

COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

MONDAY, JUNE 14, 1999

SESSION OF 1999

183D OF THE GENERAL ASSEMBLY

No. 38

HOUSE OF REPRESENTATIVES

The House convened at 1 p.m., e.d.t.

**THE SPEAKER (MATTHEW J. RYAN)
PRESIDING**

PRAYER

REV. NANCY DAHLBERG, Chaplain of the House of Representatives and pastor of Chapel Hill United Church of Christ, Camp Hill, Pennsylvania, offered the following prayer:

Let us pray:

Gentle God, we pray that this day You will sow seeds of hope among the hopeless and pour a healing oil upon the wounded. We ask that You look to us and help us to be open for planning and planting and making things new.

O God, help us to know that it is not too late to make a difference or too long forgotten to bring back a voice gone unheard. Make us courageous, that we might live and let others live in the hope of opportunity, the joy of service, and that we might accept the responsibilities given to us and carry them out as role models and servants, and we ask all of this in the name of our God, who hears all and knows all. Amen.

PLEDGE OF ALLEGIANCE

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

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, the approval of the Journal of Wednesday, June 9, 1999, will be postponed until printed. The Chair hears no objection.

HOUSE BILLS INTRODUCED AND REFERRED

No. 1633 By Representatives ZUG, BARRAR, BLAUM, BROWNE, CIVERA, M. COHEN, CORRIGAN, DeWEESE, GEIST, HERSHEY, KENNEY, KIRKLAND, LEH, MAHER, MCGILL, MICHLOVIC, R. MILLER, NAILOR, STEELMAN, STERN, E. Z. TAYLOR and YOUNGBLOOD

An Act amending the act of December 7, 1982 (P.L.784, No.225), known as the Dog Law, further providing for the definition of "domestic animal" and for reimbursement for damages.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, June 14, 1999.

No. 1634 By Representatives PLATTS, M. COHEN, FREEMAN, JOSEPHS, MANDERINO, MASLAND, STETLER, THOMAS and ZUG

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, further providing for the definition of political parties and political bodies, for candidates to be nominated and party officers to be elected at primaries, for nominations by minor political parties, for nominations by political bodies, for contents of nomination papers and for circulation and filing of nomination papers.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1635 By Representatives BARLEY, JAMES, GORDNER, STABACK, NICKOL, SHANER, STERN, HERSHEY, ARMSTRONG, LUCYK, HESS, ZIMMERMAN, SOLOBAY, SCHRODER, ROSS, DeLUCA, DEMPSEY, LEH, BASTIAN, BELFANTI, BUXTON, BUNT, TULLI, ZUG, PESCI, McNAUGHTON, WOJNAROSKI, GEIST, DAILEY, MARSICO, LEDERER, GIGLIOTTI, COSTA, WILLIAMS, CORRIGAN, VAN HORNE, McCALL, TRELLO and CORNELL

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, authorizing clerks of courts of common pleas to increase certain fees and to impose automation fees.

Referred to Committee on JUDICIARY, June 14, 1999.

No. 1636 By Representatives LYNCH, HUTCHINSON, FARGO, McNAUGHTON, BELFANTI, CLARK, CURRY, GODSHALL, HARHAI, HERSHEY, MCGILL, SAYLOR, E. Z. TAYLOR, J. TAYLOR, WILT and YOUNGBLOOD

An Act providing for designation and conservation of exceptional value waters.

Referred to Committee on ENVIRONMENTAL RESOURCES AND ENERGY, June 14, 1999.

No. 1637 By Representatives SAYLOR, MUNDY, SCHULER, E. Z. TAYLOR, R. MILLER, PLATTS, BAKER, BELFANTI, BUNT, DALEY, FLICK, FRANKEL, GEIST, GEORGE, HERMAN, JAMES, LEDERER, McCALL, MYERS, ROBINSON, RUBLEY, SERAFINI, SOLOBAY, STEELMAN,

J. TAYLOR, THOMAS, TIGUE, WALKO, WILLIAMS and YOUNGBLOOD

An Act establishing the Inmate Functional Literacy Program for certain inmates in State correctional facilities so that they may become functionally literate; and providing for powers and duties of the Department of Corrections.

Referred to Committee on JUDICIARY, June 14, 1999.

No. 1638 By Representatives KAISER, PIPPY, WOJNAROSKI, LAUGHLIN, SOLOBAY, HORSEY, E. Z. TAYLOR, WALKO, JOSEPHS, ROBERTS, PISTELLA, M. COHEN and YOUNGBLOOD

An Act designating the Pennsylvania tartan as the official State tartan of the Commonwealth of Pennsylvania.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1639 By Representatives KAISER, SOLOBAY, MAYERNIK, MARKOSEK, CASORIO, WOJNAROSKI, READSHAW, WALKO, DERMODY, YOUNGBLOOD, SAINATO, SERAFINI, COLAFELLA and HARHAI

An Act amending the act of May 29, 1956 (1955 P.L.1804, No.600), referred to as the Municipal Police Pension Law, further providing for payments to spouses.

Referred to Committee on LOCAL GOVERNMENT, June 14, 1999.

No. 1640 By Representatives KAISER, WOJNAROSKI, SOLOBAY, CLARK, FICHTER, STABACK, WALKO, HARHAI, MARKOSEK, LEDERER, LAUGHLIN, J. TAYLOR and YOUNGBLOOD

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, providing for definition of and use or possession of personal protection spray devices.

Referred to Committee on JUDICIARY, June 14, 1999.

No. 1641 By Representatives KENNEY, ADOLPH, ORIE, E. Z. TAYLOR, WOGAN, SEYFERT, RUBLEY, ARGALL, BARRAR, BELFANTI, BOYES, CAWLEY, CIVERA, CLYMER, DeLUCA, DERMODY, FARGO, GANNON, HARHAI, HENNESSEY, HORSEY, JAMES, LAUGHLIN, MAHER, McCALL, McGILL, MELIO, NAILOR, PESCI, RAYMOND, ROSS, SAYLOR, SEMMEL, STEELMAN, STURLA, TIGUE, TRELLO, WASHINGTON, WILT and YOUNGBLOOD

An Act establishing the Catastrophic Illness in Children Relief Fund and the Catastrophic Illness in Children Relief Fund Commission; providing for the powers and duties of the commission; establishing a program for the payment of medical expenses of children in cases of catastrophic illness; and providing for funding.

Referred to Committee on AGING AND YOUTH, June 14, 1999.

No. 1642 By Representatives FREEMAN, ARGALL, BAKER, BELFANTI, BENNINGHOFF, M. COHEN, COSTA, DALEY, DeWEESE, DRUCE, FRANKEL, GRUCELA, JAMES, JOSEPHS, KIRKLAND, LEDERER, MANN, MELIO, PETRONE, PLATTS, RAMOS, ROBERTS, ROBINSON, ROONEY, SOLOBAY, STABACK, STURLA, TANGRETTI, TRELLO, WILLIAMS and WILT

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, providing for voter registration forms to be given to high school graduates.

Referred to Committee on EDUCATION, June 14, 1999.

No. 1643 By Representatives DERMODY, BELFANTI, FRANKEL, ROBINSON, MARKOSEK, M. COHEN, MELIO, LAUGHLIN, HALUSKA, STABACK, PESCI, WOJNAROSKI, HARHAI, COSTA, DeLUCA, WALKO, SAINATO, MANDERINO, LEVDANSKY, YOUNGBLOOD, SURRA, RAMOS, GRUITZA, STEELMAN, CURRY, MICHLOVIC and STETLER

An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, providing requirements for privatization contracts; establishing the Privatization Review Board in the Treasury Department and providing for its powers and duties; and providing for the Commission on Privatization and for former State employees.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1644 By Representatives DERMODY, BELFANTI, FRANKEL, ROBINSON, MARKOSEK, M. COHEN, MELIO, LAUGHLIN, HALUSKA, STABACK, PESCI, WOJNAROSKI, HARHAI, COSTA, DeLUCA, WALKO, SAINATO, STEELMAN, LEVDANSKY, YOUNGBLOOD, SURRA, RAMOS, CURRY, MICHLOVIC and STETLER

An Act providing for privatization contracts with political subdivision agencies; and establishing privatization review boards in all political subdivisions and providing for their powers and duties.

Referred to Committee on LOCAL GOVERNMENT, June 14, 1999.

No. 1645 By Representatives PHILLIPS, GEORGE, ALLEN, RAMOS, BARRAR, BELFANTI, BENNINGHOFF, M. COHEN, COSTA, DeLUCA, FAIRCHILD, FLEAGLE, FORCIER, GEIST, HARHAI, HERSHEY, HESS, JAMES, KAISER, LAUGHLIN, McGILL, McNAUGHTON, MYERS, PLATTS, ROSS, SAYLOR, SCHRODER, SCRIMENTI, SEMMEL, SERAFINI, SEYFERT, STABACK, STEELMAN, STERN, SURRA, TANGRETTI and TRAVAGLIO

An Act amending the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, further providing for chiropractic services and reimbursements.

Referred to Committee on INSURANCE, June 14, 1999.

No. 1646 By Representatives GRUITZA, WILT and FARGO

An Act designating a portion of State Route 318 in Mercer County as the Korean Memorial Highway.

Referred to Committee on TRANSPORTATION, June 14, 1999.

No. 1647 By Representatives COLAFELLA, GEORGE, GEIST, BELARDI, FICHTER, RUFFING, MYERS, HARHAI, BARD, GRUCELA, ARGALL, WOJNAROSKI, LUCYK, HERSHEY, LEDERER, SERAFINI, LAUGHLIN, CORRIGAN and VAN HORNE

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

Referred to Committee on JUDICIARY, June 14, 1999.

No. 1648 By Representatives JOSEPHS, BISHOP, WASHINGTON, YOUNGBLOOD, BLAUM, BUTKOVITZ, THOMAS, MANDERINO, WILLIAMS, FREEMAN, ORIE, HARHART, J. TAYLOR, KENNEY, S. MILLER, WOGAN, JAMES, WALKO, BROWNE, ADOLPH, FICHTER, BARD, L. I. COHEN, DAILEY, E. Z. TAYLOR, STEELMAN, MANN, TULLI, VEON, LAUGHLIN, SOLOBAY, TANGRETTI, SCRIMENTI, TIGUE, ROONEY, CURRY, LaGROTTA, CAPPABIANCA, McCALL, MUNDY, MICHLOVIC, LEVDANSKY, HENNESSEY, GANNON, CARN, DALLY, BEBKO-JONES, GORDNER and M. COHEN

An Act making supplemental Federal appropriations to the Department of Public Welfare for the Child Care and Development Fund Block Grant.

Referred to Committee on APPROPRIATIONS, June 14, 1999.

No. 1649 By Representatives JAMES, ROBINSON, YOUNGBLOOD, WASHINGTON, LESCOVITZ, BISHOP, BELFANTI, MYERS, FRANKEL, PESCI, CARN, ROEBUCK, CURRY, M. COHEN, RAMOS, LAUGHLIN, HORSEY, KIRKLAND, EVANS, OLIVER, JOSEPHS and WATERS

An Act providing for detailed records of all police motor vehicles and pedestrian stops.

Referred to Committee on JUDICIARY, June 14, 1999.

No. 1650 By Representatives VITALI, LEVDANSKY, MASLAND, FREEMAN, KREBS, M. COHEN, HANNA, JAMES, CAPPABIANCA, JOSEPHS, MANDERINO, CURRY, WILLIAMS, STEELMAN, DALEY, LAUGHLIN, SURRA, TIGUE, VAN HORNE, MELIO, PETRONE, MICHLOVIC, SANTONI, TRICH and WALKO

An Act providing for public financing for candidates for the office of Governor and Lieutenant Governor; establishing the Pennsylvania Fair Campaign Fund; providing qualifications for funding, for payments, for use of funds, for authorized expenditures, for limitation on contributions, for return of funds and for penalties.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1651 By Representatives JAMES, MYERS, STEELMAN, WASHINGTON, LAUGHLIN, TRICH, FRANKEL, LESCOVITZ, M. COHEN, RAMOS, KIRKLAND, STABACK, MELIO and ARMSTRONG

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, imposing a tax on the seller or transferer of certain bonds, stocks, securities and various derivatives.

Referred to Committee on FINANCE, June 14, 1999.

No. 1652 By Representatives JAMES, CAPPABIANCA, ROONEY, WASHINGTON, MYERS, BISHOP, PISTELLA, BEBKO-JONES, JOSEPHS, WATERS, SHANER, KIRKLAND, ROEBUCK, COY, LEVDANSKY, LAUGHLIN, SCRIMENTI, SOLOBAY, DeWEESE, BELFANTI, McCALL, CARN and YOUNGBLOOD

An Act making a supplemental appropriation to the Department of Agriculture for emergency food assistance.

Referred to Committee on APPROPRIATIONS, June 14, 1999.

No. 1653 By Representatives JAMES, CAPPABIANCA, ROONEY, WASHINGTON, MYERS, BISHOP, PISTELLA, BEBKO-JONES, JOSEPHS, WATERS, KIRKLAND, ROEBUCK, COY, LEVDANSKY, LAUGHLIN, SCRIMENTI, SOLOBAY, DeWEESE, BELFANTI, McCALL, CARN and YOUNGBLOOD

An Act making an appropriation to the Pennsylvania Commission on Crime and Delinquency for community policing programs.

Referred to Committee on APPROPRIATIONS, June 14, 1999.

No. 1654 By Representatives JAMES, CAPPABIANCA, ROONEY, WASHINGTON, MYERS, BISHOP, PISTELLA, BEBKO-JONES, JOSEPHS, WATERS, KIRKLAND, ROEBUCK, COY, LEVDANSKY, LAUGHLIN, SCRIMENTI, SOLOBAY, DeWEESE, BELFANTI, McCALL, CARN, YOUNGBLOOD and VEON

An Act making a supplemental appropriation to the Department of Agriculture for food purchases for needy individuals.

Referred to Committee on APPROPRIATIONS, June 14, 1999.

No. 1655 By Representatives LUCYK, GEORGE, COY, LEDERER, DEMPSEY, FICHTER, SHANER, LAUGHLIN, MELIO, BATTISTO, ARMSTRONG, ROBERTS, GIGLIOTTI, FAIRCHILD, MYERS, READSHAW, BELFANTI, McCALL, HALUSKA, TIGUE, DeLUCA, FARGO, WOJNAROSKI, STABACK, HESS, GRUCELA, HORSEY, DeWEESE,

KENNEY, BARRAR, DALEY, SERAFINI, PETRONE, LYNCH, E. Z. TAYLOR, SCHRODER, BASTIAN, YOUNGBLOOD, GODSHALL and GEIST

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, providing for flag salutes.

Referred to Committee on EDUCATION, June 14, 1999.

No. 1656 By Representatives STETLER, FREEMAN, GRUCELA, PLATTS, STURLA and WILLIAMS

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, further providing for filing for office with more than one party.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1657 By Representatives STETLER, M. COHEN, DeWEESE, FREEMAN, GRUCELA, PLATTS, SEYFERT, STURLA and TIGUE

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, further providing for petitions for candidates for school board.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1658 By Representatives STETLER, M. COHEN and STURLA

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, providing cross-filing for district attorneys and district justices.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1659 By Representatives STETLER, STURLA and WILLIAMS

An Act amending the act of August 9, 1955 (P.L.323, No.130), known as The County Code, further providing for the district attorney.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1660 By Representatives STETLER, PLATTS and STURLA

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, further providing for county boards of elections.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

No. 1661 By Representatives STETLER, DeWEESE, GRUCELA, STURLA and WILLIAMS

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, further providing for county boards of elections.

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

HOUSE RESOLUTIONS INTRODUCED AND REFERRED

No. 208 By Representatives WOGAN, O'BRIEN, LEH, MELIO, LAUGHLIN, FICHTER, HALUSKA, HERMAN, HERSHEY, McNAUGHTON, R. MILLER, NAILOR, PESCI, PHILLIPS, READSHAW, SATHER, SAYLOR, SERAFINI, SEYFERT, STEELMAN, WALKO, WOJNAROSKI and ZUG

A Resolution directing the Transportation Committee to investigate matters relating to SEPTA community relations contracts.

Referred to Committee on RULES, June 14, 1999.

No. 209 By Representatives METCALFE, ROHRER, DAILEY, BARRAR, STEVENSON, HERSHEY, FORCIER, LEH, BASTIAN, CAWLEY, EGOLF, FAIRCHILD, FICHTER, KENNEY, LYNCH, PESCI, E. Z. TAYLOR, ORIE, SAYLOR, TIGUE, WOGAN, YOUNGBLOOD, PIPPY, HABAY and BENNINGHOFF

A Resolution instructing the Education Committee to conduct a comprehensive review of the Public School Code of 1949 and regulations of the State Board of Education in order to identify regulations inconsistent with that act.

Referred to Committee on RULES, June 14, 1999.

No. 211 By Representatives SURRA, HANNA, PETRARCA and VITALI

A Resolution amending House Rules 21, 43, 45 and 77.

Referred to Committee on RULES, June 14, 1999.

SENATE BILLS FOR CONCURRENCE

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

SB 332, PN 1198

Referred to Committee on EDUCATION, June 14, 1999.

SB 442, PN 1195

Referred to Committee on EDUCATION, June 14, 1999.

SB 602, PN 1191

Referred to Committee on HEALTH AND HUMAN SERVICES, June 14, 1999.

SB 886, PN 1179

Referred to Committee on FINANCE, June 14, 1999.

SB 928, PN 1199

Referred to Committee on EDUCATION, June 14, 1999.

SENATE MESSAGE

HOUSE AMENDMENTS
CONCURRED IN BY SENATE

The clerk of the Senate, being introduced, informed that the Senate has concurred in the amendments made by the House of Representatives to **SB 646, PN 1177**.

SENATE MESSAGE

HOUSE BILL
CONCURRED IN BY SENATE

The clerk of the Senate, being introduced, returned **HB 321, PN 328**, with information that the Senate has passed the same without amendment.

SENATE MESSAGE

AMENDED HOUSE BILLS RETURNED
FOR CONCURRENCE AND
REFERRED TO COMMITTEE ON RULES

The clerk of the Senate, being introduced, returned **HB 8, PN 1902**, and **HB 124, PN 1991**, with information that the Senate has passed the same with amendment in which the concurrence of the House of Representatives is requested.

**INTERGOVERNMENTAL AFFAIRS
COMMITTEE MEETING**

The SPEAKER. Does the gentleman, Mr. Flick, desire recognition?

Mr. FLICK. Thank you, Mr. Speaker.

At the call of recess I would like to convene a meeting of the House Intergovernmental Affairs Committee in the rear of the House for purposes of considering a resolution.

The SPEAKER. The Chair thanks the gentleman.

BILLS SIGNED BY SPEAKER

Bills numbered and entitled as follows having been prepared for presentation to the Governor, and the same being correct, the titles were publicly read as follows:

HB 321, PN 328

An Act repealing the act of February 4, 1808 (P.L.34, No.18), entitled, "An act declaring part of Wallenpaupack Creek, in Wayne County, a Public Highway."

SB 646, PN 1177

An Act amending the act of April 6, 1956 (1955 P.L.1414, No.465), entitled Second Class County Port Authority Act, further providing for membership on the authority board, for removal of authority board members, for a quorum for board meetings and for eating and drinking in certain transit stations.

SB 740, PN 1113

An Act making appropriations to the Trustees of the University of Pennsylvania.

Whereupon, the Speaker, in the presence of the House, signed the same.

**COMMUNICATION FROM
AUDITOR GENERAL**

The SPEAKER. The Chair acknowledges receipt of the Auditor General's certificate submitted pursuant to Article VIII, sections 7(a)(4) and 7(c), of the Constitution of Pennsylvania and Act 176 of 1929 as amended.

(Copy of communication is on file with the Journal clerk.)

**COMMUNICATION FROM
LEGISLATIVE BUDGET AND FINANCE
COMMITTEE**

The SPEAKER. The Chair further acknowledges receipt of a report submitted by the Legislative Budget and Finance Committee pursuant to HR 472.

(Copy of communication is on file with the Journal clerk.)

ACTUARIAL NOTE

The SPEAKER. The Chair acknowledges receipt of an actuarial note for SB 309, PN 1187.

(Copy of actuarial note is on file with the Journal clerk.)

ADDITIONS AND DELETIONS OF SPONSORS

The SPEAKER. The Chair acknowledges receipt of additions and deletions for sponsorships of bills, which the clerk will file.

(Copy of list is on file with the Journal clerk.)

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

HB 1601, PN 2030 (Amended) By Rep. CIVERA

An Act amending the act of January 14, 1952 (1951 P.L.1898, No.522), known as the Funeral Director Law, further providing for licenses.

PROFESSIONAL LICENSURE.

LEAVES OF ABSENCE

The SPEAKER. The Chair turns to today's leaves of absence and recognizes the majority leader, who asks for a leave of absence for today's session for the gentleman from Lehigh, Mr. SNYDER; the gentleman from Erie, Mr. BOYES; the gentleman from Philadelphia, Mr. KENNEY; the gentleman from Philadelphia, Mr. O'BRIEN. Without objection, the leaves will be granted. The Chair hears no objection.

The Chair recognizes the Democratic whip, who requests a leave of absence for today's session for the gentleman from Schuylkill, Mr. LUCYK; the gentleman from Erie, Mr. SCRIMENTI; and the gentleman from Philadelphia, Mr. MCGEEHAN. Without objection, the leaves will be granted. The Chair hears no objections.

GUESTS INTRODUCED

The SPEAKER. The Chair is pleased to welcome to the hall of the House today, as the guest page for Representative Allan Egoft, Allison Klein. She is serving as a guest page today as his special guest. She also serves with me, the Speaker's Office, for the next several weeks. She is about to be a senior at Carlisle High School in the fall. Will the guest please rise.

As the guest of Representative Julie Harhart is Tyler Hildenbrandt, seated on the House floor, and he is the winner of "There Ought To Be a Law" contest in Mrs. Harhart's district. His entry was to give children a greater voice in all child custody cases. He is an 11th grade student at the Northampton Area Senior High School. With him today are his mother and grandmother. Would these guests please rise.

The Chair is pleased to welcome to the hall of the House today, as the guests of Representative Colafella, Patrick and Brantley Carmichael. They are seated in front of the Speaker. Would these guests please rise.

And as the guest of Representative Jennifer Mann, Adam Stein, interning this summer in the district office. He is a resident of the district and a student at Skidmore College.

There are two more guest pages that have come to my attention, guests of Representative Jere Strittmatter. One is his daughter, Elsbeth Clay, and the other is a friend of Elsbeth's, Allison Hutt. Would these guests please rise.

The Democratic leader, Mr. DeWeese, has here today with him, as a guest page, Steve Baltimore, a junior at John Harris and William Penn High Schools here in Harrisburg. Would this guest please rise.

MASTER ROLL CALL

The SPEAKER. The Chair is about to take today's master roll call. The members will proceed to vote.

The following roll call was recorded:

PRESENT—196

Adolph	Evans	Mann	Schroder
Allen	Fairchild	Markosek	Schuler
Argall	Fargo	Marsico	Semmel
Armstrong	Feese	Masland	Serafini
Baker	Fichter	Mayemik	Seyfert
Bard	Fleagle	McCall	Shaner
Barley	Flick	McGill	Smith, B.
Barrar	Forcier	McIlhattan	Smith, S. H.
Bastian	Frankel	McIlhinney	Solobay
Battisto	Freeman	McNaughton	Staback
Bebko-Jones	Gannon	Melio	Stairs
Belardi	Geist	Metcalfe	Steelman
Belfanti	George	Michlovic	Steit
Benninghoff	Gigliotti	Micozzie	Stern
Birmelin	Gladeck	Miller, R.	Stetler
Bishop	Godshall	Miller, S.	Stevenson
Blaum	Gordner	Mundy	Strittmatter
Browne	Gruclera	Myers	Sturla
Bunt	Gruitza	Nailor	Surra
Butkovitz	Habay	Nickol	Tangretti
Buxton	Haluska	Oliver	Taylor, E. Z.
Caltagirone	Hanna	Orie	Taylor, J.
Cappabianca	Harhai	Perzel	Thomas
Cam	Harhart	Pesci	Tigue
Casorio	Hasay	Petrarca	Travaglio
Cawley	Hennessey	Petrone	Trello
Chadwick	Herman	Phillips	Trich
Civera	Hershey	Pippy	True
Clark	Hess	Pistella	Tulli
Clymer	Horsey	Platts	Vance
Cohen, L. I.	Hutchinson	Preston	Van Horne
Cohen, M.	Jadlowiec	Ramos	Veon
Colafella	James	Raymond	Vitali
Cornell	Josephs	Readshaw	Walko
Corrigan	Kaiser	Reinard	Washington
Costa	Keller	Rieger	Waters
Coy	Kirkland	Roberts	Williams
Curry	Krebs	Robinson	Wilt
Dailey	LaGrotta	Roebuck	Wogan
Daley	Laughlin	Rohrer	Wojnaroski
Dally	Lawless	Rooney	Wright
DeLuca	Lederer	Ross	Yewcic
Dempsey	Leh	Rublely	Youngblood
Dermody	Lescovitz	Ruffing	Yudichak
DeWeese	Levdansky	Sainato	Zimmerman
DiGirolamo	Lynch	Samuelson	Zug
Donatucci	Maher	Santoni	
Druce	Maitland	Sather	Ryan.
Eachus	Major	Saylor	Speaker
Egoft	Manderino		

ADDITIONS—0

NOT VOTING—0

EXCUSED—7

Boyes	Lucyk	O'Brien	Snyder
Kenney	McGeehan	Scrimenti	

LEAVES ADDED—2

Taylor, J.	True
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LEAVES CANCELED-1

Lucyk

HARRITON HIGH SCHOOL SCIENCE OLYMPIAD TEAM PRESENTED

The SPEAKER. The Chair jointly recognizes the ladies from Montgomery County, Mrs. Cohen and Ms. Williams.

