

COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

WEDNESDAY, FEBRUARY 9, 2005

SESSION OF 2005

189TH OF THE GENERAL ASSEMBLY

No. 12

HOUSE OF REPRESENTATIVES

The House convened at 10:30 a.m., e.s.t.

THE SPEAKER PRO TEMPORE (MATTHEW E. BAKER) PRESIDING

PRAYER

REV. ROBERT BERGER, Chaplain of the House of Representatives, offered the following prayer:

Let us bow our heads in prayer:

O God our Father, You guide everything with order and love. Look kindly upon the members of the Senate and the House of Representatives. Fill them with the spirit of wisdom. Keep them ever mindful of their duty to advance justice, rise to challenge, temper conflict, and fairly apportion the benefits and obligations of this State. Ignite their faith in You so that their attendance to the people's concerns will transcend the here and now and will surely be for millions yet unborn.

May each member endeavor to faithfully serve with a sense of dignity and tradition the continuing quest to secure and maintain the constitutional blessings of civil and religious liberty of this great Commonwealth. With Your guidance, Lord God, may the men and women within these walls dedicate themselves to perpetuate the Holy Experiment of William Penn with integrity, frugality, compassion, and respect for all mankind.

We pray to You, Lord, now and forever. Amen.

PLEDGE OF ALLEGIANCE

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

JOURNAL APPROVAL POSTPONED

The SPEAKER pro tempore. Without objection, the approval of the Journal of Tuesday, February 8, 2005, will be postponed until printed.

HOUSE BILLS INTRODUCED AND REFERRED

No. 365 By Representatives CLYMER and WASHINGTON

An Act amending the act of June 24, 1976 (P.L.424, No.101), referred to as the Emergency and Law Enforcement Personnel Death

Benefits Act, further providing for death benefit eligibility and for definitions.

Referred to Committee on VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, February 9, 2005.

No. 366 By Representatives CLYMER, SAYLOR, ARGALL, BARRAR, BEBKO-JONES, BELARDI, BELFANTI, BOYD, BROWNE, CALTAGIRONE, CAPPELLI, CASORIO, CAUSER, CAWLEY, COSTA, DALLY, DeWEESE, J. EVANS, FABRIZIO, FAIRCHILD, FICHTER, FLEAGLE, FORCIER, FREEMAN, GABIG, GEIST, GEORGE, GERGELY, GILLESPIE, GINGRICH, GOODMAN, GRUCELA, HENNESSEY, HERSHEY, HUTCHINSON, KILLION, LEACH, LEH, LEVDANSKY, MANN, MARKOSEK, MARSICO, McCALL, McILHINNEY, MELIO, S. MILLER, O'NEILL, PALLONE, PETRARCA, PHILLIPS, PISTELLA, RAYMOND, READSHAW, REED, REICHLEY, SAINATO, SCAVELLO, SCHRODER, SHANER, B. SMITH, SOLOBAY, STABACK, SURRA, TANGRETTI, E. Z. TAYLOR, THOMAS, TRUE, WANSACZ, WASHINGTON, WATSON, WILT, YOUNGBLOOD, YUDICHAK and KAUFFMAN

An Act authorizing members of emergency service organizations and certain family members to receive tuition credit for Pennsylvania community colleges.

Referred to Committee on VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, February 9, 2005.

No. 367 By Representatives CLYMER, BALDWIN, BARRAR, BELFANTI, BOYD, BROWNE, BUNT, BUXTON, CALTAGIRONE, CAPPELLI, CAUSER, CORRIGAN, CRAHALLA, CREIGHTON, DALLY, DeWEESE, FABRIZIO, FICHTER, FLICK, FRANKEL, FREEMAN, GABIG, GEIST, GERGELY, GINGRICH, GOODMAN, GRUCELA, HENNESSEY, HERSHEY, HESS, HUTCHINSON, KILLION, LEACH, LEDERER, LEH, MANN, MARSICO, McCALL, McILHINNEY, MELIO, S. MILLER, NAILOR, O'NEILL, PALLONE, PETRI, PHILLIPS, PICKETT, PISTELLA, RAYMOND, READSHAW, REED, REICHLEY, ROHRER, ROSS, RUBLEY, SAINATO, SATHER, SCAVELLO, SCHRODER, SHANER, B. SMITH, SOLOBAY, STERN, R. STEVENSON, SURRA, E. Z. TAYLOR, THOMAS, TIGUE, TRUE, WANSACZ, WHEATLEY, WILT, WOJNAROSKI and YOUNGBLOOD

An Act providing for certain emergency services reimbursements.

Referred to Committee on VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, February 9, 2005.

No. 368 By Representatives CLYMER, ARMSTRONG, BAKER, BARRAR, BASTIAN, BELFANTI, BENNINGHOFF, BROWNE, BUNT, CALTAGIRONE, CAPPELLI, CAUSER, CAWLEY, DeWEESE, FAIRCHILD, FLEAGLE, FREEMAN, GABIG, GEIST, GEORGE, GINGRICH, GOODMAN, GRUCELA, HARHAI, HARHART, HARRIS, HESS, HUTCHINSON, JAMES, LEACH, LEDERER, LESCOVITZ, MARKOSEK, McILHATTAN, MELIO, S. MILLER, MUSTIO, NAILOR, O'NEILL, PETRARCA, PISTELLA, PYLE, READSHAW, REICHLEY, SAINATO, SCAVELLO, SCHRODER, SHANER, B. SMITH, SOLOBAY, STABACK, STERN, R. STEVENSON, SURRA, E. Z. TAYLOR, THOMAS, TIGUE, WATSON, WILT, WOJNAROSKI, WRIGHT, YOUNGBLOOD, YUDICHAK and ZUG

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, further providing for disabled veterans' real estate tax exemption.

Referred to Committee on FINANCE, February 9, 2005.

No. 369 By Representatives CAPPELLI, BASTIAN, CALTAGIRONE, GOOD, LEACH, LEDERER, REICHLEY, SEMMEL, TANGRETTI, E. Z. TAYLOR, TIGUE and WALKO

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for exceptions to sovereign immunity.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 370 By Representatives CAPPELLI, CALTAGIRONE, GEORGE, LEDERER, REICHLEY, J. TAYLOR, THOMAS, WALKO and YOUNGBLOOD

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for limitations on damages in cases of sovereign and governmental immunity.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 371 By Representatives CAPPELLI, ARMSTRONG, BELFANTI, BUXTON, CALTAGIRONE, DALEY, DeWEESE, EACHUS, GEIST, HARRIS, JAMES, LEDERER, R. MILLER, PICKETT, PRESTON, J. TAYLOR, THOMAS, WILT and YOUNGBLOOD

An Act amending the act of July 16, 1968 (P.L.351, No.173), referred to as the Prisoner Pre-release Plan Law, further providing for release plans.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 372 By Representatives CAPPELLI, ALLEN, ARMSTRONG, BEBKO-JONES, BUXTON, CALTAGIRONE, CASORIO, CREIGHTON, EACHUS, FABRIZIO, GEIST, GERGELY, GINGRICH, HERMAN,

HERSHEY, JAMES, R. MILLER, O'NEILL, PALLONE, PAYNE, PETRONE, PHILLIPS, PICKETT, SAINATO, SCAVELLO, THOMAS, TIGUE and MANN

An Act amending the act of June 23, 1931 (P.L.932, No.317), known as The Third Class City Code, further providing for residency requirements for vacancy appointments.

Referred to Committee on LOCAL GOVERNMENT, February 9, 2005.

No. 373 By Representatives CAPPELLI, BOYD, BROWNE, BUXTON, CALTAGIRONE, CREIGHTON, DALEY, GEIST, GEORGE, HERMAN, MARSICO, PICKETT, READSHAW, REICHLEY, SAINATO, SCAVELLO, SEMMEL, SOLOBAY, E. Z. TAYLOR, J. TAYLOR, THOMAS, TIGUE, WALKO, WILT, YOUNGBLOOD, YUDICHAK and WANSACZ

An Act amending the act of May 17, 1956 (1955 P.L.1609, No.537), known as the Pennsylvania Industrial Development Authority Act, further providing for administrative powers.

Referred to Committee on COMMERCE, February 9, 2005.

No. 374 By Representatives MAJOR, HARPER, GINGRICH, PICKETT, CALTAGIRONE, CRAHALLA, CURRY, J. EVANS, FABRIZIO, GERGELY, GOODMAN, O'NEILL, PETRI, PISTELLA, REICHLEY, E. Z. TAYLOR, THOMAS and YOUNGBLOOD

An Act amending the act of May 3, 1933 (P.L.242, No.86), referred to as the Cosmetology Law, adding definitions; further providing for membership of the State Board of Cosmetology; prohibiting practice of electrology without license; providing for requirements to practice electrology, for eligibility requirements, for examination for practice of electrology, for eligibility requirements for teaching of electrology, for licensure of electrology offices, for transition provisions and for continuing education for individuals licensed to practice or teach electrology; further providing for sanitary rules, for fees, for consumer complaints, for duration and renewal of licenses and for imposition of penalties; and providing for regulations.

Referred to Committee on PROFESSIONAL LICENSURE, February 9, 2005.

No. 375 By Representatives BISHOP, YOUNGBLOOD, CALTAGIRONE, THOMAS, CREIGHTON, BEBKO-JONES, LEACH, JOSEPHS, MANN, DALEY and WASHINGTON

An Act amending Title 3 (Agriculture) of the Pennsylvania Consolidated Statutes, requiring restaurants to display dietary information.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, February 9, 2005.

No. 376 By Representatives ROEBUCK, DeWEESE, D. EVANS, STETLER, BISHOP, LEACH, MUNDY, SHANER, STURLA, BIANCUCCI, BLACKWELL, BUXTON, CRUZ, DONATUCCI, HARPER, JOSEPHS, W. KELLER, MANDERINO, MANN, McGEEHAN, RIEGER, SAMUELSON, THOMAS, TIGUE, WASHINGTON, WILLIAMS, YOUNGBLOOD and J. TAYLOR

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, further providing for the definition of "compulsory school age" and for home education programs.

Referred to Committee on EDUCATION, February 9, 2005.

No. 377 By Representatives ROEBUCK, BISHOP, CURRY, LEACH, SHANER, STURLA, D. EVANS, STETLER, BLACKWELL, CALTAGIRONE, CRUZ, DONATUCCI, HARPER, JOSEPHS, W. KELLER, LEDERER, McGEEHAN, RIEGER, J. TAYLOR, THOMAS, WASHINGTON, WILLIAMS and YOUNGBLOOD

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, further providing for the definition of "compulsory school age" and for home education programs.

Referred to Committee on EDUCATION, February 9, 2005.

No. 378 By Representatives FICHTER, THOMAS, BARRAR, BIANCUCCI, BLACKWELL, BOYD, BROWNE, BUXTON, CALTAGIRONE, CRAHALLA, CREIGHTON, EACHUS, FABRIZIO, FRANKEL, FREEMAN, GERGELY, GOODMAN, HENNESSEY, JAMES, JOSEPHS, W. KELLER, KILLION, LEDERER, MANN, O'NEILL, PHILLIPS, PRESTON, READSHAW, REICHLEY, ROSS, SANTONI, SATHER, SAYLOR, SCAVELLO, E. Z. TAYLOR, TIGUE, WALKO, WATSON, WHEATLEY, YOUNGBLOOD, MANDERINO and CURRY

An Act providing for a Statewide Barrio Nuevo Latino Community Learning Program to be administered by the Department of Education to the Pennsylvania Association of Latino Organizations.

Referred to Committee on EDUCATION, February 9, 2005.

No. 379 By Representatives GODSHALL, PHILLIPS, BENNINGHOFF, BOYD, CLYMER, CRAHALLA, CREIGHTON, DENLINGER, FAIRCHILD, HERSHEY, KILLION, LEH, O'NEILL, PYLE, SEMMEL, TRUE, WILT and WRIGHT

A Joint Resolution proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, authorizing limitations on attorney fees in medical malpractice actions.

Referred to Committee on STATE GOVERNMENT, February 9, 2005.

No. 380 By Representatives GODSHALL, DALEY, JAMES and LEH

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

Referred to Committee on EDUCATION, February 9, 2005.

No. 381 By Representatives GODSHALL, BARRAR, DALEY, JAMES and SCHRODER

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, setting forth public policy relating to strikes; and providing for assessments.

Referred to Committee on EDUCATION, February 9, 2005.

No. 382 By Representatives GODSHALL, PHILLIPS, BUNT, BARRAR, BEBKO-JONES, CIVERA, CLYMER, CREIGHTON, DALEY, FICHTER, GOOD, HERMAN, HERSHEY, HESS, JAMES, M. KELLER, LEACH, R. MILLER, NAILOR, O'NEILL, PALLONE, PYLE, RUBLEY, SCAVELLO, E. Z. TAYLOR, THOMAS, TIGUE, WATSON and WILT

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, further providing for powers and duties of the intermediate unit board of directors; providing for State reimbursement for mobile classroom facilities; and making editorial changes.

Referred to Committee on EDUCATION, February 9, 2005.

No. 383 By Representatives GODSHALL, BUNT, ADOLPH, BEBKO-JONES, CIVERA, CRAHALLA, DALEY, DERMODY, GOODMAN, JAMES, PALLONE, PETRONE, PICKETT, PYLE, SCAVELLO, STERN, WILT and YOUNGBLOOD

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, changing provisions relating to school terms and sessions.

Referred to Committee on EDUCATION, February 9, 2005.

No. 384 By Representatives GODSHALL, BALDWIN, BARRAR, BASTIAN, BUNT, CAPPELLI, CRAHALLA, CREIGHTON, DALEY, DENLINGER, FICHTER, GEIST, GOOD, GOODMAN, HERSHEY, HESS, M. KELLER, LEACH, LEDERER, McNAUGHTON, PALLONE, PICKETT, READSHAW, REED, REICHLEY, SCAVELLO, SCHRODER, STERN, T. STEVENSON, E. Z. TAYLOR, WANSACZ, WATSON, WILT and YOUNGBLOOD

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, providing for the definition of "extracurricular activity"; and further providing for home education programs.

Referred to Committee on EDUCATION, February 9, 2005.

No. 385 By Representatives GODSHALL, BUNT, CIVERA, CRAHALLA, CURRY, DALEY, GOODMAN, HERSHEY, MUSTIO, O'NEILL, READSHAW, REICHLEY, SANTONI, SCAVELLO, SCHRODER and YOUNGBLOOD

An Act amending Title 24 (Education) of the Pennsylvania Consolidated Statutes, further providing for actuarial cost method.

Referred to Committee on EDUCATION, February 9, 2005.

