowiec	Petrone	Veon
Cornell	James	Phillips	Vroon
Corrigan	Jarolin	Piccola	Wambach
Cowell	Johnson	Pistella	Williams
Coy	Josephs	Pitts	Wilson
DeLuca	Kaiser	Preston	Wogan
DeWeese	Kasunic	Raymond	Wozniak
Daley	Kenney	Reber	Wright, D. R.
Davies	King	Reinard	Wright, M. N.
Dempsey	Kosinski	Richardson	Wright, R. C.
Dent	Krebs	Rieger	
Dermody	Kruszewski	Ritter	O'Donnell,
Donatucci	Kukovich	Robinson	Speaker
Durham	LaGrotta	Roebuck	

ADDITIONS—0

NOT VOTING—0

EXCUSED—1

Billow

**WELCOMES**

The SPEAKER pro tempore. The Chair at this time wants to acknowledge and is honored by the presence of the Glen Mills basketball team, who in the past two seasons has won the State basketball championship. They are the guests of Representative Ryan, the minority floor leader. The members of the basketball team are in the rear of the chamber. Would they please stand and be recognized.

Also, at this time the Chair would like to acknowledge the presence of the Forest Hills varsity cheerleading team along with their coaches, who are the guests today of Representative Leona Telek. The members of the team are Sandra Stombaugh, Lori Wilson, Kristi Moss, Kelli Cabala, Sheri Rolla, Rhonda Baumgardner, Jennifer Poling, Maureen Kushner, Theresa Sewalk, Lori Wissinger, Erin Davis, Kerry Dusack, Heather Neff, Maria Pisarski, Jennifer Baumgardner, and Christie Schofield. This team won the class AA PA cheerleading championship contest. Would they please rise and receive the appreciation of the House.

Also, the Chair would like to welcome Luke Patterson, who is the guest of Representative Greg Snyder. He is a guest page today. Would he please stand and be recognized.

The Chair at this time is also happy to recognize the presence in the hall of the House of Pennsylvania's Young

Woman of the Year, Kimberly Yvonne Fisher of Lititz, Lancaster County. Miss Fisher is accompanied by her parents, Karl and Eileen Fisher; her grandfather, Ivan Witmer; Brenda Bayliss, the State chaperon; Donna Kohler and Paul Droms, cochairpersons of the Lancaster Young Woman of the Year program. They are all here today as the guests of the Lancaster County delegation. Would they please rise and be recognized. They are to the left of the Speaker's rostrum.

The Chair would also like to acknowledge the presence of the winners of "There Ought To Be a Law" contest. The winners are hosted by Representative Saurman. They are Sara DeBelle, Carol Dillon, Beth Lustbader, and Robert Freas. They are here today. Would they please rise and be acknowledged.

The Chair is also informed that in the gallery, Dan Maley, one of the teachers from Hatboro Horsham, and Bob Taylor, a teacher from Upper Dublin, are also here today as guests of Representative Saurman. Would they please rise and be recognized.

**CALENDAR**

**BILLS ON SECOND CONSIDERATION**

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

**HB 344, PN 360.**

\* \* \*

The House proceeded to second consideration of **HB 729, PN 1249**, entitled:

An Act providing for health insurance demonstration projects; and making an appropriation.

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

**BILL RECOMMENDED**

The SPEAKER pro tempore. The Chair recognizes the majority leader.

Mr. DeWEESE. Mr. Speaker, I move that HB 729, PN 1249, be recommitted to the Appropriations Committee for a fiscal note.

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

\* \* \*

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

**HB 739, PN 816; and HB 804, PN 887.**

\* \* \*

The House proceeded to second consideration of **HB 8, PN 1248**, entitled:

An Act providing authority for urban homesteading and the procedure for establishing an urban homesteading program; expanding local government's authority in dealing with urban blight and decay; and providing exclusions from certain statutes.

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

**BILL RECOMMENDED**

The **SPEAKER** pro tempore. The Chair recognizes the majority leader.

Mr. DeWEESE. Mr. Speaker, I move that **HB 8, PN 1248**, be recommitted to the Appropriations Committee for a fiscal note.

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

**BILLS ON THIRD CONSIDERATION**

The House proceeded to third consideration of **HB 185, PN 1185**, entitled:

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 exclusions from sales and use tax.

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

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

The question is, shall the bill pass finally?  
Agreeable to the provisions of the Constitution, the yeas and nays will now be taken.

(Members proceeded to vote.)

**VOTE STRICKEN**

Mr. RYAN. Mr. Speaker, there is an amendment by the lady, Mrs. Vance.

The **SPEAKER** pro tempore. The clerk will strike the vote.

The Chair recognizes the minority leader.

Mr. RYAN. Mr. Speaker, it is my understanding that an amendment has been circulated by the lady, Mrs. Vance. Oh, I am sorry. I am told now that it is in duplicating, but it has been sitting here with everyone knowing that it is to be offered.

The **SPEAKER** pro tempore. Would the gentleman want to pass over the bill temporarily?

Mr. RYAN. That would be fine. Thank you, Mr. Speaker.

**DECISION OF CHAIR RESCINDED**

The **SPEAKER** pro tempore. Without objection, the Chair rescinds its announcement that this bill has been agreed to the third time.

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

**BILL PASSED OVER TEMPORARILY**

The **SPEAKER** pro tempore. **HB 185** will go over temporarily, waiting for the Vance amendment.

The Chair recognizes the gentleman from Westmoreland, Mr. Mihalich.

Mr. MIHALICH. Mr. Speaker, why is this bill being held over?

The **SPEAKER** pro tempore. On the request of the minority leader because a member has an amendment to be offered to the bill.

Mr. MIHALICH. Mr. Speaker, this bill has been on the calendar since last week. If somebody had interest in it enough to amend it, I think they had more than a week's time to amend it, and to wait for the amendment now, I do not think makes good common sense.

The **SPEAKER** pro tempore. The Chair would agree with the gentleman that the amendment should have been offered in a timely fashion. In the future we will try to adhere to a much more prudent course of action in terms of offering amendments.

\* \* \*

The House proceeded to third consideration of **HB 686, PN 751**, entitled:

An Act prohibiting persons who accept credit cards for the transaction of business from requiring certain additional information from the credit cardholder; providing for enforcement of the act; and imposing civil penalties.

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

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

The question is, shall the bill pass finally?  
Agreeable to the provisions of the Constitution, the yeas and nays will now be taken.

**YEAS—196**

Acosta	Evans	LaGrotta	Rudy
Adolph	Fairchild	Langtry	Ryan
Allen	Fajt	Laughlin	Saloom
Anderson	Fargo	Lawless	Saurman
Angstadt	Farmer	Lee	Scheetz
Argall	Fee	Leh	Schuler
Armstrong	Fleagle	Lescovitz	Scrimenti
Arnold	Flick	Levdansky	Semmel
Barley	Foster	Linton	Serafini
Battisto	Fox	Lloyd	Smith, B.
Belardi	Freeman	Lucyk	Smith, S. H.
Belfanti	Freind	McCall	Snyder, D. W.
Birmelin	Gallen	McGeehan	Snyder, G.
Bishop	Gamble	McHugh	Staback

Black	Gannon	McNally	Stairs
Blaum	Geist	Maiale	Steelman
Bowley	George	Markosek	Steighner
Boyes	Gerlach	Marsico	Stetler
Broujos	Gigliotti	Mayernik	Stish
Brown	Gladeck	Melio	Strittmatter
Bunt	Godshall	Michlovic	Stuban
Bush	Gruitza	Micozzie	Sturla
Butkovitz	Gruppo	Mihalich	Surra
Caltagirone	Hagarty	Mrkonic	Tangretti
Cappabianca	Haluska	Mundy	Taylor, E. Z.
Carlson	Hanna	Murphy	Taylor, F.
Carn	Harley	Nahill	Taylor, J.
Carone	Harper	Nickol	Telek
Cawley	Hasay	Noye	Thomas
Cessar	Hayden	Nyce	Tigue
Chadwick	Hayes	O'Brien	Tomlinson
Civera	Heckler	Olasz	Trello
Clark	Herman	Oliver	Trich
Clymer	Hershey	Perzel	Tulli
Cohen	Hess	Pesci	Uliana
Colaafella	Hughes	Petrarca	Van Horne
Colaizzo	Itkin	Petrone	Vance
Cole	Jadlowiec	Phillips	Veon
Cornell	James	Piccola	Wambach
Corrigan	Jarolin	Pistella	Williams
Cowell	Johnson	Preston	Wilson
Coy	Josephs	Raymond	Wogan
DeLuca	Kaiser	Reber	Wozniak
DeWeese	Kasunic	Reinard	Wright, D. R.
Daley	Kenney	Richardson	Wright, M. N.
Davies	King	Rieger	Wright, R. C.
Dempsey	Kosinski	Ritter	
Dent	Krebs	Robinson	O'Donnell,
Dermody	Kruszewski	Roebuck	Speaker
Donatucci	Kukovich		

NAYS—4

Merry	Nailor	Pitts	Vroon
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NOT VOTING—1

Durham

EXCUSED—1

Billow

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 161, PN 158**, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, requiring pedalcycle helmets for persons five years of age or younger; and providing a penalty.

On the question,

Will the House agree to the bill on third consideration?

Mr. HERMAN offered the following amendments No. A0457:

Amend Title, page 1, line 2, by inserting after "Statutes," further providing for handicapped plates and placards;

Amend Bill, page 1, lines 6 and 7, by striking out all of said lines and inserting

Section 1. Section 1338(a) and (c)(1) of Title 75 of the Pennsylvania Consolidated Statutes are amended to read:

§ 1338. Handicapped plate and placard.

(a) Handicapped plate.—On the application of any person who:

(1) does not have full use of a leg or both legs, as evidenced by the use of a wheelchair, walker, crutches, quad cane or other such device;

(2) is blind;

(3) is physically limited by a cardiopulmonary condition, such as severe emphysema or chronic bronchitis, restricting substantially his movements;

(4) does not have full use of an arm or both arms; [or]

(5) has a severe back injury; or

[(5)] (6) is a parent or a person in loco parentis of a person specified in paragraph (1), (2), (3) [or (4)], (4) or (5); the department shall issue a special registration plate for one passenger car or other vehicle with a registered gross weight of not more than 9,000 pounds, designating the vehicle so licensed as being used by a handicapped person. Special plates for handicapped persons may also be issued for vehicles operated exclusively for the use and benefit of handicapped persons.

\*\*\*

(c) Physician's statement.—

(1) Any person applying for a special plate or parking placard for handicapped persons must present a statement, certified by a physician licensed to practice in this Commonwealth or in a contiguous state, that the handicapped person is handicapped as provided in subsection (a), except that a physician or chiropractor licensed to practice in this Commonwealth or in a contiguous state may certify a severe back injury under subsection (a)(5).

\*\*\*

Section 2. Title 75 is amended by adding a section to read: Amend Sec. 2, page 2, line 12, by striking out "2" and inserting

3

On the question,

Will the House agree to the amendments?

The SPEAKER pro tempore. On that question, the Chair recognizes Mr. Herman.

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

This amendment would amend Title 75 of the Consolidated Statutes to add "severe back injury" to the list of qualifications to be eligible to receive a handicapped plate or placard. If you will look at the amendment, the current qualifications already listed, (1) through (4), this would add "severe back injury" to those other qualifications, such as not having the use of legs or arms, being totally blind or physically limited by cardiopulmonary conditions, such as severe emphysema or chronic bronchitis. The severe back injury would have to be attested by a physician or a chiropractor licensed in Pennsylvania or in an adjacent State.

I appreciate the support of the members.

On the question recurring,

Will the House agree to the amendments?

The following roll call was recorded:

YEAS—200

Acosta	Evans	Langtry	Roebuck
Adolph	Fairchild	Laughlin	Rudy
Allen	Fajt	Lawless	Ryan
Anderson	Fargo	Lee	Saloom



Angstadt	Farmer	Leh	Saurman
Argall	Fee	Lescovitz	Scheetz
Armstrong	Fleagle	Levdansky	Schuler
Arnold	Flick	Linton	Scrimenti
Barley	Foster	Lloyd	Semmel
Battisto	Fox	Lucy	Serafini
Belardi	Freeman	McCall	Smith, B.
Belfanti	Freind	McGeehan	Smith, S. H.
Birmelin	Gallen	McHugh	Snyder, D. W.
Bishop	Gamble	McNally	Snyder, G.
Black	Gannon	Maiale	Staback
Blaum	Geist	Markosek	Stairs
Bowley	George	Marsico	Steelman
Boyes	Gerlach	Mayernik	Steighner
Broujos	Gigliotti	Melio	Stetler
Brown	Gladeck	Merry	Strittmatter
Bunt	Godshall	Michlovic	Stuban
Bush	Gruitza	Micozzie	Sturla
Butkovitz	Gruppo	Mihalich	Surra
Caltagirone	Hagarty	Mrkonich	Tangretti
Cappabianca	Haluska	Mundy	Taylor, E. Z.
Carlson	Hanna	Murphy	Taylor, F.
Carn	Harley	Nahill	Taylor, J.
Carone	Harper	Nailor	Telek
Cawley	Hasay	Nickol	Thomas
Cessar	Hayden	Noye	Tigue
Chadwick	Hayes	Nyce	Tomlinson
Civera	Heckler	O'Brien	Trello
Clark	Herman	Olasz	Trich
Clymer	Hershey	Oliver	Tulli
Cohen	Hess	Perzel	Uliana
Colafella	Hughes	Pesci	Van Horne
Colaizzo	Itkin	Petrarca	Vance
Cole	Jadlowiec	Petrone	Veon
Cornell	James	Phillips	Vroon
Corrigan	Jarolin	Piccola	Wambach
Cowell	Johnson	Pistella	Williams
Coy	Josephs	Pitts	Wilson
DeLuca	Kaiser	Preston	Wogan
DeWeese	Kasunic	Raymond	Wozniak
Daley	Kenney	Reber	Wright, D. R.
Davies	King	Reinard	Wright, M. N.
Dempsey	Kosinski	Richardson	Wright, R. C.
Dent	Krebs	Rieger	
Dermody	Kruszewski	Ritter	O'Donnell,
Donatucci	Kukovich	Robinson	Speaker
Durham	LaGrotta		

NAYS—1

Stish

NOT VOTING—0

EXCUSED—1

Billow

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

The question is, shall the bill pass finally?

The Chair recognizes the gentleman from Wyoming, Mr. Lee.

Mr. LEE. Thank you, Mr. Speaker.

I rise to oppose this bill today, Mr. Speaker, and I do so not because I am opposed to what exactly the bill is going to do. As the members should be aware, this bill would require that children under 5 on a pedalcycle or basically a bicycle trailer should be required to wear safety helmets. I am not opposing this bill because I do not agree with the idea that the government should require that, although I believe an argument could be made that maybe the government should not be mandating this and it should be left up to individual parents to decide, but the reason I am opposing this bill is because I feel this bill is one more example of what I call advisory bills or legislation that we keep passing in this legislature and pass into law.

What these advisory bills basically do are bills that we really do not expect ever to be enforced, but we think that people should probably do this particular activity, so therefore, we are passing this law to suggest that they do this. Good examples of this are the seatbelt law, the child safety seat law, other types of legislation like that. So we are passing these to suggest that people do this. Well, that is not so bad. The problem you run into is you get in the situation where this allows a great deal of discretion to police officers to decide whether they are going to enforce the law or not, and you allow them basically to persecute individuals based on their own discretion to determine whether they want to force that person to pay a fine.