Will the lady yield.

Conferences, please break up; the conference on the side aisle.

The Chair recognizes the lady.

Mrs. COHEN. Thank you, Mr. Speaker.

It is our pleasure to introduce the Harriton High School Science Olympiad team.

Mr. Speaker, we grow them smart in Lower Merion Township. This is the fourth year in a row that the Harriton High School Science Olympiad team has won the State championship, and all of us should be very proud, because this team represented the entire Commonwealth of Pennsylvania in Chicago in May and came in third in the nation. So they have done us proud, those of us in Lower Merion, and they certainly have represented the Commonwealth of Pennsylvania with great intelligence, great pride, and great dignity.

I am proud to present the team today. We have the coach, Bob Schwartz, and we have four members standing here. Would the rest of these Harriton High School Science Olympiad members seated in the back please stand, and let us please welcome all of them. Thank you, Mr. Speaker. I present these smart kids to you.

MAKEFIELD ELEMENTARY SCHOOL ODYSSEY OF THE MIND TEAM PRESENTED

The SPEAKER. The Chair recognizes the gentleman from Bucks County, Mr. Steil. Will the gentleman yield.

The House will come to order.

Mr. Steil.

Mr. STEIL. Thank you, Mr. Speaker.

The Odyssey of the Mind program is a creative problem-solving competition for children from 4th through 12th grades. It is an international program involving all 50 States and 17 countries.

I am very proud today to welcome the Makefield Elementary School from Yardley and Lower Makefield, Bucks County, in the Pennsbury School District, who is the Pennsylvania State champion. This team competed with seven fourth and fifth grade students and two coaches. The children were not chosen because they have any noted gifted ability but because they were willing to work hard, both independently and collectively.

Makefield's team competed in Allentown in March against 19 other schools and placed first in the southeast regional Pennsylvania competition. In April they traveled to Altoona for the State competition and defeated 140 other Odyssey of the Mind teams.

It is my privilege today to welcome this team and their coaches to the House of Representatives for recognition. Team members are Katie Barberides; Patrick Boylan; Megan Donelan; Andrew Ettenger, who is in front; Caroline Friedman; Evan Verdini; Danny Widtfelt; and Mia Verdini and

Debbie Verdini, coaches. I am very proud to present a citation to them today. Thank you. But I would like to ask the entire team to stand, which is in back, for recognition. A very good job.

Thank you, Mr. Speaker.

VOTE CORRECTION

The SPEAKER. The Chair recognizes the gentleman from Bucks County, Mr. Corrigan.

Mr. CORRIGAN. Thank you, Mr. Speaker.

First I would like to correct the record.

On June 9, HB 148, amendment 2208, I was recorded in the positive and wish to reflect that I would like to be in the negative.

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

ANNOUNCEMENT BY MR. CORRIGAN

Mr. CORRIGAN. Also, Mr. Speaker, I would like to announce an Irish caucus meeting at the break in 39 East Wing, and it will be a very brief meeting. Thank you.

The SPEAKER. The Chair thanks the gentleman.

EDUCATION COMMITTEE MEETING

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

Mr. STAIRS. Thank you, Mr. Speaker.

I would like to announce to the Education Committee members that when we break today, which will probably be shortly, I would like to have a meeting off the floor at the back of the chamber. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

ANNOUNCEMENT BY MR. ARMSTRONG

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

Mr. ARMSTRONG. Thank you, Mr. Speaker.

There will be a Subcommittee on Boroughs meeting off the House floor tomorrow at the call of the Speaker. Thank you.

The SPEAKER. The Chair thanks the gentleman.

COMMITTEE MEETING CANCELED

The SPEAKER. The gentleman, Mr. Flick.

Mr. FLICK. Thank you, Mr. Speaker.

In checking with staff, the committee meeting which I had previously called in the rear of the House of the Intergovernmental Affairs Committee is canceled. We will not be meeting in the rear. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

REPUBLICAN CAUCUS

The SPEAKER. The gentleman, Mr. Fargo.

Mr. Fargo. do you have an announcement with respect to caucus?

Members, we are about to have caucus announcements.

Mr. FARGO. Yes. Thank you, Mr. Speaker.

We will have a caucus immediately upon the call of the recess. We will plan on coming back to the floor at 3 o'clock.

The SPEAKER. The Chair thanks the gentleman.

Mr. Cohen.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, for the benefit of the members, would you be able to inform us, there is a discrepancy between the marked calendar that we have distributed and the voting schedule that is on the machines. I assume the marked calendar is the later document. Am I correct in that?

The SPEAKER. What are you referring to specifically?

Mr. COHEN. HB 945 is listed as over. HB 1061 is listed as over. In addition—

The SPEAKER. It is my understanding that the calendar is accurate.

Mr. COHEN. Okay. And bills like HB 1331, which are listed on our machines but are not on the calendar—

The SPEAKER. I think you would be better informed if the majority leader would consent to a brief interrogation on these points.

Mr. Perzel, there apparently is a difference between the marked calendar and what is posted. Would you answer Mr. Cohen's inquiries?

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, will the majority leader inform us as to whether there will be a supplemental calendar incorporating material that is on our machines on the voting schedule or whether there will not be?

Mr. PERZEL. Yes, there will be supplemental calendars.

Mr. COHEN. And the material on our desktop, on our laptops, will be voted on today despite their not being on the calendar?

Mr. PERZEL. There will be one House bill and one Senate bill, Mr. Speaker, that will be voted on today.

Mr. COHEN. And can you tell us what they will be that are not on the House calendar?

Mr. PERZEL. Mr. Speaker, are you asking about HB 945?

Mr. COHEN. Yes. Will HB 945 be voted on today?

Mr. PERZEL. No, it will not. It is over for the day.

Mr. COHEN. HB 1061?

Mr. PERZEL. It is over for the day. The only House bill is 1331.

Mr. COHEN. HB 1331 will be voted on today?

Mr. PERZEL. Yes.

Mr. COHEN. It will also be amended in Rules Committee before it is voted on?

Mr. PERZEL. We are working on that now, Mr. Speaker.

Mr. COHEN. That means we do not know or yes?

Mr. PERZEL. That means we do not know yet, Mr. Speaker.

Mr. COHEN. Okay. Thank you, Mr. Speaker.

Mr. Speaker, I have no further questions for the majority leader.

DEMOCRATIC CAUCUS

Mr. COHEN. I would urge all members to come to our caucus, which will be held upon the recess. There certainly will be a lot of bills of great importance that will be voted on in the next 2 days, some of which may occur this afternoon.

APPROPRIATIONS COMMITTEE MEETING

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

Mr. BARLEY. Thank you, Mr. Speaker.

Could I inquire just one moment about the schedule? I believe I heard the caucus chairman indicate that we are expected to return to the floor at 3 o'clock. Is that correct?

The SPEAKER. Yes.

Mr. BARLEY. Thank you, Mr. Speaker.

Then I would like to call for a meeting of the House Appropriations Committee in the majority Appropriations committee room for 2:45 this afternoon; 2:45.

The SPEAKER. The Chair thanks the gentleman.

RECESS

The SPEAKER. Any further announcements before we break? Hearing none, this House will stand in recess until 3 p.m., unless sooner recalled by the Chair or extended by the Chair.

AFTER RECESS

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

THE SPEAKER PRO TEMPORE (J. SCOT CHADWICK) PRESIDING

BILLS REPORTED FROM COMMITTEE, CONSIDERED FIRST TIME, AND TABLED

SB 309, PN 1187

By Rep. STAIRS

An Act amending Title 24 (Education) of the Pennsylvania Consolidated Statutes, further providing for creditable nonschool service, for eligibility for limited early retirement, for contributions for purchase of credit for creditable nonschool service and for exceptions to termination of annuities.

EDUCATION.

SB 442, PN 1195

By Rep. STAIRS

An Act amending the act of January 25, 1966 (1965 P.L.1546, No.541), entitled "An act providing scholarships and providing funds to secure Federal funds for qualified students of the Commonwealth of Pennsylvania who need financial assistance to attend postsecondary institutions of higher learning, making an appropriation, and providing for the administration of this act," further providing for the amount of scholarship awards.

EDUCATION.

BILLS REMOVED FROM TABLE

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

Mr. PERZEL. Mr. Speaker, I move that SB 309 and SB 442 be removed from the table and placed on the active calendar.

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

BILLS RECOMMITTED

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

Mr. PERZEL. Mr. Speaker, I move that SB 309 and SB 442 be recommitted to the Committee on Appropriations.

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

SENATE BILL FOR CONCURRENCE

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

SB 1000, PN 1203

Referred to Committee on STATE GOVERNMENT, June 14, 1999.

BILLS REMOVED FROM TABLE

The SPEAKER pro tempore. The Chair turns to today's tabled calendar and recognizes the majority leader.

Mr. PERZEL. Mr. Speaker, I move that the following bills be taken from the table:

HB 849;
HB 1072;
HB 1266;
HB 1268;
HB 1470;
SB 496; and
SB 813.

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

BILLS RECOMMITTED

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

Mr. PERZEL. Mr. Speaker, I move that the following bills be recommitted to Appropriations:

HB 849;
HB 1266;
HB 1268;
HB 1470;
SB 496; and
SB 813.

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

BILL TABLED

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

Mr. PERZEL. Mr. Speaker, I move that HB 1072 be placed on the table.

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

RECESS

The SPEAKER pro tempore. The House will stand in recess until 3 o'clock, unless sooner recalled by the Speaker or extended.

RECESS EXTENDED

The time of recess was extended until 3:30 p.m.

AFTER RECESS

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

THE SPEAKER (MATTHEW J. RYAN) PRESIDING

SENATE MESSAGE

HOUSE AMENDMENTS CONCURRED IN BY SENATE

The clerk of the Senate, being introduced, informed that the Senate has concurred in the amendments made by the House of Representatives to SB 832, PN 1185.

LEAVE OF ABSENCE

The SPEAKER. The Chair returns to leaves of absence and recognizes the majority leader, who asks that the lady from Lancaster, Mrs. TRUE, be placed on leave for the balance of today's session. Without objection, the leave will be granted. The Chair hears none.

BILL SIGNED BY SPEAKER

Bill numbered and entitled as follows having been prepared for presentation to the Governor, and the same being correct, the title was publicly read as follows:

SB 832, PN 1185

An Act redesignating a portion of the Lackawanna Valley Industrial Highway, SR 0006, as the Governor Robert P. Casey Highway; designating the Olyphant on and off ramp, Exit 2 of the Lackawanna Valley Industrial Highway as the Representative Joseph G. Wargo Exit; and designating a section of U.S. Route 11 in Columbia County as Columbia Boulevard.

Whereupon, the Speaker, in the presence of the House, signed the same.

LEAVE OF ABSENCE

The SPEAKER. The Chair recognizes the majority leader, who asks that the gentleman, Mr. TAYLOR, of Philadelphia County, be placed on leave for the balance of today's session. Without objection, the leave will be granted. The Chair hears no objection.

The House will stand temporarily at ease.

QUESTION OF PERSONAL PRIVILEGE

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

Mr. McNAUGHTON. Personal privilege, Mr. Speaker.

The SPEAKER. The gentleman will state his point of personal privilege.

Mr. McNAUGHTON. To put some comments on the record, Mr. Speaker, relative to the behavior of a member of the House of Representatives.

The SPEAKER. The gentleman is in order.

Mr. McNAUGHTON. Thank you, Mr. Speaker.

As most of you know by now, one of our colleagues insulted millions of Pennsylvanians last Wednesday when he said that school voucher money could be used to, quote, "pay off" lawsuits involving pedophilia.

As a devout Catholic, this Representative's words shocked and even sickened me. Although I am among the voucher opponents in this body, I can assure you that this Representative's comments do not—

Mr. DeWEESE. Mr. Speaker?

Mr. McNAUGHTON. —do not represent my views.

Mr. DeWEESE. Mr. Speaker?

The SPEAKER. Will the gentleman yield.

PARLIAMENTARY INQUIRY

The SPEAKER. Mr. DeWeese.

Mr. DeWEESE. Point of parliamentary inquiry.

For what purpose does the gentleman rise and for what purpose has he been recognized?

The SPEAKER. He has been recognized on a point of personal privilege.

Mr. DeWEESE. Thank you.

The SPEAKER. The gentleman, Mr. McNaughton.

Mr. McNAUGHTON. Thank you, Mr. Speaker.

I can assure you that this Representative does not represent my views.

As a Catholic, a school choice opponent, and an elected representative of the people of this Commonwealth, I cannot allow such an outrageous slander to go unchallenged. It is indefensible to equate the priesthood with pedophilia, and it is inexcusable to imply that the Catholic Church is chasing dollars to defend such conduct. These remarks have sunk the level of the public discourse on this issue to subterranean levels.

In the darkest hours of my life, a long list of Catholic priests walked with me day and night to counsel me and console me. My family and I will never forget what these men of God did for us. So please forgive me if I am insulted, indignant, and, yes, infuriated by such anti-Catholic bigotry.

PARLIAMENTARY INQUIRY

Mr. DeWEESE. Mr. Speaker?

The SPEAKER. Mr. DeWeese.

Mr. DeWEESE. Another point of parliamentary inquiry.

Does this require unanimous consent?

The SPEAKER. It does not.

Mr. DeWEESE. Thank you.

Mr. McNAUGHTON. I would expect to see that same level of righteous indignation from my outspoken colleague if his race, religion, or creed were defamed.

We all know that over the centuries history is replete with illustrations of religious prejudice and persecution. There was no place for such religious persecution then, and there is no place for such religious persecution now. By painting millions of people of faith with such a broad and ugly brush, our colleague has demonstrated that religious stereotyping and slander are, regrettably, still alive and well in modern-day America. It is especially revolting that this religious intolerance exists within an individual who bears the title of "honorable." There is nothing honorable about such outrageous rhetoric.

I ask the Representative from Allegheny County to deliver a heartfelt apology to the millions of Catholics in this Commonwealth, to the members of this House, and to the people of Pennsylvania who have entered into the tuition voucher debate in good faith and with the best of intentions. I implore you to debate the issues instead of defaming the opposition. Let us show Pennsylvania that there is no room for religious bigotry in this chamber or in this Commonwealth.

**DOCUMENTS SUBMITTED
FOR THE RECORD**

Mr. McNAUGHTON. And, Mr. Speaker, I am joined by the American Jewish Committee, who has issued a press release today, which I would like to have entered into the record — "JEWISH GROUP DEPLORES ANTI-CATHOLIC BIGOTRY" — and also the Catholic League, who has also asked for an apology to the Commonwealth of Pennsylvania's citizenry and to this House of Representatives.

Thank you, Mr. Speaker, for allowing me to speak under personal privilege.

The SPEAKER. The Chair thanks the gentleman.

The gentleman shall submit the appendages for the record.

Mr. McNAUGHTON submitted documents for the Legislative Journal.

(For documents, see Appendix.)

QUESTION OF PERSONAL PRIVILEGE

The SPEAKER. Mr. Preston, do you desire recognition?

Mr. PRESTON. Under unanimous consent, personal privilege, Mr. Speaker, in relationship to the previous speaker.

The SPEAKER. The gentleman is in order.

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

In the last couple of days I have had individuals libel me as being a bigot, and as I checked the dictionary, it is one who is intolerant of matters of religion, race, and politics. That is from Webster's Dictionary. I have other definitions.

And if people are really willing to get into this issue as I debated or made a statement the other day and if you read the local newspaper from the gentleman, I intentionally and as I said personally at that press conference, and I do not think anybody wants to give me the personal example that I have had about this issue in relationship to not just involving anything close to me but even personal constituents that I know. And I have not in any way cast any aspersions even when I had a person from the media, and if you read the tape from the gentleman who previously spoke from his own local newspapers, it says here where I said that "Unfortunately, people in certain religions...have been hit hard by an awful lot of lawsuits; I don't want to see our money to be able to go for those different lawsuits for certain people who do not act appropriately." And I refused to identify any particular, and even when someone tried to use the word "church," I said we are talking about, quote, unquote, "systems," "school systems."

I want to be as emphatic as I can, because if I give the example, it would be intolerable, and I am not pointing my finger at anyone or anybody. And I have had a very good, long conversation and several conversations with the public relations director that I have not pointed my finger, and this was Rev. Ron Lengwin back in my own diocese back in Pittsburgh, and I am not and nor have I ever been in any kind of way involved with pointing my finger at one religion or not, as I have said in the article.

How can I be a bigot about race, politics, or religion when I went — I am a Baptist — I went to an African Methodist Episcopal school, I have had an interracial marriage, and I even paid for my own daughter out of my own pocket to be able to go to a parochial school.

Now, I have also asked the secretary for his comments, because the word "slanderous" means totally untrue, and I do not want to get into it much further than that. I made a comment. For anything or anyone who might have misconstrued anything, but I stand still in a sense that the question still is unanswered about what line, what page, and I have been consistent, not just in this issue, because several of the members have seen me stand on this floor in the past where I voted against funding for the University of Pittsburgh, Lincoln University, Temple University, and Penn State about the lack of accountability in the funding and in the mannerisms that we are funding different institutions. So it is nothing new.

And if you remember, Mr. Speaker, I addressed the issue because of a balloon payment to the former president of the university of my alma mater. And I am not pointing my finger at

anybody nor will I, nor have I got out there and said that anybody who screams the loudest means that you must be talking about me, and I am not saying that at all.

And for the gentleman's personal information, even within my own legislative district, I have some of the best private schools and some of the most pricey private schools in western Pennsylvania, and I also have good Christian schools, and I respect the system. My thing is that I have raised the issue — and since he has raised it about a particular religion, which I have not pointed out in one way or another — the issue about accountability.

Now, we are not here to debate it, but someone has said that I have, in my comments, picked out a particular secular group, and if we want to go even further of it, Mr. Speaker, I am prepared to defend it all the way from the names and addresses, from the different cases, from the local district attorneys, and different respective districts or whatever it is, but I am not going to get into that unless someone else wants to raise it. Whether it is private or public or secular, I have a personal problem about the accountability of the funding in relationship to the issue that I have raised, and if people want to raise the issue even further, then I will give the example.

I have no further statements on that relationship, because I would like to simply say that sometimes media — and you and I have been through this before, Mr. Speaker — have said a particular thing, but if you watched the tape and if you read some of the responsible newspapers one way or another, I have raised only one question: How can the funds be used and show me where they cannot be used in a particular way. And I am in no way — In no way have I ever, and I have lived that life, so I walk the walk and I talk the talk, and I do not stand embarrassed by it at all. So the word "bigot" by pointing at Joe Preston cannot be accurate from just the three examples of race, religion, and secular instance.

I have had different individuals within this own House that I still respect even though I have had problems from different things in relationship to color and in statements they have made to women that were very offensive to me, and I have never treated that person with any disrespect one way or another, and some of you remember when I made comments about it in the newspaper. I still hear different things and different things that members have said to me that have been appalling about what I should be able to do on a personal level — if I would trade something, whatever it is, so they could make their homelife a little bit better. I have had that happen to me in different things all because of the color of one's skin, not because of the color of one's eyes, and nor still have I ever treated anybody with any disrespect nor have I ever had, and if you call Father Ron Lengwin, he will verify it. And Bishop Wuerl and I have had conversations in the past, not about this particular matter, but in the past in my own diocese. Sometimes we overreact, but, no, I am not pointing my finger at anybody, Mr. Speaker. I have not nor will I, and I will leave it at that.

Thank you.

The SPEAKER. The Chair thanks the gentleman.

RULES COMMITTEE MEETING

The SPEAKER. There will be an immediate meeting of the Rules Committee at the majority leader's desk.

**BILL ON CONCURRENCE
REPORTED FROM COMMITTEE**

HB 124, PN 1991 By Rep. PERZEL

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, prohibiting sexual intercourse with animals; further providing for theft from a motor vehicle; and making certain conduct in public while under the influence of a controlled substance an offense.

RULES.

BILL REREPORTED FROM COMMITTEE

HB 1331, PN 1551 By Rep. PERZEL

An Act relating to notification of condemnation proceedings by a public utility.

RULES.

**RESOLUTION REPORTED
FROM COMMITTEE**

HR 135, PN 1503 By Rep. PERZEL

A Concurrent Resolution directing the Joint State Government Commission to study the issue of workplace pay disparity and to reexamine existing Federal and State laws relating to that issue and to make recommendations to the General Assembly.

RULES.

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

SB 652, PN 1215 (Amended) By Rep. BARLEY

An Act amending the act of March 10, 1949 (P.L.30, No.14), entitled Public School Code of 1949, further providing for Commonwealth payments for basic education grants, intermediate units, community colleges, secondary vocational education subsidies, small district assistance and basic education, and for transportation; and authorizing area vocational-technical boards to establish capital reserve funds.

APPROPRIATIONS.

SB 931, PN 995 By Rep. BARLEY

An Act amending the act of March 10, 1949 (P.L.30, No.14), entitled Public School Code of 1949, further providing for grants by the Office of Safe Schools.

APPROPRIATIONS.

SB 970, PN 1100 By Rep. BARLEY

An Act amending the act of June 30, 1981 (P.L.128, No.43), entitled Agricultural Area Security Law, providing for the allocation of moneys appropriated for the supplemental agricultural easement purchase programs; and making a repeal.

APPROPRIATIONS.

BILLS REREPORTED FROM COMMITTEE

HB 96, PN 2028 (Amended) By Rep. BARLEY

An Act amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, further providing for advance directives for emergency medical service health care.

APPROPRIATIONS.

HB 165, PN 153 By Rep. BARLEY

An Act repealing the act of May 16, 1951 (P.L.300, No.60), entitled, as amended, "An act authorizing certain counties to establish fire training schools for the paid and volunteer firemen of municipalities within the county."

APPROPRIATIONS.

HB 236, PN 1750 By Rep. BARLEY

An Act amending Title 23 (Domestic Relations) of the Pennsylvania Consolidated Statutes, further providing for certain liability limits; and providing for notice of arrest for school or child-care service employees.

APPROPRIATIONS.

HB 849, PN 1798 By Rep. BARLEY

An Act prohibiting false claims; imposing duties on the Attorney General and on district attorneys; and providing for procedures and for penalties.

APPROPRIATIONS.

HB 1109, PN 1718 By Rep. BARLEY

An Act requiring all public bodies, including the Commonwealth, its agencies, authorities and political subdivisions, to include in certain contracts a provision that if certain products are to be used in the performance of the contract, only those products produced in this Commonwealth or the United States shall be used; and providing for a cause of action and for civil penalties.

APPROPRIATIONS.

HB 1266, PN 1443 By Rep. BARLEY

An Act amending the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, deleting provisions relating to food stamp program.

APPROPRIATIONS.

HB 1268, PN 1458 By Rep. BARLEY

An Act designating the walkway which crosses I-279 from East Street to Howard Street in the City of Pittsburgh as Gerst Way.

APPROPRIATIONS.

HB 1470, PN 2029 (Amended) By Rep. BARLEY

An Act amending Titles 66 (Public Utilities) and 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for motor carrier

and broker violations; further providing for unlawful activities and for police and Commonwealth inspections relating to vehicle inspections; and establishing the Motor Carrier Safety Advisory Committee.

APPROPRIATIONS.

SB 3, PN 632 By Rep. BARLEY

An Act amending Titles 42 (Judiciary and Judicial Procedure) and 71 (State Government) of the Pennsylvania Consolidated Statutes, providing for county-level court administrators and for the transfer of accumulated annual leave and sick leave of certain county administrators transferred to the State judicial personnel system; establishing the Unified Judicial System Transferred County-Level Administrator Leave Fund; requiring certain county payments; requiring periodic reports; providing for the transfer of county-level court administrators to the State Employees' Retirement System; and making a repeal.

APPROPRIATIONS.

SB 174, PN 168 By Rep. BARLEY

An Act amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, providing for fiduciaries' investment and management of property held in trust; making editorial changes; and making a conforming amendment to Title 15 (Corporations and Unincorporated Associations).

APPROPRIATIONS.

SB 309, PN 1187 By Rep. BARLEY

An Act amending Title 24 (Education) of the Pennsylvania Consolidated Statutes, further providing for creditable nonschool service, for eligibility for limited early retirement, for contributions for purchase of credit for creditable nonschool service and for exceptions to termination of annuities.

APPROPRIATIONS.

SB 392, PN 690 By Rep. BARLEY

An Act amending the act of December 5, 1980 (P.L.1107, No.190), entitled Philadelphia Municipal Court Fee Law, increasing the fee for initial service of process.

APPROPRIATIONS.

SB 442, PN 1195 By Rep. BARLEY

An Act amending the act of January 25, 1966 (1965 P.L.1546, No.541), entitled "An act providing scholarships and providing funds to secure Federal funds for qualified students of the Commonwealth of Pennsylvania who need financial assistance to attend postsecondary institutions of higher learning, making an appropriation, and providing for the administration of this act," further providing for the amount of scholarship awards.

APPROPRIATIONS.