No. 386 By Representatives CRUZ, YOUNGBLOOD, THOMAS, LEDERER, WALKO, CALTAGIRONE, JAMES, BEBKO-JONES and BLACKWELL

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, prohibiting the sale of food, nonprescription drugs and cosmetics under certain circumstances; and imposing penalties.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 387 By Representatives CRUZ, YOUNGBLOOD, W. KELLER, GRUCELA, JAMES, D. EVANS, CALTAGIRONE, TIGUE, PISTELLA, THOMAS, SOLOBAY, HARHAI, J. TAYLOR and MANN

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for registration procedures and applicability relating to certain sexual offenders.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 388 By Representatives CRUZ, YOUNGBLOOD, THOMAS, TIGUE, CALTAGIRONE, DeWEESE, NAILOR, PISTELLA, BEBKO-JONES, SOLOBAY, SAMUELSON, DALEY, LEDERER, PALLONE, COSTA, MANN and J. TAYLOR

An Act amending Title 65 (Public Officers) of the Pennsylvania Consolidated Statutes, requiring public officials and public employees who use government vehicles to provide proof of holding a valid driver's license.

Referred to Committee on TRANSPORTATION, February 9, 2005.

No. 389 By Representatives CRUZ, YOUNGBLOOD, THOMAS, CALTAGIRONE, PISTELLA, WALKO, DALEY, LEDERER and PALLONE

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, further providing for the offense of posting advertisements on another's property.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 390 By Representatives CRUZ, YOUNGBLOOD, THOMAS, CALTAGIRONE, TIGUE, BUXTON, DALEY and JAMES

An Act amending the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, further providing for administration of assistance and for additional services for medically needy recipients; and abrogating a regulation.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 9, 2005.

No. 391 By Representatives CRUZ, YOUNGBLOOD, TANGRETTI, THOMAS, CORRIGAN, CALTAGIRONE, BUXTON, EACHUS, JOSEPHS, CAWLEY, DALEY and WHEATLEY

An Act amending the act of August 5, 1941 (P.L.752, No.286), known as the Civil Service Act, further providing for nature of examinations.

Referred to Committee on STATE GOVERNMENT, February 9, 2005.

No. 392 By Representatives CRUZ, YOUNGBLOOD, W. KELLER, THOMAS, LEDERER, TIGUE, CALTAGIRONE, PISTELLA, SOLOBAY, DALEY and JAMES

An Act amending the act of June 19, 1931 (P.L.589, No.202), referred to as the Barbers' License Law, further providing for licenses.

Referred to Committee on PROFESSIONAL LICENSURE, February 9, 2005.

No. 393 By Representatives CRUZ, YOUNGBLOOD, W. KELLER, LEDERER, PISTELLA, TIGUE, PRESTON, THOMAS, KIRKLAND, MELIO, DALEY, CALTAGIRONE and CIVERA

An Act amending the act of May 3, 1933 (P.L.242, No.86), referred to as the Cosmetology Law, further providing for display of licenses.

Referred to Committee on PROFESSIONAL LICENSURE, February 9, 2005.

No. 394 By Representatives CRUZ, YOUNGBLOOD, W. KELLER, TANGRETTI, GRUCELA, LEDERER, CORRIGAN, CALTAGIRONE, JAMES, TIGUE, DeWEESE, DERMODY, GEORGE, WALKO, PISTELLA, GOODMAN, PETRONE, EACHUS, MUNDY, THOMAS, CURRY, BEBKO-JONES, STERN, MELIO, DeLUCA, DALEY, CRAHALLA, PALLONE, PETRARCA, BISHOP, MANN and MANDERINO

An Act relating to confidentiality of Social Security numbers.

Referred to Committee on INTERGOVERNMENTAL AFFAIRS, February 9, 2005.

No. 395 By Representatives O'BRIEN, BAKER, BELFANTI, BUNT, CALTAGIRONE, CREIGHTON, DONATUCCI, J. EVANS, FLEAGLE, GEORGE, GOOD, GOODMAN, LEACH, LEDERER, MANN, McGEEHAN, MICOZZIE, NICKOL, PERZEL, READSHAW, SCAVELLO, SOLOBAY, STABACK, STERN, E. Z. TAYLOR, WALKO, WANSACZ, WATSON, YOUNGBLOOD and ZUG

An Act prohibiting any municipal pension or retirement system in a city of the first class from denying certain benefits to surviving spouses of firefighters or certain employees upon a subsequent remarriage of the surviving spouse; and making repeals.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 396 By Representatives O'BRIEN, BLAUM, BOYD, BROWNE, CALTAGIRONE, CAPPELLI, CRAHALLA, CURRY, J. EVANS, FRANKEL, FREEMAN, GEIST, GERGELY, GINGRICH, GOOD, GOODMAN, GRUCELA, HARRIS, HERMAN, W. KELLER, KENNEY, KILLION, LEDERER, MACKERETH, MAITLAND, R. MILLER, MUSTIO, NAILOR, O'NEILL, READSHAW, SCAVELLO,

SEMMELE, B. SMITH, SOLOBAY, E. Z. TAYLOR, THOMAS, WALKO and WILT

An Act authorizing the Commonwealth of Pennsylvania to join the National Crime Prevention and Privacy Compact; providing for the form of the compact; and authorizing the Attorney General to appoint a compact officer.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 397 By Representatives STABACK, BAKER, BEBKO-JONES, BELARDI, BELFANTI, CALTAGIRONE, CORRIGAN, CURRY, FABRIZIO, FAIRCHILD, FREEMAN, GERGELY, GRUCELA, HALUSKA, HARHAI, HARRIS, HENNESSEY, HUTCHINSON, JAMES, KOTIK, LaGROTTA, LEACH, LEDERER, MANDERINO, MANN, MUNDY, NAILOR, PHILLIPS, REICHLEY, ROBERTS, SAINATO, SANTONI, SHANER, SOLOBAY, SURRA, TANGRETTI, THOMAS, TIGUE, WALKO, WANSACZ, WOJNAROSKI, WRIGHT, YOUNGBLOOD, McCALL, KIRKLAND and PALLONE

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, further providing for date of application for absentee ballot and for canvassing of official absentee ballots.

Referred to Committee on STATE GOVERNMENT, February 9, 2005.

No. 399 By Representatives BUXTON, CAPPELLI, BOYD, BUNT, CALTAGIRONE, CRAHALLA, FICHTER, GERGELY, GINGRICH, GRELL, KOTIK, LEDERER, MUNDY, PAYNE, READSHAW, B. SMITH, STABACK, TIGUE, VITALI, SATHER, PALLONE and THOMAS

An Act amending Title 54 (Names) of the Pennsylvania Consolidated Statutes, further providing for surviving spouse to resume prior name.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 401 By Representatives SCAVELLO, THOMAS, FORCIER, BALDWIN, BASTIAN, BEBKO-JONES, BELFANTI, CALTAGIRONE, CRAHALLA, CREIGHTON, CRUZ, DALEY, DALLY, GEORGE, GERGELY, HENNESSEY, LEDERER, MILLARD, O'NEILL, PICKETT, E. Z. TAYLOR, TIGUE and YOUNGBLOOD

An Act establishing the State Board of Orthotics, Prosthetics and Pedorthics; providing for licensure of orthotists, prosthetists and pedorthists and for discipline for practice without a license; authorizing investigations and hearings by Department of State; imposing criminal penalties; and providing for the adoption of rules and regulations.

Referred to Committee on PROFESSIONAL LICENSURE, February 9, 2005.

No. 402 By Representatives FABRIZIO, BEBKO-JONES, GEORGE, CORRIGAN, CALTAGIRONE, FORCIER, LEDERER, SHANER, WOJNAROSKI, DeWEESE, KIRKLAND, PALLONE, YOUNGBLOOD and GRUCELA

An Act designating a portion of a State route in the City of Erie as Michael A. Cannavino Way.

Referred to Committee on TRANSPORTATION, February 9, 2005.

No. 403 By Representatives SCHRODER, ARMSTRONG, BALDWIN, BARRAR, BENNINGHOFF, BROWNE, CAUSER, CRAHALLA, DALLY, D. EVANS, FLICK, FORCIER, GEIST, GINGRICH, GODSHALL, GRUCELA, HENNESSEY, HERSHEY, KILLION, LEH, METCALFE, MILLARD, PETRI, REICHLEY, STEIL, E. Z. TAYLOR, WRIGHT and YOUNGBLOOD

An Act amending the act of July 5, 2004 (P.L.654, No.72), known as the Homeowner Tax Relief Act, further providing for qualifying contribution; adding provisions relating to failure of school district to act and referendum on qualifying contribution; and providing for adoption of referendum and for public referendum requirements for increasing certain taxes.

Referred to Committee on FINANCE, February 9, 2005.

No. 404 By Representatives SCHRODER, ARMSTRONG, BARRAR, BOYD, BROWNE, CRAHALLA, CREIGHTON, FLICK, GILLESPIE, GODSHALL, HENNESSEY, HERSHEY, M. KELLER, KILLION, MARSICO, METCALFE, MUSTIO, QUIGLEY, REICHLEY, SCAVELLO, E. Z. TAYLOR, THOMAS, WILT and YOUNGBLOOD

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

Referred to Committee on EDUCATION, February 9, 2005.

No. 405 By Representatives SCHRODER, ARMSTRONG, BALDWIN, BIRMELIN, CLYMER, CREIGHTON, DENLINGER, FAIRCHILD, GABIG, GILLESPIE, GINGRICH, GRUCELA, HARPER, HARRIS, HERSHEY, HICKERNELL, KILLION, LEH, MAHER, MARSICO, MCGILL, METCALFE, R. MILLER, S. MILLER, NAILOR, PHILLIPS, PICKETT, REICHLEY, ROHRER, ROSS, RUBLEY, SATHER, SAYLOR, SCAVELLO, STABACK, STEIL, R. STEVENSON, E. Z. TAYLOR, TRUE, TURZAI, WATSON, WILT, YOUNGBLOOD, ZUG and KAUFFMAN

An Act providing for voluntary payroll deduction for political contributions, for regulation of labor organization political contributions, for enforcement and for penalties; and imposing powers and duties on the Department of State.

Referred to Committee on LABOR RELATIONS, February 9, 2005.

No. 406 By Representatives SCHRODER, ARMSTRONG, BALDWIN, BARRAR, BOYD, BROWNE, CALTAGIRONE, CAPPELLI, CRAHALLA, DENLINGER, FAIRCHILD, FICHTER, FLICK, GABIG, GEIST, GINGRICH, GODSHALL, GOODMAN, HARHART, HARRIS, HENNESSEY, HERSHEY, HESS, HUTCHINSON, KILLION, LEH, MAHER, MARSICO, McILHATTAN, NAILOR, NICKOL, O'NEILL, PALLONE, PETRARCA, PHILLIPS,

PICKETT, REICHLEY, ROHRER, ROSS, SAINATO, SAYLOR, SCAVELLO, SHANER, E. Z. TAYLOR, THOMAS, TURZAI, WILT, YOUNGBLOOD and ZUG

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, further providing for classes of income for purposes of personal income tax.

Referred to Committee on FINANCE, February 9, 2005.

No. 407 By Representatives SCHRODER, ARMSTRONG, BARRAR, BOYD, BROWNE, CALTAGIRONE, CLYMER, CRAHALLA, CREIGHTON, DENLINGER, DeWEESE, FRANKEL, GEIST, GERGELY, GOODMAN, GRUCELA, HALUSKA, HARRIS, HERSHEY, KILLION, LEDERER, LEH, MACKERETH, MILLARD, MUNDY, O'NEILL, PAYNE, PICKETT, PISTELLA, READSHAW, ROHRER, RUBLEY, SATHER, E. Z. TAYLOR, THOMAS, TIGUE, WALKO and YOUNGBLOOD

An Act amending Title 23 (Domestic Relations) of the Pennsylvania Consolidated Statutes, further defining "income" for support purposes.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 408 By Representatives SCHRODER, ARMSTRONG, BAKER, BALDWIN, BARRAR, BENNINGHOFF, BOYD, CAPPELLI, CLYMER, CRAHALLA, DALLY, FAIRCHILD, GABIG, GEIST, GINGRICH, GRUCELA, HALUSKA, HARPER, HARRIS, HENNESSEY, HERSHEY, HUTCHINSON, M. KELLER, KILLION, MACKERETH, MANN, McGEEHAN, R. MILLER, S. MILLER, MUNDY, O'NEILL, PICKETT, REED, REICHLEY, ROHRER, RUBLEY, SATHER, B. SMITH, STABACK, E. Z. TAYLOR, THOMAS, TURZAI, WANSACZ, WATSON and WILT

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, providing for employer immunity from liability for disclosure of information regarding former or current employees.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 409 By Representatives E. Z. TAYLOR, HENNESSEY, S. MILLER, TRUE, BAKER, BALDWIN, BARRAR, BELARDI, BOYD, BROWNE, BUNT, CALTAGIRONE, CAPPELLI, CAWLEY, CIVERA, CLYMER, CORRIGAN, CRAHALLA, CRUZ, DeWEESE, EACHUS, FABRIZIO, FLEAGLE, FORCIER, GEIST, GERGELY, GILLESPIE, GOOD, GOODMAN, GRUCELA, HARHAI, HARRIS, HESS, HICKERNELL, HUTCHINSON, LEH, MANN, MARKOSEK, MARSICO, McILHATTAN, R. MILLER, NAILOR, O'NEILL, PETRONE, PHILLIPS, PICKETT, PYLE, RAYMOND, READSHAW, ROSS, RUBLEY, SAINATO, SATHER, SCAVELLO, SCHRODER, SHANER, B. SMITH, SOLOBAY, STABACK, SURRA, THOMAS, TIGUE, WALKO, WATSON, WILT, WOJNAROSKI and KAUFFMAN

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, further providing for sentencing procedure for murder of the first degree.

Referred to Committee on JUDICIARY, February 9, 2005.

No. 410 By Representatives E. Z. TAYLOR, SCHRODER, WATSON, GINGRICH, BARRAR, BEBKO-JONES, BELARDI, BELFANTI, BISHOP, BLACKWELL, BLAUM, BROWNE, BUXTON, CALTAGIRONE, CAPPELLI, CLYMER, CORRIGAN, CRAHALLA, CRUZ, CURRY, DeLUCA, DeWEESE, EACHUS, FABRIZIO, FLICK, FORCIER, FRANKEL, FREEMAN, GEIST, GERGELY, GOOD, GOODMAN, GRUCELA, HARHAI, HARHART, HARRIS, HENNESSEY, HERMAN, HESS, JAMES, W. KELLER, KIRKLAND, LEDERER, LEH, MACKERETH, MAITLAND, MARKOSEK, MARSICO, McILHATTAN, MELIO, MILLARD, R. MILLER, MUNDY, O'NEILL, PALLONE, PETRARCA, PHILLIPS, PICKETT, PRESTON, RAMALEY, RAYMOND, READSHAW, ROSS, RUBLEY, SAINATO, SATHER, SCAVELLO, SEMMEL, SHANER, B. SMITH, SOLOBAY, STABACK, STERN, STURLA, TANGRETTI, THOMAS, TIGUE, TRUE, WALKO, WOJNAROSKI, YOUNGBLOOD and YUDICHAK

An Act amending the act of July 19, 1979 (P.L.130, No.48), known as the Health Care Facilities Act, requiring the Department of Health to make inspections of long-term care nursing facilities on an unannounced basis and not near the time of the facilities' annual license renewal.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 9, 2005.

