

COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

MONDAY, JUNE 25, 2007

SESSION OF 2007

191ST OF THE GENERAL ASSEMBLY

No. 56

HOUSE OF REPRESENTATIVES

The House convened at 10 a.m., e.d.t.

THE SPEAKER PRO TEMPORE (MATTHEW E. BAKER) PRESIDING

PRAYER

HON. MATTHEW E. BAKER, member of the House of Representatives, offered the following prayer:

Let us pray:

Heavenly Father, we thank You for the great opportunity to serve others as State Representatives and staff. Be with us this day in granting us wisdom to do that which is favorable in Your sight. May we take increased devotion in being the servant leaders You have called us to be, both as lawmakers here at the Capitol and representatives of, for, and by the people back home in the districts.

We pray, too, for the safety and protection of our troops in harm's way, for those less fortunate than ourselves, for those that may be suffering from physical or mental disabilities. We lift them up to You with concern and compassion.

Father, help us to remember that You are sovereign, holy, omnipotent, omnipresent, and thank You for all that You do in and through our lives, and may we be accountable to You each day and especially this day. We humbly pray in Your name. Amen.

PLEDGE OF ALLEGIANCE

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

JOURNAL APPROVAL POSTPONED

The SPEAKER pro tempore. Without objection, approval of the Journal of Saturday, June 23, 2007, will be postponed until printed. The Chair hears no objection.

JOURNALS APPROVED

The SPEAKER pro tempore. The Journals of Wednesday, April 18, and Thursday, April 19 of 2007 are now in print. Will the House approve those Journals?

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

The SPEAKER pro tempore. Those Journals are approved.

RULES COMMITTEE MEETING

The SPEAKER pro tempore. For the information of the members, there will be a Rules meeting at 11:15 in the majority caucus room. A Rules Committee meeting will be held at 11:15 a.m. in the majority caucus room, and we plan to be back here on the floor of the House of Representatives at 11:30 a.m.

RECESS

The SPEAKER pro tempore. This House now stands in recess until the call of the Chair.

AFTER RECESS

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

LEAVES OF ABSENCE

The SPEAKER pro tempore. Turning to leaves of absence, the Chair recognizes the minority whip. Are there any leaves of absence? The minority whip requests a leave of absence for the day for the gentlelady from Chester County, Mrs. RUBLEY; the gentleman from Chester County, Mr. HENNESSEY; and the gentleman from Juniata County, Mr. HARRIS. Without objection, the leaves will be so granted.

MASTER ROLL CALL

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

The following roll call was recorded:

PRESENT—200

Adolph	Freeman	Marshall	Rohrer
Argall	Gabig	Marsico	Ross
Baker	Galloway	McCall	Sabatina
Barrar	Geist	McGeehan	Sainato
Bastian	George	McI. Smith	Samuelson
Bear	Gerber	McIlhattan	Santoni
Belfanti	Gergely	Melio	Saylor

Benninghoff	Gibbons	Mensch	Scavello
Bennington	Gillespie	Metcalfe	Schroder
Beyer	Gingrich	Micozzie	Seip
Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay
Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Helm	Nickol	Steil
Casorio	Hershey	O'Brien, M.	Stern
Causer	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.
Cox	Kauffman	Payton	Taylor, R.
Creighton	Keller, M.	Peifer	Thomas
Cruz	Keller, W.	Perry	True
Curry	Kenney	Perzel	Turzai
Cutler	Kessler	Petrarca	Verbe
Daley	Killion	Petri	Vitali
Dally	King	Petrone	Vulakovich
DeLuca	Kirkland	Phillips	Wagner
Denlinger	Kortz	Pickett	Walko
DePasquale	Kotik	Preston	Wansacz
Dermody	Kula	Pyle	Waters
DeWeese	Leach	Quigley	Watson
DiGirolamo	Lentz	Quinn	Wheatley
Donatucci	Levdansky	Ramaley	White
Eachus	Longiatti	Rapp	Williams
Ellis	Mackereth	Raymond	Wojnaroski
Evans, D.	Maher	Readshaw	Yewcic
Evans, J.	Mahoney	Reed	Youngblood
Everett	Major	Reichley	Yudichak
Fabrizio	Manderino	Roae	
Fairchild	Mann	Rock	O'Brien, D.,
Fleck	Mantz	Roebuck	Speaker
Frankel	Markosek		

ADDITIONS—0

NOT VOTING—0

EXCUSED—3

Harris Hennessey Rubley

LEAVES ADDED—1

Hershey

LEAVES CANCELED—3

Harris Hennessey Hershey

The SPEAKER pro tempore. A quorum being present, the House will proceed to conduct business.

LAKELAND JUNIOR-SENIOR HIGH SCHOOL TRACK TEAM PRESENTED

The SPEAKER pro tempore. Will the gentleman, Mr. Wansacz, kindly come to the podium for a citation presentation.

Mr. Staback, you will be joining Mr. Wansacz? Please come to the podium. Thank you.

Representatives Wansacz and Staback have a citation presentation and may proceed when you are ready.

Mr. WANSACZ. Thank you, Mr. Speaker.

I rise today, Mr. Speaker, to ask my colleagues, along with Representative Staback and myself, in congratulating a group of superior athletes. Today several members and coaches of the Lakeland High School Track Team are here visiting us.

Lakeland High School is the proud institution where I graduated from and an institution where Representative Staback and I represent.

Here with us today behind me are Mark Bucklaw and coach James Perry. Seated to the left of me are his parents, Alan and Nancy Bucklaw; and sitting in the back – and I will ask you to please rise – are Kyle Pepson; his parents, Gene and Ann Pepson; Ryan Arthur and his parents, Michael and Donna, who are seated in the back of the chamber; and Coach Perry's wife, Dorothy. Could we have a big round of applause for them.

On a quick side note, I would like to congratulate Coach Perry and his wife, Dorothy, on spending their 30th anniversary today with us in the hall of the House. So congratulations, Dorothy and Jim.

Unfortunately, a few coaches who are part of the success of the Lakeland program were unable to be with us today, and they are coaches Phil Tochelli, Linda Stevens, and Carl Fron.

This team had a tremendous season. Together, along with Drew Babcanec, who could not join us today, the gentlemen seated in the back, along with Mark, won the bronze medal in the 3200-meter team relay at the PIAA Track and Field State Championships.

I would like to address one student who is not just an athlete but a dedicated scholar and a leader as well. I have gotten to know this young man through my involvements with Lakeland High School. Standing behind me today is Mark Bucklaw. He is a recent graduate of Lakeland High School. He was the gold medalist in the 1600-meter run in the PIAA Track and Field State Championships and was just recently recognized as the Scranton Times Athlete of the Year.

Along with track, Mark ran cross-country and played golf. They say his running is a lot better than his golf game, though. He led his teammates on the track and cross-country teams as he served as captain for each. Mark was selected as a Who's Who Among American High School Students, academic and sports edition, as well as a member of the National Honor Roll. His hard work in winning the mile earned him an athletic and academic scholarship to Duquesne University, which is valued at over \$24,000 a year, where he will be attending in August and majoring in education at Duquesne University.

I would like to congratulate Mark and the rest of the team – Kyle, Ryan, and Drew – on a job well done, and I wish you guys the best in your future endeavors.

I would like to turn it over to Representative Staback, who will present them with a citation.

Mr. STABACK. Thank you, Representative Wansacz, and good morning, everyone.

This morning I have the very pleasurable task of sharing with you all the language in Mark's citation that indeed brought him in front of this illustrious body this morning.

Mark, your citation reads as follows:

"WHEREAS, The House of Representatives of Pennsylvania is always pleased to recognize those exceptional young athletes who, through their many achievements, bring great credit to themselves and this Commonwealth; and

"WHEREAS, Mark Bucklaw is being honored upon capturing first place in the 2007 PIAA State Class AA Boys' 1600-meter run event; and

"WHEREAS, A student at Lakeland Junior-Senior High School, Mark is the son of Alan and Nancy Bucklaw. During the 2007 season, he was named the District II champion in the 1600- and 3200-meter run event, the District II champion in cross country, the first-place winner in the Greater Carbondale YMCA Annual Fred Ciotti Memorial Race and the first-place winner of the Brian P. Kelly Memorial 5K Run. To his great credit, Mark was named the Cross Country Runner of the Year by the Scranton Times and was the Cross Country Athlete of the Week three times. He was also named to the All-Region Cross Country Team for District II four consecutive years and was the FOX 56 Sports Show Athlete of the Week in" the year "2004.

"NOW THEREFORE, The House of Representatives of the Commonwealth of Pennsylvania heartily congratulates Mark Bucklaw upon his successful season and championship victories; commends him for skillfully using his abilities with unflagging dedication in pursuit of athletic excellence; offers best wishes for every future success...."

Mark, on behalf of Representative Wansacz and I, indeed on behalf of the entire State House, congratulations to you on your accomplishments in track and cross-country.

The SPEAKER pro tempore. The Chair thanks the gentleman and congratulates the team.

LEAVE OF ABSENCE CANCELED

The SPEAKER pro tempore. The Chair notes the presence of the gentleman, Mr. Harris, on the floor of the House, and he will be added to the master roll call, without objection.

BALD EAGLE AREA HIGH SCHOOL BASEBALL TEAM PRESENTED

The SPEAKER pro tempore. Will the gentlemen, Representative Hanna and Representative Conklin, kindly come to the podium for a citation presentation.

Members, the gentlemen, Mr. Hanna and Mr. Conklin, would like to make a presentation. You may proceed.

Mr. HANNA. Thank you, Mr. Speaker.

Ladies and gentlemen of the House, Representative Scott Conklin and I have the honor and pleasure of introducing to you the 2007 AA Baseball State Champions from Bald Eagle Area High School. They capped the 21-win season with a 6-1 victory in the championship game. This team is an offensive powerhouse averaging over eight runs per game.

Joining me here at the rostrum are coach Jim Gardner; players Brad Kling, Brian Kochik, and Ryan MacNamara. In the rear of the House are players Tyler Quick, A.J. Robinson, John Schall, Bob Newman, and Shawn Switzer. Please give them a big round of applause.

One special note I would like to add, this team has the pleasure of outdoing their coach, who made it to the semifinals and was a third-place finisher just a few years ago, I guess – right, Coach Gardner? – but the players learned well from the coach and outdid him and won the State championship. So we are very proud of him, and I will turn it over to Representative Conklin.

Mr. CONKLIN. Thank you, Representative.

For those of you that stand in these halls today, you are seeing the finest baseball players in the State, but the proudest moment we have, being from central Pennsylvania, is that not only do they go to the States and win but they have the opportunity to teach a lot of teams what baseball is all about.

Rather than moving on, I think it is time for Mr. Hanna to give an honor that is well deserving of a great team.

The SPEAKER pro tempore. The Chair thanks the gentlemen and congratulates the team.

GUEST INTRODUCED

The SPEAKER pro tempore. Please welcome this morning to the hall of the House, as the guest of Representative Dave Levdansky, Devon Hirst from Armstrong County. She is a guest page. Please rise and be recognized.

BILLS REREPORTED FROM COMMITTEE

HB 49, PN 74

By Rep. DeWEESE

An Act providing for medical assistance to certain eligible women for breast and cervical cancer treatment and follow-up care and for the powers and duties of the Department of Public Welfare.

RULES.

HB 874, PN 1029

By Rep. DeWEESE

An Act providing for umbilical cord blood banking; requiring health care facilities and providers to give pregnant patients information regarding umbilical cord blood banking; and requiring health care facilities to permit pregnant patients to arrange for umbilical cord blood donations.

RULES.

HB 883, PN 1037

By Rep. DeWEESE

An Act amending the act of September 9, 1965 (P.L.497, No.251), known as the Newborn Child Testing Act, further providing for newborn child screening and testing; and making editorial changes.

RULES.

HB 1201, PN 1989

By Rep. DeWEESE

An Act amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, further providing for the definition of "public utility"; adding a definition of "micro-grid"; further providing for duties of electric distribution companies; and providing for micro-grids.

RULES.

HB 1264, PN 1999

By Rep. DeWEESE

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

RULES.

HB 1541, PN 1878

By Rep. DeWEESE

An Act establishing the Smoke Free Pennsylvania Act; prohibiting smoking in enclosed and substantially enclosed areas; imposing duties upon the Department of Health; imposing penalties; and making a related repeal.

RULES.

The SPEAKER pro tempore. The previous bills mentioned will be referred to the supplemental calendar, without objection.

BILLS REREPORTED FROM COMMITTEE**HB 83, PN 107**

By Rep. DeWEESE

An Act amending the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, requiring the Department of Public Welfare to provide personal care home information on the department's Internet website.

RULES.

HB 169, PN 1916

By Rep. DeWEESE

An Act amending the act of December 19, 1988 (P.L.1262, No.156), known as the Local Option Small Games of Chance Act, further providing for definitions, for permitted games of chance and for prize limits.

RULES.

HB 894, PN 1877

By Rep. DeWEESE

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 referendum or public hearing required prior to construction or lease.

RULES.

HB 1152, PN 1400

By Rep. DeWEESE

An Act amending Title 13 (Commercial Code) of the Pennsylvania Consolidated Statutes, extensively revising preliminary provisions and provisions relating to warehouse receipts, bills of lading and documents of title; further providing, in secured transactions, for definitions, for perfection and priority in deposit accounts and for perfection upon attachment; and making editorial changes.

RULES.

HB 1206, PN 1993

By Rep. DeWEESE

An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, providing for the establishment and allocation of an additional municipal waste landfill disposal fee in the Department of Environmental Protection.

RULES.

HB 1573, PN 1927

By Rep. DeWEESE

An Act establishing the Pennsylvania Center for Health Careers and the Health Careers Leadership Council.

RULES.

The SPEAKER pro tempore. The bills will be so placed on the active calendar, without objection.

**HOUSE BILL
INTRODUCED AND REFERRED**

No. 1629 By Representatives FRANKEL, DERMODY, WALKO, RAMALEY, PETRONE, MARKOSEK and GERGELY

An Act amending the act of July 28, 1953 (P.L.723, No.230), known as the Second Class County Code, authorizing certain counties of the second class to impose a vehicle rental tax, realty transfer tax and liquor sales tax.

Referred to Committee on URBAN AFFAIRS, June 25, 2007.

GUESTS INTRODUCED

The SPEAKER pro tempore. Seated in the rear of the House, as guests of Representative Steve Barrar, are Debbie and Bill Cancro and their three children, Arron, Rebecca, and Noah. Please rise and be recognized.

Here today, serving as guest pages of Representative Scott Petri, are Curt Eisele and Matthew Bark. Please rise and be recognized.

**SUSQUEHANNOCK HIGH SCHOOL
GIRLS SOFTBALL TEAM PRESENTED**

The SPEAKER pro tempore. We welcome today Representative Miller, who will be making a citation presentation.

Mr. Miller, you may proceed when you are ready.

Mr. MILLER. Thank you, Mr. Speaker.

Today I rise to introduce to this body the PIAA Class AAA State Softball Champions from Susquehannock High School. Welcome them to the hall. These girls defeated Springfield-Delco by a 3-to-2 score to win the State championship on Friday, June 15, at Shippensburg University. Springfield-Delco led 2-nothing entering the bottom of the fourth inning. With bases loaded and one out, Susquehannock's Catherine Schwing blasted a triple to deep left-center field, scoring all three runners and giving the Warriors a 3-2 lead. Pitcher Megan Sheaf allowed just 4 hits and recorded 11 strikeouts in the game. It is the first YAIAA York/Adams softball team to win a State championship. They finished their season with a record of 24 wins and 2 losses, and get this: In those 26 games, they gave up a total of 24 runs.

I talked to the coach before they came up here. They have four seniors on this team. So maybe Representative Adolph and I might have an opportunity to go see a rematch next year. It would be very good.

With me today here in the front are coach Dave Pollick and the captains, Erin Clary, Kelly Christ, Laura Bedgar, and Catherine Schwing. I would ask also the rest of the team, which is seated in the rear of the House, if they would please rise. Girls, would you stand up, and I would ask you again to give me a round of applause for these State champions.

Thank you. Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman and congratulates the team.

**THE SPEAKER (DENNIS M. O'BRIEN)
PRESIDING**

CALENDAR

RESOLUTION PURSUANT TO RULE 35

Mr. BUXTON called up **HR 301, PN 1710**, entitled:

A Resolution recognizing July 21, 2007, as "Convoy of Hope Day" in Pennsylvania.

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—201

Adolph	Freeman	Markosek	Rohrer
Argall	Gabig	Marshall	Ross
Baker	Galloway	Marsico	Sabatina
Barrar	Geist	McCall	Sainato
Bastian	George	McGeehan	Samuelson
Bear	Gerber	McI. Smith	Santoni
Belfanti	Gergely	McIlhattan	Saylor
Benninghoff	Gibbons	Melio	Scavello
Bennington	Gillespie	Mensch	Schroder
Beyer	Gingrich	Metcalfe	Seip
Biancucci	Godshall	Micozzie	Shapiro
Bishop	Goodman	Millard	Shimkus
Blackwell	Grell	Miller	Siptroth
Boback	Grucela	Milne	Smith, K.
Boyd	Haluska	Moul	Smith, M.
Brennan	Hanna	Moyer	Smith, S.
Brooks	Harhai	Mundy	Solobay
Buxton	Harhart	Murt	Sonney
Caltagirone	Harkins	Mustio	Staback
Cappelli	Harper	Myers	Stairs
Carroll	Harris	Nailor	Steil
Casorio	Helm	Nickol	Stern
Causer	Hershey	O'Brien, M.	Stevenson
Civera	Hess	O'Neill	Sturla
Clymer	Hickernell	Oliver	Surra
Cohen	Hornaman	Pallone	Swanger
Conklin	Hutchinson	Parker	Tangretti
Costa	James	Pashinski	Taylor, J.
Cox	Josephs	Payne	Taylor, R.
Creighton	Kauffman	Payton	Thomas
Cruz	Keller, M.	Peifer	True
Curry	Keller, W.	Perry	Turzai
Cutler	Kenney	Perzel	Vereb
Daley	Kessler	Petrarca	Vitali
Dally	Killion	Petri	Vulakovich
DeLuca	King	Petrone	Wagner
Denlinger	Kirkland	Phillips	Walko
DePasquale	Kortz	Pickett	Wansacz
Dermody	Kotik	Preston	Waters
DeWeese	Kula	Pyle	Watson
DiGirolamo	Leach	Quigley	Wheatley
Donatucci	Lentz	Quinn	White
Eachus	Levdansky	Ramaley	Williams
Ellis	Longietti	Rapp	Wojnaroski
Evans, D.	Mackereth	Raymond	Yewcic
Evans, J.	Maher	Readshaw	Youngblood
Everett	Mahoney	Reed	Yudichak
Fabrizio	Major	Reichley	
Fairchild	Manderino	Roae	O'Brien, D.,
Fleck	Mann	Rock	Speaker
Frankel	Mantz	Roebuck	

NAYS—0

NOT VOTING—0

EXCUSED—2

Hennessey Rubley

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

GUESTS INTRODUCED

The SPEAKER. Recognizing July 21, 2007, as "Convoy of Hope Day," we would like to welcome Pastor Bob Mlynek, Sr., and Pastor Tim Halbfoerster, hosts for the Convoy of Hope, and applaud their role and their call for unity and the message of hope and salute the wonderful work which has reached across racial and economic lines. They are seated in the gallery. Please welcome them to the hall of the House. They are the guests of Representative Buxton.

RESOLUTION PURSUANT TO RULE 35

Miss MAJOR called up **HR 344, PN 2026**, entitled:

A Resolution honoring the Harford Agricultural Society of Harford, Susquehanna County, on the occasion of the 150th anniversary of the Harford Fair.

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—201

Adolph	Freeman	Markosek	Rohrer
Argall	Gabig	Marshall	Ross
Baker	Galloway	Marsico	Sabatina
Barrar	Geist	McCall	Sainato
Bastian	George	McGeehan	Samuelson
Bear	Gerber	McI. Smith	Santoni
Belfanti	Gergely	McIlhattan	Saylor
Benninghoff	Gibbons	Melio	Scavello
Bennington	Gillespie	Mensch	Schroder
Beyer	Gingrich	Metcalfe	Seip
Biancucci	Godshall	Micozzie	Shapiro
Bishop	Goodman	Millard	Shimkus
Blackwell	Grell	Miller	Siptroth
Boback	Grucela	Milne	Smith, K.
Boyd	Haluska	Moul	Smith, M.
Brennan	Hanna	Moyer	Smith, S.
Brooks	Harhai	Mundy	Solobay
Buxton	Harhart	Murt	Sonney
Caltagirone	Harkins	Mustio	Staback
Cappelli	Harper	Myers	Stairs
Carroll	Harris	Nailor	Steil
Casorio	Helm	Nickol	Stern
Causer	Hershey	O'Brien, M.	Stevenson
Civera	Hess	O'Neill	Sturla
Clymer	Hickernell	Oliver	Surra
Cohen	Hornaman	Pallone	Swanger
Conklin	Hutchinson	Parker	Tangretti
Costa	James	Pashinski	Taylor, J.
Cox	Josephs	Payne	Taylor, R.
Creighton	Kauffman	Payton	Thomas
Cruz	Keller, M.	Peifer	True

Curry	Keller, W.	Perry	Turzai
Cutler	Kenney	Perzel	Vereb
Daley	Kessler	Petrarca	Vitali
Dally	Killion	Petri	Vulakovich
DeLuca	King	Petrone	Wagner
Denlinger	Kirkland	Phillips	Walko
DePasquale	Kortz	Pickett	Wansacz
Dermody	Kotik	Preston	Waters
DeWeese	Kula	Pyle	Watson
DiGirolamo	Leach	Quigley	Wheatley
Donatucci	Lentz	Quinn	White
Eachus	Levdansky	Ramaley	Williams
Ellis	Longietti	Rapp	Wojnarowski
Evans, D.	Mackereth	Raymond	Yewcic
Evans, J.	Maher	Readshaw	Youngblood
Everett	Mahoney	Reed	Yudichak
Fabrizio	Major	Reichley	
Fairchild	Manderino	Roae	O'Brien, D.,
Fleck	Mann	Rock	Speaker
Frankel	Mantz	Roebuck	

NAYS—0

NOT VOTING—0

EXCUSED—2

Hennessey Rubley

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

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 1142, PN 2015**, entitled:

An Act amending the act of June 26, 2001 (P.L.755, No.77), known as the Tobacco Settlement Act, further providing for definitions, for investment of fund and accounts, for use of Tobacco Settlement Fund, for health research program, for department responsibilities, for National Institutes of Health funding formula, for accountability procedures and for regional biotechnology research centers; establishing the Jonas Salk Legacy Fund Program, the Jonas Salk Legacy Fund Board and the Jonas Salk Legacy Fund; and providing for the sale or assignment of Commonwealth Universal Research Enhancement Program receipts and for the issuance of Commonwealth Universal Research Enhancement Program bond.

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

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

(Bill analysis was read.)

The SPEAKER. The question is, shall the bill pass finally?

The Chair recognizes the minority leader, Representative Smith.

Mr. PERZEL. Mr. Speaker?

The SPEAKER. The Chair recognizes Representative Perzel.

Mr. PERZEL. Thank you, Mr. Speaker.

Just for the information of the members, I was privileged to have worked on the tobacco settlement with our former friend, colleague, and former Speaker, Matthew J. Ryan. We were one of the few States in the nation that dedicated our entire tobacco settlement to health care, for health care itself, for research, and for the uninsured, for the future of all Pennsylvanians, Mr. Speaker. We also set aside a reserve for the future so that there would be a never-ending supply of money to be able to pay for the programs that we put in place, Mr. Speaker.

Everyone in this room has had a relative, a friend, a colleague who has had some form of cancer or other debilitating disease that has cost them their lives. I do not believe that we should be taking one dollar out of research for this program. Right now 19 percent of the money is used for research. This will be cutting that in half to about 9 1/2 percent. This will not go for research anymore, Mr. Speaker. This money will now go for bricks and mortar.

As I am sure you are all aware, there is going to be less money in the tobacco settlement in the future, over the next number of years, as smoking declines and as we put a ban on smoking, but with this bill, with that money coming out, Mr. Speaker, when we did the actual negotiations on this, we never set aside the 344 million extra dollars that are going to be used to pay for the bond debt, Mr. Speaker, so I do not know that that is going to be good for this fund.

With this bill, \$42 million a year will be taken out of research to pay bond debt, Mr. Speaker; \$844 million over the next 20 years to pay just for this; \$844 million out of research and into buildings, and if any of the people have come to see you, the researchers that have come to see me, they have indicated time and time again that it is easier to raise money for buildings than it is for actual research. So if what we are trying to do is trying to protect our loved ones, the people of Pennsylvania, I think this is the wrong way to go.

If we want to be able to be sure that we have a long-term continued source of funding from the General Assembly to be able to pay for the tobacco settlement, Mr. Speaker, I would have to urge a "no" vote by my colleagues on this piece of legislation.

With that, Mr. Speaker, thank you very much for your time.

The SPEAKER. Representative Eachus.

Mr. EACHUS. Thank you, Mr. Speaker.

I rise in support of HB 1142 for a number of reasons. While I respect the gentleman from Philadelphia's position, this is a credibly well-thought-out plan. It focuses on various aspects of guaranteeing that we have the infrastructure and the investment to make the biotechnical research possible in Pennsylvania.

We all know, as members of the Pennsylvania State House, that we are innovators, Pennsylvanians, in biotechnical research. We have been the cradle of innovation in biotechnical research for hundreds of years. That focus in the Jonas Salk proposal before us today allows us to invest in the infrastructure in our elite focused institutions that are very short of wet laboratories which will allow for innovation in life sciences businesses.

Also, one of the key components in Gov. Tom Ridge's structure when he created the tobacco settlement was to create regional bio/life sciences greenhouses. Those greenhouses are the hub of activity for small emerging life sciences businesses that are creating the innovations of tomorrow. So I think it is really important to make sure that we maintain and catalyze the investment in the infrastructure that is necessary to maintain the

life sciences greenhouses in perpetuity, and this does that by utilizing a very small amount of money from the tobacco settlement that guarantees that those life sciences greenhouses do what they are doing so well, the innovation of tomorrow.

And I think finally, from the perspective of us being the leader in Pennsylvania, these jobs that get created in life sciences businesses in Pennsylvania average \$60,000 a year, on average. These are life-sustaining jobs across an array of regions in Pennsylvania. Whether you are looking at northeastern Pennsylvania, the southeast, State College area, or the Pittsburgh region, these businesses are creating the kind of employment that our citizens need, and we have been debating this now for almost 2 years.

Governor Rendell is correct on this proposal that we need to make the investment in the infrastructure, the life science greenhouse guarantee for innovation, and let us get to the job creation component. There are businesses sitting right on the edge ready to innovate, that we need to catalyze this bill today.

I ask the members to support HB 1142.

GUEST INTRODUCED

The SPEAKER. The Chair would like to recognize Anthony Bell, who is the summer intern in my district office in Philadelphia. Anthony just finished his first year at Towson University in Maryland, where he is working toward a degree in political science. Anthony is seated to my left. Please give him a warm welcome. He is a resident in Representative Petri's district.

CONSIDERATION OF HB 1142 CONTINUED

PARLIAMENTARY INQUIRY

The SPEAKER. The Chair recognizes the minority leader, Representative Smith.

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

Mr. Speaker, I have a point of parliamentary inquiry.

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

Mr. S. SMITH. Mr. Speaker, as we work through some of the changes in the rules that were, you know, institutionalized over the course of the beginning of this session, I would like to inquire about rule 19(a) and the fiscal-note requirements. If one looks at rule 19(a)(1), the substance of number (1) is, "No bill...shall be given third consideration reading on the calendar until it has first been referred to the Appropriations Committee for a fiscal note,..." implying that a bill should be referred to Appropriations solely for the purpose of a fiscal note. The place where that is a little bit in conflict, and what I would like to know for sure, just for future reference how we handle these things, rule 19(a)(3) also says that "the Appropriations Committee shall be limited in its consideration of any such bill to the fiscal aspects of the bill and shall not consider the substantive merits of the bill nor refuse to report any such bill from committee for reasons other than fiscal aspects." So, Mr. Speaker, essentially, it appears to me that a strict reading of these rules would suggest that if a bill is simply referred to the Appropriations Committee, then that committee has the ability to amend it substantively. However, if a bill is referred to that committee specifically for a fiscal note, that then

the committee is limited in what it can do and can only address the fiscal, or can only really do the fiscal note. Since this bill, Mr. Speaker, was simply referred to the – I should not say simply – was referred to the Appropriations, generally referred to the Appropriations Committee without specific direction and yet the committee chose to amend it substantively and provided a fiscal note, that is where my conflict lies, and I would like to pose that as a parliamentary inquiry, Mr. Speaker.

The SPEAKER. The House will be at ease for one moment.

The gentleman's point of parliamentary inquiry was stated appropriately, and that is generally the way that we have been conducting business under rule 19(a). This is consistent with the way that the Appropriations Committee in this House has been functioning for many, many years, and that is that a bill is referred to Appropriations without limitation. It has been the practice of the House that bills that are referred before third consideration are routinely given a fiscal note at that time. This bill has been given a fiscal note.

Mr. S. SMITH. Thank you, Mr. Speaker. On further parliamentary inquiry.

My concern is that rule 19(a)(1) specifically refers to no bills "...shall be given third consideration reading on the calendar until it has first been referred to the Appropriations Committee for a fiscal note...." The fact that when one compares these two rules, it seems to me that the intent of that, and I realize past practice is consistent with what was done here, and I am not objecting to that per se, but I believe, Mr. Speaker, that the intent of these rules, 19(a)(1) and 19(a)(3), was essentially to separate those two actions, the issuance of a fiscal note versus the general referral of a bill to Appropriations where they could then take other action, thereby, Mr. Speaker, de facto giving the members a heads-up, if you will. But if a bill is referred specifically for a fiscal note, then we know that there is nothing else going to happen to that bill. However, if a bill is generally referred separate from the requirement for a fiscal note, then we know that the Appropriations Committee is more free and open to amend that bill in a substantive way, and I guess—Excuse me just one second. If you could just give me a minute here, Mr. Speaker.

Mr. Speaker, further on that. The key question then I really, I guess, am posing is that since this particular bill was not referred specifically for a fiscal note, how can it go to third consideration? Otherwise, you are in conflict with rule 19(a)(3).

The SPEAKER. Rule 19(a)(1) has consistently for years been interpreted as to a bill cannot be given third consideration until it has a fiscal note attached. And if the gentleman will search the record, for the past 3 years the majority leader has consistently referred bills to Appropriations without any limitation and fiscal notes have been attached. So that is the practice that we are following under rule 19(a) and will continue to follow.

Mr. S. SMITH. Mr. Speaker, a further inquiry.

I agree with the Speaker that the past practice is consistent with how the process on HB 1142 proceeded. My question, Mr. Speaker, then is that given the fact that the rules were changed at the beginning of this legislative session and that rule 19(a)(3) was added that specifically said, you know, that the committee was limited in its consideration, my contention, Mr. Speaker, is that that change in the rules requires a departure from our past practice, that the purpose for that was that it was in support of that other area of debate, and that was whether or not Appropriations should be allowed to amend substantively.

The compromise in essence that would have been achieved is that the Appropriations Committee can amend a bill substantively but that that is a separate referral than the straight rule 19(a)(1) referral for a fiscal note. There is where I am trying to define the line in knowing how we are going to proceed in the future, and I accept that we are consistent with past practice. I would contend that rule 19(a)(3) causes us to change that process.

Mr. DeWEESE. Mr. Speaker?

The SPEAKER. The gentleman is in error. Rule 19(a)(3) was not changed. It is consistent with last session. Rule 19(a)(1) was changed but only to change the language from second to third consideration, which is consistent with our practice to amend on second consideration.

Mr. DeWEESE. Mr. Speaker?

The SPEAKER. The Chair recognizes the majority leader, Representative DeWeese.

Mr. DeWEESE. Just to reinforce the pronouncement just emanated from the Chair, emanating from the Chair, I remember distinctly the debate on the rules, and it is consistent with what I just heard from you and your parliamentary advisers. I would like to think that the essence of the debate on the Appropriations Committee and the way we would handle amendments in the Appropriations Committee was focused upon the last 2 weeks of June. I remember distinctly talking about timing and efficiency and the work product being enhanced if we are, as in the cold, hard light of day with all of our staff team and all of our membership knowing exactly what is going on, allowing the Appropriations Committee to take substantive action. If it had not been allowed, I certainly would have remembered that. I think the collective memory of the individuals in this room parallels my own and certainly substantiates the comments that we just heard from the Speaker. So I would like to get on with business. Thank you.

The SPEAKER. The Chair recognizes Representative Smith.

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

Then for my sake, clarification under my parliamentary inquiry, it is the determination of the Chair that with respect to referring bills to Appropriations, the general referral would also cover the issuance of a fiscal note and the Appropriations Committee would be allowed to amend that bill in a substantive manner somewhat consistent with what the majority leader was just saying? Is that correct, Mr. Speaker?

The SPEAKER. The gentleman is correct.

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

I appreciate the ruling of the Chair, the consideration, and just to generally speak, I feel compelled to continue to at least parse out where we think there are differences in the rules that we operated under over the past several years versus the rules of this year, and that is why I appreciate your indulgence in clarifying this ruling for me.

Thank you, Mr. Speaker.

The SPEAKER. Representative Godshall.

Mr. GODSHALL. Thank you, Mr. Speaker.

Is Mr. Smith finished with— Thank you, Mr. Speaker.

I am not going to be long, but at the same time, this bill is important to a lot of people. I am not opposed to the Jonas Salk Legacy Fund; I do have a problem with the funding of the same, and I would really appreciate if I could have a little bit of courtesy as far as the members are concerned.

Back in 2001 I put a bill out that required 25 percent of the Tobacco Fund money to be used for research. We did not get 25 percent, but we got 19 percent. We set up a formula. That formula has been in place ever since. The formula says that health insurance for uninsured adults, 30 percent; health-related research, 19 percent; home- and community-based care for seniors, 13 percent; tobacco prevention and cessation programs, 12 percent; payments to hospitals for uncompensated care, 10 percent; prescription drug assistance for older Pennsylvanians under PACENET (Pharmaceutical Assistance Contract for the Elderly Needs Enhancement Tier), 8 percent; and 8 percent goes into a fund to make sure these moneys would be available for a long period of time. What is happening here is we are taking 9 1/2 percent, exactly one-half of the moneys for research, cancer research, and taking it out and putting it in bricks and mortar.

Mr. Speaker, I would really appreciate if I could have a little bit of quiet, please.

The SPEAKER. The gentleman is correct. The Chair will ask all members to take their seats. Conferences in the back of the House and in the well of the House will break up.

Mr. GODSHALL. Thank you, Mr. Speaker.

I have a letter that was mentioned before on this discussion to this bill from the University of Pittsburgh, which says, "The distribution of those funds has been increasingly important in a time of flat or declining federal support for biomedical research. Participating institutions have benefitted, in particular, from the flexibility afforded by those funding streams – with infrastructure investments being one permitted use, but with funds also being available for other research-related purposes. To make the point most starkly, it is the human talent within our laboratory buildings that will produce the economic and biomedical benefits we all seek...." I would like to repeat that: "To make the point most starkly, it is the human talent within our laboratory buildings that will produce the economic and biomedical benefits we all seek, and in the absence of funds to equip and support talented researchers, there is a real risk that Pennsylvania actually could become less competitive in the challenging quest for research dollars," and I think that really hits home to what we are doing here.

Exactly 4 years ago at this time, in doing a health screening that we had in the Capitol, I went downstairs, had blood taken, and was told to go see a local doctor, which I did. I ended up down at the University of Pennsylvania Cancer Center. I had no idea what I was getting into or what the prognostications were. I went to the University of Pennsylvania and I asked them just exactly where I stood. They told me that the cancer I had was multiple myeloma. There was no cure – absolutely no cure – a couple possible maintenance drugs, and the possibility of a transplant. I went through with what they had suggested with very little effect; went through a transplant, which is not a lot of fun. That seemed to wear out in about a year and a half, and at that time one of my doctors came through with a letter, which he also faxed me a copy of. The letter said, "A major breakthrough in multiple myeloma treatment is reported in this week's New England Journal of Medicine.... Sagar Lonial, MD, assistant professor of hematology and oncology at Emory's Winship Cancer Institute, is one of the authors of the paper,..." and who also faxed me a copy of his research. "Last year," as he says, "multiple myeloma, which is a plasma cell malignancy, was diagnosed in more than 15,000 people in the United States. It accounts for approximately 11,000 deaths..." at the same time.

"Although high dose chemotherapy and bone marrow transplant have shown some success in treatment, median survival from myeloma remains 3 to 5 years and virtually all patients eventually die from the disease.

" 'This study has set the stage for the next major revolution in myeloma therapy'...."

The myeloma therapy that he is talking about is the pills that I get in this bottle. I was told also that there would be approximately a 30-percent success rate, 30 percent, and a 70-percent failure rate in multiple myeloma by people taking this drug that I am taking at this point, which fortunately for me I have fallen into the 30 percent, but at the same time, I feel sorry about the 70 percent, you know, where they have no effect at all. The only thing we have to look forward to is more research into what this and other kinds of cancer, you know, what drugs are going to be available, and this is what we have to look forward to. Unfortunately, many of us do not have the luxury of time.

Bricks and mortar, equipment, engineers, architects, all take time. A lot of us do not have that luxury, and I would have no problem with this bill at all if we would have another funding base. I believe it is important enough that we could have a funding base done through borrowing out of the General Fund. But taking the money out of research, you know, is just not the way to go and it is going to hurt an awful lot of people, and I would ask for a "no" vote.

ANNOUNCEMENT BY SPEAKER

The SPEAKER. The Chair would like to pause in the debate to recognize Representative King is celebrating his birthday today. Representative, the House wishes you a very happy birthday.

CONSIDERATION OF HB 1142 CONTINUED

The SPEAKER. Representative Turzai.

Mr. TURZAI. Mr. Speaker, if I might ask the maker of the bill to stand for interrogation.

The SPEAKER. The gentlelady indicates she will stand for interrogation. The gentleman is in order and may proceed with his interrogation.

Mr. TURZAI. The total amount of borrowing is \$500 million from the fund?

Ms. WAGNER. No; that is incorrect. It is about 9 1/2 percent of the CURE (Commonwealth Universal Research Enhancement) funding.

Mr. TURZAI. 9 1/2 percent of what?

Ms. WAGNER. It is 9 1/2 percent of the CURE funding.

Mr. TURZAI. What does that add up to? What is your estimate on that amount that you are going to borrow?

Ms. WAGNER. It varies—

Mr. TURZAI. In total.

Ms. WAGNER. It varies year to year. Based on this year, it would be about \$35 million.

Mr. TURZAI. And is this in perpetuity? You are going to borrow an annual amount every year in perpetuity from the Tobacco Fund?

Ms. WAGNER. Annually, it will be 9.5 percent. So according to this bill, yes.

Mr. TURZAI. 9.5 percent of the total Tobacco Settlement Fund you are going to borrow?

Ms. WAGNER. The CURE funding is 19 percent of the Tobacco Settlement Fund. This, the Jonas Salk bill, will borrow half of the CURE funding.

Mr. TURZAI. Which is 50 percent of the total research fund, correct?

Ms. WAGNER. Yes, that is correct.

Mr. TURZAI. Okay. So you are going to borrow on an annual basis. Are you going to have a separate issuance every year, a separate bond issuance every single year? I mean, there is no way, but— Are you having one issuance or are you going to have an annual one?

Ms. WAGNER. Mr. Speaker, may we suspend the question for a moment, please?

The SPEAKER. The House will be at ease.

The Chair recognizes Representative Wagner.

Ms. WAGNER. Thank you, Mr. Speaker.

In response to the gentleman's question, there will be one bond issuance, and then thereafter, annually there will be the debt service on the annual basis.

Mr. TURZAI. With all due respect, I am surprised that the maker would not have known that off the top of her head, but perhaps they needed to call Jonas Salk himself. But I know my fellow Policy colleague had intimated that it was incredibly well thought out.

What is the total amount—

The SPEAKER. The gentleman will cease for one second.

There is entirely too much noise on the floor.

Mr. TURZAI. What is the total—

The SPEAKER. The gentleman will cease for one minute.

Members will take their seats. Members will take their seats. Conferences in the rear of the House will adjourn to the anterooms. Sergeants at Arms will clear the aisles.

The gentleman is in order.

Mr. TURZAI. What is the total amount of bond issuance that you are seeking? What is the total amount that you are borrowing under the single bond issuance? I mean, that is a pretty basic question.

Ms. WAGNER. Again, Mr. Speaker, to answer the question, as stated earlier, annually, based on this year's amount, it would be \$35 million, but it is variable. So the 9 1/2 percent this year would be \$35 million, but I cannot answer the question as to what it would be next year or the following year.

Mr. TURZAI. With all due respect, you are only, you have just said that you are doing a single bond issuance. If you are doing a single bond issuance, are you telling me that the only bond you are going to do is one bond issuance for \$35 million? I am sure that is incorrect. If you are doing a single bond issuance, how much are you borrowing? I mean, there is— And if you have some calculation, give me what the result of that calculation is or the estimate. But when you issue a bond, you do not get to guess what that bond issuance is. You have to, for all the people that are going to invest it, you have to tell them how much is being borrowed. What is that dollar amount?

Ms. WAGNER. Again, as I answered earlier, based on this year's amount, it would be \$35 million. This legislation has not yet been enacted, so I cannot hypothetically answer the question.

Mr. TURZAI. It is not a hypothetical. But if you are borrowing— Well, then what are your payment terms, for

goodness' sakes? On your \$35 million, if you are only going to do a single issuance of \$35 million – that is the only answer I have – how much are you going to pay back in principal debt and interest, principal, interest, and fees, on \$35 million? What are you going to have to pay back?

Mr. Speaker?

The SPEAKER. Is the gentleman addressing the Chair or Representative Wagner?

Mr. TURZAI. Mr. Speaker, I would like to get an answer. I mean—

The SPEAKER. Is the gentleman—

Mr. TURZAI. —this is pretty much a softball question on a fundamental premise of the bill.

The SPEAKER. Is the gentleman—

Mr. TURZAI. How much are you borrowing?

The SPEAKER. If the gentleman will cease.

GUESTS INTRODUCED

The SPEAKER. The House will be at ease for one moment while the Chair recognizes Representative Myers for the purpose of an introduction.

Mr. MYERS. Thank you, Mr. Speaker.

Mr. Speaker, today I would like to tell a different Philadelphia story. You know, most of the time when the members here on the floor read about Philadelphia, it is gangs, drugs, guns, murders, but we have four young men here with us today who we believe demonstrate what the majority of our young men and young ladies in Philadelphia truly represent.

There was a fire, and a woman was literally being burnt up in her home. These four young men, based on their own volition, and when they were asked why they did it, they said because that is the way they were raised, that they risked life and limb to save this woman, and today we thought that we would bring them to Harrisburg so that you could see firsthand that there are young men in the city of Philadelphia that do represent humanity and the sanctity of life.

With us today we have Sharod Graham, who is from Representative Louise Bishop's district; Dwyne Hall, Representative Dwight Evans' district; Jerome Plant, the mighty 201st, my district; Kyle Young, Representative – stand up, Tommy – Tommy Blackwell's district, and this whole thing took place in Cherelle Parker's district. So here we have a scenario that got all of us together through the saving of someone's life, and we just thought that it would be important for them to stand up and for you all to stand up and recognize these young men who saved this lady's life.

Thank you, Mr. Speaker.

CONSIDERATION OF HB 1142 CONTINUED

The SPEAKER. Representative Wagner.

Ms. WAGNER. Thank you, Mr. Speaker.

I would ask the gentleman to clarify if you are speaking of borrowing from the Tobacco Settlement Fund or borrowing as it relates to the debt service.

Mr. TURZAI. You are borrowing dollars for this program. How much are you borrowing? You said \$35 million annually?

Ms. WAGNER. No, I did not say \$35 million annually. I answered the question that had been asked before. Based on this year, it would be \$35 million.

Mr. TURZAI. How much are you borrowing?

Ms. WAGNER. Is the question how much bond issuance we are seeking?

Mr. TURZAI. You are going to issue a bond?

Ms. WAGNER. Is the question how much bond issuance we are seeking?

Mr. TURZAI. The question is, how much are you borrowing, and then how are you going to securitize it, and then what are the terms of that securitization? Those are the steps. You start off with the total amount that you are borrowing, and then what we will do then is say, how are you going to securitize it, how are you going to pay it back, and what is your total debt that has to be repaid, what are the fees that have to be repaid, and what is the interest that has to be repaid?

MOTION TO TABLE

Mr. TURZAI. You know what? Let me just, I would move to table. I agree with my colleague; I move to table. Clearly, the basics underlying this legislation have not been met, and I would move to have this bill tabled. Thank you.

The SPEAKER. The gentleman moves that HB 1142 be tabled.

On the question,

Will the House agree to the motion?

The SPEAKER. On that motion, the Chair recognizes Representative Turzai.

Mr. TURZAI. I think the motion speaks for itself given the lack of answers here, and we should support moving to table this bill indefinitely. Thank you.

The SPEAKER. The Chair recognizes Representative Eachus.

Mr. EACHUS. In the interest of time, and since the gentleman was brief, I rise to oppose the table motion.

Thank you, Mr. Speaker.

On the question recurring,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—98

Adolph	Fleck	McIlhattan	Rapp
Argall	Gabig	Mensch	Raymond
Baker	Geist	Metcalfe	Reed
Barrar	Gillespie	Micozzie	Reichley
Bastian	Gingrich	Millard	Roae
Bear	Godshall	Miller	Rock
Benninghoff	Grell	Milne	Rohrer
Beyer	Harhart	Moul	Ross
Boback	Harper	Moyer	Saylor
Boyd	Harris	Murt	Scavello
Brooks	Helm	Mustio	Schroder
Cappelli	Hershey	Nailor	Smith, S.
Causer	Hess	Nickol	Sonny
Civera	Hickernell	O'Neill	Stairs
Clymer	Hutchinson	Payne	Steil
Cox	Kauffman	Peifer	Stern
Creighton	Keller, M.	Perry	Stevenson
Cutler	Kenney	Perzel	Swanger
Dally	Killion	Petri	Taylor, J.
Denlinger	Mackereth	Phillips	True

DiGirolamo	Maier	Pickett	Turzai
Ellis	Major	Pyle	Vereb
Evans, J.	Mantz	Quigley	Vulakovich
Everett	Marshall	Quinn	Watson
Fairchild	Marsico		

NAYS—103

Belfanti	George	Mann	Shimkus
Bennington	Gerber	Markosek	Siptroth
Bianucci	Gergely	McCall	Smith, K.
Bishop	Gibbons	McGeehan	Smith, M.
Blackwell	Goodman	McI. Smith	Solobay
Brennan	Grucela	Melio	Staback
Buxton	Haluska	Mundy	Sturla
Caltagirone	Hanna	Myers	Surra
Carroll	Harhai	O'Brien, M.	Tangretti
Casorio	Harkins	Oliver	Taylor, R.
Cohen	Hornaman	Pallone	Thomas
Conklin	James	Parker	Vitali
Costa	Josephs	Pashinski	Wagner
Cruz	Keller, W.	Payton	Walko
Curry	Kessler	Petrarca	Wansacz
Daley	King	Petrone	Waters
DeLuca	Kirkland	Preston	Wheatley
DePasquale	Kortz	Ramaley	White
Dermody	Kotik	Readshaw	Williams
DeWeese	Kula	Roebuck	Wojnarowski
Donatucci	Leach	Sabatina	Yewcic
Eachus	Lentz	Sainato	Youngblood
Evans, D.	Levdansky	Samuelson	Yudichak
Fabrizio	Longietti	Santoni	
Frankel	Mahoney	Seip	O'Brien, D., Speaker
Freeman	Manderino	Shapiro	
Galloway			

NOT VOTING—0

EXCUSED—2

Hennessey	Rubley
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Less than the majority having voted in the affirmative, the question was determined in the negative and the motion was not agreed to.

On the question recurring,
Shall the bill pass finally?

The SPEAKER. The Chair recognizes Representative Turzai.

Mr. TURZAI. Well, it seems pretty clear where this thing is going. But the bond, do you seek – the maker – \$500 million? Do you want to get \$500 million and then securitize it with annual debt service payments from the Tobacco Fund?

Ms. WAGNER. Yes. The purpose of this is to create growth in the industry, to create investment for Pennsylvania in the biomedical fields.

Mr. TURZAI. So, I mean, essentially you are borrowing \$500 million and you are going to securitize it with annual debt service payments from the Tobacco Settlement Fund in an approximate amount of \$35 million annually?

Ms. WAGNER. The bottom line here is that no tax dollars from the Commonwealth are going to be used for the Jonas Salk Legacy Fund. The initial capitalization and bond repayment will be 100 percent covered by redirecting a small portion, 9 1/2 percent, of the Tobacco Settlement Fund.

Mr. TURZAI. Mr. Speaker, I would indicate that that is not responsive to the question. The fact that the maker is putting

forth certain talking points that do not address the question is of no value. The fact of the matter is, how much on \$500 million are you going to have to repay in interest, fees, and principal? And then that will be the last question since I do not seem to be getting any answers.

There is a question on the table. There is a question on the floor.

Ms. WAGNER. Could you repeat the question, please?