I guess the reason I got excited about this whole issue is I got something in the mail last week from the Pennsylvania Sheriffs' Association. The Pennsylvania Sheriffs' Association is a fine organization. I certainly will become one of their citizen members or whatever they call it. But they offered me a membership in their association, and as part of that membership, I would get three things. I would get a wallet card, a sticker for my windshield, and a bumper sticker. Now, what is that telling me? The clear indication on that was, if you become a member of the Sheriffs' Association, you get these nice things to stick on your car, and therefore, when you are caught speeding, the police officer is going to be well aware of the fact that you are a member of the Sheriffs' Association, and you are less likely to get a ticket. You know that occurs. We get the same nice little cards from the Fraternal Order of Police that say, okay, the idea is that if you have this in your wallet, somehow this is going to make it less likely that you are going to get a ticket.

I just do not think we should be allowing that type of discretion to our law enforcement officers. If we are going to pass laws, we ought to make them stick, and we ought to expect that the police are going to enforce them for everybody across the board. This is one more example of an advisory law. We are giving a great deal of discretion to police officers, and that is why I do not think it should become the law of this Commonwealth. Thank you very much, Mr. Speaker.

The SPEAKER pro tempore. The Chair now recognizes the lady from Montgomery, Mrs. Hagarty.

Mrs. HAGARTY. Thank you, Mr. Speaker.

Mr. Speaker, this legislation is very important for the protection of young children on the back of bicycles. I did not even realize until I introduced it and learned more about it from the American Trauma Society how dangerous it really is for children to be on bicycles and, most particularly, for young children to be positioned on the back of bicycles in bicycle seats. I just want to share with you some of those facts that really shocked me.

For children less than 10 years of age, the death rate from bicycle injuries exceeds those from falls, poisonings, suffocation, and firearms. Equally alarming is the fact that it is actually more dangerous to ride a bicycle without a helmet than your chance of injury in a car. In a study that was done, it was found that there is a 2.5 times greater risk of head injury for traveling by bicycle than traveling by train. The fact that the simple act of wearing a bike helmet can reduce the risk of head injury to children by 80 percent seems to me to be compelling reason in and of itself to pass this legislation.

The legislation is not advisory. It is very similar to what we have passed for seatbelts in cars, which I think has made an enormous difference in the public's willingness, education level, and attitudes toward wearing seatbelts in cars. If in fact our children are at even greater risk, I think it makes only good sense that it is time to enforce a helmet law for young children on the back of bicycles. Thank you.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Lackawanna, Mr. Cawley.

Mr. CAWLEY. Thank you, Mr. Speaker.

I would like to interrogate the sponsor, please.

The SPEAKER pro tempore. The gentleman from Lackawanna wishes to interrogate the lady from Montgomery. The lady consents to being interrogated, and the gentleman may proceed.

Mr. CAWLEY. Thank you, Mr. Speaker.

Mr. Speaker, in your bill it says the operator of a bicycle. Does the operator of a bicycle now have to wear a helmet?

Mrs. HAGARTY. No. We do not require helmets for bicyclists. It was my thought that to begin the education process with regard to bicycle helmets, we would start with those children who are most at risk, children 5 and under on the back of bicycles, who are in particular jeopardy, should they suffer a fall, of head injury.

Mr. CAWLEY. Well, can a child be on the front of a bicycle riding with an adult? Does that child also have to have a helmet?

Mrs. HAGARTY. This specifies that a child 5 or younger who rides as a passenger. I guess that it could be interpreted—I mean, I think it is a very, very dangerous practice. If you have a child, do you mean, on the handlebars who is 5 or under, should they wear a helmet?

Mr. CAWLEY. Usually where the passenger has been riding for about the last 50 years before we bought those seats. They ride on the bar of—

Mrs. HAGARTY. No. Well, if you are carrying a child 5 or under on the bar of a bicycle, I would assume that this would

apply. I mean, this specifically says, "...to ride as a passenger on a pedalcycle or in a pedalcycle trailer...." So it would apply. It applies to a child 5 or under who is a passenger on a bicycle.

Mr. CAWLEY. Is that a two-wheel bicycle; two wheels?

Mrs. HAGARTY. Yes.

Mr. CAWLEY. It has nothing to do with the three wheels?

Mrs. HAGARTY. No. It is a two-wheel bicycle, is my understanding under the definition of a pedalcycle in the Motor Vehicle Code.

Mr. CAWLEY. Okay. Mr. Speaker, what about a 5-year-old operator of a bicycle?

Mrs. HAGARTY. No. This bill only deals with passengers on bicycles, not operators.

Mr. CAWLEY. Do we usually have more passengers than operators on a bicycle?

Mrs. HAGARTY. No. This bill is not an effort to address the larger question. There is a larger question that I think at some point this legislature may want to address, and that is, do we want to require helmets for all children on bicycles? This is an initial effort to begin with those children who are most at risk - the young child who is a passenger. It clearly does not address the greater issue and the issue probably clearly that affects more people. It is simply a start in an effort to address that very real risk of a young child falling off the back of a bike with the inevitable suffering of a head injury.

Mr. CAWLEY. But what I am trying to get at is, if it is a young child, whether the child is a passenger or the operator. For instance, the statistics that you gave me or you gave this General Assembly, 2.5 times greater risk of having a head injury from a bicycle accident versus a train accident—

Mrs. HAGARTY. Versus a car accident.

Mr. CAWLEY. —a car accident, is that for just passengers on bicycles or is that—

Mrs. HAGARTY. No. No. That is for all bicyclists. I do not have a specific breakdown for young children at this point, and I would certainly welcome your cosponsorship if you wish to work toward requiring helmets for all bicyclists.

Mr. CAWLEY. Okay. Thank you, Mr. Speaker.

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

Mr. GAMBLE. Mr. Speaker, would the sponsor of the bill stand for a brief interrogation?

The SPEAKER pro tempore. Will the lady from Montgomery County consent to interrogation?

Mrs. HAGARTY. Yes.

The SPEAKER pro tempore. The lady consents, and the gentleman from Allegheny may proceed.

Mr. GAMBLE. Mr. Speaker, what is the average cost of these helmets for the children?

Mr. GALLEN. Mr. Speaker?

Mrs. HAGARTY. I think that the helmets cost about \$35. Keep in mind—

The SPEAKER pro tempore. For what purpose does the gentleman from Berks rise?

Mr. GALLEN. Mr. Speaker, this is impossible. There is no order in this House at all. The noise is unbelievable.

The SPEAKER pro tempore. When the gentleman from Berks cannot hear, it is a real problem in this House. Thank you very much. That is wonderful. Just hold it that way.

Mrs. HAGARTY. If I may add to my answer. It is important to keep in mind that the bike seats themselves cost more than the helmets. So we are generally, I would say, not dealing with a population that cannot afford a helmet if they are already purchasing the bike seat to put the child in on the back of the bike.

Mr. GAMBLE. So you are saying that a brand-new bike would cost more than a brand-new helmet?

Mrs. HAGARTY. No; I am saying a brand-new bike seat. The type of bike seat that the young child is riding in on the back of the bike, which is what this envisions, costs more than the helmet.

Mr. GAMBLE. Mr. Speaker, do you really believe that every family can afford a helmet for every child that rides on the back of a bike?

Mrs. HAGARTY. I do not think that a family that cannot afford to put a helmet on a child 5 or younger on the back of a bike ought to be putting that child on the back of a bike. It is simply too dangerous. It is exposing a young child to an enormous risk of head injury, and it is not necessary to transport children that way.

Mr. GAMBLE. I would like to make a brief statement, Mr. Speaker.

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

Mr. GAMBLE. Mr. Speaker, I oppose this legislation. I certainly understand the concerns of the sponsor of this bill, and I share those concerns, but somewhere we have to draw the line. We cannot take every Pennsylvanian from the cradle to the grave. For example, what are we going to do next? Are we going to require life preservers when the mother gives a bath to the baby in the bathtub? Are we going to have to come into the home and pad the steps down to the cellar? You know, kids will be kids; accidents will happen. I would imagine that a kid would have a better chance of a head injury playing in a baseball game.

I would ask us to be realistic and vote "no" on this bill.

The SPEAKER pro tempore. The Chair now recognizes the gentleman from Wyoming, Mr. Lee, for a second time.

Mr. LEE. Thank you, Mr. Speaker.

First of all, let me say I am not trying to belabor this relatively minor piece of legislation with the time the House is spending on it. Neither am I trying to negate what Representative Hagarty is saying, that these kids should be wearing helmets on the back of these bicycles. But what I am trying to do—and it really was brought home to me when she said we should begin the educational process, about people should be putting helmets on kids on the back of their bicycles by the passage of this law.

Mr. Speaker, I do not think the laws of Pennsylvania should be used as pieces of educational material. They should

be used as the laws of Pennsylvania. If we want to educate people, let us run public service announcements—like maybe we should in this instance—so people should be encouraged to do this. Let us not use our laws for just educational purposes. Thank you very much.

The SPEAKER pro tempore. The Chair recognizes the lady from Philadelphia, Ms. Josephs.

Ms. JOSEPHS. Thank you, Mr. Speaker.

If I may, I would like to ask the sponsor of the bill one question.

The SPEAKER pro tempore. Does the lady from Montgomery consent to being interrogated?

Mrs. HAGARTY. Yes, Mr. Speaker.

Ms. JOSEPHS. Mr. Speaker, when I go around in my neighborhood, I see usually women, sometimes men, with a baby in a backpack and they are riding a bike. Do you contemplate that the baby who is on the back of the rider of the bike should be wearing a helmet under your legislation?

Mrs. HAGARTY. I had not given it any thought. I guess if you assume that that baby is a passenger, that baby should wear a helmet.

Ms. JOSEPHS. Thank you, Mr. Speaker.

On the question recurring,

Shall the bill pass finally?

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

#### YEAS—97

Allen	Fairchild	Linton	Robinson
Angstadt	Farmer	Lucyk	Ryan
Argall	Fox	McCall	Saloom
Battisto	Freeman	McHugh	Saurman
Belardi	Freind	Markosek	Snyder, D. W.
Belfanti	Geist	Marsico	Snyder, G.
Bishop	Gerlach	Mayernik	Stairs
Black	Hagarty	Micozzie	Steelman
Blaum	Haluska	Mrkonic	Steighner
Bowley	Harley	Murphy	Stuban
Boyes	Harper	Nahill	Sturla
Broujos	Hayes	Nailor	Taylor, E. Z.
Bunt	Heckler	Noye	Taylor, J.
Butkovitz	Herman	O'Brien	Telek
Cappabianca	Hershey	Perzel	Trello
Carone	Hess	Pesci	Trich
Cessar	Itkin	Petrarca	Tulli
Chadwick	Johnson	Phillips	Uliana
Clark	Kaiser	Piccola	Vance
Clymer	Kenney	Pistella	Veon
Cohen	Kukovich	Pitts	Vroon
Colafrilla	Langtry	Preston	Wambach
Colaizzo	Laughlin	Reber	Wilton
Cornell	Levdansky	Ritter	Wogan
Dent			

#### NAYS—104

Acosta	Fajt	Kruszewski	Scheetz
Adolph	Fargo	LaGrotta	Schuler
Anderson	Fee	Lawless	Scrimenti
Armstrong	Fleagle	Lee	Semmel
Arnold	Flick	Leh	Serafini
Barley	Foster	Lescovitz	Smith, B.
Birmelin	Gallen	Lloyd	Smith, S. H.
Brown	Gamble	McGeehan	Staback
Bush	Gannon	McNally	Stetler
Caltagirone	George	Maiale	Stish
Carlson	Gigliotti	Melio	Strittmatter
Carn	Gladeck	Merry	Surra

Cawley	Godshall	Michlovic	Tangretti
Civera	Gruitza	Mihalich	Taylor, F.
Cole	Gruppo	Mundy	Thomas
Corrigan	Hanna	Nickol	Tigue
Cowell	Hasay	Nyce	Tomlinson
Coy	Hayden	Olasz	Van Horne
DeLuca	Hughes	Oliver	Williams
DeWeese	Jadlowiec	Petrone	Wozniak
Daley	James	Raymond	Wright, D. R.
Davies	Jarolin	Reinard	Wright, M. N.
Dempsey	Josephs	Richardson	Wright, R. C.
Dermody	Kasunic	Rieger	
Donatucci	King	Roebuck	O'Donnell,
Durham	Kosinski	Rudy	Speaker
Evans	Krebs		

NOT VOTING—0

EXCUSED—1

Billow

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

**WELCOME**

The SPEAKER pro tempore. The Chair would like to welcome to the balcony of the House of Representatives a group of second, third, fourth, and fifth grade students from Bermudian Springs Elementary School in Adams County. They are the guests of Representative Broujos and Representative Cole.

**FILMING PERMISSION**

The SPEAKER pro tempore. The Chair would like to acknowledge at this time that it has given permission to John Sanks of WPVI-TV 6 for the purpose of filming in the hall of the House for the next 10 minutes.

**BILLS ON THIRD CONSIDERATION CONTINUED**

The House proceeded to third consideration of **HB 184, PN 190**, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for definitions, for reduced combustion vehicles and for inspection certificates.

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

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

The question is, shall the bill pass finally?

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

YEAS—190

Acosta	Durham	LaGrotta	Rudy
Adolph	Evans	Langtry	Ryan
Allen	Fairchild	Laughlin	Saloom
Anderson	Fajt	Lawless	Saurman

Angstadt	Farmer	Leh	Scheetz
Argall	Fee	Lescovitz	Schuler
Armstrong	Fleagle	Levdansky	Scrimenti
Arnold	Flick	Linton	Semmel
Barley	Foster	Lloyd	Serafini
Battisto	Fox	Lucyk	Smith, B.
Belardi	Freeman	McCall	Smith, S. H.
Belfanti	Freind	McGeehan	Snyder, D. W.
Birmelin	Gallen	McHugh	Snyder, G.
Bishop	Gannon	McNally	Staback
Black	Geist	Maiale	Stairs
Bowley	George	Markosek	Stelman
Boyes	Gerlach	Marsico	Steighner
Broujos	Gigliotti	Mayernik	Stetler
Brown	Gladeck	Melio	Stish
Bunt	Godshall	Michlovic	Strittmatter
Bush	Gruitza	Micozzie	Stuban
Butkovitz	Gruppo	Mihalich	Sturla
Caltagirone	Hagarty	Mrkonic	Surra
Cappabianca	Haluska	Mundy	Tangretti
Carlson	Hanna	Nahill	Taylor, E. Z.
Carn	Harley	Nailor	Taylor, F.
Carone	Harper	Noye	Taylor, J.
Cawley	Hasay	Nyce	Telek
Cessar	Hayden	O'Brien	Thomas
Chadwick	Hayes	Olasz	Tomlinson
Civera	Heckler	Oliver	Trello
Clark	Herman	Perzel	Trich
Clymer	Hershey	Pesci	Tulli
Cohen	Hess	Petrarca	Uljana
Colaifella	Hughes	Petrone	Van Horne
Colaizzo	Itkin	Phillips	Vance
Cole	Jadlowiec	Piccola	Veon
Cornell	James	Pistella	Wambach
Corrigan	Jarolin	Pitts	Williams
Cowell	Johnson	Preston	Wilson
Coy	Josephs	Raymond	Wogan
DeLuca	Kaiser	Reber	Wozniak
DeWeese	Kasunic	Reinard	Wright, D. R.
Davies	Kenney	Richardson	Wright, M. N.
Dempsey	King	Rieger	Wright, R. C.
Dent	Kosinski	Ritter	
Dermody	Kruszewski	Robinson	O'Donnell,
Donatucci	Kukovich	Roebuck	Speaker

NAYS—11

Blaum	Gamble	Merry	Tigue
Daley	Krebs	Murphy	Vron
Fargo	Lee	Nickol	

NOT VOTING—0

EXCUSED—1

Billow

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.

**REQUEST TO CALL UP CONCURRENT REGULATORY REVIEW RESOLUTIONS**

The SPEAKER pro tempore. The Chair recognizes Mr. Strittmatter.

Mr. STRITTMATTER. Thank you, Mr. Speaker.