No. 411 By Representatives PISTELLA, DeWEESE, BARRAR, BEBKO-JONES, BELFANTI, BIANCUCCI, CALTAGIRONE, CAPPELLI, CAWLEY, CRUZ, CURRY, DeLUCA, EACHUS, FRANKEL, FREEMAN, GERGELY, KIRKLAND, KOTIK, DALEY, LEACH, LEDERER, MARKOSEK, McGEEHAN, MELIO, MUNDY, O'NEILL, PALLONE, PETRONE, PRESTON, ROONEY, SAINATO, SHANER, SURRA, THOMAS, WALKO, WHEATLEY and YOUNGBLOOD

An Act amending the act of July 19, 1979 (P.L.130, No.48), known as the Health Care Facilities Act, further providing for administration.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 9, 2005.

No. 412 By Representatives PISTELLA, DeWEESE, BAKER, BEBKO-JONES, BELFANTI, BIANCUCCI, BISHOP, BROWNE, CALTAGIRONE, CAPPELLI, CAWLEY, CRUZ, CURRY, DALEY, DeLUCA, EACHUS, FABRIZIO, FRANKEL, FREEMAN, GEORGE, GERGELY, GINGRICH, GOOD, GRUCELA, HERMAN, JAMES, W. KELLER, KIRKLAND, LEACH, LEDERER, LEH, MARKOSEK, McILHATTAN, O'NEILL, PALLONE, PRESTON, SANTONI, SATHER, SEMMEL, SHANER, SOLOBAY, E. Z. TAYLOR, TIGUE, WALKO, WATSON, WHEATLEY and YOUNGBLOOD

An Act establishing the Pennsylvania Long-term Care Council and providing for its powers and duties; and making a repeal.

Referred to Committee on HEALTH AND HUMAN SERVICES, February 9, 2005.

No. 413 By Representatives GODSHALL, CALTAGIRONE, CRAHALLA, CREIGHTON, GERGELY, HERSHEY, HESS, MCGILL, MUSTIO, STABACK and YOUNGBLOOD

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, further providing for the term of office of commissioners.

Referred to Committee on GAME AND FISHERIES, February 9, 2005.

No. 414 By Representatives GODSHALL, CALTAGIRONE, CRAHALLA, CREIGHTON, HERSHEY, HESS, MCGILL, MUSTIO, STABACK and YOUNGBLOOD

An Act amending Title 30 (Fish) of the Pennsylvania Consolidated Statutes, further providing for the term of office of the commissioners.

Referred to Committee on GAME AND FISHERIES, February 9, 2005.

No. 415 By Representatives GODSHALL, CALTAGIRONE, CRAHALLA, MCGILL, MUSTIO, SOLOBAY, STABACK, SURRA, TIGUE, YOUNGBLOOD and GOODMAN

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, prohibiting hunting in and around game feeders and game feeding areas.

Referred to Committee on GAME AND FISHERIES, February 9, 2005.

No. 416 By Representatives GODSHALL, DeWEESE, CALTAGIRONE, FABRIZIO, GEIST, GEORGE, GERGELY, MCGILL, SATHER, SOLOBAY, STABACK, SURRA, WASHINGTON and GOODMAN

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, further providing for certain activities by persons holding disabled person permits.

Referred to Committee on GAME AND FISHERIES, February 9, 2005.

No. 417 By Representatives GODSHALL, CALTAGIRONE, FABRIZIO, GEIST, GERGELY, MCGILL, SOLOBAY, STABACK, SURRA, YOUNGBLOOD and GOODMAN

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, further providing for the limited hunting of woodchucks on Sundays.

Referred to Committee on GAME AND FISHERIES, February 9, 2005.

HOUSE RESOLUTION INTRODUCED AND REFERRED

No. 64 By Representatives ARMSTRONG, BASTIAN, BEBKO-JONES, BIANCUCCI, CALTAGIRONE, CAWLEY, CLYMER, CORRIGAN, CRAHALLA, CRUZ, DeWEESE, DiGIROLAMO, FABRIZIO, FAIRCHILD, FREEMAN, GERGELY, GRUCELA, HARHART, HERSHEY, W. KELLER, KIRKLAND, KOTIK, LEDERER, LEH, LEVDANSKY, MCGEEHAN, MELIO, MUNDY, O'NEILL, PALLONE, READSHAW, ROHRER, SATHER, SCAVELLO, SHANER, STERN, THOMAS, TIGUE, WHEATLEY, WOJNAROSKI and GOODMAN

A Concurrent Resolution urging the Congress of the United States to place a moratorium on new free trade agreements, to investigate and review current free trade agreements and policies of the United States, to investigate and review participation of the United States with international trade organizations and to ensure that such agreements, policies and participation are in the best interests of the citizens of the Commonwealth of Pennsylvania and the United States.

Referred to Committee on COMMERCE, February 9, 2005.

BILLS REMOVED FROM TABLE

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

Mr. S. SMITH. Mr. Speaker, I move that HB 2 and HB 3 be taken off the table.

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

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 2, PN 219; and HB 3, PN 220.

BILLS RECOMMITTED

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

Mr. S. SMITH. Mr. Speaker, I move that HBs 2 and 3 be recommitted to the Appropriations Committee.

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

LEAVES OF ABSENCE

The SPEAKER pro tempore. Are there requests for leaves of absence?

The Chair recognizes the majority whip, who requests a leave of absence for the gentleman, Mr. ROSS, from Chester County; the gentleman, Mr. PERZEL, from

Philadelphia County; and the gentleman from Bucks, Mr. McILHINNEY. Without objection, the leaves are granted.

The Chair recognizes the minority whip, who moves that a leave of absence be granted to Mr. EACHUS from Luzerne County. Without objection, the leave of absence is granted.

The Chair is about to take the master roll. Members, please report to the floor; members, please report to the floor. The Chair is about to take the master roll.

GUESTS INTRODUCED

The SPEAKER pro tempore. Please welcome Rachel Pityk as a guest page for Representative Peter Zug of the 102d Legislative District. She is shadowing the Representative today as her Career Day for Cedar Crest Middle School. Accompanying Rachel in the gallery is her mother, Nancy. Please rise.

I would like to acknowledge the guests of Representative Josh Shapiro, who are seated in the gallery. They are Ken Lawrence, Vijay Kapoor, Carl Webster, and Naomi Wyatt. Please rise.

MASTER ROLL CALL

The SPEAKER pro tempore. The Chair is about to take the master roll. Members will proceed to vote.

The following roll call was recorded:

PRESENT—196

Adolph	Fairchild	Lescovitz	Rooney
Allen	Feese	Levdansky	Rubley
Argall	Fichter	Mackereth	Ruffing
Baker	Fleagle	Maher	Sainato
Baldwin	Flick	Maitland	Samuelson
Barrar	Forcier	Major	Santoni
Bastian	Frankel	Manderino	Sather
Bebko-Jones	Freeman	Mann	Saylor
Belardi	Gabig	Markosek	Scavello
Belfanti	Gannon	Marsico	Schroder
Benninghoff	Geist	McCall	Semmel
Bianucci	George	McGeehan	Shaner
Birmelin	Gerber	McGill	Shapiro
Bishop	Gergely	McIlhattan	Smith, B.
Blackwell	Gillespie	McNaughton	Smith, S. H.
Blaum	Gingrich	Melio	Solobay
Boyd	Godshall	Metcalfe	Sonney
Browne	Good	Micozzie	Staback
Bunt	Goodman	Millard	Stairs
Butkovitz	Grell	Miller, R.	Steil
Buxton	Grucela	Miller, S.	Stern
Caltagirone	Gruitza	Mundy	Stetler
Cappelli	Habay	Mustio	Stevenson, R.
Casorio	Haluska	Myers	Stevenson, T.
Causser	Hanna	Nailor	Sturla
Cawley	Harhai	Nickol	Surra
Civera	Harhart	O'Brien	Tangretti
Clymer	Harper	Oliver	Taylor, E. Z.
Cohen	Harris	O'Neill	Taylor, J.
Cornell	Hasay	Pallone	Thomas
Corrigan	Hennessey	Payne	Tigue
Costa	Herman	Petrarca	True
Crahalla	Hershey	Petri	Turzai
Creighton	Hess	Phillips	Veon
Cruz	Hickernell	Pickett	Vitali

Curry	Hutchinson	Pistella	Walko
Daley	James	Preston	Wansacz
Dally	Josephs	Pyle	Washington
DeLuca	Kauffman	Quigley	Waters
Denlinger	Keller, M.	Ramaley	Watson
Dermody	Keller, W.	Rapp	Wheatley
DeWeese	Kenney	Raymond	Williams
DiGirolamo	Killion	Readshaw	Wilt
Diven	Kirkland	Reed	Wojnaroski
Donatucci	Kotik	Reichley	Wright
Ellis	LaGrotta	Rieger	Yewcic
Evans, D.	Leach	Roberts	Youngblood
Evans, J.	Lederer	Roebuck	Yudichak
Fabrizio	Leh	Rohrer	Zug

ADDITIONS—0

NOT VOTING—0

EXCUSED—6

Armstrong	McIlhinney	Ross	Perzel,
Eachus	Petrone		Speaker

RULES COMMITTEE MEETING

The SPEAKER pro tempore. The Chair recognizes the majority leader, who calls for an immediate meeting of the Rules Committee.

BILLS REPORTED FROM COMMITTEES, CONSIDERED FIRST TIME, AND TABLED

HB 177, PN 182

By Rep. GODSHALL

An Act amending the act of July 10, 1981 (P.L.214, No.67), known as the Bingo Law, further defining "bona fide member."

TOURISM AND RECREATIONAL DEVELOPMENT.

HB 398, PN 386

By Rep. S. SMITH

An Act amending the act of December 10, 1968 (P.L.1158, No.365), entitled "An act creating and establishing the Legislative Data Processing Committee: providing for its membership; prescribing its powers, functions and duties; and making an appropriation," further providing for the establishment of the Legislative Data Processing Committee.

RULES.

CALENDAR

RESOLUTIONS PURSUANT TO RULE 35

Mrs. RUBLEY called up **HR 53, PN 226**, entitled:

A Resolution designating the week of February 13 through 19, 2005, as "Career and Technical Education Week" in Pennsylvania.

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—195

Adolph	Fairchild	Lescovitz	Rooney
Allen	Feese	Levdansky	Rubley
Argall	Fichter	Mackereth	Ruffing
Baker	Fleagle	Maher	Sainato
Baldwin	Flick	Maitland	Samuelson
Barrar	Forcier	Major	Santoni
Bastian	Frankel	Manderino	Sather
Bebko-Jones	Freeman	Mann	Saylor
Belardi	Gabig	Markosek	Scavello
Belfanti	Gannon	Marsico	Schroder
Benninghoff	Geist	McCall	Semmel
Biancucci	George	McGeehan	Shaner
Birmelin	Gerber	McGill	Shapiro
Bishop	Gergely	McIlhattan	Smith, S. H.
Blackwell	Gillespie	McNaughton	Solobay
Blaum	Gingrich	Melio	Sonney
Boyd	Godshall	Metcalfe	Staback
Browne	Good	Micozzie	Stairs
Bunt	Goodman	Millard	Steil
Butkovitz	Grell	Miller, R.	Stern
Buxton	Grucela	Miller, S.	Stetler
Caltagirone	Gruitza	Mundy	Stevenson, R.
Cappelli	Habay	Mustio	Stevenson, T.
Casorio	Haluska	Myers	Sturla
Causer	Hanna	Nailor	Surra
Cawley	Harhai	Nickol	Tangretti
Civera	Harhart	O'Brien	Taylor, E. Z.
Clymer	Harper	Oliver	Taylor, J.
Cohen	Harris	O'Neill	Thomas
Cornell	Hasay	Pallone	Tigue
Corrigan	Hennessey	Payne	True
Costa	Herman	Petrarca	Turzai
Crahalla	Hershey	Petri	Veon
Creighton	Hess	Phillips	Vitali
Cruz	Hickernell	Pickett	Walko
Curry	Hutchinson	Pistella	Wansacz
Daley	James	Preston	Washington
Dally	Josephs	Pyle	Waters
DeLuca	Kauffman	Quigley	Watson
Denlinger	Keller, M.	Ramaley	Wheatley
Dermody	Keller, W.	Rapp	Williams
DeWeese	Kenney	Raymond	Wilt
DiGirolamo	Killion	Readshaw	Wojnaroski
Diven	Kirkland	Reed	Wright
Donatucci	Kotik	Reichley	Yewcic
Ellis	LaGrotta	Rieger	Youngblood
Evans, D.	Leach	Roberts	Yudichak
Evans, J.	Lederer	Roebuck	Zug
Fabrizio	Leh	Rohrer	

NAYS—0

NOT VOTING—1

Smith, B.

EXCUSED—6

Armstrong	McIlhinney	Ross	Perzel,
Eachus	Petrone		Speaker

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

* * *

Mrs. RUBLEY called up **HR 54, PN 227**, entitled:

A Resolution declaring the week of February 13 through 19, 2005, as "Child Passenger Safety Week" in Pennsylvania.

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—195

Adolph	Fairchild	Lescovitz	Rooney
Allen	Feese	Levdansky	Rubley
Argall	Fichter	Mackereth	Sainato
Baker	Fleagle	Maher	Samuelson
Baldwin	Flick	Maitland	Santoni
Barrar	Forcier	Major	Sather
Bastian	Frankel	Manderino	Saylor
Bebko-Jones	Freeman	Mann	Scavello
Belardi	Gabig	Markosek	Schroder
Belfanti	Gannon	Marsico	Semmel
Benninghoff	Geist	McCall	Shaner
Biancucci	George	McGeehan	Shapiro
Birmelin	Gerber	McGill	Smith, B.
Bishop	Gergely	McIlhattan	Smith, S. H.
Blackwell	Gillespie	McNaughton	Solobay
Blaum	Gingrich	Melio	Sonney
Boyd	Godshall	Metcalfe	Staback
Browne	Good	Micozzie	Stairs
Bunt	Goodman	Millard	Steil
Butkovitz	Grell	Miller, R.	Stern
Buxton	Grucela	Miller, S.	Stetler
Caltagirone	Gruitza	Mundy	Stevenson, R.
Cappelli	Habay	Mustio	Stevenson, T.
Casorio	Haluska	Myers	Sturla
Causer	Hanna	Nailor	Surra
Cawley	Harhai	Nickol	Tangretti
Civera	Harhart	O'Brien	Taylor, E. Z.
Clymer	Harper	Oliver	Taylor, J.
Cohen	Harris	O'Neill	Thomas
Cornell	Hasay	Pallone	Tigue
Corrigan	Hennessey	Payne	True
Costa	Herman	Petrarca	Turzai
Crahalla	Hershey	Petri	Veon
Creighton	Hess	Phillips	Vitali
Cruz	Hickernell	Pickett	Walko
Curry	Hutchinson	Pistella	Wansacz
Daley	James	Preston	Washington
Dally	Josephs	Pyle	Waters
DeLuca	Kauffman	Quigley	Watson
Denlinger	Keller, M.	Ramaley	Wheatley
Dermody	Keller, W.	Rapp	Williams
DeWeese	Kenney	Raymond	Wilt
DiGirolamo	Killion	Readshaw	Wojnaroski
Diven	Kirkland	Reed	Wright
Donatucci	Kotik	Reichley	Yewcic
Ellis	LaGrotta	Rieger	Youngblood
Evans, D.	Leach	Roberts	Yudichak
Evans, J.	Lederer	Roebuck	Zug
Fabrizio	Leh	Rohrer	

NAYS—0

NOT VOTING—1

Ruffing

EXCUSED—6

Armstrong	McIlhinney	Ross	Perzel,
Eachus	Petrone		Speaker

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

* * *

Mr. ZUG called up **HR 59, PN 231**, entitled:

A Resolution memorializing the President and Congress of the United States to increase the military death gratuity payment and coverage under the Servicemembers' Group Life Insurance program and to require the Federal Government to pay the premiums for members of the armed forces.