Mr. TURZAI. If you are borrowing \$500 million, what is the total amount of principal debt, principal, interest, and fees in repaying that \$500 million? And then if you cannot answer that, maybe somebody else can, and if not, also I want to ask a question about the source of paying off this \$500 million.

Ms. WAGNER. This legislation is just seeking to securitize a bond for up to \$500 million. It creates a mechanism where the board can go to the market. This is not borrowing \$500 million.

Mr. TURZAI. Trust me, I am sure you will use the \$500 million. If you use the \$500 million, what is the amount that has to be repaid in terms of principal, interest, and fees? Please tell us the full amount.

Ms. WAGNER. Mr. Speaker, I believe I have answered the question, and the same question is once again asked.

Mr. TURZAI. What is the interest cost on \$500 million?

Ms. WAGNER. I have already given the response to that question.

Mr. TURZAI. I have to admit, I have never seen an interrogation like this.

Your amount that you say you are going to repay is \$35 million. How much are you getting from the Tobacco Fund next year for that particular amount that you are relying on to securitize the \$500 million? Is it shy of \$35 million?

Ms. WAGNER. It is the market that will determine the percentage.

Mr. TURZAI. Mr. Speaker, if in fact they are correct about it being a \$35 million annual debt service, the funding that is going to come in from that amount is only \$33 million, meaning that there is going to be a \$2 million deficit just for the first year, not to mention in the outlying years, with respect to a total of a \$500 million issuance. This is not a fully funded plan. It is also a plan that they clearly do not have the details. I would urge everybody to vote "no" for going into a borrowing scheme that nobody understands the details about instead of using the tobacco settlement funds for the way that they have been appropriately allocated.

Thank you very much, Mr. Speaker. I have to say that the answers have been nothing short of a disappointment. Thank you.

The SPEAKER. Representative Argall.

Mr. ARGALL. Thank you, Mr. Speaker.

Mr. Speaker, I have been trying to get my hands around this entire issue, and one staff member told me that if we were to borrow \$500 million as proposed by this legislation, the interest costs could be upwards of \$344 million. Now, \$344 million to I think all of us sounds like a lot of money, and I guess it is perhaps a good deal if you are a bond counsel or a bond underwriter or the purchaser of that bond, but remember, out of that \$344 million, if that number is accurate, that is not one penny for research. That does not go to fight cancer. That does not go to fight any number of other terrible diseases. That goes to pay off bonds.

Now, a few years ago we completed Route 222 between Lancaster and Reading after I think 20 or 30 or 40 years of just

agitation. That highway cost \$100 million, and so we are talking about taking one of the biggest highway project totals, just trying to figure out, you know, what does \$100 million get you, and 3 1/2 highways like that, we are spending that much money on this, and that this time we do not get anything for it. The underwriters get something, the counsels get something, the purchasers get something, but remember, that is \$344 million for interest and not one penny for research.

Mr. Speaker, that is not the way that this system was designed when Speaker Ryan and many others went to work on this issue many years ago. I really think we can do better, and I would hope that this legislation would not be approved.

The SPEAKER. Representative Frankel.

Mr. FRANKEL. Thank you, Mr. Speaker.

I want to respond to a number of things that have been said here earlier.

With respect to my colleague from Allegheny County, let me say that I have been here now, this is my ninth year and my ninth budget. We have gone and issued bonds in the past. Here we are issuing bonds securitized by a portion of revenue from the tobacco settlement, and when you go to market, \$500 million was really the area we want to borrow in, but who knows what \$35 million at the end of the day will garner, maybe \$450, \$475. But this is something we have done routinely. This is not something that is beyond the pale. Republican administrations have bonded money for different types of programs; Democratic administrations have as well. This is not something foreign to the way we do business, and in the scheme of States around the country, Pennsylvania is pretty low in terms of the total indebtedness.

But I also want to talk about something my colleague from Montgomery County had said earlier with respect to the University of Pittsburgh, and I thought we had covered this before. There were significant questions initially with respect to some of the research universities and what their expectations were with respect to Salk and keeping their research dollars that were under the CURE formula for research under the tobacco settlement. The fact of the matter is, every one of those stakeholders, including the University of Pittsburgh, has signed off on Jonas Salk as of today. So the letter that was being read earlier by my colleague from Montgomery County is not timely. The University of Pittsburgh is on board as are the other research universities in this State. They have embraced it.

Ultimately, you need to look at research and the need for facilities as a symbiotic relationship. You need research facilities, you need the bricks and mortar, in order to be able to have researchers come, and we know that in Allegheny County, because when we built with State help the University of Pittsburgh Hillman Cancer Institute, we were able to bring in over 200 high-level researchers from out of the State to come to the city of Pittsburgh and do the research. They would never have come. We would not be doing the kind of research that is finding cures for all kinds of things at UPCI Hillman if we did not have the facility. You need to have facilities, you need to have laboratories, to attract researchers. So this is not an either-or. This is a symbiotic relationship between having the facilities, having the research dollars, and putting them all together.

So this makes an enormous amount of sense, and I would urge the members to once again, as we did on second consideration, to vote "yes" and support the Jonas Salk Legacy Fund. Thank you, Mr. Speaker.

The SPEAKER. Representative Matt Smith.

Mr. M. SMITH. Thank you, Mr. Speaker.

I rise to support the creation of the Jonas Salk Legacy Fund.

Mr. Speaker, as we heard time after time in the hearings on this legislation and the life sciences in general in the Commonwealth, the Commonwealth stands at a crossroads in this area. The question is, do we keep the status quo and become complacent or do we seize this moment to move biomedical research, medical advances, and our economy into a position where we will not only be competitive with other States but where we will lead other States? I believe the answer is clear, and that is why I support this legislation.

The Salk Legacy Fund will create an infusion of much-needed revenue to the tune of \$1 billion. That is \$1 billion without any new debt to the Commonwealth and without any new taxes. It will lead to approximately 12,000 high-paying jobs, and it will result in an estimated 2.2 million square feet of new construction, again, without a tax increase and without any new debt to the Commonwealth.

But do not take my word for it. Let us listen to the voices across the Commonwealth who heartily support this initiative, and I defy the opponents of this bill to come up with an opponent of this legislation. All the life sciences greenhouses, all the medical research institutions in the Commonwealth, support this legislation, including the University of Pittsburgh. The list goes on and on, and listen to the life sciences greenhouses, as I said, all of whom say they need this resource to compete. Many of our friends across the aisle talk often about letting the private sector dictate things and letting the folks out in the field dictate what we do in Harrisburg. This is a perfect example of that. We in Harrisburg should not be telling the life sciences greenhouses – the UPMC (University of Pittsburgh Medical Center), the University of Pittsburgh, Allegheny-Singer, Thomas Jefferson, you name it – what they need. Let them tell us what they need, and they are telling us loud and clear with unanimity they need this legislation and they need this \$1 billion in new revenue.

Indeed, we need to give our greenhouses and biotech executives the resources they need to compete, Mr. Speaker, compete to retain companies in Pennsylvania and to bring in new companies to Pennsylvania. Their ability to do this will be severely weakened if this legislature looks this proposal in the eye and turns its back. Just imagine the scenario when a competitor from another State or another country, because this is a globally competitive field, tries to lure a Pennsylvania company away with the argument that your legislature in Pennsylvania looked this in the eye and rejected a golden opportunity to act as a catalyst for this new development. Rest assured that we provide that argument if we reject this legislation.

To address the issue of debt I think is very important, as the gentleman from Allegheny County raised. There is no new debt in this legislation. What it does is catalyze the funding mechanism that we have under the tobacco settlement agreement, use those funds to generate the additional money up to and including \$500 million. There is no new debt to the Commonwealth; there are no new taxes. It will use 9 1/2 percent of the tobacco settlement that we receive. If we receive less, it is still 9 1/2 percent. Therefore, the real liability here is transferred away from the Commonwealth toward those third-party bond recipients.

And lastly, I would implore the freshmen on the other side of the aisle, reform is not just about rules; reform is about working in a bipartisan manner. Let us work in a bipartisan manner and pass this important legislation. I urge my colleagues on both sides of the aisle to support the Jonas Salk Legacy Fund.

Thank you, Mr. Speaker.

The SPEAKER. Representative Metcalfe.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, I did not plan on speaking until a couple of comments that were made by previous speakers, so maybe some of the new freshman reformers might take notice that sometimes the longer they talk and insert foot in mouth, the more speakers they might bring up to the microphone.

Mr. Speaker, one of the previous speakers said that this is something that is routinely done. Mr. Speaker, from the information that I have received from staff, we have not leveraged the tobacco funds against any debt up to this point. So this is not routine, Mr. Speaker; this is a new practice that is being proposed. Mr. Speaker, the routine part of this proposal is it is routine for the current Governor to come to this legislature and the people of Pennsylvania wanting dollar after dollar after dollar, adding up to hundreds of millions and billions of dollars in new spending, new taxes, and new debt.

Mr. Speaker, one of the previous speakers had mentioned that there is no new debt to the Commonwealth with this. Well, I would like to know who that freshman reformer believes is a beneficiary of the tobacco money other than the Commonwealth of Pennsylvania, Mr. Speaker. Mr. Speaker, this is the same old routine of the current administration and his allies, continue to ask for more money to spend, and this time they want to start a new practice of leveraging new debt against the tobacco money, and who will be responsible for the new programs created if the tobacco money falters? Well, the people of Pennsylvania will, of course. They will be asked to cough it up once again.

Mr. Speaker, the hundreds of millions of dollars that are being asked for through this legislation, hundreds of millions of dollars, the sponsor of the legislation said, well, it is just going to allow up to \$500 million. Well, the way that this administration spends like a drunken sailor, I would think that they will easily use up the \$500 million, Mr. Speaker.

Mr. Speaker, it is time to stop this runaway train. It is time to put a stop to the borrowing, it is time to put a stop to the spending, and it is time to put a stop to the tax increases. Mr. Speaker, it is time to stop the Governor, and it is time this legislature stood up for the people of Pennsylvania, and it is time for these new reformers to be reformers for what people expected, not to continue to ask for access to the pockets of the people of Pennsylvania.

Thank you, Mr. Speaker.

The SPEAKER. Representative Dally.

Mr. DALLY. Thank you, Mr. Speaker.

I would like to interrogate the maker of the bill, please.

The SPEAKER. Representative Wagner indicates she will stand for interrogation. The gentleman is in order and may proceed.

Mr. DALLY. Thank you, Mr. Speaker.

Mr. Speaker, I heard the gentleman from Allegheny state that all of the research institutions in the Commonwealth endorse this plan, and I will get on to that later with my remarks, because I think their spoken and written words tell you a different story. But I would like to touch upon this hold-harmless provision in the bill, and, Mr. Speaker, if the

maker of the bill could explain to the members of the House how exactly this hold-harmless provision works that supposedly allows institutions to continue to draw down research dollars.

Ms. WAGNER. Thank you, Mr. Speaker.

The point that my colleague raised was that all of the major research institutions support this legislation. Going down the list, we have Allegheny-Singer Research Institute, Carnegie Mellon University, Children's Hospital of Philadelphia, Drexel University, Penn State University and Hershey College of Medicine, Temple University, Thomas Jefferson University, the University of Pennsylvania, the University of Pittsburgh, the University of Pittsburgh Medical Center, Wistar Institute, Life Sciences Greenhouse of Central Pennsylvania, BioAdvance, the Biotechnology Greenhouse, Pittsburgh Life Sciences Greenhouse, Pennsylvania Bio, Birchmere Ventures, NewSpring Capital, Quaker BioVentures, PennVenture, Pennsylvania Early Stage, Pittsburgh Venture Capital Association, Mid-Atlantic Capital Alliance, Hershey Center for Applied Research, Philadelphia Industrial Development Corporation, Massaro Construction, PJ Rowe, and the list of other supporters goes on.

Mr. DALLY. Mr. Speaker, I am still waiting for an answer to my question. I guess that will shorten the final comments on the debate, but my question was about the hold-harmless provision in the bill.

Ms. WAGNER. Could you please repeat the specific question?

Mr. DALLY. I believe that some of the research institutions' fears may have been allayed by a hold-harmless provision in the bill, and my question is, can you tell us a little more about the hold-harmless provision in the bill such as the duration and what happens at the end of that hold-harmless period as far as the research dollars that are now flowing to those institutions?

Ms. WAGNER. By the opt-out provision of the bill, if the institutions choose not to compete for the Jonas Salk funding, they can continue to receive their funding as it is currently.

Mr. DALLY. Okay, Mr. Speaker. And how long does that hold-harmless provision, what is the duration of that hold-harmless provision?

Ms. WAGNER. 5 years.

Mr. DALLY. Okay. And what happens, Mr. Speaker, at the end of the 5-year period as far as those research dollars are concerned?

Ms. WAGNER. Again, at the end of the 5 years, they choose whether they will continue to compete or they will then opt out.

Mr. DALLY. So, Mr. Speaker, if you have, say, the University of Pittsburgh that is receiving research dollars and chooses to be held harmless during that period of time, what happens to the level of funding for the University of Pittsburgh at the end of the hold-harmless period, since there are going to be less dollars available for research at the end of that period?

Ms. WAGNER. Mr. Speaker, it is difficult for me to answer the what-if question. Again, this entire legislation goes to investing in biomedical research that will bring added investment, again, without borrowing any money from the General Fund, at no cost to the taxpayers.

Mr. DALLY. Mr. Speaker, I believe that the bill already does that, or the legislation already does that in existing law. Under the existing law, 50 percent of the funds can be used for bricks and mortar and for equipment. So what I am wondering is, what is different about this hold-harmless provision and how

is it going to impact research dollars after the 5-year period? I mean, that is a pretty simple question.

Ms. WAGNER. Mr. Speaker, currently 9 1/2 percent can be used for bricks and mortar, but because we are taking that 9 1/2 percent and securitizing it, using this year's example, it would provide up to \$35 million in added investment in bricks and mortar.

Mr. DALLY. Okay. Mr. Speaker, the added investment is at the expense of what? Where are those dollars not being spent?

Ms. WAGNER. This allows for the securitization of the future tobacco settlement moneys which come into the Commonwealth every year.

Mr. DALLY. Okay. Mr. Speaker, these dollars are being diverted from some other use at present. So what my question is, is what are those dollars for, what are those dollars being used for today that the maker of this bill proposes to spend tomorrow to securitize and to pay debt obligations?

Ms. WAGNER. Mr. Speaker, I do not consider this a diversion at all because we are able to leverage more money by securitizing that 9 1/2 percent. If you look to other States that are moving ahead of us in this respect, there are 18 States that are already securitizing a portion of their tobacco settlement money. This legislation allows Pennsylvania to remain competitive and be on top of the game in terms of biomedical research by providing the bricks and mortar so that we can in fact retain and recruit the top talent in the biomedical field.

Mr. DALLY. Mr. Speaker, that may be a good argument if the debt was free, but it costs you something to amortize the debt. And my question is, what is the annual cost to amortize that debt? Those dollars are coming from the tobacco settlement money.

Ms. WAGNER. Again, as the gentleman mentioned, currently 9 1/2 percent can go to bricks and mortar. Because we are securitizing that, there will be additional money that can go into bricks and mortar.

Mr. DALLY. Mr. Speaker, I believe that the lady from Allegheny is not being responsive to my questions. I asked a simple question: What does it cost to amortize the debt on an annual basis from the tobacco settlement funds?

Ms. WAGNER. The specifics of the debt issue are going to depend on the actual bond and when the board makes its decision after this legislation.

Mr. DALLY. All right. Mr. Speaker, there was discussion earlier about that this is something that is routinely done, and believe me, it is not routinely done to securitize debt in the fashion that they are trying to do with this bill. My question is, since they have stated a number of times this is not debt of the Commonwealth but rather securitized by this stream of income from the tobacco settlement funds, my question is, what would happen if there was a default on this bond issue?

Ms. WAGNER. Mr. Speaker, if the gentleman looks at the bottom of page 39, there is a full explanation for his question.

Mr. DALLY. Well, why do you not share that with me, Mr. Speaker.

Ms. WAGNER. Mr. Speaker, it is the responsibility of each member to read the bill.

Mr. DALLY. That is right. It is the responsibility for each member to read the bill, Mr. Speaker.

Mr. Speaker, I will just speak on the bill. I am not getting anywhere with this interrogation.

The SPEAKER. The gentleman has concluded his interrogation. The gentleman may proceed with his comments.

Mr. DALLY. Mr. Speaker, I think the reason that the maker of the bill did not want to answer that question is because ultimately it falls on the Commonwealth to satisfy that debt. Even though this does not come with the full faith and credit of the Commonwealth, if that bond, if there is a default under these tobacco bonds and the Commonwealth does not come forward and pay that debt, the bond rating of the Commonwealth drops. So that is what happens, Mr. Speaker.

As far as the support for this bill, as the Representative from Montgomery mentioned earlier, in a letter which is much less than a ringing endorsement from the University of Pittsburgh, from Mark Nordenberg, he states in that letter, "To make the point most starkly, it is the human talent within our laboratory buildings that will produce the economic and biomedical benefits we all seek,..." the human talent, not bricks and mortar, the human talent, that is being paid for now under the existing bill, or under the existing law; excuse me.

As I said earlier, 50 percent of the current moneys being spent can be spent for bricks and mortar, and it is up to the discretion of the institutions to do so. What this bill will do is reduce research dollars by 50 percent, from the 2007-2008 level of \$66 million to, after the securitization, to \$33 million, a 50-percent drop. This hold-harmless provision that is in the bill will also cost \$167 million, which brings the total money available under the proposal not \$500 million, as they are talking, but more like \$330 million.

This is a classic example – and it was mentioned earlier about the government getting out of the way – this is a classic example that if something is not broke, what in the world are we doing trying to fix it? And over and over again, the people from these same research institutions that the gentlelady mentioned had supported this bill, boy, their tune has changed over the last couple of months, from the discussions and in testimony before the House Appropriations Committee to the letter most recently from the chancellor of the University of Pittsburgh, from comments made by the president of the University of Pennsylvania.

Mr. Speaker, like I said before, if it is not broke, do not fix it. If it is not broke, we do not need this fixed. So I would appreciate all the members to vote "no" on HB 1142.

The SPEAKER. Representative Wheatley.

Mr. WHEATLEY. Thank you, Mr. Speaker.

I rise to interrogate the maker of this bill.

The SPEAKER. The lady indicates she will stand for interrogation. The gentleman is in order and may proceed.

Mr. WHEATLEY. Thank you, Mr. Speaker.

Mr. Speaker, if you would, bear with me, because I am a little confused after listening to half an hour to 45 minutes of discussion around this bill.

Can you again tell me what this bill is attempting to do?

Ms. WAGNER. Thank you, Mr. Speaker.

The bill is attempting, at no additional cost to the taxpayer, to take money from the Tobacco Settlement Fund and invest in biomedical research so that Pennsylvania can remain ahead of the field in terms of recruiting talent here to Pennsylvania.

Mr. WHEATLEY. And thank you, Mr. Speaker.

Mr. Speaker, can you clarify something for me, because as I said, I came here this morning thinking I knew what was in this bill, but after hearing some of the discussion, there was a lot of discussion around money being taken from research, 50 percent of the money being taken from research.

Can you help me understand exactly what is happening or what is being proposed in this bill as it relates to research and how we are trying to strengthen our capacity, not only from research but from broadening our fields in life science and bioscience technology?

Ms. WAGNER. The Jonas Salk Legacy Fund seeks to maximize our investment. Again, as 18 other States have already done so, they have already securitized a portion of their tobacco settlement money so that they can more rapidly invest in biomedical research.

If we use the example of the Hillman Cancer Center in Pittsburgh, they have one of, I believe, two proteomics laboratories in the entire country, which is the study of protein, which is a major factor in diagnosing and treating cancer. The director of that facility explained to me that he would not be here in Pennsylvania were it not for the ability to do both clinical trials and research in that same facility. That is what brought him here. This legislation seeks to build more and more facilities just like that so we can retain and attract the top talent, and in the name of Jonas Salk, so that we can be leading the curve in terms of cures in the biomedical fields.

Mr. WHEATLEY. Thank you, Mr. Speaker.

Mr. Speaker, again, I would ask the membership just to indulge with me a little bit, because as a member who is going to be asked to vote on this later on, I want to make sure I am clear on what I am voting on.

So that I am clear, I have heard this morning that the investment dollars that we are trying to get to invest, you know, when we have to go out, maybe some of the research dollars in the CURE fund are going to be lost because we are going to now use them for bricks and mortar, and I think I heard you say already, we can use 9 percent towards bricks and mortar. Am I not correct?

Ms. WAGNER. You are correct.

Mr. WHEATLEY. Okay. And so we are not necessarily looking at the whole Tobacco Settlement Fund when we are talking about what we are going to invest or utilize, capitalize money from; we are talking about a specific element in the tobacco settlement called the CURE funds, correct?

Ms. WAGNER. Correct. The Jonas Salk Legacy Fund just takes a small portion of the tobacco settlement funds, specifically 9 1/2 percent, and can provide up to \$500 million of investment from that fund, but that is based on a one-to-one match. Therefore, it can provide up to \$1 billion of investment at no additional cost to the taxpayer in Pennsylvania for rapid investment over the next 2 years.

Mr. WHEATLEY. So again, if I was just to clearly understand what is going on here, when I heard mention of many of our major research institutions, all of our life sciences greenhouses, many of those individuals working inside the industry, all promoting this piece of legislation as a good step forward in moving our Commonwealth forward in this industry, all of that being said and despite all of what we heard here today, there are no major opposition forces that you know of in the research industry that is against what we are trying to do here today?

Ms. WAGNER. That is correct. All of the major research institutions in Pennsylvania support this legislation.

Mr. WHEATLEY. Mr. Speaker, may I make a comment, please?

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

Mr. WHEATLEY. Thank you, Mr. Speaker.

Mr. Speaker, I represent an area in Allegheny County that has many of the research institutions and life science greenhouse as well as some of the industry companies, companies in the industry, and as I was investigating the Jonas Salk Fund and what was being proposed, I had opportunities to talk to many of my constituents, and to each one of the ones I spoke to, there was no major opposition to moving this piece of legislation. As a matter of fact, most, if not all of them, were adamantly for moving this piece of legislation as a great step to continue our history and our legacy in this Commonwealth of being advanced and being the leader in these fields. And sometimes, Mr. Speaker, I think we get into this chamber and we start to nit-pick away our opportunities because we get stuck on if this is going to be long-term debt or we are somehow hampering our institutions from being able to do major research, even when they themselves have come to us and said, we want this.

Mr. Speaker, I think this is a very clear, straightforward piece of legislation that is a positive move for us to undergo. Mr. Speaker, I would encourage all of my colleagues here, all of my colleagues here, to support this legislation, to help us move and continue to be the leader, continue to be the leader. Life sciences is going to be the— This is the fastest growing industry. Pennsylvania has the opportunity to continue to be the leader in leading the standards in this industry. I would encourage all of the members here to take a serious, long look at this investment and support it.

So, Mr. Speaker, I take my hat off to the gentlelady from Allegheny County for having the courage to put forth this legislation. I take my hat off to the Governor and the leaders here in this chamber, many from both sides of the aisle who see the value of investing in these fields, in this new industry. I am just asking for us to have the courage and the belief that what we are doing here is a move in a positive direction. Let us not get caught up on nit-picking this away, and let us move forward together.

Thank you, Mr. Speaker.

The SPEAKER. Representative Vitali. The gentleman waives off.

Representative Godshall, for the second time.

Mr. GODSHALL. Thank you, Mr. Speaker.

Just to clear up, you know, I was hoping really we would go through this without a partisan discussion, but obviously, that has not taken place, and I just want to correct a few things.

The letter I was reading from the University of Pittsburgh with my direct quote was mailed on May 23, 2007, approximately 4 weeks ago, and I do think that is the latest letter that has come out on that issue. And today, today we are looking at taking 9 1/2 percent of the health-related research moneys away, we are taking 9 1/2 percent or exactly half of that money away and putting it into bricks-and-mortar programs.

I would like to interrogate the maker of the bill from Pittsburgh, please. I would like to interrogate the maker of the bill.

The SPEAKER. The gentlelady indicates she will stand for interrogation. The gentleman is in order and may proceed.

Mr. GODSHALL. If we take this present research money out, put it in bricks and mortar, how many years down the road do you think we are going to be able to see any results? I mean, we have engineers; we have got architects. You know, how long

is it going to be before this money is actually used for research, and when would we see any kind of results?

Ms. WAGNER. The importance of this legislation is to enable Pennsylvania to see results today. We need to make investments so that we can right now attract and retain the top talent in the biomedical field. So this legislation is set up so that we do not wait any longer but we provide for the investments today in Pennsylvania.

Mr. GODSHALL. That concludes my interrogation.

Mr. Speaker, in answer to that, I guess I would like to read to you again from the University of Pittsburgh: "To make the point most starkly, it is the human talent within our laboratory buildings that will produce the economic and biomedical benefits we all seek, and in the absence of funds to equip and support talented researchers, there is a real risk that Pennsylvania actually could become less competitive in the challenging quest for research dollars," meaning Federal research dollars.

You know, I do not know and it is beyond me to try to figure out how putting a building up with four walls and a roof is going to attract anybody into Pennsylvania. I have talked to the University of Pennsylvania. They said we have adequate research facilities. I have talked to the University of Pittsburgh. They just put up a \$300 million research facility. You know, the facilities are there, and what we need is the money to do the actual research, and we need the people to do that research. So this is what we are taking away and we are putting money into bricks and mortar.

Also, in answer to the gentleman from Allegheny County that just spoke, there are a number of centers that are going to be losing 40 percent of their money, and Magee-Women's Health Corp. is one from the gentleman's district, and also the Pennsylvania Tissue Engineering Initiative will be also losing 40 percent of their funding.

But all I will say, you know, in conclusion, is that a lot of people in the State of Pennsylvania and this country do not have the luxury of time. They have the luxury and the hope of looking forward to some kind of a solution to their problems today. We are putting money in bricks and mortar and something that will happen maybe 2, 3, 4, 5 years down the road, which will not give them sufficient time to benefit from those studies, and I would just ask for a negative vote.

The SPEAKER. Representative Kenney.

Mr. KENNEY. Thank you.

I was not going to rise until I heard the freshman from Allegheny County ask for us to move this bill in a reform-minded, bipartisan manner, and as the gentleman knows, he and the sponsor of the legislation came before the Health and Human Services Committee, which I chair with majority chairman Frank Oliver. I think we have probably one of the best working committees in the House. There were a number of questions raised by members about the legislation – issues of diversity; issues of where the spending would occur around the State; would it be fairly disbursed, these dollars – and they were answered by one agreed-to amendment, and the agreed-to amendment said that there would be four legislative appointees and one Governor appointee who must agree before any dollars were spent. That amendment in committee passed 29 to 0. Open; fair; up-front; honest, whatever; reform-minded – we agreed this is one way for our colleagues in the House to be assured that their representative on this board was doing what they asked them to do in the disbursing of these dollars.

The bill then passed in committee 20 to 9. Then it would move through its process, but then it got shortchanged in the Appropriations Committee. That openness and reform-mindedness went out the window when they stripped the makeup of the board in the Appropriations Committee. I think that was wrong. I do not think that was open or fair-minded. I do not think that was reform. I do not think we allowed the committee, the standing committee, the Health and Human Services Committee, I do not think we were shown enough respect for the work we had done, especially when you have a 29-0 vote on an amendment that was agreed to.

MOTION TO SUSPEND RULES

Mr. KENNEY. So, Mr. Speaker, I move that we revert to the prior printer's number of HB 1142, PN 1975, that allowed the legislature to keep an eye on these dollars, that gave each of us a say on this board and protected our consumers and researchers throughout Pennsylvania. So I am asking that we revert to PN 1975, if that is in order, Mr. Speaker.

The SPEAKER. The gentleman is in order.

The gentleman, Mr. Kenney, moves that— The gentleman wishes to revert to which prior printer's number? 1975.

Mr. KENNEY. I am sorry, Mr. Speaker.

The SPEAKER. The gentleman wishes to revert to the prior printer's number?

Mr. KENNEY. 1975.

The SPEAKER. The Chairs thanks the gentleman.

The gentleman is required to suspend the rules. Is that the motion that the gentleman wishes to make?

Mr. KENNEY. Yes, Mr. Speaker.

The SPEAKER. The Chair moves that the rules be suspended so that the bill will revert to the prior printer's number 1975.

On the question,

Will the House agree to the motion?

The SPEAKER. On that motion, Representative Eachus.

Mr. EACHUS. While I served with the gentleman for almost 10 years on the Health and Human Services Committee and I have the greatest respect for Representative Kenney, I rise to oppose any suspension on HB 1142.

The SPEAKER. The gentleman erred in recognizing Representative Eachus. The Chair apologizes to the House. Representative Eachus was recognized on behalf of the majority leader.

This motion is only debatable by the majority leader, the minority leader, the maker of the motion, the maker of the amendment under consideration, and the prime sponsor of the bill under consideration.

PARLIAMENTARY INQUIRY

The SPEAKER. For what purpose does Representative Pallone rise?

Mr. PALLONE. A parliamentary inquiry.

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

Mr. PALLONE. This motion, does it require a simple majority or a supermajority?

The SPEAKER. Supermajority.
Mr. PALLONE. Thank you, Mr. Speaker.

PARLIAMENTARY INQUIRY

The SPEAKER. For what purpose does Representative Vitali rise?

Mr. VITALI. This would be I guess a parliamentary inquiry.

Correct me, I think the way we do this is, it is a motion to revert to prior printer's number as opposed to a motion to suspend, but it does require that 136 or whatever it is. I am not sure what we are suspending at this point. I think the proper motion is a motion to revert to prior printer's number, but it requires that two-thirds, or 136 or 137, whatever it is. So I am not sure. I am questioning, do we want to do a motion to suspend here or just a motion to revert to prior printer's number?

The SPEAKER. We are on final passage. A motion to revert to prior printer's number is equivalent to amending the bill on final passage. That would require a suspension of the rules. So the motion to suspend the rules has to occur.

Mr. VITALI. I mean, are you sure about that, Clancy? I just want to double-check.

The SPEAKER. My name is Dennis O'Brien, Representative Vitali.

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

The following roll call was recorded:

YEAS—98

Adolph	Fleck	McIlhattan	Rapp
Argall	Gabig	Mensch	Raymond
Baker	Geist	Metcalfe	Reed
Barrar	Gillespie	Micozzie	Reichley
Bastian	Gingrich	Millard	Roae
Bear	Godshall	Miller	Rock
Benninghoff	Grell	Milne	Rohrer
Beyer	Harhart	Moul	Ross
Boback	Harper	Moyer	Saylor
Boyd	Harris	Murt	Scavello
Brooks	Helm	Mustio	Schroder
Cappelli	Hershey	Nailor	Smith, S.
Causar	Hess	Nickol	Sonney
Civera	Hickernell	O'Neill	Stairs
Clymer	Hutchinson	Payne	Steil
Cox	Kauffman	Peifer	Stern
Creighton	Keller, M.	Perry	Stevenson
Cutler	Kenney	Perzel	Swanger
Dally	Killion	Petri	Taylor, J.
Denlinger	Mackereth	Phillips	True
DiGirolamo	Maher	Pickett	Turzai
Ellis	Major	Pyle	Vereb
Evans, J.	Mantz	Quigley	Vulakovich
Everett	Marshall	Quinn	Watson
Fairchild	Marsico		

NAYS—103

Belfanti	George	Mann	Shimkus
Bennington	Gerber	Markosek	Siptroth
Bianucci	Gergely	McCall	Smith, K.
Bishop	Gibbons	McGeehan	Smith, M.
Blackwell	Goodman	McI. Smith	Solobay
Brennan	Grucela	Melio	Staback
Buxton	Haluska	Mundy	Sturla
Caltagirone	Hanna	Myers	Surra

Carroll	Harhai	O'Brien, M.	Tangretti
Casorio	Harkins	Oliver	Taylor, R.
Cohen	Hornaman	Pallone	Thomas
Conklin	James	Parker	Vitali
Costa	Josephs	Pashinski	Wagner
Cruz	Keller, W.	Payton	Walko
Curry	Kessler	Petrarca	Wansacz
Daley	King	Petrone	Waters
DeLuca	Kirkland	Preston	Wheatley
DePasquale	Kortz	Ramaley	White
Dermody	Kotik	Readshaw	Williams
DeWeese	Kula	Roebuck	Wojnaroski
Donatucci	Leach	Sabatina	Yewcic
Eachus	Lentz	Sainato	Youngblood
Evans, D.	Levdansky	Samuelson	Yudichak
Fabrizio	Longietti	Santoni	
Frankel	Mahoney	Seip	O'Brien, D., Speaker
Freeman	Manderino	Shapiro	
Galloway			

NOT VOTING—0

EXCUSED—2

Hennessey Rubley

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

On the question recurring,
Shall the bill pass finally?

The SPEAKER. The Chair recognizes the minority leader, Representative Smith.

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

On the final passage of this legislation, Mr. Speaker, I find it amazing that so many people, starting from the top down, talk about being able to do this without any new taxes or no new State debt, and yes, there are no taxes directly associated with this, and as was discussed earlier, the debt will ultimately fall on the Commonwealth if for some reason there was a default. But I think the point, Mr. Speaker, is, the implication that this is free, that this is something that can be done with no consequences, and that, Mr. Speaker, simply is not the case. Anytime you enter into an agreement such as this legislation contemplates, there are consequences. Some might argue that the positive consequences of building new facilities outweighs the negative consequences of what you are spending the money on, but, Mr. Speaker, to suggest that there are no consequences is simply misleading and inaccurate.

Mr. Speaker, I also note a couple of references to these universities that are domiciled within Pennsylvania that have suddenly come on board and said what a wonderful program this Jonas Salk idea is. I looked through a few of those letters, Mr. Speaker, and I find it ironic because many of those same schools come to this very body looking for a lot of money every year. Some of them you can see on the list of the nonpreferreds, and I got to the point where the last couple of years this has really been kind of sticking in the craw a little bit, so I am finally going to lay it out there.

You know, when these organizations – and they are not alone, but they are the ones that are on the bubble today – when these organizations, these universities, that many of us in this House support tremendously and have supported over the years,

when they come in asking for their nonpreferred appropriation or some other source of money and then they also come along and tell us where else we should spend money, somehow I think they are not actually putting their money where their mouth is. Perhaps what we should do is take this bill and convert the funding source, and we will just take it out of the general nonpreferred pot of money that these universities thrive on. If it is such a priority for them, then let them put their money where their mouth is. Now, I know they do because they have some of their local contributions to this, but they are talking about the moneys that this General Assembly is supposed to determine what is best, how it is best to spend. They have a vested interest in that, and I think they are kind of asking to have their cake and eat it too, Mr. Speaker, and I do not know that that carries a lot of weight with me. While I have deep respect for each of these institutions, their argument does not carry much weight when you get right down to it.

Beyond that, Mr. Speaker, let me just say about the Jonas Salk as it affects the existing tobacco settlement. Frankly, Mr. Speaker, I think that it compromises a very successful program that we already have. Currently the nonformula-driven 30 percent seeks interaction and collaboration across the State, including some areas that were not actively involved in research. It is working, Mr. Speaker. An example might be Penn and Cheyney are working together on a study of high blood pressure among members of lower socioeconomic groups.

The CURE fund has brought about good, permanent, nonoutsourcable jobs. That means jobs that are here. They are good jobs, and they are not going anywhere because we have committed this portion of the tobacco settlement moneys to those jobs.

The fact is, Mr. Speaker, over 150 new investigators, researchers, the best and the brightest in the world, have been brought to the Commonwealth by our current CURE Program. These people are working together, Mr. Speaker. It is something new in the world of funding for research, quite frankly, and I think Pennsylvania can be proud of the program that we have. It has institutionalized cooperation, virtually eliminating redundant research, Mr. Speaker, and cooperation is the way of the future.

The CURE grant system, Mr. Speaker, is working. It has made the Commonwealth the envy of scientists throughout this country. If it is not broken, Mr. Speaker, do not fix it.

In conclusion, Mr. Speaker, while there may be needs to build the brick-and-mortar elements of our research institutions, the core of our success is the people and the guarantee that we would supply this stream of money to those researchers. When we did the tobacco settlement, Mr. Speaker, I remember many of them coming through this same door, some of those same institutions that we were just talking about earlier, they came through the door and they told us the most important thing in recruiting good, quality researchers is guaranteeing them a long-term stream of money so that whenever they start on a research project that may last 10 or 15 or 20 years, they have a reasonable assurance that they are going to get through that whole lifetime of research without having to beg, borrow, and steal for more money every year. They did not say, Mr. Speaker, give us the best facilities in the world. They said, give us a guaranteed stream of money.

What we are doing, Mr. Speaker, is turning off part of that stream, we are turning down that faucet, and I do not care how

you look at it, Mr. Speaker, that is the ultimate consequence of HB 1142, Mr. Speaker. If we need the bricks and mortar, figure out a better way to pay for it, Mr. Speaker, but let us not turn off the faucet of the wonderful research that is being conducted under our tobacco settlement plan as it has been working for years and years.

Thank you, Mr. Speaker.

The SPEAKER. Representative Eachus, for the second time.

Mr. EACHUS. Thank you, Mr. Speaker.

There has been a lot said today that I want to try and clarify about consequences. The consequences of what we do today matter. They matter because it is going to keep us in a position, with this proposal, keeps Pennsylvania in a leadership position in the world, not just the United States of America, the whole world. Pennsylvania is the bio and life sciences innovator. People come here from around the world, the best minds from Kuala Lumpur to Moscow come here to Pennsylvania to our research universities to put their minds to innovation to make people better, and the outcome of that is that we create some of the best-paying jobs of any State in the Union. As I said earlier in the debate – it felt like this morning; it might have been – but this afternoon I said that these average jobs are \$60,000 a year, and as the majority leader reminded me, this is a probusiness vote today. This allows for the innovative companies that we have seen across the Commonwealth from corner to corner continue to grow jobs for Pennsylvanians in the life sciences industry.

I was fortunate enough to be at the PA bio and national bio conference in Philadelphia just a couple of years ago. To see the kiosk of Pennsylvania and the kind of intellectual capital that we have under this collective Commonwealth family from corner to corner is very impressive to see. And what has been touted today is that if we take on and invest in ourselves, we securitize the tobacco settlement in a very minor way in order to incent that investment, and somehow we will be mortgaging our children's future. Well, our children need jobs, too, Mr. Speaker, and this is an investment in ourselves. The structure of what we have in HB 1142 allows for a board which is structured with the NIH (National Institutes of Health) model so that politics does not come into it. True, politics comes into many, many, many things, but there is no way that we as nonprofessional scientists can make decisions about the direction of life science decisionmaking as it relates to the health and well-being of our future populations.

What we have seen across this Commonwealth from corner to corner, whether we went to the greenhouse in Pittsburgh or Philadelphia or Harrisburg or State College, is that there is innovation taking place that will make the lives and the health of Pennsylvanians and the whole world better. We have seen innovative technology in an implant that would allow for an esophageal implant so that a person's stomach would not have to be moved up into their throat. We have seen babies and heart technology that will allow for innovative technologies for children who have heart disease and cancer research, and it goes on and on.

Today, Mr. Speaker, this is a vote for our future, to guarantee our place as the world leader in life sciences innovation. This is an investment in ourselves, in jobs for our Pennsylvanians and in better health outcomes for our people.

I ask the members of this House of Representatives to vote in an affirmative way for HB 1142. Thanks, Mr. Speaker.

The SPEAKER. The Chair recognizes Representative— Are there any other members seeking recognition? The Chair sees none.

The Chair recognizes the prime sponsor, Representative Wagner.

Ms. WAGNER. Thank you, Mr. Speaker.

I stand to support this bill. Pennsylvania ranks fifth in the nation in total research awards from the National Institutes of Health and has two universities ranked among the top 10 research universities in the nation. However, in order to sustain and advance, we need to be able to compete with other States in attracting and retaining the top talent.

I am proud of this bill for both the economic and human impacts. According to the U.S. Department of Labor, the number of wage and salary workers in pharmaceutical and medicine manufacturing is expected to nationally increase by 26 percent between 2004 and 2014, compared with 14 percent for all other industries combined. It is vital that Pennsylvania supports the biomedical industry.

Salk funding will provide over 2 million square feet of research infrastructure in the form of research labs, incubators, and lab equipment to attract top talent from across the nation and the world. As a result, Pennsylvania will remain ahead of the curve and once again be established as a leader in the bioscience industry. It is imperative that we act now to meet current medical needs, invest in future cures for debilitating conditions, and bring to market discoveries that will save lives. We need to realize the potential breakthroughs that will result from being able to integrate biologists with computer scientists and provide for an atmosphere for multidiscipline research.

In 2001 the Tobacco Settlement Act was innovative in providing a resource for research and economic development in biosciences, but now in 2007 the industry faces a new challenge and stronger competition. Again, 18 other States have already securitized portions of their tobacco settlement funds. We must allow Pennsylvania to remain competitive. Jonas Salk, which requires a one-to-one match, will provide \$1 billion in accelerated capital for bioscience investments, bringing our State back to the forefront of this growing industry and expanding our economy.

I ask for the members' support of this legislation. Thank you.

On the question recurring,
Shall the bill pass finally?

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

(Members proceeded to vote.)

The SPEAKER. For what purpose does Representative Godshall rise?

Mr. GODSHALL. My button on the "no" side does not seem to work, and that is the way I want it to vote. I have a little problem there. So I would like to be recorded in the negative.

The SPEAKER. The gentleman is recorded.

On the question recurring,
Shall the bill pass finally?

The following roll call was recorded:

YEAS—103

Belfanti	George	Mann	Shimkus
Bennington	Gerber	Markosek	Sipthroth
Biancucci	Gergely	McCall	Smith, K.
Bishop	Gibbons	McGeehan	Smith, M.
Blackwell	Goodman	McI. Smith	Solobay
Brennan	Grucela	Melio	Staback
Buxton	Haluska	Mundy	Sturla
Caltagirone	Hanna	Myers	Surra
Carroll	Harhai	O'Brien, M.	Tangretti
Casorio	Harkins	Oliver	Taylor, R.
Cohen	Hornaman	Pallone	Thomas
Conklin	James	Parker	Vitali
Costa	Josephs	Pashinski	Wagner
Cruz	Keller, W.	Payton	Walko
Curry	Kessler	Petrarca	Wansacz
Daley	King	Petrone	Waters
DeLuca	Kirkland	Preston	Wheatley
DePasquale	Kortz	Ramaley	White
Dermody	Kotik	Readshaw	Williams
DeWeese	Kula	Roebuck	Wojnaroski
Donatucci	Leach	Sabatina	Yewcic
Eachus	Lentz	Sainato	Youngblood
Evans, D.	Levdansky	Samuelson	Yudichak
Fabrizio	Longietti	Santoni	
Frankel	Mahoney	Seip	O'Brien, D., Speaker
Freeman	Manderino	Shapiro	
Galloway			

NAYS—98

Adolph	Fleck	McIlhattan	Rapp
Argall	Gabig	Mensch	Raymond
Baker	Geist	Metcalfe	Reed
Barrar	Gillespie	Micozzie	Reichley
Bastian	Gingrich	Millard	Roae
Bear	Godshall	Miller	Rock
Benninghoff	Grell	Milne	Rohrer
Beyer	Harhart	Moul	Ross
Boback	Harper	Moyer	Saylor
Boyd	Harris	Murt	Scavello
Brooks	Helm	Mustio	Schroder
Cappelli	Hershey	Nailor	Smith, S.
Causer	Hess	Nickol	Sonney
Civera	Hickernell	O'Neill	Stairs
Clymer	Hutchinson	Payne	Steil
Cox	Kauffman	Peifer	Stern
Creighton	Keller, M.	Perry	Stevenson
Cutler	Kenney	Perzel	Swanger
Dally	Killion	Petri	Taylor, J.
Denlinger	Mackereth	Phillips	True
DiGirolamo	Maher	Pickett	Turzai
Ellis	Major	Pyle	Vereb
Evans, J.	Mantz	Quigley	Vulakovich
Everett	Marshall	Quinn	Watson
Fairchild	Marsico		

NOT VOTING—0

EXCUSED—2

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

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

* * *

The House proceeded to third consideration of **HB 1203, PN 1995**, entitled:

An Act amending the act of November 30, 2004 (P.L.1672, No.213), known as the Alternative Energy Portfolio Standards Act, further providing for definitions, for alternative energy portfolio standards, for portfolio requirements in other states and for interconnection standards for customer-generator facilities.

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

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

(Bill analysis was read.)

The SPEAKER. The question is, shall the bill pass finally?

The Chair recognizes Representative Hornaman.
Mr. HORNAMAN. Mr. Speaker, I have a technical amendment.

DECISION OF CHAIR RESCINDED

The SPEAKER. Without objection, the Chair rescinds its announcement that the bill is agreed to.

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

Mr. HORNAMAN. I am going to ask for a vote on a technical amendment under third consideration. My previous amendment, 1448, there was an error in drafting this amendment, and it inadvertently removed provision 15 on line 24, page 6.

The SPEAKER. Can the gentleman bring a copy of the amendment to the desk, please.

The Chair has determined that the amendment is technical.

For the information of the members, the two words "and thereafter" were supposed to be substituted two lines above in place of "May 31," "through May 31." "And thereafter" was supposed to be substituted for "through May 31, 2021." There was a drafting error.

The gentleman is in order and may proceed.

Mr. HORNAMAN. That is correct, Mr. Speaker.

This technical amendment then would correct that.

The SPEAKER. The gentleman will suspend for one second.

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

Mr. HORNAMAN offered the following amendment No. **A01914**:

Amend Sec. 2 (Sec. 3), page 6, line 22, by striking out all of said line

Amend Sec. 2 (Sec. 3), page 6, line 26, by striking out all of said line and inserting

(xiv) 0.4433% for June 1, 2019, through May 31, 2020.

(xv) 0.5000% for June 1, 2020, and thereafter.

The percentages in this paragraph shall apply to all retail electricity sales in this Commonwealth.

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

The SPEAKER. On the amendment, the Chair recognizes Representative Hornaman.

Mr. HORNAMAN. This will correct that drafting error, Mr. Speaker.

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

The following roll call was recorded:

YEAS—186

Adolph	Galloway	Marsico	Ross
Argall	Geist	McCall	Sabatina
Baker	George	McGeehan	Sainato
Barrar	Gerber	McI. Smith	Samuelson
Bastian	Gergely	McIlhattan	Santoni
Belfanti	Gibbons	Melio	Saylor
Bennington	Gillespie	Mensch	Scavello
Beyer	Gingrich	Metcalfe	Schroder
Bianucci	Godshall	Micozzie	Seip
Bishop	Goodman	Millard	Shapiro
Blackwell	Grell	Miller	Shimkus
Boback	Grucela	Milne	Siptroth
Brennan	Haluska	Moul	Smith, K.
Brooks	Hanna	Moyer	Smith, M.
Buxton	Harhai	Mundy	Smith, S.
Caltagirone	Harhart	Murt	Solobay
Cappelli	Harkins	Mustio	Sonney
Carroll	Harper	Myers	Staback
Casorio	Harris	Nailor	Stairs
Causer	Helm	Nickol	Steil
Civera	Hershey	O'Brien, M.	Stern
Clymer	Hess	O'Neill	Stevenson
Cohen	Hornaman	Oliver	Sturla
Conklin	Hutchinson	Pallone	Surra
Costa	James	Parker	Tangretti
Cruz	Josephs	Pashinski	Taylor, J.
Curry	Keller, W.	Payne	Taylor, R.
Daley	Kenney	Payton	Thomas
Dally	Kessler	Peifer	Turzai
DeLuca	Killion	Perzel	Vereb
Denlinger	King	Petrarca	Vitali
DePasquale	Kirkland	Petri	Vulakovich
Dermody	Kortz	Petrone	Wagner
DeWeese	Kotik	Phillips	Walko
DiGirolamo	Kula	Pickett	Wansacz
Donatucci	Leach	Preston	Waters
Eachus	Lentz	Pyle	Watson
Ellis	Levdansky	Quigley	Wheatley
Evans, D.	Longietti	Quinn	White
Evans, J.	Maher	Ramaley	Williams
Everett	Mahoney	Rapp	Wojnaroski
Fabrizio	Major	Raymond	Yewcic
Fairchild	Manderino	Readshaw	Youngblood
Fleck	Mann	Reed	Yudichak
Frankel	Mantz	Reichley	
Freeman	Markosek	Roebuck	O'Brien, D., Speaker
Gabig	Marshall	Rohrer	

NAYS—15

Bear	Creighton	Keller, M.	Rock
Benninghoff	Cutler	Mackereth	Swanger
Boyd	Hickernell	Perry	True
Cox	Kauffman	Roae	

NOT VOTING—0

EXCUSED—2

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

On the question,

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

Bill as amended was agreed to.

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

(Bill analysis was read.)

The SPEAKER. The question is, shall the bill pass finally?