SB 496, PN 932 By Rep. BARLEY

An Act conferring limited eminent domain power upon certain economic development financing authorities.

APPROPRIATIONS.

SB 601, PN 1180 By Rep. BARLEY

An Act amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, providing for supply choice for customers of natural gas utilities and for restructuring of the natural gas utility industry.

APPROPRIATIONS.

SB 813, PN 889 By Rep. BARLEY

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, further providing for the amount of blind veterans' pensions and for paralyzed veterans' pensions.

APPROPRIATIONS.

SB 852, PN 1216 (Amended) By Rep. BARLEY

An Act amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, further providing for written or telephonic price quotations from contractors and for the imposition of an amusement or admission tax on certain facilities.

APPROPRIATIONS.

SB 900, PN 1111 By Rep. BARLEY

An Act providing for scholarships for persons entering into the field of science and technology.

APPROPRIATIONS.

SB 999, PN 1158 By Rep. BARLEY

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, extending the termination date of provisions relating to the Pennsylvania Veterans' Memorial Commission.

APPROPRIATIONS.

BILLS ON SECOND CONSIDERATION

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

HB 96, PN 2028; HB 165, PN 153; HB 236, PN 1750; HB 849, PN 1798; HB 1109, PN 1718; HB 1266, PN 1443; HB 1268, PN 1458; HB 1470, PN 2029; SB 3, PN 632; SB 174, PN 168; SB 496, PN 932; SB 601, PN 1180; SB 813, PN 889; SB 852, PN 1216; SB 900, PN 1111; and SB 999, PN 1158.

The SPEAKER. It is the understanding of the Chair that the Rules Committee has met and reported. That being the case, there are certain people who do not have the privilege of the floor that should not be on the floor. They are certainly welcome during the Rules Committee meetings.

SUPPLEMENTAL CALENDAR A

BILL ON CONCURRENCE
IN SENATE AMENDMENTS

The House proceeded to consideration of concurrence in Senate amendments to **HB 124, PN 1991**, entitled:

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, prohibiting sexual intercourse with animals; further providing for theft from a motor vehicle; and making certain conduct in public while under the influence of a controlled substance an offense.

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

The SPEAKER. Moved by the gentleman, Mr. Gannon, that the House do concur in the amendments inserted by the Senate.

The question recurs, will the House concur in the amendments inserted by the Senate?

Mr. EVANS. Mr. Speaker?

The SPEAKER. Mr. Evans, on the question of concurrence?
Mr. Evans.

Mr. EVANS. Yes, Mr. Speaker. Thank you.

The SPEAKER. Will the gentleman yield for a moment.

Conferences, please break up. Mr. Evans deserves to be heard.

Mr. EVANS. Mr. Speaker—

The SPEAKER. Will the gentleman yield.

The conference by the majority leader's desk, please break up.

The conference to the left of the gentleman, Mr. Evans, please break up.

Mr. Evans.

Mr. EVANS. Thank you, Mr. Speaker.

Mr. Speaker, there have been a number of members in this House who have been attempting to speak to a certain issue that has affected all of us throughout the Commonwealth of Pennsylvania as well as in the nation, and a number of us have attempted to get certain vehicles available under Title 18 and we have not been successful, Mr. Speaker. We have written letters to the chairman of the committee. We formed a caucus last week on the need to have some type of safety relating to the question of—

The SPEAKER. Will the gentleman yield.

Mr. Evans, the question before the House right now is whether we should or should not concur in Senate amendments. That is the question before the House. I know where you are going, and I think you should just make your motion.

Mr. EVANS. Well, give me a little opportunity, Mr.— Well, you are correct, Mr. Speaker; I do want to make a motion, but I wanted just to tell people why I wanted to make the motion, because I think it is important for them to have some sense of why I want to make the—

The SPEAKER. Technically, that is not before the House.

Mr. EVANS. Okay.

The SPEAKER. And your subject, although it is in the same title, you know, the matter is completely different than what is before us.

Mr. EVANS. Okay.

The SPEAKER. If you will be short, I will forget that—

Mr. EVANS. It will be very short, Mr. Speaker.

The SPEAKER. —it is not appropriate.

Mr. EVANS. It will be very short, Mr. Speaker.

MOTION TO SUSPEND RULES

Mr. EVANS. I guess I would just ask, Mr. Speaker, that under Title 18, a number of us have been attempting to have a discussion in this General Assembly and in this House about the need to do some type of fire gun safety. HB 124 is a Title 18 bill, so what I am asking, Mr. Speaker, is that we make a motion to suspend the rules of the House to allow me to offer an amendment to HB 124. So I am asking for a suspension of the rules, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

The gentleman, Mr. Evans, moves that the rules of the House be suspended to permit him to offer amendment A2718— Is that correct?

Mr. EVANS. Yes, Mr. Speaker.

The SPEAKER. —immediately.

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

The SPEAKER. On the question of suspension of the rules, the gentleman, Mr. Perzel, yields to the gentleman, Mr. Gannon.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, I oppose suspension of the rules on HB 124. This bill has gone through a path somewhat tortured between the House and the Senate. We are here now on concurrence in Senate amendments, and any amendments to this bill would delay a very important piece of legislation that has a number of people very interested in seeing this passed into law. We are at the very threshold of getting this bill to the Governor's desk, and I have a great concern that any amendments to this bill would delay the process and may even delay it indefinitely.

I would ask that the members vote "no" on suspension of the rules.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman, Mr. DeWeese, who yields to the gentleman, Mr. Evans. Mr. Evans.

Mr. EVANS. Mr. Speaker, may I interrogate the chairman of the House Judiciary Committee relating to this motion on suspension or relating to this amendment I would like to offer?

The SPEAKER. The question before the House is on the question of suspension of our rules to permit you to offer that amendment. I will allow you to interrogate on it.

Mr. GANNON. Mr. Speaker, if I may—

The SPEAKER. The gentleman will yield.

A point of clarification on my remarks.

When we are into suspension, we allow a short summary of what is going on. I would hope you are not intending to open up a full-blown debate under the guise of interrogation. If that is the case, that would not be permitted.

Mr. EVANS. No—

Mr. GANNON. Mr. Speaker?

PARLIAMENTARY INQUIRY

Mr. GANNON. Mr. Speaker, if I may, a parliamentary inquiry.

The SPEAKER. Mr. Gannon.

Mr. GANNON. Yes. Under the rules of the House, a member does not have to subject himself to interrogation.

The SPEAKER. That is true.

Mr. GANNON. Therefore, a member could limit the scope of any interrogation that he would be willing to accept.

The SPEAKER. I guess you could at any time withdraw your consent.

Mr. GANNON. I am not withdrawing my consent, Mr. Speaker, but I am limiting my consent only to the question of suspension of the rules, and I will not answer any questions with respect to an amendment that is not before the House.

The SPEAKER. Mr. Evans.

Mr. EVANS. Mr. Speaker, if I may ask a question.

The gentleman indicated that he will not answer any questions relating to any amendment that is not before the House. Mr. Speaker, the amendment, No. A2718, is on the board. That is the specific issue I want to ask him about, relating to that amendment number.

The SPEAKER. I do not want to nitpick, but that is not quite what is on the board. What is on the board is a motion to suspend to permit you to offer amendment A2718. 2718 itself is not on the board, standing alone.

Mr. EVANS. Thank you, Mr. Speaker.

I would just like to make a comment relating to suspension then.

Mr. Speaker, as I indicated, this is a process where even if you disagree with someone, individuals should have the opportunity to bring it to the floor. HB 124 up for concurrence offers an opportunity for some of us who have a concern about certain things that are happening in the Commonwealth of Pennsylvania as well as around the nation to have a debate on this issue. So the only thing I am asking, Mr. Speaker, is that members — and they can vote whatever way they want on the amendment, Mr. Speaker — give us the opportunity, those of us who have a concern about the issue of fire safety, fire-gun safety in this State, to put this issue on the floor.

So I would ask, Mr. Speaker, that we have a suspension on HB 124. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—67

Battisto	Dermody	Lescovitz	Rooney
Bebko-Jones	Donatucci	Levdansky	Ruffing
Belardi	Eachus	Manderino	Samuelson
Belfanti	Evans	McCall	Santoni
Bishop	Frankel	Melio	Steelman
Butkovitz	Freeman	Michlovic	Stetler
Buxton	Grucela	Mundy	Thomas
Cappabianca	Haluska	Myers	Tigue
Carr	Horsey	Oliver	Trich
Casorio	James	Pesci	Van Home
Cawley	Josephs	Petrone	Vitali
Cohen, M.	Kaiser	Pistella	Walko
Colafella	Keller	Preston	Washington
Conrigan	Kirkland	Ramos	Waters
Costa	LaGrotta	Rieger	Williams
Curry	Laughlin	Robinson	Youngblood
DeLuca	Lederer	Roebuck	

NAYS—126

Adolph	Feese	Markosek	Semmel
Allen	Fichter	Marsico	Serafini
Argall	Fleagle	Masland	Seyfert
Armstrong	Flick	Mayemik	Shaner
Baker	Forcier	McGill	Smith, B.
Bard	Gannon	McIlhattan	Smith, S. H.
Barley	Geist	McIlhinney	Solobay
Barrar	George	McNaughton	Staback
Bastian	Gigliotti	Metcalfe	Stairs
Benninghoff	Gladeck	Micozzie	Steil
Birmelin	Godshall	Miller, R.	Stern
Blaum	Gordner	Miller, S.	Stevenson
Browne	Gruitza	Nailor	Strittmatter
Bunt	Habay	Nickol	Surra
Caltagirone	Hanna	Orie	Tangretti
Chadwick	Harhai	Perzel	Taylor, E. Z.
Civera	Harhart	Petrarca	Travaglio
Clark	Hasay	Phillips	Trello
Clymer	Hennessey	Pippy	Tulli
Cohen, L. I.	Herman	Platts	Vance
Cornell	Hershey	Raymond	Veon
Coy	Hess	Readshaw	Wilt
Dailey	Hutchinson	Reinard	Wogan
Daley	Jadlowiec	Roberts	Wojnarowski
Dally	Krebs	Rohrer	Wright
Dempsey	Lawless	Ross	Yewcic
DeWeese	Lch	Rubley	Yudichak
DiGirolamo	Lynch	Sainato	Zimmerman
Druce	Maher	Sather	Zug
Egolf	Maitland	Saylor	
Fairchild	Major	Schroder	Ryan,
Fargo	Mann	Schuler	Speaker

NOT VOTING—1

Sturia

EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True
Lucyk			

Less than a majority of the members required by the rules 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 concur in Senate amendments?

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

The following roll call was recorded:

YEAS—194

Adolph	Egolf	Major	Sather
Allen	Evans	Manderino	Saylor
Argall	Fairchild	Mann	Schroder
Armstrong	Fargo	Markosek	Schuler
Baker	Feese	Marsico	Semmel
Bard	Fichter	Masland	Serafini
Barley	Fleagle	Mayemik	Seyfert
Barrar	Flick	McCall	Shaner
Bastian	Forcier	McGill	Smith, B.
Battisto	Frankel	McIlhattan	Smith, S. H.
Bebko-Jones	Frecman	McIlhinney	Solobay
Beiardi	Gannon	McNaughton	Staback
Belfanti	Geist	Melio	Stairs

Benninghoff	George	Metcalf	Steelman
Birmelin	Gigliotti	Michlovic	Steil
Bishop	Gladeck	Micozzie	Stern
Blaum	Godshall	Miller, R.	Stetler
Browne	Gordner	Miller, S.	Stevenson
Bunt	Grucela	Mundy	Strittmatter
Butkovitz	Gruitza	Myers	Sturla
Buxton	Habay	Nailor	Surra
Caltagirone	Haluska	Nickol	Tangretti
Cappabianca	Hanna	Oliver	Taylor, E. Z.
Cam	Harhai	Orie	Thomas
Casorio	Harhart	Perzel	Tigue
Cawley	Hasay	Pesci	Travaglio
Chadwick	Hennessey	Petrarca	Trello
Civera	Herman	Petrone	Trich
Clark	Hershey	Phillips	Tulli
Clymer	Hess	Pippy	Vance
Cohen, L. I.	Horsey	Pistella	Van Horne
Cohen, M.	Hutchinson	Platts	Veon
Colafella	Jadlowiec	Preston	Vitali
Cornell	James	Ramos	Waiko
Corrigan	Josephs	Raymond	Washington
Costa	Kaiser	Readshaw	Waters
Coy	Keller	Reinard	Williams
Curry	Kirkland	Rieger	Wilt
Dailey	Krebs	Roberts	Wogan
Daley	LaGrotta	Robinson	Wojnaroski
Dally	Laughlin	Roebuck	Wright
DeLuca	Lawless	Rohrer	Yewcic
Dempsey	Lederer	Rooney	Youngblood
Dermody	Leh	Ross	Yudichak
DeWeese	Lescovitz	Rublely	Zimmerman
DiGirolamo	Levdansky	Ruffing	Zug
Donatucci	Lynch	Sainato	
Druce	Maher	Samuelson	Ryan.
Eachus	Maitland	Santoni	Speaker

NAYS—0

NOT VOTING—0

EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True
Lucyk			

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

Ordered, That the clerk inform the Senate accordingly.

GUESTS INTRODUCED

The SPEAKER. We are pleased to welcome to the hall of the House today, as the guest of Messrs. DeWeese, Tigue, Phillips, Belfanti, and myself, Marine Cpl. Alex Gillis III, who has just recently returned from overseas duty. He is here today with his mother, Vera Gillis. We would ask the corporal and his mother to please rise.

BILL SIGNED BY SPEAKER

Bill numbered and entitled as follows having been prepared for presentation to the Governor, and the same being correct, the title was publicly read as follows:

HB 124, PN 1991

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, prohibiting sexual intercourse with animals; further providing for theft from a motor vehicle; and making certain conduct in public while under the influence of a controlled substance an offense.

Whereupon, the Speaker, in the presence of the House, signed the same.

SUPPLEMENTAL CALENDAR B

BILL ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 1331, PN 1551**, entitled:

An Act relating to notification of condemnation proceedings by a public utility.

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

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

On the question of final passage, the Chair is advised that an amendment has not been received yet on this.

Mr. Vitali, you were rising on final passage, were you not?

Mr. VITALI. I was going to make a parliamentary inquiry.

The SPEAKER. This bill is going to go over temporarily at this time. Perhaps you should raise it then or come up to the desk and maybe we can answer it.

DECISION OF CHAIR RESCINDED

The SPEAKER. The Chair returns to supplemental B calendar, HB 1331, and withdraws its decision that HB 1331 has been agreed to.

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

RULES SUSPENDED

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

Mr. GANNON. Mr. Speaker, I move that the rules of the House be suspended to permit the immediate consideration of HB 1331, PN 1551, together with an amendment, being amendment 2794.

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

The following roll call was recorded:

YEAS—183

Adolph	Eachus	Major	Santoni
Allen	Egolf	Manderino	Sather
Argall	Evans	Mann	Saylor
Armstrong	Fairchild	Markosek	Schroder
Baker	Fargo	Marsico	Schuler
Bard	Feese	Masland	Semmel
Barley	Fichter	Mayernik	Serafini
Barrar	Fleagle	McCall	Seyfert
Bastian	Flick	McGill	Shaner
Battisto	Forcier	McIlhattan	Smith, B.
Bebko-Jones	Frankel	McIlhinney	Smith, S. H.
Belardi	Gannon	McNaughton	Solobay
Belfanti	Geist	Melio	Staback
Benninghoff	George	Metcalfe	Stairs
Birmelin	Gigliotti	Michlovic	Stern
Bishop	Gladeck	Micozzie	Stetler
Blaum	Godshall	Miller, R.	Stevenson
Browne	Grucela	Miller, S.	Strittmatter
Bunt	Gruitza	Mundy	Sturla
Butkovitz	Habay	Myers	Surra
Buxton	Hajuska	Nickol	Tangretti
Caltagirone	Harhai	Oliver	Taylor, E. Z.
Cappabianca	Harhart	Orie	Thomas
Casorio	Hasay	Perzel	Travaglio
Cawley	Hennessey	Pesci	Trello
Chadwick	Herman	Petrarca	Trich
Civera	Hershey	Petrone	Tulli
Clark	Hess	Phillips	Vance
Clymer	Horsey	Pippy	Van Home
Cohen, L. I.	Hutchinson	Pistella	Veon
Cohen, M.	Jadlowiec	Preston	Walko
Colafrella	James	Ramos	Washington
Cornell	Josephs	Raymond	Waters
Corrigan	Kaiser	Readshaw	Williams
Costa	Keller	Reinard	Wilt
Coy	Kirkland	Rieger	Wogan
Curry	LaGrotta	Roberts	Wojnaroski
Jailey	Laughlin	Robinson	Wright
Daley	Lawless	Roebuck	Yewcic
Dally	Lederer	Rohrer	Youngblood
DeLuca	Leh	Rooney	Yudichak
Dempsey	Lescovitz	Ross	Zimmerman
Dermody	Levdansky	Rubley	Zug
DeWeese	Lynch	Ruffing	
DiGirolamo	Maher	Sainato	Ryan,
Donatucci	Maitland	Samuelson	Speaker
Druce			

NAYS—11

Carn	Hanna	Platts	Tigue
Freeman	Krebs	Steelman	Vitali
Gordner	Nailor	Steil	

NOT VOTING—0

EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True
Lucyk			

A majority of the members required by the rules having voted in the affirmative, the question was determined in the affirmative and the motion was agreed to.

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

Mr. GANNON offered the following amendment No. A2794:

Amend Title, page 1, lines 1 and 2, by striking out all of said lines and inserting

Amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, providing for supply choice for customers of natural gas utilities and for restructuring of the natural gas utility industry and for utility industry restructuring.

Amend Bill, page 1, lines 5 through 17, by striking out all of said lines and inserting

Section 1. Sections 1307(f) and (g), 1317 and 1318 of Title 66 of the Pennsylvania Consolidated Statutes are amended to read:

§ 1307. Sliding scale of rates; adjustments.

(f) Recovery of natural gas costs.—

(1) Natural gas [distributors] distribution companies, as defined in section 2202 (relating to definitions), with gross intrastate annual operating revenues in excess of \$40,000,000 may file tariffs reflecting actual and projected increases or decreases in their natural gas costs and the tariffs shall have an effective date six months from the date of filing. The commission shall promulgate regulations establishing the time and manner of such filing, but, except for adjustments pursuant to a tariff mechanism authorized in this title, no such natural gas [utility] distribution company shall voluntarily file more than one such tariff in a 12-month period: Provided, That [nothing]:

(i) Nothing contained herein shall prohibit any party from advising the commission that there has been or there is anticipated to be a significant difference between the natural gas costs to the [utility] natural gas distribution company and the costs reflected in the then effective tariff or the commission from acting upon such advice.

(ii) A natural gas distribution company may also file a tariff to establish a mechanism by which such natural gas distribution company may further adjust its rates for natural gas sales on a regular, but no more frequent than monthly, basis to reflect actual or projected changes in natural gas costs reflected in rates established pursuant to paragraph (2), subject to annual reconciliation under paragraph (5). In the event that the natural gas distribution company adjusts rates more frequently than quarterly, it shall also offer retail gas customers a fixed rate option which recovers natural gas costs over a 12-month period, subject to annual reconciliation under paragraph (5). The commission shall, within 60 days of the effective date of this subparagraph, promulgate rules or regulations governing such adjustments and fixed rate option, but the commission shall not prohibit such adjustments or fixed rate option.

(2) The commission shall conduct an investigation and hold a hearing or hearings, with notice, to [investigate] review the tariffs and consider the plans filed pursuant to section 1317 (relating to regulations of natural gas costs). Where there has been an indication of consumer interest, the hearing shall be held in the service territory of the natural gas [distributor] distribution company. Prior to the effective date of the filing, the commission shall issue an order establishing the rate to be charged to reflect such [increases or decreases] changes in natural gas costs. [Rates established under this subsection do not constitute either a sliding scale of rates or an automatic adjustment subject to the prohibitions in subsections (a) and (b).] The commission shall annually review and approve plans for purposes of reliability and supply. Such rates, however, are subject to the [kinds] types of audits, reports and proceedings required by subsection (d).

(3) Within 60 days following the end of such 12-month period as the commission shall designate, each [public utility] natural gas distribution company subject to this subsection shall file

with the commission a statement which specifies for such period:

(i) The total revenues received pursuant to this section.

(ii) The total [gas expense] natural gas costs incurred.

(iii) The difference between the amounts specified by subparagraphs (i) and (ii).

(iv) [Evidence explaining how actual] How actual natural gas costs incurred differ from the natural gas costs allowed under paragraph (2) and why such differences occurred.

(v) How these natural gas costs are consistent with a least cost procurement policy as required by section 1318 (relating to determination of just and reasonable [natural] gas cost rates).

Such report shall be a matter of public record and copies thereof shall be made available by the [gas distributor] natural gas distribution company to any person upon request. Copies of the reports shall be filed with the Office of Consumer Advocate and the Office of Small Business Advocate at the same time as they are filed with the commission.

(4) The commission shall hold a public hearing on the substance of such statement submitted by a [utility] natural gas distribution company as required in paragraph (3) and on any related matters.

(5) The commission, after hearing, shall determine the portion of the [companies] company's natural gas distribution actual natural gas costs in the previous 12-month period which meet the standards set out in section 1318. The commission shall, by order, direct each [gas utility] natural gas distribution company subject to this subsection to refund to its [patrons any] customers gas revenues collected pursuant to paragraph (2) which exceed the amount of actual [gas expenses] natural gas costs incurred consistent with the standards in section 1318 and to recover from its [patrons] customers any amount by which the actual [gas expenses,] natural gas costs, which have been incurred consistent with the standards in section 1318, exceed the revenues collected pursuant to paragraph (2). Absent good reason to the contrary, the commission shall issue its order within six months following the filing of the statement described in paragraph (3). Refunds to [patrons] customers shall be made with interest, [which shall be the average rate of interest specified for residential mortgage lending by the Secretary of Banking in accordance with the act of January 30, 1974 (P.L.13, No.6), referred to as the Loan Interest and Protection Law,] at the legal rate of interest plus two percent, during the period or periods for which the commission orders refunds[:], and recoveries from customers shall include interest at the legal rate of interest: Provided, That nothing contained herein shall limit the applicability of any defenses, principles or doctrines which would prohibit the commission's inquiry into any matters that were decided finally in the commission's order issued under paragraph (2).

(6) The commission shall require that customers transferring from sales to transportation service be subject to the over or under collection adjustment provided for in paragraph (5) and shall require further that customers transferring from transportation service to sales service not be subject to the over or under collection adjustment for an appropriate period following either such transfer.

(g) Definition.—As used in this section, [the term “natural gas” includes natural gas, liquefied natural gas, synthetic natural gas and any natural gas substitutes.] the terms “natural gas costs” and “gas costs” include the direct costs paid by a natural gas distribution company for the purchase and the delivery of natural gas to its system in order to supply its customers. Such costs may include costs paid under agreements to purchase natural gas from sellers; costs paid for transporting natural gas to its system; costs paid for natural gas storage service from others,

including the costs of injecting and withdrawing natural gas from storage; all charges, fees, taxes and rates paid in connection with such purchases, pipeline gathering, storage and transportation; and costs paid for employing futures, options and other risk management tools. “Natural gas” and “gas” include natural gas, liquefied natural gas, synthetic natural gas and any natural gas substitutes.

§ 1317. Regulation of natural gas costs.

(a) General rule.—In every rate proceeding instituted by a natural gas distribution utility, pursuant to section 1307(f) (relating to sliding scale of rates; adjustments), each such utility shall be required to [provide] supply to the commission such information, to be established by commission regulation within 120 days of the passage of this section, that will permit the commission to make specific findings as to whether the utility is pursuing a least cost fuel procurement policy, consistent with the utility's obligation to provide safe, adequate and reliable service to its customers. Such information shall include, but need not be limited to, information, data and statements regarding:

(1) The utility's participation in rate proceedings before the Federal Energy Regulatory Commission which affect the utility's gas costs.

(2) The utility's efforts to negotiate favorable contracts with gas suppliers and to renegotiate existing contracts with gas suppliers or take legal actions necessary to relieve the utility from existing contract terms which are or may be adverse to the interests of the utility's ratepayers.

(3) The utility's efforts to secure lower cost gas supplies both within and outside of the Commonwealth, including the use of transportation arrangements with pipelines and other gas distribution companies.

(4) The sources and amounts of all gas supplies which have been withheld or have been caused to be withheld from the market by the utility and the reasons why such gas is not to be utilized.

(b) Integrated gas companies.—In the case of a natural gas distribution utility which purchases all or part of its gas supplies from an affiliated interest, as that term is defined in section 2101 (relating to definition of affiliated interest), such utility shall, in addition to the materials required in subsection (a), be required to provide to the commission such information, to be established by commission regulation within 120 days of the passage of this section, that will permit the commission to make specific findings as to whether any purchases of gas from an affiliated interest are consistent with a least cost fuel procurement policy, consistent with the utility's obligation to provide safe, adequate and reliable service to its customers. Such information shall include, but need not be limited to, statements regarding:

(1) Efforts made by the utility to obtain gas supplies from nonaffiliated interests.

(2) The specific reasons why the utility has purchased gas supplies from an affiliated interest and demonstration that such purchases are consistent with a least cost fuel procurement policy.

(3) The sources and amounts of all gas supplies which have been withheld from the market by the utility or any affiliated interest and the reasons why such gas is not being utilized.