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—195

Adolph	Fairchild	Lescovitz	Rooney
Allen	Feese	Levdansky	Rubley
Argall	Fichter	Mackereth	Sainato
Baker	Fleagle	Maher	Samuelson
Baldwin	Flick	Maitland	Santoni
Barrar	Forcier	Major	Sather
Bastian	Frankel	Manderino	Saylor
Bebko-Jones	Freeman	Mann	Scavello
Belardi	Gabig	Markosek	Schroder
Belfanti	Gannon	Marsico	Semmel
Benninghoff	Geist	McCall	Shaner
Bianucci	George	McGeehan	Shapiro
Birmelin	Gerber	McGill	Smith, B.
Bishop	Gergely	McIlhattan	Smith, S. H.
Blackwell	Gillespie	McNaughton	Solobay
Blaum	Gingrich	Melio	Sonney
Boyd	Godshall	Metcalfe	Staback
Browne	Good	Micozzie	Stairs
Bunt	Goodman	Millard	Steil
Butkovitz	Grell	Miller, R.	Stern
Buxton	Grucela	Miller, S.	Stetler
Caltagirone	Gruitza	Mundy	Stevenson, R.
Cappelli	Habay	Mustio	Stevenson, T.
Casorio	Haluska	Myers	Sturla
Causer	Hanna	Nailor	Surra
Cawley	Harhai	Nickol	Tangretti
Civera	Harhart	O'Brien	Taylor, E. Z.
Clymer	Harper	Oliver	Taylor, J.
Cohen	Harris	O'Neill	Thomas
Cornell	Hasay	Pallone	Tigue
Corrigan	Hennessey	Payne	True
Costa	Herman	Petrarca	Turzai
Crahalla	Hershey	Petri	Veon
Creighton	Hess	Phillips	Vitali
Cruz	Hickernell	Pickett	Walko
Curry	Hutchinson	Pistella	Wansacz
Daley	James	Preston	Washington
Dally	Josephs	Pyle	Waters
DeLuca	Kauffman	Quigley	Watson
Denlinger	Keller, M.	Ramaley	Wheatley
Dermody	Keller, W.	Rapp	Williams
DeWeese	Kenney	Raymond	Wilt
DiGirolamo	Killion	Readshaw	Wojnarowski
Diven	Kirkland	Reed	Wright
Donatucci	Kotik	Reichley	Yewcic

Ellis	LaGrotta	Rieger	Youngblood
Evans, D.	Leach	Roberts	Yudichak
Evans, J.	Lederer	Roebuck	Zug
Fabrizio	Leh	Rohrer	

NAYS—0

NOT VOTING—1

Ruffing

EXCUSED—6

Armstrong	McIlhinney	Ross	Perzel,
Eachus	Petrone		Speaker

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

FILMING PERMISSION

The SPEAKER pro tempore. The Chair grants permission to the following photographers to film on the floor of the House during the budget address: Gary Miller of the Patriot-News, Marty Ginter of CMS (Commonwealth Media Services), Terry Way of Commonwealth Media, Carolyn Kaster of the Associated Press, and Christopher Millette of the Patriot-News.

RESOLUTION

COMMITTEE TO ESCORT GOVERNOR

Mr. S. SMITH offered the following resolution, which was read, considered, and adopted:

In the House of Representatives
February 9, 2005

RESOLVED, That the Speaker appoint a committee of three to escort the Governor to the hall of the House for the purpose of attending a joint session of the General Assembly.

COMMITTEE APPOINTED

The SPEAKER pro tempore. The Chair appoints as a committee to wait upon the Governor, the gentleman from Allegheny County, Mr. Diven; the lady from Warren County, Ms. Rapp; the gentleman from Montgomery County, Mr. Shapiro.

The committee will proceed with the performance of its duties.

GUEST INTRODUCED

The SPEAKER pro tempore. Timothy Kocher is here today as a guest of Representative Stan Saylor. He is serving as a guest page. Timothy is in the seventh grade at York Catholic. Please stand.

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

HB 104, PN 238

By Rep. ALLEN

An Act amending the act of December 18, 1984 (P.L.1004, No.204), entitled "An act extending benefits to police chiefs or heads of police departments of political subdivisions of the Commonwealth who have been removed from bargaining units by the Pennsylvania Labor Relations Board," further providing for the salary of nonunion police officers.

LABOR RELATIONS.

HB 171, PN 239

By Rep. ALLEN

An Act amending the act of June 2, 1915 (P.L.736, No.338), known as the Workers' Compensation Act, further defining "occupational disease."

LABOR RELATIONS.

ARRIVAL OF SENATE

The SPEAKER pro tempore. The Senate is now entering the hall of the House. Members and guests, please rise.

The Chair recognizes the Sergeant at Arms of the House.

The SERGEANT AT ARMS. Mr. Speaker, the Senate is now present in the hall of the House.

The SPEAKER pro tempore. The Chair requests the Lieutenant Governor, the Honorable Catherine Baker Knoll, to preside over the proceedings of the joint session of the General Assembly.

The President pro tem of the Senate, the Honorable Robert C. Jubelirer, is invited to be seated on the rostrum.

The members of the House and Senate will please be seated.

**JOINT SESSION OF THE
GENERAL ASSEMBLY**

**THE LIEUTENANT GOVERNOR
(CATHERINE BAKER KNOLL) PRESIDING**

The LIEUTENANT GOVERNOR. Good morning, everyone.

This being the day and the hour agreed upon by a concurrent resolution of the Senate and House of Representatives to hear an address by His Excellency, the Governor, the Honorable Edward G. Rendell, this joint session will please come to order.

The General Assembly can now be at ease for a moment while it awaits the arrival of the Governor.

**REPORT OF COMMITTEE
ESCORTING GOVERNOR**

The LIEUTENANT GOVERNOR. The General Assembly will please come to order.

The Governor is entering the hall of the House. Members and guests will please rise.

The Chair recognizes the chair of the committee to escort the Governor, the gentlewoman from Cumberland County, Senator Vance.

Mrs. VANCE. Madam President, Mr. Speaker, and General Assembly members also, as chair of the escort committee, I am pleased to announce that His Excellency, the Governor, is in the hall of the House and is prepared to address the joint session.

The LIEUTENANT GOVERNOR. The Chair thanks Chairwoman Vance and her escort committee.

Members of the General Assembly, I now have the honor and privilege of presenting His Excellency, the Governor, the Honorable Edward G. Rendell, who will now address this joint session.

**FISCAL YEAR 2005-2006
BUDGET ADDRESS OF
GOV. EDWARD G. RENDELL**

The GOVERNOR. Good morning. Good morning. Thank you all very, very much for that great welcome.

Madam President; our birthday boy, the President pro tem of the Senate; members of the 189th legislature; distinguished guests; my fellow Pennsylvanians:

It is a privilege to be with you this morning to present my proposed 2005-2006 budget for the Commonwealth.

We are gathered in this magnificent chamber to begin anew the essential practice of governing – making choices about public priorities for the benefit of our employer, the citizens of Pennsylvania. That is what the budget represents, our consensus about the programs and services we provide to every county, city, and hometown across the Commonwealth.

Governing is choosing, and governing in a democratic society means having the freedom to choose. So let us begin today by recognizing those whose service in defense of liberty around the world secures the freedoms that we enjoy today in this chamber, throughout Pennsylvania, and across this great nation.

Pennsylvania, through its men and women in the Guard, Reserve, and active duty forces, has done more than its share to advance the cause of democracy and freedom in the Middle East. No State in the Union has sent more guardsmen and women to support the international effort to stop terrorism than Pennsylvania.

Since September 11, 2001, 14,500 Pennsylvania National Guard members have left the comfort and security of their homes to risk their lives for our security. Among the American service men and women killed in Iraq and Afghanistan are 69 brave Pennsylvanians who helped make that democracy possible. Every American had to be deeply moved at seeing the sense of pride with which the Iraqi people strode to the polls so courageously last week. The families of these brave Pennsylvania service men and women now know for sure that their loved ones did not die in vain. Along with our heartfelt prayers and sympathy to their families, I ask you now to join me in a moment of silence for these Pennsylvania heroes.

(A moment of silence was observed.)

Their mission continues. As we gather this morning, there are 2,725 Pennsylvania Guard members and many more

Pennsylvania reservists and active duty personnel deployed overseas. Later this month another 2,127 guardsmen and women will leave for training that will prepare them for service in Iraq. Let us keep them in our prayers today and in the difficult days that lie ahead of them and pray that they return home safe and sound.

These good men and women are supported by the outstanding work performed at Pennsylvania's 12 military installations. At Letterkenney, Pennsylvanians are hard at work retrofitting vehicles with armor to protect our troops. At Tobyhanna, critical maintenance on a communications system ensures our troops' safety. The nation's security depends on these facilities, and so do our communities. We cannot afford to lose one installation. Their efficiency serves the nation, and the 20,000 Pennsylvanians they employ keep our communities vibrant. This year the Base Realignment and Closure Commission will eliminate up to 25 percent of the military bases across the country. Following the initiative of Senator Mellow, we have already committed \$5 million to support keeping Pennsylvania's military bases open. We must continue to work hard in a bipartisan fashion at both the State and Federal level to keep all of our bases open.

Pennsylvania faces many challenges this year, and this budget is constructed to meet those challenges. Federal support to ensure that the most vulnerable among us are cared for is shrinking, and as a result, we are presented with painful choices and difficult decisions. These decisions require discipline and courage and, most importantly, a vision where the touchstone is compassion.

I do not fear our ability to make these decisions and neither should you. Two years ago I stood before you and presented a budget with an equally difficult set of choices, and with your help, Pennsylvania has made unprecedented progress. In 2003 the pundits openly questioned whether any of the initiatives I proposed would ever be adopted. But we worked together, and we got results. Together we passed the historic increases in funding for public education; an economic stimulus package to provide the needed capital to jump-start Pennsylvania's economy; expansion of our PACE (Pharmaceutical Assistance Contract for the Elderly) and PACENET (Pharmaceutical Assistance Contract for the Elderly Needs Enhancement Tier) programs, making prescription drugs more affordable for senior citizens; and at long last, passage of legislation that will provide unprecedented cuts in local property taxes.

It would be fair to characterize the budget debates that followed the introduction of these initiatives as spirited. I recognize that having covered as much ground as we have, sometimes the journey was a little bumpy. But it has been well worth the trip, because we have gone so far in such a short period of time. Together we passed the largest increase in public school funding in 20 years and targeted our funds to what we know works best. Last week all of you received the midyear report on the accountability block grant program. It details the tremendous success achieved through a truly bipartisan effort. Parents, teachers, and superintendents all across the State have lauded these new investments.

But new funding must be coupled with increased accountability to get the results that we need. I stood before you last year and the year before and asked you to consider legislation that holds our academic leaders more accountable for the performance of every student. Again this year, I urge this

body to formalize its commitment to our children by basing superintendent and principal contract renewals, in part, on improved student performance and by changing how we pay teachers so that they are rewarded for teaching skills, not just longevity.

In the face of a daunting budget deficit and a sluggish national economy, we enacted a \$2.3 billion economic stimulus program that provides needed capital for strategic investments throughout Pennsylvania – investments that will help cities and towns thrive once again after years of struggling to barely survive and compete.

The economic stimulus program is already generating significant positive momentum for Pennsylvania in just its first year of operation. Our economy is on the move, our companies are beginning to expand, and new companies are coming here as well. The Commonwealth Financing Authority has already pumped \$260 million in public and private funds into our economy, and the Governor's Action Team has increased its effectiveness. From 2003 to 2004, the number of GAT investment projects brought to completion increased by over 65 percent. One hundred million dollars in public and private funds are being put to work to build new houses, to start the keystone innovation zones, to improve Main Streets, and to launch the Elm Street Program. Over the next 2 months, \$83 million in Home Town Streets grants are hitting the ground in 51 different counties.

And since 2003, we have awarded more than half a billion dollars in redevelopment assistance capital grants to projects in 48 counties. As you know, each of these State dollars is matched with at least \$1 from local sources. That is a total of well over \$1 1/2 billion in new funds helping to rebuild our communities.

While these investments get sites prepared and help improve our infrastructure, we continue to direct investment to our core industries – agriculture and manufacturing. For the first time ever, equipment loans from our traditional economic development funds are being made available to farmers, the Governor's Action Team is increasing its work with farm-related businesses, and our stimulus program earmarks an unprecedented \$100 million to help those Pennsylvania farmers.

In the face of unfair international trade practices and the twin budget busters of rising energy and health-care costs, Pennsylvania manufacturers desperately need our support if they are to successfully compete. To that end, we have directed tens of millions of dollars to fund training for manufacturing workers and to improve or expand manufacturing plants. In fact, 60 percent of the Governor's Action Team's investments this year were made in manufacturing companies. With \$174 million in public financing, we have attracted investments of more than \$1.4 billion to our manufacturing sector. The result? We have saved over 33,000 jobs, and we are adding more than 7,000 jobs to our manufacturing base.

Beyond financing, following the suggestions of Representative Veon, we are offering intensive technical support to manufacturing through the \$5 million we included in last year's budget to boost funding for the industrial resource centers and through our new Manufacturing Ombudsman and our Office of Trade Policy. These new offices will help retool our plants and rebut unfair trade practices so our firms will succeed in the global marketplace.

The private sector has also recognized the value of our stimulus efforts and is now investing in our economy with

record levels of new capital. In March, Citizens Bank took a leadership role in partnering with the Commonwealth to attract new manufacturing jobs to our State. The Citizens Job Bank, the first program of its kind, made \$100 million in low-interest loan funds for manufacturing and industrial companies available to companies that agree to create 40 new jobs for every \$1 million borrowed.

Other private-sector lenders are now competing to meet the demands of our small employers. Just last month Sovereign Bank announced a loan fund of \$250 million targeted to small companies with annual revenues of less than \$10 million. These are the very firms where innovation is likely to happen, but they are also the very firms that find it hard to attract the capital they need to expand. Best of all, these new loan pools demonstrate that the private sector is rallying in support of Pennsylvania's companies and their employees, the people who are the backbone of our economic recovery.