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

The following roll call was recorded:

YEAS—158

Adolph	Geist	Marshall	Sainato
Argall	George	Marsico	Samuelson
Barrar	Gerber	McCall	Santoni
Belfanti	Gergely	McGeehan	Scavello
Bennington	Gibbons	McI. Smith	Schroder
Beyer	Gingrich	Melio	Seip
Biancucci	Godshall	Mensch	Shapiro
Bishop	Goodman	Micozzie	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Brennan	Haluska	Moyer	Smith, M.
Brooks	Hanna	Mundy	Solobay
Buxton	Harhai	Murt	Sonney
Caltagirone	Harkins	Mustio	Staback
Carroll	Harper	Myers	Stairs
Casorio	Harris	Nailor	Steil
Civera	Helm	Nickol	Sturla
Clymer	Hershey	O'Brien, M.	Surra
Cohen	Hornaman	O'Neill	Tangretti
Conklin	James	Oliver	Taylor, J.
Costa	Josephs	Pallone	Taylor, R.
Cruz	Keller, W.	Parker	Thomas
Curry	Kenney	Pashinski	Turzai
Daley	Kessler	Payton	Vereb
Dally	Killion	Peifer	Vitali
DeLuca	King	Petrarca	Wagner
DePasquale	Kirkland	Petri	Walko
Dermody	Kortz	Petrone	Wansacz
DeWeese	Kotik	Preston	Waters
DiGirolamo	Kula	Quigley	Watson
Donatucci	Leach	Quinn	Wheatley
Eachus	Lentz	Ramaley	White
Ellis	Levdansky	Raymond	Williams
Evans, D.	Longietti	Readshaw	Wojnarowski

Evans, J.	Maher	Reed	Yewcic
Fabrizio	Mahoney	Roae	Youngblood
Frankel	Manderino	Roebuck	Yudichak
Freeman	Mann	Rohrer	
Gabig	Mantz	Ross	O'Brien, D., Speaker
Galloway	Markosek	Sabatina	

NAYS—43

Baker	Everett	Major	Rapp
Bastian	Fairchild	McIlhattan	Reichley
Bear	Fleck	Metcalfe	Rock
Benninghoff	Gillespie	Millard	Saylor
Boyd	Harhart	Miller	Smith, S.
Cappelli	Hess	Payne	Stern
Causer	Hickernell	Perry	Stevenson
Cox	Hutchinson	Perzel	Swanger
Creighton	Kauffman	Phillips	True
Cutler	Keller, M.	Pickett	Vulakovich
Denlinger	Mackereth	Pyle	

NOT VOTING—0

EXCUSED—2

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

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

RESOLUTION

Mr. BIANCUCCI called up **HR 334, PN 1973**, entitled:

A Concurrent Resolution directing the appointment of a task force to study affordable health care insurance, health care access and quality health care services for the citizens of this Commonwealth.

On the question,

Will the House adopt the resolution?

Mr. NICKOL offered the following amendment No. **A01747**:

Amend Third Resolve Clause, page 4, line 17, by removing the period after "Representatives" and inserting a semicolon

Amend Third Resolve Clause, page 4, lines 18 through 26, by striking out all of said lines

On the question,

Will the House agree to the amendment?

The SPEAKER. The Chair recognizes Representative Nickol on the amendment.

Mr. NICKOL. Thank you, Mr. Speaker.

This bill creates an affordable health-care insurance task force presumably to allow the General Assembly to meet together, Senate and House representation from all four caucuses, along with some of the Cabinet officials to kind of kick the tires of the Cover All Pennsylvanians initiative that the Governor has advanced. In looking at the composition of the task force itself, I note

that the Senate has eight representatives, the House has eight representatives on it, and the Governor's Office, assuming the Eachus amendment is later approved, would have nine members on this task force.

I think with a legislative task force, there probably should be a heavier proportion of members selected by the House and Senate, and one of the reasons I have come to that conclusion, I see two big questions with the way currently the task force is composed. Number one is, what groups get represented? Within the proposal it calls for a small businessman, for example. That begs the question of why are not large employers also represented and sitting at the table. After all, the large employers in the Governor's Cover All Pennsylvanians initiative are contributing to the funding itself with this so-called fair share plan.

It also has one representative from the health insurance industry. I am not sure who is going to pick, or which type of carriers are going to be represented. We have two groups of carriers. We have the commercial carriers represented generally by the Insurance Federation of Pennsylvania. We also have the nonprofit health insurance carriers, the various Blue plans. Both of them with regard to the insurance rating plans that are part of the Governor's initiative take diametrically opposed views to that initiative. You know, so which part of the industry is represented with that one?

Also there is a representative of organized labor representing health-care professionals. Well, what about the building and construction trades who have very serious concerns about the proposal? They are organized labor, but they are not represented. What about the nurses who are not represented, or are not unionized? Why do they not get a representative? Why do we not add a patient representative, although I understand Representative Quinn has a proposal to do just that.

I mean, if we add all these other groups that really should be at the table, along with the ones named, the Governor's nominees would surely dwarf all the members of the General Assembly in terms of the task force itself, so it is obvious that you probably cannot include them all. Would it not be much better not to include any of them and have this task force actually go out and solicit the opinions of these various groups?

Also, there is the manner of appointment. It begs the question, will all these groups be representative of the groups that they are named from or will the Governor essentially be naming a small businessperson who agrees with his Cover All Pennsylvanians initiative? I imagine he can probably find one. Is he going to pick some health industry representative who agrees with his initiative to sit there, despite the fact that the other carriers may have concerns? Is he going to pick, you know, a representative of organized labor representing health-care professionals who essentially agrees with him?

If we have these groups represented, we should have some mechanism within the legislation that they at least get some say on who is sitting at the table representing their group. So since this is a legislative task force, what my amendment would do is drop all these five individuals who would be named by the Governor, allow the task force as a whole to meet, to consult. They have people from the Governor's Cabinet sitting on there. He is well represented. Just keep it a legislative task force basically and remove these groups and we can consult them all privately.

I urge the members to support the amendment. Thank you.

The SPEAKER. Representative Biancucci.

Mr. BIANCUCCI. Mr. Speaker, I rise to oppose this amendment, specifically for the reasons that Representative Nickol addressed.

Having attended hearings across the State with the Insurance Committee and with the Professional Licensure Committee, everything we hear, we have tried to get a cross section of the stakeholders represented here. We cannot have 10,000 people serving on this committee. I think it is reflective of the people that have an interest in health care, an interest in affordable health care. The representatives chosen by the Governor are the people that are most impacted by this legislation.

I ask for a "no" vote.

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

The following roll call was recorded:

YEAS—99

Adolph	Gabig	Mensch	Reed
Argall	Geist	Metcalfe	Reichley
Baker	Gillespie	Micozzie	Roae
Barrar	Gingrich	Millard	Rock
Bastian	Godshall	Miller	Rohrer
Bear	Grell	Milne	Ross
Benninghoff	Harhart	Moul	Saylor
Beyer	Harper	Moyer	Scavello
Boback	Harris	Murt	Schroder
Boyd	Helm	Mustio	Smith, S.
Brooks	Hershey	Nailor	Sonney
Cappelli	Hess	Nickol	Stairs
Causar	Hickernell	O'Neill	Steil
Civera	Hutchinson	Payne	Stern
Clymer	Kauffman	Peifer	Stevenson
Cox	Keller, M.	Perry	Swanger
Creighton	Kenney	Perzel	Taylor, J.
Cutler	Killion	Petri	True
Dally	Mackereth	Phillips	Turzai
Denlinger	Maher	Pickett	Vereb
DiGirolamo	Major	Pyle	Vulakovich
Ellis	Mantz	Quigley	Watson
Evans, J.	Marshall	Quinn	
Everett	Marsico	Rapp	O'Brien, D.,
Fairchild	McIlhattan	Raymond	Speaker
Fleck			

NAYS—102

Belfanti	Galloway	Manderino	Seip
Bennington	George	Mann	Shapiro
Biancucci	Gerber	Markosek	Shimkus
Bishop	Gergely	McCall	Siproth
Blackwell	Gibbons	McGeehan	Smith, K.
Brennan	Goodman	McI. Smith	Smith, M.
Buxton	Gruela	Melio	Solobay
Caltagirone	Haluska	Mundy	Staback
Carroll	Hanna	Myers	Sturla
Casorio	Harhai	O'Brien, M.	Surra
Cohen	Harkins	Oliver	Tangretti
Conklin	Hornaman	Pallone	Taylor, R.
Costa	James	Parker	Thomas
Cruz	Josephs	Pashinski	Vitali
Curry	Keller, W.	Payton	Wagner
Daley	Kessler	Petrarca	Walko
DeLuca	King	Petrone	Wansacz
DePasquale	Kirkland	Preston	Waters
Dermody	Kortz	Ramaley	Wheatley
DeWeese	Kotik	Readshaw	White
Donatucci	Kula	Roebuck	Williams

Eachus	Leach	Sabatina	Wojnaroski
Evans, D.	Lentz	Sainato	Yewcic
Fabrizio	Levdansky	Samuelson	Youngblood
Frankel	Longietti	Santoni	Yudichak
Freeman	Mahoney		

NOT VOTING—0

EXCUSED—2

Hennessey Rubley

Less than the majority having voted in the affirmative, the question was determined in the negative and the amendment was not agreed to.

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

Mr. **BOYD** offered the following amendment No. **A01768**:

Amend Second Resolve Clause, page 3, lines 15 and 16, by striking out all of said lines and inserting funding sources, private health insurance innovations and market reforms so that citizens of this Commonwealth can access affordable health insurance coverage;

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

The **SPEAKER**. On the amendment, the Chair recognizes Representative Boyd.

Mr. **BOYD**. Thank you, Mr. Speaker.

Mr. Speaker, when we considered this piece of legislation in the Insurance Committee, I was concerned about one very small clause in this resolution. What the resolution calls for are funding sources for the Commonwealth to guarantee health insurance coverage for all its residents, and while I certainly believe that is a laudable goal and would want to be able to accomplish that, to have a resolution that says that a task force is charged to study that and come up with only solutions that guarantee securing health insurance for all Pennsylvanians, I am not sure that that task force would be able to accomplish that goal.

So what we decided to do was offer an amendment that would change that language from coming up with a guarantee to securing funding sources, looking at private health insurance innovations and market reforms so that the citizens of the Commonwealth can access affordable health insurance coverage.

We are concerned that what this does is come up with only a government – that the resolution would drive to strictly a government-type program. There is no mention in the resolution about private health insurance, market forces, some items that we believe could really help secure insurance coverage and help reduce the cost of insurance for all Pennsylvanians. So we are proposing a very minor change to the resolution to make sure that we do not exclude any organizations, any businesses, any groups out there from participating in the discussions on how to reduce the cost of health care and health insurance.

Thank you, Mr. Speaker.

The **SPEAKER**. Representative Biancucci.

Mr. **BIANCUCCI**. Thank you, Mr. Speaker.

I rise to oppose this amendment. Although I applaud Representative Boyd for his concern, if you read the legislation, the resolution, correctly, it says we are to explore all potential funding sources so that the Commonwealth of Pennsylvania can guarantee health insurance coverage for all of its residents, not some of them, all of them, and I think Representative Boyd, with all due respect, most of your concerns are on the table at this point.

So I ask for a "no" vote.

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

The following roll call was recorded:

YEAS—99

Adolph	Gabig	Mensch	Reed
Argall	Geist	Metcalfe	Reichley
Baker	Gillespie	Micozzie	Roae
Barrar	Gingrich	Millard	Rock
Bastian	Godshall	Miller	Rohrer
Bear	Grell	Milne	Ross
Benninghoff	Harhart	Moul	Saylor
Beyer	Harper	Moyer	Scavello
Boback	Harris	Murt	Schroder
Boyd	Helm	Mustio	Smith, S.
Brooks	Hershey	Nailor	Sonney
Cappelli	Hess	Nickol	Stairs
Causer	Hickernell	O'Neill	Steil
Civera	Hutchinson	Payne	Stern
Clymer	Kauffman	Peifer	Stevenson
Cox	Keller, M.	Perry	Swanger
Creighton	Kenney	Perzel	Taylor, J.
Cutler	Killion	Petri	True
Dally	Mackereth	Phillips	Turzai
Denlinger	Maher	Pickett	Vereb
DiGirolo	Major	Pyle	Vulakovich
Ellis	Mantz	Quigley	Watson
Evans, J.	Marshall	Quinn	
Everett	Marsico	Rapp	O'Brien, D., Speaker
Fairchild	McIlhattan	Raymond	
Fleck			

NAYS—102

Belfanti	Galloway	Manderino	Seip
Bennington	George	Mann	Shapiro
Biancucci	Gerber	Markosek	Shimkus
Bishop	Gergely	McCall	Sipthroth
Blackwell	Gibbons	McGeehan	Smith, K.
Brennan	Goodman	McI. Smith	Smith, M.
Buxton	Gruclera	Melio	Solobay
Caltagirone	Haluska	Mundy	Staback
Carroll	Hanna	Myers	Sturla
Casorio	Harhai	O'Brien, M.	Surra
Cohen	Harkins	Oliver	Tangretti
Conklin	Hornaman	Pallone	Taylor, R.
Costa	James	Parker	Thomas
Cruz	Josephs	Pashinski	Vitali
Curry	Keller, W.	Payton	Wagner
Daley	Kessler	Petrarca	Walko
DeLuca	King	Petrone	Wansacz
DePasquale	Kirkland	Preston	Waters
Dermody	Kortz	Ramaley	Wheatley
DeWeese	Kotik	Readshaw	White
Donatucci	Kula	Roebuck	Williams
Eachus	Leach	Sabatina	Wojnaroski
Evans, D.	Lentz	Sainato	Yewcic
Fabrizio	Levdansky	Samuelson	Youngblood

Frankel Freeman	Longietti Mahoney	Santoni	Yudichak
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NOT VOTING—0

EXCUSED—2

Hennessey	Rubley
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Less than the majority having voted in the affirmative, the question was determined in the negative and the amendment was not agreed to.

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

Mr. EACHUS offered the following amendment No. A01783:

Amend First Resolve Clause, page 3, line 13, by striking out "for the" and inserting

as they relate to providing health care to uninsured

Amend Third Resolve Clause, page 4, lines 8 through 18, by striking out all of said lines and inserting

(10) The Secretary of Public Welfare or a designee.

(11) One member appointed by the President pro tempore of the Senate.

(12) One member appointed by the Minority Leader of the Senate.

(13) One member appointed by the Majority Leader of the House of Representatives.

(14) One member appointed by the Minority Leader of the House of Representatives.

(15) Five members appointed by the Governor to

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

The SPEAKER. The Chair recognizes Representative Eachus on the amendment.

Mr. EACHUS. Thank you, Mr. Speaker.

I rise to ask the members to support amendment No. 1783.

This amendment I think deals with some of the concerns the gentleman from York may have had relating to board mix. It adds a designee as the Secretary of Public Welfare, the member appointed by the President pro tem, one member appointed by the minority leader of the Senate, one by the majority leader in the House, one by the minority leader in the House, and five members appointed by the Governor.

I ask for an affirmative vote.

The SPEAKER. Representative Watson.

Mrs. WATSON. Thank you, Mr. Speaker.

With all due respect to the previous speaker and the maker of the amendment, I would rise to oppose this amendment largely just for what are the first words and what is being stricken and then added, and that is narrowing the focus to talk about the uninsured. Indeed, the uninsured are important, but we know, having cochaired a health-care task force along with Representative Boyd and spent about the last 12 weeks, I think Scott would verify, working on the issue, we know that the problems are so extreme that while there are problems for the uninsured in getting insurance, there is access to health care for

lots of people, and people who right now have it but are afraid of losing it, folks who just cannot pay for it.

Narrowing the way that is worded, perhaps that is the English teacher in me, but narrowing that focus I think is misguided, and I strongly would urge members to take a look at that opening statement and respectfully ask for a "no" vote. It is too narrow a focus. We have too many Pennsylvanians that have problems. If we are going to put a group together, we need to look at all of the problem, not just one small part of it.

Thank you, Mr. Speaker.

The SPEAKER. Representative Eachus.

Mr. EACHUS. Thank you, Mr. Speaker.

While I have the greatest respect for the gentlelady, I am not interested and I do not think anyone in this House is interested in redebating whether people in Pennsylvania need access to affordable health insurance. That is a forgone conclusion, and this amendment language is very specific. It says very clearly that what we want to focus on with this task force is how we pay for covering the cost of all Pennsylvanians' insurance. I can tell you this, that the House Democrats are sincerely focused on trying to find a solution to insuring Pennsylvanians. What this language guarantees is there is no debate as to whether people need insurance. If you do not have it and you cannot afford it and the insurance companies will not write you a policy, we are not going to have that debate.

What I want to focus on and what House Democrats want to focus on is how we afford the cost of insuring all Pennsylvanians, and that is exactly with the Biancucci process, and I really respect the gentleman for his leadership on this as well as what I am trying to do is be precise in what the group studies and focuses on, which is, let us get people insurance at an affordable cost.

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

The following roll call was recorded:

YEAS—102

Belfanti	Galloway	Mann	Shimkus
Bennington	George	Markosek	Siproth
Biancucci	Gerber	McCall	Smith, K.
Bishop	Gergely	McGeehan	Smith, M.
Blackwell	Gibbons	McI. Smith	Solobay
Brennan	Goodman	Melio	Staback
Buxton	Grucela	Mundy	Sturla
Caltagirone	Haluska	Myers	Surra
Carroll	Hanna	O'Brien, M.	Tangretti
Casorio	Harhai	Oliver	Taylor, R.
Cohen	Harkins	Pallone	Thomas
Conklin	Hornaman	Parker	Vitali
Costa	James	Pashinski	Wagner
Cruz	Josephs	Payton	Walko
Curry	Keller, W.	Petrarca	Wansacz
Daley	Kessler	Petrone	Waters
DeLuca	King	Preston	Wheatley
DePasquale	Kirkland	Ramaley	White
Dermody	Kortz	Readshaw	Williams
DeWeese	Kula	Roebuck	Wojnaroski
Donatucci	Leach	Sabatina	Yewcic
Eachus	Lentz	Sainato	Youngblood
Evans, D.	Levdansky	Samuelson	Yudichak
Fabrizio	Longietti	Santoni	
Frankel	Mahoney	Seip	O'Brien, D., Speaker
Freeman	Manderino	Shapiro	

NAYS-99

Adolph	Fleck	Marsico	Rapp
Argall	Gabig	McIlhattan	Raymond
Baker	Geist	Mensch	Reed
Barrar	Gillespie	Metcalfe	Reichley
Bastian	Gingrich	Micozzie	Roae
Bear	Godshall	Millard	Rock
Benninghoff	Grell	Miller	Rohrer
Beyer	Harhart	Milne	Ross
Boback	Harper	Moul	Saylor
Boyd	Harris	Moyer	Scavello
Brooks	Helm	Murt	Schroder
Cappelli	Hershey	Mustio	Smith, S.
Causar	Hess	Nailor	Sonney
Civera	Hickernell	Nickol	Stairs
Clymer	Hutchinson	O'Neill	Steil
Cox	Kauffman	Payne	Stern
Creighton	Keller, M.	Peifer	Stevenson
Cutler	Kenney	Perry	Swanger
Dally	Killion	Perzel	Taylor, J.
Denlinger	Kotik	Petri	True
DiGirolamo	Mackereth	Phillips	Turzai
Ellis	Maher	Pickett	Vereb
Evans, J.	Major	Pyle	Vulakovich
Everett	Mantz	Quigley	Watson
Fairchild	Marshall	Quinn	

NOT VOTING-0

EXCUSED-2

Hennessey Rubley

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

On the question,
Will the House adopt the resolution as amended?

Ms. QUINN offered the following amendment No. A01964:

Amend Third Resolve Clause, page 4, line 26, by removing the semicolon after "business" and inserting a period

Amend Third Resolve Clause, page 4, by inserting between lines 26 and 27

(vi) A patient advocate;

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

The SPEAKER. The Chair recognizes Representative Quinn on the amendment.

Ms. QUINN. Thank you, Mr. Speaker.

The purpose of this amendment is to appoint a patient advocate to the task force. I think everyone in this room has been a patient at one point, and on behalf of all patients, we should add that voice to the table. Pennsylvania has recognized patient advocacy for the second time in 2 years with the resolution that passed last month naming May as "Patient Advocacy Month."

Thank you.

The SPEAKER. Representative Biancucci.

Mr. BIANCUCCI. Thank you, Mr. Speaker.

I rise to support this amendment. I think it is a great idea, and I think we ought to go along with it.

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

The following roll call was recorded:

YEAS-200

Adolph	Freeman	Markosek	Rohrer
Argall	Gabig	Marshall	Ross
Baker	Galloway	Marsico	Sabatina
Barrar	Geist	McCall	Sainato
Bastian	George	McGeehan	Samuelson
Bear	Gerber	McI. Smith	Santoni
Belfanti	Gergely	McIlhattan	Saylor
Benninghoff	Gibbons	Melio	Scavello
Bennington	Gillespie	Mensch	Schroder
Beyer	Gingrich	Metcalfe	Seip
Biancucci	Godshall	Micozzie	Shapiro
Bishop	Goodman	Millard	Shimkus
Blackwell	Grell	Miller	Sipthroth
Boback	Grucela	Milne	Smith, K.
Boyd	Haluska	Moul	Smith, M.
Brennan	Hanna	Moyer	Smith, S.
Brooks	Harhai	Mundy	Solobay
Buxton	Harhart	Murt	Sonney
Callagironone	Harkins	Mustio	Staback
Cappelli	Harper	Myers	Stairs
Carroll	Harris	Nailor	Steil
Casorio	Helm	Nickol	Stern
Causar	Hershey	O'Brien, M.	Stevenson
Civera	Hess	O'Neill	Sturla
Clymer	Hickernell	Oliver	Surra
Cohen	Hornaman	Pallone	Swanger
Conklin	Hutchinson	Parker	Tangretti
Costa	James	Pashinski	Taylor, J.
Cox	Josephs	Payne	Taylor, R.
Creighton	Kauffman	Payton	Thomas
Cruz	Keller, M.	Peifer	True
Curry	Keller, W.	Perry	Turzai
Cutler	Kenney	Perzel	Vereb
Daley	Kessler	Petrarca	Vitali
Dally	Killion	Petri	Vulakovich
DeLuca	King	Petrone	Wagner
Denlinger	Kirkland	Phillips	Walko
DePasquale	Kortz	Pickett	Wansacz
Dermody	Kotik	Preston	Waters
DeWeese	Kula	Pyle	Watson
DiGirolamo	Leach	Quigley	Wheatley
Donatucci	Lentz	Quinn	White
Eachus	Levdansky	Ramaley	Williams
Ellis	Longietti	Rapp	Wojnaroski
Evans, D.	Mackereth	Raymond	Yewcic
Evans, J.	Maher	Readshaw	Youngblood
Everett	Mahoney	Reed	Yudichak
Fabrizio	Major	Reichley	
Fairchild	Manderino	Roae	O'Brien, D.,
Fleck	Mann	Rock	Speaker
Frankel	Mantz		

NAYS-0

NOT VOTING-1

Roebuck

EXCUSED-2

Hennessey Rubley

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

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

(Members proceeded to vote.)

VOTE STRICKEN

The SPEAKER. The clerk will strike the vote.

The Chair recognizes Representative Boyd.

Mr. BOYD. Thank you, Mr. Speaker.

I apologize. I was a little slow to get out from my seat.

Just real quickly, Mr. Speaker, and real briefly. I just want to encourage the members to vote "no" on this.

I know it sounds like it is a great idea, but I have got to tell you, this issue has been studied to death and this is another study, and it is also because of what I had said before. This was a very narrow interpretation, and what we want to be about is not just the concern about the uninsured in Pennsylvania, but we really want to take a good, hard look at lowering the cost of health insurance for all Pennsylvanians, not just providing insurance for those that are currently uninsured.

One of the reasons, one of the things that we heard in the Insurance Committee hearings all across the State is the fact that people are fearful of losing their insurance because of the continued rising costs, and to do a study that excludes looking at those rising costs and only focuses on strictly the current uninsured, in my mind, would set a bad precedent, and unless I misunderstand something in the language, it appears that this resolution is strictly about uninsured, and I believe that we need to be concerned about the cost of health insurance.

So while I think it is a unique idea the way the language is drafted, I am going to be voting "no" on this, and I just wanted to mention that to our members on our side of the aisle.

Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—162

Adolph	Freeman	Mantz	Sabatina
Argall	Galloway	Markosek	Sainato
Baker	Geist	Marshall	Samuelson
Barrar	George	Marsico	Santoni
Belfanti	Gerber	McCall	Saylor
Bennington	Gergely	McGeehan	Scavello
Beyer	Gibbons	McI. Smith	Schroder
Bianucci	Gingrich	McIlhattan	Seip
Bishop	Godshall	Melio	Shapiro
Blackwell	Goodman	Micozzie	Shimkus
Boback	Grucela	Millard	Siptroth
Brennan	Haluska	Milne	Smith, K.
Brooks	Hanna	Moyer	Smith, M.
Buxton	Harhai	Mundy	Smith, S.
Caltagirone	Harhart	Murt	Solobay
Cappelli	Harkins	Mustio	Staback
Carroll	Harper	Myers	Stairs
Casorio	Helm	O'Brien, M.	Steil
Causer	Hershey	O'Neill	Sturla
Civera	Hickernell	Oliver	Surra
Cohen	Hornaman	Pallone	Tangretti
Conklin	James	Parker	Taylor, J.
Costa	Josephs	Pashinski	Taylor, R.

Cruz	Keller, W.	Payne	Thomas
Curry	Kenney	Payton	True
Cutler	Kessler	Peifer	Vereb
Daley	Killion	Perzel	Vitali
Dally	King	Petrarca	Wagner
DeLuca	Kirkland	Petri	Walko
DePasquale	Kortz	Petrone	Wansacz
Dermody	Kotik	Phillips	Waters
DeWeese	Kula	Pickett	Wheatley
DiGirolamo	Leach	Preston	White
Donatucci	Lentz	Quinn	Williams
Eachus	Levdansky	Ramaley	Wojnaroski
Evans, D.	Longietti	Raymond	Yewcic
Evans, J.	Maher	Readshaw	Youngblood
Everett	Mahoney	Reed	Yudichak
Fabrizio	Major	Roae	
Fairchild	Manderino	Roebuck	O'Brien, D., Speaker
Frankel	Mann	Ross	

NAYS—39

Bastian	Gabig	Metcalfe	Rock
Bear	Gillespie	Miller	Rohrer
Benninghoff	Grell	Moul	Sonney
Boyd	Harris	Nailor	Stern
Clymer	Hess	Nickol	Stevenson
Cox	Hutchinson	Perry	Swanger
Creighton	Kauffman	Pyle	Turzai
Denlinger	Keller, M.	Quigley	Vulakovich
Ellis	Mackereth	Rapp	Watson
Fleck	Mensch	Reichley	

NOT VOTING—0

EXCUSED—2

Hennessey	Rubley
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The majority of the members elected to the House having voted in the affirmative, the question was determined in the affirmative and the resolution as amended was adopted.

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

TOURISM AND RECREATIONAL DEVELOPMENT COMMITTEE MEETING

The SPEAKER. Are there any announcements?

Representative Tangretti.

Mr. TANGRETTI. Thank you, Mr. Speaker.

At the declaration of the recess, there will be a House Tourism Committee meeting to consider HB 258, and it will be in room 50 of the Irvis Office Building. Thank you.

The SPEAKER. The Chair thanks the gentleman.

The Tourism and Recreational Development Committee will meet at the break in room 50 of the Irvis Office Building.

AGING AND OLDER ADULT SERVICES COMMITTEE MEETING

The SPEAKER. Representative Mundy.

Ms. MUNDY. Thank you, Mr. Speaker.

The House Aging and Older Adult Services Committee will meet immediately in room 60E, an informational meeting on assisted living.

The SPEAKER. The Aging and Older Adult Services Committee will meet immediately in room 60E.

DEMOCRATIC CAUCUS

The SPEAKER. Other announcements?

The Chair recognizes Representative Cohen.

Mr. COHEN. Thank you, Mr. Speaker.

Mr. Speaker, I would like to announce a Democratic caucus at 4 p.m.; 4 p.m., Democratic caucus.

APPROPRIATIONS COMMITTEE MEETING

The SPEAKER. Representative Evans.

Mr. D. EVANS. I would like to announce the meeting of the Appropriations Committee in the majority caucus room immediately.

The SPEAKER. The Chair thanks the gentleman.

The Appropriations Committee will meet immediately in the majority caucus room.

HOUSE SCHEDULE

The SPEAKER. The Chair recognizes the majority leader, Representative DeWeese.

Mr. DeWEESE. A small revision to the schedule. We would like the Democrats to meet in caucus from 3:30 to 4:30; somehow, although it might be a bit strenuous, to grab a bite to eat at this juncture. Tonight we will have a lot of voting. So we commence at 4:30, and we will be going on into the evening.

REPUBLICAN CAUCUS

The SPEAKER. Representative Major.

Miss MAJOR. Thank you, Mr. Speaker.

Republicans will also caucus at 3:30. So I would ask all Republicans to report to caucus at 3:30. Thank you.

The SPEAKER. Any other announcements?

Does the majority leader have any idea what time he expects to return to the floor? The gentleman has indicated we will return to the floor at approximately 4:30?

Mr. DeWEESE. Mr. Speaker, we will return to the floor at 4:30. Thank you.

The SPEAKER. The Chair thanks the gentleman.

VOTE CORRECTIONS

The SPEAKER. Representative Reichley.

Mr. REICHLEY. Thank you, Mr. Speaker.

On HB 1203, final passage, my button malfunctioned. I was incorrectly listed in the negative. I wish to be listed in the affirmative on that vote.

The SPEAKER. The Chair thanks the gentleman. His remarks will be spread upon the record.

Mr. REICHLEY. Thank you.

The SPEAKER. Any other announcements?

Representative Payne.

Mr. PAYNE. Thank you, Mr. Speaker.

The same, HB 1203, my button malfunctioned. I would like to be recorded in the positive.

The SPEAKER. The Chair thanks the gentleman. His remarks will be spread upon the record.

Further announcements?

Representative Vulakovich.

Mr. VULAKOVICH. On HB 1203 I registered a "no" vote. I would like to register a "yes" vote.

The SPEAKER. The Chair thanks the gentleman. His remarks will be spread upon the record.

Further announcements?

Representative Swanger.

Mrs. SWANGER. Thank you, Mr. Speaker.

The same for me. On HB 1203 I registered a "no" vote. I would like to change that to "yes," please.

The SPEAKER. The Chair thanks the lady. Her remarks will be spread upon the record.

Further announcements?

RECESS

The SPEAKER. This House will stand in recess until 4:30.

RECESS EXTENDED

The time of recess was extended until 5 p.m.

AFTER RECESS

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

BILLS REREPORTED FROM COMMITTEE

HB 966, PN 2016

By Rep. D. EVANS

An Act amending the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, providing for scope of article, for the definition of "long-term care insurance," for the Long-Term Care Partnership Program, for authority to promulgate regulations, for marketing and advertising prohibited and for penalties; and further providing for coverage and limitations.

APPROPRIATIONS.

HB 1116, PN 1843

By Rep. D. EVANS

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, providing for vouchers for licenses.

APPROPRIATIONS.

HB 1251, PN 1984

By Rep. D. EVANS

An Act amending the act of December 20, 1985 (P.L.457, No.112), known as the Medical Practice Act of 1985, further providing for physician assistants.

APPROPRIATIONS.

HB 1252, PN 1985

By Rep. D. EVANS

An Act amending the act of October 5, 1978 (P.L.1109, No.261), known as the Osteopathic Medical Practice Act, further providing for physician assistants.

APPROPRIATIONS.

HB 1253, PN 2019 By Rep. D. EVANS

An Act amending the act of May 22, 1951 (P.L.317, No.69), known as The Professional Nursing Law, further providing for scope of practice for certified registered nurse practitioners; and providing for professional liability.

APPROPRIATIONS.

HB 1254, PN 1994 By Rep. D. EVANS

An Act amending the act of May 22, 1951 (P.L.317, No.69), known as The Professional Nursing Law, providing for the definition of "clinical nurse specialist"; and providing for clinical nurse specialists.

APPROPRIATIONS.

HB 1255, PN 1987 By Rep. D. EVANS

An Act amending the act of December 20, 1985 (P.L.457, No.112), known as the Medical Practice Act of 1985, further providing for nurse-midwife license.

APPROPRIATIONS.

HB 1287, PN 1544 By Rep. D. EVANS

An Act making appropriations from restricted revenue accounts within the State Gaming Fund to the Pennsylvania Gaming Control Board, the Department of Revenue, the Pennsylvania State Police and the Attorney General.

APPROPRIATIONS.

HB 1420, PN 1918 By Rep. D. EVANS

An Act amending the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, further providing for the definition of "distributor"; providing for the definition of "small manufacturer"; and further providing for malt and brewed beverages manufacturers', distributors' and importing distributors' licenses, for malt and brewed beverages alternating brewers' licenses, for distributors' and importing distributors' restrictions on sales, storage, etc., and for breweries.

APPROPRIATIONS.

HB 1556, PN 2020 By Rep. D. EVANS

An Act amending the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, further providing for conditions subject to which policies are to be issued; and providing for health insurance coverage for certain children of insured parents.

APPROPRIATIONS.

SB 755, PN 831 By Rep. D. EVANS

An Act amending the act of May 11, 1889 (P.L.188, No.210), entitled "A further supplement to an act, entitled 'An act to establish a board of wardens for the Port of Philadelphia, and for the regulation of pilots and pilotage, and for other purposes,' approved March twenty-ninth, one thousand eight hundred and three, and for regulating the rates of pilotage and number of pilots," further providing for certain charges.

APPROPRIATIONS.

SB 791, PN 883

By Rep. D. EVANS

An Act making an appropriation from the State Employees' Retirement Fund to provide for expenses of the State Employees' Retirement Board for the fiscal year July 1, 2007, to June 30, 2008, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2007.

APPROPRIATIONS.

SB 792, PN 884

By Rep. D. EVANS

An Act making an appropriation from the Public School Employees' Retirement Fund to provide for expenses of the Public School Employees' Retirement Board for the fiscal year July 1, 2007, to June 30, 2008, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2007.

APPROPRIATIONS.

SB 793, PN 885

By Rep. D. EVANS

An Act making appropriations from the Professional Licensure Augmentation Account and from restricted revenue accounts within the General Fund to the Department of State for use by the Bureau of Professional and Occupational Affairs in support of the professional licensure boards assigned thereto.

APPROPRIATIONS.

SB 794, PN 886

By Rep. D. EVANS

An Act making appropriations from the Workmen's Compensation Administration Fund to the Department of Labor and Industry and the Department of Community and Economic Development to provide for the expenses of administering the Workers' Compensation Act, The Pennsylvania Occupational Disease Act and the Office of Small Business Advocate for the fiscal year July 1, 2007, to June 30, 2008, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2007.

APPROPRIATIONS.

The SPEAKER. These bills will be placed on the supplemental calendar.

BILLS REREPORTED FROM COMMITTEE**HB 708, PN 793**

By Rep. D. EVANS

An Act amending the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, further providing for ranking of local government capital project loan applications.

APPROPRIATIONS.

HB 847, PN 1443

By Rep. D. EVANS

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 eligibility and for qualifications; and providing for continuing professional development for school and system leaders and for Pennsylvania school leadership standards.

APPROPRIATIONS.

SB 233, PN 759

By Rep. D. EVANS

An Act authorizing and directing the Department of General Services, with the approval of the Governor, to grant and convey to Somerset County certain lands situate in Somerset Township, Somerset County.

APPROPRIATIONS.

The SPEAKER. These bills will be placed on the active calendar.

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

HB 1408, PN 1788

By Rep. D. EVANS

An Act amending the act of February 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt Enabling Act, further providing for appropriation for and limitation on redevelopment assistance capital projects.

APPROPRIATIONS.

HB 1589, PN 1970

By Rep. D. EVANS

An Act providing for the capital budget for the fiscal year 2007-2008; itemizing public improvement projects, furniture and equipment projects, transportation assistance projects, redevelopment assistance capital projects, flood control projects, Keystone Recreation, Park and Conservation Fund projects, Environmental Stewardship Fund projects, Motor License Fund projects, State forestry bridge projects and federally funded projects to be constructed or acquired or assisted by the Department of General Services, the Department of Community and Economic Development, the Department of Conservation and Natural Resources, the Department of Environmental Protection and the Department of Transportation, together with their estimated financial costs; authorizing the incurring of debt without the approval of the electors for the purpose of financing the projects to be constructed, acquired or assisted by the Department of General Services, the Department of Community and Economic Development, the Department of Conservation and Natural Resources, the Department of Environmental Protection or the Department of Transportation; stating the estimated useful life of the projects; providing an exemption; providing for limitation on certain capital projects, for special provisions for certain redevelopment assistance capital projects and for preemption of local ordinances for Department of Corrections projects; and making appropriations.

APPROPRIATIONS.

HB 1631, PN 2055

By Rep. D. EVANS

An Act providing for the Pennsylvania Gaming Economic Development and Tourism Fund Capital Budget for 2007-2008; itemizing projects to be assisted by the Department of Community and Economic Development, together with their estimated financial costs; authorizing recurring payments for certain projects; and making appropriations.

APPROPRIATIONS.

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

SB 929, PN 1112

By Rep. D. EVANS

A Supplement to the act of April 1, 1863 (P.L.213, No.227), entitled "An act to accept the grant of Public Lands, by the

United States, to the several states, for the endowment of Agricultural Colleges," making appropriations for carrying the same into effect; and providing for a basis for payments of such appropriations, for a method of accounting for the funds appropriated and for certain fiscal information disclosure.

APPROPRIATIONS.

SB 930, PN 1113

By Rep. D. EVANS

A Supplement to the act of July 28, 1966 (3rd Sp.Sess., P.L.87, No.3), known as the University of Pittsburgh—Commonwealth Act, making appropriations for carrying the same into effect; providing for a basis for payments of such appropriations, for a method of accounting for the funds appropriated and for certain fiscal information disclosure.

APPROPRIATIONS.

SB 931, PN 1114

By Rep. D. EVANS

A Supplement to the act of November 30, 1965 (P.L.843, No.355), known as the Temple University—Commonwealth Act, making appropriations for carrying the same into effect; providing for a basis for payments of such appropriations; and providing a method of accounting for the funds appropriated and for certain fiscal information disclosure.

APPROPRIATIONS.

SB 932, PN 1115

By Rep. D. EVANS

A Supplement to the act of July 7, 1972 (P.L.743, No.176), known as the Lincoln University—Commonwealth Act, making an appropriation for carrying the same into effect; providing for a basis for payments of the appropriation; and providing a method of accounting for the funds appropriated and for certain fiscal information disclosure.

APPROPRIATIONS.

SB 933, PN 1116

By Rep. D. EVANS

An Act making an appropriation to the Trustees of Drexel University, Philadelphia.

APPROPRIATIONS.

SB 934, PN 1117

By Rep. D. EVANS

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

APPROPRIATIONS.

SB 935, PN 1118

By Rep. D. EVANS

An Act making appropriations to the Philadelphia Health and Education Corporation for the Colleges of Medicine, Public Health, Nursing and Health Professions and for continuation of pediatric services.

APPROPRIATIONS.

SB 936, PN 1119

By Rep. D. EVANS

An Act making appropriations to the Thomas Jefferson University, Philadelphia.

APPROPRIATIONS.

<p>SB 937, PN 1120 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Philadelphia College of Osteopathic Medicine, Philadelphia.</p>	<p>SB 946, PN 1129 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Central Penn Oncology Group.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 938, PN 1121 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Pennsylvania College of Optometry, Philadelphia.</p>	<p>SB 947, PN 1130 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Lancaster Cleft Palate for outpatient-inpatient treatment.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 939, PN 1122 By Rep. D. EVANS</p> <p>An Act making an appropriation to the University of the Arts, Philadelphia, for instruction and student aid.</p>	<p>SB 948, PN 1131 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Burn Foundation, Philadelphia, for outpatient and inpatient treatment.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 940, PN 1123 By Rep. D. EVANS</p> <p>An Act making appropriations to the Trustees of the Berean Training and Industrial School at Philadelphia for operation and maintenance expenses.</p>	<p>SB 950, PN 1132 By Rep. D. EVANS</p> <p>An Act making an appropriation to The Children's Institute, Pittsburgh, for treatment and rehabilitation of certain persons with disabling diseases.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 941, PN 1124 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Johnson Technical Institute of Scranton for operation and maintenance expenses.</p>	<p>SB 951, PN 1133 By Rep. D. EVANS</p> <p>An Act making an appropriation to The Children's Hospital of Philadelphia for comprehensive patient care and general maintenance and operation of the hospital.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 942, PN 1125 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Williamson Free School of Mechanical Trades in Delaware County for operation and maintenance expenses.</p>	<p>SB 952, PN 1134 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Beacon Lodge Camp.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 943, PN 1126 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Lake Erie College of Osteopathic Medicine, Erie.</p>	<p>SB 953, PN 1135 By Rep. D. EVANS</p> <p>An Act making appropriations to the Carnegie Museums of Pittsburgh for operations and maintenance expenses and the purchase of apparatus, supplies and equipment.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 944, PN 1127 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Fox Chase Institute for Cancer Research, Philadelphia, for the operation and maintenance of the cancer research program.</p>	<p>SB 954, PN 1136 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Franklin Institute Science Museum for maintenance expenses.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 945, PN 1128 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Wistar Institute, Philadelphia, for operation and maintenance expenses and for AIDS research.</p>	<p>SB 955, PN 1137 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Academy of Natural Sciences for maintenance expenses.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>
<p>SB 946, PN 1129 By Rep. D. EVANS</p> <p>An Act making an appropriation to the Philadelphia College of Osteopathic Medicine, Philadelphia.</p>	<p>SB 956, PN 1138 By Rep. D. EVANS</p> <p>An Act making an appropriation to the African-American Museum in Philadelphia for operating expenses.</p>
<p>APPROPRIATIONS.</p>	<p>APPROPRIATIONS.</p>

APPROPRIATIONS.

SB 957, PN 1139

By Rep. D. EVANS

An Act making an appropriation to the Everhart Museum in Scranton for operating expenses.

APPROPRIATIONS.

SB 958, PN 1140

By Rep. D. EVANS

An Act making an appropriation to the Mercer Museum in Doylestown, Pennsylvania, for operating expenses.

APPROPRIATIONS.

SB 959, PN 1141

By Rep. D. EVANS

An Act making an appropriation to the Whitaker Center for Science and the Arts in Harrisburg, Pennsylvania, for operating expenses.

APPROPRIATIONS.

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

HB 258, PN 290

By Rep. TANGRETTI

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.

TOURISM AND RECREATIONAL DEVELOPMENT.

LEAVE OF ABSENCE

The SPEAKER. Returning to leaves of absence, the minority leader requests that the gentleman, Representative HERSHEY, from Chester County be placed on leave for the remainder of the day. Without objection, the gentleman will be placed on leave.

**HOUSE RESOLUTIONS
INTRODUCED AND REFERRED**

No. 346 By Representatives EACHUS, GOODMAN, DeLUCA, PARKER, DeWEESE, BARRAR, KORTZ, MUNDY, CONKLIN, READSHAW, KULA, PASHINSKI, YUDICHAK, GALLOWAY, REICHLEY, GIBBONS, MAHONEY, ARGALL, SCAVELLO, GRUCELA, J. WHITE, M. SMITH, CLYMER, MOYER, MURT, SHIMKUS, BELFANTI, DePASQUALE, LEVDANSKY, STABACK, KOTIK, KIRKLAND, SURRA, FABRIZIO, HORNAMAN, McILVAINE SMITH, MUSTIO, DENLINGER, THOMAS and JAMES

A Resolution condemning the inaction of the President and Congress of the United States on illegal immigration and urging the Federal Government to fulfill its obligation to the residents of the Commonwealth of Pennsylvania and all United States citizens by fully enforcing current immigration laws and swiftly enacting immigration reform.

Referred to Committee on INTERGOVERNMENTAL AFFAIRS, June 25, 2007.

No. 347 By Representatives O'NEILL, ADOLPH, BARRAR, BOYD, CALTAGIRONE, CLYMER, CREIGHTON, EVERETT, FABRIZIO, FLECK, GEIST, GINGRICH, HUTCHINSON, KIRKLAND, MAHONEY, R. MILLER, MILNE, MOYER, MURT, RAPP, REICHLEY, SAYLOR, S. H. SMITH, STAIRS, SURRA, SWANGER and WATSON

A Concurrent Resolution establishing a special bipartisan legislative task force to examine the feasibility and costs associated with creating a State-operated, Internet-based high school, to be known as the Pennsylvania Virtual High School.

Referred to Committee on EDUCATION, June 25, 2007.

**HOUSE BILLS
INTRODUCED AND REFERRED**

No. 1075 By Representatives DALLY, BEYER, GEIST, GIBBONS, GINGRICH, HARRIS, HENNESSEY, JAMES, KIRKLAND, MENSCH, MOUL and YOUNGBLOOD

An Act amending the act of July 23, 1970 (P.L.563, No.195), known as the Public Employe Relations Act, adding law enforcement officers of limited jurisdiction as an additional category of covered employee.

Referred to Committee on LABOR RELATIONS, June 25, 2007.

No. 1614 By Representatives NICKOL, DeLUCA and MICOZZIE

An Act amending the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, further providing for additional investment authority for subsidiaries.

Referred to Committee on INSURANCE, June 25, 2007.

No. 1615 By Representatives McGEEHAN, BRENNAN, CALTAGIRONE, DALEY, DePASQUALE, JAMES, JOSEPHS, KORTZ, KULA, MYERS, PARKER, PASHINSKI, PETRONE, SABATINA, SIPTROTH, STURLA, THOMAS, GALLOWAY and CURRY

An Act amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, providing for a pilot program for light emitting diode traffic lights; and imposing powers and duties on the Department of Community and Economic Development and the Department of Environmental Protection.

Referred to Committee on COMMERCE, June 25, 2007.

No. 1616 By Representative CURRY

An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, further providing for surplus land conveyance exemptions.

Referred to Committee on STATE GOVERNMENT, June 25, 2007.

No. 1617 By Representatives O'NEILL, DiGIROLAMO, BLACKWELL, BOYD, CASORIO, COSTA, EVERETT, FLECK, GEIST, GINGRICH, M. KELLER, KORTZ, LONGIETTI, MOUL, MUNDY, PHILLIPS, SAYLOR, SCHRODER, STAIRS, J. TAYLOR, THOMAS and TRUE

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, making an editorial change; and further providing for contraband.

Referred to Committee on JUDICIARY, June 25, 2007.

No. 1618 By Representatives KENNEY, MUSTIO, BAKER, GODSHALL, CAPPELLI, KING, MANN, GRELL, CARROLL, KAUFFMAN, O'NEILL, SOLOBAY, WATSON, READSHAW, ARGALL, BRENNAN, R. MILLER, HICKERNELL, CALTAGIRONE, ADOLPH, HARHART, HARPER, MACKERETH, HARRIS, HERSHEY, DALLY, EVERETT, CLYMER, PALLONE, THOMAS, HUTCHINSON, CREIGHTON, MILNE, CUTLER, VULAKOVICH, REED, KILLION, GEIST, MOUL, McILHATTAN, REICHLEY, BEAR, RAPP, MURT, MICOZZIE, KOTIK, PYLE, KIRKLAND, MOYER, DeLUCA, BOBACK, SAYLOR, BEYER, M. O'BRIEN, GINGRICH, KORTZ, BARRAR, METCALFE and SCHRODER

An Act amending the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, further providing, in public assistance, for administration.

Referred to Committee on HEALTH AND HUMAN SERVICES, June 25, 2007.

No. 1619 By Representatives RAMALEY, HARHAI, HARRIS, PASHINSKI, MARSHALL, DeLUCA, GERGELY, GOODMAN, GRUCELA, KORTZ, KOTIK, KULA, LEACH, MAHONEY, MANN, MILNE, MURT, PYLE and THOMAS

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, providing for the offense of furnishing over-the-counter medication to minors.

Referred to Committee on JUDICIARY, June 25, 2007.

No. 1620 By Representatives M. O'BRIEN, McGEEHAN, J. TAYLOR, WALKO, CLYMER, DePASQUALE, JAMES, KIRKLAND, MAHONEY, PARKER, WHEATLEY, JOSEPHS and TANGRETTI

An Act amending the act of December 20, 2000 (P.L.949, No.130), known as the Neighborhood Improvement District Act, further providing for creation of neighborhood improvement district management associations.

Referred to Committee on LOCAL GOVERNMENT, June 25, 2007.

No. 1621 By Representative M. O'BRIEN

An Act authorizing the Department of General Services, with the concurrence of the Department of Environmental Protection, to lease to VTE Philadelphia, LP, or its nominee, land within the bed of the Delaware River in the City of Philadelphia.

Referred to Committee on STATE GOVERNMENT, June 25, 2007.

No. 1622 By Representatives READSHAW, BELFANTI, BLACKWELL, BRENNAN, KORTZ, KULA, MARSHALL, McCALL, MUNDY, PETRARCA, RUBLEY, McILVAINE SMITH, SOLOBAY, VULAKOVICH and YOUNGBLOOD

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 definitions and for salary of supervisory personnel.

Referred to Committee on LABOR RELATIONS, June 25, 2007.

No. 1623 By Representatives PARKER, McCALL, ELLIS, CONKLIN, BIANCUCCI, BRENNAN, CALTAGIRONE, CAUSER, DALEY, DePASQUALE, GRUCELA, HENNESSEY, JOSEPHS, LEVDANSKY, MAHER, McILHATTAN, McILVAINE SMITH, MUNDY, MURT, M. O'BRIEN, PETRONE, REED, SANTONI, SCAVELLO, TANGRETTI, WANSACZ, WHEATLEY, YOUNGBLOOD, QUIGLEY, JAMES, PETRARCA, SURRA, HUTCHINSON, GOODMAN and CURRY

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 exclusion from the sales tax.