(c) Reliability plans.—As part of its filing under section 1307(f) or if it is not required to make such a filing on an annual basis, a natural gas distribution company, as defined in section 2202 (relating to definitions), shall file a proposed reliability plan with the commission which shall, at a minimum, identify the following:

(1) The projected peak day and seasonal requirements of the firm customers utilizing the distribution system of the natural gas distribution company during the 12-month projected period specified in section 1307(f)(1). Where operationally required, the design peak day requirements shall be specified for discrete segments of each natural gas distribution system.

(2) The transportation capacity, storage, peaking or on system production that ensures deliverability of the natural gas supplies necessary to meet such projected period peak day and seasonal requirements.

(d) Supply plans.—As part of its filing under section 1307(f), a natural gas distribution company shall file a proposed plan with the commission for acquisition or receipt of natural gas supplies.

(c) (e) Definition.—As used in this section, the [term “natural gas” includes natural gas, liquified natural gas, synthetic natural gas and any natural gas substitutes] terms “natural gas costs,” “gas costs,” “natural gas” and “gas” shall have the same definitions as provided in section 1307(g).

§ 1318. Determination of just and reasonable [natural] gas cost rates.

(a) General rule.—In establishing just and reasonable rates for those natural gas distribution [utilities] companies, as defined in section 2202 (relating to definitions), with gross intrastate operating revenues in excess of \$40,000,000 under section 1307(f) (relating to sliding scale of rates; adjustments) or 1308(d) (relating to voluntary changes in rates) or any other rate proceeding, the commission shall consider the materials provided by the utilities pursuant to section 1317 (relating to regulation of natural gas costs). No rates for a natural gas distribution utility shall be deemed just and reasonable unless the commission finds that the utility is pursuing a least cost fuel procurement policy, consistent with the utility’s obligation to provide safe, adequate and reliable service to its customers. In making such a determination, the commission shall be required to make specific findings which shall include, but need not be limited to, findings that:

(1) The utility has fully and vigorously represented the interests of its ratepayers in proceedings before the Federal Energy Regulatory Commission.

(2) The utility has taken all prudent steps necessary to negotiate favorable gas supply contracts and to relieve the utility from terms in existing contracts with its gas suppliers which are or may be adverse to the interests of the utility’s ratepayers.

(3) The utility has taken all prudent steps necessary to obtain lower cost gas supplies on both short-term and long-term bases both within and outside the Commonwealth, including the use of gas transportation arrangements with pipelines and other distribution companies.

(4) The utility has not withheld from the market or caused to be withheld from the market any gas supplies which should have been utilized as part of a least cost fuel procurement policy.

(b) Limitation on gas purchased from affiliates.—In any instance in which a natural gas distribution [utility] company purchases all or part of its gas supplies from an affiliated interest, as that term is defined in section 2101 (relating to definition of affiliated interest), the commission, in addition to the determinations and findings set forth in subsection (a), shall be required to make specific findings with regard to the justness and reasonableness of all such purchases. Such findings shall include, but not be limited to findings:

(1) That the utility has fully and vigorously attempted to obtain less costly gas supplies on both short-term and long-term bases from nonaffiliated interests.

(2) That each contract for the purchase of gas from its affiliated interest is consistent with a least cost fuel procurement policy.

(3) That neither the utility nor its affiliated interest has withheld from the market any gas supplies which should have been utilized as part of a least cost fuel procurement policy.

(c) Shut-in gas; special rule.—In determining whether a gas utility has purchased the least costly natural gas available, the commission shall consider as available to the utility any gas supplies that reasonably could have been brought to market during the relevant period but which were voluntarily withheld from the market by the utility or an affiliated interest of the utility.

(d) Other regulatory approvals.—The fact that a contract or rate has been approved by a Federal regulatory agency for interstate ratemaking purposes shall not, in and of itself, be adequate to satisfy the utility’s burden of proof that gas prices and volumes associated with such contract or rate are just and reasonable for purposes of this section.

(e) Reports.—Each natural gas distribution utility with gross intrastate annual operating revenues in excess of \$40,000,000 shall file with the commission [and], the Office of Consumer Advocate and the Office of Small Business Advocate, in accordance with regulations to be prescribed by the commission, quarterly reports setting forth the actual gas costs incurred by the utility on a monthly basis. Actual gas costs shall be reviewed for their accuracy by the Bureau of Audits at least annually and the results of that review shall be submitted to the commission.

(f) Definition.—As used in this section, the [term includes natural gas, liquified natural gas, synthetic natural gas and any natural gas substitutes.] terms “natural gas” “natural gas costs,” “gas costs,” and “gas” shall have the same definitions as provided in section 1307(g).

Section 2. Title 66 is amended by adding a chapter to read:

CHAPTER 20

UTILITY INDUSTRY RESTRUCTURING

Sec.

2001. Applicability.

2002. Findings and purposes.

2003. Requirements.

2004. Requirements related to work force reduction.

2005. Displaced employee program.

2006. Transfers of ownership.

2007. Transfers to certain subsidiaries.

2008. Existing sales agreements.

§ 2001. Applicability.

In addition to any other specific requirements contained in this title, the provisions of this chapter shall apply to the restructuring or deregulation of any public utility industry.

§ 2002. Findings and purposes.

(1) The reliability and safety of the public utility industries subject to this title have depended on a work force of skilled and dedicated employees equipped with technical training and experience.

(2) The integrity and reliability of their systems also have depended on each industry’s commitment to invest in regular inspection and maintenance, to assure that they can withstand the demands of heavy service requirements and emergency situations.

(3) It is in the Commonwealth’s interest to protect the interests of public utility employees who have dedicated themselves to assuring reliable service to the citizens of this Commonwealth and who otherwise might be economically displaced in a restructured industry.

§ 2003. Requirements.

The General Assembly further finds that it is necessary to assure that employees operating in a restructured or deregulated public utility industry have the requisite skills, knowledge and competence to provide safe, adequate and reliable service and, therefore, all public utilities and all other persons providing services to consumers using the facilities of a public utility shall be required to demonstrate the competence of their employees to work in the public utility industry. The knowledge, skills and competence levels to be demonstrated shall be consistent with those generally required of or by comparable public utilities in this Commonwealth with respect to their employees. Adequate demonstration of requisite knowledge, skills and competence shall include such factors as completion by the employee of an accredited or otherwise recognized apprenticeship program for the particular craft, trade or skill, or specified years of employment with a public utility or similar business performing the particular work function. To implement this requirement, the commission, in determining that a person or public utility meets the standards required by this chapter, shall require the person or public utility to demonstrate that the person or public utility is licensed to do business in this Commonwealth and that the employees of the person or public utility that will be installing, operating and maintaining facilities and services within this Commonwealth, or any other entity which the person or public utility has contracted to perform those functions within this Commonwealth, have the requisite knowledge, skills and competence to perform those functions in a safe and responsible manner in order to

provide safe, adequate and reliable service in accordance with the criteria stated herein.

§ 2004. Requirements related to work force reduction.

(a) Work force reduction plan.—The General Assembly finds based on experience in industries that have undergone deregulation, restructuring and transition, that the introduction of competition into this Commonwealth's regulated industries may result in work force reductions by public utilities which may adversely affect persons who have been employed in this Commonwealth's regulated industries in functions important to the public convenience and necessity. The General Assembly further finds that the impacts on employees and their communities of any necessary reductions in the industry's work force directly caused by the restructuring or deregulation of an industry subject to this title shall be mitigated to the extent practicable through such means as offers of voluntary severance, retraining, early retirement, outplacement, continuation of medical benefits and related benefits. Therefore, before any such reduction in the work force, a public utility shall present to its employees or their representatives a work force reduction plan outlining the means by which the public utility intends to reasonably mitigate the impact of such work force reduction on its employees.

(b) Employee termination.—Beginning May 1, 1999, if a public utility lays off or terminates any of its employees, except for just cause, the public utility shall provide the commission with sufficient information to show that with the reduction of employees the public utility will still be able to ensure the safety, adequacy and reliability of service to all customers and provide at least 60 days' written notice of such layoff or termination to the public utility's employees or the employees' authorized bargaining representative.

§ 2005. Displaced employee program.

The Department of Labor and Industry shall establish and implement a program to assist the employees of a public utility who are displaced by restructuring or deregulation. The program shall be designed to assist employees in obtaining employment and shall consist of utilizing the Federal funds available for the purpose of retraining and outplacement services for such employees.

§ 2006. Transfers of ownership.

In the event of a sale, purchase, or any other transfer of ownership of a public utility, or of one or more Pennsylvania divisions or business units of a public utility, the existing public utility's contracts and/or agreements with the acquiring person shall require that the acquiring person shall hire a sufficient number of nonsupervisory employees to operate and maintain the facilities and services of the public utility by initially making offers of employment to the nonsupervisory work force of the public utility, or the division or business unit of the public utility being transferred, at no less than the wage rates and substantially equivalent fringe benefits and terms and conditions of employment that are in effect at the time of transfer of ownership of said division or business unit and said wage rates and substantially equivalent fringe benefits and terms of and conditions of employment shall continue for at least 30 months from the time of said transfer of ownership unless the public utility, the acquiring person and the affected employees mutually agree to different terms and conditions of employment within that 30-month period. The public utility shall offer a transition plan to those employees who are not offered jobs by the acquiring person because that person has a need for fewer workers. If there is litigation concerning the sale or other transfer of ownership of the public utility, or the division or business unit of the public utility, the 30-month period will begin on the date the acquiring person takes control or management of the public utility or the division or business unit of the public utility.

§ 2007. Transfers to certain subsidiaries.

If a public utility transfers ownership of one or more Pennsylvania divisions or business units to a majority-owned subsidiary of the public utility or to any affiliated interest of the public utility as defined in section 2101 (relating to definition of affiliated interest), that subsidiary or affiliated interest shall continue to employ the public utility's employees who were employed by the public utility at such division or business unit at the time of the transfer under the same terms and

conditions of employment as those employees enjoyed at the time of the transfer. If ownership of the subsidiary or affiliated interest is subsequently sold or transferred to a third party, these provisions shall continue to apply.

§ 2008. Existing sales agreements.

The provisions of sections 2006 (relating to transfers of ownership) and 2007 (relating to transfers to certain subsidiaries) shall not apply to the transfer of any division or business unit of a public utility which was the subject of an executed sales agreement entered into before January 1, 1999.

Section 3. Subpart D of Part I of Title 66 is amended by adding a chapter to read:

CHAPTER 22 NATURAL GAS COMPETITION

Sec.

2201. Short title of chapter.

2202. Definitions.

2203. Standards for restructuring of natural gas utility industry.

2204. Implementation.

2205. Duties of natural gas distribution companies.

2206. Consumer protections and customer service.

2207. Obligation to serve.

2208. Requirements for natural gas suppliers.

2209. Market power remediation.

2210. Approval of proposed mergers, consolidations, acquisitions or dispositions.

2211. Rate caps.

§ 2201. Short title of chapter.

This chapter shall be known and may be cited as the Natural Gas Choice and Competition Act.

§ 2202. Definitions.

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

"Consumer protection." The standards, practices and service protections for retail gas customers, including those provided for in 52 Pa. Code Ch. 56 (relating to standards and billing practices for residential utility service), as well as applicable Federal and State debt/credit collection statutes and any regulations or orders of the commission that provide such protections, as may be modified by the commission from time to time.

"Entity." A person or corporation as defined in section 102 (relating to definitions).

"Natural gas distribution company." A public utility that provides natural gas distribution services and which may provide natural gas supply services and other services. For purposes of this chapter, this term does not include:

(1) any public utility subject to the jurisdiction of the commission which has annual gas operating revenues of less than \$6,000,000 per year, except where the public utility voluntarily petitions the commission to be included within this definition or where the public utility seeks to provide natural gas supply services to retail gas customers outside its service territory; or

(2) any natural gas public utility subject to the jurisdiction of the commission that is not interconnected to an interstate gas pipeline by means of a direct connection or an indirect connection through the distribution system of another natural gas public utility or through a natural gas gathering system.

"Natural gas distribution service." The delivery of natural gas to retail gas customers utilizing the jurisdictional facilities of the natural gas distribution company.

"Natural gas supplier." An entity other than a natural gas distribution company, but including natural gas distribution company marketing affiliates, which provides natural gas supply services to retail gas customers utilizing the jurisdictional facilities of a natural gas distribution company. The term includes a natural gas distribution company that provides natural gas supply services outside its certificated

service territories. The term includes a municipal corporation, its affiliates or any joint venture, to the extent that it chooses to provide natural gas supply services to retail customers located outside of its corporate or municipal limits, as applicable, other than:

- (i) as provided prior to the effective date of this chapter, pursuant to a certificate of public convenience if required under this title;
- (ii) total natural gas supply services in de minimis amounts;
- (iii) natural gas supply services requested by, or provided with the consent of, the public utility in whose certificated territory the services are provided; or
- (iv) natural gas supply services provided to the municipal corporation itself or its tenants on land it owns or leases, or is subject to an agreement of sale or pending condemnation, as of September 1, 1999, to the extent permitted by applicable law independent of this chapter.

The term excludes an entity to the extent that it provides free gas to end-users under the terms of an oil or gas lease. Notwithstanding any other provision of this title, a natural gas supplier that is not a natural gas distribution company is not a public utility as defined in section 102 (relating to definitions) to the extent that the natural gas supplier is utilizing the jurisdictional distribution facilities of a natural gas distribution company or is providing other services authorized by the commission.

“Natural gas supply services.”

- (1) The term includes:
 - (i) The sale or arrangement of the sale of natural gas to retail gas customers; and
 - (ii) services that may be unbundled by the commission under section 2203(3) (relating to standards for restructuring of natural gas utility industry).
- (2) The term does not include distribution service.

“Reliability.” The term comprises adequacy and security. The term “adequacy” means the provision of sufficient volumes and deliverability of natural gas so as to supply the requirements of retail gas customers, taking into account peak and seasonal demands, as well as isolated market areas and system operation contingencies. The term “security” means designing, maintaining and operating a system so that it can safely handle extreme conditions, as well as emergencies.

“Retail gas customer.” A direct purchaser of natural gas supply services or natural gas distribution services, other than a natural gas supplier. The term excludes an occupant of a building or facility where the owner/operators manage the internal distribution system serving such building or facility and supply natural gas and other related services to occupants of the building or facility; where such owner/operators are direct purchasers of natural gas supply service; and where the occupants are not direct purchasers.

“Universal service and energy conservation.” Policies, practices and services that help residential low-income retail gas customers and other residential retail gas customers experiencing temporary emergencies, as defined by the commission, to maintain natural gas supply and distribution services. The term includes retail gas customer assistance programs, termination of service protections and consumer protection policies and services that help residential low-income customers and other residential customers experiencing temporary emergencies to reduce or manage energy consumption in a cost-effective manner, such as the low-income usage reduction programs and consumer education.

§ 2203. Standards for restructuring of natural gas utility industry.

The following interdependent standards shall govern the commission's actions in adopting rules, orders or policies and in reviewing, assessing and approving each natural gas distribution company's restructuring filings and overseeing the transition process and regulation of the restructured natural gas utility industry:

- (1) The commission shall adopt and enforce standards as necessary to ensure continuation of the safety and reliability of the

natural gas supply and distribution service to all retail gas customers. In adopting the standards, the commission shall consider the absence of any applicable industry standards and practices or adopt standards in conformity with industry standards and practices meeting the standards of this chapter. The application of such standards shall be in a manner that incorporates the operating requirements of the different natural gas distribution companies.

(2) Consistent with section 2204 (relating to implementation), the commission shall allow retail gas customers to choose among natural gas suppliers and natural gas distribution companies to the extent that they offer such natural gas supply services. Retail gas customers shall be able to choose from these suppliers a variety of products, including, but not limited to, different supply and pricing options, and services that evolve as the competitive marketplace matures. Neither any natural gas supplier nor any natural gas distribution company shall offer interruptible gas service to any essential human needs retail gas customer lacking installed and operable alternative fuel capability or to any residential retail gas customer.

(3) The commission shall require natural gas distribution companies to unbundle natural gas supply services such that separate charges for the services can be set forth in tariffs and on retail gas customers' bills. In its restructuring filing, the natural gas distribution company shall establish system reliability standards and capacity contract mitigation parameters and address the unbundling of commodity, capacity, storage, balancing and aggregator services. The commission may address the unbundling of other services only through a rulemaking. In conducting the rulemaking, the commission shall consider the impact of such unbundling on the labor force, the creation of stranded costs, safety, reliability, consumer protections, universal service and the potential for unbundling to offer savings, new products and additional choices or services to retail gas customers. The commission's decisions shall assure that standards and procedures for safety and reliability, consumer protections and universal service are maintained at levels consistent with this chapter.

(4) Consistent with the provisions of section 2204, the commission shall require that a natural gas distribution company that owns or operates jurisdictional distribution facilities shall provide distribution service to all retail gas customers in its service territory and to all natural gas suppliers, affiliated or nonaffiliated, on nondiscriminatory rates, terms of access and other conditions.

(5) The commission shall require that restructuring of the natural gas utility industry be implemented in a manner that does not unreasonably discriminate against one customer class for the benefit of another.

(6) After notice and hearings, the commission shall establish for each natural gas distribution company an appropriate nonbypassable, competitively neutral cost-recovery mechanism which is designed to recover fully the natural gas distribution company's universal service and energy conservation costs over the life of these programs. Except as provided in paragraph (10), policies, activities and services under this paragraph shall be funded and spent in each natural gas distribution company's service territory. Nothing in this chapter shall be construed to prohibit public funding or voluntary funding by third parties of a natural gas distribution company's universal service and energy conservation programs.

(7) The commission shall, at a minimum, continue the level and nature of the consumers protections, policies and services within its jurisdiction that are in existence as of the effective date of this chapter to assist low-income retail gas customers to afford natural gas services.

(8) The commission shall ensure that universal service and energy conservation policies, activities and services are appropriately funded and available in each natural gas distribution

service territory. The commission shall encourage the use of community-based organizations that have the necessary technical and administrative experience to be the direct providers of services or programs which reduce energy consumption or otherwise assist low-income retail gas customers to afford natural gas service. Programs under this paragraph shall be subject to the administrative oversight of the commission, which shall ensure that the programs are operated in a cost-effective manner.

(9) Each natural gas distribution company shall set forth in its restructuring filing an initial proposal to meet its universal service and energy conservation obligations.

(10) Consistent with paragraph (7), the commission shall convene a task force to review universal service programs and their funding. The task force shall issue a report to the commission by December 31, 1999, and annually thereafter. Recommendations regarding the use of general State revenue shall be concurrently forwarded to the General Assembly.

(11) The commission shall continue to regulate rates for natural gas distribution services for new and existing retail gas customers in accordance with Chapter 13 (relating to rates and rate making) and this chapter.

(12) The commission shall make its determinations pursuant to this chapter and shall adopt such orders or regulations as necessary and appropriate to ensure that natural gas suppliers meet their supply and reliability obligations, including, but not limited to, establishing penalties for failure to deliver natural gas and revoking licenses. Any affected entity may at any time petition the commission to amend or rescind any such order or regulation issued or promulgated under this chapter.

(13) Each natural gas distribution company shall set forth in its restructuring filing an initial proposal to meet its employee transition obligations precipitated by this chapter.

(14) The natural gas distribution company may continue to provide natural gas service to its customers under all tariff rate schedules and riders incorporated into its tariff, and policies or programs, existing on the effective date of this chapter.

(15) Beginning May 1, 1999, and continuing for a 36-month period thereafter, if a natural gas distribution company lays off or terminates any of its employees, except for just cause, the natural gas distribution company shall:

(i) Provide the commission with sufficient information to show that with the reduction of employees the company will still be able to ensure the safety and reliability of natural gas distribution service to all retail gas customers, as provided for by the commission under paragraph (1).

(ii) Provide at least 60 days' written notice of such layoff or termination to the company's employees' authorized bargaining representative.

§ 2204. Implementation.

(a) Commencement of customer choice.—Beginning on November 1, 1999, unless the commission for good cause shown extends this period by no more than eight months, consistent with this chapter, all retail gas customers of natural gas distribution companies shall have the opportunity to purchase natural gas supply services from a natural gas supplier or their natural gas distribution company to the extent it offers such services. The choice of natural gas suppliers shall rest with the retail gas customer. The commission shall adopt orders, rules, regulations and policies as shall be necessary and appropriate to implement fully this chapter within the time frames specified in this chapter, provided that the commission may, in the context of each natural gas distribution company's restructuring proceeding, establish the time frames for implementation of specific components of each natural gas distribution company's restructuring plan.

(b) Restructuring filings.—All natural gas distribution companies in this Commonwealth shall file with the commission, pursuant to a schedule to be determined by the commission in consultation with the natural gas

distribution companies, a restructuring filing consistent with this chapter and with any orders, rules or regulations adopted by the commission.

(c) Commission review.—

(1) The commission shall review the restructuring filing of each natural gas distribution company and shall, after open evidentiary hearings with proper notice and opportunity for all parties to cross-examine witnesses and brief issues, issue an order accepting, modifying or rejecting such filing at the earliest date possible, but no later than nine months from the filing date.

(2) In issuing the restructuring order, the commission may consider the results of any collaborative process previously engaged in during or prior to the restructuring proceeding.

(3) If the commission modifies or rejects a restructuring filing, it shall state the specific reasons for modification or rejection and direct the natural gas distribution company to address such objections with another filing within 30 days of the entry date of the commission order modifying or rejecting the prior filing.

(4) The commission shall review the alternative filing, solicit comments and reply comments from interested parties and issue a final order within 45 days of the revised filing.

(d) Release, assignment or transfer of capacity.—

(1) A natural gas distribution company holding contracts for firm storage or transportation capacity, including gas supply contracts with Pennsylvania producers, on the effective date of this chapter may, at its option, release, assign or otherwise transfer such capacity, or Pennsylvania supply, in whole or part, associated with those contracts on a nondiscriminatory basis to licensed natural gas suppliers or large commercial or industrial customers on its system.

(2) Contracts which by their terms must be renewed within 150 days after the effective date of this chapter or contracts for which the last day for notice of renewal or nonrenewal pursuant to the notice provision of the contract has occurred or is within 150 days after the effective date of this chapter and which are renewed pursuant to such notice requirements shall also be subject to the provisions of this subsection.

(3) Such release, assignment or transfer shall be at the applicable contract rate for such capacity, or Pennsylvania supply, and shall be subject to applicable contractual arrangements and tariffs. The amount so released, assigned or transferred shall be sufficient to serve the level of the customers' requirements for which the natural gas distribution company has procured such capacity, determined in accordance with the natural gas distribution company's tariff or procedures approved in its restructuring proceedings.

(4) The licensed natural gas supplier shall accept such release, assignment or transfer of that capacity, or Pennsylvania supply, and enter into all applicable contracts or agreements, as a condition of serving retail gas customers on the natural gas distribution company's system.

(5) On or after July 1, 2002, the commission shall have the authority to prevent such assignments, releases or transfers under either of the following circumstances:

(i) the natural gas distribution company, alone or together with one or more natural gas suppliers, voluntarily proposes an alternative to such assignments, releases or transfers and the commission finds such alternative to be in the public interest; or

(ii) upon the petition of the licensed natural gas supplier who desires to use alternate interstate storage or transportation capacity to serve its customers on the natural gas distribution company's system, the commission makes the following findings and issues a final order as to which all appeals have been exhausted in which:

(A) The commission finds that the alternate capacity which the natural gas supplier seeks to utilize meets the operational needs and

reliability standards of the natural gas distribution company.

(B) The commission confirms that the natural gas distribution company's specific transportation and storage capacity contracts to be displaced are no longer needed to serve firm customers of the natural gas distribution company.

(C) The commission authorizes the natural gas distribution company to follow a specific, written mitigation plan approved by the commission or, if such a plan is not approved or applicable, to post the displaced capacity for release in accordance with the rules and regulations of the Federal Energy Regulatory Commission and applicable requirements of interstate pipelines.

(D) The commission authorizes the natural gas distribution company to recover the difference between the amount the natural gas distribution company is required to pay under the applicable contract terms for the capacity released, assigned or transferred pursuant to subparagraph (c) and the amount the natural gas distribution company receives from an entity, if any, that acquires such capacity. Under no circumstances, however, shall such recovery result in shifting of costs between customer classes or in any increase in rates to customers who continue to purchase natural gas supplies from the natural gas distribution company acting in its supplier of last resort function.

(6) Prior to making the filing provided for in paragraph (5), the natural gas supplier shall meet with the natural gas distribution company to discuss the natural gas supplier's proposed alternatives to the existing gas supply or capacity contracts or to their mandatory assignment.

(7) Those natural gas distribution companies having gas supply contracts with Pennsylvania producers may address the issue of post-July 1, 2002, assignment of such contracts in their restructuring proceeding or thereafter.

(e) New and renewed capacity.—

(1) Subject to the service obligations imposed by this title, and to the extent such capacity is not needed to meet the natural gas distribution company's least cost fuel procurement and other applicable standards pursuant to this title, prior to entering into new or renewed contracts for firm storage or transportation capacity not subject to subsection (d)(1), (2), (3) or (4) each natural gas distribution company shall offer on a nondiscriminatory basis to each natural gas supplier licensed to do business on its system, and to large volume industrial or commercial customers of the natural gas distribution company being served by such contracts, the opportunity to renew such contracts, pursuant to the rules and regulations of the Federal Energy Regulatory Commission, or to enter into other contracts for capacity.