We developed the economic stimulus program together. Wise input from every caucus improved upon my original proposal. You added tax increment financing for nonprofits, such as Fox Chase Cancer Center; water and sewer financing that will allow companies like Aventis Pasteur to expand production in Pennsylvania to meet the global need for flu vaccines and other medicines; state-of-the-art approaches to the creation of venture capital funds; and the options for grants as well as loans to rebuild our infrastructure to help attract new businesses.

These additions and many others developed right here in this Capitol helped to make the economic stimulus program what it is today: a real source of hope and the promise of a better future for workers across this Commonwealth. It is too early to gauge the full effect of the stimulus program, but Pennsylvania is already showing signs of recovery. Seventy thousand more Pennsylvanians are working today than were working 1 year ago.

And as we provide new ways for our businesses to compete, we continue to apply business principles of productivity and cost savings to the operation of State government. As a result of our management and productivity initiatives, we have saved the taxpayers \$475 million since this administration took office 2 years ago. Most important is that most of these funds are not one-time savings. We are generating \$341 million a year in operational savings, thanks to a businesslike approach to running this government.

We are using hard-nosed business metrics to drive down the costs of our "back office" operations. By consolidating our contracts and leveraging our purchasing, we will generate more than \$130 million in annual savings. While reaping these savings, we have more than doubled the percentage of minority and disadvantaged businesses contracting with the Commonwealth.

We will continue to squeeze every nickel out of the cost of government. We exceeded our goal of a 5-percent reduction in the cost of operating State vehicles by eliminating 660 vehicles from the fleet, saving more than \$13 million a year.

We used to pay the Social Security Administration \$31 million a year to print the State portions of the SSI (supplemental security income) checks, and those costs were projected to increase to \$36 million next year. Now we do it ourselves for less than \$6 million a year.

We reevaluated our telephone contracts, and as a result, we shut down nearly 3,000 unused phone lines, and we expect to reduce our telephone bills by more than \$5 million annually.

We saw a 14-percent increase over 2003 for taxpayers filing their State tax returns online, a savings of almost \$3.3 million last year, and more online savings are expected this year as well.

We can do more, and we will. Today, without furloughs or layoffs of any kind, we have 2,883 fewer Commonwealth positions than we had when I took office in January of 2003. That is a savings of \$160 million annually, without any decrease in the quality of services we provide.

All of these savings are being plowed back into the budget to meet the rising cost of health care for our employees and to preserve our safety net programs. The savings made it possible for us to balance this budget. Clearly, Pennsylvania taxpayers win when we run government like a business.

But cutting costs is only half the job of improving Pennsylvania's bottom line. The other half is increasing revenues. The Pennsylvania Lottery is now the third fastest growing lottery in the nation. Last October, Lottery Insights Magazine described our lottery innovations as "an exciting new approach with exciting new results." Lottery revenues are up \$260 million beyond what we earned last year, and we now expect to end this year at least \$479 million ahead of the lottery proceeds we were gaining in 2002 and 2003.

Best of all, the lottery is paying off like never before for Pennsylvania's senior citizens. Today, because of the gains in our lottery and the comprehensive PACE reform passed unanimously by both chambers, more than 70,000 adults have been added to the rolls of our nationally recognized PACE and PACENET programs. That is an increase of 32 percent. By the end of this year, we expect to bring that total to 115,000 new seniors who get this great prescription drug coverage.

At long last, we are also taking an entrepreneurial approach to the operation of Pennsylvania's State stores, and it is working here, too. Profits from liquor sales increased by more than 31 percent in fiscal year 2003-2004. Already this year, sales in State stores are up 6.5 percent higher than they were last year at this time. For the first time we are making it possible for Pennsylvanians to purchase State store products in supermarkets. The results have been phenomenal.

We need to continue creating jobs and opportunities for all Pennsylvania workers, but we also need to make sure that these workers can actually get to work each day. To do that, we must address our transportation needs – mass transit and the repair of our roads, bridges, and highways. Our mass transit system is in crisis, and if we continue to ignore it, we will have effectively stranded hundreds of thousands of our fellow citizens who depend on buses, subways, and commuter trains to get to work each day. And let us be very clear: This is a problem that threatens all of Pennsylvania, not only Pittsburgh and Philadelphia but other transit agencies as well, including those with over 1 million riders per year in State College, Harrisburg, Johnstown, Scranton, Erie, the Lehigh Valley, Luzerne, Lancaster, Williamsport, York, and New Castle.

I urge this legislature to address our transportation needs as the top priority of the new legislative session. We cannot wait. We must identify and implement an adequate solution for mass transit that does not take any more of our funds designated to repair our highways and bridges or drain already scarce resources from our General Fund. For my part, I pledge to work

with the leaders of the four legislative caucuses to develop a consensus on what we are prepared to support. But make no mistake: We must work together, and we must act now.

Three weeks ago Republican leaders in the House proposed an alternative to my Growing Greener II initiative called Green PA. This new proposal offers us some intriguing new ideas. But best of all, it recognizes that we must significantly invest in cleaning and preserving our environment right now. I look forward to working with the House and the Senate in the weeks ahead to reach a consensus on this initiative. But it is time to give the voters a voice in this debate, too, by asking for their support of these environmental initiatives this spring at the polls.

We can meet this deadline, but we must act together now. The Hazardous Sites Cleanup Fund faces a complete shutdown for lack of funds. Likewise, without action, this July we significantly cut the funds used to preserve farmlands. Our State is littered with polluted abandoned industrial sites that choke economic growth and acid mine drainage that stains our rivers and our streams. Growing Greener II must be enacted to address these critical issues and help maintain our treasured national assets. I urge us all to remain focused on the goals we share across party lines to prepare and preserve our environment and enact this vitally important legislation no later than March 17 so it can be voted on in this May's election.

We have already begun to effect enormous change in Pennsylvania's economy through our stimulus program, but we can do more, and we can start with business taxes. This budget continues the phaseout of the capital stock and franchise tax from its current rate of 5.99 percent to 4.99 percent beginning January of 2006. Today I am also proposing to reduce the corporate income tax rate and to create a fairer business tax reporting system for all companies in the Commonwealth. When I campaigned across this State, I heard repeatedly from our business community that we needed to reduce the corporate net income tax rate. Our CNI rate is the third highest in the nation, and it is a significant roadblock to business growth.

Last year I formed the Business Tax Reform Commission to study Pennsylvania's business tax structure. I want to take a moment to thank the citizens who labored for us on this commission, those I appointed and those appointed by the legislature. They did a great job crafting a smart business tax reform package. They recommended leveling the playing field among businesses by imposing a new 1-percent income tax on pass-through entities such as S corporations and limited liability corporations and partnerships. But given the sluggish national economy, I believe that such a tax increase could cripple these firms. But the good news is that even without the proposed 1 percent tax on the income of these businesses, we can still afford to implement the rest of the recommendations and reduce our CNI rate to 7.99 percent. This is a 20-percent reduction in our rate of corporate taxation, and it will help our businesses compete. If we implement this reduction, Pennsylvania's tax rates will now be lower than those in Ohio, West Virginia, New Jersey, and Delaware.

The commission members were troubled, however, by one key finding of their research, and rightly so. They found that only 27 percent of the corporations in this State pay the CNI tax. That means that almost three-quarters of the 145,000 corporations in the State who are subject to this tax do not pay any corporate income taxes at all, and that is simply not fair to the businesses that do pay or to the taxpaying citizens of this

State. To address this problem, the commission wisely proposed that we phase in a system of reporting income that ensures that corporations doing business in Pennsylvania do pay taxes on all income earned in Pennsylvania. Seventeen other States already require what is called combined reporting, and it is time that we joined the list.

In addition to the commission's recommendation, I ask you today to ensure that every professional given the privilege to earn a living in our State pays his or her taxes in full and on time. The Commonwealth could collect almost \$20 million a year from businesses that fail to pay their taxes if we do so. I urge you to stand up for those who pay their fair share in taxes and pass legislation that will allow us to withhold business licensure from those who do not.

Beyond deep cuts in our business taxes, I am today proposing a series of new strategic investments to build a stronger Pennsylvania economy. These investments tap into our greatest source of capital – our human capital, the hundreds of thousands of Pennsylvanians who make up our current and future work force. Our goal is very simple: Invest in them, help them become better prepared to meet the challenges of the 21st-century economy, and we are all better served. Eighty-two percent of the businesses surveyed by our Business Calling Program since 2003 say they are having difficulty recruiting new employees. In particular, nearly two out of every three respondents identified lack of candidate skills or qualifications as a serious problem in recruitment. Another barrier to employment for new workers is often the prohibitive cost of child care. This budget includes funding to help our working families by providing 1,540 additional children access to our subsidized child-care system. But our job will not be complete if we only create jobs and remove barriers like the cost of child care. We must also prepare our citizens so that they can fill those jobs.

In late 1999 Forbes magazine ran an extraordinary column that I remember to this day. It focused on the Harvard class of 1949, a class that today is peppered with millionaires and leaders who made spectacular successes of their lives and created millions of jobs for other Americans as well. The class of '49 shared some common traits, especially the fact that a large majority, having just returned from World War II, went to college on the GI (government issue) bill. Uncle Sam provided the means for many of these men to get their degree and build a life that their own fathers could only dream about.

Today, on a much smaller scale, we propose to replicate the extraordinary impact of the GI bill in Pennsylvania by offering new opportunity to our students and our workers in companies all across the Commonwealth. This budget includes \$100 million in new funds that will be combined with the terrific new investments announced by PHEAA (Pennsylvania Higher Education Assistance Agency) last week to launch an exciting new initiative that is critical to our economic recovery strategy. It is called Job Ready Pennsylvania, and we intend to use it to improve the effectiveness of the more than \$2 billion in State and Federal work force, high school and vocational education funds that we currently invest in Pennsylvania workers. The goal of Job Ready Pennsylvania is nothing less than remaking Pennsylvania's work force as the best in the nation – educated, trained, and ready for the challenges of the 21st-century economy.

According to a recent report commissioned by the Bill and Melinda Gates Foundation, not one State in the entire nation

requires its high school graduates to take courses that reflect the real-world demands of work or postsecondary education. To make matters worse, the report points out that while students across the nation must learn more, Pennsylvania is one of only eight States that do not have standard high school graduation requirements at all. Today only one in three Pennsylvania school districts requires 4 years of math.

High school graduation requirements make sense. We should have them, but the truth is, we cannot wait for them to be implemented. So the Department of Education is already working with our high schools to retool and meet national standards for excellence. Project 720 is aimed at reforming how we prepare our graduates, from the first day of 9th grade through the last day of 12th grade – 720 days. In this budget, I propose to double the number of schools who are teaching the skills today that our graduates will need for tomorrow's jobs. I am particularly excited by the efforts to use 12th grade better. Senator Brightbill has proposed an approach to helping school districts pay for students who have the skill and drive to take college-level courses while they are in 12th grade. Many States are far ahead of us, and their students are showing great results from this program. This budget makes dual enrollment – enrolling in college while still in high school – a financially viable option for more Pennsylvania school districts than ever before.

In announcing the new Task Force to Connect Education to the Workplace, Representative Sam Smith said, "Since 1995, we have made significant gains in improving the quality of education in Pennsylvania, yet there is still some type of disconnect with our schools and the workplace." I concur. We must upgrade the training available for the estimated 90,000 students who will graduate from our vocational and technical education schools. For too long we have shortchanged the basic education of these students, and for too many, we have offered training that is not in sync with the real jobs that are available. We will launch a 5-year program to work with employers to retool our vocational and career training system. We will work with our schools to improve their curricula and make smarter equipment purchases and make sure that these students meet Pennsylvania's proficiency standards for high school reading and math. By better directing existing resources, we can ensure that these students leave high school with the skills they need to secure good jobs or succeed in higher education.

In 1997 the House Subcommittee on Workforce Development issued a thoughtful report. It concluded that Pennsylvania's work force system should be competitive, driven by the private sector, based on performance, and focused on high-skills/high-wage jobs to support a stronger economy. I wholeheartedly agree. The challenge we face is that under Federal law, most of our work force training funding is under the control of local work force investment boards over which we have limited authority. So an integral component of Job Ready Pennsylvania is using Federal funds that we do control to financially reward work force investment boards that follow the advice of the House Subcommittee on Workforce Development. For the first time we will make grants to work force investment boards to serve as an incentive for improving the strategic use of work force funds. These grants will be made only to those boards that meet our new high-performance work force investment standards. The real beneficiaries of these awards will be the hardworking Pennsylvanians who get good

jobs that allow them to become providers for their families and contributing residents in their communities.

Fifty years ago the two major contributors to business success were location and the ability to tap natural resources. To those ingredients, they added the hard work of their employees, and the good companies thrived. But we all know that in today's economy, providing a highly skilled work force is even more important than location or natural resources.

In our 21st-century economy, education is the key to progress, and without it, our workers are at a distinct disadvantage. We need to help them help themselves and their families by investing in training programs that build better skills so that they can earn better wages. Today I propose to invest in our adult work force. This budget includes an additional \$15 million on top of the \$36 million that we currently spend for our customized job training and other programs which are targeted to increase the skills of those currently employed. These funds will be allocated by the Department of Labor and Industry to partnerships of employers who have common training needs for their current workers. Through strategic use of these funds, we expect that thousands of currently employed workers will upgrade their skills and, in turn, improve the competitiveness of Pennsylvania's companies.

Pennsylvania's economic growth is also hampered by a shortage of skilled workers in fields ranging from nursing to high-tech research and development. In this budget, I propose two strategies to fill the demand for these jobs – jobs that will help thousands of our fellow citizens reach new levels of economic success.

First, this budget includes the largest increase in community college funding in 15 years. It includes a \$21 million increase in the State's share of tuition costs and targets these funds to courses that make a real difference in the work force. We have also included almost \$2 million to support the debt service on \$20 million in capital funding to augment our current support of community college capital needs.

Second, Pennsylvania will make a historic increase in funding for student grants. For the last several years rising tuition costs have outpaced inflation. To address this problem, we approached the PHEAA Board asking them to look for ways to make college more affordable. The responsive leadership and financial solvency of PHEAA permitted it to respond to our initiatives, and as a result, PHEAA will invest more than \$300 million in new funds for student grants over the next 4 years, increasing our student grant pool by 18 percent in just 1 year. This extraordinary response from PHEAA is testament to the wise stewardship of the dedicated House and Senate members who sit on the PHEAA Board. Hardworking families are pinching pennies to send their children to college. We all know that student grants go a long way in making college affordable. In the first year of this partnership, PHEAA will make available an additional \$63 million in grants to students while this budget boosts the Commonwealth's investment in student grants to \$368 million.

In addition to curbing the impact of rising tuition for traditional college students, for the first time PHEAA will allocate funds to help working adults who have busy lives take courses to improve their skills and their earnings. Working adults who have the time to enroll for three or more courses a semester are right now eligible for PHEAA grants. But that is asking a great deal, especially of working parents. With these new funds, workers who have the time to only take one or

two courses will also be able to tap into these precious funds and, as a result, become a lot more highly skilled and hopefully a more highly rewarded employee.