Referred to Committee on FINANCE, June 25, 2007.

No. 1624 By Representatives MILLARD, BAKER, BELFANTI, BEYER, BOYD, CALTAGIRONE, CAPPELLI, CAUSER, CREIGHTON, DENLINGER, DiGIROLAMO, EVERETT, FABRIZIO, FAIRCHILD, FLECK, GEORGE, GILLESPIE, GINGRICH, GOODMAN, HERSHEY, HESS, HUTCHINSON, JAMES, KORTZ, KULA, MAHONEY, MAJOR, MANN, MANTZ, McILHATTAN, MILNE, MOUL, MOYER, MURT, MYERS, PALLONE, PAYNE, PHILLIPS, PICKETT, PYLE, RAMALEY, RAPP, REED, REICHLEY, ROHRER, ROSS, SAINATO, SAYLOR, SCAVELLO, SOLOBAY, SONNEY, STERN, R. STEVENSON, SWANGER, R. TAYLOR, THOMAS, TURZAI, VULAKOVICH, WALKO, J. WHITE and YOUNGBLOOD

An Act designating a bridge crossing the Catawissa Creek in Catawissa Borough, Columbia County, Pennsylvania, as the William F. Gittler, Sr. Memorial Bridge.

Referred to Committee on TRANSPORTATION, June 25, 2007.

No. 1625 By Representatives GRELL, CAPPELLI, GINGRICH, JOSEPHS, M. KELLER, MOUL, RAPP, SONNEY and YOUNGBLOOD

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, extensively revising the Uniform Arbitration Act; and making editorial changes.

Referred to Committee on JUDICIARY, June 25, 2007.

No. 1626 By Representatives D. O'BRIEN, BELFANTI, BIANCUCCI, COHEN, DeLUCA, FABRIZIO, FREEMAN, GRUCELA, HARHAI, JAMES, JOSEPHS, KIRKLAND, LEACH, MAHONEY, McGEEHAN, R. MILLER, MYERS, PETRONE, RUBLEY, SOLOBAY, WALKO, WOJNAROSKI and YOUNGBLOOD

An Act amending Title 3 (Agriculture) of the Pennsylvania Consolidated Statutes, further providing for certification of employees.

Referred to Committee on AGRICULTURE AND RURAL AFFAIRS, June 25, 2007.

No. 1627 By Representative M. O'BRIEN

An Act authorizing the Department of General Services, with the concurrence of the Department of Environmental Protection, to lease to NCCB Associates, LP, or its nominee, land within the bed of the Delaware River in the City of Philadelphia.

Referred to Committee on STATE GOVERNMENT, June 25, 2007.

No. 1628 By Representatives DALLY, BAKER, BENNINGHOFF, BOYD, CASORIO, CREIGHTON, DENLINGER, EVERETT, GEIST, GINGRICH, HARHAI, HARHART, HARKINS, HARRIS, HENNESSEY, HERSHEY, HESS, KILLION, KIRKLAND, KORTZ, MACKERETH, MAJOR, MANN, MILLARD, R. MILLER, MOUL, NAILOR, O'NEILL, PALLONE, PEIFER, PICKETT, PYLE, QUINN, REED, REICHLEY, RUBLEY, SCAVELLO, SCHRODER, SWANGER, J. TAYLOR, THOMAS, TRUE, VEREB and VULAKOVICH

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

Referred to Committee on JUDICIARY, June 25, 2007.

No. 1630 By Representatives QUINN, BENNINGHOFF, ADOLPH, BAKER, BARRAR, BEAR, BELFANTI, CALTAGIRONE, CAPPELLI, CAUSER, CLYMER, DeLUCA, DePASQUALE, FABRIZIO, FLECK, FREEMAN, GEORGE, GINGRICH, GOODMAN, GRELL, HARHART, HERSHEY, M. KELLER, KIRKLAND, KORTZ, LEACH, MACKERETH, MANDERINO, MARSHALL, McILHATTAN, MOYER, MURT, MUSTIO, MYERS, NAILOR, PEIFER, PETRARCA, PETRONE, PYLE, RAPP, REED, REICHLEY, ROSS, RUBLEY and SAYLOR

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, providing for a tax credit for employer child care.

Referred to Committee on FINANCE, June 25, 2007.

SUPPLEMENTAL CALENDAR B

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 1287**, **PN 1544**, entitled:

An Act making appropriations from restricted revenue accounts within the State Gaming Fund to the Pennsylvania Gaming Control

Board, the Department of Revenue, the Pennsylvania State Police and the Attorney General.

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

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

(Bill analysis was read.)

The SPEAKER. The question is, shall the bill pass finally?

For what purpose does the gentleman, Representative Maher, rise?

Mr. MAHER. Thank you, Mr. Speaker.

I was seeking recognition on the bill.

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

Mr. MAHER. I actually had an inquiry for the maker of the bill, but if it is appropriate, we can be temporarily over.

BILL PASSED OVER TEMPORARILY

The SPEAKER. We will go over the bill temporarily. The Chair thanks the gentleman.

* * *

The House proceeded to third consideration of **SB 791**, **PN 883**, entitled:

An Act making an appropriation from the State Employees' Retirement Fund to provide for expenses of the State Employees' Retirement Board for the fiscal year July 1, 2007, to June 30, 2008, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2007.

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

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

(Bill analysis was read.)

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

The following roll call was recorded:

YEAS—198

Adolph	Freeman	Markosek	Rohrer
Argall	Gabig	Marshall	Ross
Baker	Galloway	Marsico	Sabatina
Barrar	Geist	McCall	Sainato
Bastian	George	McGeehan	Samuelson
Bear	Gerber	McI. Smith	Santoni
Belfanti	Gergely	McIlhattan	Saylor
Benninghoff	Gibbons	Melio	Scavello
Bennington	Gillespie	Mensch	Schroder
Beyer	Gingrich	Micozzie	Seip

Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay
Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Harris	Nickol	Steil
Casorio	Helm	O'Brien, M.	Stern
Causer	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.
Cox	Kauffman	Payton	Taylor, R.
Cruz	Keller, M.	Peifer	Thomas
Curry	Keller, W.	Perry	True
Cutler	Kenney	Perzel	Turzai
Daley	Kessler	Petrarca	Vereb
Dally	Killion	Petri	Vitali
DeLuca	King	Petrone	Vulakovich
Denlinger	Kirkland	Phillips	Wagner
DePasquale	Kortz	Pickett	Walko
Dermody	Kotik	Preston	Wansacz
DeWeese	Kula	Pyle	Waters
DiGirolamo	Leach	Quigley	Watson
Donatucci	Lentz	Quinn	Wheatley
Eachus	Levdansky	Ramaley	White
Ellis	Longietti	Rapp	Williams
Evans, D.	Mackereth	Raymond	Wojnaroski
Evans, J.	Maher	Readshaw	Yewcic
Everett	Mahoney	Reed	Youngblood
Fabrizio	Major	Reichley	Yudichak
Fairchild	Manderino	Roae	
Fleck	Mann	Rock	O'Brien, D.,
Frankel	Mantz	Roebuck	Speaker

NAYS-2

Creighton Metcalfe

NOT VOTING-0

EXCUSED-3

Hennessey Hershey Rubley

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

Ordered, That the clerk return the same to the Senate with the information that the House has passed the same without amendment.

* * *

The House proceeded to third consideration of **SB 792, PN 884**, entitled:

An Act making an appropriation from the Public School Employees' Retirement Fund to provide for expenses of the Public School Employees' Retirement Board for the fiscal year July 1, 2007, to June 30, 2008, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2007.

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

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

(Bill analysis was read.)

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

The following roll call was recorded:

YEAS-200

Adolph	Freeman	Marshall	Rohrer
Argall	Gabig	Marsico	Ross
Baker	Galloway	McCall	Sabatina
Barrar	Geist	McGeehan	Sainato
Bastian	George	McI. Smith	Samuelson
Bear	Gerber	McIlhattan	Santoni
Belfanti	Gergely	Melio	Saylor
Benninghoff	Gibbons	Mensch	Scavello
Bennington	Gillespie	Metcalfe	Schroder
Beyer	Gingrich	Micozzie	Seip
Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay
Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Harris	Nickol	Steil
Casorio	Helm	O'Brien, M.	Stern
Causer	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.
Cox	Kauffman	Payton	Taylor, R.
Creighton	Keller, M.	Peifer	Thomas
Cruz	Keller, W.	Perry	True
Curry	Kenney	Perzel	Turzai
Cutler	Kessler	Petrarca	Vereb
Daley	Killion	Petri	Vitali
Dally	King	Petrone	Vulakovich
DeLuca	Kirkland	Phillips	Wagner
Denlinger	Kortz	Pickett	Walko
DePasquale	Kotik	Preston	Wansacz
Dermody	Kula	Pyle	Waters
DeWeese	Leach	Quigley	Watson
DiGirolamo	Lentz	Quinn	Wheatley
Donatucci	Levdansky	Ramaley	White
Eachus	Longietti	Rapp	Williams
Ellis	Mackereth	Raymond	Wojnaroski
Evans, D.	Maher	Readshaw	Yewcic
Evans, J.	Mahoney	Reed	Youngblood
Everett	Major	Reichley	Yudichak
Fabrizio	Manderino	Roae	
Fairchild	Mann	Rock	O'Brien, D.,
Fleck	Mantz	Roebuck	Speaker
Frankel	Markosek		

NAYS-0

NOT VOTING-0

EXCUSED—3

Hennessey Hershey Rubley

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

Ordered, That the clerk return the same to the Senate with the information that the House has passed the same without amendment.

* * *

The House proceeded to third consideration of **SB 793, PN 885**, entitled:

An Act making appropriations from the Professional Licensure Augmentation Account and from restricted revenue accounts within the General Fund to the Department of State for use by the Bureau of Professional and Occupational Affairs in support of the professional licensure boards assigned thereto.

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

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

(Bill analysis was read.)

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

The following roll call was recorded:

YEAS—200

Adolph	Freeman	Marshall	Rohrer
Argall	Gabig	Marsico	Ross
Baker	Galloway	McCall	Sabatina
Barrar	Geist	McGeehan	Sainato
Bastian	George	McI. Smith	Samuelson
Bear	Gerber	McIlhattan	Santoni
Belfanti	Gergely	Melio	Saylor
Benninghoff	Gibbons	Mensch	Scavello
Bennington	Gillespie	Metcalf	Schroder
Beyer	Gingrich	Micozzie	Seip
Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay
Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Harris	Nickol	Steil
Casorio	Helm	O'Brien, M.	Stern
Causar	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.

Cox	Kauffman	Payton	Taylor, R.
Creighton	Keller, M.	Peifer	Thomas
Cruz	Keller, W.	Perry	True
Curry	Kenney	Perzel	Turzai
Cutler	Kessler	Petrarca	Vereb
Daley	Killion	Petri	Vitali
Dally	King	Petrone	Vulakovich
DeLuca	Kirkland	Phillips	Wagner
Denlinger	Kortz	Pickett	Walko
DePasquale	Kotik	Preston	Wansacz
Dermody	Kula	Pyle	Waters
DeWeese	Leach	Quigley	Watson
DiGirolamo	Lentz	Quinn	Wheatley
Donatucci	Levdansky	Ramaley	White
Eachus	Longiotti	Rapp	Williams
Ellis	Mackereth	Raymond	Wojnaroski
Evans, D.	Maher	Readshaw	Yewcic
Evans, J.	Mahoney	Reed	Youngblood
Everett	Major	Reichley	Yudichak
Fabrizio	Manderino	Roae	
Fairchild	Mann	Rock	O'Brien, D., Speaker
Fleck	Mantz	Roebuck	
Frankel	Markosek		

NAYS—0

NOT VOTING—0

EXCUSED—3

Hennessey Hershey Rubley

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

Ordered, That the clerk return the same to the Senate with the information that the House has passed the same without amendment.

* * *

The House proceeded to third consideration of **SB 794, PN 886**, entitled:

An Act making appropriations from the Workmen's Compensation Administration Fund to the Department of Labor and Industry and the Department of Community and Economic Development to provide for the expenses of administering the Workers' Compensation Act, The Pennsylvania Occupational Disease Act and the Office of Small Business Advocate for the fiscal year July 1, 2007, to June 30, 2008, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2007.

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

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

(Bill analysis was read.)

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

The following roll call was recorded:

YEAS—200

Adolph	Freeman	Marshall	Rohrer
Argall	Gabig	Marsico	Ross
Baker	Galloway	McCall	Sabatina
Barrar	Geist	McGeehan	Sainato
Bastian	George	McI. Smith	Samuelson
Bear	Gerber	McIlhattan	Santoni
Belfanti	Gergely	Melio	Saylor
Benninghoff	Gibbons	Mensch	Scavello
Bennington	Gillespie	Metcalfe	Schroder
Beyer	Gingrich	Micozzie	Seip
Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay
Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Harris	Nickol	Steil
Casorio	Helm	O'Brien, M.	Stern
Causar	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.
Cox	Kauffman	Payton	Taylor, R.
Creighton	Keller, M.	Peifer	Thomas
Cruz	Keller, W.	Perry	True
Curry	Kenney	Perzel	Turzai
Cutler	Kessler	Petrarca	Vereb
Daley	Killion	Petri	Vitali
Dally	King	Petrone	Vulakovich
DeLuca	Kirkland	Phillips	Wagner
Denlinger	Kortz	Pickett	Walko
DePasquale	Kotik	Preston	Wansacz
Dermody	Kula	Pyle	Waters
DeWeese	Leach	Quigley	Watson
DiGiolamo	Lentz	Quinn	Wheatley
Donatucci	Levdansky	Ramaley	White
Eachus	Longiotti	Rapp	Williams
Ellis	Mackereth	Raymond	Wojnaroski
Evans, D.	Maher	Readshaw	Yewcic
Evans, J.	Mahoney	Reed	Youngblood
Everett	Major	Reichley	Yudichak
Fabrizio	Manderino	Roae	
Fairchild	Mann	Rock	O'Brien, D.,
Fleck	Mantz	Roebuck	Speaker
Frankel	Markosek		

NAYS—0

NOT VOTING—0

EXCUSED—3

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

Ordered, That the clerk return the same to the Senate with the information that the House has passed the same without amendment.

CALENDAR CONTINUED

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **SB 795, PN 887**, entitled:

An Act making an appropriation from a restricted revenue account within the General Fund and from Federal augmentation funds to the Pennsylvania Public Utility Commission.

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

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

(Bill analysis was read.)

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

The following roll call was recorded:

YEAS—200

Adolph	Freeman	Marshall	Rohrer
Argall	Gabig	Marsico	Ross
Baker	Galloway	McCall	Sabatina
Barrar	Geist	McGeehan	Sainato
Bastian	George	McI. Smith	Samuelson
Bear	Gerber	McIlhattan	Santoni
Belfanti	Gergely	Melio	Saylor
Benninghoff	Gibbons	Mensch	Scavello
Bennington	Gillespie	Metcalfe	Schroder
Beyer	Gingrich	Micozzie	Seip
Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay
Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Harris	Nickol	Steil
Casorio	Helm	O'Brien, M.	Stern
Causar	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.
Cox	Kauffman	Payton	Taylor, R.
Creighton	Keller, M.	Peifer	Thomas
Cruz	Keller, W.	Perry	True
Curry	Kenney	Perzel	Turzai
Cutler	Kessler	Petrarca	Vereb
Daley	Killion	Petri	Vitali
Dally	King	Petrone	Vulakovich
DeLuca	Kirkland	Phillips	Wagner
Denlinger	Kortz	Pickett	Walko
DePasquale	Kotik	Preston	Wansacz
Dermody	Kula	Pyle	Waters
DeWeese	Leach	Quigley	Watson
DiGiolamo	Lentz	Quinn	Wheatley
Donatucci	Levdansky	Ramaley	White
Eachus	Longiotti	Rapp	Williams

Ellis	Mackereth	Raymond	Wojnaroski
Evans, D.	Maher	Readshaw	Yewcic
Evans, J.	Mahoney	Reed	Youngblood
Everett	Major	Reichley	Yudichak
Fabrizio	Manderino	Roae	
Fairchild	Mann	Rock	O'Brien, D.,
Fleck	Mantz	Roebuck	Speaker
Frankel	Markosek		

NAYS-0

NOT VOTING-0

EXCUSED-3

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

Ordered, That the clerk return the same to the Senate with the information that the House has passed the same without amendment.

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The House proceeded to third consideration of **SB 796, PN 1052**, entitled:

An Act making an appropriation from a restricted revenue account within the General Fund to the Office of Consumer Advocate in the Office of Attorney General.

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

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

(Bill analysis was read.)

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

The following roll call was recorded:

YEAS-200

Adolph	Freeman	Marshall	Rohrer
Argall	Gabig	Marsico	Ross
Baker	Galloway	McCall	Sabatina
Barrar	Geist	McGeehan	Sainato
Bastian	George	McI. Smith	Samuelson
Bear	Gerber	McIlhattan	Santoni
Belfanti	Gergely	Melio	Saylor
Benninghoff	Gibbons	Mensch	Scavello
Bennington	Gillespie	Metcalfe	Schroder
Beyer	Gingrich	Micozzie	Seip
Biancucci	Godshall	Millard	Shapiro
Bishop	Goodman	Miller	Shimkus
Blackwell	Grell	Milne	Siptroth
Boback	Grucela	Moul	Smith, K.
Boyd	Haluska	Moyer	Smith, M.
Brennan	Hanna	Mundy	Smith, S.
Brooks	Harhai	Murt	Solobay

Buxton	Harhart	Mustio	Sonney
Caltagirone	Harkins	Myers	Staback
Cappelli	Harper	Nailor	Stairs
Carroll	Harris	Nickol	Steil
Casorio	Helm	O'Brien, M.	Stern
Causer	Hess	O'Neill	Stevenson
Civera	Hickernell	Oliver	Sturla
Clymer	Hornaman	Pallone	Surra
Cohen	Hutchinson	Parker	Swanger
Conklin	James	Pashinski	Tangretti
Costa	Josephs	Payne	Taylor, J.
Cox	Kauffman	Payton	Taylor, R.
Creighton	Keller, M.	Peifer	Thomas
Cruz	Keller, W.	Perry	True
Curry	Kenney	Perzel	Turzai
Cutler	Kessler	Petrarca	Vereb
Daley	Killion	Petri	Vitali
Dally	King	Petrone	Vulakovich
DeLuca	Kirkland	Phillips	Wagner
Denlinger	Kortz	Pickett	Walko
DePasquale	Kotik	Preston	Wansacz
Dermody	Kula	Pyle	Waters
DeWeese	Leach	Quigley	Watson
DiGirolamo	Lentz	Quinn	Wheatley
Donatucci	Levdansky	Ramaley	White
Eachus	Longietti	Rapp	Williams
Ellis	Mackereth	Raymond	Wojnaroski
Evans, D.	Maher	Readshaw	Yewcic
Evans, J.	Mahoney	Reed	Youngblood
Everett	Major	Reichley	Yudichak
Fabrizio	Manderino	Roae	
Fairchild	Mann	Rock	O'Brien, D.,
Fleck	Mantz	Roebuck	Speaker
Frankel	Markosek		

NAYS-0

NOT VOTING-0

EXCUSED-3

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

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

BILL ON SECOND CONSIDERATION

The House proceeded to second consideration of **HB 1590, PN 1971**, entitled:

An Act amending Titles 53 (Municipalities Generally), 74 (Transportation) and 75 (Vehicles) of the Pennsylvania Consolidated Statutes, providing for public transportation assistance and taxation and for income based on use of Commonwealth highways.

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

Mr. **THOMAS** offered the following amendment No. **A01928**:

Amend Title, page 1, line 3, by inserting after "for"
minority and women-owned business
participation, for

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

Section 1.1. Title 74 is amended by adding a section to read:
§ 303. Minority and women-owned business participation.

In administering the provisions of this title, the department and any local transportation organization shall:

(1) Be responsible for ensuring that all competitive contract opportunities issued by the department or local transportation organization seek to maximize participation by minority and women-owned businesses and other disadvantaged businesses.

(2) Give consideration, when possible and cost effective, to contractors offering to utilize minority and women-owned businesses and disadvantaged businesses in the selection and award of contracts.

(3) Ensure that the department's and local transportation organization's commitment to the minority and women-owned business program is clearly understood and appropriately implemented and enforced by all department and local transportation organization employees.

(4) Designate a responsible official to supervise the department and local transportation organization minority and women-owned business program and ensure compliance within the department or local transportation organization.

(5) Furnish the Department of General Services, upon request, all requested information or assistance.

(6) Recommend sanctions to the Secretary of General Services, as may be appropriate, against businesses that fail to comply with the policies of the Commonwealth minority and women-owned business program.

(b) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

"Disadvantaged business." A business that is owned or controlled by a majority of persons, not limited to members of minority groups, who are subject to racial or ethnic prejudice or cultural bias.

"Local transportation organization." Any of the following:

(1) A political subdivision or a public transportation port or redevelopment authority organized under the laws of this Commonwealth or pursuant to an interstate compact or otherwise empowered to render, contract for the rendering or assist in the rendering of transportation service in a limited area in this Commonwealth, even though it may also render or assist in rendering transportation service in adjacent states.

(2) A nonprofit association that directly or indirectly provides public transportation service.

(3) A nonprofit association of public transportation providers operating within this Commonwealth.

"Minority-owned business." A business owned and controlled by a majority of persons who are African Americans, Hispanic Americans, Native Americans, Asian Americans, Alaskans and Pacific Islanders.

"Women-owned business." A business owned and controlled by a majority of persons who are women.

Section 1.2. Chapter 13 of Title 74 is repealed:

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

The SPEAKER. On the amendment, the Chair recognizes Representative Thomas.

PARLIAMENTARY INQUIRY

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

As a point of parliamentary inquiry.

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

Mr. S. SMITH. I may be stretching it a bit to say this was a point of parliamentary inquiry, but I will try to put it in that venue, and if I am out of order, I will agree I probably am.

When we were last on this bill, I had been questioning the procedures that were adopted for the corrective amendment process. I had sent a letter on Friday to Mr. Bob Zech, who is the Director of the Legislative Reference Bureau, basically restating what I thought the process was for corrective amendments and what had changed when they brought down a different version of doing a corrective amendment. I wanted to put my letter and the letter that I received, quite promptly, Friday afternoon from Mr. Zech – but I did want them to reflect part of the record that Mr. Zech, among other things, said that, quote, "Your understanding of the past precedents of the House and the policy of the Bureau as expressed in paragraph one of your letter is correct...."

"The policy of the Bureau is that when the drafting attorney is made aware of an error by the requestor, or by the drafter's own review, that attorney would contact the Parliamentarian and explain the error and state that a corrective amendment would be necessary to rectify the problem."

He indicates that conversation did take place, and that after some discussion, it was determined the alternative that they chose to operate under would be an expedient solution. Mr. Zech concluded his letter, after little other explanation, by saying, "I apologize for any confusion, delay or embarrassment this caused you, the Republican Caucus and the House of Representatives last evening. I am sincerely sorry."

So, Mr. Speaker, I just wanted these two letters to be a part of the record, which basically confirms that the process that we did use for many years is still the best and proper process for dealing with the problems that occur when we need a corrective amendment.

Thank you, Mr. Speaker.

The SPEAKER. The gentleman will forward those to the desk.

LETTERS SUBMITTED FOR THE RECORD

Mr. S. SMITH submitted the following letters for the Legislative Journal:

House of Representatives
 Commonwealth of Pennsylvania
 Harrisburg

June 22, 2007

Robert Zech, Esquire
 Director
 Legislative Reference Bureau
 Commonwealth of Pennsylvania
 641 Main Capitol Building
 Harrisburg, PA 17120-0033

Dear Robert:

On the evening of June 21st, amendment A01793 to House Bill 1590 was considered by the House of Representatives. During the course of the debate, it was represented by the Speaker that amendment A01901 was a corrective technical amendment to A01793. It is my understanding from precedence of the House and the Bureau that when it is necessary to correct a Legislative Reference Bureau error, an

entirely new amendment is issued incorporating the correction in the base amendment.

Last night it was represented to the House by the Speaker that the Bureau deviated from this precedent and issued a separate "corrective" amendment, A01901, instead of an amendment incorporating the correction and without indicating on the "corrective" amendment that it was a corrective amendment. Was the issuance of this supplemental corrective amendment instituted by you, as the director, for this case, or was this the result of a previously established new Bureau policy?

I would appreciate a timely written response since this matter is still pending before the House of Representatives on Monday, June 25.

Sincerely,
Samuel H. Smith
Republican Leader

* * *

Legislative Reference Bureau
Room 641 Main Capitol Building
Harrisburg, Pennsylvania 17120-0033
Phone: 717-787-4223 Fax: 717-783-2396

June 22, 2007

The Honorable Samuel H. Smith
Room 423
Main Capitol Building
Harrisburg, PA 17120

Dear Republican Leader Smith:

Unfortunately, I am acutely aware of the events on the evening of June 21, 2007, relative to HB 1590 and Amendments A01793 and A01901 to that bill.

Your understanding of the past precedents of the House and the policy of the Bureau as expressed in paragraph one of your letter is correct. This is and was what the Bureau has done previously when an error made by the Bureau was to be corrected. Regrettably, we did, in fact, make an error on A01793 relating to the inadvertent inclusion of oil company franchise tax provisions in Amendment A01793.

The policy of the Bureau is that when the drafting attorney is made aware of an error by the requestor, or by the drafter's own review, that attorney would contact the Parliamentarian and explain the error and state that a corrective amendment would be necessary to rectify the problem. That conversation occurred with Clancy Myer and in the course of the conversation the drafting attorney suggested an alternative to our past practice. After some discussion, it was determined the alternative would be an expedient solution to the immediate problem because it would prevent the redrafting of eight other proposed amendments that were on the voting schedule to HB 1590 that had been redrafted to A01793. That suggestion at the time seemed appropriate and efficient and would have caused the least impact on the other proposed amendments.

As you are aware, this determination ended up causing more confusion and loss of time than any gain that could have been achieved. After viewing the proceedings of June 21, 2007, this decision of the Bureau was questionable. Further discussion on June 22, 2007, resulted in my decision to re-affirm the policy of the House and the Bureau to redraft the entire amendment when a correction to an error such as occurred in A01793 is necessary.

Your letter does raise additional concerns relating to the appearance of the phrase "corrective amendment". The Bureau does not place any such indicator on the face of any such amendment. However that phrase does appear on the certificate which accompanies the corrective amendment.

I apologize for any confusion, delay or embarrassment this caused you, the Republican Caucus and the House of Representatives last evening. I am sincerely sorry.

Sincerely yours,
Robert W. Zech, Jr.
Director

The SPEAKER. The Chair recognizes Representative Smith. Mr. S. SMITH. Thank you, Mr. Speaker.

Mr. Speaker, on the point that I was making relative to the way the corrective amendment process was handled last week and the letter I received from the Legislative Reference Bureau, the Speaker suggested that perhaps by not reading all the letter, that it maybe has not presented the entire context of the discussion and has advised that it might be good for me to read the entire letter. So I am more than happy to do that.

This is a letter dated June 22, 2007, from Mr. Robert W. Zech, Jr., the Director of the Legislative Reference Bureau:

Dear Republican Leader Smith:

Unfortunately, I am acutely aware of the events on the evening of June 21, 2007, relative to HB 1590 and Amendments A01793 and A01901 to that bill.

Your understanding of the past precedents of the House and the policy of the Bureau as expressed in paragraph one of your letter is correct. This is and was what the Bureau has done previously when an error made by the Bureau was to be corrected. Regrettably, we did, in fact, make an error on A01793 relating to the inadvertent inclusion of oil company franchise tax provisions in Amendment A01793.

The policy of the Bureau is that when the drafting attorney is made aware of an error by the requestor, or by the drafter's own review, that attorney would contact the Parliamentarian and explain the error and state that a corrective amendment would be necessary to rectify the problem. That conversation occurred with Clancy Myer and in the course of the conversation the drafting attorney suggested an alternative to our past practice. After some discussion, it was determined the alternative would be an expedient solution to the immediate problem because it would prevent the redrafting of eight other proposed amendments that were on the voting schedule to HB 1590 that had been redrafted to A01793. That suggestion at the time seemed appropriate and efficient and would have caused the least impact on the other proposed amendments.

As you are aware, this determination ended up causing more confusion and loss of time than any gain that could have been achieved. After viewing the proceedings of June 21, 2007, this decision of the Bureau was questionable. Further discussion on June 22, 2007, resulted in my decision to re-affirm the policy of the House and the Bureau to redraft the entire amendment when a correction to an error such as occurred in A01793 is necessary.

Your letter does raise additional concerns relating to the appearance of the phrase "corrective amendment". The Bureau does not place any such indicator on the face of any such amendment. However that phrase does appear on the certificate which accompanies the corrective amendment.

I apologize for any confusion, delay or embarrassment this caused you, the Republican Caucus and the House of Representatives last evening. I am sincerely sorry.

Sincerely yours,
Robert W. Zech, Jr.
Director

Thank you, Mr. Speaker.
The SPEAKER. The Chair thanks the gentleman.
Does that conclude his point of parliamentary inquiry?
The Chair thanks the gentleman.

The Chair recognizes Representative Thomas on his amendment.

Mr. THOMAS. Thank you, Mr. Speaker.

Mr. Speaker, very briefly, amendment 1928 incorporates the Governor's Executive Order 204-6—

The SPEAKER. Will the gentleman cease.

PARLIAMENTARY INQUIRY

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

Mr. MAHER. Mr. Speaker, I had been seeking recognition before Mr. Thomas was recognized. I do not want to interrupt the gentleman, though, but my inquiry is a direct follow-on to the Republican leader's comments, and I thought before too much air had passed between, it might be good to seek the clarity.

The SPEAKER. The gentleman is in order.

Mr. MAHER. Thank you, Mr. Speaker.

Just a couple quick questions. If I understand correctly, the Reference Bureau is expressing that it departed from established procedures in the past, and consequently, to the extent that members may have been expressing concerns about departures from our understanding about how the rules were followed, that those concerns were well founded with respect to the procedures of the past. Is that correct?

The SPEAKER. To summarize what the Chair had said the other evening, Reference Bureau made an error. They suggested that this be the process in order to eliminate having to redraft the 57-page amendment, and all the amendments that were drawn to that amendment would have been out of order. So Reference Bureau merely suggested that this be the appointed course. There was nothing improper about that course of action. It was somewhat confusing, and Representative Smith read that letter from Legislative Reference Bureau into the record.

Mr. MAHER. Mr. Speaker, does the Speaker then intend that decisions made by people in the Reference Bureau, whom most of us have never met, most Pennsylvanians have never seen, will be determinative of House rules?

The SPEAKER. No. The Chair made a decision that that suggestion was proper. However, the Chair will use its discretion in the future and recognize that members would like to have the complete amendment before them—

Mr. MAHER. Thank you, Mr. Speaker.

The SPEAKER. —once taking it up in this chamber.

Mr. MAHER. Just one final inquiry, Mr. Speaker, and I do not remember which member raised this query but had raised the question as to whether or not an amendment was a corrective amendment, because I did not see corrective

amendment on the face on the system, and I believe the Speaker advised them that that was in fact on the face of the amendment on the system, and if I understand the Reference Bureau correctly, they are saying they never put that on a corrective amendment. So can someone walk me through—

The SPEAKER. The corrective amendment was listed on their certificate. That is what the Chair announced the other evening.

Mr. MAHER. I thank you for the clarification, Mr. Speaker.

The SPEAKER. Representative Thomas, I hope there are no more interruptions.

You are recognized on your amendment.

Mr. THOMAS. Thank you, Mr. Speaker.

The SPEAKER. I am sorry. The Chair rescinds that. That is right.

The gentleman is in order and may proceed.

Mr. THOMAS. Thank you, Mr. Speaker.

As I stated, amendment 1928 basically provides for participation in competitive contracts. It incorporates in HB 1590 language from the Governor's Executive Order 204-6, and I ask members on both sides of the aisle to support this amendment.

The SPEAKER. Representative Vitali.

Mr. VITALI. Thank you, Mr. Speaker.

Will the maker of the amendment stand for interrogation?

The SPEAKER. The gentleman indicates that he will. The gentleman is in order and may proceed with his interrogation.

Mr. VITALI. I am trying to get at what is the problem that currently exists that we are trying to solve by the Thomas amendment?

Mr. THOMAS. Well, Mr. Speaker, the amendment 1928 closes the opportunity gap, the number of competitive contracts, and we want to broaden the arena of participation in those competitive contracts.

Mr. VITALI. Okay. Would these be, just to be kind of clear, would these be competitive contracts for mass transit in the State?

Mr. THOMAS. Yes.

Mr. VITALI. Okay. Is there a problem right now with minority- and women-owned businesses getting their fair share of contracts?

Mr. THOMAS. Yes, there is a problem, and I cite one example to highlight the problem. The CEO (chief executive officer) of SEPTA (Southeastern Pennsylvania Transportation Authority) stated on several occasions that without guidance from the General Assembly, she has no obligation to broaden the arena of participation and contracts that SEPTA lets out, and I think if you—

Mr. VITALI. Can you in any way quantify right now the number of contracts issued by mass transit systems in the State broken down by minority- and nonminority-held corporations?

Mr. THOMAS. No, I am not able to quantify that, but I am able to say that at least the limited information I have from the Southeastern Pennsylvania Transportation Authority puts contracts for women and minorities to be less than 3 percent of overall contracting capacity.

Mr. VITALI. Now, can you speak to – and again, this is not my area; I really have no preconceived notions here – but can that be attributed in any measure to the fact that there may be less of a certain – perhaps minority- and women-owned businesses are offering those services in less proportion.

Did you understand my question? I am not sure if I said that very eloquently, but what I am saying is, maybe there are less women and minorities seeking those contracts, and that might be why—

Mr. THOMAS. Well, I think that, and you know, I cannot speak about the growing availability of providers in southeastern Pennsylvania. Now, whether or not those providers have access to the information or whether or not the transportation agency puts information out there, I do not know. But one of the things I can say is that this whole issue has come to the attention of a former member of this chamber, Representative Alan Butkowitz, and as controller, he is undertaking a study right now to look at what some of those underlying problems are.

Mr. VITALI. I mean, I am trying to get at this. Are you ascribing the lack of contracts to women and minorities to prejudice, a gender prejudice and racial prejudice?

Mr. THOMAS. No, Mr. Speaker. What I am saying is that we in all of our business should, should close the opportunity gap, and this amendment is another step towards making sure that all Pennsylvanians who are in a position to participate in these public contracts have an opportunity to do so.

Mr. VITALI. Okay. I am looking at language in this amendment. It says, "...the department and any local transportation organization shall:..." and I will skip a few words, "...seek to maximize participation by minority and women-owned businesses..." Now, what does that mean, "maximize participation"?

Mr. THOMAS. Well, Mr. Speaker, I think "maximize," I mean, within the context of this executive order, to advertise to a broader market, it might mean holding workshops to provide information; it might mean making sure that those entities that you do business with have access to the availability of talent that is in the marketplace.

Mr. VITALI. Thank you. That concludes my questions.

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

The following roll call was recorded:

YEAS—182

Adolph	Galloway	Marshall	Ross
Argall	Geist	Marsico	Sabatina
Baker	George	McCall	Sainato
Barrar	Gerber	McGeehan	Samuelson
Bastian	Gergely	McI. Smith	Santoni
Bear	Gibbons	McIlhattan	Saylor
Belfanti	Gingrich	Melio	Scavello
Bennington	Godshall	Mensch	Seip
Beyer	Goodman	Micozzie	Shapiro
Bianucci	Grell	Millard	Shimkus
Bishop	Grucela	Miller	Siptroth
Blackwell	Haluska	Milne	Smith, K.
Boback	Hanna	Moul	Smith, M.
Boyd	Harhai	Moyer	Smith, S.
Brennan	Harhart	Mundy	Solobay
Brooks	Harkins	Murt	Sonney
Buxton	Harper	Mustio	Staback
Caltagirone	Harris	Myers	Stairs
Cappelli	Helm	Nailor	Steil
Carroll	Hess	Nickol	Stern
Casorio	Hickernell	O'Brien, M.	Stevenson
Civera	Hornaman	O'Neill	Sturla
Clymer	Hutchinson	Oliver	Surra

Cohen	James	Pallone	Tangretti
Conklin	Josephs	Parker	Taylor, J.
Costa	Keller, M.	Pashinski	Taylor, R.
Cruz	Keller, W.	Payne	Thomas
Curry	Kenney	Payton	True
Daley	Kessler	Perzel	Turzai
Dally	Killion	Petrarca	Vereb
DeLuca	King	Petri	Vulakovich
DePasquale	Kirkland	Petrone	Wagner
Dermody	Kortz	Phillips	Walko
DeWeese	Kotik	Pickett	Wansacz
DiGirolamo	Kula	Preston	Waters
Donatucci	Leach	Pyle	Watson
Eachus	Lentz	Quigley	Wheatley
Ellis	Levdansky	Quinn	White
Evans, D.	Longietti	Ramaley	Williams
Evans, J.	Maher	Rapp	Wojnaroski
Fabrizio	Mahoney	Raymond	Yewcic
Fairchild	Major	Readshaw	Youngblood
Fleck	Manderino	Reed	Yudichak
Frankel	Mann	Reichley	
Freeman	Mantz	Roae	O'Brien, D., Speaker
Gabig	Markosek	Roebuck	

NAYS—18

Benninghoff	Denlinger	Metcalfe	Rohrer
Causar	Everett	Peifer	Schroder
Cox	Gillespie	Perry	Swanger
Creighton	Kauffman	Rock	Vitali
Cutler	Mackereth		

NOT VOTING—0

EXCUSED—3

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

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

Mr. McCALL offered the following amendment No. A02073:

Amend Title, page 1, line 5, by removing the period after "highways" and inserting
; authorizing local taxation for public transportation assistance; repealing provisions relating to public transportation assistance; providing for transportation issues and for sustainable mobility options; further providing, in metropolitan transportation authorities, for board members and for operation; consolidating the Turnpike Organization, Extension and Toll Road Conversion Act and further providing for the Pennsylvania Turnpike Commission; in provisions on the Pennsylvania Turnpike, further providing for definitions, for authorizations and for conversion to toll roads and providing for conversion of Interstate 80, for application and for lease of Interstate 80; in taxes for highway maintenance and construction, providing for definitions; further providing for imposition and for allocation of proceeds; providing for special revenue bonds, for expenses, for application of proceeds of obligations, for trust indenture, for exemption, for pledged revenues, for special revenue refunding bonds, for remedies, for Motor License Fund proceeds, for construction and for funding; and making related repeals.

Amend Sec. 1 (Chapter Analysis), page 1, by inserting between lines 13 and 14

8602. Local financial support.

Amend Sec. 1, page 1, by inserting after line 19
§ 8602. Local financial support.

(a) Imposition.—Notwithstanding any other provision of law, a municipality may obtain financial support for transit systems by imposing one or more of the taxes or surcharges under subsection (b). Money obtained from the imposition shall be deposited into a restricted account of the municipality. The following apply:

(1) Money in the restricted account shall be used to meet the requirements of 74 Pa.C.S. §§ 1513(d)(1) (relating to operating program), 1514(c) (relating to asset improvement program) and 1515(d) (relating to new initiatives program).

(2) Money in the restricted account beyond that necessary under paragraph (1) shall be used for public passenger transportation, as defined in 74 Pa.C.S. § 1503 (relating to definitions).

(b) Taxes.—

(1) A county may, by ordinance, impose all of the following taxes:

(i) A sales tax on each separate sale at retail of tangible personal property or services within the county of either 0.25% or 0.5% of the purchase price. The Department of Revenue shall administer and collect the tax under this subparagraph in accordance with Article II of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, and shall distribute the money to the county. As used in this subparagraph, the terms "purchase price," "sale at retail" and "tangible personal property" shall have the meanings given to them under section 201 of the Tax Reform Code of 1971.

(ii) A use tax on each use within the county of tangible personal property purchased at retail and on those services purchased at retail of either 0.25% or 0.5% of the purchase price. The ordinance shall provide that the tax shall not be paid if the person has paid the tax imposed under subparagraph (i) or has paid the tax imposed under this subparagraph to the vendor with respect to the use. The Department of Revenue shall administer and collect the tax under this subparagraph in accordance with Article II of the Tax Reform Code of 1971 and shall distribute the money to the county. As used in this subparagraph, the terms "purchase price," "tangible personal property" and "vendor" shall have the meanings given to them under section 201 of the Tax Reform Code of 1971.

(iii) An excise tax of either 0.25% or 0.5% of the rent upon the occupancy of each hotel room in the county. As used in this subparagraph, the terms "hotel," "occupancy" and "rent" shall have the meanings given to them under section 209(a) of the Tax Reform Code of 1971.

(2) A municipality other than a county may, by ordinance, impose a tax on earned income, as defined under section 13 of the act of December 31, 1965 (P.L.1257, No.511), known as The Local Tax Enabling Act, of either 0.25% or 0.5%. The tax under this paragraph shall be in addition to the tax imposed under The Local Tax Enabling Act.

(3) A municipality may, by ordinance, impose a tax of up to \$2 per day on each rental vehicle. As used in this paragraph, the term "rental vehicle" shall have the meaning given it in section 1601-A of the Tax Reform Code of 1971.

(4) A county may impose, under the statutory authority of the county to levy an excise tax on the price of a hotel room rental, an additional excise tax of up to 1% on the price of a hotel room rental.

Amend Sec. 2, page 68, line 26, by striking out "a chapter" and inserting

chapters

Amend Sec. 2 (Chapter Heading), page 68, line 28, by striking out all of said line and inserting

TRANSPORTATION ISSUES

Amend Bill, page 69, by inserting between lines 9 and 10

Section 2.1. Title 74 is amended by adding a chapter to read:

CHAPTER 15

SUSTAINABLE MOBILITY OPTIONS

Sec.

1501. Scope of chapter.

1502. (Reserved).

1503. Definitions.

1504. Program authorization.

1505. Regulations.

1506. Fund.

1507. Application and approval process.

1508. Federal funding.

1509. Limitation on decisions, findings and regulations of department.

1510. Program oversight and administration.

1511. Report to Governor and General Assembly.

1512. Coordination.

1513. Operating program.

1514. Asset improvement program.

1515. New initiatives program.

1516. Programs of Statewide significance.

1517. Program oversight and administration.

1518. Retroactive authority.

§ 1501. Scope of chapter.

This chapter relates to sustainable mobility options.

§ 1502. (Reserved).

§ 1503. Definitions.

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

"Access to jobs project." A project relating to the development and maintenance of transportation services designed to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment as defined under 49 U.S.C. § 5316 (relating to job access and reverse commute formula grants).

"Americans with Disabilities Act." The Americans with Disabilities Act of 1990 (Public Law 101-336, 104 Stat. 327).

"Asset maintenance costs." All vehicle maintenance expenses, nonvehicle maintenance and materials expenses and the cost of supplies used in the operation of local transportation organizations and transportation companies.

"Award recipient." A recipient of financial assistance under this chapter.

"Capital expenditures." All costs of capital projects, including, but not limited to, the costs of acquisition, construction, installation, start-up of operations, improvements and all work and materials incident thereto.

"Capital project."

(1) A system of public passenger transportation, including rail transportation facilities used for public passenger transportation, which facilities may include the following:

(i) railway, street railway, subway, elevated and monorail passenger or passenger and rail rolling stock, including self-propelled and gallery cars, locomotives, passenger buses and wires, poles and equipment for the electrification of any of such rails, tracks and roadbeds, guideways, elevated structures, buildings, stations, terminals, docks, shelters and parking areas for use in connection with the rail transportation systems, interconnecting lines and tunnels to provide passenger or passenger and rail service connections between

transportation systems, transportation routes, corridors and rights-of-way therefor, but not for public highways;

(ii) signal and communication systems necessary or desirable for the construction, operation or improvement of a public passenger system; or

(iii) any improvement or overhaul of any vehicle equipment or furnishings of any of the items specified under subparagraphs (i) and (ii) or any part or fractional and undivided co-ownership or leasehold interest in any one or combination of any of the items specified under subparagraphs (i) and (ii) that may be designated as a capital project by the Secretary of Transportation.

(2) The term shall include the acquisition of land necessary for the construction of a new project and debt service and the cost of issuance of bond notes and other evidences of indebtedness which a local transportation organization or transportation company is permitted to issue under any law of this Commonwealth.

"Commonwealth capital bonds." Evidence of debt incurred by the Commonwealth under the act of February 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt Enabling Act.

"Community transportation service" or "shared ride service." Door-to-door demand transportation that is available to the general public on a nonexclusive basis, operates on a nonfixed route basis and charges a fare to all riders. The term does not include exclusive ride taxi service, charter and sightseeing service, nonpublic transportation, school bus and limousine service.

"Community transportation system." A person that provides community transportation service and contracts with the Department of Transportation to receive revenue replacement funds.

"Department." The Department of Transportation of the Commonwealth.

"Financial assistance." Grants or other types of financial support provided by the Department of Transportation under this chapter.

"Fixed guideway system." A fixed-route public transportation service that uses and occupies a separate right-of-way or rail line for the exclusive use of public transportation and other high occupancy vehicles or uses a fixed catenary system and a right-of-way usable by other forms of transportation. The term includes light rail, commuter rail, automated guideway transit, people movers, ferry boat service and fixed guideway facilities for buses such as bus rapid transit and high occupancy vehicles.

"Fixed-route public transportation service." Regularly scheduled general public transportation that is provided according to published schedules along designated routes, but that allows for route deviation within the published schedule, with specified stopping points for the taking on and discharging of passengers, including public bus and commuter rail systems and other department-approved service. The term does not include exclusive ride taxi service, charter or sightseeing service, nonpublic transportation, school bus and limousine service.

"Fund." The Public Transportation Trust Fund established under section 1506 (relating to fund).

"Inflation index." An index established by the Department of Transportation that is inflation sensitive.

"Intercity bus service." Passenger bus service of 35 miles or more in length that is provided with an over the road bus and operated between two noncontiguous urbanized areas, between an urbanized area located in one county and rural communities located in another county or between rural communities located in different counties and contains all of the following elements:

(1) Service that is operated for a fare on a regularly scheduled fixed-route basis.

(2) Service that is offered to and utilized by the general public without preconditions of advance reservation or membership in a particular organization.

"Intercity passenger rail service." Passenger railroad service that connects two or more urbanized areas and is determined by the

Department of Transportation to qualify as intercity service rather than commuter rail service.

"Job access and reverse commute project." A project funded by the Federal Transit Administration under Federal law.

"Local transportation organization." Any of the following:

(1) A political subdivision or a public transportation port or redevelopment authority organized under the laws of this Commonwealth or pursuant to an interstate compact or otherwise empowered to render, contract for the rendering or assist in the rendering of transportation service in a limited area in this Commonwealth, even though it may also render or assist in rendering transportation service in adjacent states.

(2) A nonprofit association that directly or indirectly provides public transportation service.

(3) A nonprofit association of public transportation providers operating within this Commonwealth.

"Materials and supplies." Those categories of expenses as specified in Uniform System of Accounts expense object class 504, National Transit Database operating expenses form F 30, National Transit Database, Final Rule, Federal Transit Administration, dated January 15, 1993, or any successor.

"Municipality." A city, borough, incorporated town or township.

"New fixed guideway system." A newly-constructed fixed guideway system in a corridor or alignment where no such system previously existed.

"New freedom program." A public transportation program designed to provide funds to recipients for new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (Public Law 101-336, 104 Stat. 327) that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services administered under the provisions of 49 U.S.C. § 5317 (relating to new freedom program.)

"New start." The term shall have the same meaning given it in 49 CFR § 611.5 (relating to definitions).

"Nonurbanized area." An area within this Commonwealth that does not fall within an area classified as "urbanized" by the United States Bureau of the Census of the United States Department of Commerce in the most recent Census of Population.

"Nonvehicle maintenance expenses." The categories of costs associated with the inspection, maintenance and repair of assets, other than vehicles, as specified in Uniform System of Accounts, expense function 042, National Transit Database operating expenses form, F 30, National Transit Database, Final Rule, Federal Transit Administration, dated January 15, 1993, or any successor.

"Operating expenses." Total expenses required to continue service to the public and to permit needed improvements in service which are not self-supporting and otherwise for any purpose in furtherance of public passenger transportation, including all State asset maintenance costs. The term does not include expenditures for capital projects unless specific approval is provided by the Department of Transportation.

"Operating revenue." The total revenue earned by a local transportation organization or a transportation company through its transit operations. The term includes all of the following:

(1) Passenger fares.

(2) Reimbursements provided in lieu of fares for senior passengers.

(3) Charter, school bus and advertising revenue.

(4) Other miscellaneous revenue such as public and private route guarantee funds.

"Paratransit service." Transit service operating on a nonfixed-route basis in order to provide complementary transportation service to persons who are functionally unable to use fixed-route transportation, as required by the Americans with Disabilities Act of 1990 (Public Law 101-336, 104 Stat. 327).

"Passengers." The total of all originating passengers plus transfer passengers carried on fixed-route service and paratransit service.

"Public passenger transportation." Transportation within an area that includes a municipality or other built-up place that is appropriate in the judgment of the Department of Transportation to serve commuters or others in the locality, taking into consideration the local patterns and trends of growth by bus or rail or other conveyance, either publicly or privately owned, serving the general public. The term does not include school buses, charter or sightseeing services.