(2) The capacity shall meet the reliability criteria of the natural gas distribution company and, in the case of large volume industrial and commercial customers being served by such contracts, shall meet their current requirements.

(3) Each natural gas distribution company shall utilize the collaborative process established pursuant to subsection (f) to address its capacity requirements.

(4) Absent the natural gas supplier or large volume industrial or commercial customer taking or providing such capacity, the natural gas distribution company shall file with and obtain approval from the commission for such contracts necessary to ensure sufficient capacity to meet current and projected customer requirements considering the commitments of natural gas suppliers.

(5) Prior to being displaced by a natural gas supplier's alternate interstate storage or transportation capacity, contracts

renewed or entered into by the natural gas distribution company pursuant to this subsection shall be subject to the process set forth in subsection (d).

(f) Working group and collaborative process.—In its restructuring proceeding, a natural gas distribution company shall set forth a process to establish a working group of licensed natural gas suppliers having customers on the natural gas distribution company's system and representatives of the residential, commercial and industrial customer classes to:

(1) Meet on a scheduled basis.

(2) Seek resolution of operational and capacity issues related to customer choice.

The final determination of operational and reliability issues resides with the natural gas distribution company. In addition, the natural gas distribution company shall include in its restructuring filing a collaborative process to address broader issues relating to unbundling, customer choice and deregulation.

(g) Investigation and report to General Assembly.—Five years after the effective date of this chapter, the commission shall initiate an investigation or other appropriate proceeding, in which all interested parties are invited to participate, to determine whether effective competition for natural gas supply services exists on the natural gas distribution companies' systems in this Commonwealth. The commission shall report its findings to the General Assembly. Should the commission conclude that effective competition does not exist, the commission shall reconvene the stakeholders in the natural gas industry in this Commonwealth to explore avenues, including legislative, for encouraging increased competition in this Commonwealth.

(h) Displaced employee program.—The Department of Labor and Industry shall establish and implement a program to assist the natural gas distribution company employees who are displaced by the transition to retail competition precipitated by this chapter. The program shall be designed to assist employees in obtaining employment and shall consist of utilizing the Federal funds available for the purpose of retraining and outplacement services for such employees.

§ 2205. Duties of natural gas distribution companies.

(a) Integrity of distribution system.—

(1) Each natural gas distribution company shall maintain the integrity of its distribution system at least in conformity with the standards established by the Federal Department of Transportation and such other standards practiced by the industry in a manner sufficient to provide safe and reliable service to all retail gas customers connected to its system consistent with this title and the commission's orders or regulations.

(2) In performing such duties, the natural gas distribution company shall implement procedures to require all natural gas suppliers to supply natural gas to the natural gas distribution company at locations, volumes, qualities and pressures that are adequate to meet the natural gas supplier's supply and reliability obligations to its retail gas customers and the natural gas distribution company's supply and reliability obligations to its retail gas customers. The procedures shall include, but not be limited to:

(i) A communication protocol with natural gas suppliers.

(ii) An ability to issue system maintenance orders to control the flow of gas into the distribution system.

(iii) The right to issue and enforce penalties pursuant to commission direction, provided, however, that the commission may approve additional procedures of like nature by order or regulation to preserve reliability.

(b) Installation and improvement of facilities.—

(1) The natural gas distribution company shall not have an obligation to install nonstandard facilities, either as to type or location, for the purpose of receiving natural gas from the natural gas supplier unless the natural gas supplier or its retail gas customer pays the full cost of these facilities.

(2) Nothing in this chapter shall prevent the natural gas distribution company from maintaining and upgrading its system to meet retail gas customer requirements consistent with the requirement of section 1501 (relating to character of service and facilities) or compliance with other statutory and regulatory requirements.

(3) Disputes concerning facilities shall be subject to the jurisdiction of the commission and may be initiated by the filing of a complaint under section 701 (relating to complaints) by the commission or any interested party.

(c) Customer billing.—

(1) Subject to the right of a retail gas customer to choose to receive separate bills from its natural gas supplier for natural gas supply service, the natural gas distribution company shall be responsible for billing each of its retail gas customers for natural gas distribution service, consistent with the orders or regulations of the commission, regardless of the identity of the provider of natural gas supply services.

(2) (i) Bills to retail gas customers shall contain sufficient unbundled charge information to enable the customer to determine the basis for those charges and shall comply with section 1509 (relating to billing procedures). At a minimum, such charges shall include those services which are unbundled as a result of a restructuring filing or rulemaking.

(ii) Bills to retail residential customers rendered by a natural gas distribution company for natural gas distribution services shall include information required by commission regulations governing standards and billing practices for residential utility service.

(iii) Bills rendered by a natural gas distribution company on behalf of a natural gas supplier shall include, in a form and manner determined by the natural gas distribution company, in consultation with the natural gas supplier, the following information with respect to natural gas supplier services: the name of the natural gas supplier; the rates, charges or prices of natural gas supply services billed, including adjustments to prior period billings, if applicable, and taxes, if applicable; and the natural gas supplier's toll-free telephone number and hours of operation for customer inquiries.

(3) Incremental costs relating to billing services designed, implemented and rendered by the natural gas distribution company, at its election, on behalf of a natural gas supplier or other entity may be recovered through fees charged by the natural gas distribution company to the natural gas supplier or other entity. Either party may request that the commission consider the appropriate level of the fee. In doing so, the commission shall consider fees charged by other natural gas distribution companies for similar services. The commission shall either permit the fee to continue as set or shall establish an alternative mechanism to permit full recovery of unrecovered just and reasonable costs from the supplier or the supplier's customers. Nothing in this section shall permit the recovery of such costs from natural gas supply service customers of the natural gas distribution company.

(4) If services are provided by an entity other than the natural gas distribution company, the entity that provided those services shall furnish to the natural gas distribution company billing data sufficient to enable the natural gas distribution company to timely bill retail gas customers. The entity shall provide data for billing purposes in a format and in a time frame as required by the natural gas distribution company. The natural gas distribution company shall consider the data and information confidential and shall treat it as such.

(5) No natural gas distribution company shall be required to forward payment to entities providing services to customers and on whose behalf the natural gas distribution company is billing

those customers before the natural gas distribution company has received payment for those services from customers. The commission shall issue guidelines addressing the application of partial payments.

(6) Natural gas distribution companies and natural gas suppliers shall take reasonable steps to allow retail gas customers to contribute via their bill to hardship energy funds which benefit low-income residential retail gas consumers.

(d) Enhanced metering.—Subject to commission approval, the natural gas distribution company may require the installation, at the retail gas customer's expense, of enhanced metering capability sufficient to match the natural gas delivered by the retail gas customer's natural gas supplier or suppliers with consumption by that retail gas customer. In exercising its discretion, the commission shall consider the effect on low-income retail gas customers.

§ 2206. Consumer protections and customer service.

(a) Quality.—A natural gas distribution company shall be responsible for customer service functions consistent with the orders and regulations of the commission, including, but not limited to, meter reading, installation, testing and maintenance and emergency response for all customers, and complaint resolution and collections related to the service provided by the natural gas distribution company. Customer service and consumer protections and policies for retail gas customers shall, at a minimum, be maintained at the same level of quality under retail competition as in existence on the effective date of this chapter.

(b) Change of suppliers.—The commission shall, by order or regulation, establish procedures to ensure that a natural gas distribution company does not change a retail gas customer's natural gas supplier without direct oral confirmation from the customer of record or written evidence of the customer's consent to a change of supplier.

(c) Customer information.—The commission shall, by order or regulation, establish requirements that each natural gas distribution company and natural gas supplier provide adequate, accurate customer information to enable retail gas customers to make informed choices regarding the purchase of all natural gas services offered by that provider. Information shall be provided to retail gas customers in an understandable format that enables retail gas customers to compare prices and services on a uniform basis.

(d) Consumer education.—Prior to the implementation of any restructuring plan under section 2204 (relating to implementation), each natural gas distribution company, in conjunction with the commission and consistent with the guidelines established by the commission, shall implement a consumer education program to inform customers of the changes in the natural gas utility industry. The program shall provide retail gas customers with information necessary to help them make appropriate choices as to their natural gas service. The education program shall be subject to approval by the commission. The consumer education program shall include goals, objectives and an action plan that is designed to be objective, easily understood, utilizes a uniform measurement as established by the commission for the cost of gas, be available in languages that the commission requires to meet the needs of a service territory and be separate and distinct from marketing.

(e) Consumer education cost recovery.—The consumer education program shall be subject to approval by the commission and shall be funded in each natural gas distribution service territory by a nonbypassable, competitively neutral cost recovery mechanism that fully recovers the reasonable cost of such program. To the extent that the industrial customer class is not currently assigned such costs on the effective date of this chapter, it shall not be assigned such costs in the future.

(f) Tenants' rights.—Nothing in this chapter shall be construed to restrict the rights of tenants pursuant to Subchapter B of Chapter 15 (relating to discontinuance of service to leased premises).

§ 2207. Obligation to serve.

(a) Supplier of last resort.—

(1) After the effective date of this chapter, the natural gas distribution company shall serve as the supplier of last resort for

residential, small commercial, small industrial and essential human needs customers and any other customer classes determined by the commission in the natural gas distribution company's restructuring proceeding until such time as the commission, pursuant to this section, approves an alternative supplier or suppliers to provide such services to any or all of the natural gas distribution company's customers.

(2) For purposes of this section, a supplier of last resort is a natural gas distribution company or natural gas supplier which is designated by the commission to provide natural gas supply service with respect to one or more of the following services:

(i) natural gas supply services to those customers who have not chosen an alternative natural gas supplier or who choose to be served by their supplier of last resort;

(ii) natural gas supply services to those customers who are refused supply service from a natural gas supplier; or

(iii) natural gas supply services to those customers whose natural gas supplier has failed to deliver its requirements.

No customer shall have more than one supplier of last resort designated for any of the services set forth in this paragraph.

(b) Consumer protection.—Service by the supplier of last resort shall be subject to all consumer protection standards, including those contained in 52 Pa. Code Ch. 56 (relating to standards and billing practices for residential utility service) and to all universal service obligations.

(c) Natural gas distribution company.—The natural gas distribution company shall deliver natural gas to the extent that it is provided by all natural gas suppliers, or suppliers of last resort, as the case may be, in accordance with the natural gas distribution company's tariff.

(d) Standards of service.—Consistent with the standards set forth in section 1501 (relating to character of service and facilities) and applicable orders of the commission, a supplier of last resort under subsection (a)(2)(iii) shall provide sufficient supplies as to quantity, quality, pressure and location to meet the operational reliability requirements of the natural gas distribution company's system, including, but not limited to, a failure of one or more natural gas suppliers to:

(1) supply natural gas to their retail gas customers in conformance with their contractual obligations to such customers; or

(2) satisfy applicable reliability standards and obligations.

(e) Discontinuation of service.—The natural gas distribution company shall continue providing services as the supplier of last resort to all of its customers for all of the natural gas supply services described in subsection (a)(2), unless, at its discretion, it requests and receives commission approval to discontinue providing one or more such supplier of last resort obligation. In approving such a petition, the commission shall also approve another party as the alternative supplier of last resort for each customer or customer group for which the natural gas distribution company no longer provides such natural gas supply services.

(f) Regulations.—The commission shall promulgate regulations setting forth the standards for approving an alternative supplier of last resort consistent with the provisions of this title, including a mechanism to ensure that the rates charged by any alternate supplier of last resort are just and reasonable.

(g) Organized labor.—During the five-year period following the effective date of this chapter, approval of an alternative supplier of last resort pursuant to subsection (e) shall not be granted unless the entity designated by the commission to succeed the natural gas distribution company in the provision of service to these customers agrees to recognize relevant union and collective bargaining agreements of the natural gas distribution company then in place.

(h) Petition to become supplier of last resort.—After the five-year period following the effective date of this chapter, any party may petition the commission to become the supplier of last resort to some or all customers except for those customers identified in subsection (a)(2)(i).

(i) Notice required prior to market exit.—

(1) A natural gas supplier may not exit the market without providing notice as determined by the commission in the restructuring proceeding of the natural gas distribution company to its customers, the supplier of last resort and the natural gas distribution company.

(2) If firm gas supply contracts with Pennsylvania natural gas producers or storage or transportation capacity contracts used by the natural gas supplier to serve such retail gas customers were either assigned or released to the natural gas supplier or constitute capacity which was acquired by the natural gas supplier as the result of nonrenewal of a storage or transportation capacity contract previously held by the natural gas distribution company, the natural gas supplier shall offer the supplier of last resort or successor natural gas supplier a right of first refusal to utilize such Pennsylvania supply contracts or storage or transportation capacity contracts at its contract cost as long as needed to serve those customers.

(3) If the storage or transportation capacity contracts held by the natural gas supplier were acquired in another manner, and there was not sufficient notice given to the supplier of last resort and the natural gas distribution company, or if there is not alternative storage or transportation capacity available which is operationally sufficient to serve the market the natural gas supplier was serving, then the supplier of last resort shall be provided with a right to use such storage or transportation capacity as designated by the natural gas supplier, at the contract cost, until the supplier of last resort is able to acquire replacement capacity sufficient to serve its customers using reasonable and diligent efforts to do so.

(4) If a dispute arises under this subsection, the aggrieved party may file a complaint with the commission for resolution within 45 days.

(j) Duty involving lost customers.—To the extent that a natural gas supplier loses retail gas customers such that its capacity requirements to a natural gas distribution company are reduced below the level established by the commission for such purpose in the natural gas distribution company's restructuring proceeding, the natural gas supplier shall have the same obligations set forth in subsection (i).

(k) Rate after service discontinued.—In the event the natural gas supplier discontinues service or defaults before its contract with the customer expires, the retail gas customer shall be served by the supplier of last resort at the commission-approved supplier of last resort rate commencing with the next billing cycle. However, the retail gas customer shall continue to be charged the rate the customer negotiated with the discontinuing or defaulting natural gas supplier for the remainder of the billing cycle. Any difference between the cost incurred by the supplier of last resort and the amount payable by the retail gas customer shall be recovered from the natural gas supplier or from the bond or other security provided by the natural gas supplier without recourse to any retail gas customer not otherwise contractually committed for the difference.

§ 2208. Requirements for natural gas suppliers.

(a) License requirements.—No entity shall engage in the business of a natural gas supplier unless it holds a license issued by the commission. To the extent that a natural gas distribution company provides natural gas supply service outside of its chartered or certificated territory, it also must hold a license. A license shall not be required for customers who make de minimis incidental sales or resales to themselves, an affiliate or to other nonresidential retail gas customers.

(b) License application and issuance.—An application for a natural gas supplier license shall be made to the commission in writing, be verified by oath or affirmation and be in such form and contain such information as the commission may, by rule or order, require. A license shall be issued to any applicant, authorizing the whole or any part of the service covered by the application, if it is found that the applicant is fit, willing and able to perform properly the service proposed and to conform to the applicable provisions of this title and the orders and regulations of the commission, including those concerning standards and billing

practices, and that the proposed service, to the extent authorized by the license, will be consistent with the public interest. Otherwise, such application shall be denied.

(c) Financial fitness.—

(1) In order to ensure the safety and reliability of the natural gas supply service in this Commonwealth, no natural gas supplier license shall be issued or remain in force unless the applicant or holder, as the case may be, complies with all of the following:

(i) Furnishes a bond or other security in a form and amount to ensure the financial responsibility of the natural gas supplier. The criteria each natural gas distribution company shall use to determine the amount and form of such bond or other security shall be set forth in the natural gas distribution company's restructuring filing. In approving the criteria, commission considerations shall include, but not be limited to, the financial impact on the natural gas distribution company or an alternative supplier of last resort of a default or subsequent bankruptcy of a natural gas supplier. The commission shall periodically review the criteria upon petition by any party. The amount and form of the bond or other security may be mutually agreed to between the natural gas distribution company or the alternate supplier of last resort and the natural gas supplier or failing that shall be determined by criteria approved by the commission.

(ii) Provides the commission with the address of the participant's principal office in this Commonwealth or the address of the participant's registered agent in this Commonwealth, the latter being the address at which the participant may be served process.

(2) Failure of a natural gas supplier to comply with any provision of this chapter or the rules, regulations, orders or directives of the Department of Revenue or of the commission, including, but not limited to, engaging in anticompetitive behavior, shall be cause for the commission to revoke the license of the natural gas supplier.

(d) Transferability of licenses.—No license issued under this chapter may be transferred without prior commission approval.

(e) Form of regulation of natural gas suppliers.—Except where a natural gas supplier serves as a supplier of last resort, the commission may forbear from extending its regulation of natural gas suppliers beyond licensing, bonding, reliability and consumer services and protections, including all applicable portions of 52 Pa. Code Ch. 56 (relating to standards and billing practices for residential utility service). Subject to the provisions of section 2207 (relating to obligation to serve), nothing in this section shall preclude a natural gas supplier, upon appropriate and reasonable notice to the retail gas customer, supplier of last resort, and the natural gas distribution company, from canceling its contract with any customer for legal cause, subject to the customer's right to have continued service from the supplier of last resort.

(f) Availability of the service of natural gas suppliers.—Prior to licensing any natural gas supplier, the commission shall set forth standards to ensure that all customer classes may choose to purchase natural gas from a natural gas supplier. The commission shall also ensure that natural gas suppliers comply with applicable provisions of 52 Pa. Code Ch. 56.

(g) Open and nondiscriminatory access.—In addition to meeting the license requirements applicable to applicants under subsection (b), a municipal corporation shall, before it is permitted to provide natural gas supply services as a natural gas supplier, demonstrate, and the commission shall determine, that by the date of the issuance of the license, it will provide other natural gas suppliers open and nondiscriminatory access to its gas distribution system under standards that are comparable to this title, taking into consideration the particular circumstances of the municipal corporation's ownership and/or operation of the gas distribution system.

§ 2209. Market power remediation.

(a) Interim standards of conduct.—Within 120 days of the effective date of this chapter, the commission shall provide by order binding, interim guidelines for standards of conduct governing the activities of and relationships between natural gas distribution companies and their affiliated natural gas suppliers and other natural gas suppliers and monitor and enforce compliance with those standards.

(b) Permanent standards of conduct.—The commission shall thereupon promulgate regulations setting forth permanent standards of conduct governing the activities of and relationships between natural gas distribution companies and their affiliated natural gas suppliers and other natural gas suppliers and monitor and enforce compliance with these standards. The commission shall neither favor nor disfavor conduct or operations by and between a natural gas distribution company and an affiliated natural gas supplier or a nonaffiliated natural gas supplier.

(c) Contents of standards.—Standards of conduct shall provide for:

(1) No discrimination against or preferential treatment of any natural gas supplier, including an affiliated natural gas supplier.

(2) No disclosure or preferential sharing of any confidential information to or with any individual natural gas supplier.

(3) Adequate rules prohibiting cross-subsidization of an affiliated natural gas supplier by a natural gas distribution company.

(4) Maintenance of separate books and records by the natural gas distribution company and its affiliated natural gas supplier.

(5) Sufficient physical and operational separation, but not including legal divestiture, to accomplish paragraphs (1), (2), (3) and (4).

(6) An informal dispute resolution procedure.

(7) A system of penalties for noncompliance with the final set of standards of conduct consistent with existing commission regulations.

(d) Limitation.—The standards shall not prohibit the natural gas distribution company and its affiliated natural gas supplier from using or sharing similar corporate names, trademarks, trade dress or service marks.

(e) Initiation of investigations.—Upon complaint or upon its own motion, for good cause shown, the commission shall conduct an investigation of the impact on the proper functioning of a fully competitive retail natural gas market, of mergers, consolidations, acquisition or disposition of assets or securities of natural gas suppliers and anticompetitive or discriminatory conduct affecting the retail distribution of natural gas.

(f) Conduct of investigations.—

(1) The commission may require a natural gas supplier to provide information, including documents and testimony, in accordance with the commission's regulations regarding the discovery of information.

(2) Material which the commission determines to be confidential, proprietary or trade secret information provided under this subsection shall not be disclosed to any person not directly employed or retained by the commission to conduct the investigation without the consent of the party providing the information.

(3) Notwithstanding the prohibition on disclosure of information in paragraph (2), the commission shall disclose information obtained under this subsection to the Office of Consumer Advocate and the Office of Small Business Advocate under an appropriate confidentiality agreement. The commission may disclose the information to appropriate Federal or State law enforcement officials if it determines that the disclosure of the information is necessary to prevent or restrain a violation of Federal or State law and it provides the party that provided the information with reasonable notice and opportunity to prevent or limit disclosure.

(g) Referrals and investigation.—If, as a result of the investigation conducted under this section, the commission has reason to believe that

anticompetitive or discriminatory conduct, including the unlawful exercise of market power, is preventing the retail gas customers from obtaining the benefits of a properly functioning and effectively competitive retail natural gas market, the commission, pursuant to its regulations, shall:

(1) Refer its findings to the Attorney General, the United States Department of Justice, the Securities and Exchange Commission or the Federal Energy Regulatory Commission.

(2) Subject to subsection (c)(3), disclose any information it has obtained in the course of its investigation to the agency or agencies to which it had made a referral under paragraph (1).

(3) Intervene, as provided and permitted by law or regulation, in any proceedings initiated as a result of a referral made under paragraph (1).

(h) Marketing standards.—As part of each natural gas distribution company's restructuring proceeding, the commission may, in its discretion, develop and apply different standards of conduct to the natural gas distribution company's marketing activities related to natural gas supply services. No such standards shall apply to the natural gas distribution company's marketing division or operations until the commission issues an order in the context of that natural gas distribution company's restructuring proceeding.

(i) Definition.—Subject to the conditions set forth in subsection (h), for the purposes of this section, the term "affiliated natural gas supplier" includes marketing activities related to natural gas supply services by the marketing division or the marketing operation of a natural gas distribution company.

§ 2210. Approval of proposed mergers, consolidations, acquisitions or dispositions.

(a) General rule.—In the exercise of authority the commission otherwise may have to approve mergers or consolidations involving natural gas distribution companies or natural gas suppliers or the acquisition or disposition of assets or securities of natural gas distribution companies or natural gas suppliers, the commission shall consider:

(1) Whether the proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail gas customers from obtaining the benefits of a properly functioning and effectively competitive retail natural gas market.

(2) The effect of the proposed merger, consolidation, acquisition or disposition on the employees of the natural gas distribution company and on any authorized collective bargaining agent representing those employees.

(b) Procedure.—Upon request for any approval identified in subsection (a), the commission shall provide notice and an opportunity for open, public evidentiary hearings. If the commission finds, after hearing, that a proposed merger, consolidation, acquisition or disposition is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail gas customers from obtaining benefits of a properly functioning and effectively competitive retail natural gas market, the commission shall not approve such proposed merger, consolidation, acquisition or disposition, except upon such terms and conditions as it finds necessary to preserve the benefits of a properly functioning and effectively competitive retail natural gas market.

(c) Preservation of rights.—Nothing in this section shall restrict the right of any party to pursue any other remedy available to it.

§ 2211. Rate caps.

(a) General rule.—Except as provided under subsections (d), (e), (f) and (g), for a period from the effective date of this chapter until January 1, 2001, the total non-gas cost charges of a natural gas distribution company for service to any retail gas customer shall not exceed the maximum non-gas cost charges that are contained in the natural gas distribution company's tariff as of the effective date of this chapter.

(b) Recovery of deferred costs.—

(1) In a restructuring proceeding, the natural gas distribution company may identify categories of costs resulting from this chapter.

(2) The natural gas distribution company may seek permission in its restructuring proceeding to capitalize and to amortize such costs over an appropriate period to be determined by the commission. The amortization shall commence at the time when restructuring orders are issued. The natural gas distribution company may seek recovery of the unamortized balance of such costs in a future rate proceeding and the commission shall allow recovery of such costs provided that the commission determines that such costs are reasonable and that the resulting rates are just and reasonable.

(c) Deferral of costs.—Costs recoverable under sections 2203(6) (relating to standards for restructuring of natural gas utility industry) and 2206(e) (relating to consumer protections and customer service), in excess of amounts already reflected in a natural gas distribution company's rates, which are incurred between the date of entry of the commission's restructuring order and the earlier of the date on which the commission authorizes commencement of recovery or June 30, 2002, may be deferred for recovery in the future. Such deferrals shall be without interest.

(d) Circumstances for exceptions.—A natural gas distribution company may seek, and the commission may approve, an exception to the limitations set forth in this section under any of the following circumstances:

(1) The natural gas distribution company meets the requirements for extraordinary relief under section 1308(e) (relating to voluntary changes in rates).

(2) The natural gas distribution company demonstrates that a rate increase is necessary in order to preserve the reliability of the natural gas distribution system.

(3) The natural gas distribution company is subject to significant increases in the rate of Federal taxes or other significant increases in costs resulting from changes in law or regulations that would not allow the natural gas distribution company to earn a fair rate of return.

(e) Interclass and intraclass cost shifts.—For the period from the effective date of this chapter until January 1, 2001, interclass or intraclass cost shifts are prohibited. This prohibition against cost shifting may be accomplished by maintaining the cost allocation methodology accepted by the commission for each natural gas distribution company in the company's most recent base rate proceeding.

(f) State tax adjustment surcharge.—The natural gas distribution company shall remain subject to the State tax adjustment surcharge and shall be permitted to adjust its State tax adjustment surcharge mechanism to reflect State tax changes or additions. The natural gas distribution company shall also remain subject to existing riders or surcharges for the collection of non-gas transition costs pursuant to Federal Energy Regulatory Commission decisions.