Let me share with you another example of the impact of this partnership between PHEAA and the administration. By 2010 Pennsylvania is expected to have a shortage of 16,000 nurses. The natural reaction to this is, well, let us find ways to attract more students to our nursing schools. But the fact is, our nursing schools are already turning away thousands of applicants annually because the schools do not have enough teachers, lab space, or the residency slots.

The problem is that our schools lack the resources to grow. So today, in partnership with the PHEAA Foundation, I am pleased to announce that we will be investing \$10 million a year for the next 4 years to provide the resources to train more nurses. This expansion in nursing training slots will result in almost twice the number of nursing graduates a year. Instead of an annual rate of 4,500 nurses graduating, we hope to put 8,000 nursing graduates to work in health-care facilities across the Commonwealth each year.

These selected new investments in Pennsylvania's economy are vital to our continued momentum. Though they focus on education and training, it would be inaccurate to think of them as just additional funding for education. These are investments in our greatest resource, our human capital, designed to produce a stronger Pennsylvania economy and a stronger Pennsylvania work force. We have the chance to do for Pennsylvania's students and workers what the GI bill did for the growth of our national economy more than 50 years ago. Let us help them build a better future for themselves and for all of us.

We are making remarkable progress in Pennsylvania. And we have done all of this in the face of the slow national economic recovery and significant Federal cuts in spending for social programs.

It is very important to understand the context in which we are operating as a State government. While we succeeded in drawing down more Federal funds for the Nursing Home Assessment and the Medicaid HMO (health maintenance organization) Assessment, we continue to face even greater reductions in other areas of Federal support. We face very serious budget constraints and they are real. TANF (Temporary Assistance for Needy Families), the Federal block grant to support the costs of welfare, is capped, and before I even took office, the Commonwealth had overcommitted these resources. For the last 2 years we had TANF Federal reserves that could be drawn down to cover these unbudgeted commitments, but there are no more reserves to tap.

We also no longer have the fiscal life preserver that the Congress threw us in fiscal years 2004 and 2005. This budget copes with losing almost \$850 million in temporary Federal fiscal support, over half of which was dedicated to defray the rising costs of medical assistance. This is especially troubling because we are losing Federal funds at the same time health-care costs are going up by double digits. The plan before you today is carefully crafted to replace the loss of these Federal funds while preserving our safety net. It is estimated that an additional 100,000 elderly, disabled, chronically ill individuals, and poor families will be eligible for medical assistance in the next fiscal year. If we were to preserve all of the health-care services that we currently provide and keep eligibility standards where they are, we would need to add another \$580 million to this budget.

But our economy is just beginning to show signs of recovery, and many of our citizens and businesses are still struggling to make ends meet. As a result, this budget does not include any tax increases, and that is surely welcome news.

Unfortunately, Washington is cutting its support for medical assistance while all across America costs and demand for services are rising to higher levels than ever before. Listen to the words of the Republican Governor of Arkansas, Mike Huckabee: "I certainly understand the need to balance the federal budget. But people need to remember that to balance the federal budget off the backs of the poorest people in the country is simply unacceptable. You don't pull feeding tubes from people. You don't pull the wheelchair out from under the child with muscular dystrophy." I agree with Governor Huckabee, and as a result, this budget includes no cuts in eligibility for safety net services.

The simple fact is that Americans are living longer and the baby boomers are aging. As a result, we need more complex and, unfortunately, more expensive health care. Many folks simply cannot afford it. In fact, the fastest growing segment of Pennsylvanians receiving publicly funded health care is senior citizens in nursing homes. The second fastest growing group is chronically ill adults who have no income. Now, no one in this room believes we should cut off care to the elderly or to the sick, yet the costs for caring for both of these groups are going through the roof. While health care for a mother and child on public assistance is \$2,400 a year, the cost for nursing home care for one senior is \$23,000 a year, and both costs are rising.

The joint Federal/State Medicaid program effectively is the safety net for the poor and the elderly, and costs have risen dramatically over the last 3 years. Every State in the nation is feeling the pinch, not just Pennsylvania. Nationally, Medicaid costs have jumped nearly 50 percent in 3 years, from \$205 billion in 2000 to approximately \$300 billion in 2004. Let me say that again – \$300 billion.

Consider this headline from the front page of Monday's Wall Street Journal: "Critical Condition: Surging Costs for Medicaid Ravage State, Federal Budgets." Or this headline from yesterday's Philadelphia Inquirer: "U.S. Medicaid Cutbacks Would Hurt States Twice." This is not a Democrat or Republican issue. Consider that Governor Mitch Daniels of Indiana, who, as President Bush's budget chief, was known as a staunch opponent of taxes, is pushing a temporary income tax increase to cope with his State's budget deficit.

Governors from red States and blue are joining together to urge Washington to ease the tremendous burden that rising costs and shrinking Federal support have put on State budgets. Indeed, for the first time ever, combined State spending on Medicaid has outstripped State spending on K-to-12 education. Just think about that: Medicaid spending is outstripping spending for education.

I am determined that we in Pennsylvania must preserve the health-care safety net even as we work to control the spiraling cost of health care on the State budget. We close this gap by modernizing how we purchase health-care services, by restraining growth on annual increases paid for services, by improving our efforts to ferret out fraud and abuse, and by asking health consumers to make better choices about their care. We also close this gap by making some difficult cuts in every operating department and continuing our aggressive efforts to bring down the cost of regular government operations.

The fact is that while States all over the nation are cutting health care and other social programs to close their deficits, we cannot ignore our moral obligation to provide services for those who need them. Our budget actually includes a spending increase of \$612 million in the Department of Public Welfare funding.

The Pennsylvania solution is a targeted set of reforms that will control our growth in costs while ensuring access to good care. We will save \$147 million a year by being smarter in how we purchase medical assistance services. For instance, 80 percent of those on medical assistance see doctors about 12 times a year, but we purchase unlimited access for every recipient. By purchasing smarter, we can ensure that access to health care is preserved and ensure that we are not paying for visits that never happen. In addition to purchasing smarter, we propose a modest increase in copays that are far below the rate of inflation for medical services and prescription drugs.

Both of these changes make it possible to maintain the current comprehensive menu of wellness and care options for those on medical assistance.

When you put our changes in national context, I believe you will concur that our approach is the most sensitive and the most fiscally responsible. Consider the following: Thirty-nine of the 50 States are facing serious budget problems directly due to rising health-care costs for those on medical assistance. Seventeen States are proposing cutting recipients from their medical assistance programs – 323,000 in Tennessee; 60,000 in Florida; and 50,000 in Mississippi. Last year Connecticut's budget cut 20,000 from its rolls; 10,000 were cut in Massachusetts; 27,000 in Minnesota; and 24,000 in Oregon. More than half of the States already have caps on the number of outpatient visits and other medical service caps. Five States refuse to cover dental services; 26 States prohibit chiropractic services; and 13 States do not pay for podiatry services.

We will have to make some bold changes when it comes to one of the fastest growing cost drivers in our medical system – prescription drugs. We propose to limit the growth in drug costs by over \$50 million annually by establishing a preferred drug list for the Medicaid program.

Controlling spending growth requires innovative management practices and an abiding passion for catching those who steal from the system. This past year we aggressively investigated suspicious billing from hundreds of providers. We found, for example, that a select group of pharmacies and doctors were flooding the streets with OxyContin and other controlled substances. We found doctors billing us for services with no evidence of seeing patients or boosting billing codes to bilk the system. We recovered over \$15 million from providers who overbilled our system and referred an additional 64 cases of provider misconduct to the Attorney General. We also found recipients who feed their drug habits by making dozens of visits to emergency rooms or various doctors each year. To curb their substance abuse and their abuse of our system, 550 recipients have lost the right to control their health-care choices.

Beyond those who purposely abuse our system, we want to work with you this year to close our biggest medical assistance loophole. Too often when an individual gets a job and is enrolled in an employer health-care plan, medical assistance is still charged for health-care coverage. Last year we recovered over \$87 million by transferring charges that were booked to MA but should have been booked to private insurers. But it is very difficult to capture the data necessary because insurers are

not required to provide the information we need to resolve this billing nightmare. We believe that there are millions more to be gained by getting access to this data. I am asking as part of this budget package that you enact legislation that requires insurers to provide this data and help us to protect the taxpayers of this State.

In addition to stepping up our fraud and abuse investigations, this budget funds child welfare services with significantly more General Fund resources because we no longer have the Federal TANF cushion to tap into. While this increases the General Fund obligation, we also ensure that we use our dollars wisely and improve the outcomes for abused or neglected children by establishing new formulas that more accurately reflect actual county costs. These two initiatives combined could generate savings of more than \$100 million a year.

This budget also reforms the approach we take to increasing payments to hospitals, managed-care organizations, and nursing homes. Since 2002, 32 States have frozen or reduced hospital payments, but I am pleased to report that our budget includes a modest increase of 2 percent in payment rates for these providers. While 21 States froze or reduced managed-care payments, we provide a reasonable 2-percent increase in managed-care payments. Twenty-two States froze or reduced payments to nursing homes, but this budget increases nursing home funding by 2 percent. And in addition to this rate increase, thanks to the nursing home assessment, facilities will receive annual payments that are about 7 percent above current rates. Now, these increases are not as high as providers would want them to be, but they are all that we can safely afford if we want to hold the line on tax increases and maintain our spending in other areas.

As these reforms make clear, we have chosen to manage the impact of spiraling health-care costs by developing a program that preserves the social safety net while at the same time modernizing and eliminating unnecessary or wasteful expenditure of public funds. Our intention is to address the rising demand for services, a demand that is skyrocketing all over the nation and the Commonwealth, in big cities and small towns alike, while limiting its impact on government's ability to address other important issues like the economy and public education.

I recognize that these reforms represent change and that change is always difficult. These reforms provide a way to manage this crisis even in the face of continuing reductions in Federal support, and they allow us to chart a course for fiscal stability. The reforms modernize our safety net while preserving it. That is a solution that works for all of us in Pennsylvania.

Health-care costs are not only busting our budget, they are also wreaking havoc in the private sector. I witnessed a dramatic shift in the focus of our business leaders over the last 12 months. Their number one concern, and rightly so, is the cost of health care. As the cost of health care increases by double digits, legions of businesses are seeing profit margins shrink, preventing them from creating new jobs or investing in expansion.

In response to employer concerns that malpractice awards were driving up health insurance costs, this body passed malpractice reforms in 2002 and 2003, which are beginning to bring down the cost of malpractice awards and settlements. Together we stopped the exodus of doctors who considered fleeing Pennsylvania to find relief from rising malpractice insurance costs by passing the Mcare (Medical Care

Availability and Reduction of Error) abatement. The State courts, under the terrific leadership of Chief Justice Cappy and the members of the Supreme Court, changed venue rules, required certificates of merit, and imposed guidelines to review jury awards, all of which will reduce malpractice costs even further. And the good news is that for the first time in recent years, new companies are offering malpractice insurance policies in Pennsylvania, and we witnessed a 28-percent decline in the number of malpractice suits that are filed. But malpractice is only one of the factors driving up our health-care bills.

Companies are drowning in bills that are 11 percent higher today than they were last year for their employee health-care plans. Think about it: 11 percent is almost four times the rate of inflation. And this is the fourth straight year of double-digit increases in health-care costs. Employees have shared the burden of these increases as well. The cost to employees for health insurance has increased by 60 percent since the beginning of the decade.

Currently more than 6 out of every 10 Pennsylvanians are covered by employer health-care plans. That is the good news. The bad news is that between 2000 and 2003, close to 700,000 working Pennsylvanians lost their employer-based health-care insurance coverage – 700,000 Pennsylvanians. And this bad news is only getting worse. In 2004, 15 percent of all businesses nationally offered less health care than they did in the previous year.

It is time for us to provide real solutions to the growing health-care crisis in Pennsylvania. So today I am proposing that we work together to craft a new program that builds on our adultBasic safety net package with a goal of at least doubling the number of working Pennsylvanians covered by health insurance and offering many of our small employers a way to keep their good employees from leaving for firms that can provide health care. I hope to accomplish this by restructuring how we spend our tobacco settlement funds, tapping the community health reinvestment funds from the Blues, and by asking our employers to make modest payments towards the health care of the individuals we subsidize through this new program.

It has been more than 5 years since the tobacco funds were first made available, and it is time to take a hard look at how we can spend these funds for maximum public benefit. States all across the nation have reallocated tobacco settlement funds in recent years. Our Tobacco Settlement Fund allocation plan should be adjusted to allow an expansion of health-care insurance coverage for working Pennsylvanians covered by adultBasic.

But shifting tobacco settlement funds does not go far enough. That is why I am pleased to report that on Monday I announced an agreement with the four Blue Cross plans in Pennsylvania. Under this agreement, the Blues will allocate \$144 million of their funds to the Community Health Reinvestment Fund this year, and we expect that amount to increase annually between now and 2011. Sixty percent of these funds can and must be directed toward a new program to expand health insurance to working adults, adding an additional 29,000 working Pennsylvanians to the ranks of the 39,000 already enrolled in the adultBasic care program.

And any health-care solution that provides coverage with public funds must reengage employers as partial payers as well. I believe that it is critical to continue private-sector participation in providing health care as a benefit to employees. Over the next

few months, I have asked the Office of Health Care Reform to work with you and with the private sector to help us design an efficient and sound set of options that expand health insurance coverage to more and more working Pennsylvanians and keep employers in the game.

We must do more than just address the challenge of meeting the health-care needs of hardworking Pennsylvanians. As I said earlier, the fastest growing segment of our medical assistance recipients are those needing care in nursing homes. The cost of care for these seniors and disabled adults is also rising faster than the cost of care for any other group of medical assistance recipients. Fortunately, Pennsylvania is leading the nation in planning for a long-term-living system. The Federal Center for Medicare and Medicaid Services, known as CMS, recently designated Pennsylvania as the State it wants to study and to highlight in its long-term-living reform efforts.

In our system we understand the role that a familiar home and a neighbor can play in keeping seniors alert and fulfilled in their twilight years. We can continue to be a beacon among States in caring for older adults, and we will be. And so this budget includes a proposal to reallocate tobacco settlement funds to increase the number of older adults who can age at home with community-based care. This reallocation will provide the funds to enable 4,000 more seniors and disabled to remain at home and receive such care.

It has been said that “the moral test of government is how that government treats those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy and the handicapped and those who are in the dawn of life, the children.” Let me turn to the children.

We have far too many children without health insurance in Pennsylvania – over 130,000. Yet more than half of these children could be enrolled in our existing publicly funded programs. And we are actively reaching out to enroll those children. This budget provides for enrolling 10,000 more children in our successful CHIP program (Children’s Health Insurance Program). By better program management, not new resources, we can give more children access to health care in our State.

Today I am introducing a budget that reaffirms our commitment to provide health insurance to children, seniors, and those who need health care but cannot afford it. We have the resources to do this. All that we need is our collective will to enact the laws necessary to make it happen.