"Revenue replacement funds." Payments made to local transportation organizations and transportation companies to offset or partially offset fares.

"Revenue vehicle hours." The total amount of time calculated in hours during which vehicles are in service and available for public use in fixed-route service or paratransit service. The term does not include deadhead hours.

"Revenue vehicle miles." The total amount of distance calculated in miles during which vehicles are in service and available for public use in fixed-route service or paratransit service. The term does not include deadhead miles.

"Reverse commute project." A public transportation project designed to transport residents of urbanized and nonurbanized areas to suburban employment opportunities as defined under 49 U.S.C. § 5316 (relating to job access and reverse commute formula grants).

"Secretary." The Secretary of Transportation of the Commonwealth.

"Senior citizen." A person who is at least 65 years of age.

"Senior passenger." A senior citizen who rides on fixed route service.

"Tax Reform Code." The act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

"Transportation company." A person that renders public passenger transportation service.

"Urbanized area." A portion of this Commonwealth classified as urbanized by the United States Bureau of the Census of the United States Department of Commerce in the most recent Census of Population.

"Vehicle maintenance expenses." The categories of costs associated with the inspection, maintenance and repair of vehicles as specified in Uniform System of Accounts, expense function 041, National Transit Database operating expenses form F 30, National Transit Database, Final Rule, Federal Transit Administration, dated January 15, 1993, or any successor.

"Welfare-to-work." Any Federal or State program designed to move individuals from dependency on public welfare programs to self-sufficiency through paid work.

§ 1504. Program authorization.

(a) General.—The department may, within the limitations provided in this chapter, incur costs directly or otherwise provide financial assistance for the purposes and activities enumerated in this chapter.

(b) Supplementation of Federal and local funds.—The authority conferred on the department by this section includes, but is not limited to, providing financial assistance for public passenger transportation purposes and to supplement Federal funding, local funding, or both.

§ 1505. Regulations.

(a) General rule.—To effectuate and enforce the provisions of this chapter, the department shall promulgate necessary rules and regulations and prescribe conditions and procedures in order to assure compliance in carrying out the purposes for which financial assistance may be made under this chapter.

(b) Temporary regulations.—During the two-year period following the effective date of this section, the department shall promulgate temporary regulations, which regulations shall be exempt from the following:

(1) The act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act.

(2) Section 205 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law.

(3) The act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act.

Temporary regulations promulgated by the department under this subsection shall expire four years following the effective date of this section.

§ 1506. Fund.

(a) Establishment and deposits.—A special fund is established within the State Treasury to be known as the Public Transportation Trust Fund. The following shall be deposited into the fund annually:

(1) Funds under 75 Pa.C.S. § 8915.3(8) (relating to lease of Interstate 80).

(2) The amounts made available to the department as an executive authorization and an appropriation for the 2007-2008 fiscal year and each fiscal year thereafter from the State Lottery Fund for the Free Transit Program for Senior Citizens established under the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law. These revenues shall be used to provide free public transportation service to senior citizens when passage is on fixed-route public transportation services, as authorized by Chapter 9 of the State Lottery Law and the free service shall be available to senior citizens at any time during the service provider's regular hours of service. With regard to passage on commuter rail service provided to senior citizens, the fare shall continue to be limited to \$1 per trip as provided under Chapter 9 of the State Lottery Law, but the limitation shall be extended to all hours of commuter rail service.

(3) Commencing July 1, 2007, 1.22% of the money collected from the tax imposed under Article II of the Tax Reform Code, up to a maximum of \$75,000,000.

(4) Commencing July 1, 2007, revenues deposited into the Public Transportation Assistance Fund established under Article XXIII of the Tax Reform Code to be used in accordance with subsection (b).

(5) Commencing July 1, 2007, 3.03% of the money collected from the tax imposed under Article III of the Tax Reform Code. Within 30 days of the close of a calendar month, 3.03% of the taxes received under Article III of the Tax Reform Code in the prior calendar month shall be transferred to the fund.

(6) Any other appropriations to the fund.

(b) Use of revenues.—

(1) Money in the fund shall be used by the department to provide financial assistance to local transportation organizations, transportation companies and agencies and instrumentalities of the Commonwealth under this chapter, for costs incurred directly by the department in the administration of public passenger transportation programs, including under this chapter, and for all other purposes enumerated in this chapter.

(2) Money in the fund is appropriated on a continuing basis, upon approval of the Governor, to the department to be used as provided in this chapter. Money in the fund shall not lapse.

(c) Programs.—The fund is authorized to provide the following:

(1) Financial assistance related to operating expenses to be known as the "operating program." To the extent funds are available, an amount not less than \$810,000,000 of the fund shall be allocated to this program in the first fiscal year following the effective date of this section. Money in the fund allocated to the operating program shall not be increased by more than the inflation index in any year.

(2) Financial assistance for improvements to capital assets, replacement of capital assets and expansion of capital assets to be known as the "asset improvement program." An amount equal to the remaining money in the fund, less the allocations under paragraphs (1), (3) and (4) shall be allocated to this program in the first fiscal year following the effective date of this section. Money in the fund for this program may include proceeds of Commonwealth capital bonds.

(3) Financial assistance to fund new or expansions of fixed guideway systems, to be known as the "new initiatives program." An amount not greater than \$50,000,000 of the fund shall be allocated to this program in the first fiscal year following the effective date of this section.

(4) Financial assistance related to programs of Statewide significance as described in section 1516 (relating to programs of Statewide significance) to be known as the "programs of Statewide significance program." To the extent funds are available, an amount not less than \$52,000,000 of the fund shall be allocated to this program in the first fiscal year following the effective date of this section.

§ 1507. Application and approval process.

(a) Application.—An eligible applicant that wishes to receive financial assistance under this chapter shall submit a written application to the department, on a form developed by the department, which shall include the following:

(1) The name and address of the applicant.

(2) The name and telephone number of a contact person for the applicant.

(3) The amount and type of financial assistance requested and the proposed use of the funds.

(4) A statement as to the particular need for the financial assistance.

(5) A certified copy of a current resolution authorizing submission of the application if the applicant is a governing body.

(6) Evidence satisfactory to the department of the commitment for matching funds required under this chapter sufficient to match the projected financial assistance payments at the same times that the financial assistance payments are to be provided.

(7) Any other information the department deems necessary or desirable.

(b) Approval and award.—Upon determining that an applicant has complied with this chapter, applicable rules and regulations and any other requirement with respect to the financial assistance requested, the department may award financial assistance to the applicant, in which case the department and the applicant shall enter into a financial assistance agreement setting forth the terms and conditions upon which the financial assistance shall be used and the timing of payment of the funds.

(c) Restriction on use of funds.—Financial assistance under this chapter shall be used only for activities authorized originally unless the department grants a waiver to the award recipient for a different use of the funds. The department's regulations shall describe circumstances under which it will consider the waivers and information to be included in a request for a waiver. The maximum duration of a waiver shall be one year, and a request for a waiver shall include a plan of corrective action to demonstrate that the award recipient does not have an ongoing need to use financial assistance funds for activities other than those for which funds were originally awarded.

§ 1508. Federal funding.

(a) General rule.—The department shall administer the program in this chapter with such flexibility as to permit full cooperation between Federal, State and local governments, agencies and instrumentalities, local transportation organizations and private interests, so as to result in as effective and economical a program as possible.

(b) Agreements.—The department may enter into agreements for mutual cooperation between or among the department and a Federal agency, local transportation organization or transportation company concerning a project to be funded with financial assistance under this chapter, including joint applications for Federal grants.

(c) General authority of department.—The department may do anything necessary or desirable to secure financial aid or cooperation of a Federal agency in a project funded with financial assistance under

this chapter and to comply with a Federal statute or lawful requirement of a Federal agency authorized to administer a program of Federal aid to transportation. The department may enter into a protective agreement with organized labor to the extent required under 49 U.S.C. § 5333 (relating to labor standards) in order to obtain Federal grant money for transportation assistance. Protective agreements shall be narrowly drawn and strictly construed to provide no more than the minimum protections required by the United States Department of Labor for the agreements.

(d) Direct recipients.—Local transportation organizations that are direct recipients of Federal funding shall be under no obligation to enter into contracts with the department for expenditure of those funds, except that the department may require a contract for expenditure of the State portion of the project assisted by those Federal funds.

§ 1509. Limitation on decisions, findings and regulations of department.

All decisions, findings and regulations made by the department pursuant to this chapter shall be for the purposes of this chapter only and shall not constitute evidence before a regulatory body of this Commonwealth or any other jurisdiction.

§ 1510. Program oversight and administration.

(a) Review and oversight.—The department shall initiate and maintain a program of financial and performance review and oversight for all public transportation programs receiving financial assistance under this chapter. The department may perform independent financial audits of each award recipient. Audits shall be conducted in accordance with generally accepted auditing standards and shall ensure compliance by award recipients with this chapter, department regulations and policies and financial assistance agreements.

(b) State Rail Transit Safety Inspection Program.—The department may conduct a State Rail Transit Safety Inspection Program, as may be defined from time to time by the Federal Transit Administration, to meet oversight requirements of the Federal Transit Administration. The public transportation modes covered shall include heavy rail, light rail, trackless trolley bus and inclined plane services and related facilities.

§ 1511. Report to Governor and General Assembly.

The department shall file a public passenger transportation performance report with the Governor and the General Assembly by April 30 of each year, covering the prior fiscal year.

§ 1512. Coordination.

Coordination is required in regions where two or more award recipients have services or activities for which financial assistance is being provided under this chapter to assure that the services or activities are provided efficiently and effectively.

§ 1513. Operating program.

(a) Eligible applicants.—The governing body of a municipality, county or instrumentality of either, a Commonwealth agency or instrumentality or a local transportation organization may apply for financial assistance under the operating program.

(b) Applications.—In addition to information required under section 1507 (relating to application and approval process), an application for financial assistance under this section shall include the applicant's reasonable estimates of operating revenue and government subsidies sufficient to cover all projected operating expenses.

(c) Distribution formula.—The following distribution formula shall be applied by the department with respect to the award of an operating grant:

(1) Twenty-five percent of the award amount shall be based on passengers;

(2) Ten percent of the award amount shall be based on senior passengers to offset free fares for senior passengers;

(3) Thirty-five percent of the award amount shall be based on revenue vehicle hours;

(4) Thirty percent of the award amount shall be based on revenue vehicle miles.

(d) Local match requirements.—

(1) Local or private cash funding shall be provided as a match in the amount of 20% of the financial assistance being provided. The following apply:

(i) For the Fiscal Year 2007-2008, the minimum of local or private cash funding required under this paragraph shall be:

(A) the match required for Fiscal Year 2006-2007; and

(B) 5% of the amount under clause (A).

(ii) For each fiscal year after Fiscal Year 2007-2008 until the match required under this paragraph is reached, the minimum of local or private cash funding required under this paragraph shall be:

(A) the match required for the immediately preceding fiscal year; and

(B) 5% of the amount under clause (A).

(iii) There is no maximum on the local or private cash funding required under this paragraph.

(2) For financial assistance to a local transportation organization, eligible local matching funds shall consist only of cash contributions provided by one or more municipalities or counties that are members of the local transportation organization. The amount of the match and the time period during which the match must continue to be available shall be specified in the financial assistance agreement. Funding provided by local and private entities, including advertising or naming rights, may be eligible for the match to the extent they provide for the cost of transit service that is open to the public. The following shall not be eligible for a local match:

(i) Any form of transit operating revenue or other forms of transit income provided by the local transportation organization.

(ii) Funds used to replace fares.

(3) A county or municipality in a metropolitan area which is a member of a local transportation organization is authorized to provide annual financial assistance from current revenues to the local transportation organization of which it is a member or enter into a long-term agreement for payment of money to assist in defraying the costs of operation, maintenance and debt service of the local transportation organization or of a particular public transportation project of a local transportation organization. The obligation of a municipality or county under an agreement pursuant to this paragraph shall not be considered to be a part of the indebtedness of the county or municipality, nor shall the obligation be deemed to impair the status of any indebtedness of the county or municipality which would otherwise be considered self-sustaining.

(4) The following shall apply to the Southeastern Pennsylvania Transportation Authority:

(i) The local match provided by each jurisdiction shall be calculated by multiplying the total match required for State funding by the total of route miles provided in that jurisdiction as a percentage of the total route miles operated in all jurisdictions. Where appropriate, a transportation system may calculate the local match by mode or division, or both.

(ii) The department shall suspend funding of any capital project within any county that fails to meet its required matching funds requirement under this subsection, and a transportation system shall not expand service into any county that fails to meet its required matching funds under this subsection. During any time in which a county fails to meet its required matching funds under this subsection the county's representative on the governing body of the transporting organization shall become a nonvoting member of the governing body until

such time that the county meets its local matching requirements.

(e) Performance reviews.—

(1) The department may conduct performance reviews of an award recipient that receives financial assistance under this section to determine the efficiency and effectiveness of the financial assistance. Reviews shall be conducted at regular intervals as established by the department in consultation with the management of the award recipient. After completion of a review, the department shall issue a report that:

(i) highlights exceptional performance and identifies any problems that need to be resolved;

(ii) assesses performance, efficiency and effectiveness of the use of the funds;

(iii) makes recommendations on what follow-up actions are required to remedy each problem; and

(iv) provides an action plan documenting who should perform the recommended actions and a time frame within which they should be performed.

(2) The department shall deliver the report to the Governor, to the Transportation Committee of the Senate and to the Transportation Committee of the House of Representatives. The department's regulations shall contain a description of the impact on both the amount of, and future eligibility for, receipt of financial assistance under this chapter based upon the degree to which the local transportation organization complies with the recommendations in the report. The department shall develop a list of best practices revealed by the reports issued under this subsection and shall post them on the department's Internet website.

(f) Performance criteria.—Criteria used for the reviews conducted under subsection (e) shall consist of passengers per revenue vehicle hour, operating costs per revenue vehicle hour, operating revenue per revenue vehicle hour, operating costs per passenger and other items as the department may establish. The department's regulations shall set forth the minimum system performance criteria that an award recipient must satisfy.

(g) Failure to satisfy minimum performance criteria.—If a performance review conducted under subsection (e) reveals:

(1) that the performance of an award recipient's transportation system has decreased compared to performance determined through a prior review, the department may, upon the written request of an award recipient, waive any requirement for a reduction in the amount of financial assistance to be awarded under this section for a reasonable time period to allow the award recipient to bring the system back to the required performance level. The award recipient shall provide written justification for providing a time period longer than two years. In order to obtain the waiver for the period requested, the award recipient must do all of the following:

(i) Develop an action plan to improve system performance that contains key measurable milestones. The action plan must be acceptable to the department and must be approved by the department in writing.

(ii) Submit quarterly progress reports on the action plan to the department.

(2) The department shall review and evaluate the award recipient's progress to determine if the system has improved. If the system has improved, funding will be determined by the formula under subsection (c), and the award recipient will be eligible for full formula funding. If the system has not improved at the end of the time period established for improvement, the waiver will be withdrawn. Expenses incurred by the award recipient as a result of the failure of the award recipient's system to meet the minimum performance criteria shall be borne by the award recipient.

(h) Adjustments to minimum performance criteria.—Upon written request of a recipient of financial assistance under this section, the department may approve adjustments to the minimum performance

criteria described in subsection (g) in a given year if situations arise that affect performance of the award recipient's system and are out of the award recipient's control. Examples are labor strikes, infrastructure failures and natural disasters. The request must include the award recipient's justification for the adjustment.

(i) Periodic review of formula.—The department, in consultation with all award recipients, shall review the distribution formula established under subsection (c) at least once every three years and, prior to the start of the next succeeding fiscal year, shall recommend adjustments it deems appropriate. If an adjustment results in a change of five percentage points or less in any category, the department shall forward a notice of the change to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin, and the change shall take effect at the commencement of the next fiscal year. If an adjustment results in a change in excess of five percentage points in any category, the change shall be incorporated into the department's regulations by amendment and shall take effect at the commencement of the next fiscal year following promulgation of the amendment.

(j) Needs-based adjustment.—In order to allow an award recipient that was receiving financial assistance under former Chapter 13 (relating to public transportation assistance) prior to the effective date of this section to transition into the funding formula established under subsection (c), the department shall provide the award recipient, as part of the award under this section, with a needs-based adjustment. The needs-based adjustment shall be calculated by increasing the amount that the award recipient received under Chapter 13 for operating expenses and asset maintenance costs in the 2005-2006 fiscal year and increasing the resulting amount by an adjustment factor to assure a funding level consistent with the operating funding needs as identified by the department. Funds remaining after the needs-based adjustment is applied shall be set aside in an operating reserve account to be used at the department's discretion for short-term public passenger transportation needs. The department's regulations shall establish the manner in which the funds in the reserve account may be used.

(k) Growth caps.—Each fiscal year after the fiscal year in which the department provides a needs-based adjustment under subsection (i), the department shall determine the maximum percentage increase that an award recipient shall be eligible to receive for operating expenses in addition to an increase tied to the inflation index amount. The maximum percentage increase shall be capped at the inflation index rate of the award recipient's transportation system's passengers per revenue hour, or revenue per revenue vehicle hour performance, falls below peer system average or if the operating cost per revenue hour or operating cost per passenger exceeds the peer system average. Notwithstanding the provisions of this subsection, money available for financial assistance under this section shall at all times be capped by the amount of money in the fund allocated for the operating program.

(l) Operating reserve.—The department may establish a limitation on the amount of financial assistance awarded under this section that may be carried over for use in subsequent fiscal years.

(m) Certification.—The Commonwealth shall not provide financial assistance to a municipality under this section unless the municipality certifies the amount of its local match under subsection (d).

§ 1514. Asset improvement program.

(a) Eligible applicants.—A local transportation organization, an agency or instrumentality of the Commonwealth, an entity responsible for coordinating community transportation program services, or any other person the department deems to be eligible may apply to the department for financial assistance under the asset improvement program. The department shall develop and maintain four-year and twelve-year plans that summarize the capital projects and financial assistance for capital projects based upon cash flow and revenue projections for the fund.

(b) Applications.—In addition to information required under section 1507 (relating to application and approval process), an application for financial assistance under this section shall include the following:

(1) Evidence satisfactory to the department that the proposed capital project is included in the first year of the applicant's four-year capital program and its federally approved Transportation Improvement Program.

(2) If an applicant is requesting financial assistance for replacement of capital assets, evidence satisfactory to the department that the capital assets to be replaced have exceeded the useful life criteria as defined by the department. At its discretion, the department may approve funding to replace capital assets that do not exceed the useful life criteria if the applicant provides documentation acceptable to the department to justify the early replacement of the capital assets.

(3) If the applicant is requesting financial assistance for expansion of capital assets, evidence satisfactory to the department that the applicant will have sufficient future annual operating funds to support the proposed expansion of the assets.

(4) Any other information required by the department, including a return on investment analysis or a life cycle cost analysis, or both.

(c) Local match requirements.—Financial assistance under this section shall be matched by local or private cash funding in an amount not less than 20% of the amount of the financial assistance. The source of funds for the local match shall be subject to the requirements of section 1513(d) (relating to operating program). Each capital project shall be based on the plan approved by the department.

(d) Conditions for receipt of bond funding.—An applicant may receive proceeds of Commonwealth capital bonds from the fund for financial assistance under this section if all of the following conditions are met:

(1) The applicant's project has been authorized by a capital budget project itemization act.

(2) The applicant's project shall have been included in the department's approved annual release request approving the use of the funds for the proposed capital project in the fiscal year in which the funds are expected to be expended.

(3) The department shall have approved the underlying application for the capital project.

(4) The project has a 20-year or longer useful life.

(e) Priorities.—The award of financial assistance under this section shall be subject to the following set of priorities in descending order of significance unless a compelling return on investment analysis for a project in a lower significant category is provided to and approved by the department:

(1) Funds required to support existing local bond issues currently supported with State revenue sources, such as debt service and asset leases. The Commonwealth pledges to and agrees with any person, firm or corporation holding any bonds previously issued by, or any other debt incurred by, a local transportation organization, and secured in whole or part by a pledge of the funds provided to the local transportation organization from the Public Transportation Assistance Fund established under Article XXIII of the Tax Reform Code, that the Commonwealth will not limit or alter rights vested in a local transportation organization in any manner inconsistent with obligations of the local transportation organization to the obligees of the local transportation organization until all bonds previously issued or other debt incurred, together with the interest thereon, is fully paid or provided for.

(2) Funds required to match federally approved capital projects funded under 49 U.S.C. §§ 5307 (relating to urbanized area formula grants) and 5309 (relating to capital investment grants and loans) and other federally approved capital projects.

(3) Other non-Federal capital projects as determined by the department, which shall be further subject to the following set of priorities in descending order of significance:

(i) Essential emergency asset improvement projects.

(ii) Standard replacement of existing assets that have exceeded their useful life.

(iii) Asset improvement projects to extend the useful life of the affected assets.

(iv) Acquisition of new assets and other acceptable purposes, other than projects to be funded under the new initiatives program, as determined by the department.

(f) Bonding by award recipients.—With the approval of the department, an award recipient that is allowed by its enabling statute to issue bonds may do so for the purpose of financing a multiyear capital project. The bonds shall be issued in accordance with the provisions of the award recipient's enabling statute. The department shall enter into an agreement with the award recipient providing that payments of the capital funds sufficient to satisfy requirements of the bonds issued be made directly to the trustee and bond holders until such time as the bonds are retired.

(g) Certification.—The Commonwealth shall not provide financial assistance to a municipality under this section unless the municipality certifies the amount of its local match under subsection (c).

§ 1515. New initiatives program.

(a) Eligible applicants.—Persons eligible to apply for financial assistance under the asset improvement program shall also be eligible to apply for financial assistance under the new initiatives program.

(b) Applications.—In addition to the information required under section 1507 (relating to application and approval process), an application for financial assistance under this section shall include all of the information required in an application for financial assistance under section 1514 (relating to asset improvement program). If the application is for a proposed expansion of a capital asset, the application shall also contain evidence satisfactory to the department that the applicant will have sufficient future annual operating funds to support the proposed expansion.

(c) Limitation.—In making awards of financial assistance under this section, the department shall give priority to applicants that intend to use the funds in satisfaction of the local matching portion of federally approved projects funded pursuant to 49 U.S.C. § 5309 (relating to capital investment grants and loans). The department may fund projects that do not receive funding from the Federal New Starts Program if the applicant can provide sufficient justification that the project can meet all of the following requirements:

(1) Investments in existing service areas have been optimized.

(2) An analysis reveals a reasonable return on investment.

(3) Identification of the public benefit of the project.

(4) Required local funds are available to pay any required local match for the project and ongoing operating costs.

(5) There exists local technical ability and capacity to manage, construct and operate the project.

(6) The project is supported by the adoption of an integrated land use plan by local municipalities.

(d) Local match requirements.—Financial assistance under this section shall be matched by local or private cash funding in an amount not less than 100% of the amount of the grant. The source of funds for the local match shall be subject to the requirements of section 1513(d) (relating to operating program).

(e) Certification.—The Commonwealth shall not provide financial assistance to a municipality under this section unless the municipality certifies the amount of its local match under subsection (d).

§ 1516. Programs of Statewide significance.

(a) General rule.—Money in the fund allocated for programs of Statewide significance shall be used by the department to support public transportation programs, activities and services not otherwise fully funded through the operating program, capital program or asset improvement program. These include the following:

(1) The Persons with Disabilities Program.

(2) Intercity rail and bus services.

(3) Community transportation capital and service stabilization.

(4) The Welfare to Work Program and matching funds for Federal programs with similar intent.

(5) Demonstration and research projects.

(6) Technical assistance.

(7) (Reserved).

(8) (Reserved).

(9) (Reserved).

(10) (Reserved).

(11) Other public passenger transportation programs initiated by the department.

(b) Persons with disabilities.—The department shall establish and administer a program providing reduced fares to persons with disabilities on community transportation services and to provide financial assistance for start-up, administrative and capital expenses related to reduced fares for persons with disabilities. All of the following shall apply:

(1) A community transportation system operating in the Commonwealth other than in counties of the first and second class may apply for financial assistance under this subsection.

(2) The department may award financial assistance under this subsection for program start-up and for continuing capital expenses to offset administrative and capital expenses. For community transportation trips made by eligible persons with disabilities, financial assistance may be awarded to an eligible community transportation system to reimburse the system for up to 85% of the fare established for the general public for each trip which is outside of a fixed-route and paratransit service areas and not eligible for funding from any other program or funding source. The person making the trip or an approved third-party sponsor shall contribute the greater of 15% of the fare established for the general public or the Americans with Disabilities Act complementary paratransit fare.

(c) Intercity transportation.—The department is authorized to provide financial support for an efficient and coordinated intercity common carrier surface transportation program, consisting of both intercity rail and intercity bus transportation, with the intent of sustaining strong intercity connections. All of the following shall apply:

(1) An intercity passenger rail service provider, a local transportation organization, an agency or instrumentality of the Commonwealth and a transportation company that provides intercity public transportation service may apply for financial assistance under this subsection. The department is authorized to enter into joint service agreements with a railroad company, any other agency or instrumentality of the Commonwealth, a Federal agency or an agency or instrumentality of any other jurisdiction relating to property, buildings, structures, facilities, services, rates, fares, classifications, dividends, allowances or charges, including charges between intercity rail passenger service facilities, or rules or regulations pertaining thereto, for or in connection with or incidental to transportation in whole or in part upon intercity rail passenger service facilities.

(2) Operating assistance and capital assistance may be provided for intercity bus and rail services as determined by the department.

(3) For financial assistance to a transportation company, eligible matching funds shall consist only of cash income generated by the transportation company from its activities, other than the provision of public passenger transportation service, and contributed by the transportation company in the amount and for the time period specified in the financial assistance agreement.

(4) Local match requirements are as follows:

(i) For intercity bus operating and capital assistance, the department shall require a local match by local or private cash funding in an amount equal to 100% of the amount of the financial assistance being provided.

(ii) For intercity rail operating and capital assistance, the department shall require a local match on a case-by-case basis, taking into account the best interests of the Commonwealth.

(5) For purposes of this subsection, "local match" is defined as local revenue obtained from other nonsubsidized services, such as charter, school bus or profits realized from other intercity bus services. Local match shall not include any funds received from Federal or State sources.

(d) Community transportation.—

(1) The department is authorized to provide financial assistance under this section for all of the following:

(i) Capital expenditures for the provision of community transportation service.

(ii) To stabilize current service and fares.

(iii) To provide advice or technical assistance to analyze and enhance community transportation system resources and services.

(iv) To maximize available funding including Federal dollars.

(v) To ensure equitable cost sharing.

(2) The governing body of a county, other than a county of the first or second class, or a transportation company designated by the governing body of the county as the coordinator of community transportation service, and an agency or instrumentality of the Commonwealth may apply for financial assistance under this subsection subject to all of the following:

(i) An applicant for financial assistance for capital expenditures for the provision of public community transportation service shall certify to the department that it has taken all reasonable steps to coordinate local service for the elderly and persons with disabilities and that the services to be offered with the capital assets do not duplicate existing fixed-route services.

(ii) The governing body of a county or the coordinator described under this paragraph shall not be eligible for financial assistance for service stabilization if any of the following apply:

(A) The coordinator receives financial assistance under the operating program established under this chapter.

(B) The coordinator is a private for-profit provider.

(3) Financial assistance for service stabilization may only be provided for the following purposes:

(i) Short-term, long-term and strategic planning.

(ii) Technology investment.

(iii) Training programs designed to enhance transportation management and staff expertise.

(iv) Offsetting operating expenses that cannot be covered by fare revenue due to emergencies.

(v) Marketing activities.

(vi) Other stabilization purposes approved by the department.

(4) The department shall give high priority to providing financial assistance under this subsection as match for Federal funding to support capital projects for community transportation systems.

(5) The department shall conduct a study to evaluate the effectiveness and efficiency of community transportation service delivery as it relates to human service programs. The Department of Public Welfare, the Office of the Budget and the Department

of Aging and other appropriate Commonwealth agencies identified by the department shall participate and fully support the study to achieve the intended purposes. Within two years following the effective date of this section, these agencies shall make recommendations to the Governor and the Majority and Minority chairpersons of the Transportation Committee of the Senate and the Majority and Minority chairpersons of the Transportation Committee of the House of Representatives for improving coordination and efficiency of human services and community transportation.

(d) Welfare-to-work and Federal programs match.—The department is authorized to provide financial assistance under this section to design and implement projects and services and to reimburse award recipients for the expenses associated with the projects and services that identify and address public passenger transportation and related barriers preventing individuals eligible for participation in the Federal welfare-to-work program from securing and maintaining employment and from accessing community services and facilities. All of the following shall apply:

(1) A local transportation organization, a transportation company designated by a county as the coordinator of community transportation services and any other person approved by the department may apply to the department for financial assistance under this subsection.

(2) Financial assistance awarded under this subsection shall be used for any of the following purposes:

(i) Fixed-route service subsidy.

(ii) Contracted transportation services.

(iii) Fixed-route fare discounts.

(iv) Community transportation fare discounts.

(v) Taxi fare discounts.

(vi) Mileage reimbursement.

(vii) Vehicle purchase, insurance, maintenance and repair.

(viii) Driver education classes.

(ix) Administrative expenses.

(x) Case management expenses.

(xi) Any other activities consistent with the transportation related elements of the welfare-to-work program.

(3) The department shall give high priority to providing financial assistance under this subsection as match for Federal funding to support projects with similar purposes and eligible uses, including the Federal Job Access Reverse Commute and New Freedoms programs.

(e) Technical assistance and demonstration.—The department is authorized to provide financial assistance under this section for technical assistance, research and short-term demonstration projects. All of the following shall apply:

(1) A local transportation organization or an agency or instrumentality of the Commonwealth may apply to the department for financial assistance under this subsection.

(2) Financial assistance provided under this subsection may be used for reimbursement for any approved operating or capital costs related to technical assistance and demonstration program projects. Financial assistance for short-term demonstration projects may be provided at the department's discretion on an annual basis based on the level of financial commitment provided by the award recipient to provide ongoing future funding for the project as soon as the project meets the criteria established by the department and the award recipient. Financial assistance for this purpose shall not be provided for more than three fiscal years. Financial assistance may be provided to meet any short-term emergency need that requires immediate attention and cannot be funded through other sources.

(3) Financial assistance under this subsection provided to a local transportation organization shall be matched by local or private cash funding in an amount not less than 3 1/3% of the

amount of the financial assistance being provided. The sources of funds for the local match shall be subject to the requirements of section 1513(d) (relating to operating program).

§ 1517. Program oversight and administration.

The department is authorized to use available money in the fund to cover the costs incurred by the department in administering all of its public passenger transportation funding programs, including those established under this chapter, and incurred in the carrying out of its responsibilities with respect to the programs.

§ 1518. Retroactive authority.

(a) Date of project.—Financial assistance may be awarded under this chapter by the department with reference to an appropriate project irrespective of when it was first commenced or considered and regardless of whether costs with respect to the project were incurred prior to the time the financial assistance is applied for or provided.

(b) Capital projects.—

(1) For capital projects, the applicant must obtain approval in writing from the department prior to incurring any expenses for which the applicant may later seek reimbursement.

(2) Notwithstanding paragraph (1), approval by the department shall not constitute an approval of the applicant's underlying request for financial assistance.

(3) By providing preapproval under this subsection, the department may recognize any local funds already expended as satisfying the local match requirement if and when the applicant's application is approved.

Section 2.2. Sections 1713(a) and 1715(a) of Title 74 are amended to read:

§ 1713. Appointment of board members.

(a) Appointment.—Except as provided in subsection (d) with respect to the continuation in office of members of the board of any authority established under the former provisions of Article III of the act of January 22, 1968 (P.L.42, No.8), known as the Pennsylvania Urban Mass Transportation Law, or the former provisions of Chapter 15 (relating to metropolitan transportation authorities), at any time after the effective date of this chapter:

(1) The Governor may appoint as a member of the board one person who may be an ex officio appointee from among the various officials in this Commonwealth and whose term as a board member shall run concurrently with that of his Commonwealth position, if any, or the term of the appointing Governor, whichever is shorter.

(2) The Majority Leader and the Minority Leader of the Senate and the Majority Leader and the Minority Leader of the House of Representatives may each appoint one person to serve as a board member, whose term shall be concurrent with the term and who shall serve at the pleasure of the appointing legislative leader.

(3) The county commissioners or the county council in each county and, in any county of the first class containing a city of the first class, the mayor, with the approval of the city council, may appoint [two] persons from each county to serve as board members[,] as follows:

(i) Two members for counties which contribute less than 7.5% of total local match required for State operating financial assistance.

(ii) Three members for counties which contribute at least 7.5% but less than 25% of total local match required for State operating financial assistance.

(iii) Four members for counties which contribute at least 25% of total local match required for State operating financial assistance.

(4) On the effective date of this paragraph, any county which has a member of the board in excess of the number allotted under paragraph (3) will lose an appointment to the board upon the expiration of the term of the member whose term expires next, or if there is a vacancy, may not appoint a person to fill the vacancy.

(5) The Secretary of Budget.

(6) The Secretary of Transportation or his deputy secretary shall be nonvoting members.

(7) Each member appointed by a county shall have a professional background expertise or substantial experience in one or more of the following areas:

(i) Transportation.

(ii) Finance.

(iii) Law.

(iv) Tourism.

(v) Ridership community groups.

(vi) Land use and urban planning.

§ 1715. Meetings, quorum, officers and records.

(a) Meetings.—Regular meetings of the board shall be held in the metropolitan area at least once in each calendar month except July or August, the time and place of the meetings to be fixed by the board. A majority of the board shall constitute a quorum for the transaction of business. All action of the board shall be by resolution, and the affirmative vote of a majority of all the members shall be necessary for the adoption of any resolution. No action by the board to which an express objection has been made, under this section, by a board member or members representing a county or counties having one-third or more of the population of the metropolitan area, as determined by the most recent decennial census, shall be carried unless supported at a subsequent regular meeting of the board by the votes of at least [three-quarters] 70% of the voting membership of the board. In case of disagreement between members representing the same county, each member shall be deemed to represent [one-half] an equal proportion of the population of that county.

Section 2.3. Title 74 is amended by adding a chapter to read:

CHAPTER 81
TURNPIKE

Sec.

8101. Scope of chapter.

8102. Definitions.

8103. (Reserved).

8104. Status of turnpike revenue bonds, notes or other obligations.

8105. Commission.

8106. Exercise of commission powers.

8107. Commission powers and duties.

8108. Expenses and bonding of commission members.

8109. Acquisition of property rights by commission.

8110. Procedural requirements of acquisition.

8111. Entry and possession of property condemned.

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8113. Obligation proceeds restricted and lien created.

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8116. Collection and disposition of tolls and other revenue.

8116.1. Electronic toll collection.

8117. Refunding bonds.

8118. Rights of obligation holders and trustees.

8119. Authority granted to secretary.

8120. Construction of chapter.

§ 8101. Scope of chapter.

This chapter relates to turnpike organization, extension and toll road conversion.

§ 8102. Definitions.

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

"Commission." The Pennsylvania Turnpike Commission.

"Cost of the turnpikes." The term includes the cost of:

(1) Constructing turnpikes, connecting roads, storm water management systems, tunnels and bridges.

(2) Lands, property rights, rights-of-way, easements and franchises acquired by purchase or other means deemed necessary or convenient for construction.

(3) Machinery and equipment, financing charges and interest prior to construction, during construction and for one year after completion of construction.

(4) Traffic estimates, engineering and legal expenses, plans, specifications, surveys, cost and revenue estimates, other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative and legal expense and other expenses as may be necessary or incident to financing authorized in this chapter.

(5) Condemnation or other means of acquisition of property necessary for the construction and operation.

(6) An obligation or expense contracted for by the commission with the department or with the United States or a Federal agency for any of the following:

(i) Traffic surveys, preparation of plans and specifications, supervision of construction and other engineering and administrative and legal services and expenses in connection with the construction of the turnpike or any of the connecting roads, storm water management systems, tunnels and bridges.

(ii) Costs of reimbursing the Federal Government pursuant to the mandates of the Federal law for Federal funds expended for interstate or other highways which are to be made part of the turnpike system pursuant to this chapter.

"Department." The Department of Transportation of the Commonwealth.

"Electronic toll collection." A system of collecting tolls or charges that is capable of charging an account holder for the prescribed toll by electronic transmission of information between a device on a vehicle and a device in a toll lane at a toll collection facility.

"Lessee." A person, corporation, firm, partnership, agency, association or organization that rents, leases or contracts for the use of a vehicle and has exclusive use of the vehicle for any period of time.

"Lessor." A person, corporation, firm, partnership, agency, association or organization engaged in the business of renting or leasing vehicles to any lessee under a rental agreement, lease or other agreement under which the lessee has the exclusive use of the vehicle for any period of time.

"Operator." An individual that uses or operates a vehicle with or without permission of the owner.

"Owner." Except as provided under section 8116.1(e) (relating to electronic toll collection), an individual, copartnership, association or corporation having title or interest in a property right, easement or franchise authorized to be acquired under this chapter.

"Secretary." The Secretary of Transportation of the Commonwealth.

"Toll road conversion." The inclusion within the turnpike system and the imposition of tolls on the system of a highway that is presently toll free.

"Turnpikes." Any of the following:

(1) The turnpike, turnpike extensions and turnpike improvements.

(2) Toll-free roads to be converted to toll roads under this chapter.

(3) Related storm water management systems, tunnels and bridges, property rights, easements and franchises deemed necessary or convenient for the construction or the operation of the turnpike, turnpike extension, turnpike improvement and toll-free roads.

"Vehicle." The term as it is defined under 75 Pa.C.S. § 102 (relating to definitions).

"Violation enforcement system." A vehicle sensor, placed in a location to work in conjunction with a toll collection facility, which automatically produces a videotape or photograph, microphotograph or

other recorded image of the rear portion of each vehicle at the time the vehicle is used or operated in violation of the toll collection regulations. The term includes any other technology which identifies a vehicle by photographic, electronic or other method.

§ 8103. (Reserved).

§ 8104. Status of turnpike revenue bonds, notes or other obligations.

(a) General rule.—The turnpike revenue bonds, notes or other obligations issued under the provisions of this chapter shall not be deemed to be a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth, but bonds, notes or other obligations shall be payable solely from the revenues of the commission, including tolls, or from funds as may be available to the commission for that purpose.

(b) Statement required.—All bonds, notes or other obligations shall contain a statement on their face that the Commonwealth is not obligated to pay the same or the interest thereon except from revenues of the commission, including tolls, or from funds as may be available to the commission for that purpose and that the faith and credit of the Commonwealth is not pledged to the payment of the principal or interest of the bonds, notes or other obligations.

(c) Pledge of Commonwealth prohibited.—The issuance of turnpike revenue bonds, notes or other obligations under the provisions of this chapter shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation or to make any appropriation for their payment.

§ 8105. Commission.

(a) Members.—

(1) Notwithstanding any other law to the contrary, vacancies in the membership of the commission on or after the effective date of this subsection shall be filled as follows:

(i) The first vacancy shall be filled by a member to be appointed by the Majority Leader of the Senate.

(ii) The second vacancy shall be filled by a member to be appointed by the Minority Leader of the Senate.

(iii) The succeeding two vacancies shall be filled by members to be appointed by the Governor.

(2) Paragraph (1) shall apply to a vacancy on the commission which has occurred for any reason, but only as to a member serving on the effective date of this subsection.

(3) Notwithstanding any other law to the contrary, the Majority Leader of the House of Representatives and the Minority Leader of the House of Representatives shall each appoint one additional member to serve on the commission.

(4) A vacancy occurring during the term of a member appointed in accordance with this subsection shall be filled in a like manner only for the unexpired appointive term of the member whose office has become vacant.

(5) Members appointed under the provisions of this subsection shall serve for a term of four years. Upon the expiration of this term, an appointed member may continue to hold office for 90 days or until a successor shall be duly appointed and qualified, whichever period is shorter, but shall not continue to hold office thereafter unless reappointed in accordance with law.

(6) Vacancies filled under paragraph (1) and subsequent appointments made to the commission shall be without the advice and consent of the Senate.

(a.1) Advisory committee.—

(1) There is hereby established a Pennsylvania Turnpike Advisory Committee, which shall be composed of the following members:

(i) The Secretary of Community and Economic Development.

(ii) The Secretary of Revenue.

(iii) The State Treasurer.

(iv) The chairman and minority chairman of the Transportation Committee of the Senate.

(v) The chairman and minority chairman of the Transportation Committee of the House of Representatives.

(vi) Eight members of the public representing the area of concern specified who shall have extensive experience and knowledge of transportation activities throughout this Commonwealth to be appointed by the Governor as follows:

(A) Two representatives of the engineering community who are licensed and registered pursuant to the act of May 23, 1945 (P.L.913, No.367), known as the Engineer, Land Surveyor and Geologist Registration Law.

(B) Two representatives from the highway construction industry who have at least five years of highway construction and planning experience.

(C) Two representatives from organized labor unions.

(D) One member who shall be a certified public accountant.

(E) One member from the general public with at least five years of experience in transportation finance and infrastructure.

(2) Each of the members of the committee may designate a representative to serve in his stead. A member who designates a representative shall notify the chairman in writing of the designation.

(3) The term of all members of the committee appointed by the Governor shall be for three years. Any member of the committee may be reappointed for no more than two full successive terms. Any person appointed to fill a vacancy occurring prior to the expiration of the term to which his predecessor was appointed shall serve only for the unexpired term. Each member shall serve until the appointment of a successor.

(4) (i) The committee shall meet at least four times every 12 months, but may hold such additional meetings as are called by the chairman. The chairman shall provide notice at least 14 days in advance for regular meetings and provide a minimum of three days' notice for special meetings. A majority of the appointed members shall constitute a quorum for the conduct of business.

(ii) Minutes of meetings shall be prepared by the secretary and filed with the committee and distributed to all members. All records shall be a matter of public record.

(iii) The public members of the committee shall be allowed reasonable per diem expenses as established and paid for by the commission. The commission shall provide appropriate staff support to enable the committee to properly carry out its functions.

(5) The committee shall have the power and duty to consult and advise the Pennsylvania Turnpike Commission in assisting in developing, operating and financing tolled interstate systems within this Commonwealth in a timely, efficient and cost-effective manner. Specifically, the committee shall have the authority to conduct a study on the feasibility of instituting toll collections on major interstates that pass through the State.

(6) The committee shall submit an annual report of its deliberations and conclusions to the Governor and members of the General Assembly by November 30 of each year.

(7) The Governor shall appoint one member of the committee as chairperson. The members of the committee shall annually elect a vice chairperson, a secretary and a treasurer from among the members appointed to the committee.

(d) Secretary of Transportation.—The provisions of subsection (a.1) shall not apply to the appointment of the secretary who

shall continue to be appointed and to serve as a member of the commission ex officio in accordance with law.

(e) Chairman.—A majority of the members of the commission shall elect a member of the commission to serve as chairman. Upon the appointment and qualification of any new member to serve on the commission, the office of chairman, and the positions of all other officers created by law, shall be deemed vacant and a new chairman and other officers shall be elected by a majority of the members of the commission.

(f) Actions by the commission.—Notwithstanding any other law, court decision, precedent or practice to the contrary, any and all actions by or on behalf of the commission shall be taken solely upon the approval of a majority of the members to the commission. A majority of the members of the commission shall mean five members of the commission. The term "actions by or on behalf of the commission" means any action whatsoever of the commission, including, but not limited to, the hiring, appointment, removal, transfer, promotion or demotion of any officers and employees; the retention, use or remuneration of any advisors, counsel, auditors, architects, engineers or consultants; the initiation of any legal action; the making of any contracts, leases, agreements, bonds, notes or covenants; the approval of requisitions, purchase orders, investments and reinvestments; and the adoption, amendment, revision or rescission of any rules and regulations, orders or other directives. The chairman, vice chairman or any other officer or employee of the commission may take no action by or on behalf of the commission except as expressly authorized by a majority of the members of the commission.

(g) Compensation.—The annual salary of the Chairman of the Pennsylvania Turnpike Commission shall be \$28,500, and the annual salary of the remaining members of the Pennsylvania Turnpike Commission shall be \$26,000. These salaries shall be paid in equal installments every other week.

§ 8106. Exercise of commission powers.

The exercise by the commission of the powers conferred by this chapter in the construction, operation and maintenance of the turnpikes and in effecting toll road conversions shall be deemed and held to be an essential governmental function of the Commonwealth.

§ 8107. Commission powers and duties.

(a) Powers and duties of commission.—The commission may:

(1) Maintain a principal office at a place designated by the commission.

(2) Contract and be contracted within its own name.

(3) Sue and be sued in its own name, plead and be impleaded. Any civil action against the commission shall be brought only in the courts in which actions may be brought against the Commonwealth.

(4) Have an official seal.

(5) Make necessary rules and regulations for its own government and in control of traffic.

(6) Acquire, hold, accept, own, use, hire, lease, exchange, operate and dispose of personal property, real property and interests in real property and make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter and employ engineering, traffic, architectural and construction experts and inspectors, attorneys and other employees as may in its judgment be necessary and fix their compensation.

(7) (i) Provide grade separations at its own expense with respect to all public roads, State highways and interstate highways intersected by the turnpikes and to change and adjust the lines and grades thereof so as to accommodate the same to the design for grade separation.

(ii) The damages incurred in changing and adjusting the lines and grades of public roads, State highways and interstate highways shall be ascertained and paid by the commission in accordance with 26 Pa.C.S. (relating to eminent domain).

(iii) If the commission shall find it necessary to provide a grade separation or change the site of any portion of any interstate highway, State highway or public road, or vacate the same, the commission shall cause it to be reconstructed and restored at the commission's expense on the most favorable location and in as satisfactory a manner as the original road or vacate it as the case may be.

(iv) The method of acquiring the right-of-way and determining damages incurred in changing the location of or vacating the road, State highway or interstate highway shall be ascertained and paid for in accordance with 26 Pa.C.S.

(8) Petition the court of common pleas of the county in which any public road or part thereof is located and affected by the location of the turnpikes, for the vacation, relocation or supply of the same or any part thereof with the same force and effect as is now given by existing laws to the inhabitants of any township or the county, and the proceedings upon petition, whether for the appointment of viewers or otherwise, shall be the same as provided by existing law for similar proceedings upon the petitions.

(9) Have all of the powers and perform all the duties prescribed by the act of May 21, 1937 (P.L.774, No.211), referred to as the Pennsylvania Turnpike Commission Act.

(b) Maintenance to be paid out of tolls.—

(1) The turnpike extensions and improvements and the conversion of toll-free roads to toll roads when completed and open to traffic shall be maintained and repaired by and under the control of the commission.

(2) All charges and costs for the maintenance and repairs actually expended by the commission shall be paid out of tolls.

(3) The turnpike, the turnpike extensions and improvements and the toll-free roads converted to toll roads shall also be policed and operated by a force of police, toll takers and other operating employees as the commission may in its discretion employ.

§ 8108. Expenses and bonding of commission members.

(a) Payment of expenses.—All compensation and salaries and all expenses incurred in carrying out the provisions of this chapter shall be paid solely from funds provided under the authority of this chapter, and no liability or obligation shall be incurred under this chapter beyond the extent to which money shall have been provided under the authority of this chapter.

(b) No additional bond required.—The issuance of any turnpike revenue bonds, notes or other obligations under the provisions of this chapter shall not cause any member of the commission to be required to execute a bond that a member of the commission is not otherwise required to execute.

§ 8109. Acquisition of property rights by commission.

(a) Condemnation.—The commission may condemn, pursuant to 26 Pa.C.S. (relating to eminent domain), any lands, interests in lands, property rights, rights-of-way, franchises, easements and other property deemed necessary or convenient for the construction and efficient operation of the turnpikes and the toll road conversions or necessary in the restoration or relocation of public or private property damaged or destroyed.

(b) Purchase.—

(1) The commission may acquire by purchase, whenever it shall deem the purchase expedient, or otherwise accept if dedicated to it, any lands, interests in lands, property rights, rights-of-way, franchises, easements and other property deemed necessary or convenient for the construction and efficient operation of the turnpikes and toll road conversions or necessary in the restoration of public or private property damaged or destroyed, whether the property has been previously condemned or otherwise, upon terms and at a price as may be considered by the commission to be reasonable and can be agreed upon

between the commission and the owner thereof and to take title thereto in the name of the commission.

(2) The net proceeds of the purchase price payable to a municipality or the department for any real property or interest therein obtained by the commission pursuant to this chapter, less the cost of retiring any bonded indebtedness on the property or interest, shall be used exclusively, in the case of a municipality, for road-related and bridge-related expenses and, in the case of the department, for highway and bridge construction, reconstruction and maintenance in the same engineering and maintenance district in which the property is located.

§ 8110. Procedural requirements of acquisition.

(a) Title.—Title to any property condemned by the commission shall be taken in the name of the commission.

(b) Entry.—

(1) In addition to any others powers set forth in this chapter, the commission and its authorized agents and employees may enter upon any lands, waters and premises in this Commonwealth for the purpose of making surveys, soundings, drillings and examinations, as it may deem necessary or convenient for the purpose of this chapter.

(2) The entry shall not be deemed a trespass, nor shall an entry for the purposes be deemed an entry under any condemnation proceedings which may be then pending.

(3) The commission shall make reimbursement for any actual damages resulting to the lands, waters and premises as a result of the activities.

(c) Restoration of property.—Any public or private property damaged or destroyed in carrying out the powers granted by this chapter shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made for the property out of funds provided under the authority of this chapter.