(g) Provisions relating to interstate pipelines.—

(1) Notwithstanding any other provisions of this chapter, if a natural gas distribution company's current base rate revenues reflect the margins realized through the utilization of firm interstate pipeline transportation and storage capacity to serve the interruptible market when such capacity is not needed to make firm retail deliveries, then the natural gas distribution company shall be permitted to increase base rates and, at the same time, reduce purchased gas cost rates, as described in this chapter.

(2) The utility may propose such a change in treatment, consistent with the following requirements:

(i) Base rates of customers who pay purchased gas cost rates pursuant to section 1307(f) (relating to sliding scale of rates; adjustments) shall be increased by an amount equal to the margin received for service provided to existing interruptible sales and transportation service customers using capacity reflected in rates established

under section 1307(f) based upon the revenue for such services for the most recent 12-month period immediately preceding the application.

(ii) Purchased gas cost rates established pursuant to section 1307(f) shall be decreased by an amount equal to the amount by which base rates are increased in subparagraph (i).

(iii) Purchased gas cost rates established pursuant to section 1307(f) shall thereafter be reconciled to reflect the margins realized from interruptible sales and interruptible transportation customers utilizing capacity reflected in rates established under section 1307(f).

(h) Interstate pipeline transportation.—

(1) Except as specifically set forth in this subsection, nothing in this section or section 2204(d) (relating to implementation) shall prevent a natural gas distribution company from recovering costs paid under the terms of interstate pipeline transportation and storage capacity contracts which are not fully recovered through a release, assignment or transfer of such capacity to another natural gas supplier if such unrecovered costs arise under the terms of a natural gas transportation pilot program approved by the commission for such company on or before February 1, 1999.

(2) Such unrecovered interstate pipeline transportation and capacity costs incurred under such programs through October 31, 2004, may be recovered from a class or classes of customers in accordance with such program provided that the total volumetric charge for such costs does not exceed one percent of the volumetric charge for residential natural gas sales service set forth in the natural gas distribution company's tariff in effect at the time.

(3) With respect to such pilot programs, the commission may determine to extend such programs to include all customers of that company pursuant to the requirements of this chapter, and nothing in this section or section 2204(d) shall prevent unrecovered interstate pipeline and transportation capacity costs incurred through October 31, 2004, under such programs from being recovered in accordance with such programs provided that the total volumetric charge for such costs does not exceed the one percent limit specified in paragraph (2) for pilot programs.

Section 4. The provisions of this act are severable. If any provision of this act or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application.

Section 5. This act constitutes the legislation referred to in section 33(3) of the act of May 12, 1999 (P.L. , No.4), entitled "An act amending the act of March 4, 1971 (P.L.6, No.2), entitled 'An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties,' revising and adopting sales and use tax provisions on processing exclusions, credit sales and bad debt sales; revising personal income tax provisions on small corporations; expanding eligibility for special poverty provisions; revising estimated tax declarations; eliminating Lottery Fund transfers; revising corporate net income tax provisions on nonprofit organizations, net loss deductions and apportionment of business income; revising capital stock franchise tax provisions to reduce the rate of taxation, reduce the minimum tax, and further provide for capital stock franchise tax exemptions, exclusions and proceeds; eliminating the utilities gross receipts tax on natural gas; making omnibus amendments to the public utility realty tax; providing for a tax credit for coal waste removal and ultraclean fuels; further providing for malt beverage tax credits; further providing for the rate of taxation for the Public Transportation Assistance Fund; further providing for estimated tax, for payment of harness and thoroughbred racing taxes and for corporate tax treatment of automobile clubs; and making a repeal."

The Secretary of Revenue shall publish notice of the enactment of this act in the Pennsylvania Bulletin.

Section 6. This act shall take effect as follows:

(1) The addition of 66 Pa.C.S. §§ 2004(b) and 2203(15) shall take effect May 1, 1999.

(2) This section shall take effect immediately.

(3) The remainder of this act shall take effect July 1, 1999, or immediately, whichever occurs later.

On the question,

Will the House agree to the amendment?

The SPEAKER. It is the understanding of the Chair — Mr. DeWeese? — it is the understanding of the Chair that the amendment that Mr. Gannon wishes to offer is something that has been at least discussed between the parties. It has not been circulated. That is the reason for my statements, and I am suggesting, because it is a 20-page amendment, that rather than duplicate it we try out our brand-new machines and call the amendment up on your machines. The "A" number is 2794. It is on your computer under "Amendment Text."

Mr. Gannon, you are recognized on that amendment. Would you discuss the amendment at this time.

Mr. GANNON. Yes. Thank you, Mr. Speaker.

Mr. Speaker, for the benefit of the members so that they know what this amendment includes, it incorporates SB 601 with an amendment that I had previously circulated to SB 601. So that would be SB 601 as reported by the Senate with additional language, which was an amendment that I had circulated to 601. So if the members had read 601 and an amendment that I had previously circulated, they would be very cognizant of what this amendment includes.

But basically what it does, Mr. Speaker, with the move toward deregulation in Pennsylvania and throughout the country, the language that I have added to 601 simply incorporates additional protections for workers and consumers of utility services. Basically, that is what the amendment does, and I would ask the members to vote "yes" on the amendment.

The SPEAKER. The gentleman, Mr. Veon.

Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, I would join with the gentleman and ask for an affirmative vote. I think this is such an important amendment as we deal with the issue of deregulating the natural gas industry, as we have already deregulated the electric industry and deregulated to a significant degree the telephone industry. There has been tremendous dislocation in all of those industries and businesses for the workers that have put, in many cases, their entire career, their entire life's work, into helping that company be a good company and be a profitable company. And the protections for the workers that are in this amendment I think are absolutely critical for this legislature to put into law. We should have done it when we did electric deregulation and did not.

Mr. Speaker, I would hope that we do not miss this opportunity for public safety, for the safety of the community, for the protection of the workers in this industry. Pass this amendment and ultimately encourage that it be in whatever final product is passed by this legislature to deregulate the natural gas industry, and I ask for an affirmative vote. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

PARLIAMENTARY INQUIRY

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

Ms. JOSEPHS. Thank you, Mr. Speaker.

I have a parliamentary inquiry.

The SPEAKER. The lady will state her point of parliamentary inquiry.

Ms. JOSEPHS. Thank you.

Although the House rules were written and did not contemplate this electronic technology that we now have, am I to take it that without changing the House rules, we are now equating what we see on our screens to the paper reproduced amendments and bills that we usually get, and that will be universally brought forward by you at your discretion?

The SPEAKER. In the ideal world, and I would hope that we shortly reach that point, it is the intention of the Speaker to recommend that our rules indeed be changed to clarify without doubt that this is the accepted mode for the distribution of amendments. As far as them being in writing, by pushing the print button, you will activate a printer here to the right and to the left of the Speaker which will print out and give you a hard copy of these amendments.

Ms. JOSEPHS. I do not object, Mr. Speaker; I just wanted to clarify. Thank you.

The SPEAKER. No, you are technically correct, but we are not violating any rules; no.

Ms. JOSEPHS. Thank you.

The SPEAKER. Mr. Tigie.

Mr. TIGUE. Thank you, Mr. Speaker.

Mr. Speaker, I would like to ask a question of the maker of the amendment.

The SPEAKER. The gentleman, Mr. Gannon, will stand for interrogation. You may begin.

Mr. TIGUE. Thank you, Mr. Speaker.

Mr. Speaker, under your amendment, the protection of the workers, explain how this would apply. If I were a company that would merge or take over another company, how would that affect the workers from both companies?

Mr. GANNON. Well, this would provide some protections for an existing worker. As you know, there is a complex series of laws that come into play here — Federal, under the NLRB (National Labor Relations Board) — and it depends on how that takeover would be structured. So assuming that a company would take over and hire just a handful of the old employees, this would protect those employees as far as their wages and salaries are concerned and other benefits and also would give those employees the right to make a first bid on any job openings; that is, existing employees.

Mr. TIGUE. What would happen if I were a large utility, say, for instance, a water company, who would take over or buy out a smaller company where I do not need their employees. What would happen to the employees of the smaller company?

Mr. GANNON. Under the language, the company, the big company, is not required to accept anyone, but it would have to offer openings, first openings, to those existing employees.

Mr. TIGUE. First openings. Do you mean by first—

Mr. GANNON. First right; first right of refusal, for lack of a better word, for existing employees.

Mr. TIGUE. Okay. But I now take over the small company, continuing the same example, and I do not need those five employees from some small water company, and now I have a couple people who retire and move on to other jobs and now I have openings. What happens then?

Mr. GANNON. Then you would have to offer those openings to one of those five employees, assuming one opening occurred.

Mr. TIGUE. As long as it occurs within the 30-month period.

Mr. GANNON. Correct.

Mr. TIGUE. Okay.

Mr. GANNON. As long as it is within 30 months. Thank you.

Mr. TIGUE. Thank you, Mr. Speaker. I conclude my interrogation.

Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

The gentleman, Mr. Vitali, do you still have a point of parliamentary inquiry? The gentleman is recognized on that.

Mr. VITALI. Will the maker of the amendment stand for brief interrogation?

The SPEAKER. The gentleman, Mr. Gannon, indicates he will stand for interrogation. You may begin.

Mr. VITALI. Just to be clear, this amendment has not only your labor amendment but also the entire gas deregulation language in it.

Mr. GANNON. Correct.

Mr. VITALI. Okay. That is the end of my parliamentary inquiry.

The SPEAKER. The Chair thanks the gentleman.

**MOTION TO PLACE BILL
ON THIRD CONSIDERATION
POSTPONED CALENDAR**

The SPEAKER. On the bill?

Mr. VITALI. I would like to make a motion, Mr. Speaker.

Mr. Speaker, I would move that we postpone this bill until tomorrow at 11 a.m. I think that the opportunity we have had to caucus on this has been inadequate, and I think, I know myself and a lot of members would like more time, not so much to review the Gannon amendment but to study more carefully this, the entire deregulation, gas deregulation issue. So I would move that we postpone this until tomorrow at 11.

The SPEAKER. The gentleman, Mr. Vitali, moves that HB 1331 together with the amendment offered by the gentleman, Mr. Gannon, be placed on the postponed calendar until the session beginning at 11 a.m. on Tuesday, June 15. Is that accurate?

Mr. VITALI. Yes, Mr. Speaker.

On the question,

Will the House agree to the motion?

PARLIAMENTARY INQUIRY

The SPEAKER. On the question, on the question of postponement, Mr. Chadwick.

Mr. CHADWICK. Mr. Speaker, just a point of parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CHADWICK. My understanding was that we had adopted a motion to immediately consider this bill with one amendment. Is his motion in order given the fact that we had passed that motion?
The SPEAKER. Yes, this motion would be in order.

The question before the House is that of postponement of HB 1331 until the June 15, 1999, session day, which session begins at 11 a.m.

On the question of postponement, Mr. Tulli.

Mr. TULLI. Is this motion debatable?

The SPEAKER. It is.

Mr. TULLI. Mr. Speaker, I urge a "no" vote on the motion to postpone. We are running out of time to give 2 million Pennsylvania families a reduction in their gross receipts tax on natural gas. We are running out of time to give 2 million people, 2 million families in Pennsylvania, the opportunity to save money on their natural gas bill as the large companies and commercial groups have been able to do for years. If we postpone until tomorrow, we will run out of legislative days this summer and we will have to start all over again in the fall, and our people and our citizens of Pennsylvania will be the losers.

I urge a "no" vote, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—48

Bishop	Horsey	Mundy	Tangretti
Butkovitz	James	Myers	Thomas
Caltagirone	Josephs	Pistella	Tigue
Cam	Keller	Platts	Trello
Cohen, M.	Kirkland	Preston	Van Home
Colafella	Krebs	Ramos	Vitali
Curry	Lawless	Rieger	Washington
Donatucci	Lederer	Robinson	Waters
Eachus	Levdansky	Roebuck	Williams
Freeman	Manderino	Samuelson	Wojnaroski
Gordner	Melio	Santoni	Yewcic
Gruitza	Michlovic	Steelman	Youngblood

NAYS—144

Adolph	DeWeese	Lynch	Sainato
Allen	DiGirolamo	Maher	Sather
Argall	Druce	Maitland	Saylor
Armstrong	Egolf	Major	Schroder
Baker	Evans	Mann	Schuler
Bard	Fairchild	Markosek	Semmel
Barley	Fargo	Marsico	Serafini
Barrar	Feese	Masland	Seyfert
Bastian	Fichter	Mayernik	Shaner
Battisto	Fleagle	McCall	Smith, B.
Bebko-Jones	Flick	McGill	Smith, S. H.
Belardi	Forcier	McIlhattan	Solobay
Belfanti	Frankel	McIlhinney	Staback
Benninghoff	Gannon	McNaughton	Stairs
Bimmelin	Geist	Metcalfe	Steil
Blaum	George	Micozzie	Stem
Browne	Gigliotti	Miller, R.	Stetler
Bunt	Gladeck	Miller, S.	Stevenson
Buxton	Godshall	Nailor	Strittmatter
Cappabianca	Grucela	Nickol	Sturla
Casorio	Habay	Oliver	Surra
Cawley	Haluska	Orie	Taylor, E. Z.
Chadwick	Hanna	Perzel	Travaglio

Civera	Harhai	Pesci	Tulli
Clark	Harhart	Petrarca	Vance
Clymer	Hasay	Petrone	Veon
Cohen, L. I.	Hennessey	Phillips	Walko
Cornell	Herman	Pippy	Wilt
Corrigan	Hershey	Raymond	Wogan
Costa	Hess	Readshaw	Wright
Coy	Hutchinson	Reinard	Yudichak
Dailey	Jadlowiec	Rohrer	Zimmerman
Daley	Kaiser	Rooney	Zug
Dally	LaGrotta	Ross	
DeLuca	Laughlin	Rubley	Ryan,
Dempsey	Leh	Ruffing	Speaker
Dermody	Lescovitz		

NOT VOTING—2

Roberts	Trich
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EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True
Lucyk			

Less than the majority 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 amendment?

PARLIAMENTARY INQUIRY

The SPEAKER. The Chair recognizes, on that question—
Mr. Vitali, did you wish to speak on the amendment?

Mr. VITALI. I have another motion, Mr. Speaker.

The SPEAKER. The gentleman will state his motion.

Mr. VITALI. And perhaps initially a parliamentary inquiry. My motion will be in the way of raising the constitutionality of considering this now as opposed to— My question is, would that constitutional motion be more appropriately made now or on final passage?

The SPEAKER. I do not know what it is.

Mr. VITALI. It would be a—

The SPEAKER. Are you attacking the amendment or the bill?

Mr. VITALI. Mr. Speaker, the issue would be not having this considered on 3 separate days and also changing the subject matter of the bill itself.

The SPEAKER. Mr. Vitali, I think you should raise it after the amendment — assuming it is adopted — after the amendment is adopted, because at this time that is really not before us; the bill with the amendment is not before us.

Mr. VITALI. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

Mr. Gigliotti.

Mr. GIGLIOTTI. Thank you, Mr. Speaker.

Mr. Speaker, I rise to support the Gannon amendment.

Mr. Speaker, we missed the boat on the last two utilities. Let us not miss it on the third one. Let us all vote "yes" on his amendment. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the lady from Philadelphia County, Ms. Manderino.

Ms. MANDERINO. Thank you, Mr. Speaker.

Will the maker of the amendment stand for interrogation, please?

The SPEAKER. The gentleman, Mr. Gannon, indicates that he will. You may proceed.

Ms. MANDERINO. Thank you, Mr. Speaker.

Mr. Speaker, I am trying to understand what will and what will not have to come before the PUC (Pennsylvania Utility Commission) if we vote for this amendment. What must come before the PUC today the way gas companies are regulated that will not have to come to the PUC for a decision if we pass this bill with your gas deregulation amendment in it?

Mr. GANNON. Well, actually the amendment does not require any specifics to be taken before the Public Utility Commission. Unlike other States, we do not specify what the restructuring plan should be. We leave that open. All we are doing is requiring that a plan be taken before the PUC and that it be approved or disapproved by the PUC.

Ms. MANDERINO. So is there anything in this legislation in front of us today, for example, that would allow there to be rate changes, rate increases or rate decreases, made by gas companies with regard to their bill to the consumers without going before a State regulatory commission?

Mr. GANNON. This would not change that at all.

Ms. MANDERINO. If I understand currently today, and correct me again if I am wrong; this is not my area of expertise, but before you can pass on a rate increase to your consumers, you must get approval from the Pennsylvania Public Utility Commission under current law. Is that correct?

Mr. GANNON. I am assuming that that is correct. And that may or may not be in the bill in chief, but not in the amendment. But I do not believe it is; we are not changing that aspect. From the language that I inserted into the bill talking about the PUC and going to the PUC, it talks about a restructuring plan. We are not—

Ms. MANDERINO. Maybe—

Mr. GANNON. We are not—

The SPEAKER. The lady will yield.

Mr. GANNON. We are not requiring any specific plan as some States have done. We are leaving that up to the utility to devise their own plan, but they do have to go to the PUC for approval.

Ms. MANDERINO. And the PUC will then be able to approve or disapprove their plan based on what set of guidelines?

Mr. GANNON. This would be determined by the PUC. We are trying to be as open-ended as possible and let the free market forces come into play to make Pennsylvania utilities as competitive as possible. So we are not trying to put those kinds of strictures on a plan. Let them take the plan to the PUC, argue before the PUC, present it to the PUC, and seek approval of the PUC. We are not putting any specific requirements on any utility.

Ms. MANDERINO. Is there anything in the legislation that we are passing today that addresses by way of guarantee or otherwise that there would not be an increase in consumers' utility bills, putting aside the PURTA (Public Utility Realty Tax Act) issue?

Mr. GANNON. No, the bill does not mandate any rate reductions with the exception of the PURTA tax, the gross receipts tax, but there is no mandate for reductions in the bill in chief.

Ms. MANDERINO. Thank you.

I have finished my interrogation and would like to speak on the amendment. Mr. Speaker.

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

Ms. MANDERINO. Thank you, Mr. Speaker.

Mr. Speaker, I have serious concerns about the gas deregulation amendment that is before us. Let me make it perfectly clear that I think the addition of the worker-protection language in this Gannon amendment is a good thing, so I am not speaking against that aspect of the amendment. But I think it is important that we recognize that that is only one aspect of this amendment and that this amendment is the entire language that will allow for natural gas deregulation in Pennsylvania. So when you make your decision on how to vote on this Gannon amendment, you must keep both of those points in mind.

Here is my concern. I agree with the advocates of this legislation that consumers will see an immediate decrease in their gas bill, not because of the deregulation that we are doing but because during the budget package and the tax bill, we made a decision to remove the gross utilities receipts tax that most consumers in Pennsylvania pay. But I would remind you that that is a decision that we can make as a legislature at any point in time, either tied to, as it is in this case, or not tied to gas deregulation. So we can decide independently to get rid of the gross utilities receipts tax without doing a natural gas deregulation bill.

Now, I am still not sure that I made the right decision with regard to electric deregulation, and you may feel the same way that I do, but at least with regard to electric deregulation I could intellectually understand the argument that says, there are lots of different ways that companies might generate electricity, and those types and ways of generating electricity have different costs associated with them. So it may be less expensive or more expensive to generate electricity whether you are burning coal or making nuclear power or using wind power or using any other sources of generating electricity. But no one has been able to make me understand that argument with regard to natural gas. Natural gas is natural gas is natural gas. It comes that way. It is a commodity. There is one price to it. I do not really see the price savings of distinguishing from a consumer point of view. But what really scares me from a consumer point of view is the lack, or the whole deregulating from a consumer point of view is, what are the consumers going to get in exchange for our deregulating this industry? We can give them the gross utilities tax saving without giving them deregulation, but when we take the deregulation, are we in essence going to give them rate increases that we then are not able to control? Will they not have to go before any public body in order to determine whether or not there is going to be a rate increase? Do we put temporary freezes on rate increases that only last for some short period of time in this bill and give up control into the future and into infinity, or into the future? That is the tradeoff that I think we are making, and I do not think that that is a good tradeoff for consumers.

I have been very conflicted about this bill. I think that I am going to vote "no," and I just ask you to think of those arguments and think of your consumers when you are making a decision about what to do on gas deregulation, because I think ultimately we want to make sure that our consumers get good, quality delivery of utilities to their home for the best and fairest price. and I am just afraid that we are giving up our ability to control that on

behalf of our consumers. So I am not sure that they end up the winners under this legislation. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the lady.

The Chair recognizes the gentleman, Mr. Rooney.

Mr. ROONEY. Thank you, Mr. Speaker.

I, too, would like to interrogate the maker of the amendment.

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

Mr. ROONEY. Mr. Speaker, I am very much impressed with that part of your amendment that deals with the protection for consumers and also utility workers, and I would just like to ask a few brief questions to make sure that I am on the mark in representing some of the things that the amendment may or may not do.

It is my understanding that there would be required in the amendment retraining for out-placement services provided to any potentially displaced worker. Is that correct?

Mr. GANNON. Correct.

Mr. ROONEY. It is also my understanding, Mr. Speaker, that there would be required a 60-day notice of any prospective job terminations.

Mr. GANNON. Correct.

Mr. ROONEY. And finally, it is my understanding that there would be a displaced-worker program that would be administered by the Department of Labor and Industry.

Mr. GANNON. Correct.

Mr. ROONEY. Thank you.

I am concluded with my interrogation. On the amendment?

The SPEAKER. On the amendment, Mr. Rooney.

Mr. ROONEY. Mr. Speaker, I think it is very important that we be supportive of the amendment that contains these important safeguards for not only utility workers but also those constituents of ours that are served, which is certainly everybody that we represent. I think it is important to point out that in the State of Illinois and also in the State of New Jersey, similar provisions are in place and protections are in place, and they have served the people of Illinois and New Jersey quite well.

I would just like to be very clear in following up on a point that was made by the gentleman, Mr. Veon, and also alluded to by the gentleman, Mr. Gigliotti. In the past we have seen legislation that has been presented to us in this fashion come to the House where everybody or an overwhelming majority of the members support it and it goes over to the Senate, and oftentimes when legislation makes its way to the Senate, something that the overwhelming majority of us are supportive of — in this case, the protections for workers and consumers in this State — in the past we have seen those types of protections be eliminated by the State Senate.

So I want to be very clear, Mr. Speaker, that we have the opportunity today not only to affirm the worker protections that are embodied in Representative Gannon's amendment, but we may also be faced with the prospect later on this week of debating the issue of gas deregulation and not having these same protections included in whatever final product the Senate may send us. And I do not want to get far afield and ascribe motives to the powers that be in the State Senate, but I think it is important today and it will certainly be as important later this week, if we are given the opportunity, to support these protections that are not only designed and intended for utility workers, but they are very much embodied or they embody safety provisions that are important to all consumers in Pennsylvania. Those consumer protections should be

affirmed in the Gannon amendment today, and they should also be insisted upon if we have the opportunity to consider this legislation later in the week. Thank you, Mr. Speaker.

The SPEAKER. On the question of the adoption of the amendment, the Chair recognizes the gentleman from Philadelphia County, Mr. Cohen.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, would Mr. Tulli consent to interrogation?

The SPEAKER. Mr. Tulli, will you consent to interrogation?

Mr. TULLI. Yes.

The SPEAKER. The gentleman may proceed.

Mr. COHEN. Thank you.

Mr. Speaker, I believe that the Gannon amendment is the same as your amendment except that — your original legislation rather — except that worker-protection provisions have been added by Mr. Gannon that were not in your original amendment.

Mr. TULLI. That is correct.

Mr. COHEN. That is correct. Okay. Then I think you are the appropriate person to interrogate, because the questions I want to ask deal with the original language.

On page 24 of this amendment, page 24(c)(1), you have "Standards of conduct shall provide for: (1) No discrimination against or preferential treatment of any natural gas supplier, including an affiliated natural gas supplier." How does this language affect volume discounts?

Mr. TULLI. Mr. Speaker, that refers to discrimination against suppliers. In fact, the PUC will be setting up regulations and standards for conduct of marketers and suppliers of natural gas.

Mr. COHEN. Suppose a utility wants to engage in volume purchases, and one supplier offers 5 or 10 times the amount of gas in a given time than another supplier does and charges less per quantity sold because it is a large volume discount. Does this language stop a utility from discriminating against a supplier which offers less?

Mr. TULLI. No. Now, a supplier could complain to the PUC if unfair practices were involved, and the PUC could investigate that. But this does not prohibit that.

Mr. COHEN. Does this language or any other language in the bill open up Philadelphia to competition?

Mr. TULLI. No. PGW, Philadelphia Gas Works, is not in the bill unless they go outside the city limits of Philadelphia to sell gas.

Mr. COHEN. Are the residents of Philadelphia in the bill? Can any other utility compete with PGW in Philadelphia?

Mr. TULLI. No.

Mr. COHEN. So PGW is still the sole supplier in Philadelphia under this?

Mr. TULLI. As it stands within this amendment, yes.

Mr. COHEN. As it stands in this amendment.

Could you please explain to us how this amendment will lead to a rate lowering aside from PURTA?

Mr. TULLI. Aside from the gross receipts tax.

Mr. COHEN. Aside from the gross receipts tax.