On page 6 with the concurrent regulatory review resolutions, I would like to call those resolutions up today, sir.

The SPEAKER pro tempore. The House will be at ease for a few moments.

**BILLS REPORTED FROM COMMITTEE,  
CONSIDERED FIRST TIME, AND TABLED**

**HB 134, PN 131** By Rep. PISTELLA

An Act requiring advance notification of plant closings and mass layoffs; and providing penalties.

LABOR RELATIONS.

**HB 135, PN 1320 (Amended)** By Rep. PISTELLA

An Act creating the Pennsylvania Economic Adjustment Board; providing for the development and implementation of a planning process designed to reduce the impact of unstable or declining industry; providing for the establishment of local economic adjustment committees to be monitored by the board; and making an appropriation.

LABOR RELATIONS.

**WELCOME**

The SPEAKER pro tempore. The Chair at this time also wishes to welcome three guest pages - Scott Boyer, Lori Mohr, and Charity Bailey - who are the guests of Representative Noye, and they are located on the bench in front of the Speaker's podium. Will they please rise and be recognized.

**CONCURRENT REGULATORY REVIEW  
RESOLUTIONS PASSED OVER**

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

Mr. STRITTMATTER. Thank you, Mr. Speaker.

I would like to withdraw my objection to passing over concurrent resolutions after being informed by the majority leader that the House will address this in a timely fashion so that the Senate will also have time to act in a timely fashion. Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman.

Without objection, House concurrent regulatory review resolutions 1 and 2 will go over. The Chair hears no objection.

**THE SPEAKER (ROBERT W. O'DONNELL)  
PRESIDING**

**CONSIDERATION OF HB 185 CONTINUED**

On the question recurring,

Will the House agree to the bill on third consideration?

Mrs. VANCE offered the following amendments No. A0491:

Amend Title, page 1, line 11, by removing the period after "tax" and inserting  
; providing for the imposition, collection and administration of a tax on the real and personal property of decedents passing upon death; and making a repeal.

Amend Bill, page 2, line 29, by striking out all of said line and inserting

Section 2. The act is amended by adding an article to read:

**ARTICLE XXI  
INHERITANCE TAX  
PART I**

**PRELIMINARY PROVISIONS**

Section 2101. Short Title.—This article shall be known and may be cited as the "Inheritance and Estate Tax Act."

Section 2102. Definitions.—The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Adverse interest." A substantial beneficial interest in the property transferred which might be adversely affected by the exercise or nonexercise of the power or right reserved or possessed by the transferor.

"Children." Includes adopted children, stepchildren, all children of the natural parents and the children of the natural parent who are adopted by his spouse. Except as otherwise specifically provided in this definition, children does not include adopted children in the natural family.

"Clerk." The clerk of the orphans' court division of the court of common pleas having jurisdiction.

"Court." The orphans' court division of the court of common pleas of:

(1) The county in which the decedent resided at the time of his death.

(2) The county in which letters, if any, are granted if the decedent was a nonresident of this Commonwealth.

(3) Dauphin County in all other cases.

"Date of death." The date of actual death or, in the case of a presumed decedent, the date found by the final decree to be the date of the absentee's presumed death. For the purpose of determining interest and discount, date of death means the date upon which the court enters its final decree of presumptive death.

"Death taxes." Includes inheritance, succession, transfer and estate taxes and any other taxes levied against the estate of a decedent by reason of his death.

"Decedent" or "transferor." Any person by or from whom a transfer is made and includes any testator, intestate, grantor, settlor, bargainor, vendor, assignor, donor, joint tenant and insured.

"Department." The Department of Revenue of the Commonwealth.

"Financial institution." A bank, a bank and trust company, a trust company, a savings and loan association, a building and loan association, a credit union, a savings bank and a national bank.

"Future interest." Includes a successive life interest and a successive interest for a term certain.

"Lineal descendants." All children of the natural parents and their descendants, adopted descendants and their descendants, stepchildren and their descendants and children and their descendants of the natural parent who are adopted by his spouse. Except as otherwise specifically provided in this definition, lineal descendants do not include descendants of stepchildren or adopted children and their descendants in the natural family.

"Notice." Written notice.

"Presumed decedent." A person found to be presumptively dead under the provisions of 20 Pa.C.S. Ch. 57 (relating to absentees and presumed decedents) or, if a nonresident of this Commonwealth, under the laws of his domicile.

"Property" or "estate." Includes the following:

(1) All real property and all tangible personal property of a resident decedent or transferor having its situs in this Commonwealth.

(2) All intangible personal property of a resident decedent or transferor.

(3) All real property and all tangible personal property of a resident decedent having its situs outside this Commonwealth, which the decedent had contracted to sell, provided the jurisdiction in which the property has its situs does not subject it to death tax.

(4) All real property and all tangible personal property of a nonresident decedent or transferor having its situs in this Commonwealth, including property held in trust.

(5) A liquor license issued by the Commonwealth.

“Register.” The register of wills having jurisdiction to grant letters testamentary or of administration in the estate of the decedent or transferor.

“Safe deposit box of a decedent.” A safe deposit box in a financial institution located within this Commonwealth in the name of the decedent alone or in the names of the decedent and one or more persons other than the spouse of the decedent.

“Secretary.” The Secretary of Revenue of the Commonwealth.

“Territory.” Includes the District of Columbia and all possessions of the United States.

“Transfer.” Includes the passage of ownership of property, or interest in property or income from property, in possession or enjoyment, present or future, in trust or otherwise.

“Transferee.” Any person to whom a transfer is made and includes any legatee, devisee, heir, next of kin, grantee, beneficiary, vendee, assignee, donee, surviving joint tenant and insurance beneficiary.

“Value.” The price at which the property would be sold by a willing seller, not compelled to sell, to a willing buyer, not compelled to buy, both of whom have reasonable knowledge of the relevant facts. In determining the value of property, no reduction shall be made on account of income, excise or other taxes which may become payable subsequent to the valuation date by the transferee or out of the property. Value as to land in agricultural use, agricultural reserve or forest reserve means the value which the land has for its particular use according to the standards provided in section 2122.

Section 2103. Powers of Department.—(a) The department may adopt and enforce rules and regulations for the just administration of this article.

(b) The department shall have complete supervision of the making of appraisements, the allowance of deductions and the assessment of tax including, but not limited to, the power to regulate the actions of registers in the allowance and disallowance of deductions and assessment of tax. The department’s supervision of the making of appraisements includes the employment and compensation of investigators, appraisers and expert appraisers. The compensation of investigators, appraisers and expert appraisers shall be paid from the inheritance tax collections in the respective counties.

(c) The department shall, in the event that the register fails to take the necessary proceedings in connection with the appraisal, allowance of deductions, assessment of tax or collection of tax, have all the powers vested in the register in this article and, at its option, may take the necessary action and shall charge to the register and deduct from any commissions or fees otherwise due him all costs and expenses incurred by the department in connection with the proceedings.

## PART II

### TRANSFERS SUBJECT TO TAX

Section 2106. Imposition of Tax.—An inheritance tax for the use of the Commonwealth is imposed upon every transfer subject to tax under this article at the rates specified in section 2116.

Section 2107. Transfers Subject to Tax.—(a) The transfers enumerated in this section are subject to the tax imposed by section 2106.

(b) All transfers of property by will, by the intestate laws of this Commonwealth or, in the case of a transfer from a nonresident, by the laws of succession of another jurisdiction are subject to tax. The transfer of property of a person determined by decree of a court of competent jurisdiction to be a presumed decedent is subject to tax within the meaning of this section and section 2108.

(c) (1) All transfers of property specified in subclauses (3) through (7) which are made by a resident or a nonresident during his lifetime are subject to tax to the extent that they are made without valuable and adequate consideration in money or money’s worth at the time of transfer.

(2) When the decedent retained or reserved an interest or power with respect to only a part of the property transferred, in consequence of which a tax is imposed under subclauses (4) through (7), the amount of the taxable transfer is only the value of that portion of the property transferred which is subject to the retained or reserved interest or power.

(3) A transfer conforming to subclause (1) and made within one year of the death of the transferor is subject to tax only to the extent that the value at the time of the transfer or transfers in the aggregate to or for the benefit of the transferee exceeds three thousand dollars (\$3,000) during any calendar year.

(4) A transfer conforming to subclause (1) which takes effect in possession or enjoyment at or after the death of the transferor and under which the transferor has retained a reversionary interest in the property, the value of which interest immediately before the death of the transferor exceeds five per cent of the value of the property transferred, is subject to tax. The term “reversionary interest” includes a possibility that property transferred may return to the transferor or his estate, or may be subject to a power of disposition by him, but the term does not include a possibility that the income alone from the property may return to him or become subject to a power of disposition by him.

(5) A transfer conforming to subclause (1), and under which the transferor expressly or impliedly reserves for his life or any period which does not in fact end before his death, the possession or enjoyment of, or the right to the income from, the property transferred, or the right, either alone or in conjunction with any person not having an adverse interest, to designate the persons who shall possess or enjoy the property transferred or the income from the property, is subject to tax.

(6) A transfer conforming to subclause (1), and under which the transferee promises to make payments to, or for the benefit of, the transferor or to care for the transferor during the remainder of the transferor’s life, is subject to tax.

(7) A transfer conforming to subclause (1), and under which the transferor has at his death, either in himself alone or in conjunction with any person not having an adverse interest, a power to alter, amend or revoke the interest of the beneficiary, is subject to tax. Similarly, the relinquishment of such a power is a transfer subject to tax except as otherwise provided in subclause (3).

(d) All succeeding interests which follow the interest of a surviving spouse in a trust or similar arrangement, to the extent specified in section 2112, are transfers subject to tax as if the surviving spouse were the transferor.

Section 2108. Joint Tenancy.—(a) When any property is held in the names of two or more persons, or is deposited in a financial institution in the names of two or more persons, so that, upon the death of one of them, the survivor or survivors have a right to the immediate ownership or possession and enjoyment of the whole property, the accrual of such right, upon the death of one of them, shall be deemed a transfer subject to tax, of a fractional portion of such property to be determined by dividing the value of the whole property by the number of joint tenants in existence immediately preceding the death of the deceased joint tenant.

(b) This section shall not apply to property and interests in property passing by right of survivorship to the survivor of husband and wife.

(c) If the co-ownership was created within one year prior to the death of the co-tenant, the entire interest transferred shall be subject to tax only under, and to the extent stated in, subsection (c)(3) of section 2107 as though a part of the estate of the person who created the co-ownership.

### PART III

#### TRANSFERS NOT SUBJECT TO TAX

Section 2111. Transfers Not Subject to Tax.—(a) The transfers enumerated in this section are not subject to the tax imposed by this article.

(b) Transfers of property to or for the use of any of the following are exempt from inheritance tax:

- (1) The United States of America.
- (2) The Commonwealth of Pennsylvania.
- (3) A political subdivision of the Commonwealth of Pennsylvania.

(c) Transfers of property to or for the use of any of the following are exempt from inheritance tax:

(1) Any corporation, unincorporated association or society organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual and no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation.

(2) Any trustee or trustees, or any fraternal society, order or association operating under the lodge system, but only if the property transferred is to be used by the trustee or trustees, or by the fraternal society, order or association, exclusively for religious, charitable, scientific, literary or educational purposes, or for the prevention of cruelty to children or animals, and no substantial part of the activities of the trustee or trustees, or of the fraternal society, order or association, is carrying on propaganda or otherwise attempting to influence legislation.

(3) Any veterans' organization incorporated by act of Congress, or its departments or local chapters or posts, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(d) All proceeds of insurance on the life of the decedent are exempt from inheritance tax. Refunds of unearned premiums for the current policy period and post mortem dividends shall be considered exempt proceeds.

(e) All proceeds of any Federal War Risk Insurance, National Service Life Insurance or similar governmental insurance are exempt from inheritance tax. Refunds of unearned premiums for the current policy period and post mortem dividends shall be considered exempt proceeds.

(f) The pay and allowances determined by the United States to be due a member of its armed forces for service in the Vietnam conflict after August 5, 1964, for the period between the date declared by it as the beginning of his missing in action status to the date determined by it to be the date of his death, are exempt from inheritance tax.

(g) Inter vivos transfers as defined in subsection (c) of section 2107 which might otherwise be subject to inheritance tax are exempt where the transferee is a governmental body as provided in subsection (b) or a charity as provided in subsection (c).

(h) Intangible personal property held by, for or for the benefit of a decedent who, at the time of his death, was a nonresident is exempt from inheritance tax.

(i) A transfer made as an advancement of or on account of an intestate share or in satisfaction or partial satisfaction of a gift by will, but not within the meaning of subsection (c)(3) of section 2107, is exempt from inheritance tax.

(j) Adjusted service certificates issued under the act of Congress of May 19, 1924, and adjusted service bonds issued under the act of Congress of January 27, 1936, are exempt from inheritance tax.

(k) Property subject to a power of appointment, whether or not the power is exercised, and notwithstanding any blending of such property with the property of the donee, is exempt from inheritance tax in the estate of the donee of the power of appointment, except as provided in section 2112.

(l) Property awarded to the Commonwealth as statutory heir by escheat or without escheat, otherwise than as custodian for a known distributee, is exempt from inheritance tax. Inheritance tax shall be deducted at the applicable rate without interest from any such exempt funds thereafter distributed by the Commonwealth.

(m) Transfers of property to or for the use of husband or wife of the decedent are exempt from inheritance tax. Property owned by husband and wife with right of survivorship is exempt from inheritance tax.

(n) Property held in the name of a decedent who had no beneficial interest in the property is exempt from inheritance tax.

(o) Obligations owing to the decedent which are worthless immediately before death are exempt from inheritance tax although collectible from the obligor's distributive share of the estate.

(p) The lump-sum death payment from the United States Social Security Administration or any payment made in lieu of the Social Security Administration payment by another agency of the United States, whether or not paid to the decedent's estate, is exempt from inheritance tax.

(q) The lump-sum burial benefit from the United States Railroad Retirement Board, whether or not paid to the decedent's estate, is exempt from inheritance tax.

(r) Payments under pension, stock bonus, profit-sharing and other retirement plans including, but not limited to, H.R.10 plans, individual retirement accounts, individual retirement annuities and individual retirement bonds to distributees designated by decedent or designated in accordance with the terms of the plan, are exempt from inheritance tax to the extent that decedent before his death did not otherwise have the right to possess (including proprietary rights at termination of employment), enjoy, assign or anticipate the payment made. In addition to this exemption, whether or not the decedent possessed any of these rights, the payments are exempt from inheritance tax to the same extent that they are exempt from Federal estate tax under the provisions of the Internal Revenue Code of 1954 (68A Stat. 3, 26 U.S.C. § et seq.), as amended, any supplement to the code, or any similar provision in effect from time to time for Federal estate tax purposes, except that a payment, which would otherwise be exempt for Federal estate tax purposes if it had not been made in a lump-sum or other nonexempt form of payment, shall be exempt from inheritance tax even though paid in a lump-sum or other form of payment. The proceeds of life insurance otherwise exempt under subsection (d) shall not be subject to inheritance tax because they are paid under a pension, stock bonus, profit-sharing, H.R.10 or other retirement plan.

Section 2112. Trusts and Similar Arrangements for Spouses.—In the case of a transfer of property for the sole use of the transferor's surviving spouse during the surviving spouse's lifetime, all succeeding interests which follow the interest of the surviving spouse shall not be subject to tax as transfers by the transferor, but rather shall be deemed to be transfers subject to tax by the surviving spouse of the property held in the trust or similar arrangement at the death of the surviving spouse. Such succeeding interests shall be valued at the death of the surviving spouse and taxed at the tax rates applicable to dispositions by the surviving spouse. Any exemption from tax based upon the kind or location of property shall be based upon the kind or location of property held in the trust or similar arrangement at the surviving spouse's death.