(d) Powers of public bodies.—Notwithstanding any other provision of law to the contrary, a political subdivision and a public agency and commission of the Commonwealth may lease, lend, dedicate, grant, convey or otherwise transfer to the commission, upon its request, upon terms and conditions as the proper authorities of the political subdivisions or public agencies and commissions of the Commonwealth may deem reasonable and fair and without the necessity for any advertisement, order of court or other action or formality, other than the regular and formal action of the authorities concerned, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the commission, including public roads and other real property already devoted to public use.

§ 8111. Entry and possession of property condemned.

Whenever the commission has condemned any lands, rights, rights-of-way, easements and franchises, or interests therein, as provided in this chapter, the commission may proceed to obtain possession in the manner provided by 26 Pa.C.S. (relating to the eminent domain).

§ 8112. Issuance of turnpike revenue bonds or other obligations.

(a) Authorization.—

(1) A bond must be authorized by resolution of the commission. The resolution may specify all of the following:

(i) Series.

(ii) Date of maturity not exceeding 40 years from date of issue.

(iii) Interest.

(iv) Denomination.

(v) Form, either coupon or fully registered without coupons.

(vi) Registration, exchangeability and interchangeability privileges.

(vii) Medium of payment and place of payment.

(viii) Terms of redemption not exceeding 105% of the principal amount of the bond.

(ix) Priorities in the revenues or receipts of the commission.

(2) A bond must be signed by or shall bear the facsimile signature of such officers as the commission determines. Coupon bonds must have attached interest coupons bearing the facsimile signature of the treasurer of the commission as prescribed in the authorizing resolution. A bond may be issued and delivered notwithstanding that one or more of the signing officers or the treasurer has ceased to be an officer when the bond is actually delivered. A bond must be authenticated by an authenticating agent, a fiscal agent or a trustee, if required by the authorizing resolution.

(3) A bond may be sold at public or private sale for a price determined by the commission.

(4) Pending the preparation of a definitive bond, interim receipts or temporary bonds with or without coupons may be issued to the purchaser and may contain terms and conditions as the commission determines.

(b) Provisions.—A resolution authorizing a bond may contain provisions which shall be part of the contract with the bondholder as to the following:

(1) Pledging the full faith and credit of the commission but not of the Commonwealth or any political subdivision for the bond or restricting the obligation of the commission to all or any of the revenue of the commission from all or any projects or properties.

(2) The construction, financing, improvement, operation, extension, enlargement, maintenance and repair for the payment of the costs of the turnpikes and the toll road conversions, including the reconstruction of the converted roads as provided for in this chapter and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads, the financing for insurance reserves and the duties of the commission with reference to these matters.

(3) Terms and provisions of the bond.

(4) Limitations on the purposes to which the proceeds of the bond or other financing may be applied.

(5) Rate of tolls and other charges for use of the facilities of or for the services rendered by the commission.

(6) The setting aside, regulation and disposition of reserves and sinking funds.

(7) Limitations on the issuance of additional bonds.

(8) Terms and provisions of any deed of trust or indenture securing the bond or under which any deed of trust or indenture may be issued.

(9) Other additional agreements with the holder of the bond.

(c) Deeds of trust.—The commission may enter into any deed of trust, indenture or other agreement with any bank or trust company or other person in the United States having power to enter into such an arrangement, including any Federal agency, as security for a bond and may assign and pledge all or any of the revenues or receipts of the commission under such deed, indenture or agreement. The deed of trust, indenture or other agreement may contain provisions as may be customary in such instruments or as the commission may authorize, including provisions as to the following:

(1) Construction, financing, improvement, operation, maintenance and repair for the payment of the costs of the turnpikes and the toll road conversions, including the reconstruction of the converted roads as provided for in this chapter and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads, financing for insurance reserves and the duties of the commission with reference to these matters.

(2) Application of funds and the safeguarding of funds on hand or on deposit.

(3) Rights and remedies of trustees and bondholders, including restrictions upon the individual right of action of a bondholder.

(4) Terms and provisions of the bond or the resolution authorizing the issuance of the bond.

(d) Negotiability.—A bond shall have all the qualities of negotiable instruments under 13 Pa.C.S. Div. 3 (relating to negotiable instruments).

§ 8113. Obligation proceeds restricted and lien created.

All money received from any bonds, notes or other obligations issued under this chapter shall be applied solely to the payment of the cost of the turnpike, the turnpike extensions and improvements and the toll road conversions, including the reconstruction of the converted roads as provided for in this chapter and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads or to the appurtenant fund. There is created and granted a lien upon the money, until so applied, in favor of holders of the bonds, notes or other obligations or the trustee provided for in this chapter in respect of the bonds, notes or other obligations.

§ 8114. Trust indenture authorized.

(a) Security for bonds.—In the discretion of the commission, the bonds, notes or other obligations may be secured by a trust indenture by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company, within this Commonwealth. The trust indenture may pledge or assign tolls and revenue to be received but shall not convey or mortgage the Pennsylvania Turnpike System, including the turnpikes and toll road conversions provided for by this chapter.

(b) Rights of bondholders.—Either the resolution providing for the issuance of the bonds, notes or other obligations or the trust indenture may contain provisions for protecting and enforcing the rights and remedies of the bondholders or holders of notes or other obligations as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission in relation to the acquisition of properties and the construction, maintenance, operation and repair and insurance of the turnpikes, and the custody, safeguarding and application of all money. It shall be lawful for any bank or trust company incorporated under the laws of this Commonwealth to act as a depository of the proceeds of bonds, notes or other obligations or revenues and to furnish the indemnity bonds or to pledge the securities as may be required by the commission. The trust indenture may set forth the rights and remedies of the bondholders or holders of notes or other obligations and of the trustee and may restrict the individual right of action of bondholders or holders of notes or other obligations as is customary in trust indentures securing bonds, debentures of corporations, notes or other obligations. In addition to the foregoing, the trust indenture may contain other provisions as the commission may deem reasonable and proper for the security of bondholders or holders of notes or other obligations. All expenses incurred in carrying out the trust indenture may be treated as part of the cost of maintenance, operation and repair of the turnpikes and toll road conversions provided for by this chapter.

§ 8115. Commission and obligations tax exempt.

The accomplishment by the commission of the authorized purposes stated in this chapter being for the benefit of the people of this Commonwealth and for the improvement of their commerce and prosperity, in which accomplishment the commission will be performing essential governmental functions, the commission shall not be required to pay any taxes or assessments on any property acquired or used by it for the purposes provided in this chapter, and the bonds, notes or other obligations issued by the commission, their transfer and the income therefrom, including any profits made on the sale thereof, shall at all times be free from taxation within this Commonwealth.

§ 8116. Collection and disposition of tolls and other revenue.

(a) Establishment and changes in toll amounts.—Subject to the terms of any trust indenture entered into by the commission, any resolution authorizing the issuance of any bonds, notes or other obligations of the commission, the commission is authorized: to fix and to revise tolls for the use of the Pennsylvania Turnpike System and the different parts or sections of the system, including the turnpike, the turnpike extensions and improvements and the toll road conversions authorized by this chapter: to charge and collect the tolls; to contract with any person, partnership, association or corporation desiring the use of any part thereof, including the right-of-way adjoining the paved portion, for placing thereon telephone, telegraph, electric light or power lines, gas stations, garages, stores, hotels, restaurants and advertising signs, or for any other purpose, except for tracks for railroad or railway use; and to fix the terms, conditions, rents and rates of charges for use. Tolls shall be fixed and adjusted as to provide funds at least sufficient with other revenues of the Pennsylvania Turnpike System, if any, to pay:

(1) the cost of constructing, maintaining, repairing and operating the Pennsylvania Turnpike System and the different parts and sections of the system; and

(2) any bonds, notes or other obligations and the interest thereon of the commission, and all sinking fund requirements of the commission, and other requirements provided for by any resolution authorizing the issuance of the bonds, notes or other obligations by the commission, or by any trust indenture to which the commission is a party, as the same shall become due.

(b) Restrictions on toll revenue.—Tolls shall not be subject to supervision or regulation by any other State commission, board, bureau or agency. Subject to the terms of any presently existing trust indenture entered into by the commission and any presently existing resolution authorizing the issuance of any bonds, notes or other obligations of the commission, the tolls and all other revenue derived from the Pennsylvania Turnpike System shall be set aside and pledged as may be provided in any resolutions, trust indentures or any other agreements that the commission may hereafter adopt or hereafter enter into with respect to the issuance of bonds, notes or other obligations of the commission.

§ 8116.1. Electronic toll collection.

(a) Liability of owner.—

(1) If an operator of a vehicle fails to pay the prescribed toll at any location where tolls are collected by means of electronic toll collection, the owner of the vehicle shall be liable to the commission for failure of the operator of the vehicle to comply with this section if the violation is evidenced by information obtained from a violation enforcement system.

(2) If a violation of this section is committed, the registration plate number of the vehicle as recorded by a violation enforcement system shall establish an inference that the owner of the vehicle was then operating the vehicle. The inference shall be overcome if the owner does all of the following:

(i) Testifies that the owner was not operating the vehicle at the time of the violation.

(ii) Submits to an examination as to who at the time was operating the vehicle.

(iii) Reveals the name and residence address, if known, of the operator of the vehicle.

(3) If an action or proceeding is commenced in a county other than that of the residence of the owner, a verified written statement setting forth the facts prescribed under paragraph (2)(i), (ii) and (iii) shall suffice to overcome the inference.

(4) If the inference is overcome, the operator of the vehicle may be held liable under this section for failure to pay the prescribed toll in the same manner as if the operator were the owner of the vehicle.

(b) Imposition of liability.—Liability under this section shall be imposed upon an owner for a violation of this section or the regulations

of the commission occurring within the territorial limits of this Commonwealth. If a violation is committed as evidenced by a violation enforcement system, the following shall apply:

(1) The commission or an authorized agent or employee must prepare and mail a notice of violation as follows:

(i) The notice of violation must be sent by first class mail to each person alleged to be liable as an owner for a violation of this section.

(ii) The notice must be mailed at the address shown on the vehicle registration or at the address of the operator, as applicable. Notice must be mailed no later than 60 days after:

(A) the alleged conduct; or

(B) the date the inference is overcome under subsection (a)(2).

(iii) Personal service is not required.

(iv) The notice must contain all of the following:

(A) Information advising the person charged of the manner and time in which the liability alleged in the notice may be contested.

(B) A warning advising the person charged that failure to contest in the manner and time provided shall be deemed an admission of liability and that a default judgment may be entered on the notice.

(1.1) A manual or automatic record of mailing prepared in the ordinary course of business shall be prima facie evidence of the mailing of notice.

(2) If an owner of a vehicle or an owner that is a lessor of a vehicle receives a notice of violation under this section for any time period during which the vehicle was reported to a police department as having been stolen, it shall be a defense to the allegation of liability that the vehicle had been reported to the police as having been stolen prior to the time the violation occurred and that the vehicle had not been recovered by the time of the violation. For purposes of asserting the defense under this paragraph, it shall be sufficient that a certified copy of the police report on the stolen vehicle be sent by first class mail to the commission within 30 days after receiving the original notice of violation. Failure to send the information within the time limit under this paragraph shall render the owner or lessor liable for the penalty prescribed by this section.

(3) An owner that is a lessor of a vehicle as to which a notice of violation was issued under paragraph (1) shall not be liable for a violation if the owner sends to the commission a copy of the rental, lease or other contract document covering the vehicle on the date of the violation, with the name and address of the lessee clearly legible to the commission, within 30 days after receiving the original notice of violation. Failure to send the information within the time limit under this paragraph shall render the lessor liable for the penalty prescribed by this section. If the lessor complies with the provisions of this section, the lessee of the vehicle on the date of the violation shall be deemed to be the owner of the vehicle for purposes of this section and shall be subject to liability for the penalty under this section.

(4) A certified report or a facsimile report of an authorized agent or employee of the commission reporting a violation of this section or regulations of the commission based upon the recorded information obtained from a violation enforcement system shall be prima facie evidence of the facts contained in the report and shall be admissible as an official record kept in the ordinary course of business in any proceeding charging a violation of this section or the toll collection regulations of the commission.

(5) Notwithstanding any other provision of law, videotapes, photographs, microphotographs, other recorded images, written records, reports or facsimiles prepared pursuant to this section shall be for the exclusive use of the commission,

its authorized agents, its employees and law enforcement officials for the purpose of discharging duties under this section and the regulations of the commission. The information shall not be deemed a public record under the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law. The information shall not be discoverable by court order or otherwise; nor shall it be offered in evidence in any action or proceeding which is not directly related to a violation of this section, the regulations of the commission or indemnification for liability imposed pursuant to this section. The restrictions set forth in this paragraph:

(i) shall not be deemed to preclude a court of competent jurisdiction from issuing an order directing that the information be provided to law enforcement officials if the information is reasonably described and is requested solely in connection with a criminal law enforcement action;

(ii) shall not be deemed to preclude the exchange of the information between any entities with jurisdiction over or which operate an electronic toll collection system in this Commonwealth or any other jurisdiction; and

(iii) shall not be deemed to prohibit the use of information exclusively for the purpose of billing electronic toll collection account holders, deducting toll charges from the account of an account holder, enforcing toll collection laws and related regulations or enforcing the provisions of an account holder agreement.

(6) An imposition of liability under this section must be based upon a preponderance of evidence.

(7) An imposition of liability pursuant to this section shall not be deemed a conviction of an owner and shall not be made part of the motor vehicle operating record of the person upon whom the liability is imposed, nor shall it be considered in the provision of motor vehicle insurance coverage.

(8) An owner that admits, is found liable or fails to respond to the notice of violation for a violation of this section shall be civilly liable to the commission for all of the following:

(i) Either:

(A) the amount of the toll evaded or attempted to be evaded if the amount can be determined; or

(B) the maximum toll from the farthest point of entry on the Pennsylvania Turnpike to the actual point of exit if the amount of the toll evaded or attempted to be evaded cannot be determined.

(ii) A reasonable administrative fee not to exceed \$35 per notification.

(9) Nothing in this section shall be construed to limit the liability of the operator of a vehicle for a violation of this section or of the regulations of the commission.

(c) Placement of electronic toll collection device.—An electronic toll collection device which is affixed to the front windshield of a vehicle in accordance with the regulations of the commission shall not be deemed to constitute a violation of 75 Pa.C.S. § 4524 (relating to windshield obstructions and wipers).

(d) Privacy of electronic toll collection account holder information.—

(1) Except as set forth paragraph (2), notwithstanding any other provision of law, all of the following apply to information kept by the commission, its authorized agents or its employees which is related to the account of an electronic toll collection system account holder:

(i) The information shall be for the exclusive use of the commission, its authorized agents, its employees and law enforcement officials for the purpose of discharging their duties pursuant to this section and the regulations of the commission. This subparagraph

includes names, addresses, account numbers, account balances, personal financial information, vehicle movement records and other information compiled from transactions with the account holders.

(ii) The information shall not be deemed a public record under the Right-to-Know Law, nor shall it be discoverable by court order or otherwise or be offered in evidence in any action or proceeding which is not directly related to the discharge of duties under this section, the regulations of the commission or a violation of an account holder agreement.

(2) Paragraph (1) shall not be deemed to do any of the following:

(i) Preclude a court of competent jurisdiction from issuing an order directing that the information be provided to law enforcement officials if the information is reasonably described and is requested solely in connection with a criminal law enforcement action.

(ii) Preclude the exchange of the information between any entities with jurisdiction over or which operate an electronic toll collection system in this Commonwealth or any other jurisdiction.

(iii) Prohibit the use of the information exclusively for the purpose of billing electronic toll collection account holders, deducting toll charges from the account of an account holder, enforcing toll collection laws and related regulations or enforcing the provisions of an account holder agreement.

(e) Definition.—As used in this section, the term "owner" means any person, corporation, firm, partnership, agency, association, organization or lessor that, at the time a vehicle is operated in violation of this section or regulations of the commission:

(1) is the beneficial or equitable owner of the vehicle;

(2) has title to the vehicle; or

(3) is the registrant or coregistrant of the vehicle registered with the department or a comparable agency of another jurisdiction or uses the vehicle in its vehicle renting or leasing business. The term includes a person entitled to the use and possession of a vehicle subject to a security interest in another person.

§ 8117. Refunding bonds.

The commission is authorized to provide, by resolution, for the issuance of turnpike revenue refunding bonds for the purpose of refunding issued and outstanding turnpike revenue bonds, notes or other obligations. Applicable provisions of this chapter govern all of the following:

(1) Issuance of the turnpike revenue refunding bonds.

(2) Maturities and other details of the refunding bonds.

(3) Rights of the holders of the bonds.

(4) Duties of the Commonwealth and of the commission in respect to the bonds.

§ 8118. Rights of obligation holders and trustees.

(a) Scope.—This section applies to all of the following:

(1) A holder of:

(i) a bond, note or other obligation issued under this chapter; or

(ii) a coupon attached to the bond, note or other obligation.

(2) The trustee under an applicable trust indenture.

(b) Enforcement.—Subject to subsection (c), a person referred to in subsection (a) may, by an action at law or in equity, do all of the following:

(1) Protect and enforce rights granted under this chapter or under the resolution or trust indenture.

(2) Enforce and compel performance of all duties required by this chapter or by the resolution or trust indenture to be performed by the commission or an officer of the commission.

This paragraph includes fixing, charging and collecting of tolls for the use of the turnpikes.

(c) Restriction.—Rights under this chapter may be restricted by resolution passed before the issuance of the bond, note or other obligation or by the trust indenture.

§ 8119. Authority granted to secretary.

(a) Agreement with Federal Government.—

(1) The secretary is authorized to enter into an agreement with the United States Department of Transportation, the Federal Highway Administration and any other Federal agency to obtain Federal funds for projects for resurfacing, restoring and rehabilitating toll roads in this Commonwealth. The commission is authorized to use Federal funds which may be available for toll roads only upon approval of the secretary and only under the authority granted under this section.

(2) (Reserved).

(b) Approval by department.—Contracts and agreements relating to the construction of the turnpikes and connecting tunnels and bridges must be approved by the department.

§ 8120. Construction of chapter.

This chapter shall be regarded as supplemental and additional to powers conferred by other statutes and shall not be regarded as in derogation of any powers now existing and shall be liberally construed to effect its purposes.

Section 2.4. Section 8901 of Title 75 is amended to read:

§ 8901. Definitions.

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

"Annual additional rent." That portion of the rent payable to the Department of Transportation under section 8915.3(5) (relating to lease of Interstate 80).

"Annual base rent." That portion of the rent payable to the Department of Transportation under section 8915.3(4) (relating to lease of Interstate 80).

"Annual surplus rent." That portion of the rent payable to the Department of Transportation under section 8915.3(6) (relating to lease of Interstate 80).

"Auditor General's certificate." The certificate issued by the Auditor General within 180 days after the end of each fiscal year of the Pennsylvania Turnpike Commission certifying all of the following:

(1) The amount of the general reserve fund surplus for the fiscal year.

(2) Interstate 80 savings for the fiscal year.

(3) After review of the commission's current ten-year capital plan, that the transfer of the general reserve fund surplus under section 8915.3 (relating to lease of Interstate 80) shall not impair the ability of the commission to meet its obligations under the lease agreement or the commission's ten-year capital plan.

"Commission." The Pennsylvania Turnpike Commission.

"Conversion date." The date the Pennsylvania Turnpike Commission intends to assume control over Interstate 80 as set forth in the conversion notice.

"Conversion notice." Written notice to the Secretary of Transportation from the Pennsylvania Turnpike Commission providing notice of its intent to assume control over Interstate 80 under section 8915.3(3) (relating to lease of Interstate 80).

"Conversion period." A period of three years:

(1) which begins on the date of execution of the lease agreement; and

(2) during which the Pennsylvania Turnpike Commission may give the Department of Transportation conversion notice or notice that the commission has exercised its option to extend the conversion period pursuant to section 8915.3(2) (relating to lease of Interstate 80).

"Fiscal year." The fiscal year of the Pennsylvania Turnpike Commission.

"General reserve fund surplus." The amount which:

(1) is certified by the Auditor General in the Auditor General's certificate as existing in the Pennsylvania Turnpike Commission's general reserve fund on the last day of the fiscal year; and

(2) is not required to be retained in the general reserve fund pursuant to any financial documents, financial covenants, insurance policies, liquidity policies or agreements, swap agreements or rating agency requirements in effect at the commission.

"Interstate 80 savings." An amount equal to the following:

(1) Prior to the conversion date, the amount shall be zero.

(2) After the conversion date, the amount certified in the Auditor General's certificate equal to \$100,000,000, increased by 4% for each year after the year of execution of the lease agreement.

"Lease agreement." A lease agreement between the Department of Transportation and the Pennsylvania Turnpike Commission which shall include provisions setting forth the terms of the conversion of Interstate 80 to a toll road.

"Scheduled annual commission contribution." The following amounts:

(1) \$700,000,000 in fiscal year 2007-2008.

(2) \$750,000,000 in fiscal year 2008-2009.

(3) \$800,000,000 in fiscal year 2009-2010.

(4) \$800,000,000 increased by 2.5% for each fiscal year after fiscal year 2009-2010.

Section 2.5. Section 8911 introductory paragraph of Title 75 is amended and the section is amended by adding a paragraph to read:

§ 8911. Improvement and extension authorizations.

In order to facilitate vehicular traffic within and across this Commonwealth, the commission is hereby authorized and empowered to construct, reconstruct, widen, expand, extend, operate and maintain turnpike extensions and turnpike improvements at such specific locations and according to such schedule as shall be deemed feasible and approved by the commission, together with connecting roads, storm water management systems, interchanges, slip ramps, tunnels and bridges, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

* * *

(10) Other slip ramps and interchanges as the commission may determine.

Section 2.6. Sections 8912 introductory paragraph, 8913, 8914 introductory paragraph and 8915 introductory paragraph of Title 75 are amended to read:

§ 8912. Subsequent extension authorizations.

The commission is also hereby authorized and empowered to construct, reconstruct, widen, expand, extend, operate and maintain further extensions and improvements of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

* * *

§ 8913. Additional subsequent extension authorizations.

Upon substantial completion of the turnpike extensions and improvements set forth in sections 8911 (relating to improvement and extension authorizations) and 8912 (relating to subsequent extension authorizations), the commission is hereby authorized and empowered to construct, reconstruct, widen, expand, extend, operate and maintain further extensions and improvements of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows: construct from a point at or near Interstate Route 80 Interchange 23 at Milesburg southwesterly generally along U.S. Route 220 to a connection with the existing U.S. Route 220 Expressway south of Bald Eagle.

§ 8914. Further subsequent authorizations.

Upon completion of the turnpike extensions and improvements set forth in sections 8911 (relating to improvement and extension authorizations), 8912 (relating to subsequent extension authorizations) and 8913 (relating to additional subsequent extension authorizations), the commission is hereby authorized and empowered to construct, reconstruct, widen, expand, extend, operate and maintain further extensions and improvements of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

* * *

§ 8915. Conversion to toll roads.

In order to facilitate vehicular traffic within and across this Commonwealth, and [after] to facilitate the completion of the turnpike extensions and improvements authorized in section 8911 (relating to improvement and extension authorizations), and subject to prior legislative approval by the General Assembly and the United States Congress, the commission is hereby authorized and empowered to convert to toll roads such portions of Pennsylvania's interstate highway system as may [be required in order to] facilitate the completion of the turnpike extensions and improvements authorized in sections 8912 (relating to subsequent extension authorizations), 8913 (relating to additional subsequent extension authorizations) and 8914 (relating to further subsequent authorizations) and to operate and maintain such converted interstates as toll roads upon the approval by the Congress of the United States of America and the General Assembly of this Commonwealth of legislation expressly permitting the conversion of such interstates to toll roads. Such conversions shall take place at a time and manner set forth in the plan for the conversion prepared by the commission with the cooperation of the department. The provisions authorizing the commission to construct, operate and maintain the turnpike routes in sections 8911, 8912 and 8913 shall be subject to:

* * *

Section 2.7. Title 75 is amended by adding sections to read:

§ 8915.1. Conversion of Interstate 80.

In order to facilitate vehicular traffic across this Commonwealth, the commission is authorized and empowered to do all of the following:

(1) Construct, reconstruct, widen, expand, extend, operate, maintain and maintain and operate Interstate 80 from a point at or near the Ohio border to a point at or near the New Jersey border, together with connecting roads, interchanges, slip ramps, tunnels and bridges.

(2) Issue turnpike revenue bonds, notes or other obligations, payable solely from revenues of the commission, including tolls, or from funds as may be available to the commission for that purpose, to pay the cost of construction, reconstructing, widening, expanding or extending or any other costs of the Pennsylvania Turnpike.

(3) Convert to a toll road Interstate 80 and to operate and maintain the converted interstate as a toll road.

§ 8915.2. Application to United States Department of Transportation.

(a) Application.—The commission, in consultation with the department and at its own expense, is authorized to prepare and submit an application to the United States Department of Transportation in accordance with 23 U.S.C. § 129 (relating to toll roads, bridges, tunnels, and ferries) for the conversion of Interstate 80 to a toll road under the Interstate Reconstruction and Rehabilitation Pilot Program or in accordance with any other applicable Federal program or provision of law. The secretary shall ensure that all information required for the application is made available to the commission as soon as practicable after the effective date of this section. If the application is submitted pursuant to the Interstate Reconstruction and Rehabilitation Pilot Program, it shall contain all of the following:

(1) A consulting civil engineer's report assessing the current physical conditions of the roadbed, pavement, bridges and interchanges and projecting the costs to upgrade

Interstate 80, the costs for additional improvements and implementation of the tolling facilities and existing funds available for Interstate 80, absent tolling and concluding that the facility would not be maintained or improved to meet current or future needs from the Commonwealth's apportionments and allocations and from revenues for highways from any other source without toll revenues.

(2) A traffic and revenue report completed by a third-party consultant forecasting future traffic and revenue over a minimum of 20 years.

(3) An environmental scoping analysis assessing the fiscal impact, any air and water quality issues and the involvement of local metropolitan planning organizations.

(4) A construction and operational plan for the implementation of the Toll Pilot Program for Interstate 80 which:

(i) assumes completion no later than five years after financing;

(ii) includes a plan for implementing the imposition of tolls on use of Interstate 80, a schedule and finance plan for the reconstruction and rehabilitation of Interstate 80 using toll revenues and a description of the public transportation agency that will be responsible for implementation and administration of the toll pilot program.

(5) A financial analysis demonstrating that tolling Interstate 80 will produce sufficient revenue to pay debt service on any bonds and loans incurred with respect to the Toll Pilot Program.

(b) Open system.—A toll system shall consist of what is commonly referred to as an open system.

§ 8915.3. Lease of Interstate 80.

The department and the commission shall enter into a lease agreement relating to Interstate 80. The lease agreement shall include provisions setting forth the terms and conditions of the conversion of Interstate 80 to a toll road. The lease agreement, at a minimum, shall include the following:

(1) A provision that the term of the lease agreement shall be 50 years, unless extended upon mutual agreement of the parties to the lease agreement.

(2) A provision establishing a conversion period and authorizing extension of the conversion period at the sole option of the commission for three one-year extension periods after consultation with the secretary. The commission shall notify the secretary of its intent to extend the conversion period not less than 90 days before the scheduled expiration of the conversion period. During the conversion period, all legal, financial and operational responsibility for Interstate 80 shall remain with the department. All operations and programmed rehabilitation shall be maintained at levels no less favorable than those set forth in the department's 12-year plan at the time of the execution of the lease, with modifications as are approved in writing by the chairman of the commission.

(3) A provision permitting the commission to exercise its option to convert Interstate 80 to a toll road prior to the expiration of the conversion period by providing the conversion notice to the secretary. Beginning on the conversion date, all legal, financial and operational responsibility for Interstate 80, as well as all toll revenues collected with respect to its use, shall be transferred from the department to the commission. The commission shall contract with the department for any portion of the maintenance of Interstate 80 at cost levels no less favorable than those of the department on the conversion date.

(4) A provision requiring the commission to pay annual base rent to the department during the term of the lease agreement in the following manner and equal to the following amounts:

(i) Annual debt service on outstanding bonds issued under section 9511.2 (relating to special revenue

bonds payable solely from pledged revenues of Motor License Fund) payable as required pursuant to bonds.

(ii) \$200,000,000 payable annually in four equal installments each due the first business day of each July, October, January and April.

(5) A provision requiring the commission to pay annual additional rent to the department as follows:

(i) During the conversion period and after the conversion of Interstate 80 to a toll road, the annual additional rent shall be equal to the scheduled annual commission contribution, minus any amounts paid under paragraph (4) less the proceeds of bonds allocable to the fiscal year in question issued under section 9511.2 and any Interstate 80 savings for that fiscal year as set forth in the Auditor General's certificate.

(ii) If conversion notice is not received by the secretary prior to the expiration of the conversion period, the annual additional rent shall be equal to \$250,000,000.

The annual additional rent provided under this paragraph is deemed to be equal to the fair market value of Interstate 80 and shall be payable in four equal installments due the first business day of each July, October, January and April of each year during the term of the lease agreement.

(6) A provision requiring the commission to pay, commencing on the conversion date, annual surplus rent to the department equal to the general reserve fund surplus payable for each fiscal year from the conversion date until the end of the term of the lease agreement. The surplus rent shall be payable by the commission within 30 days of receipt by the commission of the Auditor General's certificate. If the conversion period expires before the conversion date, no annual surplus rent shall be payable.

(7) A provision stating that the obligation of the commission to pay the annual base rent, the annual additional rent and annual surplus rent shall be a subordinate obligation of the commission payable from amounts in the general reserve fund of the commission only as permitted by any financing documents, financial covenants, liquidity policies or agreements, swap agreements or rating agency requirements in effect at the commission.

(8) A provision authorizing the department to receive the annual base rent, annual additional rent and annual surplus rent, and to deposit amounts so received as follows, to the degree permitted by applicable Federal laws and regulations:

(i) proceeds of bonds issued under section 9511.2 shall be spent consistent with sections 9511.4(h) (relating to special revenue bonds and preliminary or interim financing) and 9511.5 (relating to application of proceeds of obligations, lien of holders of obligations, design-build requirement and projects approved by the General Assembly);

(ii) be deposited in the Public Transportation Trust Fund as follows:

(A) \$250,000,000 for fiscal year 2007-2008;

(B) \$300,000,000 for fiscal year 2008-2009;

(C) \$350,000,000 for fiscal year 2009-2010; and

(D) \$400,000,000 for fiscal year 2010-2011 and increased by 2.5% for each fiscal year thereafter; and

(iii) any balance received from the department shall be deposited in the Motor License Fund. For any year in which there are no bond proceeds under this paragraph, \$5,000,000 of the money deposited shall be for county roads and bridges and \$30,000,000 of the

money deposited shall be for municipal roads and bridges to be allocated under the act of June 1, 1956 (1955 P.L.1944, No.655), referred to the Liquid Fuels Tax Municipal Allocation Law.

§ 8916. Other interstate highways.

In order to facilitate vehicular traffic across this Commonwealth and pursuant to the authority granted under this chapter, the commission is hereby authorized and empowered to:

(1) at its own expense and in consultation with the department, prepare a consulting civil engineer report and financial analysis with respect to the feasibility of converting Interstate 95 to a toll road and operating and maintaining the converted interstate as a toll road, upon approval of the General Assembly and the United States Department of Transportation; and

(2) at its own expense, and in consultation with the department, prepare and submit an application to the United States Department of Transportation for the conversion of Interstate 95 to a toll road pursuant to any Federal program for which it may be eligible.

Amend Bill, page 69, line 20, by striking out all of said line and inserting

Section 4. Title 75 is amended by adding a section to read:

§ 9501. Definitions.

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

"Bond related expenses." The term shall include all of the following:

(1) Printing, publication or advertising expenses with respect to the sale and issuance of bonds.

(2) Fees, expenses and costs of registrars.

(3) Fees, expenses and costs of attorneys, accountants, feasibility consultants, computer programmers or other experts employed to aid in the sale and issuance of the bonds.

(4) Other costs, fees and expenses incurred or reasonably related to the issuance and sale of the bonds.

"Bond-related obligation." An agreement or contractual relationship between the Pennsylvania Turnpike Commission and a bank, trust company, insurance company, swap counterparty, surety bonding company, pension fund or other financial institution providing increased credit on or security for the bonds or liquidity for secondary market transactions.

"Commission." The Pennsylvania Turnpike Commission or any successor organization.

"Cost of the department."

(1) Any of the following, which shall be reimbursed or paid out of the proceeds of the special revenue bonds, notes or other obligations authorized under this chapter:

(i) The cost of constructing, reconstructing, widening, expanding or extending the State highway and rural State highway system and all connecting roads, tunnels and bridges.

(ii) The cost of all lands, property rights, rights-of-way, easements and franchises acquired, which are deemed necessary or convenient for the construction, reconstruction, widening, expanding or extending under subparagraph (i).

(iii) The cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction.

(iv) The cost of traffic estimates and of engineering and legal expenses, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative and legal expenses and other expenses as

may be necessary or incident to the financing authorized under this chapter, the construction, reconstruction, widening, expanding or extending of the State highway and the rural State highway system and connecting roads, tunnels and bridges, the placing of the same in operation and the condemnation of property necessary for construction and operation.

(v) Any obligation or expense contracted for by the Department of Transportation or with the United States or any agency of the United States, for traffic surveys, preparation of plans and specifications, supervision of construction, and other engineering, administrative and legal services and expenses in connection with the construction, reconstruction, widening, expanding or extending of the State highway and the rural State highway system or any of the connecting roads, tunnels and bridges.

(2) Payment of any notes or other obligations if the notes or other obligations were issued for the payment of a cost.

"Design build arrangement." A procurement or project delivery arrangement whereby a single entity, which may be a single contractor or a consortium comprised of multiple contractors, engineers and other subconsultants, is responsible for both the design and construction of a transportation project with a guaranteed completion date and guaranteed maximum price.

"Owner." The term shall include all individuals, copartnerships, associations or corporations having any title or interest in any property rights, easements or franchises authorized to be acquired by this chapter.

"Pledged revenues." Revenues of the Motor License Fund pledged to the Pennsylvania Turnpike Commission under sections 9010 (relating to disposition and use of tax), 9511(i) (relating to allocation of proceeds) and 9511.11 (relating to Motor License Fund proceeds) and amounts payable by the commission under section 8915.3(4)(i) (relating to lease of Interstate 80).

"Rural State Highway System." All roads and highways taken over by the Commonwealth as State highways under the provisions of the act of June 22, 1931 (P.L.594, No.203), referred to as the Township State Highway Law and all other roads and highways specifically designated by the Secretary of Transportation as Rural State Highways.

"State highway." All roads and highways taken over by the Commonwealth as State highways under the provisions of any statute. Unless clearly intended, the term shall not include any street in any city, borough or incorporated town, even though the same may have been taken over as a State highway.

Section 5. Title 75 is amended by adding sections to read:

§ 9511.2. Special revenue bonds payable solely from pledged revenues of Motor License Fund.

(a) Payment source.—A special revenue bond, note or other obligation issued under this chapter:

(1) shall not be deemed to be a debt or liability of the Commonwealth;

(2) shall not create or constitute any indebtedness, liability or obligation of the Commonwealth; and

(3) shall be payable solely from revenues of the Motor License Fund pledged to the commission for that purpose in combination with amounts transferred under section 8915.3(4)(i) (relating to lease of Interstate 80).

(b) Statement.—A special revenue bond, note or other obligation issued under this chapter must contain a statement on its face that:

(1) the Commonwealth is not obligated to pay the bond, note or obligation or the interest on it except from revenues of the Motor License Fund pledged for that purpose in combination with amounts transferred under section 8915.3(4)(i); and

(2) neither the faith and credit nor the taxing power of the Commonwealth is pledged to the payment of the principal or interest of the bond, note or obligation.

(c) Taxation.—The issuance of a special revenue bond, note or other obligation under this chapter shall not directly, indirectly or contingently obligate the Commonwealth to levy a tax or to make an appropriation for payment.

§ 9511.3. Expenses.

(a) Reimbursement.—The commission shall be reimbursed for the necessary expenses incurred in the performance of the duties performed under the provisions of this chapter.

(b) Source.—All expenses incurred in carrying out the provisions of this chapter shall be paid solely from funds provided under the authority of this chapter, and sufficient funds shall be provided under the authority of this chapter to meet any liability or obligation incurred in carrying out the provisions of this chapter.

§ 9511.4. Special revenue bonds and preliminary or interim financing.

(a) Authorization.—The commission is authorized to provide, by resolution, for the issuance of special revenue bonds of the commission up to an amount not exceeding \$4,000,000,000 for the purpose of paying the cost of the department and bond-related expenses. The resolution must recite an estimate of the cost of the department. No more than \$600,000,000 of special revenue bonds may be issued in any calendar year. No bond may be issued under this section unless the lease agreement authorized under section 8915.3 (relating to lease of Interstate 80) is in effect as of the date of issuance. Special revenue refunding bonds as set forth in section 9511.9 (relating to special revenue refunding bonds) shall not be deemed to count against the total or annual maximum issuance volume. The principal and interest of the bond shall be payable solely from revenues of the Motor License Fund pledged for that purpose to the commission in combination with the amounts transferred under section 8915.3(4)(i).

(b) Form.—

(1) A bond may be issued in registered form.

(2) A bond:

(i) must be dated;

(ii) must bear interest at a rate not exceeding the rate permitted under applicable law;

(iii) must be payable semiannually;

(iv) must mature, as determined by the commission, not exceeding 40 years from the date of the bond; and

(v) may be made redeemable before maturity, at the option of the commission, at a price and under terms and conditions fixed by the commission prior to the issuance of the bonds.

(3) The amount of premium on a bond shall not cause the yield to be more than permitted by applicable law from the date of the bond to the date of redemption.

(c) Issuance.—

(1) The bond may be issued in registered form. The commission may sell a bond in registered form at public or private sale and for a price it determines to be in the best interest of the Commonwealth, but no sale shall be made at a price so low as to require the payment of interest on the money received for the bond at more than the rate permitted by applicable law, computed with relation to the absolute maturity of the bond in accordance with standard tables of bond values.

(2) A bond may be issued at public or private sale in series with varying provisions as to all of the following:

(i) Rates of interest, which may be fixed or variable.

(ii) Maturity.

(iii) Other provisions not inconsistent with this chapter.

(d) Revenue share.—All bonds, of whatever series, shall share ratably in the revenues pledged under this chapter as security for the bonds, although one series of bonds may have a lien on pledged revenues senior to the lien of another series of bonds.

(e) Payment.—

(1) The principal and interest of the bonds may be made payable in any lawful medium.

(2) The commission shall:

(i) determine the form of bonds; and

(ii) fix:

(A) the denomination of the bond; and

(B) the place of payment of principal and interest of the bond, which may be at any bank or trust company within or without this Commonwealth.

(f) Signature.—The bond must bear the facsimile signature of the Governor and of the chairman of the commission. The facsimile of the official seal of the commission shall be affixed to the bond and attested by the secretary and treasurer of the commission. If an officer whose signature or facsimile of a signature appears on a bond ceases to be an officer before the delivery of the bond, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, as if the officer remained in office until delivery.

(g) Negotiability.—A special revenue bond issued under this chapter shall have all the qualities and incidents of a negotiable instrument under 13 Pa.C.S. Div. 3 (relating to negotiable instruments).

(h) Proceeds.—

(1) The proceeds of a bond shall be used solely for the following:

(i) Payment of the cost of the department.

(ii) Bond-related expenses.

(iii) \$5,000,000 in the aggregate of the proceeds of bonds issued in any fiscal year, other than a refunding issue, shall be used for county roads and bridges and \$30,000,000 of the proceeds in the aggregate of the bonds issued in any fiscal year, other than a refunding issue, shall be used for local roads and bridges to be allocated under the act of June 1, 1956 (1955 P.L.1944, No.655), referred to as the Liquid Fuels Tax Municipal Allocation Law.

(2) The proceeds of a bond shall be disbursed upon requisition of the secretary under restrictions set forth in the resolution authorizing the issuance of the bond or the trust indenture under section 9511.6 (relating to trust indenture, protection of holders of obligations and depositories).

(3) If the proceeds of a bond, by error of calculation or otherwise, shall be less than the cost of the department, additional bonds may be issued to provide the amount of the deficit and, unless otherwise provided in the resolution authorizing the issuance of the bonds or in the trust indenture, shall be deemed to be of the same issue and shall be entitled to payment from the same fund, without preference or priority of the bonds first issued.

(i) Temporary bonds.—Prior to the preparation of definitive bonds, the commission may, under similar restrictions as those applicable to the definitive bonds, issue temporary bonds, exchangeable for definitive bonds upon the issuance of definitive bonds.

(j) Replacement bonds.—The commission may provide for the replacement of a bond which becomes mutilated or is destroyed or lost. A replacement revenue bond may be issued without any other proceedings or the happening of any other condition than those proceedings and conditions required by this chapter.

(k) Status as securities.—

(1) A bond is made a security in which any of the following may properly and legally invest funds, including capital, belonging to them or within their control:

(i) Commonwealth and municipal officers.

(ii) Commonwealth agencies.

(iii) Banks, bankers, savings banks, trust companies, saving and loan associations, investment

companies and other persons carrying on a banking business.

(iv) Insurance companies, insurance associations and other persons carrying on an insurance business.

(v) Fiduciaries.

(vi) Other persons that are authorized to invest in bonds or other obligations of the Commonwealth.

(2) A bond is made a security which may properly and legally be deposited with and received by a Commonwealth or municipal officer or a Commonwealth agency for any purpose for which the deposit of bonds or other obligations of the Commonwealth is authorized by law.

(l) Borrowing.—The following shall apply:

(1) The commission is authorized to do all of the following:

(i) Borrow money at an interest rate not exceeding the rate permitted by law.

(ii) Provide for preliminary or interim financing, up to but not exceeding the estimated total cost of the department and bond-related expenses and to evidence the borrowing by the issuance of special revenue notes and, in its discretion, to pledge as collateral for the note or other obligation, a special revenue bond issued under the provisions of this chapter. The commission may renew the note or obligation and the payment or retirement of the note or obligation shall be considered to be payment of the cost of the project.

(2) A note or obligation issued under this subsection must comply with the following:

(i) Be executed by the same persons in the same manner and with the same effect as provided in this section for the execution of a special revenue bond.

(ii) Contain a statement on its face that:

(A) the Commonwealth is not obligated to pay the note or obligation or interest on it, except from pledged revenues of the Motor License Fund; and

(B) neither the faith and credit nor the taxing power of the Commonwealth is pledged to the payment of its principal or interest.

(3) The issuance of a special revenue note or other obligation under this chapter shall not directly or indirectly or contingently obligate the Commonwealth to levy a tax or make an appropriation for payment.

(4) A note or other obligation issued under this subsection shall have all the qualities and incidents of a negotiable instrument under 13 Pa.C.S. (relating to commercial code).

§ 9511.5. Application of proceeds of obligations, lien of holders of obligations, design-build requirement and projects approved by General Assembly.

(a) Application.—The following shall apply:

(1) All money received from any bonds, notes or other obligations issued under this chapter shall be applied solely to the payment of the cost of the department or to the appurtenant fund.

(2) Until money received from any bonds, notes or other obligations issued under this chapter is applied under paragraph (1), a lien shall exist upon the money in favor of holders of the bonds, notes or other obligations or a trustee provided for in respect to the bonds, notes or other obligations.

(b) Design-build arrangements.—To facilitate the timely completion of projects to be financed by the department with bond proceeds, the department shall be required to utilize design-build arrangements for each project estimated by the department to have a value in excess of \$100,000,000. The selection of the party for the design-build arrangement must be conducted in a manner consistent with the procurement and public bidding laws applicable to the department.

(c) Capital plan.—All projects financed by the department with bond proceeds must be set forth in the department's capital plan current at the time of the financing and budget which capital plan and budget shall be submitted to the General Assembly on or before March 31 of each year commencing March 31, 2008.

(d) Investment.—Pending the application of proceeds to costs of the department and bond-related expenses, the commission may invest the funds in permitted investments as defined under any trust indenture if the investment is not inconsistent with existing fiduciary obligations of the commission.

§ 9511.6. Trust indenture, protection of holders of obligations and depositories.

(a) Indenture.—In the discretion of the commission, a bond, note or other obligation may be secured by a trust indenture by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company, within or without this Commonwealth.

(b) Pledge or assignment.—A trust indenture under subsection (a) may pledge or assign revenue to be received, but shall not convey or mortgage the turnpike or any part of the turnpike.

(c) Rights and remedies.—The resolution providing for the issuance of the bond, note or other obligation of the trust indenture may contain provisions for protecting and enforcing the rights and remedies of the bondholders or holders of notes or other obligations as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the department in relation to the acquisition of properties, the construction, maintenance, operation, repair and insurance of the State highway and rural State highway system and the custody, safeguarding and application of all money.

(d) Depository.—It shall be lawful for any bank or trust company incorporated under the laws of this Commonwealth to act as depository of the proceeds of the bond, note or other obligation or revenue, to furnish indemnity bonds or to pledge securities as may be required by the commission.

(e) Indenture.—The trust indenture may set forth the rights and remedies of the bondholders or holders of notes or other obligations and of the trustee and may restrict the individual right of action of bondholders or holders of notes or other obligations as is customary in trust indentures securing bonds, debentures of corporations, notes or other obligations. The trust indenture may contain other provisions as the commission may deem reasonable and proper for the security of bondholders or holders of notes or other obligations.

§ 9511.7. Exemption from Commonwealth taxation.

The effectuation of the purposes of this chapter is for the benefit of the citizens of the Commonwealth and for the improvement of their commerce and prosperity. Since the commission will be performing essential government functions in effectuating these purposes, the commission shall not be required to pay any tax or assessment on any property acquired or used by it for the purposes provided under this chapter. A bond, note or other obligation issued by the commission, its transfer and the income from its issuance and transfer, including any profits made on the sale of the bond, note or other obligation, shall be free from taxation within the Commonwealth.

§ 9511.8. Pledged revenues, contracts for use of turnpike, sinking fund and purchase or redemption of obligations.

(a) Authorization.—The commission is authorized to collect the pledged revenues. The pledged revenues shall be fixed and adjusted as to provide funds at least sufficient to pay the bonds, notes or other obligations and the interest on the bonds, notes or other obligations. All sinking fund requirements and other requirements provided by the resolution authorizing the issuance of the bonds, notes or other obligations, or by the trust indenture, shall be fixed and adjusted as the bonds, notes or other obligations become due.

(b) Supervision.—The pledged revenues shall not be subject to supervision or regulation by any Commonwealth agency other than the commission.

(c) Set aside.—Except for the portion of the pledged revenues required to provide reserves as set forth in the resolution authorizing

the issuance of the bonds, notes or other obligations or in the trust indenture, pledged revenues, to the degree amounts transferred under section 8915.3(4)(i) (relating to lease of Interstate 80) are not sufficient, shall be set aside at regular intervals as may be provided in the resolution or trust indenture, in one or more accounts, which are pledged to and charged with the payment of all of the following:

(1) The interest upon a bond, note or other obligation, as it shall become due and payable.

(2) The principal of a bond, note or other obligation, as it shall become due and payable.

(3) The necessary fiscal agency charges for paying principal and interest.

(4) A premium upon a bond retired by call or purchase.

(d) Sinking fund.—The use and disposition of the sinking fund shall be subject to regulations as may be provided in the resolution authorizing the issuance of bonds, notes or other obligations or in the trust indenture, but, except as may otherwise be provided in the resolution or trust indenture, the sinking fund shall be a fund for the benefit of all bonds, notes or other obligations issued under this chapter, without distinction or priority of one over another.

(e) Application of money.—Subject to the provisions of the resolutions authorizing the issuance of bonds, notes or other obligations or of the trust indenture, any money in the sinking fund in excess of an amount equal to one year's interest on all bonds, notes or other obligations then outstanding may be applied to the purchase or redemption of bonds, notes or other obligations. All bonds, notes or other obligations purchased or redeemed under this subsection shall be canceled and shall not again be issued.

§ 9511.9. Special revenue refunding bonds.

The commission is authorized to provide, by resolution, for the issuance of special revenue refunding bonds of the commission for the purpose of refunding any special revenue bonds, notes or other obligations issued under the provisions of this chapter and then outstanding. The issuance of the special revenue refunding bonds, the maturities and other details of the bonds, the rights of the holders of the bonds and the duties of the department and of the commission with respect to the bonds shall be governed by the provisions of this chapter.

§ 9511.10. Remedies of trustees and of holders of obligations.

(a) Grant of rights.—A holder of a bond, note or other obligation issued under this chapter and the trustee under the trust indenture may, either at law or in equity, by suit, action, mandamus or other proceeding, do all of the following:

(1) Protect and enforce any right granted under this chapter or under the resolution or trust indenture.

(2) Enforce and compel performance of all duties required under this chapter or by resolution or trust indenture to be performed by the commission or any officer of its officers, including the collection of the pledged reserves or amounts transferred under section 8915.3(4)(i) (relating to lease of Interstate 80).

(b) Exception.—Rights given under this chapter may be restricted by resolution passed before the issuance of the bonds, notes or other obligations, or by the trust indenture.

§ 9511.11. Motor License Fund proceeds.