Mr. TULLI. Yes. What it will do is open up the marketplace, and I believe in two areas the natural gas industry could provide customers with lower rates — both in the commodity purchase, and secondly, in some areas of Pennsylvania on the storage costs of natural gas. Both of those are negotiable and not normally associated with a monopoly protection by the PUC.

Mr. COHEN. How much rate cut would you expect aside from the PURTA situation?

Mr. TULLI. I think that if you add the gross receipts tax to savings that a shopping customer can get, it will probably be in the vicinity of totaling 7 to 9 to 10 percent, in that area. It is certainly not as great as the reductions Pennsylvanians are experiencing with the electricity competition, but it is out there, and we have offered this choice to industries and big commercial establishments for years. It is time that the average homeowner, the 2 million families that heat with natural gas, have the same opportunities to save on their natural gas purchases.

Mr. COHEN. Thank you, Mr. Speaker. I have no further questions.

Mr. Speaker, based on Mr. Tulli's answers, I have decided to support this amendment, although I do have some questions, and hopefully the Senate will leave this language intact and not further seek to amend this legislation.

The SPEAKER. The gentleman from Philadelphia County, Mr. Thomas.

Mr. THOMAS. Thank you, Mr. Speaker.

Mr. Speaker, may I interrogate the maker of amendment 2794?

The SPEAKER. The gentleman, Mr. Gannon, will stand for interrogation. You may begin.

Mr. THOMAS. Thank you.

Mr. Speaker, I guess I have two types of questions. My first question would run to process more than anything else. Is it true that the Pennsylvania Senate has voted on a gas deregulation bill?

Mr. GANNON. Correct.

Mr. THOMAS. Okay. Mr. Speaker, how does your amendment sit with the actions of the Pennsylvania Senate?

Mr. GANNON. I am going to call it the amendment in chief is SB 601 as passed by the Senate, with additional language added for worker and consumer protection.

Mr. THOMAS. Okay. So are you saying, Mr. Speaker, that SB 601 was not satisfactory to you, and therefore, you are offering amendment 2794?

Mr. GANNON. Correct.

Mr. THOMAS. Mr. Speaker, is it safe to say that while SB 601 provided for a pretty restrictive regulatory scheme, your amendment would provide for a more delegatory scheme in that you are actually giving the PUC the power to or the authority to structure what gas deregulation should look like in the Commonwealth of Pennsylvania?

Mr. GANNON. Not exactly. What I am doing with respect to the workers' and consumers' rights is that the utility, if they were restructuring, would have to go to the PUC for approval of whatever plan they would want to implement, and that plan would have to be approved. We are not enumerating any specific type of plan or any specific plan that would have to be put together. That is up to the individual business as it sees fit. But it would have to go to the PUC for approval.

Mr. THOMAS. So is it your desire that amendment 2794 be merged into SB 601 or that SB 601 become a part of HB 1331?

Mr. GANNON. Well, HB 1331 is SB 601 with additional language incorporated with added protection for workers and consumers.

Mr. THOMAS. Okay. Mr. Speaker, to the more substantive questions.

The last speaker raised a question about the impact, if any, of amendment 2794 on the Philadelphia Gas Works, and I believe

you indicated that this bill would have no effect on Philadelphia County or Philadelphia Gas Works unless PGW decided to compete with the distribution of gas outside of the bounds of Philadelphia County. Is that correct?

Mr. GANNON. As I understand it, that is correct.

Mr. THOMAS. Okay. So if PGW decided that they wanted to sell gas outside of Philadelphia County, procedurally, what would happen within the context of amendment 2794?

Mr. GANNON. If I may, Mr. Speaker, I am going to yield to Mr. Tulli to answer that question.

Mr. THOMAS. Thank you, Mr. Speaker.

Mr. TULLI. Thank you, Mr. Speaker.

At that time what would happen is that other suppliers could offer prices for natural gas to the residents of Philadelphia, and at that time we would also have to make the decision about the governance of PGW.

Mr. THOMAS. And if this bill or some bill is ultimately signed into law, then we would in effect say to the PUC that in order to bring about continuity, that they would in fact have the power to say bring PGW under its jurisdiction.

Mr. TULLI. This bill does not say that, that the PUC would have jurisdiction at that point.

Mr. THOMAS. I know that the bill does not say that, but the bill provides for what I consider to be a very clever regulatory scheme that might lend itself to that at some point.

Mr. TULLI. Well—

Mr. THOMAS. I am just trying to be clear about the circumstances—

Mr. TULLI. Well—

Mr. THOMAS. —that would give rise to that.

Mr. TULLI. The one thing, to make it a little bit more clear, that if the Philadelphia Gas Works went outside the city of Philadelphia, they would then become a supplier in Pennsylvania, and they would have to be licensed by the PUC to be such a supplier.

Mr. THOMAS. Okay. So outside of those circumstances, there are no circumstances in amendment 2794 or HB 1331, which is the twin of SB 601, that would give rise to PUC jurisdiction over PGW or any interference with rates in Philadelphia County.

Mr. TULLI. That is correct.

Mr. THOMAS. Thank you, Mr. Speaker.

Mr. Speaker, I have concluded my interrogation. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman, Mr. Tulli, on the question of the adoption of the amendment.

Mr. TULLI. Thank you, Mr. Speaker.

I stand to urge a "yes" vote on the Gannon amendment. Our colleague who spoke a little while ago from Lehigh and Northampton Counties, a man who has been in the forefront of deregulation and offering choice in competition, made some comments earlier about the Pennsylvania Senate, and I think it is important that not only our colleague from Lehigh Valley but all of us be in contact with the Senate to let them know how important various parts of this bill are to us, and I think we need to proceed on that basis. This amendment and HB 1331 then become the means by which we give Pennsylvanians an \$80-million tax cut on their natural gas bill and offer to them the ability to go shop and get the lowest price for their natural gas commodity and storage costs.

So what we have here, it is certainly not an amendment or a bill that is exactly the way I would write it, but it is one that gives the people of Pennsylvania a valuable choice-in-competition scenario in the natural gas industry, and I urge that all my colleagues vote "yes" on the Gannon amendment.

The SPEAKER. The Chair thanks the gentleman.

GUEST INTRODUCED

The SPEAKER. The Chair belatedly welcomes to the hall of the House Mr. Warren Carmichael. He is the president of Three Rivers Health Plan located in Pittsburgh, the guest of Representative Nick Colafella. He is seated in the gallery. The Chair apologizes for the delay and welcomes him to the hall of the House.

CONSIDERATION OF HB 1331 CONTINUED

CONSTITUTIONAL POINT OF ORDER

The SPEAKER. The question recurs, will the House adopt the amendment? The Chair recognizes the gentleman, Mr. Vitali, for the second time on the question.

Mr. VITALI. Thank you, Mr. Speaker.

I rise for the purpose of making a motion.

Mr. Speaker, I am going to take another crack at the constitutional issue, because in the interim since I last spoke, I conferred with and I am looking right now at Article III, section I—

The SPEAKER. The gentleman is challenging the amendment on the question of constitutionality?

Mr. VITALI. That is correct, Mr. Speaker.

The SPEAKER. Will the gentleman yield for a moment until I put the question to the floor.

The gentleman, Mr. Vitali, raises the point of order that amendment No. 2794 is unconstitutional. Under rule 4, the Chair is required to submit questions affecting constitutionality of an amendment to the House for decision. The Chair now does that.

On the question,

Will the House sustain the constitutionality of the amendment?

The SPEAKER. The Chair recognizes the gentleman, Mr. Vitali, on that question.

Mr. VITALI. Thank you, Mr. Speaker.

Article III, section 1, of the Constitution says, "...no bill shall be so altered or amended, on its passage...as to change its original purpose." Mr. Speaker, the bill we are dealing with, HB 1331, is a one-page bill dealing with condemnation proceedings. The amendment that we are considering today is a 26-page amendment that deals with utility deregulation. Mr. Speaker, clearly this changes the intent of the bill.

Now, we may want to do this for convenience' sake, but the fact of the matter is, we do have a Constitution, and we have been sworn to uphold it. Mr. Speaker, this is not the way we ought to be doing business. We have plenty of time, in all due respect to the previous speakers, to deal with this issue. It is only mid-June.

Mr. Speaker, I move that this amendment be declared unconstitutional.

The SPEAKER. The question before the House is on the constitutionality of the amendment. Mr. Tulli.

Mr. TULLI. Thank you, Mr. Speaker.

HB 1331 as introduced by Representative Raymond is a utility bill. It is a bill where the legislature of Pennsylvania makes laws regarding the conduct of utilities in Pennsylvania. The Gannon amendment speaks to how the legislature of Pennsylvania will make the laws and rules regarding natural gas utilities in Pennsylvania, and I believe it is entirely and internally consistent, and I ask that the membership please vote for this as a constitutional motion.

The SPEAKER. The Chair thanks the gentleman.

On the question of constitutionality, Mr. Veon. Thank you.

On the question, those believing the amendment to be constitutional— Mr. Vitali.

Mr. VITALI. Yes, Mr. Speaker. By way of further argument, I think there is a danger when we use these parliamentary gymnastics to speed bills through like this. You do not have a full airing by the public, which I think the public is entitled to.

The SPEAKER. The gentleman will yield.

The question that you have raised is constitutionality.

Mr. VITALI. That is correct, Mr. Speaker.

The SPEAKER. Speak to constitutionality, please.

Mr. VITALI. That is correct, Mr. Speaker.

The SPEAKER. The Chair further neglected to read its rules, the rules of this House that provide that you may speak on the question of constitutionality only one time. So you would not be in order to further debate.

On the question, those voting "aye" will vote to declare the amendment constitutional; those voting "no" will be voting to declare the amendment unconstitutional.

On the question recurring,

Will the House sustain the constitutionality of the amendment?

The following roll call was recorded:

YEAS—184

Adolph	Evans	Mann	Saylor
Allen	Fairchild	Markosek	Schroder
Argall	Fargo	Marsico	Schuler
Armstrong	Feese	Masland	Semmel
Baker	Fichter	Mayemik	Serafini
Bard	Fleagle	McCall	Seyfert
Barley	Flick	McGill	Shaner
Barrar	Forcier	McIlhattan	Smith, B.
Bastian	Frankel	McIlhinney	Smith, S. H.
Battisto	Gannon	McNaughton	Solobay
Bebko-Jones	Geist	Melio	Staback
Belardi	George	Metcalfe	Stairs
Belfanti	Gigliotti	Michlovic	Steil
Benninghoff	Gladeck	Micozzie	Stern
Birmelin	Godshall	Miller, R.	Stetler
Blaum	Gordner	Miller, S.	Stevenson
Browne	Grucela	Mundy	Strittmatter
Bunt	Gruitza	Myers	Sturla
Butkovitz	Habay	Nailor	Surra
Buxton	Haluska	Nickol	Tangretti
Caltagirone	Hanna	Oliver	Taylor, E. Z.
Cappabianca	Harhai	Orie	Thomas
Casorio	Harhart	Perzel	Tigue
Cawley	Hasay	Pesci	Travaglio
Chadwick	Hennessey	Petrone	Trello
Civera	Herman	Phillips	Trich
Clark	Hershey	Pippy	Tulli
Clymer	Hess	Pistella	Vance
Cohen, L. I.	Horsey	Platts	Van Horne

Colafrilla	Hutchinson	Preston	Veon
Cornell	Jadlowiec	Ramos	Walko
Corrigan	James	Raymond	Washington
Costa	Kaiser	Readshaw	Waters
Coy	Keller	Reinard	Williams
Curry	Kirkland	Rieger	Wilt
Dailey	LaGrotta	Roberts	Wogan
Daley	Laughlin	Robinson	Wojnaroski
Dally	Lawless	Rohrer	Wright
DeLuca	Lederer	Rooney	Yewcic
Dempsey	Leh	Ross	Youngblood
Dermod	Lescovitz	Rublely	Yudichak
DeWeese	Levdansky	Ruffing	Zimmerman
DiGirolamo	Lynch	Sainato	Zug
Donatucci	Maher	Samuelson	
Druce	Maitland	Santoni	Ryan,
Eachus	Major	Sather	Speaker
Egolf	Manderino		

NAYS—10

Bishop	Freeman	Petrarca	Steelman
Carn	Josephs	Roebuck	Vitali
Cohen, M.	Krebs		

NOT VOTING—0

EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True
Lucyk			

The majority having voted in the affirmative, the question was determined in the affirmative and the constitutionality of the amendment was sustained.

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

The SPEAKER. The Chair recognizes the gentleman from Jefferson, Mr. Smith.

Mr. S. H. SMITH. Thank you, Mr. Speaker.
I would like to interrogate Mr. Tulli.

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

Mr. S. H. SMITH. Mr. Speaker, I believe in response to a previous question you commented that there were two areas of savings, potential areas of savings, that this bill would allow for the consumers of Pennsylvania — the gas storage costs and then there is the natural gas costs. Is that correct? Is that what you had said previously?

Mr. TULLI. In addition to the savings on the gross receipts tax, there are certainly those two areas that are ripe for a marketplace to occur.

Mr. S. H. SMITH. Now, you and I have talked about this issue numerous times, so I would like you to take one more opportunity to try to explain to me why this bill could not afford one other opportunity for consumers to be afforded a savings, and that would be through the issue related to the capacity assignment on the interstate pipelines, and I was wondering if you would try to explain that to me one more time.

Mr. TULLI. Thank you, Mr. Speaker.

The assignment of capacity is one that will continue until the current contracts expire, and then the PUC will be looking at future

contracts to avoid the capacity assignment. The reason we have pipeline capacity assignment in the bill is to avoid stranded costs, a huge issue that we dealt with in electric competition, and we wish to avoid the entire issue of stranded costs in this. So this bill has in it a provision for a period of time that assignment of pipeline capacity will occur as suppliers come into the marketplace and sell natural gas to customers.

Mr. S. H. SMITH. Would you agree then that because of the assignment of that capacity — as you stated, in order to avoid the stranded costs of the existing utilities — that that will deprive customers of another area in which they could have received a savings on their gas bill?

Mr. TULLI. During the transition period, that certainly is true. It is one of those agreements and compromises that we make in this process. I certainly wish we did not have to, but it is one of those areas where for the transition period, we do have these stranded costs avoided, and by doing that avoidance we had to do a mandatory assignment.

Mr. S. H. SMITH. Thank you very much, Mr. Speaker.
On the amendment?

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

Mr. S. H. SMITH. Mr. Speaker, I have a couple reservations about this particular piece of legislation, in particular the issue I was just taking interrogation on, and that would be the assignment of capacity. I am particularly concerned that that provision is going to keep competition out of Pennsylvania. I do not know that I would say that it is anticompetitive, but I just do not think it is going to encourage competition. There may be some other areas of savings, and of course, there is the gross receipts savings, which is significant, but I think in terms of really getting to the goal of creating competition in Pennsylvania, I am concerned that that capacity assignment issue is going to stifle it somewhat.

Additionally, Mr. Speaker, I am concerned about a provision in this legislation that I believe will hamper the ability of individual producers in Pennsylvania to remain in the marketplace. The provision has to do with an area of the law that has to do with the ability of that producer to prove themselves adequate and a safe and secure supplier of gas. A lot of these people in Pennsylvania, Mr. Speaker, supply gas from their gas fields directly to an end user, maybe just 30 miles away or just across the county or two, and so they are selling their gas to a direct-end user, and I am concerned that this bill will also make it more difficult for those individuals to maintain their businesses in Pennsylvania.

Furthermore, Mr. Speaker, it is not just those independent gas producers, but as many people would recognize, throughout a large portion of Pennsylvania, that gas is produced by having leases on small individual tracts of land, and so I am concerned that this may also impact a lot of small individuals, small landowners, across the Commonwealth who currently gain a little bit of a pension, if you will, or a supplement to their income through their royalty checks that they receive on Pennsylvania-produced gas.

I had attempted to prepare amendments to this bill, and as we know, there have been a few changes in the game plan here, and I was unable to do that in the normal procedures. So I appreciate your indulgence, Mr. Speaker, as I stated my concerns. I am going to vote for this amendment at this moment, but I do hold these reservations out and hope that it is something that if the Senate takes this bill up in the next couple of days, they might recognize the merits of the arguments that I have tried to put forth today. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman, Mr. Freeman.

Mr. FREEMAN. Thank you, Mr. Speaker.

Mr. Speaker, would the gentleman, Mr. Tulli, please stand for interrogation?

The SPEAKER. The gentleman, Mr. Tulli, indicates he will stand for interrogation. You may begin.

Mr. FREEMAN. Thank you, Mr. Speaker.

Mr. Speaker, as a followup to the questions posed by the gentleman, Mr. Smith, you spoke of a transition period in which, I guess, the mandatory assignments and transfers of capacity would stay pretty much the same. Is that correct?

Mr. TULLI. Yes. The mandatory assignment would be in effect till, I believe, July 1 of 2002.

Mr. FREEMAN. So we are talking roughly, Mr. Speaker, of a period of about 3 years?

Mr. TULLI. Yes.

Mr. FREEMAN. What would happen after that 3-year period of transition?

Mr. TULLI. Well, the PUC would attempt in overseeing the contracts that were being let to prevent any mandatory assignment after the old contracts expire then.

Mr. FREEMAN. So if I understand your point, Mr. Speaker, it is up to the PUC to determine whether there will continue to be contracts assigned or not. Is that correct?

Mr. TULLI. Well, the PUC or the supplier or the utility could seek an alternative way to supply natural gas to their customers that would avoid any need for assigned capacity.

Mr. FREEMAN. But as I understand it, Mr. Speaker, it will either take the action of the Public Utility Commission or the gas supplier to break the current contractual agreement at that point in time. Is that correct?

Mr. TULLI. Yes; it could be the action of either the utility itself or a supplier coming into the marketplace.

Mr. FREEMAN. Or the PUC?

Mr. TULLI. Well, the PUC would approve that.

Mr. FREEMAN. So in essence, even though it has been described as a 3-year transition period, we may very well find a situation after July 1, 2002, in which nothing has changed in this matter. Is that correct?

Mr. TULLI. Only if high-priced contracts would be signed after that 2002 date, which I find would not be a reasonable, prudent way to approach it.

Mr. FREEMAN. But the point I am getting at, Mr. Speaker, is, there is nothing in this legislation that mandates that that practice stops after 2002; it is only a "may" provision.

Mr. TULLI. That is correct.

Mr. FREEMAN. Mr. Speaker, aside from the reduction-in-the-gross-receipts-tax issue, what other savings in terms of competition actually exist in this legislation if in fact these contracts are going to follow the customer and may very well follow the customer after the period of July 1, 2002? We have already had deregulation at the wellhead for quite some time now. What other features within this legislation will create the desired competition to reduce prices of natural gas if those contracts stay in effect after July 1, 2002?

Mr. TULLI. Mr. Speaker, I think one of the things we need to look at is the unbundling of various services and the things that could be offered by suppliers so that they would give a reduced gas cost. The other thing is, today we have some large companies making better purchases of natural gas than large utilities do, and

so the marketplace will be at work there and those that make the best buy on natural gas will be able to sell to the consumer at a lower price.

Mr. FREEMAN. But, Mr. Speaker, we already have natural gas deregulated at the wellhead. If this legislation continues the practice of mandating that the contract follow the consumer, regardless of whom they may choose for their natural gas supplier, thereby keeping them locked into that contract, what savings are there in terms of competition?

Mr. TULLI. Well, in terms of the language in the bill and the way it is written to take these contracts on mandatory assignment to July 1, 2002, the presumption is that that practice will end or start weaning away at that point as contracts, new contracts, come into being.

Mr. FREEMAN. But only, Mr. Speaker, with the approval of the PUC. Is that not so?

Mr. TULLI. That is right.

Mr. FREEMAN. So we are basically deciding whether competition will result after 2002 by empowering the PUC to allow that to happen. There is no mandate that says they must or they shall?

Mr. TULLI. No. I believe real competition can occur before 2002; that there will be ways people will be able to reduce the cost to consumers by offering packages, package arrangements, package deals, and they will be knocking at your door to sell to you.

Mr. FREEMAN. Thank you, Mr. Speaker.

Mr. Speaker, may I please speak on the amendment?

The SPEAKER. You may. You may begin.

Mr. FREEMAN. Mr. Speaker, I intend to vote for the Gannon amendment for the purpose of sending a strong message that the protections that are built into that amendment for the workers in the utility field are critical. However, when it comes to final passage, and I realize we are not yet on that, but when it does, I am very tempted to vote against this bill, because I think we need to send a strong message that this is not going to create the desired competition that we had all hoped for; that there is very little in actuality in this legislation to protect the consumer, to ensure that the marketplace will bring the benefits that we had all anticipated and hoped for.

I really think if this legislation is to come back to this chamber at a later date, which it very well might, that I would hope those who have a say in its final form will keep in mind that if competition is to have the desired effect of lowering prices, this is a very poor substitute for true competition. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—187

Adolph	Egolf	Maher	Sather
Allen	Evans	Maitland	Saylor
Argall	Fairchild	Major	Schroder
Armstrong	Fargo	Mann	Schuler
Baker	Feese	Markosek	Semmel
Bard	Fichter	Marsico	Serafini
Barley	Fleagle	Masiand	Seyfert

Barrar	Flick	Mayernik	Shaner
Bastian	Forcier	McCall	Smith, B.
Battisto	Frankel	McGill	Smith, S. H.
Bebko-Jones	Freeman	McIlhattan	Solobay
Belardi	Gannon	McIlhinney	Staback
Belfanti	Geist	McNaughton	Stairs
Benninghoff	George	Melio	Steelman
Birmelin	Gigliotti	Metcalfe	Steil
Bishop	Gladeck	Michlovic	Stern
Blaum	Godshall	Micozzie	Stetler
Browne	Gordner	Miller, R.	Stevenson
Bunt	Grucela	Miller, S.	Strittmatter
Butkovitz	Gruitza	Mundy	Sturla
Buxton	Habay	Nailor	Surra
Caltagirone	Haluska	Nickol	Tangretti
Cappabianca	Hanna	Oliver	Taylor, E. Z.
Casorio	Harhai	Orie	Tigue
Cawley	Harhart	Perzel	Travaglio
Chadwick	Hasay	Pesci	Trello
Civera	Hennessey	Petrarca	Trich
Clark	Herman	Petrone	Tulli
Clymer	Hershey	Phillips	Vance
Cohen, L. I.	Hess	Pippy	Van Horne
Cohen, M.	Horsely	Pisteila	Veon
Colafella	Hutchinson	Preston	Walko
Cornell	Jadlowiec	Ramos	Washington
Corrigan	James	Raymond	Waters
Costa	Josephs	Readshaw	Williams
Coy	Kaiser	Reinard	Wilt
Cury	Keller	Rieger	Wogan
Dailey	Kirkland	Roberts	Wojnaroski
Daley	Krebs	Roebuck	Wright
Dally	LaGrotta	Rohrer	Yewcic
DeLuca	Laughlin	Rooney	Youngblood
Dempsey	Lawless	Ross	Yudichak
Dermody	Lederer	Rubley	Zimmerman
DeWeese	Leh	Ruffing	Zug
DiGirolamo	Lescovitz	Sainato	
Donatucci	Levdansky	Samuelson	Ryan,
Druce	Lynch	Santoni	Speaker
Eachus			

NAYS—6

Carn	Platts	Thomas	Vitali
Manderino	Robinson		

NOT VOTING—1

Myers

EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True
Lucyk			

The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

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

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

CONSTITUTIONAL POINT OF ORDER

The SPEAKER. Mr. Vitali.
Mr. VITALI. Thank you, Mr. Speaker.
I rise for the purpose of making a motion.
The SPEAKER. The gentleman is in order.

Mr. VITALI. Mr. Speaker, I make this motion more to preserve the record for future legal challenge, although I know it is going to lose by a substantial margin. I move that this bill be held unconstitutional because it has not been considered on 3 separate days. What we are really dealing with, as the previous speaker, the Representative from Delaware County, had suggested, is SB 601, which has not been considered on 3 separate days.

Mr. Speaker, when we do bills this way, the public is left out of the process; mistakes are made; the input of other members is not included. So therefore, I would urge a "no" vote, holding this amendment unconstitutional, the bill unconstitutional, because it is violative of the constitutional requirements that it be considered on 3 separate days.

The SPEAKER. The gentleman, Mr. Vitali, raises the point of order that this bill, together with its amendment, is unconstitutional. The Speaker, under rule 4, is required to submit questions affecting the constitutionality of a bill to the floor for decision. The Chair now does that.

On the question,
Will the House sustain the constitutionality of the bill?

The SPEAKER. The gentleman, Mr. Vitali, when he recited his question on constitutionality, referred to what was before us as an amendment. At this point, I believe, Mr. Vitali, you are attempting to find the bill, which includes the amendment offered by Mr. Gannon, unconstitutional. Is that not so?

Mr. VITALI. Yes, Mr. Speaker, based on Article III, section 4, of the Constitution of Pennsylvania.

The SPEAKER. The Chair thanks the gentleman.

On that question, those voting "aye" will vote to declare the bill to be constitutional; those voting "no" will vote to declare the bill to be unconstitutional.

On the question recurring,
Will the House sustain the constitutionality of the bill?