PART IV  
RATE OF TAX

Section 2116. Inheritance Tax.—(a) (1) Inheritance tax upon the transfer of property passing to or for the use of any of the following shall be at the rate of six per cent:

(i) grandfather, grandmother, father, mother, husband, wife and lineal descendants; or

(ii) wife or widow and husband or widower of a child.

(2) Inheritance tax upon the transfer of property passing to or for the use of a husband or wife shall be:

(i) at the rate of five per cent for estates of decedents dying on or after January 1, 1992, and before January 1, 1993;

(ii) at the rate of four per cent for estates of decedents dying on or after January 1, 1993, and before January 1, 1994;

(iii) at the rate of three per cent for estates of decedents dying on or after January 1, 1994, and before January 1, 1995;

(iv) at the rate of two per cent for estates of decedents dying on or after January 1, 1995, and before January 1, 1996; or

(v) at the rate of one per cent for estates of decedents dying on or after January 1, 1996, and before January 1, 1997.

(3) Inheritance tax upon the transfer of property passing to or for the use of all persons other than those designated in subclause (1) or (2) or exempt under subsection (m) of section 2111 shall be at the rate of fifteen per cent.

(4) When property passes to or for the use of a husband and wife with right of survivorship, one of whom is taxable at a rate lower than the other, the lower rate of tax shall be applied to the entire interest.

(b) (1) Residents.—When the decedent was a resident, the tax shall be computed upon the value of the property, in excess of the deductions specified in Part VI, at the rates in effect at the transferor's death.

(2) Nonresidents.—When the decedent was a nonresident, the tax shall be computed upon the value of real property and tangible personal property having its situs in this Commonwealth, in excess of unpaid property taxes assessed on the property and any indebtedness for which it is liened, mortgaged or pledged, at the rates in effect at the transferor's death. The person liable to make the return under section 2136 may elect to have the tax computed as if the decedent was a resident and his entire estate was property having its situs in this Commonwealth and the tax due shall be the amount which bears the same ratio to the tax thus computed as the real property and tangible personal property located in this Commonwealth bears to the entire estate of the decedent.

(c) When any person entitled to a distributive share of an estate, whether under an inter vivos trust, a will or the intestate law, renounces his right to receive the distributive share receiving therefor no consideration, or exercises his elective rights under 20 Pa.C.S. Ch. 22 (relating to elective share of surviving spouse) receiving therefor no consideration other than the interest in assets passing to him as the electing spouse, the tax shall be computed as though the persons who benefit by such renunciation or election were originally designated to be the distributees, conditioned upon an adjudication or decree of distribution expressly confirming distribution to such distributees. The renunciation shall be made within nine months after the death of the decedent or, in the case of a surviving spouse, within the time for election and any extension thereof under 20 Pa.C.S. § 2210(b) (relating to procedure for election; time limit). Notice of the filing of the account and of its call for audit or confirmation shall include notice of the renunciation or election to the department. When an unconditional vesting of a future interest does not occur at the decedent's death, the renunciation specified in this subsection of the future interest may be made within three months after the occurrence of the event or contingency which resolves the vesting of the interest in possession and enjoyment.

(d) In case of a compromise of a dispute regarding rights and interests of transferees, made in good faith, the tax shall be computed as though the persons so receiving distribution were originally entitled to it as transferees of the property received in the compromise, conditioned upon an adjudication or decree of distribution expressly confirming distribution to such distributees. Notice of the filing of the account and of its call for audit or confirmation shall include notice to the department.

(e) If the rate of tax which will be applicable when an interest vests in possession and enjoyment cannot be established with certainty, the department, after consideration of relevant actuarial factors, valuations and other pertinent circumstances, may enter into an agreement with the person responsible for payment to establish a specified amount of tax which, when paid within sixty days after the agreement, shall constitute full payment of all tax otherwise due upon such transfer. Rights of withdrawal of a surviving spouse not exercised within nine months of the transferor's death shall be ignored in making such calculations.

(f) Property subject to a power of appointment, whether or not the power is exercised and notwithstanding any blending of the property with the property of the donee, shall be taxed only as part of the estate of the donor.

Section 2117. Estate Tax.—(a) In the event that a Federal estate tax is payable to the United States on the estate of a decedent who was a resident of this Commonwealth at the time of his death and the inheritance tax, if any, paid to the Commonwealth (disregarding interest or the amount of any discount allowed under section 2142), plus the death taxes (not including any death tax expressly imposed to receive the benefit of the credit for State death taxes allowed by the Federal estate tax law) paid to other states or territories in respect to the property of the decedent, is less than the maximum credit for State taxes allowed by the Federal estate tax law, a tax equal to the difference is imposed.

(b) In the event that a Federal estate tax is payable to the United States on the estate of a decedent who was not a resident of the United States or its territories at the time of his death and the inheritance tax, if any, paid to the Commonwealth (disregarding interest or the amount of any discount allowed under section 2142) is less than the maximum credit for State taxes allowed by the Federal estate tax law, a tax is hereby imposed, to be computed by deducting the Pennsylvania inheritance tax, if any, paid from an amount which bears the same ratio to the maximum credit for State taxes allowed by the Federal estate tax law, as the transfer of property subject to inheritance tax and included in the decedent's gross estate for Federal estate tax purposes bears to the decedent's gross estate located within the United States and its territories for Federal estate tax purposes.

(c) When an inheritance tax is imposed after an estate tax imposed under subsection (a) or (b) has been paid, the estate tax paid shall be credited against any inheritance tax later imposed.

PART V  
VALUATION

Section 2121. Valuation.—(a) Except as otherwise provided in this part, the valuation date shall be the date of the transferor's death. When the transfer was made during lifetime and was not in trust, the property transferred shall be valued at the transferor's death. When the transfer was to an inter vivos trust, the property to be valued shall be that comprising the portion of the trust, if any, which exists at the transferor's death and which portion is traceable from property the transfer of which is subject to tax under this article.

(b) The value of a life interest shall be determined in accordance with rules and regulations promulgated by the department. Until the promulgation of rules and regulations to the contrary, the regulations in effect for Federal estate tax purposes shall apply.

(c) The value of an interest for a term certain shall be determined in accordance with rules and regulations promulgated by



the department. Until the promulgation of rules and regulations to the contrary, the regulations in effect for Federal estate tax purposes shall apply.

(d) If an annuity or a life estate is terminated by the death of the annuitant or life tenant or by the happening of a contingency within nine months after the death of the transferor, the value of the annuity or estate shall be the value, at the date of the transferor's death, of the amount of the annuity or income actually paid or payable to the annuitant or life tenant during the period he was entitled to the annuity or was in possession of the estate. If an appraisal of an annuity or life estate has been filed before the termination, the appraisal and any assessment based on the appraisal shall be revised in accordance with this section upon request of any party in interest, including the Commonwealth and the personal representative, insofar as the appraisal and any assessment based on the appraisal relates to the valuation of the terminated annuity or life estate, without the necessity of the party in interest following any procedure described in Part XI.

(e) The value of a future interest shall be determined in accordance with rules and regulations promulgated by the department. Until the promulgation of rules and regulations to the contrary, the regulations in effect for Federal estate tax purposes shall apply.

(f) When a decedent's property is subject, during his lifetime and at the time of his death, to a binding option or agreement to sell, the appraised value of the property shall not exceed the amount of the established price payable for it provided the option or agreement is a bona fide arrangement and not a device to transfer the property for less than an adequate and full consideration in money or money's worth. If the option or agreement is not exercised and consummated, the value at which the property is appraised shall not be limited to the established price payable for the property and it shall not exceed the value of the property on the date of the transferor's death. When tax has been assessed on the basis of an established price and the option or agreement is not exercised and consummated or an amount greater than the established price is received for the property, the fiduciary or transferee shall file a supplemental return reporting the facts.

Section 2122. Valuation of Certain Farmland.—(a) The following words and phrases when used in this section, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

"Agricultural commodity." Any and all plant and animal products including Christmas trees produced in this Commonwealth for commercial purposes.

"Agricultural reserve." Noncommercial open space lands used for outdoor recreation or the enjoyment of scenic or natural beauty and open to the public for such use, without charge or fee, on a nondiscriminatory basis.

"Agricultural use." Use of the land for the purpose of producing an agricultural commodity or when devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil conservation program under an agreement with an agency of the Federal Government.

"Forest reserve." Land, ten acres or more, stocked by forest trees of any size and capable of producing timber or other wood products.

"Separation." A division, by conveyance or other action of the owner, of lands devoted to agricultural use, agricultural reserve or forest reserve and preferentially assessed under the provisions of this section into two or more tracts of land which continue to be agricultural use, agricultural reserve or forest reserve and all tracts so formed meet the requirements of section 3 of the act of December 19, 1974 (P.L.973, No.319), known as the "Pennsylvania Farmland and Forest Land Assessment Act of 1974."

"Split-off." A division, by conveyance or other action of the owner, of lands devoted to agricultural use, agricultural reserve or forest reserve and preferentially assessed under the provisions of this section into two or more tracts of land, the use of which on one or more of such tracts does not meet the requirements of section 3 of the "Pennsylvania Farmland and Forest Land Assessment Act of 1974."

(b) (1) The value for transfer inheritance tax purposes of land or an interest in land which is owned by a decedent and devoted to agricultural use, agricultural reserve or forest reserve shall be that value which such land has for its particular use if it also meets the following conditions:

(i) in the case of land devoted to agricultural use, the land was devoted to such agricultural use for the three years preceding the death of such decedent and is not less than ten contiguous acres in area or has an anticipated yearly gross income derived from agricultural use of two thousand dollars (\$2,000);

(ii) in the case of land devoted to agricultural reserve, the land is not less than ten contiguous acres in area;

(iii) in the case of land presently devoted to forest reserve, the land is not less than ten contiguous acres in area; or

(iv) the contiguous tract of land for which application is made is not less than the entire contiguous area of the owner used for agricultural use, agricultural reserve or forest reserve purposes.

(2) In determining the value of land in agricultural use, agricultural reserve or forest reserve for its particular use, consideration shall be given to available evidence of such land's capability for its particular use as derived from the soil survey at The Pennsylvania State University, the National Cooperative Soil Survey, the United States Census of Agricultural Categories of land use classes and other evidence of the capability of the land devoted to such use and also, if the land is assessed under the provisions of the "Pennsylvania Farmland and Forest Land Assessment Act of 1974," to the valuation determined by the local county assessor thereunder.

(c) (1) If any tract of land in agricultural use, agricultural reserve or forest reserve, which is valued for inheritance tax purposes under the provisions of this part, is applied to a use other than agricultural use, agricultural reserve or forest reserve or for any other reason, except condemnation thereof, is removed from the category of land preferentially valued under this part within seven years following the death of such decedent, the owner at such time the land is so removed shall be subject and liable to tax due the Commonwealth in an amount equal to the difference, if any, between the taxes paid or payable on the basis of the valuation authorized under this section and the taxes that would have been paid or payable had that land been valued and taxed on the basis of its market value at the death of the decedent, plus interest thereon for the period from the date of death to the change of use at the rate established in section 2143.

(2) The tax shall be a lien upon the property in favor of the Commonwealth, collectible in the manner provided by law for the collection of delinquent real estate taxes, as well as the personal obligation of the owner at the time of such change of use. The tax shall become due on the date of change of use.

(3) Every owner of land preferentially valued under this section shall notify the register of wills of the county or counties in which the land is located of any change or proposed change in the use of the land. Any owner failing to make notification commits a misdemeanor of the third degree.

(d) (1) The split-off of a part of the land which has been valued, assessed and taxed under this article for a use other than agricultural use, agricultural reserve or forest reserve within the seven-year period provided for by subsection (c) shall, except when the split-off occurs through condemnation, subject the land divided and the entire parcel from which the land was divided to liability for taxes as otherwise set forth in this article except as provided in subclause (2).

(2) The owner of property subject to a preferential tax assessment may split-off land covered by the preferential tax assessment within the seven-year period. The tract of land so split-off shall not exceed two acres annually and may only be used for residential use, agricultural use, agricultural reserve or forest reserve and the construction of a residential dwelling to be occupied by the person to whom the land is transferred. The total parcel or parcels of land split-off under the provisions of this subsection shall not exceed ten per cent or ten acres, whichever is less, of the entire tract subject to the preferential tax assessment. The split-off of a parcel of land which meets the requirements of this subsection shall not invalidate the preferential tax assessment if it continues to meet the requirements of subsection (b).

(3) The owner of property subject to a preferential use assessment may separate land covered by the preferential use assessment. The separation shall not invalidate the preferential tax assessment unless a subsequent abandonment of preferential use occurs within seven years of the separation. The abandonment shall subject the entire tract of land separated to liability for taxes, which are to be paid by the person changing the use, as set forth in this article.

(4) When property subject to preferential tax assessment is separated among the beneficiaries taxed under subsection (a)(1) of section 2116, a subsequent change within the seven-year period provided for in subsection (b) in the use of one beneficiary's portion of the property shall subject only that tract held by the beneficiary who changes the use to liability under this article.

#### PART VI DEDUCTIONS

Section 2126. Deductions Generally.—The only deductions from the value of the property transferred shall be those set forth in this part. Except as otherwise provided in this article, they shall be deductible regardless of whether or not assets comprising the decedent's taxable estate are employed in the payment or discharge of the deductible items. When a tax is imposed upon a transfer described in subsection (c) of section 2107 and section 2108, the deductions shall be allowed to the transferee only to the extent that the transferee has actually paid the deductible items and either the transferee was legally obligated to pay the deductible items or the estate subject to administration by a personal representative is insufficient to pay the deductible items.

Section 2127. Expenses.—(a) The following expenses may be deducted from the value of the property transferred.

(b) Administration expenses. All reasonable expenses of administration of the decedent's estate and of the assets includable in the decedent's taxable estate are deductible.

(c) Bequest to fiduciary or attorney in lieu of fees. A transfer to an executor, trustee or attorney in lieu of compensation for services is deductible to the extent it does not exceed reasonable compensation for the services to be performed.

(d) Family exemption. The family exemption is deductible.

(e) Funeral and burial expenses. Reasonable and customary funeral expenses, including the cost of a family burial lot or other resting place, are deductible.

(f) Tombstones and gravemarkers. Reasonable and customary expenses for the purchase and erection of a monument, grave-stone or marker on decedent's burial lot or final resting place are deductible.

(g) Burial trusts or contracts. Bequests or devises in trust, or funds placed in trust after decedent's death, or funds paid under a contract after decedent's death, in reasonable amounts, to the extent that the funds or income from the funds is to be applied to the care and preservation of the family burial lot or other final resting place in which the decedent is buried or the remains of the decedent repose and the structure on the burial lot or other final resting place, are deductible.

(h) Bequests for religious services. Bequests in reasonable amounts for the performance or celebration of religious rites,

rituals, services or ceremonies, in consequence of the death of the decedent, shall be deductible.

Section 2128. Taxes.—(a) The following taxes may be deducted from the value of the property transferred:

(b) Property taxes. Taxes imposed against the decedent or against any property constituting a part of decedent's gross taxable estate, and which are owing prior to decedent's death, are deductible. However, taxes for which decedent is not personally liable shall not be deductible in an amount exceeding the value of the property against which the taxes are lien.

(c) State and foreign death taxes. Death taxes other than the Federal estate tax, disregarding interest and penalty, paid to other states and territories of the United States and to taxing jurisdictions outside the United States and its territories on assets, the transfer of which is subject to tax under this article, if the taxes are required to be paid to bring the assets into this Commonwealth, or to transfer them to the new owner, are deductible.

Section 2129. Liabilities.—(a) All liabilities of the decedent shall be deductible subject to the limitations set forth in this section.

(b) Except as otherwise provided in subsections (h) and (i), the deductions for indebtedness of the decedent, when founded upon a promise or agreement, shall be limited to the extent that it was contracted bona fide and for an adequate and full consideration in money or money's worth.