The balance of the proceeds deposited in the Motor License Fund under section 20 of the act of April 17, 1997 (P.L.6, No.3), entitled, "An act amending Titles 74 (Transportation) and 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for annual appropriation and computation of subsidy and for distribution of funding; providing for distribution of supplemental funding; further providing for use of funds distributed; providing for public transportation grants management accountability, for competitive procurement and for the Public Transportation Assistance Fund; further providing for period of registration, for duties of agents, for registration and other fees, for requirements for periodic inspection of vehicles, for limits on number of towed vehicles, for operation of certain combinations on interstate and other highways and for width and length of vehicles; providing for liquid fuels and fuels permits and bond or

deposit of securities, for imposition of liquid fuels and fuels tax, for taxpayer, for distributor's report and payment of tax, for determination of tax, penalties and interest, for examination of records and equipment, for retention of records by distributors and dealers, for disposition and use of tax, for discontinuance or transfer of business, for suspension or revocation of permits, for lien of taxes, penalties and interest, for collection of unpaid taxes, for reports from common carriers, for violations and reward for detection of violations, for refunds, for diesel fuel importers and transporters, for prohibiting use of dyed diesel fuel, for disposition of fees, fines and forfeitures, for certified copies of records and for uncollectible checks; further providing for distribution of State highway maintenance funds and for standards and methodology for data collection; providing for dirt and gravel road maintenance; further providing for imposition of tax and additional tax; providing for tax on alternative fuels; further providing for disposition of tax revenue; making an appropriation; and making repeals." is pledged to secure bonds issued by the commission. The proceeds may be pledged to secure bonds to be issued by the commission on behalf of the department for the construction, reconstruction, widening, expansion, extension, maintenance and repair of and safety on bridges and costs and expenses incident to those tasks and fees and expenses of the commission related to the issuance of the bonds, including bond-related expenses. Each month, the State Treasurer shall transfer amounts as are necessary, in combination with amounts transferred under sections 8915.3(4)(i)(relating to lease of Interstate 80) and 9511 (relating to allocation of proceeds) to satisfy the provisions of the bond indenture relating to bonds issued under this section and those amounts are authorized to be appropriated.

§ 9511.12. Supplement to other laws and liberal construction.

This chapter shall be regarded as supplemental and additional to powers conferred by other statutes and shall not be regarded as in derogation of any powers existing on the effective date of this section. The provisions of this chapter, being necessary for the welfare of the Commonwealth and its citizens shall be liberally construed to effect the purposes of this chapter.

Section 6. (a) Financial assistance made by the Department of Transportation to an award recipient under 74 Pa.C.S. Ch. 13 prior to the effective date of this section may continue to be used by award recipients for operating or capital expenses upon the same terms and conditions as are contained in the notice of grant award or grant agreement executed in connection with the award, if the funds are expended within five years following the effective date of this section.

(b) The Department of Transportation may continue to use all funds appropriated or otherwise made available to it for public transportation purposes prior to the effective date of this section in accordance with the laws under which the funds were made available.

Section 7. The following shall apply:

(1) The General Assembly declares that the repeal under paragraph (2) is necessary to effectuate the addition of 74 Pa.C.S. Ch. 81.

(2) The act of September 30, 1985 (P.L.240, No.61), known as the Turnpike Organization, Extension and Toll Road Conversion Act is repealed.

(3) Section 207.1(c)(2) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, is repealed insofar as it is inconsistent with the addition of 74 Pa.C.S. § 8105.

(4) Sections 2301(a) and (b) of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, insofar as they relate to the establishment and existence of the Public Transportation Assistance Fund are repealed.

(5) All other acts and parts of acts are repealed insofar as they are inconsistent with this act.

Section 8. The addition of 74 Pa.C.S. Ch. 81 is a continuation of the act of September 30, 1985 (P.L.240, No.61), known as the Turnpike Organization, Extension and Toll Road Conversion Act. The following shall apply:

(1) Except as otherwise provided under 74 Pa.C.S. Ch. 81, all activities initiated under the Turnpike Organization, Extension and Toll Road Conversion Act shall continue and remain in full force and effect and may be completed under 74 Pa.C.S. Ch. 81. Orders, regulations, rules and decisions which were made under the Turnpike Organization, Extension and Toll Road Conversion Act and which are in effect on the effective date of section 7(2) of this act shall remain in full force and effect until revoked, vacated or modified under 74 Pa.C.S. Ch. 81. Contracts, obligations and collective bargaining agreements entered into under the Turnpike Organization, Extension and Toll Road Conversion Act are not affected nor impaired by the repeal of the Turnpike Organization, Extension and Toll Road Conversion Act.

(2) Except as set forth in paragraph (3), any difference in language between 74 Pa.C.S. Ch. 81 and the Turnpike Organization, Extension and Toll Road Conversion Act is intended only to conform to the style of the Pennsylvania Consolidated Statutes and is not intended to change or affect the legislative intent, judicial construction or administration and implementation of the Turnpike Organization, Extension and Toll Road Conversion Act.

(3) Paragraph (2) does not apply to the addition of 74 Pa.C.S. § 8105.

Section 9. This act shall take effect as follows:

(1) The following provisions shall take effect immediately:

- (i) The addition of 74 Pa.C.S. § 8105.
- (ii) Section 7(3) of this act.
- (iii) This section.

(2) The remainder of this act shall take effect in 60 days.

On the question,

Will the House agree to the amendment?

The SPEAKER. The Chair recognizes Representative McCall on the amendment.

Mr. McCALL. Thank you, Mr. Speaker.

Mr. Speaker, this is basically the same amendment that was before us on Thursday evening. I did in fact make some technical changes and editorial changes to the language by virtue of some of the typos and mistakes that were made in the original draft.

Very briefly I will go over where the amendment is. It establishes the public-public partnership again between the Turnpike Commission and PENNDOT, allows for the capitalization and monetization of revenues in the Motor License Fund as well as the monetization of tolls collected on Interstate 80.

We heard some of the concerns about the local match. We did some things on the local match. We eliminated the realty transfer tax; we eliminated the parking, the so-called parking tax; and we eliminated the per-drink tax.

On the 20-percent local share, instead of local municipalities or counties having to come up with the entire 20 percent to draw down the matching funds, we put a provision in that allows them to go in 5-percent intervals against the total moneys that they would be expending in a given budget year. So as a very simple example, if their local share was \$100, instead of it going to \$120, we say that it will be a 5-percent share, so \$105 would be the local share to draw down those State dollars and 5 percent every year thereafter. So they do not have to get to the 20 percent right away. So the following year it would be 5 percent against the \$105. Instead of going right up to \$120, they would have time to phase it in and give the smaller systems

that raised some concern about raising that entire 20 percent up front, it gives them some time to actually raise the necessary local funds to get the job done on the local share.

We changed the governance on SEPTA, on the SEPTA Board. Where Philadelphia was getting eight seats, we took that down to four seats. With Montgomery and Delaware Counties, Delaware County is getting a third seat, and Montgomery County, up to three seats, but they still have to meet the local match to get to that third seat.

The other thing that we wanted to make explicitly clear in this amendment was to make sure we drive money to our local bridges that the counties control as well as local roads for our local governments. Right now the local governments get about \$302 million driven back to their programs through the Motor License Fund, the liquid fuels program, as well as the counties. We dedicate a half a penny to the counties' bridge program. We have not increased that half a penny since 1929. We are taking \$35 million in this program and we are going to give \$30 million to the local roads program, local road and bridge program, to get the local government's share up to \$332 million; \$5 million into the county bridge program, taking them from \$32 to \$37 million so they can catch up on some of their bridge work and certainly for the local governments to do some more road work in their jurisdictions. And last but not least, we authorize the study of I-95 to convert it to a toll road.

Mr. Speaker, that is the basics of the amendment, and I will be glad to answer any questions of the members.

The SPEAKER. Will the House agree to the amendment?
Representative Civera.

Mr. CIVERA. Thank you, Mr. Speaker.

Mr. Speaker, will the gentleman stand for a brief interrogation, please?

The SPEAKER. The gentleman indicates that he will. The gentleman is in order and may begin his interrogation.

Mr. CIVERA. Thank you, Mr. Speaker.

Mr. Speaker, one of the questions I have, the hotel tax. If a county already has a tax on hotels like, say, 1 percent, would this be another additional 1 percent if the county chose to do that?

Mr. McCALL. Mr. Speaker, it would be a separate line, and if the counties chose to do it, it would be up to 1 percent, so they could levy anything from .25 up to 1 percent aside from what they currently level. It would be a separate line dedicated solely for transit and to help them meet the local share requirement.

Mr. CIVERA. But if they were already at 1 percent, they could not go over?

Mr. McCALL. No. This would be a completely separate line dedicated to transit. So if they are doing something for tourism today, it would be a separate line, up to 1 percent, specifically for transit.

Mr. CIVERA. Okay.

Mr. Speaker, we had spoken about this, and the main question that I have that concerns me is, in the five-county area, the makeup of the SEPTA Board. You had said that Philadelphia now would have four, so they would be— My understanding is, two more that would be placed on the board would give Philadelphia a total of four?

Mr. McCALL. That is correct.

Mr. CIVERA. Delaware County has two and we would increase it by one; that would be three?

Mr. McCALL. Correct.

Mr. CIVERA. And now you also said that Montgomery County would have two and it would go to three. Did I understand that correctly?

Mr. McCALL. Yes. They would have the ability to go to three if they increase their local share from— I think they are under 2.5 percent right now. They would have to up their local share to at least 7.5 percent.

Mr. CIVERA. So in order to get the third seat, they would have to increase the local share to 7.5.

Mr. McCALL. 7.5 up to 25 percent.

Mr. CIVERA. Okay. And we add the Secretary of the Budget to that? Am I clear on that?

Mr. McCALL. The Secretary of the Budget and the Secretary of Transportation as nonvoting members.

Mr. CIVERA. The Secretary of the Budget would not have a vote.

Mr. McCALL. That is correct. Mr. Speaker.

Mr. CIVERA. Mr. Speaker, they are indicating to me, staff has indicated to me that in your amendment, the Secretary of the Budget does have a voting right. Was that changed or is that true?

Mr. McCALL. Well, he is not to have a vote. The Secretary of the Budget and the Secretary of Transportation are to be ex officio members without a vote. We do have an amendment to this bill that will clarify that language to ensure that the Secretary of the Budget does not have a vote on the board.

Mr. CIVERA. Okay. But as we speak, at the moment, the Secretary of the Budget right now has that vote, because if your amendment does not go in—

Mr. McCALL. That is correct; that is correct.

Mr. CIVERA. All right. This is what my concern is. My concern is that in order for, if there was a situation with the SEPTA Board, a financial situation where something arose that they put something on the agenda, and the new members, because the total makeup now would be over, what I can see, over 19, under the old way we would have, if Philadelphia did not agree and the Governor did not agree, basically the suburban communities, which we are taking some of their rights away, and for us as legislators who represent those suburban communities, we have to clearly understand that we do not want to lose anything here. So if they were to do a veto, how many, if the House appointees would not support it or the Governor's appointees would not support it and Philadelphia would not support it, they could not override that veto, and the counties in the five-county area, or the four-county area excluding Philadelphia, would basically lose the political power. Am I correct?

Mr. McCALL. The veto power is there. It is changed from 75 percent of the members to 70 percent of the members in order to override a Philadelphia veto.

Mr. CIVERA. Okay. So under the present scenario that you have just pointed out to me, what would we need, if we had Delaware, Chester, Bucks, and Montgomery voting in a situation or supporting a substantial amendment to whatever, and Philadelphia and the Governor and the House members said no, what would it take to override that veto?

Mr. McCALL. Mr. Speaker, you would need 14 votes to override the veto.

Mr. CIVERA. That is exactly what I had thought in my mind.

Mr. Speaker, if I could make some brief remarks, please.

The SPEAKER. The gentleman is in order. He finished his interrogation. He may make his comments.

Mr. CIVERA. Mr. Speaker, I stand before you this evening in asking you to really think about what we had just talked about when considering the McCall amendment. I believe that there are things, issues in the McCall amendment that are good things, things that are being very sincere in trying to move this process forward so we can, you know, straighten out the situation as far as mass transit is concerned and our highways and our bridges. But when it comes to the county that you represent, and we all represent different counties, different municipalities, it is our obligation, our elected obligation, to represent those counties in such a good faith. Those counties are not here tonight to stand before you and ask you that this concept is not a good concept.

Presently the concept that is in place has worked over the years, and each county had two members that were appointed accordingly. But I stand here tonight under the same impression that I had on Thursday evening: very much concerned that Delaware, Chester, Bucks, and Montgomery would be somewhat shortchanged, and that is not a good idea. I think that I pointed out to you that in the case of Delaware County, for 5 years straight they did not increase their taxes, and if something with the new scheme that we are looking at, with the new ideas of counties participating more, and if the counties do not do this, where would their say be as far as doing the right thing as far as the transportation?

Delaware County is the hub of transportation for the five-county area. The 69th Street Terminal is in Upper Darby Township, which is located in Delaware County. It moves hundreds of thousands of people daily, on a daily basis in and outside that terminal. I believe that under this present concept, Delaware County would suffer dramatically, and therefore, I am asking you not to support this amendment.

Thank you, Mr. Speaker.

The SPEAKER. Representative Barrar.

Mr. BARRAR. Thank you, Mr. Speaker.

I would like to ask the maker of the amendment to stand for interrogation.

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

Mr. BARRAR. Thank you, Mr. Speaker.

There is language in the bill now that refers to a study being done on Interstate 95 that was not in the amendment that we did, that we looked at on Thursday. Can I ask you, what has changed since Thursday?

Mr. McCALL. Nothing changed, Mr. Speaker. It was just a good-faith effort on our part to include 95 in a study.

Mr. BARRAR. Okay. I had asked in that interrogation if there was any intention at all to toll 95, and I was told no. What would happen, and I had asked this question I think last Thursday, but what is the effect on the Pennsylvania Turnpike if conversion of I-80 is not approved? Is there any responsibility on the Pennsylvania Turnpike to pay anything to the State of Pennsylvania if conversion is not approved by the highway department?

Mr. McCALL. There would be— Yes, there would be. If we, when we collateralized the \$4 billion in the first 10 years, if they go to market and provide the payment for that first \$450 million that gets paid to PENNDOT, the Turnpike Commission would be on the line for the interest payments due on that monetization of the money.

Mr. BARRAR. How much would that result in the turnpike having to pay?

Mr. McCALL. I am getting the amortization schedule for you.

Mr. BARRAR. Mr. Speaker, if I can, just for a second? Is this going to be a rent payment to the State of Pennsylvania or is this an interest payment that we would receive?

Mr. McCALL. The \$450 million, that first would be the rental payment, and then there is a debt service payment that they would have to make in the amount of \$44 million.

Mr. BARRAR. So the first year of this agreement, if conversion was not approved, the turnpike would still have to pay to the Pennsylvania Department of Transportation \$450 million you are saying?

Mr. McCALL. That is correct.

Mr. BARRAR. And if tolls were not allowed on that road, where would that money have to come from? Would that result in increased tolls on the—

Mr. McCALL. It would come from the main-line reserves of the turnpike.

Mr. BARRAR. For how many years?

Mr. McCALL. Until the \$450 million is paid off.

Mr. BARRAR. And that is a 1-year payment, so the first year they would be responsible for paying that back to us? Is that right?

Mr. McCALL. Could you repeat the question?

Mr. BARRAR. Their payment to us for the first year is \$450 million, so they would have to pay that to us in 1 year—

Mr. McCALL. If in fact, yes, the \$450 million payment is made, they would be responsible to pay that. Yes.

Mr. BARRAR. Last Thursday when we were under interrogation, I had asked you that question, and you said no, there would be no responsibilities. Is this a change in that legislation, or was this something that was picked up in the corrective reprint?

Mr. McCALL. Nothing changed, Mr. Speaker.

Mr. BARRAR. Okay. So the answer I got last week was wrong and this is the right answer now.

Mr. McCALL. If that was the case, I gave you wrong information or erroneous information, but I do not recall that to be the case.

Mr. BARRAR. Okay. Thank you. That is all I have, Mr. Speaker.

The SPEAKER. Representative DeLuca.

Mr. DeLUCA. Thank you, Mr. Speaker.

Will the gentleman stand for brief interrogation?

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

Mr. DeLUCA. Thank you, Mr. Speaker.

Mr. Speaker, is there anything in this bill that taxes cars in driveways and garages?

Mr. McCALL. Absolutely not.

Mr. DeLUCA. The reason I bring that up, Mr. Speaker, there was misinformation given on two talk shows in the west that told people to contact their State Representative because we were taxing their cars in their driveways and the cars in the garages. Now, I think if there is a Representative in this House who gives that false information, I think they need to apologize, not only to this House but also to the people who have been flooding our offices with calls and e-mails.

Thank you, Mr. Speaker. That ends my interrogation.

The SPEAKER. Representative Killion.

Mr. KILLION. Thank you, Mr. Speaker, and I will be brief.

First of all, I would like to thank the gentleman from Carbon County. I think they made some great changes in the bill. But, you know, we have a funding crisis for transportation in Pennsylvania. I have yet to have anybody come up to me and say we have a board member crisis in transportation in Pennsylvania. I do not know why we are changing the board. I am just going to give you a real-life example. One of the things I was trying to do on the board was extend the train from Media to Wawa and eventually into West Chester – very needed. Under this proposal, with 14 votes needed to override a city veto, that will never happen.

If you are a suburban member, vote "no" on this bill. Thank you.

The SPEAKER. Representative Scavello.

Mr. SCAVELLO. Thank you, Mr. Speaker.

Today I rise with a heavy heart, and let me explain why. I know the need – and this is so important, the need – to fund mass transit. However, two of the options – and I have to bring it back to the most important issue in my district, which is school property tax – two of the options that are in this packet would almost kill any possible reduction of property taxes. If the options are used for mass transit, we are taking them off the table to do something meaningful with school property taxes. There is no way that we can support this. By supporting this, we are actually saying to the folks across the Commonwealth, the folks that are really hurting, holding on to their homes, because the options will not be there for them.

So I urge the members, if those two items stay in there, the income tax and the sales tax, please, do not support this bill.

The SPEAKER. Representative Petri.

Mr. PETRI. Thank you, Mr. Speaker.

If I may interrogate the maker of the amendment.

The SPEAKER. The gentleman indicates he will stand for interrogation. The gentleman is in order.

Mr. PETRI. My first question has to do with this local match. On page 11 of your amendment, it talks about cash contributions, and the language says, "For financial assistance to a local trans—" Mr. Speaker, may I have some order?

The SPEAKER. Conferences will break up. Conferences in the rear of the House will break up. Members will take their seats. Conferences in the center aisle will break up.

The gentleman is in order and may proceed.

Mr. PETRI. Thank you, Mr. Speaker.

"For financial assistance to a local transportation organization, eligible local..." matches "shall consist only of cash...." Now, does that language mean that if you have a county that provides services to its residents that are an extension of a system such as we have with SEPTA, where Bucks County pays for some additional services, that those would not count as local contributions?

Mr. McCALL. That has always been the case under the current formula.

Mr. PETRI. Okay. So for a county of Bucks, other than the service of their community, to continue those services would actually be a financial impediment that would be borne only by the taxpayers of Bucks County and not by the rest of the system users. Is that correct?

Mr. McCALL. Could you repeat the question, Mr. Speaker?

Mr. PETRI. Yes. If Bucks County in that instance where they are providing these services is doing so out of a county

budget, it is the county taxpayers that are providing for that service, and they would get absolutely no credit for those contributions to enhancing the SEPTA system under your amendment. Is that correct?

Mr. McCALL. They do not get those credits right now under the current funding formula and system.

Mr. PETRI. But under your amendment, if I understand it, we are requiring that that contribution now go to 20 percent, and we are not calculating that contribution, which is material in nature, to the county and its taxpayers as part of that 20-percent match.

Mr. McCALL. The services under the language in this bill would be eligible for formula funding. So yes, those services that are provided by Bucks County would in fact be eligible for the service.

Mr. PETRI. Okay. And where is that in the bill? Where is that provision? It tells me what is not included and it tells me the cash contributions are not in there, but it does not say, that I see anywhere, that it says that services, like in-kind services and the like, are considered part of that local contribution.

Mr. McCALL. Services can be converted to the formula, and it is in here. We will just have to, if you will be at ease, we will give you the reference point in the law.

Mr. PETRI. Okay.

Mr. McCALL. Mr. Speaker, we are being told by the department that services are in fact included in the formula change.

Mr. PETRI. Okay. Well—

Mr. McCALL. I cannot point directly to it in the language, but they tell us that the services would be included in that match for the 20 percent.

Mr. PETRI. Okay. So at least for the record, we could say that if nothing else, it is the intent that those services would be included.

I want to talk and ask a couple questions about the corporate governance, particularly as it relates to SEPTA. Mr. Speaker, normally the budget would get set by the SEPTA Board. Under your amendment, that board expands. Would that still be the case, that this expanded SEPTA Board would set the budget?

Mr. McCALL. Could you repeat the question? Could you just talk into the microphone, Mr. Speaker? I am having a difficult time hearing you.

Mr. PETRI. Yes. Normally the SEPTA Board sets the budget. Under your amendment, that would continue, just under the expanded board where Philadelphia has more members of that board.

Mr. McCALL. Correct.

Mr. PETRI. Now, if that board sets the budget so high or it takes action which in a way changes the cost structure, let us say, for instance, the board decides to award a generous contract to workers, and if each county is having difficulty meeting their 20-percent match and they cannot get more members unless they meet that match or exceed that match and provide more members, does not Philadelphia under your amendment effectively have control over both the budget and the counties' ability to participate in any meaningful decision?

Mr. McCALL. No, Mr. Speaker. As a matter of fact and to clarify previous statements made about the SEPTA Board, there are currently on the override, if there was that kind of a concern and they could override, you need 14 votes to override or have an influence or block something done by Philadelphia. There are 15 non-Philadelphia voting members, thereby giving the

non-Philadelphia voting members the ability to block any proposal outlined by Philadelphia.

Mr. PETRI. On the amendment, Mr. Speaker.

The SPEAKER. The gentleman is in order.

Mr. PETRI. Members from the southeast, I would caution you about changing this board. I believe that by changing the corporate governance and the structure, you are putting your county at tremendous jeopardy.

Under the current system, our suburban counties have the ability to participate in a meaningful manner on expansion, on the budget, and on other matters important to our riders. Under this revised process, control will shift in a dramatic way, and if it shifts in the dramatic way I believe it will, there is the very distinct possibility that the members that are appointed from Philadelphia will refuse to increase fares, may enter and award contracts which create tremendous additional costs and burdens to the system, and those costs and the like will have to be borne at the local match.

Now, if you are a county that wants to continue to participate, such as Bucks County where you will be allowed two members, you are going to need to come up with 20 percent of your local revenue – in other words, taxing your residents up to 20 percent – in order to have any kind of say in the board. However, if you do not meet that requirement, you actually lose seats vis-à-vis the total. So in the end, you really cannot get control over this organization. That control has been extremely important in being able to service the outlying communities. After all, in suburban Philadelphia, the future of that system is going to be in our communities, in the suburban communities. That is where the system will expand.

So those members in the House that are from the suburban areas, be very, very careful about this corporate governance change. Thank you.

The SPEAKER. For the information of the members, the Chair would like to inform the members of the list as it exists now: Adolph, Maher, Saylor, Nailor, Blackwell, and the minority leader.

The Chair recognizes Representative Adolph.

Mr. ADOLPH. Thank you, Mr. Speaker.

Mr. Speaker, would the maker of the amendment stand for interrogation?

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

Mr. ADOLPH. Thank you.

I would like the Representative to bear with me. It is very noisy, and I will talk as clear as I can into the mike.

I have a lot of handouts here – okay? – regarding the local contribution, and it looks like the current five-county contribution for operating expenses is \$70,155,000, and at a 20-percent new contribution rate, it would go up to, and I will round it off, \$106.3 million – \$106,295,000. Is that roughly correct? About a 66-percent increase.

Mr. McCALL. Are you talking specific to, are you talking the State's share or— You are talking specifically to the SEPTA system in Delaware County?

Mr. ADOLPH. The five-county Philadelphia area.

Mr. McCALL. Okay, Mr. Speaker. And what was your number, \$74,856? \$74 million; excuse me.

Mr. ADOLPH. Well, yours is a little higher than mine. The figure that I have is \$70 million, the current contribution.

Mr. McCALL. Okay. Yes.

Mr. ADOLPH. And at a 20-percent increase of a higher figure, I have roughly \$107 million.

Mr. McCALL. Yes, that is correct, but they have the ability to just do 5 percent instead of going to the whole 20 percent. So 5 percent of what their budget was last year, increase that by 5 percent, that gets you your number.

Mr. ADOLPH. Right. Okay. It seems like anytime we give some of the local municipalities an opportunity to take things in stages – okay? – they do not. They go right to the top, and this is what I am a little concerned about. You know, it is roughly about a 66-percent increase, okay?

Now, I have a question, and it is a safeguard issue with me right now, okay? I see the State revenue that these types of new taxes could generate, okay? I have an estimated \$1.2 billion with a half-of-1-percent earned income tax, an estimated \$753 million – this is all statewide – on a half-of-1-percent State sales tax, roughly \$26 million and a 1-percent addition in a room rental tax, and \$33.4 million in a \$2 vehicle rental.

Now, they are statewide figures. What I have not been able to calculate or receive any information on, do you have a county, even a five-county breakdown, of what a half of 1 percent would generate in, say, Bucks County or Montgomery County or Delaware County?

Mr. McCALL. Earned income in Bucks County, half of the EIC (earned income credit) would be \$77,000 and change – or \$77 million, excuse me – in Chester County, \$64 million; and in Delaware County, \$61 million.

Mr. ADOLPH. How much was that last one?

Mr. McCALL. \$61 million.

Mr. ADOLPH. \$61 million.

Mr. McCALL. Correct.

Mr. ADOLPH. Okay. All right. So if they implemented one of these taxes at the rates that you have suggested, that one tax alone is a lot more than the 20-percent contribution. Is that correct?

Mr. McCALL. Mr. Speaker, it would be either a quarter of a percent or a half a percent. So I would recommend that they go with the quarter of a percent—

Mr. ADOLPH. Okay.

Mr. McCALL. —and it would be, again, a local option that they have to opt in to, dedicated strictly for transit. It cannot be placed into their General Fund for other purposes.

Mr. ADOLPH. Okay. All right. Here is my point: You either go a quarter of 1 percent or a half of 1 percent, and I think both those figures in, say, Delaware County are higher than the 20-percent figure, okay? Now, I know all that has to be put in this new fund that we are coming up with, okay? In Delaware County, that money that we contribute now, \$7 million, comes out of the General Fund. Is there a safeguard in your legislation that if they raised \$25 million from this tax and \$10 million goes to SEPTA, what happens to all that excess that they used to give plus the new money?

Mr. McCALL. That money would have to be used, the excess money would have to be used for mass transit. They could not use it for any other purpose.

Mr. ADOLPH. Okay, but say they max it out to \$10 million. They come up with that magic figure that calculates it out to exactly \$10 million of new revenue into this new fund, okay? The \$7 million that they used to give to SEPTA, what happens to that money? Where is the—

Mr. McCALL. It would be that \$7 million, and then the 20 percent or 5— Again, they could just go 5 percent in

addition to that \$7 million. That is all that the local match requirement would be, 5 percent in the first year, not the full 20 percent anymore. If they only wanted to go, it would be 5 percent over that \$7.183 million that they are currently providing, because remember, Mr. Speaker, most of these systems are well under the local match required for operating assistance. You know, what we are trying to do is get the local governments to pay more in local assistance, because that number hovers around 13 percent statewide. We are trying to get that number up to 20 percent statewide with all of our systems. So that \$7.183 million that they are providing right now, the new money or the 5 percent would be in addition, so it is not as great of an amount as— And the reason why we are giving this whole menu is so that they do not have to rely on that property tax. But they do not have to impose any of these taxes. They could just use General Fund revenues and use the property tax as a means for providing this money in the local match. They do not have to use a local earned income tax or any of the other menu items that we are providing for in the law.

Mr. ADOLPH. Thank you, Mr. Speaker, for your information.

Mr. Speaker, I think what we face here—

The SPEAKER. Has the gentleman concluded his interrogation?

Mr. ADOLPH. Yes. On the amendment.

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

Mr. ADOLPH. Thank you.

Mr. Speaker, I think what we are being faced here with is something that we faced with local property taxes with Act 1. I think we are going to give the locals an opportunity to raise taxes, and the problem is, there is no guarantee that the money that used to come out of the General Fund to contribute to SEPTA is going to be considered in that calculation. So even at 20 percent, which is a 66-percent tax increase, if you add the money that they are already taking out of the General Fund, this is an addition that the people of, say, Delaware County or Bucks County may be paying. Now, we learned this a couple times through local school tax formulas as well as the infamous \$52 EMST tax (emergency and municipal services tax). We did not think our local municipalities were going to go right to \$52, but they did, and we came back here a year or two later trying to satisfy that.

I do not see anything in the language, and I think that the gentleman from Jim Thorpe has all good intentions of raising revenue for mass transit, but these figures are much higher than needed. The percentage of sales tax, the percentage of local income tax, the vehicle tax, and it is a quarter of 1 percent or a half of 1 percent, well, they are all higher than what we need, okay? I think they really have to go back and take a look at the percentage. All you have to do is take a look at what they generate statewide — \$700 million if you raise the income tax a half of 1 percent or the sales tax. This is going to happen in your counties. They are going to raise the taxes much more than necessary for mass transit, and I would caution those in the Delaware Valley regarding this increase in taxes. Thank you.

The SPEAKER. Representative Maher.

Mr. MAHER. Thank you, Mr. Speaker.

Obviously, the amendment before us today is different in many respects from the amendment that was before us on Thursday, and I, for one, am glad that circumstances evolved so that the recommendation that members vote first and read later did not come to pass. I think a lot of the changes that have been

made are very important changes; for instance, this parking surcharge that could have been levied at an unlimited rate on any sort of parking space. To the extent that the gentleman from Penn Hills is unhappy about whoever revealed that, I, for one, will stand up for Mr. McCall and say that I believe that he was answering completely truthfully, and throughout our entire conversation, I found him to be painfully honest, honest about points that it would have been easier just to fluff off. But the gentleman from Carbon County was very forthright and very honorable, and on that note, I hope he will entertain some more inquiries.

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

Mr. MAHER. Thank you, Mr. Speaker.

Mr. Speaker, just for the sake of clarity, the surcharge on parking spaces that was created would have been created under amendment 1793 for counties or municipalities to impose. That is absolutely absent from this particular proposal. Is that right?

Mr. McCALL. That is correct.

Mr. MAHER. So that is gone. That is good.

Mr. Speaker, is it also correct that the sales tax that could have been imposed by a municipality is now gone from this proposal?

Mr. McCALL. That is correct.

Mr. MAHER. That is good.

And the use tax that could have been imposed by a municipality, that has now been removed from the proposal.

Mr. McCALL. That is correct.

Mr. MAHER. We are on a roll. We will be singing together soon.

Now, the interrelationship, the sales tax and use tax that is provided in this proposal could be levied by county.

Mr. McCALL. That is correct.

Mr. MAHER. And mechanically, I am just seeking some clarification. I represent Allegheny County and Washington County. If in the unlikely event that both adopted a sales tax and a use tax, and someone who is a resident of Washington County acquired goods in Allegheny County and paid a sales tax in Allegheny County, in doing so, that individual would not be relieving themselves of having being faced in the use tax in Washington County, or would they? How would that work?

Mr. McCALL. No, Mr. Speaker. "The ordinance shall provide that the tax shall not be paid if the person has paid the tax imposed under subparagraph (i)..." and that paragraph (i) is the sales tax, so he would not.

Mr. MAHER. Well, I understand what you are saying, but the use tax in this case would have been imposed as a county use tax by Washington County, and Washington County under subparagraph (i) would have created a sales tax. So the Washington County resident would not have paid the tax imposed by Washington County under subparagraph (i); how are they now exempt from the Washington County sales and use tax?

Mr. McCALL. Because the sales and use tax is one tax. So if you paid sales and/or use, you would meet the exclusionary language that I read to you prior. So it is one and the same.

Mr. MAHER. So your intention here is that if you paid one in any jurisdiction, you are exempt from the other in every jurisdiction.

Mr. McCALL. That is correct, and the amendment reads that way as well.

Mr. MAHER. Well, I would argue—

Mr. McCALL. It is the same way that it works in Allegheny County right now, Mr. Speaker.

Mr. MAHER. That is an interesting question. Are you referring to the RAD (regional asset district) tax, Mr. Speaker?

Mr. McCALL. Yes.

Mr. MAHER. I may come back to that, but at the risk of belaboring our conversations with mounting sales taxes, one on top of another, I am going— I think I follow your point and I may revisit it, but I want to move on down to the excise taxes, and just to confirm, I think I heard you explain earlier that the hotel room excise tax of a quarter or a half percent, provided in small Roman numeral (iii), could be imposed side by side with the excise tax and hotel room rentals up to 1 percent, provided in Arabic No. (4).

Mr. McCALL. That is correct, and up to 1 percent, Mr. Speaker.

Mr. MAHER. Up to 1 percent.

Now, when you say "A county may impose, under the statutory authority of the county..." Allegheny County has two separate statutory authorities for hotel taxes. So does this section apply to each of those or does it apply to one of them, or which one does it apply to if it is only one?

Mr. McCALL. It would be in addition to the tax that they already levy on hotels.

Mr. MAHER. But this is in addition to their existing statutory authority, and they can point to statute A for one statutory authority, and that is 1 percent there, and statute B for another statutory authority, and that is 1 percent there. Is there anything that would preclude the county from doing that?

Mr. McCALL. We are not sure if we understand the question, Mr. Speaker. They would have to impose the tax. Number one, they would have to pass an ordinance, the county, to impose the 1 percent. Is your question related to a separate line or in addition to the current 1 percent that they collect right now?

Mr. MAHER. Well, Allegheny County actually has two separate statutory authorities for hotel taxes and this refers to the statutory authority, and I just want to be sure we understood. If it may be helpful, they are authorized under both the Second Class County Code and the County Code.

Mr. McCALL. Mr. Speaker, the 1 percent is levied separately, but they use the language that is currently in the County Code to administer the tax. However, the 1 percent is administered separately.

Mr. MAHER. So you are intending that this would just be a single bite at the apple, not two bites at the apple?

Mr. McCALL. Correct.

Mr. MAHER. On the rental car tax, \$2 a day, up to \$2 a day on each rental vehicle by a municipality. So in the case of Allegheny County, that would be based upon where someone collected their vehicle or where they dropped off their vehicle, which can change.

Mr. McCALL. Where they signed the contract to collect the vehicle.

Mr. MAHER. And so in terms of nexus, if someone who is having their car repaired in the city limits of Pittsburgh has a rental car, gets a rent-a-car that is provided perhaps by their insurance company or someone else, they pick it up in the city limits of Pittsburgh and the city of Pittsburgh has a rental-car tax, they would be due for the \$2.

Mr. McCALL. That is correct.

Mr. MAHER. And if they were in, let us say Dormont, right next door on the city line, and Dormont did not have this municipal rent-a-car tax, and someone said, you know, meet me up on the corner and you will save \$2 a day, they would be exempt.

Mr. McCALL. If the contract and the purchase occurred outside the ordinance that was passed by the authority or the council or county, yes, they would not pay the tax.

Mr. MAHER. Well, maybe just clarify something for me here. Your use of the word "municipality" here, this is the broader usage? The municipality here does not mean only a city; it means a city, town, borough, county—

Mr. McCALL. Well, in the case of Allegheny County, municipalities do not contribute to the transit system. It is only the county that contributes. Municipalities do not.

Mr. MAHER. At this point.

Mr. McCALL. At this point.

Mr. MAHER. And your legislation, though, allows for municipal taxes that can be collected if they are going to be used for transit. Is there anything precluding those 130 municipalities in Allegheny County from levying these taxes?

Mr. McCALL. Only if they contribute, and right now they do not contribute. Only the county contributes, about \$25 million.

Mr. MAHER. I guess I wonder then why, are there other places around the State you have in mind when you speak of "municipality" instead of "county"?

Mr. McCALL. There are a number of occasions where counties and municipalities both share in providing dollars to support their transit systems. I think Harrisburg is an example. The counties and the city of Harrisburg and the surrounding counties in partnership provide money to support transit.

Mr. MAHER. All right. I appreciate the clarification.

Moving to page 8, this talks about deposits in the Public Transportation Trust Fund. In each case the language includes a statement saying the first year following, "the first fiscal year following the effective date." If I am reading the effective date correctly, and perhaps I am not, but if I am reading the effective date correctly, none of these provisions would be effective until, if this were to be signed by the Governor tonight, none of the effective dates would be until sometime in August, and the next fiscal year would be fiscal year '09. Do you intend to defer payments until this year '09, or is—

Mr. McCALL. No, the payments will be made into the fund, Mr. Speaker. The Turnpike Commission will provide the dollars, both the capitalization dollars, the \$450 million, as well as a cash payment, and then we anticipate from, you know, the payments from the Turnpike Commission as well as the appropriations and executive authorizations from the Lottery Fund, the money that we provide in PTAFA (Public Transportation Assistance Fund), all those various programs, the myriad of programs that we have to support transit, would be placed into a new fund called the Public Transportation Trust Fund, as well as the moneys that are currently in the line item for transit in the State budget.

Mr. MAHER. And you raise two good points there. I guess the one— And that does help my understanding. But if I am understanding, there are funds that will go into this Public Transportation Trust Fund that heretofore had been subject to appropriation by the General Assembly and the Governor that will no longer be subject to appropriation but will

be in this fund beyond the ability for the legislature to participate in the appropriation process?

Mr. McCALL. Well, we move the authority that we levied under PTAF and under Act 3 – Act 3 which created the 1.2-percent sales tax capped at \$75 million, as well as PTAF, you know, the number of things that we tax under PTAF – we just moved that authority to collect that into this Transportation Trust Fund. So all of that appropriation or authority remains; it just gets transferred into this trust fund to protect, to protect the money so it cannot be used for anything else other than transit.

Mr. MAHER. And since you are doing that, there has been some consternation in years past about the flexing of Federal transportation dollars, taking dollars that could be invested in bridges and highways and using them for transit. Would there be any flexing in the future?

Mr. McCALL. Well, if we do not pass legislation, the Governor has literally begged this General Assembly for the last 3 years to do something about mass transit. When the legislature failed to act, both the House and the Senate over the course of the last 3 years, the Governor had no choice but to flex moneys. If we pass legislation that provides the necessary dollars for transit and the road and bridge program, I do not think there will be any necessity for the Governor to flex money.

Mr. MAHER. And so if this proposal were to become law, there would be no more flexing of Federal dollars to transit?

Mr. McCALL. There really would not be a need to. I do not want to speak for the Governor, but there really would be no need for the Governor to flex those dollars. He wants to maintain our road and bridge program and understands the importance of taking care of the severe bridge problem that we have in this Commonwealth in that we have 6,000 deficient bridges that need funding. He certainly will make sure that those funds stay there.

Mr. MAHER. That is encouraging.

Speaking of PTAF, on page 8, line 25, it says that the revenues will be deposited into this fund from Article XXIII of the Tax Reform Code, which I understand to be PTAF. Are you— Page 8, line 25.

Mr. McCALL. Okay. I am there.

Mr. MAHER. If I am understanding, lines 25 to 28 are really referring to what we have called PTAF in the past—

Mr. McCALL. Correct.

Mr. MAHER. —the funds that go into that fund.

Mr. McCALL. That is the money that we have the fee on new tires, the fees on car rentals, the 3 percent add-on for lease cars – we currently pay 6 percent; it is 9 percent if you lease a car – and there is also a portion of the sales tax that is also dedicated to transit in PTAF at .947 percent. So there are two sales tax components, Act 3, and then PTAF has the four components with the dedication of the sales tax revenues and then those other three programs.

Mr. MAHER. And altogether in round numbers, that is about \$190 million—

Mr. McCALL. About \$180 million.

Mr. MAHER. About \$180 million; all right.

Now, the question I have on this, it goes back to page 53, line 36. If you need a minute to digest it, because I know it is quite a mouthful of technical references.

Mr. McCALL. Mr. Speaker, we are not eliminating the revenues there or the revenue sources. We will—

Mr. MAHER. Well, I have not even asked my question yet, sir.

Mr. McCALL. We create the new fund, the transit fund that collects those revenues, and then we will do the allocation when we do a Fiscal Code bill of those revenues, when we do our budget.

Mr. MAHER. Well, it sounds like you have diagnosed my concern, which is that the funding depends on about \$180 million of PTAF funds, but the authority to collect those funds at all and set them aside for this purpose is being eliminated elsewhere in the bill, so it looks to me like the fiscal note has got a \$180 million problem in it.

Mr. McCALL. No. The authority remains to collect those revenues. Again, we are not eliminating the revenue source; we are just moving it to another funding category in the new fund that has been created, and then we will spend the money when we do the Fiscal Code tied to the budget.

Mr. MAHER. And bear with me. I guess the trouble I have is how we deal with revenues being deposited into this fund if the revenues no longer exist and the fund that they are coming from is just gone.

Mr. McCALL. Mr. Speaker, the language in this bill and contained on this page, it is not an appropriation of funds; it is merely a transfer. The authority to collect those revenues is still there. The money will be collected and placed into the Public Transportation Trust Fund, and then we will do a Fiscal Code bill when we do our budget to disseminate the money.

Mr. MAHER. So in this case, in this case instead of it being once and done, it is going to require an ongoing appropriation?

Mr. McCALL. Mr. Speaker, I will refer you to page 8, and it will, again, show you all of those funds, all of the things that we have talked about from PTAF to the sales tax that we impose at 1.22 percent to \$75 million. All the way down and through, it will show you the authorizations in the law to collect all those appropriations or all those dollars. And if you will look at the top of the page, you can see that we established within the State Treasury the Public Transportation Trust Fund, and there is the list of revenues that will be placed into that trust fund.

Mr. MAHER. Well, Mr. Speaker, I think I understand what you might have meant to do, but it is pretty plain when it says that beginning "...July 1,...revenues deposited into the Public Transportation Assistance Fund..." and that is what is going into this thing, it is the revenues deposited in the Public Transportation Assistance Fund beginning this July 1, but by this July 1, on page 53, the law that relates to establishing and the very existence of the Public Transportation Assistance Fund is repealed.

Mr. McCALL. No, Mr. Speaker. It is not the law. It is the old fund that is repealed. And then if you refer—

Mr. MAHER. Where is the new fund created then? Maybe you can help me with that. I do not see a Public Transportation Assistance Fund.

Mr. McCALL. The new fund is created on top of page 8.

Mr. MAHER. No; I am sorry. I know about that fund.

Mr. McCALL. Actually, actually the bottom of page 7, and then over to the top of page 8 is the establishment of the fund and the deposits. That special fund is established within the State Treasury and known as the Public Transportation Trust Fund, and then everything contained below that are the funds that are deposited into that trust fund.

Mr. MAHER. And one of those things to be deposited into the Public Transportation Trust Fund, according to page 8, are revenues deposited into the Public Transportation Assistance

Fund, which is eliminated on page 53. So if the Public Transportation Assistance Fund is eliminated on page 53, how will there be any revenues from that fund? There can be no revenues deposited into that fund because the fund does not exist anymore.

Mr. McCALL. Well, you have to read on in the existing law. Sections (a) and (b) are, yes, in fact, repealed, but when you go to (c), (d), "There is hereby imposed a fee on each sale....," that is where you will find where the funds are deposited.

Mr. MAHER. Well, you give me something to think about, Mr. Speaker, but I would encourage your staff to consider that because I do think you have got a glitch where you have got \$180 million, but I will consider your thoughts, I hope you will consider mine, and maybe we will have another chance to talk about that.

Now, down in terms of the creation of these funds, the programs, the operating program says that not less than \$810 million shall be allocated to this program in the first fiscal year following the effective date of this section. As we talked about earlier, the first fiscal year following the effective date of this section would be fiscal year '09. What funds will be available in fiscal year '08?

Mr. McCALL. The new money?

Mr. MAHER. What new money?

Mr. McCALL. Are you talking about the new money or the money that we are depositing into the new restricted account?

Mr. MAHER. I am talking about the financial assistance for operating programs. On the bottom of page 8, line 54, it says that "...the fund shall be allocated to this program in the first fiscal year following the effective date of this section." The first fiscal year following the effective date of this section, by my arithmetic, is fiscal year '09. This would seem to leave no money for fiscal year '08. I do not know if that was what was intended or if there is some other funding stream for fiscal year '08 that is not clear to me.

Mr. McCALL. Mr. Speaker, the amendment says, "Commencing July 1, 2007,..." on all the funds.

Mr. MAHER. Well, I am looking at the effective date section, and it seems to me, except for a couple of specific references, it is not effective until 60 days after it becomes law, and this does not seem to be one of those sections that has the accelerated effective date. So the effective date of this section would be during fiscal year '08, which means that this program funding could not begin under this amendment till fiscal year '09.

Mr. McCALL. That is incorrect, Mr. Speaker.

Mr. MAHER. Well, help me out here. The effective date for this section is 60 days after it becomes law, which by now would have to be in the midst of fiscal year '08.

Mr. McCALL. I understand that, Mr. Speaker, but in the body of the text, under all of the programs, "Commencing July 1, 2007"—

Mr. MAHER. Well, that is the collecting of the funds. This is the use of the funds. The use of the funds occurs in the first fiscal year following the effective date of the section. Again, if you look at lines 54, 55—

Mr. McCALL. Of what page, Mr. Speaker?

Mr. MAHER. I am sorry. Page 8.

Mr. McCALL. Okay.

Mr. MAHER. Under "Financial assistance," first with operating programs, it is lines 54 and 55, and it is similar language with respect to each of the other programs.

Mr. McCALL. The question is?

Mr. MAHER. Well, the question is, if this section is effective, the use of funds, the financial assistance is allocated in the first fiscal year following the effective date of the section. The effective date of this section would be fiscal year '08, so this section would apply to fiscal year '09. I am asking what funds will be available in fiscal year '08, because it is not coming from this section.

Mr. McCALL. Mr. Speaker, if you are concerned that there will be a lapse in fund between the effective date because of that 60-day period, I would refer you to page 53, section 6, which allows or provides for the Department of Transportation to continue to use those receipts to both pay for operating and capital expenses.

Mr. MAHER. And so if I am understanding correctly, if there is a concern about the effective date, it is business as usual until we reach that point where there is not. Is that correct?

Mr. McCALL. At least to get the money paid out, but they will still have to meet the performance criteria, the audit criteria, and all the other things established in the law.

Mr. MAHER. But the method of distributing these funds, the financial assistance would not be pursuant to the programs that begin on page 8 but rather the discretion in section 6, which goes just from lines 12 to 24, and basically gives the Secretary discretion to do whatever the current law is?

Mr. McCALL. Well, Mr. Speaker, it is the method and the means to get this money driven out so we do not stop our trains from running and buses from rolling. So it does in fact give the authority to spend the money that you were questioning how it gets spent. This is how it gets spent.

Mr. MAHER. Thank you. Let us go on. The same point, whether we are in agreement or not, would apply to each of the other programs as well.

Coming down to the "Approval and award" on page 9, beginning at line 42, and actually on line 44, it speaks to "...any other requirement with respect to the financial assistance requested...." Who is authorized to set these "any other requirements"?

Mr. McCALL. You are on page 9, line?

Mr. MAHER. Page 9, and this is pretty important for our local transit organizations because it says, "Upon determining that an applicant has complied with this chapter...." So if an applicant has complied with the law, the statute, and applicable rules and regulations and any other requirements with respect to financial assistance, it sounds like strings attached, the fine print. Who is setting the fine print here?

Mr. McCALL. The Department of Transportation, Mr. Speaker.

Mr. MAHER. And they can do that without having to resort to the regulation writing process that is normally in place?

Mr. McCALL. No. They have to follow the law and follow the way the dollars are driven.

Mr. MAHER. Page 11 gets into the distribution formula for operating programs and provides that the "...distribution formula shall be applied by the department with respect to the award....," and it splits up the distribution into four pieces: 25 percent based on passengers, 10 percent based on senior passengers, 35 percent based on revenue vehicle hours, and 30 percent based on revenue vehicle miles.

Now, it seems as though the first of the two criteria for distribution appear again and again as we go through in terms of measuring performance. I am curious why numbers (3) and (4)

would be used for distribution because it would seem to reward inefficiency. It would seem to reward people for running empty buses. If 35 percent of the award is based upon revenue vehicle hours and 30 percent is based upon revenue vehicle miles, we have got 65 percent of total funding based upon what is spent as opposed to what is accomplished and only a third, 35 percent, being awarded based upon what is accomplished as opposed to what is spent.

Can you explain to me why the formula should be based upon empty buses rather than full buses?

Mr. McCALL. That is not the case, Mr. Speaker. Mr. Speaker, the first two, you are correct in saying that the first two criteria are performance-based. As a matter of fact, the senior passengers' premium, that is a program that we reimburse only during standard working hours. That premium for senior citizen passengers, we are now extending that to 24 hours a day, so senior citizens can get that premium or that discount 24 hours in a day.

The other two, the total vehicle hours and total revenue vehicle miles, are to balance both the urban and suburban or rural needs to make sure that the rural counties, their needs are met as well. And the way to do that needs-based formulization to make sure that the rural systems receive enough compensation to run their systems, you do it based on the vehicle hours and the vehicle miles.