The budget that I introduce today is a product of the real challenges that we face. It includes tax reform and tax reductions to make our Commonwealth more competitive. It includes funds for Job Ready Pennsylvania to improve our work force development system and reform our high schools. It also includes continued improvement in the cost-effectiveness of government, both in response to the high cost of health care and other social programs and as part of our commitment to providing Pennsylvania taxpayers with the very best value for every single tax dollar. It meets a \$1 billion budget gap without raising taxes and without turning our back on the most vulnerable Pennsylvanians.

But the budget introduced today also includes difficult choices, and it is not without significant pain. Passing it will require discipline and courage – the discipline to say no to the temptation of partisan bickering and the courage to say no to special interests that narrow our vision.

The job of governing in Pennsylvania also requires faith – faith that we can, and we will, work as one to address the needs of our fellow citizens. I have that faith and you should, too, because we have done it before and we will do it again. Let us begin today.

Thank you.

JOINT SESSION ADJOURNED

The LIEUTENANT GOVERNOR. The Chair asks the members of the House and the visitors to please remain seated for just a moment while the Senators leave the hall of the House.

The business for which the joint session has been assembled having been transacted, the session is now adjourned.

THE SPEAKER PRO TEMPORE (MATTHEW E. BAKER) PRESIDING

The SPEAKER pro tempore. The House will be in order.

MOTION TO PRINT PROCEEDINGS OF JOINT SESSION

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

Mr. S. SMITH. Mr. Speaker, I move that the proceedings of the joint session of the Senate and House of Representatives held this 9th day of February 2005 be printed in full in this day's Legislative Journal.

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

Mr. DeWEESE. Mr. Speaker?

The SPEAKER pro tempore. The gentleman, Mr. DeWeese, is recognized as our leaders enter the room.

Mr. DeWEESE. Well, maybe their entry will obviate any questioning on my part. I was just curious as to what our next moves were to be, and I am certain that the gentleman from Jefferson will answer that question.

Thank you, sir.
The SPEAKER pro tempore. You are welcome, sir.

The House will come to order. Members, please take your seats.

STATEMENT BY MAJORITY LEADER

The SPEAKER pro tempore. The Speaker recognizes the majority leader, Mr. Smith, for remarks.

Mr. S. SMITH. Thank you, Mr. Speaker.

I apologize to the Chair and to the members for the delay. I thought the message had been conveyed that we would have a little bit of an unofficial break between the ending of the Governor's speech and when we would make our traditional floor remarks.

Let me just begin by saying, Mr. Speaker, that the Governor delivered a fairly long speech that outlined many ideas within

his budget, but for the most part, there were not a lot of new ideas, and it is something that we are certainly going to take a good look at in the Appropriations Committee hearings this year. I know that will come as a welcome relief to the minority leader that we will be having Appropriations Committee hearings on the budget as opposed to just passing this budget directly in the next 4 or 5 days, although this budget did remind me a little bit of the Governor's first budget. Whether or not he hated it with every fiber in his being or not, I do not know.

Look, the main issues in this budget really boil down to a couple things. The Governor has made choices relative to the medical assistance program in Pennsylvania and how that impacts our budget and the people of Pennsylvania. He has opened up the door to work with the Office of Health Care Reform to find options to provide health-care insurance to Pennsylvanians. I hope that that is something that we will be able to honestly delve into.

Clearly, Pennsylvania has an employer-driven system of health care, and while he cited the deal with the Blues as a plus in providing additional health-care insurance, I would raise the question as to whether or not any of us really believe that in the long run it will reduce the cost of health-care insurance in Pennsylvania, especially to those who are paying for those insurance policies. So I think it is something that we have to take a close look at, but hopefully those doors will be open to look at some of the other options towards increasing health insurance coverage for the people of Pennsylvania and trying to control the cost of premiums to those that are paying the premiums.

The tobacco settlement is something that is proposed to be opened. We can agree that it is a fair time to reevaluate that. I think the concern we would have is that the Governor in the document of the budget would probably be cutting at some of the research elements of that current distribution, and that is something that we may have to take a closer look at, but clearly, looking at how that distribution and the money is being spent and within the tobacco settlement is something that is agreeable. And again, the door is open, and we appreciate the administration's willingness to engage in that debate.

The Governor also proposed a series of business tax cuts. That is something that is consistent with the things that the Republican Caucus would like to do. Clearly, as we go into the Appropriations Committee hearings, I think we will be taking a serious look at what those impacts are as proposed by the Governor relative to business taxes. We agree that creating a better atmosphere for the employers of Pennsylvania is the key to increasing jobs in Pennsylvania and, as I was mentioning earlier, clearly has a direct tie to the insurance and the number of people that are covered by insurance in Pennsylvania. As an employer-driven system, often the more people that are working, the more people that potentially will have some type of insurance.

Higher education was another key element, and in spite of my comments relative to research, we will again take a good look and work with the Governor. As he mentioned the community colleges and the work force development, I think it ties in clearly with a direction that we have been going in the Republican Caucus and the Republican leadership here in the Capitol, and that is that we do have a disconnect between what our schools are doing and the training that young people are coming out of colleges or schools, trade schools, community colleges, whatever they might be, and are they actually in line

with the jobs that are out there? Do we need to do something to make better use of all that money that is in work force development and that end of the educational world? So we are open to that, and by and large, Mr. Speaker, we will be taking a good look at what the Governor has proposed.

One of the things that we – in closing – that we will be looking at, as the Governor has made his choices, he mentioned that he had generated roughly \$475 million in savings, and as he was speaking, I asked my mind, you know, well, where is that savings? Where has it shown up? Later in his comments he indicated that that money was being plowed back into the budget. And so one of the things I think we have to differentiate with is that that is not necessarily a savings but a shift in spending. I think the taxpayers of Pennsylvania, if you tell them we saved \$475 million, they would figure that we would return that to them in the form of a tax cut as opposed to not really saving it but spending it elsewhere.

So with a few modest criticisms that I think would happen no matter who presented a budget, we are prepared to go to work on this budget and find a starting point that we can certainly deal with, and hopefully the doors will remain open.

Thank you, Mr. Speaker.

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

STATEMENT BY DEMOCRATIC LEADER

The SPEAKER pro tempore. The Chair recognizes the Democrat leader, Mr. DeWeese, for remarks.

Mr. DeWEESE. The gentleman, Mr. Smith, was comparatively chivalrous in his sentiments, and I would assume that that is because he, like many of us, believes that our Governor is running Pennsylvania like a business. Those comments radiate from GOP pamphlets in election cycles on a very regular basis, and it must give them at least a tincture of pain to realize that a chief superintendent of the Commonwealth on the Democratic side of the political equation is so dexterous as to give us a balanced budget, a balanced budget, with no tax increase, with no tax increase, in spite of the fact that George Bush has perpetrated mammoth tax decreases at the Federal level, and therefore, hundreds and hundreds and hundreds and hundreds and hundreds and hundreds of millions of dollars that would normally be coming into the 50 States are not coming in.

So when the Governor talked about his counterpart in Arkansas, the Republican Governor, Huckabee, and his lament that we could not balance 50 State budgets by making certain that the Federal government got away easy and we took the pain, he did not quote a Democratic Governor; he quoted a Republican Governor that was stupefied at the fact that Medicaid dollars by the hundreds and hundreds of millions of dollars in each of the States, Mr. Speaker, were being eliminated.

I do not think this is legerdemain or sleight of hand. I think Governor Rendell's budget makes sense, and I think it makes sense in that quintessential business manner that my Republican colleagues should and will admire.

Now, this administration has only been in town for 2 years, but they have performed prodigies not only in the initiation of mechanisms to realize property tax control, and we had help from Mr. Smith's caucus. We had a strong phalanx of 25 or

30 folks on the Republican side of the aisle who stepped into the breach and helped us with our gaming legislation, which will be allowing for property tax reduction in the next 24 months, if not sooner. We have realized, because of aggressive actions on the education area, hundreds of millions of dollars in the area of early education and kindergarten, and this administration is continuing in that line.

The Bush shortfall. The fact is, Governor Rendell is balancing his budget; George Bush is not balancing his budget. It is not even, it is not even close. But I see these wonderful colleagues of mine with these State trooper buttons on. It is implicit when you wear that button that you want more money for State Police. Well, many of us do, too. It would be interesting to see if you have the intrepidity to generate revenue to pay for those extra State Police, or even more importantly, for my Republican colleagues, whether they have the deft hand of the budget cutter and can show us exactly which programs they would like to eliminate. It would obviously be unmitigated hypocrisy if they do not come up with a way to either raise the money for the new State troopers or cut other areas of the budget for the State troopers.

Thinking out of the box, Mr. Speaker, one more time, Governor Rendell and his cadre have decided to focus on high school kids who want a chance to get into the job market and community college kids who have heretofore, at least for the last 15 years, not been treated quite as lavishly as this budget treats them.

There are innumerable areas, as the Governor indicated, of pain, but there are also innumerable areas of challenge and excitement, and just as I said a few moments ago, the chivalrous tone of my worthy colleague and counterpart, the majority floor leader, Mr. Smith, just the fact that for the first time in a long, long time there has not been a lot of carping and caviling and captious commentaries coming from Jefferson County or from any other person at that dais. Of course, young Mr. Feese has yet to speak.

I think we have a chance to have a budget in the Governor's Office by midnight on June 30, if not before. He has given us a balanced budget. The wonderful, wonderfully seductive area of the budget relative to the business climate that all of us Democrats and I am sure all of my Republican colleagues want to focus on is the reduction in the CNI, the corporate net income tax. That is a sexy subject to the men and women at the Duquesne Club or the Union League or the chambers of commerce in McKean and Snyder and Pike and Union and Greene and Fayette, et cetera, et cetera, et cetera. But for the first time in a long time, we are going to have a chance to make certain, Mr. Speaker, that everybody, that everybody pays that CNI, and that is going to be, that is going to be an exciting element within this debate. We are going to lower the corporate net income tax. It is going to be the biggest reduction in the corporate net income tax since Robert Patrick Casey. That is an amazing statement. Casey lowers the CNI; Rendell lowers the CNI. We are here for business. We hope you guys are going to join us.

But the caveat in this building – one of my favorite words, you all know it, is chock-a-block – this building is chock-a-block full of caveats, and one of the caveats is going to be that since only 27 percent of Pennsylvania corporations currently pay the CNI, if we are going to lower it, if we are going to lower it, in a very substantial way, then everybody is going to have to pay it. They cannot have these stealth

maneuvers into Delaware, or they cannot run away and hide those dollars in some paradisiacal setting in the Caribbean, Mr. Speaker.

Ed Rendell is running this place like a business. I am excited about it. I hope you are, too.

Thank you very much, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the Democratic leader.

STATEMENT BY MR. FEESE

The SPEAKER pro tempore. The Chair recognizes the young Mr. Feese, the Appropriations chairman.

Mr. FEESE. Thank you, Mr. Speaker.

Mr. Speaker, I thank the gentleman from Greene for the kind introduction.

Less than 2 years ago the Governor of this State embarked on his Plan for a New Pennsylvania, and as part of that Plan for a New Pennsylvania, he promised to slash State spending, but in '03 we increased spending by \$1 billion and in '04 we increased spending by \$1 billion, and now in '05 the Governor proposes to increase spending by a mere \$800 million.

The Plan for a New Pennsylvania proposed to decrease property taxes, not in '06 or '07 and '08 but the first day the administration walked into the doors of the State Capitol. Now we talk about property tax relief in maybe '06, hopefully '07, possibly '08, but more and more it seems like true property tax relief is based on the roll of the dice. The Governor has refused to engage in innovative plans proposed on both sides of the aisle regarding property tax reduction.

The Governor promised in his Plan for a New Pennsylvania to increase spending for roads and bridges, recognizing, as the trip survey does, that over half of the State's roads are in need of repair and 25 percent of the bridges over which our constituents drive are structurally deficient. The Governor has not proposed any more funding for roads and bridges. In fact, the Governor has taken money from roads and bridges so those riding the buses in Philadelphia do not have to pay an increased fare.

The Governor said in his Plan for a New Pennsylvania he would create new jobs and stimulate the economy, and I suppose that is true, because the unemployment rate has decreased in New York, in New Jersey, in Maryland, in Delaware, in West Virginia, and in Ohio, but here in Pennsylvania the unemployment rate has increased. The Plan for a New Pennsylvania has been mostly unfulfilled, except one promise, and that was the promise to raise income taxes, and we remember that. The Governor was determined to raise income taxes. He vetoed the education portion of the budget. He said, without any reluctance, he was leveraging our children, and he leveraged our children in March, in April, in May, June, July, August, into September, October, November, and finally, on the brink of school closing in December, the Governor delivered on his promise and raised personal income taxes. And as a result of that, Pennsylvania's businesses and citizens have paid more than \$2 billion in taxes, \$1 billion of that coming from small businesses. So it should be no surprise to us that more Pennsylvanians are unemployed. Thirty-seven thousand more Pennsylvanians are unemployed today than they were before the Governor's tax increase. And it should be no surprise to us that as businesses pay more taxes, they need to cut

expenses, and so they cut health insurance coverage for their workers. So tens of thousands of Pennsylvanians are driven to the welfare rolls or some other alternative government plan, such as the CHIP program for children or adultBasic for other adults who are underinsured.

It is no surprise now, it should not be to anybody in this chamber, that medical assistance needs fixed, and throughout the last week, I have watched the finger-pointing from the administration, and I heard some of it today as well. The administration says, well, the Federal government, they are not giving us as much money, but truth be known that the percent of Federal match for MA programs has increased and is expected to increase again in '05 and '06. The administration would say that medical costs and drug costs have increased. That is true. But we continue to tax those businesses and we continue to regulate those businesses and we drive up the cost of doing business for them. What do we expect but cost to rise?

The U.S. Economic Freedom Index, which is a survey of all the States to determine how those States, whether they are friendly or not to free enterprise; it gauges taxes and it gauges environmental regulations and legal system and property rights. That Freedom Index ranks Pennsylvania 45 out of 50, but we do not hear any proposals from the administration to address that. We hear a proposal from the Republican Caucus, the KMI (Keystone Manufacturing Initiative) proposal, an initiative that the Governor has yet to embrace. And I find it curious that there is a study, the 2004 Kosmont-Rose survey of the cost of doing business in cities in the United States, and the study surveyed 314 cities, and guess what city is the most expensive city in the United States of America in which to do business? The City of Brotherly Love, Philadelphia. It begs the question, Mr. Speaker, whether at one time there was a plan for a new Philadelphia.

More employers, the administration says, have stopped providing coverage, health insurance coverage, and that is true. So the solution the administration proposes is, well, we will take \$144 million a year from the Blues, from a health insurance carrier, and we will take 60 percent of that money and we will provide more adultBasic insurance coverage; we will shift those people from the private sector to the government sector. Of course, the ratepayers of the Blues will now pay more, our families and our businesses. Some families will not be able to pay the increased rate, so they will need a government program, and some of our businesses will not be able to pay the increased rate, and they will not provide health insurance coverage to their workers, and we will shift those to a government program. The Governor's proposal is a never-ending downward spiral, and the administration says, well, we have to address medical assistance because there are more people unemployed. That is true, thanks to the Plan for a New Pennsylvania.