(c) Except as provided by subsection (4) of section 30, indebtedness owing by the decedent upon a secured loan is deductible whether or not the security is a part of the gross taxable estate.

(d) Except as provided by subsection (4) of section 2130, the decedent's liability (net of all collectible contribution) on a joint obligation is deductible whether or not payment of the obligation is secured by entireties property or property which passes to another under the right of survivorship.

(e) Indebtedness arising from a contract for the support of the decedent is deductible.

(f) Decedent's obligation is deductible whether or not discharged by testamentary gift.

(g) Decedent's debt, which is unenforceable because of any statute of limitations, is deductible if paid by the estate.

(h) A pledge to a transferee exempt under the provisions of subsection (c) of section 2111 is deductible if paid by the estate, whether or not it is legally enforceable.

(i) Liabilities arising from the decedent's tort or from decedent's status as an accommodation endorser, guarantor or surety are deductible, except to the extent that it can be reasonably anticipated that decedent's estate will be exonerated or reimbursed by others primarily liable or subject to contribution.

(j) The fact that a surviving spouse is legally liable and financially able to pay any item which, if the deceased spouse were unmarried, would qualify as a deduction under this part shall not result in the disallowance of such item as a deduction.

(k) Obligations for decedent's medical expenses are not deductible to the extent decedent's estate will be exonerated or reimbursed for such expenses from other sources.

Section 2130. Deductions Not Allowed.—The following are not deductible:

(1) Claims of a former or surviving spouse, or others, under an agreement between the former or surviving spouse and the decedent, insofar as they arise in consideration of a relinquishment or promised relinquishment of marital or support rights.

(2) Litigation expenses of beneficiaries.

(3) Indebtedness secured by real property, or tangible personal property, all of which has its situs outside of this Commonwealth, except to the extent the indebtedness exceeds the value of the property.

PART VII  
PAYMENT OF TAX

Section 2136. Returns.—(a) The following persons shall make a return:

(1) The personal representative of the estate of the decedent as to property of the decedent administered by him and additional property which is or may be subject to inheritance tax of which he shall have or acquire knowledge.

(2) The transferee of property upon the transfer of which inheritance tax is or may be imposed by this article including a trustee of property transferred in trust. No separate return need be made by the transferee of property included in the return of a personal representative.

(b) The inclusion of property in the return shall not constitute an admission that its transfer is taxable.

(c) Any person required to file a return under subsection (a) shall promptly file a supplemental return with respect to additional assets and transfers which come to his knowledge after the original return has been filed.

(d) The returns required by subsection (a) shall be filed within nine months after the death of the decedent. At any time prior to the expiration of the nine-month period, the department, in its discretion, may grant an extension of the time for filing a return for an additional period of six months.

(e) The returns required by subsections (a) and (c) shall be made in the form prescribed by the department.

(f) When the decedent was a resident, the returns shall be filed with the register. When the decedent was a nonresident, the returns shall be filed with the register who issued letters, if any, in this Commonwealth; otherwise, the returns shall be filed with the department.

Section 2137. Appraisalment.—The department shall have supervision over, and make or cause to be made, fair and conscientious appraisements of property the transfer of which is subject to tax under this article. The appraisalment, unless suspended until audit, shall be made within six months after the return has been filed and, if not so made, shall be made within an additional period as the court, upon application of any party in interest, including the personal representative, shall fix.

Section 2138. Deductions.—The official with whom the return is required by subsection (f) of section 2136 to be filed shall determine the allowance or disallowance of all deductions claimed. The determination, unless suspended until audit, shall be made within six months after the claim for allowance has been filed and, if not so made, shall be made within such further period as the court, upon application by any party in interest, including the personal representative, shall fix. However, the court, at the request of the fiduciary at the audit of his account, may determine and allow, as deductions, all properly deductible credits claimed in the account or allowed at the audit without requiring the filing of a separate claim for them and the court may then fix the amount of the tax and decree payment of the tax. Deductions exceeding one hundred dollars (\$100) in the aggregate shall not be allowed by the court unless the Commonwealth is represented at the audit by counsel or unless there is proof that the register has had at least thirty days notice of the claim.

Section 2139. Assessment of Tax.—After the appraisalment has been made and the allowance or disallowance of deductions determined, the inheritance tax, as affected by the court's determination of the allowance or disallowance of deductions as provided in section 2138, shall be assessed by the official with whom the return is required to be filed under subsection (f) of section 2136. The assessment, unless suspended until audit, shall be made within one month after the filing of the appraisalment or determination of deductions, whichever occurs later, and, if not so made, shall be made within an additional period as the court, upon application by any party in interest, including the personal representative, shall fix.

Section 2140. Notice.—The department shall give, or cause to be given, notice of the filing of the appraisalment, the determination of the allowance or disallowance of deductions and the amount of tax assessed, and all supplements, to the personal representative and to any transferee who filed a tax return or to their respective attorneys.

Section 2141. Failure to File Returns Not a Bar to Assessment of Tax.—Failure to file a return of a taxable transfer shall not bar the making of an appraisalment or supplemental appraisalment or assessment of tax or supplemental assessment of tax based upon taxable transfers not returned under the provisions of this article.

Section 2142. Payment Date and Discount.—Inheritance tax is due at the date of the decedent's death and shall become delinquent at the expiration of nine months after the decedent's death. To the extent that the inheritance tax is paid within three months after the death of the decedent, a discount of five per cent shall be allowed.

Section 2143. Interest.—If the inheritance tax is not paid before the date it becomes delinquent, interest on the unpaid tax shall be charged after the date of delinquency at the rate established pursuant to section 806 of the act of April 9, 1929 (P.L.343, No.176), known as "The Fiscal Code." When payment of inheritance tax is not made because of litigation or other unavoidable cause of delay, and the property on which the tax has been calculated has remained in the hands of a fiduciary and has not produced a net income equal to the rate of interest provided in this section annually, interest for such period shall be calculated at the rate of the net income produced by the property. Any payment on delinquent inheritance tax shall be applied, first, to any interest due on the tax at the date of payment, and then, if there is any balance, to the tax itself.

Section 2144. Source of Payment.—(a) In the absence of a contrary intent appearing in the will, the inheritance tax, including interest, on the transfer of property which passes by will absolutely and in fee, and which is not part of the residuary estate, shall be paid out of the residuary estate and charged in the same manner as a general administration expense of the estate. The payments shall be made by the personal representative and, if not so paid, shall be made by the transferee of the residuary estate.

(b) In the absence of a contrary intent appearing in the inter vivos trust, the inheritance tax, including interest, on the transfer of property which passes absolutely and in fee by inter vivos trust, and which is not part of the residue of the inter vivos trust, shall be paid out of the residue of the trust and charged in the same manner as a general administration expense of the trust. The payment shall be made by the trustee and, if not so paid, shall be made by the transferee of the residue of the trust.

(c) In the absence of a contrary intent appearing in the will, the inheritance tax, including interest, on the transfer of property which passes by will other than absolutely and in fee, and which is not part of the residuary estate, shall be paid out of the residuary estate and charged in the same manner as a general administration expense of the estate. The payment shall be made by the personal representative and, if not so paid, shall be made by the transferee of the residuary estate.

(d) In the absence of a contrary intent appearing in the inter vivos trust, the inheritance tax, including interest, on the transfer of property which passes other than absolutely and in fee by inter vivos trust, and which is not part of the residue of the inter vivos trust, shall be paid out of the residue of the trust and charged in the same manner as a general administration expense of the trust. The payment shall be made by the trustee and, if not so paid, shall be made by the transferee of the residue of the trust.

(e) In the absence of a contrary intent appearing in the will or other instrument of transfer, the inheritance tax, in the case of a transfer of any estate, income or interest for a term of years, for life or for other limited period, shall be paid out of the principal

of the property by which the estate, income or interest is supported, except as otherwise provided in subsection (c) or (d). The payment shall be made by the personal representative or trustee and, if not so paid, shall be made by the transferee of such principal.

(f) In the absence of a contrary intent appearing in the instrument creating the trust or similar arrangement, and in the absence of a contrary direction by the surviving spouse, the inheritance tax, including interest, due at the death of a surviving spouse with respect to a trust or similar arrangement to which section 2112 is applicable shall be paid out of the principal of the trust or similar arrangement. The payment shall be made by the trustee or other fiduciary in possession of the property and, if not so paid, shall be made by the transferee of such principal.

(g) In the absence of a contrary intent appearing in the will or other instrument of transfer and except as otherwise provided in this section, the ultimate liability for the inheritance tax, including interest, shall be upon each transferee.

Section 2145. Estate Tax.—(a) The person or persons required by section 2136 to make the inheritance tax return shall be initially liable for payment of the estate tax.

(b) The personal representative of every decedent or, if there is no personal representative, any other fiduciary charged by law with the duty of filing a Federal estate tax return, within one month of the filing or receipt of the return shall file with the register or, if the decedent was a nonresident, with the register who issued letters, if any, in this Commonwealth, or otherwise with the department, a copy of his Federal estate tax return and of any communication from the Federal Government making any final change in the return or of the tax due. The assessment of estate tax shall be made by the register or department within three months after the filing of the documents required to be filed and, if not so made, shall be made within an additional period as the court, upon application of any party in interest, including the personal representative, shall fix.

(c) The estate tax is due at the date of the decedent's death but shall not become delinquent until the expiration of eighteen months after decedent's death. Any estate tax occasioned by a final change in the Federal return or of the tax due shall not become delinquent until the expiration of one month after the person or persons liable to pay the tax have received final notice of the increase in the Federal estate tax.

(d) No discount shall be allowed in paying the estate tax.

(e) If the estate tax is not paid before the date it becomes delinquent under subsection (c), interest on the unpaid tax shall be charged after the date of delinquency at the rate established in section 2143.

(f) The estate tax shall be apportioned and ultimately borne in accordance with the provisions of 20 Pa.C.S. Ch. 37 (relating to apportionment of death taxes) unless otherwise provided by this article or in the instrument of transfer.

(g) When the decedent was a resident, the estate tax shall be paid to the register. When the decedent was a nonresident, the estate tax shall be paid to the register who issued letters, if any, in this Commonwealth; otherwise it shall be paid to the department.

Section 2146. Deduction and Collection of Tax by Personal Representative or Other Fiduciary.—Subject to the provisions of sections 2144 and 2154, every personal representative or other fiduciary (other than a trustee of a pension, stock-bonus, profit-sharing, retirement annuity, deferred compensation, disability, death benefit, or other employe benefit plan) in charge of or in possession of any property, or instrument evidencing ownership of property, the transfer of which is subject to a tax imposed by this article other than a tax on a future interest not yet delinquent, shall deduct the tax from the property, if money, or shall collect the tax from the transferee. Any delivery of property or instrument by the fiduciary to a transferee, except in accordance with a decree of distribution of the court, or pursuant to a duly executed

notice of election filed under section 2154, shall not relieve him of personal liability for a tax imposed by this article. No personal representative or other fiduciary in charge of or in possession of any property subject to this article shall be compelled to pay or deliver it to the transferee except upon payment to him of the tax due other than tax on a future interest not yet delinquent. If the transferee neglects or refuses to pay the tax, the personal representative or other fiduciary may sell the property subject to the tax, or so much of the property as is necessary, under direction of the court. All money retained by the personal representative or other fiduciary, or paid to him on account of the taxes imposed by this article, shall be remitted by him before the tax becomes delinquent or, if received after the tax becomes delinquent, shall be remitted by him promptly upon its receipt.

Section 2147. Duties of Depositories.—When money is deposited or invested in a financial institution located in this Commonwealth in the names of two or more persons, other than husband and wife, or in the name of a person or persons in trust for another or others, and one of the parties to the deposit or investment dies, it shall be the duty of the financial institution, within ten days after knowledge of the death, to notify the department, giving the name of the deceased person, the date of the creation of the joint or trust deposit or investment, the amount invested or on deposit at the date of death with the financial institution and the name and address of the survivor or survivors to the account. No notification shall be required in regard to the account when the deposit at the time of death does not exceed three hundred dollars (\$300).

Section 2148. Compromise by Department.—The department, with the approval of the Attorney General, may compromise in writing, with the person liable, the tax, including interest on the tax, payable on any transfer of property included in the estate of any decedent who it is alleged was a nonresident at the time of his death. A copy of the compromise agreement shall be filed with the register who issued letters, if any, in this Commonwealth; otherwise it shall be filed with the department. The compromise agreement shall constitute a final determination of the matters covered by it and the payment of the tax, as fixed by the agreement, shall discharge all persons and property from liability with respect to the tax.

Section 2149. Interstate Compromise and Arbitration of Inheritance Taxes.—When the register or the department alleges that a decedent was a resident of this Commonwealth at the time of his death, and the taxing authorities of another state or territory make a like claim on behalf of their state or territory, a written agreement of compromise or a written agreement to submit the controversy to a board of arbitrators may be made under Part VIII.

Section 2150. Extension of Time for Payment.—The department may, for reasonable cause, extend the time for payment of any part of the inheritance tax and may, if deemed necessary for the protection of the interest of this Commonwealth, require the transferee in present possession or, if a trust is involved, the trustee, to file a bond in the name of the Commonwealth with sufficient surety, in an amount not exceeding twice the tax computed when the bond is given at the highest rate possible in the specific contingencies involved (reduced by the amount of any partial payment made) and conditioned for the payment of the tax at such postponed due date, together with interest from the due date to the payment date. No bond shall be required under this section if the trustee or one of the trustees is a bank and trust company or a trust company incorporated in this Commonwealth or a national banking association having its principal office in this Commonwealth. The bond required shall be filed in the office of the register.

Section 2151. Bond for Delinquent Tax.—The court, in its discretion, at any time after a tax imposed by this article becomes delinquent, upon application of the department, may require any

person liable for a tax imposed by this article to give a bond for its payment. The bond shall be in the name of the Commonwealth, in such amount and with such surety as the court approves and conditioned for the payment of the tax, plus interest at the same rate as the interest rate on deficiencies provided for in section 2143, commencing on the date the tax became delinquent, within a time certain to be fixed by the court and specified in the bond. The bond required shall be filed in the office of the register.

**Section 2152. Evidence of Payment of Tax for Real Estate in Another County.**—When any tax is imposed and paid under this article on real estate located in a county other than that of the register who received payment, the register shall immediately forward to the register of the county where the real estate is located a certificate of the payment of the tax on the real estate which shall be entered of record in his office. The register of the county where the real estate is located shall be entitled to a fee of two dollars (\$2) for entering the record of payment to be paid as a part of the administration expenses of the decedent's estate.

**Section 2153. Penalties.**—(a) Any person who willfully fails to file a return or other report required of him under the provisions of sections 2136 and 2145 shall be personally liable, in addition to any liability imposed elsewhere in this article, to a penalty of twenty-five per cent of the tax ultimately found to be due or one thousand dollars (\$1,000), whichever is less, to be recovered by the department as debts of like amount are recoverable by law.

(b) Any financial institution which fails to give the notice required by section 2147 shall be liable to a penalty of one hundred dollars (\$100) to be recovered by the department as debts of like amount are recoverable by law.

(c) Any person who willfully makes a false return or report required of him under the provisions of this article, in addition to any liability imposed elsewhere in this article, commits a misdemeanor of the third degree.

**Section 2154. Payment of Tax for Small Business Transferees.**—(a) Notwithstanding the provisions of section 2142, the inheritance tax due under this article on the transfer of a small business interest may be paid by the qualified transferee in consecutive quarterly installments beginning immediately following the expiration of nine months after the decedent's death, according to the following schedule:

(1) For decedents dying during the first year following the effective date of this section, the tax may be paid in four consecutive quarterly installments.

(2) For decedents dying during the second year following the effective date of this section, the tax may be paid in eight consecutive quarterly installments.

(3) For decedents dying during the third year following the effective date of this section, the tax may be paid in twelve consecutive quarterly installments.