The following roll call was recorded:

YEAS—182

Adolph	Egolf	Major	Sather
Allen	Evans	Manderino	Saylor
Argall	Fairchild	Mann	Schroder
Armstrong	Fargo	Markosek	Schuler
Baker	Feesse	Marsico	Semmel
Bard	Fichter	Masland	Serafini
Barley	Fleagle	Mayernik	Seyfert
Barrar	Flick	McCall	Shaner
Bastian	Forcier	McGill	Smith, B.
Battisto	Frankel	McIlhattan	Smith, S. H.
Bebko-Jones	Freeman	McIlhinney	Solobay
Belardi	Gannon	McNaughton	Staback
Belfanti	Geist	Melio	Stairs
Benninghoff	George	Metcalfe	Steil
Birmelin	Gigliotti	Michlovic	Stern
Bishop	Gladeck	Micozzie	Stetler
Blaum	Godshall	Miller, R.	Stevenson
Browne	Gordner	Miller, S.	Strittmatter

Bunt	Grucela	Mundy	Sturla
Buxton	Gruitza	Myers	Surra
Caltagirone	Habay	Nailor	Tangretti
Cappabianca	Haluska	Nickol	Taylor, E. Z.
Casorio	Harhai	Oliver	Thomas
Cawley	Harhart	Orie	Tigue
Chadwick	Hasay	Perzei	Travaglio
Civera	Hennessey	Pesci	Trello
Clark	Herman	Petrone	Trich
Clymer	Hershey	Phillips	Tulli
Cohen, L. I.	Hess	Pippy	Vance
Colafella	Horsey	Pistella	Van Home
Cornell	Hutchinson	Platts	Veon
Corrigan	Jadlowiec	Preston	Walko
Costa	James	Ramos	Washington
Coy	Kaiser	Raymond	Waters
Curry	Keller	Readshaw	Williams
Dailey	Kirkland	Reinard	Wilt
Daley	LaGrotta	Rieger	Wogan
Dally	Laughlin	Roberts	Wojnaroski
DeLuca	Lawless	Rohrer	Wright
Dempsey	Lederer	Rooney	Yewcic
Dermody	Leh	Ross	Yudichak
DeWeese	Lescovitz	Rublely	Zimmerman
DiGirolamo	Levdansky	Ruffing	Zug
Donatucci	Lynch	Sainato	
Druce	Maher	Samuelson	Ryan,
Eachus	Maitland	Santoni	Speaker

NAYS—12

Butkovitz	Hanna	Petrarca	Steelman
Carn	Josephs	Robinson	Vitali
Cohen, M.	Krebs	Roebuck	Youngblood

NOT VOTING—0

EXCUSED—9

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenny	O'Brien	Snyder	True
Lucyk			

The majority having voted in the affirmative, the question was determined in the affirmative and the constitutionality of the bill was sustained.

On the question recurring,
Shall the bill pass finally?

The SPEAKER. Mr. Veon.
Mr. VEON. Thank you, Mr. Speaker.

Mr. Speaker, I just want to indicate to the House and ask the House to make sure that all of the comments from the members here were heard today, and I think that members on this side of the aisle made some good points about what very little savings are in fact in this bill aside from the gross receipts tax reduction, which, of course, has nothing whatsoever to do about deregulating the gas industry.

Mr. Speaker, I have been a supporter of competition in this State and was a very early supporter of electric competition and stood with the gentleman, Mr. Tulli, as he announced introduction of this bill. The most important reason that I personally am voting for final passage here today is because of the labor protection language that the gentleman, Mr. Gannon, has added into his amendment, which now faces us on final passage. Mr. Speaker, the benefits of that language are so important, I think, to every worker who works for any utility in Pennsylvania that is now being

deregulated, certainly the gas industry, which we are in the process of deregulating here today, that it outweighs my concerns about the very little consumer savings that are in this particular deregulation bill for natural gas.

Mr. Speaker, if for any reason that language does not stay in any bill that is before us on final passage, unlike this bill that is before us, I think that those very small savings would not outweigh passing such a bill, and I would encourage all of my colleagues to insist that that language be in any final product, but on this final passage, for those reasons, I would ask for an affirmative vote. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

The gentleman, Mr. DeWeese. Does the gentleman, Mr. DeWeese, desire recognition?

Mr. DEWEESE. Mr. Speaker, there is a line in Macbeth, and it goes something like this: Where we are, there are devils in men's smiles.

I am convinced, Mr. Speaker, that HB 1331, with the Gannon language in it, will not come back unmolested from the Senate. Notwithstanding the goodwill of the prime sponsor of the amendment but taking note of the devils in men's smiles, I am convinced the State Senate will not, will not, pass natural gas deregulation with this protective language in it.

So by my final pronouncement before we pass the measure to the Senate, I would politely admonish my colleagues on the other side of the aisle to do what they can to engage with the members of the State Senate Republican Caucus and make certain that this egalitarian amendment offered by the gentleman, Mr. Gannon, is included in the final product that we will be debating within the next 48 hours. Do not let there be devils in men's smiles.

The SPEAKER. Mr. Gannon, the devil.

Mr. GANNON. I am smiling, but I am not a devil.

Mr. Speaker, I would reiterate the comments of the minority leader, Representative DeWeese. I would hope that the Senate would not molest this piece of legislation and send it back to the House, because I think they will be in for a fight on that issue.

The language that I have put in is very important to workers and consumers in this Commonwealth. With deregulation, we are now letting market forces take over the distribution of natural gas in Pennsylvania. We cannot guarantee success, and we cannot protect from failure; we cannot guarantee profits when we let market forces take over. We are taking our utilities into the 21st century. We are taking the owners; we are taking the stockholders; we are taking the top executives. What we do not want to do is leave behind the workers and the consumers, and my language does just that. It brings them along with the owners, the stockholders, and the chief executives. It brings the workers and the consumers into the 21st century also with deregulation.

These are only modest proposals. We are not overreaching; we are not overextending. We are just applying modest protections to dislocated workers. We are protecting them for a short period of time, 30 months, to give the opportunity for a smooth transition so that the worker and the consumer in particular is protected without a disruption of service and without a breakdown of safety. We are attempting to make certain that during any transition, an experienced workforce is kept in place. We are simply asking that we have a smooth transition from a regulated industry, which is a creature of this legislature, to an industry that is unregulated, which is also a creature of this legislature.

So I would also admonish the Senate and ask the Senate, when they consider this legislation, that they leave this amendment intact. This is the bill as it passed the Senate. They had no problem with it. All we have done is added some additional protections for the workers of Pennsylvania and for the utility consumers, electric/gas consumers of Pennsylvania, and I think that should stay in the bill, and I would ask the Senate, when they consider it, to do so. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Philadelphia County, Mr. Cohen.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, the Democratic leader and Mr. Gannon have urged that the Gannon language on worker protection not be molested by the Senate. I heartily concur in their judgment.

I would also like to add that I would hope that the language that had been floated around for a little while amending the law, placing PGW under PUC regulation. I would hope that that language also would not reappear in the Senate version. There is no problem with PGW. I think Mr. Gannon and Mr. Tulli made the right decision in not including it in this amendment. I would hope that language does not surface in any Senate version. There is no problem with PGW as things now stand, and we should not be creating a problem that does not now exist.

The SPEAKER. The gentleman, Mr. Trello.

Mr. TRELLO. Mr. Speaker, a great philosopher once said it would be a crime to answer a question with two words when one is sufficient. So should we support HB 1331 with the Gannon amendment? The answer is yes. Thank you.

On the question recurring,
Shall the bill pass finally?

The SPEAKER. Agreeable to the provisions of the Constitution, the yeas and nays— Mr. George. Forgive me. I apologize.

Mr. GEORGE. Mr. Speaker, assure them that the questions that I am about to ask, they will be asked in the next year, so maybe they should listen to the answers.

The SPEAKER. I will listen to the question before I give you that statement.

Mr. GEORGE. I would like to interrogate the gentleman, Mr. Tulli.

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

Mr. GEORGE. Now, Mr. Speaker, I do not know anything about philosophy. In fact, in 26 years, I do not think we know anything about what is going on, because I believe that some of us might have our heads in the sand, thinking that everything is all right, but since you are the prime mover — and respectfully I ask you this question — I would like to know, on page 14, subsection (2), explain to me just what that means. I want to know, who was involved in the collaborative process? What was the purpose of the meetings? Were they held in confidence?

Now, that is simply what I would like to know before I can vote "yes" on this bill.

LEAVE OF ABSENCE CANCELED

The SPEAKER. While the gentleman is referring to notes, the Chair goes back to leaves of absence and recognizes the

minority whip, who asks that the gentleman, Mr. Lucyk, be removed from that list, his presence being noted here in the hall of the House.

CONSIDERATION OF HB 1331 CONTINUED

The SPEAKER. Mr. Tulli.

Mr. TULLI. Thank you, Mr. Speaker.

That is in reference to the PUC should take into account, whenever a marketer comes into the natural gas business, they and the utilities can come to some agreement about the way they are going to assign capacity or take on new contracts. That collaboration can then be taken into account on whether the PUC approves of those agreements or not or issues a separate agreement.

Mr. GEORGE. Mr. Speaker, were these meetings that were already held, were they made with public knowledge? Was there anybody there?

Mr. TULLI. I believe that section is speaking of prospective collaborative meetings that may be held in the future between utilities and marketers or new entrants or new suppliers.

Mr. GEORGE. Will the meetings in the future be in confidence, or will they be out in the open?

Mr. TULLI. We do not specify that.

Mr. GEORGE. Now, I am told — and I apologize that I do not know as much about this as you do — but where supposedly the purpose of electric deregulation was to be able to provide the same amount of kilowatts at a cheaper price, as I read over this bill, this bill does not go a long way to save the average homeowner any money; this is basically a capacity type of saving. Is that right or wrong?

Mr. TULLI. That is correct, Mr. Speaker. The natural gas bill offers choice in competition to consumers. They can go out to the marketplace and seek the best buy. In the electricity industry, there was more room for savings than we have in the natural gas industry, and that is why you do not see wild claims of extravagant savings coming down the road, but we do know that we are going to start the consumers off right by cutting the gross receipts tax and give them a 5-percent reduction immediately.

Mr. GEORGE. Mr. Speaker, there are a couple of other points I would like for you to clarify.

You insist that this will save moneys, and the truth of the matter is, the greatest savings will come because of the alleviation of the tax that had been imposed. Will that not be a way that there will be a saving?

Mr. TULLI. That will be the first immediate savings, the 5-percent gross receipts tax elimination.

Mr. GEORGE. Now, secondly, if I may, as an individual, a homeowner or a user, just an individual, chooses to get into the program of where that individual can take advantage of the supply and demand, in which case there will be times where the bill will go up or the bill will go down, such as winter months and things of that, what does a consumer or a ratepayer do once he has got into that program and he sees that these bills have escalated rather than receded? What does he do then?

Mr. TULLI. He can shop around and go to another company.

Mr. GEORGE. And if he shops around and there is not another company, because I do not see in the bill where there is really a provision for any of these small companies to come in, because— Mr. Speaker, you are an honest man, and you know we are not

going to change the gas coming through the line; we are just going to change the billing process and the paperwork; they are going to be using the same gas. What does he do once he goes in? Is there anything in this that he can opt out? That is what I want to know.

Mr. TULLI. Mr. Speaker, let us start at the beginning of the gas going into the pipelines. If you choose a supplier outside of your utility, there will be gas put in the pipeline in your name. You may not get those same molecules of gas that were put into the pipeline, but you will be getting gas that was put in in your name, so in fact, that will be happening.

But if you are not happy with your supplier, you will have the choice of leaving that supplier and going to another one, and that is a choice that big companies and large commercial establishments have had since 1984, and the only ones we have deprived of that choice are the homeowners in Pennsylvania, the residential users of natural gas, and that is what we are going to be changing this week.

Mr. GEORGE. Mr. Speaker, not to be redundant, but again, to that section where you said that they have not yet met, they did meet; there had been people involved; there had been some decisions. And what I am asking is, was there anyone that signed on or were there any agreements made prior to what we are doing here today?

Mr. TULLI. Well, you may be referring to a collaborative that occurred during the formation of the ideas and bills and language that we put together in this bill. I do not think that page 14, subsection (2), is referring to that.

Mr. GEORGE. Well, it says, "...the results of any collaborative process previously engaged in during or prior to the restructuring proceeding."

Mr. TULLI. Yes. You see, these restructuring proceedings will be taking place after we pass the bill, and there may be some collaboration between suppliers and utilities to come up with an agreement that they will bring to the PUC as part of their restructuring agreement.

Mr. GEORGE. Well, Mr. Speaker, why did you need this section if it means nothing? You know, Mr. Speaker, everybody wants to save people money. Now, my question to you, now that we have gone through electric deregulation, is, you know, can we stand around and let somebody bite us in the same spot more than once? I mean, there is not any saving, and years to come, there will not be. Now that we are talking about gas — a different situation, a different matter; it is strictly a commodity — I think you know that for years, under the control of the PUC, that companies sold more gas that they brought in from out of State in that the PUC controlled the CC (combined cycle) costs on interstate but did not control the costs on intrastate. Now, is this going to be changed once the PUC is out of it, where they are going to be able to gouge or do something? I want to vote for deregulation because some people asked me to do that, but I want to do that knowing that what we are doing is not going to be repetition of what had just happened a few months ago, where nobody has proven that electric deregulation is going to save you money.

Mr. TULLI. Mr. Speaker, thank you. I do want to say that residents in my legislative district, in Dauphin County, in this area, are saving money on electricity because of the restructuring that we did. On January 1 of this year, because of the various restructuring agreements all across Pennsylvania, electricity rates were lowered because of what we did in this chamber, and they were lowered for those people whether they went shopping or not.

Those who went shopping saved even more money if they shopped for the lowest cost of electricity, and that is what we are going to say to the people of Pennsylvania after we pass this bill — that is, if you want the best deal, you are going to have to go shopping for it.

Mr. GEORGE. Mr. Speaker, I apologize, but what you just said just is not factual in that those companies that you are bragging about are going to be able to put their rates up 15 percent next year and 15 percent for the next 10 years and they are going to accomplish about \$1 billion of profit. But what I am talking about is gas. I am not talking about the fact that you say you saved money today. I am sure we are going to save money today with the alleviation of the tax. But will my people be able to opt out once they get a bill monthly? This is not going to be a yearly deal. Every month they are going to be able to get a bill, and when it goes up, are they going to be able to call, and not just find another supplier, are they going to be able to say, I want to go on to the other system that I just came off; I want to be able to go back where I was?

Mr. TULLI. Yes.

Mr. GEORGE. That is all I want to know, so with that, I will reserve what I am going to do, waiting, as the gentleman said, on what the Senate does, because if you will forgive me, Mr. Speaker, we do have our heads in the sand. Sometimes I figure we have our heads up our ass so far, a proctologist does not know what we are doing, and that is why I am concerned about this.

The SPEAKER. Save comments like that for someplace other than the floor of the House.

Mr. GEORGE. Mr. Speaker, the respect I have for you will never wane. My dad could not handle me, and I do not think you are ever going to be able to completely, but I came down here to do the best I can. I do not have as much to work with as you or the gentleman, Mr. Tulli, but I will do the best I can.

The SPEAKER. In a polite fashion.

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.

The following roll call was recorded:

YEAS—174

Adolph	Eachus	Maitland	Sather
Allen	Egolf	Major	Saylor
Argall	Evans	Mann	Schroder
Armstrong	Fairchild	Markosek	Schuler
Baker	Fargo	Marsico	Semmel
Bard	Feese	Masland	Serafini
Barley	Fichter	Mayernik	Seyfert
Barrar	Fleagle	McCall	Shaner
Bastian	Flick	McGill	Smith, S. H.
Battisto	Forcier	Mclhattan	Solobay
Bebko-Jones	Frankel	Mclhinney	Staback
Belardi	Gannon	McNaughton	Stairs
Belfanti	Geist	Melio	Steelman
Benninghoff	George	Metcalfe	Steil
Birmelin	Gigliotti	Michlovic	Stern
Blaum	Gladeck	Micozzie	Stetler
Browne	Godshall	Miller, R.	Stevenson
Bunt	Gordner	Miller, S.	Strittmatter
Buxton	Grucela	Mundy	Sturla
Caltagirone	Gruitza	Nailor	Surra
Cappabianca	Habay	Nickol	Tangretti
Casorio	Haluska	Orie	Taylor, E. Z.
Cawley	Hanna	Perzel	Tigue

Chadwick	Harhai	Pesci	Travaglio
Civera	Harhart	Petrone	Trello
Clark	Hasay	Phillips	Trich
Clymer	Hennessey	Pippy	Tulli
Cohen, L. I.	Herman	Pistella	Vance
Cohen, M.	Hershey	Preston	Van Home
Colafella	Hess	Ramos	Veon
Cornell	Hutchinson	Raymond	Walko
Corrigan	Jadlowiec	Readshaw	Waters
Costa	Kaiser	Reinard	Williams
Coy	Kirkland	Rieger	Wilt
Curry	Krebs	Roberts	Wogan
Dailey	LaGrotta	Roebuck	Wojnaroski
Daley	Laughlin	Rohrer	Wright
Dally	Lawless	Rooney	Yewcic
DeLuca	Leh	Ross	Yudichak
Dempsey	Lescovitz	Rubley	Zimmerman
Dermody	Levdansky	Ruffing	Zug
DiGirolamo	Lucyk	Sainato	
Donatucci	Lynch	Samuelson	Ryan,
Druce	Maher	Santoni	Speaker

NAYS—21

Bishop	James	Myers	Smith, B.
Butkovitz	Josephs	Oliver	Thomas
Carn	Keller	Petrarca	Vitali
DeWeese	Lederer	Platts	Washington
Freeman	Manderino	Robinson	Youngblood
Horsey			

NOT VOTING—0**EXCUSED—8**

Boyes	McGeehan	Scrimenti	Taylor, J.
Kenney	O'Brien	Snyder	True

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.

QUESTION OF PERSONAL PRIVILEGE

The SPEAKER. Mr. Gannon.

Mr. GANNON. Mr. Speaker, a point of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. GANNON. Mr. Speaker, as you know, for a number of years, I worked with the Computer Services Committee to get these laptops on the House floor, and I just wanted to remark that it was serendipity that the first bill which literally was done completely by electronic means with the use of the laptop computers happened to be a piece of legislation that I was sponsoring, and I am very honored that that occurred at that time. Thank you, Mr. Speaker.

ANNOUNCEMENT BY MR. STURLA

The SPEAKER. Mr. Sturla.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, a point of personal privilege.

The SPEAKER. The gentleman will state his point.

Mr. STURLA. Just a brief announcement.

The legislative baseball game scheduled for tonight with the lobbyists has been canceled due to rain. The lobbyists backed out, not us, but we will try and reschedule that as soon as possible. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

SUBCOMMITTEE MEETING

The SPEAKER. The gentleman, Mr. Krebs, from Lebanon. Mr. Krebs.

Mr. KREBS. Mr. Speaker, I would like to announce a committee meeting for the Subcommittee on Higher Education tomorrow morning in room 421 of the South Office Building.

The SPEAKER. The Chair thanks the gentleman.

There are announcements being made now that you will wish tomorrow you had listened to.

ANNOUNCEMENT BY MR. WILT

The SPEAKER. The gentleman, Mr. Wilt.

Mr. WILT. Thank you, Mr. Speaker.

I would like to announce to all members that tomorrow morning at 8:30 in room 205 of the Capitol Annex, there will be a meeting of the sportsmen's caucus. This meeting is important. We will have the Pennsylvania State Police there giving us an update and review of the instant check system. So that is at 8:30 tomorrow morning in the Capitol Annex. Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

ANNOUNCEMENT BY MR. DALEY

The SPEAKER. Mr. Daley.

Mr. DALEY. Mr. Speaker, to announce a meeting.

Mr. Speaker, the House coal caucus will meet tomorrow at 8 o'clock. It is going to be a breakfast meeting hosted by Allegheny Power to disclose— An announcement is going to be coming out concerning pollution in southwestern Pennsylvania.

The SPEAKER. The Chair thanks the gentleman.

STATE GOVERNMENT COMMITTEE MEETING

The SPEAKER. The gentleman, Mr. Clymer.

Mr. CLYMER. Thank you, Mr. Speaker.

Mr. Speaker, there will be a meeting of the State Government Committee in the rear of the hall; a meeting of the State Government Committee at the rear of the hall. We are going to meet right now, if all members will please come to the location.

REPUBLICAN CAUCUS

The SPEAKER. Mr. Fargo.

Mr. FARGO. Thank you, Mr. Speaker.

There will be a Republican caucus meeting tomorrow morning at 10 o'clock; a Republican caucus meeting at 10 o'clock.

VOTE CORRECTION

The SPEAKER. Mr. Waters, do you desire recognition? For what purpose?

Mr. WATERS. Yes, Mr. Speaker.

Mr. Speaker, on amendment 2794 to HB 1331, my button malfunctioned. I would like to vote "nay" on that bill, please.

The SPEAKER. The remarks of the gentleman are spread upon the record.

JUDICIARY COMMITTEE MEETING

The SPEAKER. Mr. Gannon.

Mr. GANNON. Thank you, Mr. Speaker.

Mr. Speaker, to remind the members of the Judiciary Committee, there was a meeting scheduled for 9:30 tomorrow morning in 40 East Wing, and I would hope that members would be there promptly, since caucuses start at 10, and we do have business to attend to.

The SPEAKER. The Chair thanks the gentleman.

Any further announcements?

DEMOCRATIC CAUCUS

The SPEAKER. Mr. Cohen.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, just a reminder for the members, there will be a caucus at 10:30 tomorrow morning.

The SPEAKER. The Chair thanks the gentleman.

Any further announcements?

BILLS REMOVED FROM TABLE

The SPEAKER. The Chair recognizes the majority leader.

Mr. PERZEL. Mr. Speaker, I move that the following bills be removed from the table:

SB 970;
SB 931; and
SB 652.

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

RECESS

The SPEAKER. Any further announcements? Does the majority leader or minority leader have any further business?

Hearing none, the Chair will declare the House in recess to permit the acceptance of bills from committee. This House is recessed to the call of the Chair.

AFTER RECESS

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

**THE SPEAKER PRO TEMPORE
(PATRICIA H. VANCE) PRESIDING****BILLS REPORTED FROM COMMITTEE,
CONSIDERED FIRST TIME, AND TABLED**

SB 209, PN 685

By Rep. CLYMER

An Act authorizing the Department of General Services, with the approval of the Governor, to convey to East Allen Township, Northampton County, certain land situate in East Allen Township, Northampton County.

STATE GOVERNMENT.

SB 812, PN 1031

By Rep. CLYMER

An Act authorizing and directing the State Armory Board of the Department of Military and Veterans Affairs and the Department of General Services, with the approval of the Governor, to convey to the Historical and Genealogical Society of Indiana County a tract of land situated in the Borough of Indiana, County of Indiana, Pennsylvania.

STATE GOVERNMENT.

SB 1000, PN 1203

By Rep. CLYMER

An Act designating the Capitol Annex Building as the Speaker Matthew J. Ryan Legislative Office Building and providing for its use; and making a repeal.

STATE GOVERNMENT.

BILLS REMOVED FROM TABLE

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

Mr. PERZEL. Madam Speaker, I move that the following bills be removed from the table:

SB 209;
SB 812; and
SB 1000.

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

RECESS

The SPEAKER *pro tempore*. This House will now stand in recess until the call of the Chair.

AFTER RECESS

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

**THE SPEAKER (MATTHEW J. RYAN)
PRESIDING**

APPROPRIATIONS COMMITTEE MEETING

The SPEAKER. The Chair recognizes the gentleman, Mr. Barley, who calls for a meeting of the Appropriations Committee in the Appropriations hearing room immediately. Members of the Appropriations Committee will go immediately to the majority Appropriations hearing room.

RECESS

The SPEAKER. Other than that, this House will continue in recess until the call of the Chair.

For the information of the members, the House will continue in recess until the report of the Appropriations Committee. The Chair has no idea when that report will be forthcoming but suspects shortly.

AFTER RECESS

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

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

SB 572, PN 1230 (Amended) By Rep. BARLEY

A Supplement to the act of May 13, 1999 (P.L. , No.6), known as the Capital Budget Project Itemization Act for 1999-2000, itemizing public improvement projects, furniture and equipment projects, transportation assistance projects, redevelopment assistance and redevelopment assistance capital projects, flood control projects, Keystone Recreation, Park and Conservation projects and forestry bridge projects to be constructed or acquired or assisted by the Department of General Services, the Department of Conservation and Natural Resources, the Department of Environmental Protection, the Department of Community and Economic Development, the Department of Transportation, the Pennsylvania Fish and Boat Commission or the Pennsylvania Game Commission, together with their estimated financial costs; authorizing the incurring of debt without the approval of the electors for the purpose of financing the projects to be constructed or acquired or assisted by the Department of General Services, the Department of Conservation and Natural Resources, the Department of Environmental Protection, the Department of Community and Economic Development or the Department of Transportation; stating the estimated useful life of the projects; authorizing certain waivers; making appropriations; and making repeals.

APPROPRIATIONS.**BILL REMOVED FROM TABLE**

The SPEAKER. The Chair recognizes the majority leader. Mr. PERZEL. Mr. Speaker, I move that SB 572 be removed from the table.

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

CALENDAR**BILLS AND RESOLUTIONS PASSED OVER**

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

ADJOURNMENT

The SPEAKER. Monday having come to a close, the Chair now recognizes the gentleman from York County, Mr. Miller.

Mr. MILLER. Mr. Speaker, I move that this House do now adjourn until Tuesday, June 15, 1999, 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 10:59 a.m., e.d.t., Tuesday, June 15, 1999, the House adjourned.