The administration fails in this budget to offer a long-term solution to the health insurance coverage issue. They offer a Band-Aid, and that Band-Aid is to take some money from pharmaceutical companies and the pharmacists, increase their cost of doing business; take some money from the tobacco settlement and eliminate some of the cancer research that we do; slash spending on preventive health-care programs in the Department of Health; cover some of the uninsured through the Blues; expand other public programs; require some copays and restrict visits; eliminate fraud. But all of these treat symptoms, not the cause, and if we do not treat the cause, the symptoms will reoccur in the next fiscal year.

Whether we agree or disagree with the steps proposed by the Governor, we can agree that they are not long-term solutions; that the only true long-term solution is to create more jobs so families can buy insurance, lower the cost of business so business can provide it for their employees. And the administration has failed to propose initiatives designed to achieve these long-term solutions. There is no proposal to roll back the State income tax on our families and small businesses, as the Republicans have proposed. There is no initiative to relieve the tax burden on small businesses. Well, the capital stock and franchise tax phaseout, that was a Republican initiative. There is no proposal to reduce the overall tax burden on our larger corporations. True, the Governor proposes to reduce the CNI, but when you look at the details of the remaining portions of the Governor's proposal, they are, at best, revenue-neutral, and according to some business groups, at worst, an increase of taxes in the hundreds of millions of dollars. So the Governor's proposal to address health insurance and the medical assistance crisis is merely putting a finger in the dike. It may hold for this fiscal year, but it will not hold indefinitely.

I thank the Governor for his candor in asking us to enter the debate to determine whether we can reengage the private sector in this health insurance issue, but to engage the private sector and have a meaningful dialogue with the Governor, he has to be willing to address the costs of doing business and the ever-increasing tax burden on our businesses and our families.

Governor Rendell, the Pennsylvania families are depending on us.

Thank you.

The SPEAKER pro tempore. The Chair thanks the gentleman.

STATEMENT BY MR. D. EVANS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Philadelphia, the minority Appropriations chairman, Mr. Evans.

Mr. D. EVANS. Thank you, Mr. Speaker.

Mr. Speaker, the first thing I would like to do is welcome the new chairman of the House Appropriations Committee, and the reason I would like to welcome him is because I know that this is a new experience, but what I would like to put on the table to him in terms of his particular comments is something that the Governor said, because the Governor has just started the process; it is up to us to finish the process.

There are two phrases that the Governor used throughout the beginning of his speech: Governing is choosing in a democratic society, to mean having the freedom to choose, the freedom to choose. That is what the Governor said, and the Governor put a challenge before us. He put a challenge before all of us, Democrat and Republican. He talked about Pennsylvanians first. He did not just say it to the Democrats; he did not just say it to the Republicans. He said we must have faith in the ability that we can make a difference. He was talking to the entire Commonwealth family. He did not make it partisan. He did not tick off that during the nineties when we were reducing all of those business taxes and not cutting spending, he did not blame anyone for that. When we spent more money than we had for TANF, he did not say that happened during Mark Schweiker's watch or Tom Ridge's watch. He did not say that. If you go

back 2 years ago when he had to make some tough decisions, he did not blame it on the previous administrations. I have never heard him in the 2 years that he has been in office take any blame to anyone else. He has been a big boy, and he has taken the responsibility, because that is what the people of Pennsylvania want. They want people to take responsibility. They do not want this Democrat, Republican, liberal, conservative, moderate fighting and arguing with each other. They want better opportunities. They want better lives. They do not want people to be pointing fingers and talking about that the Governor is not talking about a long-term strategy. What they want us to do is they want us to fix whatever the problems are in Pennsylvania.

So I say to my good colleague – and he is good, and I have had the pleasure of spending a little time with him, but he is new to being chairman of the Appropriations Committee – if there is anything you understand about being new to that particular position, my experience has been that it is not a question about being partisan; it is a question about moving things forward. That is what the Governor provided today. The Governor even mentioned the majority leader in his speech this year and last year. The Governor even mentioned the majority leader of the Senate in his speech. As a matter of fact, Mr. Democratic Leader, he mentioned the Republicans more than he mentioned the Democrats. I only saw Mike Veon's name in there once, and I saw the Republican's name in there twice.

Now, if we wanted to get down to counting and being selfish and petty and get into all that, we could say, look; look; look; he stood up here and I saw when he did that press conference on the accountability block grant. When he did that one he did on the accountability block grant and when he stood with the majority leader, I was watching that. I was watching how he stood with the majority leader and said to the majority leader, this is the majority leader's idea about the accountability. He did not say, he did not say that this was the Republican leader. This was the majority leader. We are Pennsylvanians first. That is what he said. That is what he has tried to do in the 2 years that he has been in that position. Even when he has some members on his side of the aisle who get upset that he is not more aggressive with the Republicans, he has basically tried to deal with everyone; he has tried to deal with everyone, because he knows, at the end of the day, this is like inside baseball. He understands it is inside baseball. He understands that 12 million people do not want that. He said when he came to Harrisburg he wanted to change the tenor of the way things operated. That is what he said.

And when you talk about things like mass transit, he did come out for a proposal; may not like the proposal, but he came out for a proposal. The proposal is in the Transportation Committee. It is called HB 22. He embraced that. The only thing you have to do is bring it up for a vote and a discussion, have a hearing on it. Let people at least have a debate on it. That is what he did. He said he embraced that. And then when he made the statement about mass transit, he did not just talk about Philadelphia and Pennsylvania. Do you want me to reread what he said in his speech? He mentioned all of the places, and he said we need to act now. He did not say Democrats need to act now; he did not say Republicans need to act now. He said we need to act now.

Now, I did not see one single line in this speech where he indicated Democrat and Republican. He talked about "we."

He mentioned words like “choice,” “freedom.” I think those words should resonate with that side of the aisle – “choice,” “freedom,” “opportunity.” Now, here is a Governor who comes in and says, look; this is my idea; I am open for your idea. You know, he mentioned a number of ideas that have come to him.

So I would only say this: I just hope as we move through this process that we take the tenor of his speech, the faith that he talked about, just one time and put aside the rhetoric and that we collectively try to come up with a long-term strategy, because he has only been here for 2 years but he does not make that as an excuse. You see, he does not make that he has only been here for 2 years, because if you talk about TANF and you talk about— You know, I could talk about the national picture. I could talk about balancing the budget. I could talk about globalization. I could talk about international. But guess what? I do not think anybody is interested in talking about international. I do not think anybody is interested in talking about NAFTA (North American Free Trade Agreement). I do not think anybody is interested in talking about George Bush. I do not think anybody is interested in talking about the Republicans’ controlled cuts. I do not think anybody is interested in that, because we are not in Washington, DC; we are here in Harrisburg. We have a job. They have a job in Washington. We should do our job. They should do their job.

So as I just listened to the speech that was given about the Governor, I guess I would say to you, you know, you call it hitting like a little below the belt; you know, hitting a little below the belt, and I understand it is politics talk, but I would think on this first day starting off the process, you know, we at least give it a chance. That is all he is saying. At least give the proposal a chance. If you do not like what is in this particular proposal, come up with a better idea. That is the challenge. If you do not like what is in this proposal, come up with a better idea.

If you have got a better idea, if you really believe that you want to roll the personal income tax, make our day, because guess what? There will be members on this side that will vote with you. Make our day. But guess what? When you roll that back, be prepared to make some reductions. You see, I am prepared to put that challenge on the table for you to roll that back. Roll back that personal income tax, and I will assure you, I do not think your members want the pain of that decision.

You see, I understand the rhetoric in the statement that is being made publicly to make you look like you are the party that wants to cut taxes and we are not the party that wants to cut taxes, because my Democratic leader is correct. Bob Casey said it back in 1994, Ed Rendell was saying it today, about the corporate net income tax, and he was saying it because, fundamentally, if you understand anything about our tax structure, our tax structure needs to be changed for the 21st century. Our tax structure is built in terms of the 1930s and the 1940s. It needs to change. The world has changed in terms of the way corporations operate today. He is correct in what he is saying; he is correct. Like it or not, he is correct in what he is saying.

If you look at every blueprint of taxes, I do not care if it is under Ridge or Schweiker or Thornburgh, our tax structure has left a lot to be desired. We all know that. We all know our tax structure is not appropriate for the environment that we are operating in. At least I have got to give it to one group on your side, the Commonwealth Caucus. At least they are thinking outside the box. At least they are raising the bar. Now,

you know, I may agree or disagree with them, but they are raising the bar. I respect the Commonwealth Caucus for raising the bar. Give the Commonwealth Caucus a hand for raising the bar, because the Commonwealth Caucus is raising the bar and they are thinking outside the box. There is nothing wrong with that. That is how we have a little debate. The Governor put a proposal before us. So let us be nice. Let us be civil.

I was listening to my Speaker from the great city of Philadelphia. He was giving a speech at the Press Club. He talked about civility. He talked about how we should be nice and how we should play nice; how we should not say things to each other that get in the way of us thinking big. I would only encourage my colleagues on the other side of the aisle, let us play nice; let us play nice.

You know, the Governor gave his speech. You know, some of those statements are probably not necessary to take little shots. You know, let us play nice. You know, my Democratic leader talked a little bit about the White House, but you know, I understood he did that, but the White House is not here. We are here locally. So let us all be nice. Let us just try one time; let us just try one time.

There is plenty of time for the elections. We will have plenty of time to fight it out. As a matter of fact, we had a good day yesterday. I did not stand up here and brag about that. Bill, that was a good day yesterday. I heard it was a good day we had yesterday. But do you think I brag about that? Do you think I would bring up on this floor that we had a good day yesterday? It was a good day, Bill, yesterday? I did not bring that up, but I am tempted to bring it up because of those comments that are being made.

You know, I want to get along with everybody. Those of you who know me, I try to get along. I talk to you in private or in public. I try to speak to everybody. I try to get along with everybody. I try to get along with you, too, Bob. That is my good friend, the Democratic chairman of Labor. I get along with Bob.

But at the end of the day, seriously – I am smiling because I really do think the world of the chairman; I am serious – he is going to be a fantastic chairman. He is going to do great things. I am watching him. I am learning from him. I am going to learn a lot from that chairman. I am; I am. Seriously, Mr. Speaker, I am going to learn a lot from that chairman. I am glad to have the honor to be the Democratic chairman with him, as the chairman of this committee. I just want to show so much warmth to you and to the leader, because I think a lot of the leader, too. I think I have been up to Punxsutawney. I do know a little bit about Punxsutawney. So I want to say that to the leader.

So let this be our last— I hope, Mr. Speaker, that this can be our last day, that we do not say any more hostile words to each other. We can at least agree to disagree about the debate, about the substance, about the substance, but please, no kind of low-ball attacks on people. Even the Governor left the room. Let us have our debate on this policy, but the other kind of comments, I would hope we would stop.

Again I thank you.

The SPEAKER pro tempore. The Chair thanks the gentleman for being so nice.

Mr. S. SMITH. Mr. Speaker? Mr. Speaker?

The SPEAKER pro tempore. The Chair recognizes the gentleman, Mr. Smith.

Mr. S. SMITH. May I ask one nice question?

The SPEAKER pro tempore. The gentleman may proceed in a nice way.

Mr. S. SMITH. I was just curious if this nice stuff was like, does that include when certain people put out news releases that take a tax reform proposal, which we all know anybody that throws a tax reform proposal, whether it is the Commonwealth Caucus or some of the others that have been put out, it is usually shifting the tax burden from tax A to tax B, which means one of them goes up and one of them goes down, would that include putting out news releases and information that says, so-and-so just proposed to double your personal income tax or increase the sales tax, when in fact it would have been a direct offset to a reduction in property taxes? Would that be part of that being nice kind of stuff?

Mr. D. EVANS. Mr. Speaker, in the spirit of being nice, everything is negotiable.

Mr. S. SMITH. That is nice.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks both gentlemen for being nice.

FORMER MEMBER WELCOMED AND GUESTS INTRODUCED

The SPEAKER pro tempore. The Chair is especially pleased to recognize a former member with us this morning – this afternoon now – the Honorable Sam Hayes, who is with political science students from Juniata College in the gallery. Please rise.

Mr. S. SMITH. Mr. Speaker?

The SPEAKER pro tempore. The gentleman, Mr. Smith, is recognized.

Mr. S. SMITH. I believe that would have the former leader sitting up in Dan Clark's seat? That is an old joke. When Mr. Hayes was the whip, at one time he got a little annoyed with one of our members and threatened to move his seat up above the clock. So I see Sam is there.

The SPEAKER pro tempore. Mr. Smith, that would be not so nice.

BILLS REPORTED FROM COMMITTEE, CONSIDERED FIRST TIME, AND TABLED

HB 87, PN 81

By Rep. HERMAN

An Act amending the act of January 19, 1968 (1967 P.L.992, No.442), entitled, as amended, "An act authorizing the Commonwealth of Pennsylvania and the local government units thereof to preserve, acquire or hold land for open space uses," defining "municipal corporation"; further providing for property acquired in fee simple and for local taxing option; and making an editorial change.

LOCAL GOVERNMENT.

HB 279, PN 302

By Rep. HERMAN

An Act amending the act of February 1, 1974 (P.L.34, No.15), known as the Pennsylvania Municipal Retirement Law, further providing for administrative expenses.

LOCAL GOVERNMENT.

BILL REPORTED AND REREFERRED TO COMMITTEE ON URBAN AFFAIRS

HB 43, PN 45

By Rep. HERMAN

An Act amending the act of December 14, 1992 (P.L.866, No.137), known as the Optional County Affordable Housing Funds Act, extending the act to counties of the first class; providing for a home purchase loan program to be administered by the Pennsylvania Housing Finance Agency; establishing the Affordable Housing Trust Fund; providing for a program of home mortgage insurance; and establishing the Housing Insurance Fund.

LOCAL GOVERNMENT.

DEMOCRATIC CAUCUS

The SPEAKER pro tempore. Are there any other announcements?

The gentleman, Mr. Cohen, is recognized.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, for those who are here and those who are within the sound of my voice, I would like to announce a Democratic caucus meeting to go over the budget in some greater detail immediately upon the call of the recess.

The SPEAKER pro tempore. The Chair thanks the gentleman.

Any other announcements?

RESOLUTIONS PASSED OVER

The SPEAKER pro tempore. Without objection, any remaining resolutions on today's calendar will be passed over. The Chair hears no objection.

RECESS

The SPEAKER pro tempore. Now for the nicest part of the day, Mr. Ellis, from Butler County, is recognized.

Mr. ELLIS. Mr. Speaker, I move that this House do now recess until Monday, February 14, 2005, at 1 p.m., e.s.t., unless sooner recalled by the Speaker.

On the question,

Will the House agree to the motion?

Motion was agreed to, and at 1:29 p.m., e.s.t., the House recessed.