(4) For decedents dying during the fourth year following the effective date of this section, the tax may be paid in sixteen consecutive quarterly installments.

(5) For decedents dying during the fifth and subsequent years following the effective date of this section, the tax may be paid in twenty consecutive quarterly installments.

(b) The tax shall be paid in consecutive quarterly installments due on March 31, June 30, September 30 and December 31 of each year, provided the return required by section 2136 is timely filed, along with a notice of election executed by the qualified transferee and joined in by the personal representative which shall relieve the personal representative or other fiduciary of liability for the collection and payment of tax under section 2146. The notice of election shall be completed on a form prescribed by the department containing at least the following information:

(1) The name of the decedent and date of death.

(2) The name or names of the personal representative or other fiduciary.

(3) The name or names of the qualified transferees filing the election.

(4) A description and estimated valuation of the business interest on which tax is due.

(5) A statement that the qualified transferees assume full personal responsibility for the tax. Each notice of election shall be affirmed before an officer empowered to administer oaths. The installment payment of tax shall bear interest at the rate of nine per cent per annum.

(c) In the event any portion of a small business interest on which the installment payment of tax has been elected is sold, exchanged or otherwise disposed of prior to the expiration of five years following the date of death and that portion equals or exceeds fifty per cent of the total value of the small business interest received by the qualified transferee, the transferee shall immediately provide written notice of the sale, exchange or disposition to the department and the full amount of the tax then outstanding on that portion shall become due and payable at the expiration of sixty days following the date of sale, exchange or other disposition.

(d) For purposes of this section, the term "small business interest" means an interest in an operating trade or business entity the principal purpose of which is not the management of investments or income producing assets owned by the entity which has employed an average of less than fifty full-time employes during the twelve months immediately preceding the date of death and which meets one of the following criteria:

(1) An interest as a proprietor in a trade or business carried on as a proprietorship.

(2) An interest as a partner in a partnership carrying on a trade or business if:

(i) twenty per cent or more of the total capital interest in the partnership is included in determining the gross estate of the decedent; or

(ii) the partnership had ten or less partners.

(3) Stock in a corporation carrying on a trade or business if:

(i) twenty per cent or more in value of the voting stock of the corporation is included in determining the gross estate of the decedent; or

(ii) the corporation had ten or less shareholders.

(e) **Qualified transferee defined.**—For purposes of this section, the term "qualified transferee" means a legatee or other transferee receiving:

(1) ten per cent or more of the value of a proprietorship qualifying as a small business interest as defined in subsection (d);

(2) ten per cent or more of the total capital interest in a partnership qualifying as a small business interest as defined in subsection (d); or

(3) ten per cent or more in value of the voting stock of a corporation qualifying as a small business interest as defined in subsection (d).

## PART VIII

### UNIFORM ACT ON INTERSTATE COMPROMISE AND ARBITRATION OF INHERITANCE TAXES

**Section 2156. Short Title.**—This part shall be known and may be cited as the "Uniform Act on Interstate Compromise and Arbitration of Inheritance Taxes."

**Section 2157. Compromise Agreement and Filing, Interest or Penalty for Nonpayment of Taxes.**—When the department or the register claims a decedent was domiciled in this Commonwealth at the time of his death and the taxing authority of another state makes a like claim on behalf of its state, the department may, with the approval of the Attorney General, make a written agreement of compromise with the other taxing authority and the executor or administrator of the decedent that a certain sum shall be accepted in full satisfaction of any and all inheritance taxes

imposed by this Commonwealth, including any interest or penalties to the date of signing the agreement. The agreement shall also fix the amount to be accepted by the other state in full satisfaction of inheritance taxes. The executor or administrator of the decedent is authorized to make the agreement. The agreement shall conclusively fix the amount of tax payable to the Commonwealth without regard to any other provision of the laws of this Commonwealth. Unless the tax agreed upon is paid within sixty days after the signing of the agreement, interest or penalties shall accrue upon the amount fixed in the agreement but the time between the decedent's death and the signing of the agreement shall not be included in computing the interest or penalties. In the event the aggregate amount payable under the agreement to the states involved is less than the maximum credit allowable to the estate against the Federal estate tax imposed with respect to the estate, the personal representatives shall also pay to the department so much of the difference between the aggregate amount and the amount of such credit as the amount payable to the department under the agreement bears to the aggregate amount. A copy of the agreement shall be filed in the office of the proper register and any existing appraisal shall be deemed modified according to the agreement. In the event no appraisal has been made and filed prior to the agreement, the department shall direct an appraisal to be made and filed in the office of the proper register in accordance with the agreement.

Section 2158. Arbitration Agreement.—When the department or the register claims that a decedent was domiciled in this Commonwealth at the time of his death and the taxing authority of another state makes a like claim on behalf of its state, the department may, with the approval of the Attorney General, make a written agreement with the other taxing authority and with the executor or administrator of the decedent to submit the controversy to the decision of a board consisting of one or any uneven number of arbitrators. The executor or administrator of the decedent is authorized to make the agreement. The parties to the agreement shall select the arbitrator or arbitrators.

Section 2159. Arbitration Board.—(a) The board shall have the power to administer oaths, take testimony, subpoena and require the attendance of witnesses and the production of books, papers and documents, and issue commissions to take testimony. Subpoenas may be signed by any member of the board. In case of failure to obey a subpoena, any judge of a court of record of this Commonwealth, upon application by the board, may make an order requiring compliance with the subpoena and the court may punish failure to obey the order as a contempt.

(b) The board shall hold hearings at a time and place it may determine, upon reasonable notice to the parties to the agreement, all of whom shall be entitled to be heard, to present evidence and to examine and cross-examine witnesses.

(c) Except as provided in subsection (a) in respect to the issuance of subpoenas, all questions arising in the course of the proceedings shall be determined by a majority vote of the board.

(d) The board shall, by a majority vote, determine the domicile of the decedent at the time of his death. This determination shall be final for the purpose of imposing and collecting inheritance taxes but for no other purpose.

(e) The compensation and expenses of the members of the board and its employes may be agreed upon among the members and the executor or administrator and if they cannot agree shall be fixed by any court having jurisdiction over probate matters of the State determined by the board to be the domicile of the decedent. The amounts so agreed upon or fixed shall be deemed an administration expense and shall be payable by the executor or administrator.

Section 2160. Filing of Determination of Domicile and Other Documents.—The department, register or board, or the executor or administrator of the decedent, shall file the determination of the board as to domicile, the record of the board's pro-

ceedings and the agreement, or a duplicate, made pursuant to section 2158 with the authority having jurisdiction to assess or determine the inheritance taxes in the State determined by the board to be the domicile of the decedent and shall file copies of the documents with the authorities that would have been empowered to assess or determine the inheritance taxes in each of the other states involved.

Section 2161. Interest or Penalties for Nonpayment of Taxes.—In any case where it is determined by the board that the decedent died domiciled in this Commonwealth, interest or penalties, if otherwise imposed by law, for nonpayment of inheritance taxes between the date of the agreement and of filing of the determination of the board as to domicile, shall not exceed the rate provided for in section 2143.

Section 2162. Compromise by Parties to Arbitration Agreement.—The provisions of this part shall not prevent at any time a written compromise, if otherwise lawful, by all parties to the agreement made pursuant to section 2157, fixing the amounts to be accepted by this Commonwealth and any other state involved, in full satisfaction of inheritance taxes.

Section 2163. Reciprocal Application.—The provisions of this part relative to arbitration shall apply only to cases in which and so far as each of the states involved has a law identical or substantially similar to this part.

## PART IX

### COLLECTION OF TAX

Section 2166. Timely Mailing Treated as Timely Filing and Payment.—Notwithstanding the provisions of any State tax law to the contrary, whenever a report or payment of all or any portion of a State tax is required by law to be received by the department or other agency of the Commonwealth on or before a day certain, the taxpayer shall be deemed to have complied with the law if the letter transmitting the report or payment of the tax which has been received by the department is postmarked by the United States Postal Service on or prior to the final day on which the payment is to be received. For the purposes of this article, presentation of a receipt indicating that the report or payment was mailed by registered or certified mail on or before the due date shall be evidence of timely filing and payment.

Section 2167. Lien and Duration of Lien.—The taxes imposed by this article, together with any interest on the taxes, shall be a lien upon the real property included in the transfer on which the taxes are imposed. Except as otherwise provided in this part, the lien shall remain until the taxes and interest are paid in full.

Section 2168. Limited and Future Interests.—In the case of a transfer of any estate, income or interest for a term of years, for life or for other limited period, or constituting a future interest, the taxes imposed by this article, together with any interest on the tax, shall remain a lien until paid upon the entire real property by which the estate, income or interest is supported, or of which it is a part, and the lien shall be limited to the real property so transferred.

Section 2169. Purchaser, Mortgagee or Lessee.—Unless suit for collection of the taxes imposed by this article is instituted within twenty years after any tax becomes delinquent, the lien shall cease as to any purchaser, mortgagee or lessee of a devisee or heir of, or a beneficiary under a deed of trust of, the real property subject to the lien. Any time within the twenty-year period, if any tax on the real property is not paid, the department shall have power to file a certificate, under its seal, certifying to nonpayment which, when filed in the office of the clerk of the county where the real property is situated, shall continue the lien against decedent's real property for an additional period of five years from the date of the filing and the lien shall be indexed in the office of the clerk. If the taxes on the real property are not paid within the additional period of five years, the department shall have power to extend the lien for additional periods of five years by filing a certificate in the manner provided in this section.

Section 2170. Sale by Fiduciary.—If real property subject to the lien of taxes imposed by this article is sold or exchanged by a fiduciary who is subject to the jurisdiction of the court and who has given bond as required by 20 Pa.C.S. (relating to decedents, estates and fiduciaries), or is a corporate fiduciary which need not file bond under Title 20, the lien on the property sold shall cease.

Section 2171. Sale by Heir, Devisee or Fiduciary.—If real property subject to the lien of taxes imposed by this article is sold or exchanged or otherwise disposed of by an heir, devisee or fiduciary, and if the inheritance tax, together with interest, is paid on all property reported in the tax return, including the property sold, which property has been appraised and tax assessed, the lien of any unpaid tax imposed by this article shall cease as to the property sold.

Section 2172. Sale of Property Transferred Inter Vivos.—When real property or any income or interest in the real property or income has been transferred within the meaning of subsection (c) of section 2107 and the transferee has sold, mortgaged or leased the property, or any income or interest in the property, the interest of a bona fide purchaser, mortgagee or lessee in the property shall not be subject to any lien for the taxes imposed by this article.

Section 2173. Subordination of Lien.—If real property subject to the lien is mortgaged or leased by a fiduciary who is subject to the jurisdiction of the court and who has given a bond as required by 20 Pa.C.S. (relating to decedents, estates and fiduciaries), or is a corporate fiduciary which need not file bond under Title 20, the lien shall become subject and subordinate to the rights and interests of the mortgagee, lessee or other person so secured.

Section 2174. Cessation Upon Approval of Bond.—Upon approval of a bond for the payment of taxes imposed upon a transfer, the lien upon the real property shall cease. The amount of the bond shall not exceed the value of the real property transferred.

Section 2175. Release of Lien.—(a) In case of a transfer, other than by will or intestacy, the department, upon satisfactory proof that no taxes are due which would be a lien on the real property transferred by reason of the death of the transferor, may release all or any portion of the property from any lien imposed by this article to which the property otherwise might be subject.

(b) The department may, at any time, release all or any portion of the real property subject to any lien imposed by this article from such lien, or subordinate such lien to other liens and encumbrances, if it determines that the taxes are sufficiently secured by a lien on other property of the decedent or that the release or subordination of the lien will not endanger or jeopardize the collection of the taxes.

(c) When inheritance tax in respect to the transfer of particular real property is paid on the value of the property without diminution for any deductions authorized by this article, other than a mortgage on the property existing at the date of the decedent's death, the department, upon request of a party in interest, shall issue a certificate evidencing the release of the property from the lien of tax.

(d) A certificate by the department to the effect that any real property or interest in real property subject to any lien imposed by this article has been released from the lien, or that the lien has been subordinated to other liens and encumbrances, shall be conclusive evidence as to any bona fide purchaser, encumbrancer or lessee that the lien has been released or subordinated.

Section 2176. Enforcement Procedure.—(a) The court, at the request of the register, department or Office of Attorney General, shall issue a citation, directed to those liable for the payment of the taxes or subject to any other duty imposed by this article, commanding the person or persons to appear and show cause why the requirements of this article should not be met.

(b) The court may issue any decree warranted by the facts, according to equity.

(c) A citation to enforce payment of taxes due under this article or compliance with the duties required by this article shall be issued by the court upon application of the register, department or Office of Attorney General whenever any of the following occurs:

(1) A tax return is not filed within the time required by this article.

(2) Any tax due under this article remains delinquent.

(3) A Federal estate tax return has been filed but a copy of the return, or a communication making a final change on the return, has not been filed as required by section 2145.

(4) Any other duty imposed by this article remains unperformed.

(d) The register or department may issue subpoenas to compel the production of documents and the attendance of witnesses necessary for the administration of this article.

(e) Execution may be issued by the court against any real property in the decedent's estate on which a lien for the payment of the taxes imposed by this article exists or against any property belonging to a transferee liable for the tax.

(f) The department may bring suits in the courts of other states to collect death taxes (including interest and penalties on the taxes) imposed by this article. An official of another state which extends a like comity to the Commonwealth may sue for the collection of death taxes (including interest and penalties on the taxes) in the courts of this Commonwealth. A certificate by the Secretary of State of another state, under the seal of that state, that an official has authority to collect its death taxes shall be conclusive evidence of the authority of the official in any suit for the collection of the taxes in any court of this Commonwealth.

#### PART X REFUND OF TAX

Section 2181. Refund of Tax.—(a) A refund shall be made of any tax to which the Commonwealth is not rightfully or equitably entitled provided the Commonwealth determines the refund is due or application for refund is made within the appropriate time limit as set forth in subsection (d).

(b) Interest shall be paid on refundable tax at the same rate as the interest rate on deficiencies provided for in section 2143.

(c) Refund shall be made in cash to the party who paid the tax or to his assignee or as directed by the court.

(d) Application for refund of tax shall be made within two years after:

(1) the court has rescinded its order and adjudication of presumed death when the refund is claimed for tax paid on the transfer of the estate of a presumed decedent who is later determined to be alive;

(2) termination of litigation establishing a right to a refund. No application for refund shall be necessary when the litigation has been with the Commonwealth over liability for the tax or the amount of tax due;

(3) it has been finally determined that the whole or any part of an alleged deficiency tax, asserted by the Federal Government beyond that admitted to be payable, and in consequence of which an estate tax was paid under section 2117 was not payable;

(4) a final judgment holding that a provision of this article under which tax has been paid is unconstitutional or that the interpretation of a provision of this article under which tax has been paid was erroneous; or

(5) the date of payment, or the date of the notice of the assessment of the tax, or the date the tax becomes delinquent, whichever occurs later, in all other cases.

(e) An application for refund of tax shall be made to the Board of Finance and Revenue.

(f) The action of the Board of Finance and Revenue on all applications for refund of tax may be appealed as provided for in 42 Pa.C.S. § 933 (relating to appeals from government agencies).

(g) As much of the moneys received as payment of tax under this article as shall be necessary for the payment of the refunds provided for in this article with interest is appropriated for the payment of such refunds.

#### PART XI DISPUTED TAX

Section 2186. Protest, Notice and Appeal.—(a) Any party in interest, including the Commonwealth and the personal representative, not satisfied with the appraisal, the allowance or disallowance of deductions, the assessment of tax, or supplements or any other matter relating to any tax imposed by this article, within sixty days after receipt of notice of the action complained of may:

(1) file with the department a written protest, sending a copy thereof to the Office of Attorney General;

(2) notify the register in writing that he elects to have the correctness of the action complained of determined at the audit of the account of the personal representative; and

(3) appeal to the court to have the correctness of the action complained of determined at the audit of the account of the personal representative, or at a time the court shall fix. The protest, notification or appeal shall specify all the objections to the action complained of. When the protest, notification or appeal is filed by the Commonwealth, a copy shall also be sent to the personal representative and to all other persons who filed a tax return.

(b) If a notification or appeal has been filed from an assessment of tax where it is contended that the rate of tax which will be applicable when a future interest vests in possession and enjoyment cannot presently be established with certainty, and no compromise has been entered into pursuant to subsection (e) of section 2116, the court, after consideration of relevant actuarial factors, valuations and other pertinent circumstances, shall determine what portion of the transfer is to become taxed at each of the rates which might be applicable.

(c) Whenever any appeal or protest is brought pursuant to this part and the subject matter of the appeal concerns the valuation of certain farmland as set forth in section 2122 the forum designated by the department to hear the appeal or protest shall include at least two farmers and the Secretary of Agriculture. The farmers and the Secretary of Agriculture shall be accorded full powers within the forum with full voting rights.

Section 2187. Bond.—No bond shall be required of any party in interest who files a protest or notification against, or appeals from, an appraisal, allowance or disallowance of a deduction, assessment of tax, or supplements, or other matter relating to the tax, or from the decision of the department following a protest, or who petitions for removal of the record to the court.

Section 2188. Appeal and Removal from Department.—

(a) Any party in interest, including the Commonwealth and the personal representative, not satisfied with the decision of the department upon a protest may appeal from the department to the court within sixty days after receipt of notice of the entry of the decision of the department. When no decision has been rendered by the department within thirty days after the protest has been filed with the department, the court upon petition of any party in interest may direct the department to transmit the entire record to the court. When an appeal is taken from the decision of the department, or the court directs the department to transmit the entire record to the court, the court shall either proceed to a determination of the issues protested to the department or suspend the determination until the audit of the account of the personal representative.

(b) If the appeal or removal arises from an assessment of tax where it is contended that the rate of tax which will be applicable

when a future interest vests in possession and enjoyment cannot presently be established with certainty, and no compromise has been entered into pursuant to subsection (e) of section 2116, the court after consideration of relevant actuarial factors, valuations and other pertinent circumstances shall determine what portion of the transfer is to become taxed at each of the rates which might be applicable.

#### PART XII ENTRY INTO SAFE DEPOSIT BOX

Section 2191. Entry Prohibited.—Unless provided otherwise in this part, no person having actual knowledge of the death of a decedent shall enter a safe deposit box of the decedent. This part shall not be construed to confer upon any person any right of entry into a safe deposit box of a decedent which he does not otherwise have.

Section 2192. Entry Without Notice to Department.—(a) A safe deposit box of a decedent may be entered, and any or all of the contents removed in the presence of an employe of the financial institution in which the box is located. The employe shall make, or cause to be made, a record of the contents of the box, which record he shall attest under penalty of perjury to be correct and complete. The financial institution may make a reasonable charge for the attendance of its employe at the entry of the box and the listing of the contents, which charge shall be deductible as an administration expense under subsection (b) of section 2117.

(b) A safe deposit box of a decedent may be entered, and any or all of the contents removed, in the presence of a representative of the department authorized by the secretary. The department shall authorize at least one such representative in and for each county of this Commonwealth. The representative present at the time of entry into the box shall make or cause to be made a record of the contents of the box.

(c) The court for cause shown may order that a designated person or persons be permitted to enter a safe deposit box of a decedent and remove the contents described in the order, under supervision as the court may direct. The order may also require that a record be made of the contents of the box.

(d) Notwithstanding any of the provisions of this part, the department, at any time and without relation to the death of a specific decedent, by a certificate issued to a firm whose business requires ready access to safe deposit boxes, may issue a general authorization for the entry into, and removal of the contents of, a safe deposit box of a decedent, under terms and conditions as it may prescribe. A financial institution may permit such entry and removal upon presentation to it of such certificates issued by the department.

(e) Nothing in this part shall prohibit a financial institution from permitting entry into a safe deposit box of a decedent for the sole purpose of removing the decedent's will and evidence of ownership of the burial lot in which the decedent is to be interred. An employe of the financial institution must be present at the opening of the box and make or cause to be made a record of the documents removed from the safe deposit box during the entry and attest the record to be correct and complete under penalty of perjury.

Section 2193. Entry Upon Notice to Department.—(a) When entry into a safe deposit box of a decedent is not, or cannot be made under the provisions of subsection (a), (b), (c) or (d) of section 2192, a safe deposit box of a decedent may be entered at the time fixed in a notice mailed to the Department of Revenue, Harrisburg, Pennsylvania, and to the financial institution in which the box is located, in the manner specified in this section. The date fixed for entry and contained in the notice shall not be less than seven days after the date of notice is mailed. A representative of the department may be present at the time fixed for entry and may make or cause to be made a record of the contents of the box.



(b) The notice required under subsection (a) shall be delivered to the United States Postal Service for mailing in a manner that will provide for a record of the mailing being made by the United States Postal Service and a receipt being furnished to the sender. An exact copy of the notice shall be transmitted to the financial institution in which the box is located.

(c) At the time fixed in the notice required by subsection (a), although no representative of the department is present, it shall be lawful for a financial institution in which a safe deposit box of a decedent is located to permit, and it shall permit, entry into the box and removal of its contents by a person who furnishes a signed statement under penalty of perjury that he or someone in his behalf has given such notice.

Section 2194. Subsequent Entries.—Nothing in this part shall be construed to impose any restriction upon reentry into a safe deposit box of a decedent at any time subsequent to an entry made in accordance with any of the provisions of this part other than subsection (e) of section 2192.

Section 2195. Confidential Nature of Contents.—Any information gained from the contents of a safe deposit box of a decedent by a person whose attendance at the entry into the box was required by this part shall be confidential and shall not be disclosed for other than official purposes to collect the taxes imposed by this article.

Section 2196. Penalties.—(a) Any employe of a financial institution in which the safe deposit box of a decedent is located who, having actual knowledge of the death of the decedent, enters or permits the entry by any person into a safe deposit box of the decedent in violation of the provisions of this part commits a misdemeanor of the third degree.

(b) Any person, other than an employe of a financial institution in which the safe deposit box of a decedent is located, who, having actual knowledge of the death of a decedent, enters a safe deposit box of the decedent in violation of the provisions of this part commits a misdemeanor of the third degree.

(c) Any person who violates the provisions of section 2195 commits a misdemeanor of the third degree.

Section 3. The addition of Article XXI shall apply to the estates of all decedents dying on or after January 1, 1992, and to inter vivos transfers made by decedents dying on or after January 1, 1992, regardless of the date of transfer.

Section 4. This act shall take effect as follows:

(1) The amendment of section 204 of the act and section 4 of this act shall take effect in 60 days.

(2) The addition of Article XXI of the act and section 3 of this act shall take effect January 1, 1992.

On the question,

Will the House agree to the amendments?

### POINT OF ORDER

The SPEAKER. The Chair recognizes Representative Evans. The matter before the House is the Vance amendment to HB 185 on page 3.

Mr. EVANS. Mr. Speaker, I ask that this particular amendment, which I just received in my office at 9:50 this morning— In my view, Mr. Speaker, as a result of receiving the information at 9:50 this morning, if you go by rule 19(a), this particular amendment should be called out of order, Mr. Speaker.

The SPEAKER. The gentleman, Mr. Evans, raises as a point of order that the amendment 0491 is without a fiscal note and in violation of rule 19(a).

The Chair observes in the amendment the change in the rate of taxation, and therefore, this amendment requires a fiscal note. None being attached, the amendment is out of order.

The Chair recognizes, under unanimous consent, Mr. Hayes.

Mr. HAYES. Mr. Speaker, I agree completely with your thoughts that this particular amendment needs a fiscal note. I would just like to make a couple observations, however. One, this is not an issue that this House of Representatives has not addressed in recent months, and it would not take too creative a staff person to come up with a fiscal note on the widow's tax in very short order. It is not something that is going to take an Appropriations Committee weeks and weeks and weeks to do. So on the basis of past history, I think we probably could have gotten a fiscal note a little bit quicker if the majority chairman wanted to do so.

But number two, this issue is going to come back again and again and again, and I think maybe the Appropriations chairman should just go ahead and direct his staff to get a fiscal note ready. I do not think the words in the amendment are going to change much. The issue is not going to change much. This House of Representatives, I believe, wants to address the question of the widow's tax, and we should not block that from happening, Mr. Speaker. Thank you.

### MOTION TO SUSPEND RULES

The SPEAKER. The Chair recognizes the lady, Mrs. Vance.

Mrs. VANCE. Mr. Speaker, I move that we suspend the rules for rule 19(a).

The SPEAKER. The lady is in order and has moved that rule 19(a) be suspended to permit immediate consideration of the amendment that has been offered. This is not a debatable motion.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

#### YEAS—98

Adolph	Fairchild	Kenney	Ryan
Allen	Fargo	King	Saurman
Anderson	Farmer	Langtry	Scheetz
Angstadt	Fleagle	Lawless	Schuler
Argall	Flick	Lee	Semmel
Armstrong	Foster	Leh	Serafini
Barley	Fox	McGeehan	Smith, B.
Birmelin	Freind	McHugh	Smith, S. H.
Black	Gallen	Marsico	Snyder, D. W.
Boyes	Gannon	Merry	Snyder, G.
Broujos	Geist	Micozzie	Stairs
Brown	Gerlach	Nahill	Strittmatter
Bunt	Gladeck	Nailor	Taylor, E. Z.
Bush	Godshall	Nickol	Taylor, J.
Carlson	Gruppo	Noye	Telek
Cessar	Hagarty	Nyce	Tomlinson
Chadwick	Harley	O'Brien	Tulli
Civera	Hasay	Perzel	Uliana
Clark	Hayes	Phillips	Vance
Clymer	Heckler	Piccola	Vroon
Cornell	Herman	Pitts	Wilson
Davies	Hershey	Raymond	Wogan
Dempsey	Hess	Reber	Wright, M. N.

Dent	Jadlowiec	Reinard	Wright, R. C.
Durham	Johnson		

NAYS—102

Acosta	Evans	Linton	Rudy
Arnold	Fajt	Lloyd	Saloom
Battisto	Fee	Lucyk	Scrimenti
Belardi	Freeman	McCall	Staback
Belfanti	Gamble	McNally	Steelman
Bishop	George	Maiale	Steighner
Blaum	Gigliotti	Markosek	Stetler
Bowley	Haluska	Mayernik	Stish
Butkovitz	Hanna	Melio	Stuban
Caltagirone	Harper	Michlovic	Sturla
Cappabianca	Hayden	Mihalich	Surra
Carn	Hughes	Mrkonic	Tangretti
Carone	Itkin	Mundy	Taylor, F.
Cawley	James	Murphy	Thomas
Cohen	Jarolin	Olasz	Tigue
Colaella	Josephs	Oliver	Trello
Colaizzo	Kaiser	Pesci	Trich
Cole	Kasunic	Petrarca	Van Horne
Corrigan	Kosinski	Petrone	Veon
Cowell	Krebs	Pistella	Wambach
Coy	Kruszewski	Preston	Williams
DeLuca	Kukovich	Richardson	Wozniak
DeWeese	LaGrotta	Rieger	Wright, D. R.
Daley	Laughlin	Ritter	
Dermody	Lescovitz	Robinson	O'Donnell,
Donatucci	Levdansky	Roebuck	Speaker

NOT VOTING—1

Gruitza

EXCUSED—1

Billow

Less than a majority of the members elected to the House having voted in the affirmative, the question was determined in the negative and the motion was not agreed to.

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 Chair recognizes Mr. Fargo.

Mr. FARGO. Thank you, Mr. Speaker.

Would the maker of the bill answer a couple questions on the proposal?

The SPEAKER. The gentleman, Mr. Mihalich, indicates that he will respond to questions. The gentleman may proceed.

Mr. FARGO. Thank you, Mr. Speaker.

I would like to ask if this particular piece of legislation would affect used cars that are electrically propelled.

Mr. MIHALICH. The language of the bill addresses new cars. I do not see any provision in there for used cars. A new title.

Mr. FARGO. Then a used automobile that is electrically propelled would not have any kind of relief in the payment of sales tax for that automobile.

Mr. MIHALICH. I cannot answer that specifically. The thought has occurred to me, and I think that you can make an

argument both ways, but I would suspect that if it is titled as an electric vehicle and it does not address the fact whether it is new or old, that it would be exempt.

Mr. FARGO. Okay. The computation of the exemption requires that the Department of Revenue determine the average retail sale price of all passenger cars for passenger cars, all vans for vans, and all pickup trucks for pickup trucks, and that that must then have to be done each year, at which time, if I understand it correctly, you are going to compare that figure with the sale price of the automobile that is being considered and the sales tax exemption is only going to be on the difference. Am I correct?

Mr. MIHALICH. That formula was placed into the bill in the Appropriations Committee. I do not necessarily agree with it, but I think it might be the best that we can accomplish at this juncture.

But yes; the answer to your question is yes.

Mr. FARGO. Then I would assume that there is a possibility that when the Revenue Department determines the average price of a passenger car, that the price of the car that you are buying may be less than that and there would be no exemption, as far as sales tax is concerned, in that transaction.

Mr. MIHALICH. That is very probable.

Mr. FARGO. Is there a fiscal note on this particular proposal?

Mr. MIHALICH. There is a fiscal note which was distributed; yes. You should have it on your desk.

Mr. FARGO. I have not seen a fiscal note. Can you give me the figure that is involved?

Mr. MIHALICH. The fiscal note, may I read you the whole— It is a little complicated, so I will read you the paragraph that addresses your question, with your permission.

Mr. FARGO. I would appreciate that.

Mr. MIHALICH. Unless you have one in front of you. It would save us the time.

Mr. FARGO. I have not seen one.

Mr. MIHALICH. It says:

Since the number of zero emission vehicles or power units to be purchased in Pennsylvania through 1999 is uncertain, the following information is intended only to serve as a guide to the potential annual fiscal impact. This information assumes that the unit cost of an electric vehicle is \$25,000 and the unit cost of a battery pack is \$1,500. According to the Bureau of Economic Analysis, the average purchase price of a car is \$16,012. Therefore, the net purchase price would equal \$8,988...No adjustments are made for reduction in sales tax due to trade-in value.

Then it goes on to list— Are you reading that, Mr. Speaker?

Mr. FARGO. I am not reading it because I do not have it. I have not seen the fiscal note. Has it been distributed?

Mr. MIHALICH. Yes.

Okay. Then it goes on to say—

Mr. FARGO. Has anyone seen it?

I am really more interested in knowing just what the total loss of revenue will be to the State of Pennsylvania.

Mr. MIHALICH. Okay. As the note points out, the estimated number of electric vehicles to be sold is very, very much up in the air. What we are trying to do with this legislation is to stimulate the sales.

Mr. FARGO. Okay.

Mr. MIHALICH. So let us figure at some point in time within the next 10 years—because this legislation is sunsetted for December 31, 1999—in that year, 10,000 vehicles would be sold in 1 year. Ten thousand vehicles would represent nine-tenths of 1 percent of the total number of vehicles sold in Pennsylvania this year, this past year. The fiscal loss on that for 10,000 vehicles in that year, or in any year that 10,000 were sold, would be \$5.4 million.

Mr. FARGO. Okay.

Mr. MIHALICH. If you want to put it in percentages, it would be 1 percent of the State sales tax or four one-hundredths of a percent of the General Fund revenues.

Mr. FARGO. Thank you, Mr. Speaker. I appreciate that.

Could I make a statement?

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

Mr. FARGO. I believe this bill has a very commendable purpose - to encourage the development and the use of alternative fuels as far as our automobiles are concerned. It certainly will be a help to the environment if we can do that. But I find a couple of problems with the bill, in my mind, one of which is the difficulty in determining just what it is that we are going to exempt. It is going to require a person who is selling the automobiles to go through various steps to determine just what the exemption is as far as sales tax is concerned.

But probably even more important than the problem that it is going to entail for our small business people is the fiscal loss that we are going to have in terms of revenue. I do not believe, and the fiscal note kind of backs up my concern, that there is any way to determine just how successful we are going to be and just how much this will mean to our revenue between now and the year 1999. We are talking about 9 years. Maybe we are going to be selling a lot of electric automobiles; I really do not know. But it also affects the electric power pack that is going to be used, and of course, this adds even more to the potential loss as far as our sales tax is concerned.

With all these considerations - the inability to really determine how much it is going to be and my concern about just how effective it will be - I would suggest that we vote against this legislation at this point and would appreciate your help on this matter. Thank you sincerely.

The SPEAKER. Is the gentleman, Mr. Mihalich, seeking recognition?

Mr. MIHALICH. Mr. Speaker, if I might respond to that.

The gentleman is very, very correct and accurate when he says that we cannot be accurate in making this prediction on the loss of sales. The only thing that everyone can agree to without exception is that the loss is so minimal that it will not cause a statistical blimp in our forecast for the next 10 years, and certainly in the next 5 years.

The whole purpose of this legislation and how I think we should view it is we should be establishing priorities. This legislation and its companion bill is designed to stimulate the sale of electrical vehicles in not only Pennsylvania but the Nation. Is that a high priority, to reduce our dependency on foreign oil? To take out the largest pollutant from our atmosphere? Is that a high priority? And let us measure that priority in comparison to a statistical blimp which will not even be measured for the next several years. The legislation is designed to stimulate this market so that our private companies who build automobiles will have an incentive to step up their production dates.

And mentioning production dates, let me point out that all the activity throughout the country along these lines has stimulated our companies. Ford originally intended to mass-produce electric vehicles, their van, in 1999. A news release about 10 days ago said that they are going to move up their production schedule by 5 years. General Motors has moved up their production schedule from 1997 down to 1993. This is a reality. It is going to happen. We have the power to pass bills like this, pass legislation like this, to accelerate the process of introducing electric vehicles into this Nation, and I point out to you, that is our priority and it should be our priority and it cannot be compared to an insignificant amount of revenue in the next year or the next 5 years.

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—183

Acosta	Fairchild	Langtry	Ryan
Adolph	Fajt	Laughlin	Saloom
Allen	Farmer	Lee	Saurman
Anderson	Fee	Leh	Scheetz
Angstadt	Fleagle	Lescovitz	Schuler
Argall	Flick	Levdansky	Scrimenti
Arnold	Foster	Lloyd	Semmel
Barley	Fox	Lucyk	Serafini
Battisto	Freeman	McCall	Smith, B.
Belardi	Freind	McGeehan	Smith, S. H.
Belfanti	Gamble	McHugh	Snyder, D. W.
Birmelin	Gannon	McNally	Snyder, G.
Bishop	Geist	Maiiale	Staback
Black	George	Markosek	Stairs
Bowley	Gerlach	Marsico	Steelman
Boyes	Gigliotti	Mayernik	Steighner
Broujos	Gladeck	Melio	Stish
Brown	Godshall	Michlovic	Strittmatter
Bunt	Gruppo	Micozzie	Stuban
Bush	Hagarty	Mihalich	Sturla
Butkovitz	Haluska	Mrkonic	Surra
Caltagirone	Hanna	Mundy	Tangretti
Carlson	Harley	Nahill	Taylor, E. Z.
Carn	Harper	Nailor	Taylor, F.
Cawley	Hasay	Noye	Taylor, J.
Cessar	Hayden	O'Brien	Telek
Chadwick	Hayes	Olasz	Thomas
Civera	Heckler	Oliver	Tomlinson
Clark	Herman	Perzel	Trello
Clymer	Hershey	Pesci	Trich
Cohen	Hess	Petrarca	Tulli
Colafigliola	Hughes	Petrone	Uliana
Colaizzo	Itkin	Phillips	Van Horne
Cole	Jadlowiec	Piccola	Vance
Cornell	James	Pistella	Veon

Corrigan	Jarolin	Pitts	Wambach
Cowell	Johnson	Preston	Williams
DeLuca	Josephs	Raymond	Wilson
DeWeese	Kaiser	Reber	Wogan
Daley	Kasunic	Reinard	Wozniak
Davies	Kenney	Richardson	Wright, D. R.
Dempsey	King	Rieger	Wright, M. N.
Dent	Kosinski	Ritter	Wright, R. C.
Dermody	Kruszewski	Robinson	
Donatucci	Kukovich	Roebuck	O'Donnell,
Durham	LaGrotta	Rudy	Speaker
Evans			

NAYS—17

Armstrong	Fargo	Linton	Nyce
Blaum	Gallen	Merry	Stetler
Cappabianca	Krebs	Murphy	Tigue
Carone	Lawless	Nickol	Vroon
Coy			

NOT VOTING—1

Gruitza

EXCUSED—1

Billow

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.

WELCOME

The SPEAKER. The Chair is pleased to welcome to the hall of the House the Homer-Center varsity cheerleaders, sponsored by Bernie Hilliard and Betty Ann Pavlick. They captured the Pennsylvania State class A championship in November of 1990. They are the guests of Representative Steelman. Will the guests please rise.

HB 161 RECONSIDERED

The SPEAKER. The Chair is in possession of a motion for reconsideration of the vote by which HB 161, PN 158, was defeated today.

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

The following roll call was recorded:

YEAS—198

Acosta	Durham	LaGrotta	Roebuck
Adolph	Evans	Langtry	Rudy
Allen	Fairchild	Laughlin	Ryan
Anderson	Fajt	Lawless	Saloom
Angstadt	Fargo	Lee	Saurman
Argall	Farmer	Leh	Scheetz
Armstrong	Fee	Lescovitz	Schuler
Arnold	Fleagle	Levdansky	Scrimenti
Barley	Flick	Linton	Semmel
Battisto	Foster	Lloyd	Serafini
Belardi	Fox	Lucyk	Smith, B.
Belfanti	Freeman	McCall	Smith, S. H.
Birmelin	Freind	McGeehan	Snyder, D. W.
Bishop	Gallen	McHugh	Snyder, G.
Black	Gamble	McNally	Staback
Blaum	Gannon	Maiale	Stairs

Bowley	Geist	Markosek	Steelman
Boyes	George	Marsico	Steighner
Broujos	Gerlach	Mayernik	Stetler
Brown	Gigliotti	Melio	Stish
Bunt	Gladeck	Merry	Strittmatter
Bush	Godshall	Michlovic	Stuban
Butkovitz	Gruppo	Micozzie	Sturla
Caltagirone	Hagarty	Mihalich	Surra
Cappabianca	Haluska	Mrkonic	Tangretti
Carlson	Hanna	Mundy	Taylor, E. Z.
Carn	Harley	Murphy	Taylor, F.
Carone	Harper	Nahill	Taylor, J.
Cawley	Hasay	Nailor	Telek
Cessar	Hayden	Nickol	Thomas
Chadwick	Hayes	Noye	Tigue
Civera	Heckler	Nyce	Tomlinson
Clark	Herman	O'Brien	Trello
Clymer	Hershey	Olasz	Trich
Cohen	Hess	Oliver	Tulli
Colafella	Hughes	Perzel	Uliana
Colaizzo	Itkin	Pesci	Van Horne
Cole	Jadlowiec	Petrarca	Vance
Cornell	James	Petrone	Veon
Corrigan	Jarolin	Phillips	Vroon
Cowell	Johnson	Piccola	Wambach
Coy	Josephs	Pistella	Williams
DeLuca	Kaiser	Pitts	Wilson
DeWeese	Kasunic	Preston	Wogan
Daley	Kenney	Reber	Wozniak
Davies	King	Reinard	Wright, D. R.
Dempsey	Kosinski	Richardson	Wright, M. N.
Dent	Krebs	Rieger	
Dermody	Kruszewski	Ritter	O'Donnell,
Donatucci	Kukovich	Robinson	Speaker

NAYS—0

NOT VOTING—3

Gruitza Raymond Wright, R. C.

EXCUSED—1

Billow

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

On the question recurring,  
Shall the bill pass finally?

VOTE CORRECTION

The SPEAKER. For what purpose does the gentleman, Mr. Gamble, rise?

Mr. GAMBLE. Mr. Speaker, I inadvertently voted "yes" on HB 185, and I want to be voted in the negative.

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

CONSIDERATION OF HB 161 CONTINUED

BILL PLACED ON FINAL PASSAGE POSTPONED CALENDAR

The SPEAKER. HB 161 will be placed on the final passage postponed calendar.

**STATE GOVERNMENT COMMITTEE MEETING**

The SPEAKER. The gentleman, Mr. Oliver, announces a meeting of the State Government Committee in room 8E at 2:30 this afternoon.

**APPROPRIATIONS COMMITTEE MEETING**

The SPEAKER. The Chair recognizes the gentleman, Mr. Evans, for an announcement.

Mr. EVANS. Announcement of an Appropriations Committee meeting at 4 o'clock in the majority caucus room. Thank you.

**DEMOCRATIC CAUCUS**

The SPEAKER. The Chair recognizes Mr. Cohen for an announcement.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, at the request of the Speaker in his capacity as the prime sponsor of HB 209, we are postponing the special-issue caucus on the Pennsylvania Intergovernmental Cooperation Authority bill from this afternoon until tomorrow at 10:30. So there will be a caucus tomorrow at 10:30 on the Pennsylvania Intergovernmental Cooperation Authority bill. I urge all members to be present at that caucus. Thank you.

**REPUBLICAN CAUCUS**

The SPEAKER. The Chair recognizes Mr. Noye.

Mr. NOYE. Thank you, Mr. Speaker.

Mr. Speaker, for the Republican members, the committee will report out a bill this afternoon dealing with the Philadelphia authority bill. We will caucus on that tomorrow morning at 10:30. A 10:30 caucus tomorrow morning on the Philadelphia authority bill. I would urge all members to be in attendance. Thank you.

**HEALTH AND WELFARE  
COMMITTEE MEETING**

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

Mr. RICHARDSON. Mr. Speaker, I would like to make an announcement. There will be a meeting immediately of the House Health and Welfare Committee in the rear of the House of Representatives upon your call of the recess.

**WELCOMES**

The SPEAKER. The Chair is pleased to welcome to the hall of the House pages Kecia Crawford and Eileen Simonson, who are the guests of Representative Fox. They are on the House floor. Will the guests please rise.

The Chair is pleased to welcome the Cochranville Golden Agers, who are the guests of Representative Art Hershey. They are in the balcony. Will the guests please rise.

**JUDICIARY COMMITTEE MEETING**

The SPEAKER. The Chair recognizes Mr. Caltagirone.

Mr. CALTAGIRONE. Thank you, Mr. Speaker.

Just a reminder to the members of the House Judiciary Committee that we will hold an immediate committee meeting in room 140 at the call of the adjournment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

**VOTE CORRECTION**

The SPEAKER. For what purpose does the gentleman, Mr. McGeehan, rise?

Mr. MCGEEHAN. To correct the record, Mr. Speaker.

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

Mr. MCGEEHAN. On the motion to suspend the rules on HB 185, I would like my vote to be recorded in the negative.

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

For the information of the members, there will be no more votes taken today.

**WELCOME**

The SPEAKER. The Chair is pleased to welcome the Shaler Area High School cheerleaders. They are the Pennsylvania quad A champs, fourth place nationally, with their coach, Phyllis Schatz. They are the guests of Representatives Rick Cessar and Frank Dermody.

**RECESS**

The SPEAKER. This House is now in recess until the call of the Chair.

**AFTER RECESS**

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

**BILL REREPORTED FROM COMMITTEE**

**HB 209, PN 1322 (Amended)**

By Rep. OLIVER

An Act providing for the financial stability of cities of the first class; establishing an authority empowered to assist cities of the first class in their financial affairs and to issue findings and recommendations to cities of the first class and to the General Assembly; creating the authority and providing for its powers and duties; authorizing each city of the first class and the authority to enter into intergovernmental cooperation agreements and specifying certain terms of such agreements and ordinances whereby cities of the first class enter into such agreements; empowering the authority to incur indebtedness, receive revenues, acquire the obligations of assisted cities, make loans and offer other financial assistance to such cities subject to conditions; establishing procedures for the preparation and review of financial plans of cities of the first class while bonds of the

authority are outstanding and providing remedies for failure to adhere to such plans; requiring certain contracts to be consistent with the financial plan; making certain provisions with respect to short-term borrowing by cities of the first class; establishing procedures for handling authority funds, and providing for certain payments to the authority; providing security for bonds and notes issued by the authority; authorizing the creation of a debt service reserve fund and providing for its maintenance; granting to the holders of the authority's indebtedness and to the authority certain remedies in the event of default by the authority or by an assisted city on authorized obligations; authorizing cities of the first class to receive financial assistance from the authority under certain terms and conditions; establishing the method for the appointment and composition of the authority board; prohibiting the authority and assisted cities from filing a petition under Federal bankruptcy statutes; authorizing an appropriation for authority operating expenses; authorizing cities of the first class to impose an optional sales and use tax; authorizing cities of the first class to impose certain taxes for the authority; and providing jurisdiction for challenges to this act.

#### STATE GOVERNMENT.

### BILL RECOMMITTED

The SPEAKER. The Chair recognizes the majority leader.

Mr. DeWEESE. Mr. Speaker, I move that HB 209 be recommitted to the Appropriations Committee for a fiscal note.

On the question,

Will the House agree to the motion?

Motion was agreed to.

### RECESS

The SPEAKER. The House will now be in recess until the call of the Chair.

### AFTER RECESS

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

### BILL REREPORTED FROM COMMITTEE

**HB 209, PN 1322**

By Rep. EVANS

An Act providing for the financial stability of cities of the first class; establishing an authority empowered to assist cities of the first class in their financial affairs and to issue findings and recommendations to cities of the first class and to the General Assembly; creating the authority and providing for its powers and duties; authorizing each city of the first class and the authority to enter into intergovernmental cooperation agreements and specifying certain terms of such agreements and ordinances whereby cities of the first class enter into such agreements; empowering the authority to incur indebtedness, receive revenues, acquire the obligations of assisted cities, make loans and offer other financial assistance to such cities subject to conditions; establishing procedures for the preparation and review of financial plans of cities of the first class while bonds of the authority are outstanding and providing remedies for failure to adhere to such plans; requiring certain contracts to be consistent with the financial plan; making certain provisions with respect to

short-term borrowing by cities of the first class; establishing procedures for handling authority funds, and providing for certain payments to the authority; providing security for bonds and notes issued by the authority; authorizing the creation of a debt service reserve fund and providing for its maintenance; granting to the holders of the authority's indebtedness and to the authority certain remedies in the event of default by the authority or by an assisted city on authorized obligations; authorizing cities of the first class to receive financial assistance from the authority under certain terms and conditions; establishing the method for the appointment and composition of the authority board; prohibiting the authority and assisted cities from filing a petition under Federal bankruptcy statutes; authorizing an appropriation for authority operating expenses; authorizing cities of the first class to impose an optional sales and use tax; authorizing cities of the first class to impose certain taxes for the authority; and providing jurisdiction for challenges to this act.

#### APPROPRIATIONS.

### BILLS AND RESOLUTIONS PASSED OVER

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

### ADJOURNMENT

The SPEAKER. The Chair recognizes Representative Mundy.

Ms. MUNDY. Mr. Speaker, I move that this House do now adjourn until Wednesday, April 17, 1991, at 11 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 5:13 p.m., e.d.t., the House adjourned.