Mr. MAHER. Would it not have made sense then to split the funding so that you are rewarding behavior in the urban, the expensive systems that we, most of us, would claim to be desirous, instead of rewarding, and I will tell you, I have got a very specific, in turn here, an example: The Port Authority of Allegheny County has just gone through an enormous study and has gone through dramatic route cuts. It is aiming to not run empty buses. It is aiming to shorten its route structure to serve the city and the region that exists today, and this funding formula will punish the Port Authority of Allegheny County for having taken the difficult steps of right-sizing their route structure and dropping empty buses from the schedule. If anything, I think we should be rewarding that behavior and not punishing it, and I am asking, how does the Port Authority of Allegheny County's progress get rewarded rather than punished under this formula?

Mr. McCALL. Mr. Speaker, simply put, that without the passenger component, systems would not get the money that they actually need to operate. Now, we could agree to disagree on what you are saying, but they have to meet a minimum performance criteria as well in all of this, but without the passenger component, systems would not get enough money to operate. It is a very important component of the formula.

Mr. MAHER. Thank you, Mr. Speaker.

Moving on to the match, the 20-percent match, and if I understand the 20-percent match, it is for every \$5 of State money, there has got to be \$1 of local money. Is that a fair enough illustration — \$5 of State money, \$1 of local?

Mr. McCALL. Yes, Mr. Speaker.

Mr. MAHER. Now, I have heard this effort characterized as sending a message that the local communities need to step up to the plate and provide more local support and that this match was supposed to be actually something to strive toward. Is that right, that this is an officious goal?

Mr. McCALL. That is correct; that is correct, and it is phased in; yes, Mr. Speaker.

Mr. MAHER. In November the Governor's Transportation Funding and Reform Commission completed a year and a half study, during which time I will remind you the Governor asked us to sit tight so that he could have the situation studied with respect to mass transit and transportation, and I do not know if you are familiar with this. I had a memory of this chart, but I had a heck of a time finding it, because for whatever reason, this report seems to have disappeared from the Department of Transportation's and the Governor's Web sites. But we were able to find one in the archives, and I will be happy to share a copy. It looks like you have got one handy. That is great.

Page ES-18, if you would. Page ES-18 says that the current, current funding sources for public transportation programs, and it has got a chart that shows the State amount, the local amount, total amount, and in terms of what would be under the guise here of operating programs, the sum total there turns out to be \$5 of State to \$1 of local, and if that was the status quo, I guess I am trying to gain a handle on what great leap forward in local responsibility is being accomplished by saying that the locals will put up 20 percent, if that is what they have been doing.

Now, maybe this is why I had difficulty finding it on the Governor's Web site.

Mr. McCALL. Did you ask a question, Mr. Speaker?

Mr. MAHER. My question is, can you explain why this is some leap forward in requirements for local responsibility if it is really replicating the average of the status quo?

Mr. McCALL. Mr. Speaker, the numbers that you are referring to would have a number of waivers included in it for its current system, so you are not getting a true reflection or a true picture of what those numbers actually are.

Mr. MAHER. I am sorry. Are you suggesting that the chart that the study commission, the Governor's blue-ribbon panel, was relying on, they did not understand what they were looking at? I think the point here was the relative levels of support, that the State was putting in \$5 for every \$1 local communities were putting in.

Mr. McCALL. Mr. Speaker, I would rather not debate the Transportation and Funding Reform Commission report.

Mr. MAHER. All right.

Mr. McCALL. I would rather debate the amendment before us.

Mr. MAHER. Thank you, Mr. Speaker.

With the distribution formula, it talks about the match being required at 20 percent. Now, if currently a system has been paying 20 percent, would they then be required to pay 25 percent with clause (B) or is that 5 percent of 20 percent when they were taken from 20 of the total to 21 of the total?

Mr. McCALL. There are no systems in the Commonwealth of Pennsylvania that meet the 20-percent requirement; none. None meet the 20-percent local match requirement right now.

Mr. MAHER. Which is fascinating. Perhaps if you have got that information available, you could share it with the members.

Mr. McCALL. Would be glad to.

Mr. MAHER. That is a different set of data. Is that something somebody might make available while we consider the amendment?

Now, when we look at the match and you get further back, it talks about a needs-based adjustment on page 14. If I read that needs-based adjustment on page 14, the way I might sum it up is that no matter what the matching formula says, if the Secretary of Transportation wants to give more money to somebody, he can do it.

Mr. McCALL. That is correct, Mr. Speaker.

Mr. MAHER. So this match is not really a standard. If somebody does not meet the match, they can still get the money?

Mr. McCALL. Well, yes. We will require them to show an effort to meet the match.

Mr. MAHER. Thank you, Mr. Speaker.

Just above that provides for the periodic review of the formula. In this case it is a distribution formula. And it says that at least once every 3 years the Secretary can basically change the formula. If less than 5 percent, he can just do it by posting a notice. If more than 5 percent, he needs to jump through the regulatory hoops.

Now, the regulatory hoops, though, are suspended for the first 2 years after the effective date of this statute. When I put those sections together, what I conclude is that the allocation formula, the distribution formula that was enunciated on page 11, paragraph (c), can at the complete discretion of the Secretary be thrown out the window anytime, anytime at all during the first 2 years of this program, and the allocation that was crafted and presented here, whether I like it or not, has no durability to it. Is that a fair characterization, that the Secretary would have it in his power to come up with any distribution formula he wanted during the first 2 years?

Mr. McCALL. No, Mr. Speaker. He would still be required to follow the components set forth as provided in the formulization that we provide. However, we would ask him to go and review that formula to check to see if there are any inequities in the way we drive the money to the local agencies.

Mr. MAHER. Where in this periodic review does it preclude the Secretary from making wholesale changes during the first 2 years? This clearly permits him to do it. I have not seen the language you might have in mind that would rope him in.

Mr. McCALL. Mr. Speaker, it is just giving the Secretary the ability to rereview the formula in the event that ridership increases on one system as opposed to another system, and that because of that increased ridership, it affects a formula as such that it takes away money from some of our rural and smaller systems. So it is kind of a safeguard put in place to make sure that all the money does not get drained off from the rural systems in the Commonwealth.

Mr. MAHER. And I might enjoy those guidelines that you recited, but they are not to be found in your amendment as I read it. There are not those curbs that put any constraints on the Secretary. If he wanted to put all the money into Philadelphia, let us say, he could change the formula and make it so.

Mr. McCALL. Mr. Speaker, the language reads, "If an adjustment results in a change of five percentage points or less in any category, the department shall forward a notice of the change to the Legislative Reference Bureau..." blah, blah, blah, and that is the language that kicks that provision into action.

Mr. MAHER. Going on to page 15, bond funding, the "Local match requirements," the "Priorities" down at 54 (e)(1), "Funds required to support existing local bond issues..." my question is this: Are existing debt service payments subject to this 20-percent match requirement?

Mr. McCALL. No, they are not.

Mr. MAHER. And how will I see that— So you take the following language to be sort of a, relieving the local operators from that 20-percent requirement? At first I thought that is what that would say, but it sure did not read that way to me.

Mr. Speaker, rather than take up time, I will reread that, and maybe it is there. I hope your staff will reread it, and if they think it is there, come and show it to me, because I sure do not see it.

Mr. McCALL. We are looking at it now, Mr. Speaker.

Mr. Speaker, are you referring the question to new capital projects by the system—

Mr. MAHER. No, sir.

Mr. McCALL. —or are you talking about operating expenses?

Mr. MAHER. The "Local match requirements" on page 15 where it talks about "Priorities," the very last line of the page talks about "Funds required to support existing local bond issues..." and my question is simply this, because a local match is above at (c), and now this down here is (e), "Priorities," and my question is, are existing bond commitments by local transportation organizations now subject to the local match if this were to become law? But I have offered that if folks want to look at that offline, we can do that, rather than tie up the entire chamber, because that language is dense, Mr. Speaker, and I recognize to read that on the fly is not an easy thing. So I make that offer in good faith.

Mr. McCALL. It would require the 20 percent the way the statute is written in descending order from priority one all the way down and through—

Mr. MAHER. Your read would be that it would require the 20 percent?

Mr. McCALL. Correct.

Mr. MAHER. And do we know, are there systems that are not meeting that 20 percent now?

Mr. McCALL. Currently they have a 16-percent match, Mr. Speaker.

Mr. MAHER. So the chances are, we have got systems that are going to have to bridge from 16 to 20 in order to get the first dollar of matching?

Mr. McCALL. Of the new money.

Mr. MAHER. Thank you.

Going on to page 17, "Programs of Statewide significance," there is a listing there under the "General rule" that goes from 1 to 11 of a variety of programs and a few lines that are reserved. I think most of these programs currently are programs that are included in the annual general budget appropriations bill. Is that correct?

Mr. McCALL. Yes, that is correct, Mr. Speaker.

Mr. MAHER. So traditionally, the House, the Senate, and the Governor would all have to get together and sort out how much money would go to the Persons with Disabilities Program versus how much would go into intercity rail versus how much should go to Welfare to Work, et cetera? But now that all will be up to the Secretary to settle all those competing interests?

Mr. McCALL. Well, under this legislation, Mr. Speaker, the Persons with Disabilities Program is extended to a statewide program. It was a pilot program that ran for a number of years, paid for by the Department of Transportation or with funds from the Department of Transportation. We expand that program and fund it under programs of statewide significance.

Mr. MAHER. But my question would be, historically this is part of the General Fund appropriation, and even when funds were appropriated for that program, it is my memory that the Secretary did not always expend them, much to the consternation of the disabled community across Pennsylvania. Now it is just not whether he will expend what has been

appropriated, but whether or not there will be anything available to them at all. The disabled communities in this are going to have to rely on the good faith of the Secretary of the Department of Transportation for both an appropriation and an expenditure as opposed to having the House and the Senate look to the expenditure and then just having to knock on the doors of the Department of Transportation to try to get them to release the funds.

Mr. McCALL. Mr. Speaker, the Persons with Disabilities Program comes from a number of appropriations – some General Fund, some lottery. Intercity rail is General Fund. The community transportation capital and service stabilization fund comes out of PTAF. The Welfare to Work Program and matching funds for the Federal program is an appropriations fund, and the demonstration and research projects, technical assistance, are PTAF-funded.

Mr. MAHER. Right. It has to come from a number of funds, and I think you confirmed my question. Thank you, Mr. Speaker.

Going to page 22 where it talks about the composition of boards for the, what I call metropolitan transportation organizations, and they have a variety of references because of overlapping Federal laws, this speaks entirely about contributions by counties being determinate of representation on these multicounty decisionmaking bodies. And as we discussed earlier, in various parts of the State, municipalities also make contributions. Why would the municipality such as Harrisburg be disadvantaged in determining representation on these councils when they are working hand in hand with a county like Dauphin?

Mr. McCALL. Mr. Speaker, the language that you are talking about refers to SEPTA and SEPTA only.

Mr. MAHER. Oh, that is strictly SEPTA?

Mr. McCALL. This is just for SEPTA, Mr. Speaker.

Mr. MAHER. The challenges of SEPTA are out of my league.

Mr. Speaker on page 24, section 8103 is now reserved. This was a section in the earlier amendment, 1793, that had an enumeration of projects that the turnpike was to undertake. Am I correct that there is no enumeration in this amendment of any projects of the turnpike to undertake?

Mr. McCALL. That is correct, Mr. Speaker.

Mr. MAHER. So if a gentleman from Fayette County or a gentleman from Washington County or a gentleman from Beaver County or Allegheny County or any genteladies from those areas were hoping, were hoping that the completion of the empty links in the Southern Beltway or the Mon-Fayette Expressway, if you were hoping that you were going to have some authorization out of this bill, those hopes are not going to be satisfied by this legislation. Is that correct?

Mr. McCALL. Mr. Speaker, there are a number of authorizations already authorized under Act 61. I do not know what specifics you are referring to, as far as the gentlemen and genteladies you refer to, but those authorizations that are currently in that act and all prior authorizations are still authorizations that are on the books, and it would be up to the turnpike, by virtue of a feasibility study, whether or not to follow through with those programs, because they do have bondholders, they do have people that pay the bills, and therefore, they have to show that the project is feasible and that they will not lose money.

Mr. MAHER. And I agree with the gentleman wholeheartedly, the turnpike does have bondholders and they do need to meet their obligations, and this amendment layers on top of that hundreds of millions of dollars of obligations. Does this legislation provide any funding whatsoever that would allow the turnpike to complete the Southern Beltway or the Mon-Fayette Expressway, or in fact, is it the opposite? Does this by sucking every last dollar out of the Turnpike Commission make it impossible that those roads will be completed?

Mr. McCALL. Mr. Speaker, nothing has changed with the legislation that is before us. There is currently money in the capital plans by the turnpike for those projects.

Mr. MAHER. I am sorry. The turnpike has already announced they do not have the funds even today to complete these projects, and if we are layering on hundreds of millions of dollars of new obligations, is there some source of funds that I am not aware of that is going to ride to the rescue after we finish—

Mr. McCALL. We are not adding any new obligations, Mr. Speaker. Subsection 8911 of Title 25 provides all of the authorizations in the turnpike expansion act. They are there and have been there for a number of years.

Mr. MAHER. But there is no money for the Mon-Fayette, Southern Beltway in this bill at all? We are funding \$4 1/4 billion of other transportation projects but nothing in here for the Mon-Fayette by the turnpike?

Mr. McCALL. Just what is currently in law, Mr. Speaker.

Mr. MAHER. Thank you, Mr. Speaker. I hope the folks in Fayette are paying attention to that.

A very technical question, Mr. Speaker. On page 27, line 9 begins with (d). Looking before (d) for (c) and (b), I could never discover (c) or (b), and on page 25 I find (a) and (a)(1), and I am wondering, where are (b) and (c)? Is that just a technical— You are not missing sections; that is just a numbering—

Mr. McCALL. That is just the way it is set up, Mr. Speaker.

Mr. MAHER. Very good.

On page 27, looking at actions by the commission, beginning on page, excuse me, line 26, this says that "...any action" – any action – "whatsoever of the commission, including, but not limited to, the hiring, appointment, removal, transfer, promotion or demotion of any officers and employees..." requires commission action. If I am understanding this correctly, this would seem to say that a simple administrative decision to move a clerk from working in this office to working down the hall in that office would have to go all the way up to the commission for approval. Is that correct?

Mr. McCALL. Yes, Mr. Speaker. We are basically mirroring the current language that is currently contained in the law, and under this amendment, we add two members – one appointed by the minority leader, one appointed by the majority leader. Five members would then constitute that action by the commission.

Mr. MAHER. So now there will be nine people deciding whether—

Mr. McCALL. Seven people.

Mr. MAHER. Excuse me. There will be seven people now deciding whether or not to transfer a clerk from desk A to desk B rather than just the mere five that were doing it before?

Mr. McCALL. Five of the seven, Mr. Speaker.

Mr. MAHER. And if somebody is working as a tollbooth collector and there wanted to be a decision to shift them down the line to some up-or-down-a-slot post, that has got to go all the way up to this board for approval?

Mr. McCALL. Absolutely, Mr. Speaker. We are all about accountability.

Mr. MAHER. And every single personnel decision goes all the way up?

Mr. McCALL. That is correct. Mr. Speaker.

Mr. MAHER. Now, I understand you say that is the way it has been, but since you are rewriting the law, maybe I should ask you how should it be. How should it be, Mr. Speaker?

Mr. McCALL. The way we have it written right now, Mr. Speaker.

Mr. MAHER. I always appreciated your humor.

You will be happy to know I am just about exhausted with questions, but I do have just a couple more. That is a notice, that is the advance notice of those who are out for dinner.

What happens if the turnpike does not have the resources to make the scheduled annual commission contributions provided on page 39 and the surrounding pages that talk about rent? Let us say Uncle Sam is not keen about the plan that you are advancing and says, you know, Uncle Sam paid for this road. We are not going to let you toll it the way you have got in mind. I mean, it is government. Anything can happen.

What happens if those payments cannot be made? They would be mandated to make the payments, but they would not have the money to make the payments. The section you pointed me to earlier where the Secretary has discretion to continue business as usual would not be very helpful because the Secretary does not run the Turnpike Commission. So what happens?

Mr. McCALL. Well, Mr. Speaker, I would tell you that the Turnpike Commission is a very well-run organization. Last year they in 2007 have revenues of \$611 million. With the tolling of I-80 in the first year, we will collect \$375 million, and it will grow pretty substantially over the course of time. I would think based on that, we would really not worry about those issues, but in fact, if that happens, they will be right back here at the General Assembly asking for answers on how to fix that problem.

Mr. MAHER. Thank you, Mr. Speaker.

Did I understand correctly that the total revenue at the Turnpike Commission now is \$611 million? Is that what you said?

Mr. McCALL. The total revenues are \$611,343,139.

Mr. MAHER. So the minimum contribution that the turnpike would be required to make under this amendment actually exceeds every dollar of revenue that the turnpike has in the current year?

Mr. McCALL. No, that is not correct, Mr. Speaker.

Mr. MAHER. I am glad to hear it.

Mr. McCALL. Mr. Speaker, as a matter of fact, when you look at their pro forma, their debt-to-dollar ratio, for every dollar that they spend, the ratio between those dollars and debt is \$5.4 for every dollar of debt. They have well over a, or a AA rating for the job that they do there. And what we would be doing is simply collateralizing in the first 10 years before the I-80 tolling takes place, collateralizing \$450 million, which would be paid for through debt service, and then with a cash contribution of \$250 million from the turnpike, they will still

maintain a reserve as well as revenues that could cover those expenditures.

Mr. MAHER. Well, you know, I understand what you are saying about the debt. I am not interested in seeing further debt to fund current payments, but if their current revenue, and I will double-check the number, but if you say correctly the current revenue is \$611 million, it seems to me we need to leave enough money so the turnpike can maintain the road. But I hear what you said. I will take a look at their financial statements and consider it.

Mr. Speaker, one last question, and you may not want to address this. The report that we were referring to earlier says that the commission recommends \$60 million in savings for public transit from restructuring or eliminating underperforming transit routes, using purchasing pools, making fare adjustments, and reducing labor/management costs through improved productivity. Is that cost savings required under this statute?

Mr. McCALL. No, Mr. Speaker. We are not obligated by that report.

Mr. MAHER. Thank you, Mr. Speaker. That concludes my interrogation. And I hope everybody had a chance to dine without indigestion. And in good faith—

THE SPEAKER PRO TEMPORE (MATTHEW E. BAKER) PRESIDING

The SPEAKER pro tempore. Will the gentleman suspend. The gentleman has ended his interrogation and would like to speak on the amendment?

Mr. MAHER. Well, actually, Mr. Speaker, I was going to say that with the great respect I have for the maker of the amendment, I am going to contemplate all the information he has provided and digest that, and I may offer some remarks before we are done, but I will treat his responses thoughtfully.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chairs thanks the gentleman and recognizes the gentleman from York County, Mr. Saylor.

Mr. SAYLOR. Mr. Speaker, would the maker of the amendment stand for interrogation, please?

The SPEAKER pro tempore. Mr. McCall has agreed, and you may proceed, Mr. Saylor.

Mr. SAYLOR. Thank you, Mr. Speaker.

Mr. Speaker, on page 2, line 39, of the amendment, I have great concerns because it looks as though you are creating a new tax system in Pennsylvania. As it reads on that line, it basically talks about the collection of a local earned income tax, but it has no reference to the current earned income tax net profits tax that we have in our current system. Is that a drafting mistake as such, or is that a new tax that you are going to ignore? I am being serious about this.

Mr. McCALL. Simply authorization, Mr. Speaker, that the local governing agency would have to pass an ordinance to impose it. They do not have to do any of it. They can impose it with their property taxes they currently use if they want to meet the match with those dollars.

Mr. SAYLOR. Mr. Speaker, I was referring to— We do not have, under current statute, we do not have an earned income tax. We have an earned income net profits tax. That is the question I have concerning the drafting of the amendment on the particular line 39 there. It does not talk about an

earned income and net profits tax. It only talks about an earned income tax, on page 2, line 39.

Mr. McCALL. You are correct, Mr. Speaker. It should be earned income and net profits.

Mr. SAYLOR. So you intend that to be that way then, Mr. Speaker? Am I correct?

Mr. McCALL. I would intend that it would be on earned income and net profits.

Mr. SAYLOR. Thank you, Mr. Speaker.

Also another question I have for you concerning the sales and use tax, page 2, lines 7 through 37, I guess the question I have is, because of this creation of this new sales and use tax, that currently we have three reporting forms in the State of Pennsylvania – one for Philadelphia, one for Pittsburgh, and one for the rest of the counties in the State – due to their different taxing levels. Under your proposal, the Department of Revenue, am I correct, would have to generate basically 67 forms for reporting because retail chains, restaurants would have to report by county now rather than by statewide?

Mr. McCALL. That is correct. The Department of Revenue would be responsible for the collection.

Mr. SAYLOR. Okay. Mr. Speaker, I also have some concerns on the amendment as well. Am I correct in stating in this amendment that under your amendment as drafted, it would provide funding only for the next 3 years starting in 2008 for mass transit and highways? The allocation has been broken down. In other words, after that the increases would be frozen?

Mr. McCALL. Could you repeat the question, Mr. Speaker?

Mr. SAYLOR. Under the amendment, your amendment, I have a breakdown that shows funding for highways, bridges for 2008, 2009, 2010 being \$450 million each year. And then I have mass transit funding in 2008 at \$250 million; in 2009, mass transit funding at \$300 million; and in 2010, mass transit funding at \$350 million. Is that accurate?

Mr. McCALL. Yes, Mr. Speaker. 2009-2010, \$350 million, and 2010-2011, \$400 million.

Mr. SAYLOR. So in 2011 how much money for mass transit?

Mr. McCALL. 2011-2012?

Mr. SAYLOR. Yes.

Mr. McCALL. Would be \$410 million.

Mr. SAYLOR. And how much in the highway and bridge?

Mr. McCALL. \$430.5 million.

Mr. SAYLOR. Could you take it to the next fiscal year after that and tell me?

Mr. McCALL. For highway and bridges, \$441 million, and for transit, \$420 million.

Mr. SAYLOR. So basically as we go years out, the funding for mass transit and highways will eventually be equal?

Mr. McCALL. No, Mr. Speaker.

Mr. SAYLOR. Could you then give me for— Maybe I need to put my earpiece in.

The funding for the year 2012-2013, what is the highway and the mass transit funding?

Mr. McCALL. Mr. Speaker, you know, if you just look at especially 2011-2012 when the tolling of I-80 kicks in, transit will never catch up to highway and bridges at that 2 1/2-percent growth, all the way through and projected through to 2047.

Mr. SAYLOR. Okay. Okay, Mr. Speaker. I think I am done with my questioning, Mr. Speaker, and I would like to make some comments.

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

Mr. SAYLOR. Mr. Speaker, I rise to oppose the McCall amendment for several reasons, one being that today many times when we are voting on funding bills, particularly something this important, I was here for the 1996 gas tax increase and mass transit funding formula that was put through here in the House of Representatives, and at that time each of us as State Representatives in each county received a funding formula with a breakdown for each county on how much highway money would go into each county, and we received the same thing in mass transit, and today we stand here ready to vote on a major funding increase for highways and mass transit, yet do not know what the breakdown of each of our counties is going to be. We have no idea what Erie County or Berks County or my home county, York County, is getting in mass transit in dollar figures out of this breakdown, nor do we know what highway funding we are getting in each of our counties. It is all left up in the air for somebody, the Secretary of Transportation, I guess, or the Governor, to decide how that would be divvied up.

I do not know about you, but if we are going to be passing legislation on the trust-me theory, I will deliver something to your county in highway funding or mass transit funding, I think we have got to think again. We have here— I mean, I read recently in the Courier Times one of my fellow members here from the other side of the aisle from Fayette County mentions the fact that there is going to be money for the Mon-Fayette Expressway. Yet at the same time, the Turnpike Commission has said that all of these projects from I-79, Mon-Fayette, the slip ramps, the reconstruction of I-78 are all going to be delayed due to this new funding formula that is being called for in the McCall amendment. So there will be no money for those kinds of projects. And I think that a lot of us are voting on the assumption that certain projects are going to be funded, and yet we really do not know that.

And so for that purpose, I believe that we should vote "no" on the McCall amendment due to the fact that none of us have an idea of what we are buying with this new increase in revenue, and there are a lot of good projects in everyone's district here in this House of Representatives throughout this State. I do not doubt that. The problem is, if you are going to make a vote on this bill today, you better be prepared to go back and tell your taxpayers what you are bringing back home through these kinds of revenue changes and this formula change.

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

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentleman from Cumberland County, Mr. Nailor.

Mr. NAILOR. Thank you, Mr. Speaker, and I will not be real lengthy.

I think a lot of comments that I was interested in making already have been made, but there is a point that I think I have to emphasize, and that point has to do with the number two industry in the Commonwealth of Pennsylvania, and that is travel and tourism. This industry produces hundreds of millions of dollars for us, hundreds of thousands of jobs in Pennsylvania, and we do very little really to support them. I mean, they are truly the goose that laid that golden egg. They bring so much

back to the Commonwealth and ask so little, or at least we provide so little.

Increasing the room tax does in fact defeat the tradition and the statutory purpose of the hotel room tax, and that is what we have earmarked now as an allowance for matching share, increase the hotel room tax. That was earmarked and targeted for our local tourism and convention centers and their purposes. We constantly have— We talk with our counties as to what those moneys can be spent on. We allowed them up to 2 percent. Some have more than that, but there is a blanket 2 percent. Some imposed the 2 percent. Some have 1 percent, half percent, whatever. Some have not even imposed the tax, but they have the authority to do so. However, it is restricted to promoting tourism in the county or the region that they are in. That was the intended purpose.

The county hotel room was a dedicated source of funding for local and regional tourism, and I think we should restrict it to that. And again, the State funding year after year, not only is it not a lot, it is either flat or it is declining. We do very little to help this number two industry in Pennsylvania.

It was mentioned before by the gentleman, Mr. Maher, about Allegheny County and Philadelphia County as well, they are already charging 14 percent on their rooms. And as I understand it from the interpretation I received, Allegheny does in fact have two statutory authorities. They could in fact have two 1-percent increases and another half percent, 2 1/2 percent on rooms where they are already charging 14 percent. What do you think that does to our tourism industry that we really do not support very well to start with?

I think it is interesting in Pennsylvania, we tell our constituents and the people of Pennsylvania that we are going to take your money but we are going to restrict it and we are going to dedicate it; we are going to put it into a lockbox for you where we cannot get at it. Well, that is not always true. As a matter of fact, we have a very poor history of doing that. Here in Pennsylvania we have a Lottery Fund that is dedicated to senior citizens. However, as I recall, we did not hesitate when we needed money to keep the Gaming Board going, we went and borrowed \$400 million from our senior citizens' accounts. Thank you, senior citizens in Pennsylvania.

Our highway funds, I have projects that are not done in my district, and I am sure you do as well, but when those Federal funds came down, we labeled them as flex funds because there was a mass transit system in the southeast that was in financial difficulty, and that is where the money went. It did not fix your roads and bridges as it was originally intended to do.

This afternoon we witnessed another one. When we passed the formula for the Tobacco Settlement Fund, we passed that, I believe, unanimously, working on both sides of the aisle, until we came up with a compromise agreement. At least I believe it was unanimous. If not, it was awfully close. But we did not hesitate to change that today and take money away from research for the bricks and mortar, so we changed that, too.

Now we come to number four. Now we are going to tap on tourism. Again, an industry that gives so much back to us and we give so little to them, we are going to make it a little more difficult for them to operate in Pennsylvania.

I have got a note here, and probably most of you got it, from the president of the Pennsylvania Tourism & Lodging Association, and he says that there is no other State in the United States of America that uses room tax revenue for transportation funding; no other State. We are going to invent

the wheel on this one, and we have got to dig deep to do it. We are going to hurt an industry, again, that comes back so nicely to us all the time.

I have another note here, and it comes from the Pocono Mountain Visitors Bureau. They said, "...oppose in all fashion any increase in the room tax...." And again, this is the second largest industry – I have to emphasize that – and they carry the water pretty much on their own. We do very little for them, and they give so much back to us. Why are we going to make it more difficult for them to operate in Pennsylvania?

I ask that you vote "no" on this amendment, particularly in this instance, because of what it is going to do to tourism in Pennsylvania. Thank you.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentleman from Philadelphia County, Mr. Blackwell.

Mr. BLACKWELL. Thank you, Mr. Speaker.

If this was a perfect world, the long interrogation that went on prior would not have gone on, because it has stolen my thunder a little bit.

But I will say this: Everybody wants everything out of this budget, but nobody wants to pay for it, especially Philadelphia County. Everybody wants Philadelphia County to pay for it while we subsidize everybody else.

In terms of this amendment, I think it is trying to make things a little more equitable, Mr. Speaker. For years we have paid more than our fair share in terms of transit. I see nothing wrong with people paying their fair share. The one thing that I found out – and I traveled quite a bit of this world – the one thing I found is that most people are fair, Mr. Speaker. They do not mind paying their fair share rather than pushing their cost off on someone else.

Mr. Speaker, I think this amendment speaks to that issue. I would implore my colleagues to vote this amendment up because I think in the long run everyone wins because of it. But remember, you cannot be all things to everyone. Someone has to pay for improving. In my district, Mr. Speaker, we have been paying tremendously for improvement with SEPTA, even though they have been arrogant and irresponsible. Well, it is time to pay the piper. If you want good things for your district, everybody has to bear a little bit of the costs.

So because my thunder was stolen earlier, Mr. Speaker, I am just going to implore everyone on both sides of the aisle, chill a little bit, stop beating up on each other, and do the right thing, as Spike Lee said.

Thank you very much.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the minority leader, Mr. Smith.

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

Just real quickly, Mr. Speaker, I wanted to make a comment relative to the importance of this legislation and to some comments earlier that suggested that the Governor was forced to flex money a few years ago and that that is what put us into this position, or at least put us in this position of the latest crisis.

Just a little history, Mr. Speaker, real quickly. Back in March of 2003, the Governor's very first budget proposal, the Governor proposed to cut public transportation by \$16.1 million. A year later, Mr. Speaker, in February of 2004, the Governor's proposed budget for '04-'05 called for a \$9.3 million increase for public transit; that is about a 3.4-percent increase. No proposal was offered for a long-term fix, nor was there any effort by the administration to develop

one; 2004. Later in 2004, in the middle of November of 2004, the Governor officially declared the transit crisis.

Now, this is where the timeline is kind of interesting, Mr. Speaker. December of '04, about a month later, the first of some small transit flexes were put into place. These were just some small – probably totals about \$10 million. A couple months later, a month and a half later, February of '05, next budget, third budget, the administration puts forth the budget to the legislature. It proposes a \$2 million increase for public transportation. About 2 weeks later, 3 weeks later, on February 28, the Governor then pulled the first rabbit out of the hat with the big transit flex. It was the \$412 million flexing, effectively taking the issue off the front burner until after the next gubernatorial election. At this point in time the Governor also announced the windfall of Federal highway funding that the administration knew of perhaps as early as September or October. However, it was never mentioned through the course of those waning months of '04 leading into this point. Subsequently, a day later the Secretary of Transportation revealed this, confirmed this, that the administration was aware of this potential Federal windfall much earlier, as early as possibly September of '04.

As part of the February 28 announcement that he was flexing money, the Governor also created the nine-member Transportation Funding and Reform Commission, not appointing members until April 4 and not holding its initial meeting until June 6 of that year. November of 2006, just 6 months ago, the Reform Commission issues its report calling for \$1.7 billion in new revenues, and of course, the Governor's response to that in February of '07, the last budget proposed, the one we are working on now, the Governor proposed his solutions, kind of rejecting the Transportation Funding and Reform Commission's report and proposed the selling of the turnpike and the oil franchise tax, both of which now the administration admits are fundamentally dead.

Then in May of '07, just a month ago, the Governor went down to the SEPTA Board, pounded on the podium, and told them not to settle; do not settle. At the Governor's request, the Philadelphia representative on the SEPTA Board vetoed an effort to raise fares to plug a massive hole in its budget, strictly at the urging of the Governor.

Now today, Mr. Speaker, according to a news article on Capitolwire, I will quote this one paragraph, maybe two paragraphs, right from today's report: "Rendell said the House Democrats' transportation plan, while not putting an undue burden on taxpayers, will not raise enough new revenue for roads, bridges and mass transit. It would only raise \$705.4 million next year and \$840.3 million the year after, by tolling Interstate 80, borrowing against future toll revenues and giving local governments more taxing options to contribute more toward transit at the local level.

"Rendell said a transportation-funding plan must raise at least \$1 billion in its first year – \$500 million for transit and \$500 million for roads and bridges."

So, Mr. Speaker, I guess my point of this quick little recital of the history of this issue is to suggest that while we have an issue before us that we would like to resolve, and that is the proper way to fund highways, bridges, and transportation in Pennsylvania, I think that there were options. The year that we had the windfall from the Federal government certainly provided us the extra ability to put something together, but that was denied of this legislature because it was hidden from us.

At this point, Mr. Speaker, I know we must forge on and find a solution. However, to do so without adequately telling the membership what it means— When I asked the Secretary of Transportation, when are you going to tell members what gets done in their districts, what it means if they do support these additional revenues one way or another, totaling however the money comes, how are they supposed to know what is going to happen positively in their districts, Mr. Speaker, unfortunately, the Secretary's response was essentially, I cannot tell you what will be done; I can only tell you what will not be done. I was also told, Mr. Speaker, that while I would have a summary of that, a list of that, as of today, I still have not seen that yet, Mr. Speaker.

So it is with a lot of difficulty, Mr. Speaker, that I think that we should be buying a pig in a poke by providing money for something when we really do not know where it is going to go other than into the broad categories of highways, bridges, and transportation. It is incumbent upon the members of this legislature to have a better understanding of how this money is going to be spent and what is going to be done to make sure that – and particularly on the transit side – that the lack of controls in spending is more strictly watched and controlled and put into place, and I think that is an important element that does not exist in this proposal that is before us, Mr. Speaker.

Thank you very much.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentlelady from Montgomery County, Ms. Harper.

Ms. HARPER. Thank you, Mr. Speaker.

Will the maker of the amendment stand for an interrogation?

The SPEAKER pro tempore. The gentleman has agreed, and you may proceed.

Ms. HARPER. Thank you very much.

Before I start with my questions, which are designed to help me and the members of the Montgomery County, Bucks County, Chester County, and Delaware County delegations understand how this amendment will affect our constituents, I would like to thank Representative McCall for the work that he has done in trying to craft a solution to our transportation funding crisis which does not involve a gas tax. I appreciate that, and my questions are designed to elicit the answers so that we can decide whether this works for the people we represent, and I hope that he will take them in that spirit.

Firstly, our townships are asking us whether they will see an increase in liquid fuels money that they use for local road projects and bridges. Could the gentleman tell me whether his amendment takes care of the local funding issues that we have heard so much about on roads and bridges?

Mr. McCALL. Thank you, Mr. Speaker.

Yes. In fact, this amendment does provide additional dollars to the tune of \$35 million – \$30 million of that goes to local municipalities and \$5 million of that goes to the county bridge program. They currently receive \$302 million. That appropriation will increase to \$332 million for the local roads program, and the bridge program, the county bridge program, goes from \$32 million to \$37 million.

Ms. HARPER. Thank you, Mr. Speaker.

I wanted to follow up on that to make sure that the township's own share is increased. There was some doubt in the e-mails I am getting tonight from worried township and borough managers that the liquid fuels actually was not increased. Could the gentleman enlighten us on that?

Mr. McCALL. The money that we provide, the additional 35 million, runs through that formula. So if we appropriate that money, it runs directly through that formula, and it will be provided through the liquid fuels dollars that are provided currently.

Ms. HARPER. Thank you.

I would like to focus the next couple of questions on basically SEPTA, which those of us in southeastern Pennsylvania do recognize as an asset, environmentally and economically.

Under your proposed amendment, the share would increase from 13 percent to 20 percent for local government, which I do appreciate and which I think is necessary since Pennsylvania does support its mass transit systems at a greater level than other States but its local governments do not.

Here is my worry. Montgomery County I think is putting in about 4 million a year right now to SEPTA, and that is I guess 13 percent. Soon they will be asked to put in 20 percent of a larger budget number, which, even conservatively, I am calculating it at an extra 2 million. Could the gentleman explain whether that calculation is about right for the Montgomery County share for SEPTA?

Mr. McCALL. Mr. Speaker, we changed the way the locals have to provide that 20-percent share in that we allow them to slowly appropriate moneys from the accounts that we authorize either – or the lines that we authorize in this language or a sales tax, however they want to spend their local money, by 5 percent of what they spent in the previous year. I gave the example earlier, just to do simple numbers, if their 13 percent was \$100, they would be required to provide \$105 in that next year as a match. In the second year it would be 5 percent of that \$105. In the third year it would be 5 percent of \$106 or \$107, whatever the 5 percent of \$105 is, and would grow from that point forward.

The idea is to get them to 20 percent. We would like them to get to 20 percent quickly, but we also understand and we are cognizant of the fact that some of those smaller systems did not have the ability to raise the necessary revenues that quickly to get to 20 percent yet still wanted to share in that new money that we are putting on the table.

So Montgomery County would have the ability to opt in, so to speak, on that local share at a lower rate of 5 or 10 or 15 percent of what they provided in the prior year to therefore match those State dollars back into their coffers. So they would not have to meet the 20-percent requirement all at once. We changed the language to allow them to implement it at a slower pace.

Ms. HARPER. Mr. Speaker, I appreciate the gentleman's answer that Montgomery County – and this will be true for Bucks, Chester, and Delaware as well – would not have to put in its extra money right away, but the gentleman did not say that my math was wrong. So ultimately we are going to be paying I believe, and I want him to confirm this, an extra \$2 million a year. Is that true?

Mr. McCALL. Mr. Speaker, it is only true if your municipality or county wants to increase their local share by the full 20 percent.

Ms. HARPER. Well, then in light of that, Mr. Speaker, I have a question, because there seems to be a clause that says, if we do not pay our local share, we lose our vote on the SEPTA Board and we lose capital money. Is that accurate?

Mr. McCALL. That is accurate.

Ms. HARPER. So we have a pretty bad choice. We either come up with an extra \$2 million or we do not have any say in our regional mass transit system that our extra \$2 million is paying for. Is that accurate?

Mr. McCALL. Your local share will be determined by vehicle miles traveled as a percentage to the entire system; so the vehicle miles traveled within Montgomery County as a percentage to the entire system. If you do not meet that requirement, your voting members on the SEPTA Board would lose their vote on that board, and they would not be allowed to receive any new capital money.

Ms. HARPER. Mr. Speaker, in addition to losing our voice and our vote on the SEPTA Board by not coming up with the extra money, it appears to me that the composition of the SEPTA Board is also changing to dilute the impact of any of the counties in suburban Philadelphia and to increase the impact of Philadelphia. Is that accurate?

Mr. McCALL. No, Mr. Speaker.

As a matter of fact, again to clarify, there is veto power by the city of Philadelphia. However, right now there are 15 non-Philadelphia voting members. Needed for a veto override would be 14 votes. So actually, the surrounding counties do have standing and do have a very powerful tool in that with their non-Philadelphia members, they can in fact block anything that Philadelphia does.

Ms. HARPER. Mr. Speaker, I guess I am looking at it another way. In the past it has been the problem that Philadelphia would not vote for any fare increases. As a result of that, while the SEPTA Board agreed to labor contracts that went up by a cost-of-living factor every year for one of the bigger parts of its budget, it would never vote to increase fares. The only way fare increases are traditionally done in a SEPTA region is if the suburban counties get together and take the heat for allowing the fares to rise.

If the McCall amendment goes in – and I would like to ask the gentleman this – if the McCall amendment goes in, increasing the number of Philadelphia representatives and concurrently diluting the county representatives, how on earth are we going to run this mass transit system efficiently so that it does what it is supposed to do?

Mr. McCALL. Mr. Speaker, we increase the Philadelphia membership by two, but we also increase the Delaware County and Montco membership by a sum of two, which gives the non-Philadelphia voting members a say on that board.

Ms. HARPER. Mr. Speaker, I have been reminded, and I want the gentleman to confirm this, the number of votes you would need to have an override in the event that the suburban counties felt that the system should raise fares and a city did not. How many would that take?

Mr. McCALL. 14.

Ms. HARPER. And how many members does Montgomery County have?

Mr. McCALL. Three, under this amendment.

Ms. HARPER. Mr. Speaker, I would like to ask why the gentleman felt it necessary or appropriate to change the composition of the SEPTA Board, not only by diluting the suburban representation at a time when we are being asked to put up more money but also by putting qualifications in, like having to have transportation expertise when perhaps what we really need is what we currently have – county commissioner expertise.

Could the gentleman answer why it is necessary to change the composition of the SEPTA Board so as to disadvantage my home county, Montgomery?

Mr. McCALL. Your county, Mr. Speaker, actually gains a member under this proposal, and the formation of this board and the restructuring of the SEPTA Board was meant for local jurisdictions to at least provide that 20-percent match. Part of the language in this bill would further incent local municipalities or local counties to in fact contribute more, if they so desire, to get additional seats on the board.

Ms. HARPER. Mr. Speaker, I understand the gentleman's answer was that if we are so anxious to have better representation on the board, we need to put up more money.

May I speak on the amendment?

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

Ms. HARPER. Mr. Speaker, I know that the gentleman has done his best to try to come up with a solution. I do not think changing the SEPTA Board was at all necessary.

In essence, what I am being asked to vote on is to increase Montgomery County's share by \$2 million and decrease Montgomery County's voice. In other words, I am being asked to approve more taxation and less representation. Three hundred years ago such a plan induced a revolution.

I do not think this is a good amendment for anybody in suburban Philadelphia. We can solve this problem without stripping the voice from the suburban counties who are contributing millions of dollars to the running of this system.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the lady.

FORMER MEMBER WELCOMED

The SPEAKER pro tempore. The Chair takes a brief interlude to welcome back to the floor of the House of Representatives a former member. He is located at the rear of the House – Representative Tom Michlovic.

CONSIDERATION OF HB 1590 CONTINUED

The SPEAKER pro tempore. The Chair recognizes the gentleman from Bucks County, Mr. Clymer.

Mr. CLYMER. Thank you, Mr. Speaker, and I will try to be brief, and I will.

The SPEAKER pro tempore. Will the gentleman suspend for a moment.

LEAVE OF ABSENCE CANCELED

The SPEAKER pro tempore. The Chair recognizes the gentleman, Mr. Hershey, on the floor of the House, and he will be added to the master roll call.

CONSIDERATION OF HB 1590 CONTINUED

The SPEAKER pro tempore. I apologize, Mr. Clymer. You may proceed.

Mr. CLYMER. Thank you, Mr. Speaker.

I, too, want to congratulate the maker of the amendment for trying to put together a solution to this problem, but the outright

power grab by Philadelphia to take control of the SEPTA Board is both alarming and troubling.

In my many years in Harrisburg, in every General Fund budget and Capital Fund budget, Philadelphia has been treated not only fairly but extremely generously. I could go through a litany of major capital projects that this General Assembly has funded for Philadelphia. It goes into the billions of dollars – education, the arts, tourism, stadiums, medical centers, businesses, and the list goes on and on. Even the Gambling Act of 2004 gives Philadelphia 5 percent of funds for economic development.

PARLIAMENTARY INQUIRY

Mr. DeWEESE. Mr. Speaker, point of parliamentary inquiry.

The SPEAKER pro tempore. The Chair recognizes the majority leader. Please state his point.

Mr. DeWEESE. Is my honorable friend focusing upon the matter at hand? Is he focusing upon this amendment, and if he is, I do not know what the gambling bill has to do with it. I would ask the Chair politely, respectfully to make certain that my honorable friend from Bucks focuses on the issue at hand.

Thank you.

The SPEAKER pro tempore. The Chair thanks the gentleman.

Mr. Clymer, the gentleman has made a point. Please stick to the amendment.

Mr. CLYMER. I will.

Mr. Speaker, it seems to me that I have heard other dialogue on the floor of this House over the last hour or so that had dealt with other issues. So I am just kind of responding in kind to some of those remarks, but I will try to get to the point as quickly as possible.

The SEPTA Board as presently comprised, as we have heard, provides fairness and equity to all five counties, and it works. Now we hear of a change in the law to put Philadelphia in charge of running SEPTA, and that is what it is really about.

One would think the city of the first class would be appreciative of the financial benefits they have gained at the expense of the other counties, but, no, they want control even of SEPTA. It is for this reason that I will vote "no" on the McCall amendment.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman.

The Chair recognizes the gentleman from Erie County, Mr. Evans.

Mr. J. EVANS. Thank you, Mr. Speaker.

May I interrogate the maker of the amendment, please?

The SPEAKER pro tempore. The gentleman has agreed, and you may proceed.

Mr. J. EVANS. Thank you.

Just a couple of brief questions for my good friend, Representative McCall, from the Transportation Committee.

Mr. Speaker, has the Secretary of Transportation indicated which projects would be cut from the highway and bridge plans proposed, construction projects would be cut, if this bill does not pass tonight – if this amendment is not successful?

Mr. McCALL. I am sorry, Mr. Speaker. I just did not get the last part of your question.

Mr. J. EVANS. Has the Secretary of Transportation indicated which projects will not be funded if this amendment does not pass tonight successfully?

Mr. McCALL. Basically all projects that have any type of new capacity associated with it.

Mr. J. EVANS. Well, on the flip side, has the Secretary of Transportation indicated which projects will be added if this passes, specifically per district, so we can tell as Representatives if our local projects are going to be funded or not?

Mr. McCALL. Not at this time, Mr. Speaker. It would still be a requirement of the State Transportation Commission, as the gentleman well knows, and the planning process to add any additional programs.

Most of the money that we have allocated will really maintain the program as we know it. It will make the program whole to continue to fund the programs that are on the State Transportation Commission's program, 12-year program. So there will be some added programs with the influx of this money, but not to the level that we would like to see.

Mr. J. EVANS. Thank you, Mr. Speaker.

Mr. Speaker, I am wondering, turning to SEPTA, it is my understanding the last time there was a fare increase was 2001. Is that correct, Mr. Speaker?

Mr. McCALL. I think that is correct, Mr. Speaker; 2001.

Mr. J. EVANS. Thank you.

In your amendment are there proposals for a hotel/motel tax at the local level?

Mr. McCALL. If they so desire to pass an ordinance to implement one, they can do that under this amendment.

Mr. J. EVANS. Mr. Speaker, is there a provision for a second hotel/motel tax if the local governments decide to do so?

Mr. McCALL. If the local government passes an ordinance to do so, but if it is in the same county, same jurisdiction, I would think that they would communicate with each other to form some type of partnership in doing that.

Mr. J. EVANS. So potentially, there could be two additional hotel/motel taxes put on a specific municipality in Pennsylvania as a result of this?

Mr. McCALL. Well, conceivably, I guess it is possible in very, very limited circumstances.

Mr. J. EVANS. Mr. Speaker, in a county such as Erie County, where we already have a hotel/motel tax on the books to aid tourism, if these were added, would we potentially see as many as three separate hotel/motel taxes in an area?

Mr. McCALL. No. Under this amendment – I am sorry, Mr. Speaker – under this amendment, it would only be the county that can impose that tax, not the local municipality.

Mr. J. EVANS. So there could be three?

Mr. McCALL. No. What I said is that the local municipality does not have the authority to impose that tax.

Mr. J. EVANS. Okay. There would be two county ones then, and in Erie County, where we already have one, that would make three. Right?

Mr. McCALL. If Erie County has two already, this would allow for a third.

Mr. J. EVANS. Okay. All right, Mr. Speaker. Thank you. I misunderstood that.

One other question, very briefly, in the interest of time. Mr. Speaker, in the Motor Vehicle Code in the definition section, section 102, when we are talking about the definition of

what are known as interstate highways, it does not use the word "interstate." It refers to freeways in Pennsylvania under the Dwight D. Eisenhower System. So how is it that throughout your amendment you refer to Interstate 80 and nowhere in your amendment is it defined as a toll road. How could that be?

Mr. McCALL. Mr. Speaker, I think it is just a matter of semantics. The Federal Highway Administration, even under ISTEA (Intermodal Surface Transportation Efficiency Act), notes I-80 as an interstate and has been named as such in that reauthorization bill as interstate I-80.

Mr. J. EVANS. Thank you, Mr. Speaker.

Perhaps that would be a technical amendment at some point, but just under the definitions, I was wondering how that added up.

That concludes my interrogation. Just on the amendment, Mr. Speaker.

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

Mr. J. EVANS. Thank you very much, Mr. Speaker.

A couple of the brief highlights that we were able to learn here tonight.

SEPTA has not had a fare increase since 2001, and I think Ms. Harper, the previous speaker, made some very good points about future increases in Philadelphia becoming highly unlikely. In fact, one increase in the last several years I know was vetoed and one was ruled unconstitutional at one point in my understanding.

The price of gasoline since 2001 has doubled, but there really does not seem to be an incentive to raise the SEPTA fares if the mindset is that the State is going to take care of it anyhow.

We have no assurance from the Secretary of Transportation that any of our local projects are going to be funded in this amendment. In fact, we have not heard on our side of the aisle in the Transportation Committee and in my subcommittee. We have had no contact with the Secretary of Transportation about projects that would be cut and projects that would be added as a result of this amendment. It makes it very difficult to put a vote up on a blind vote, just not knowing what is there. As the minority leader stated, it is a pig in a poke at this point.

The hotel/motel tax I think is most troubling, and for any Representatives in Erie County, we already have a hotel/motel tax in Erie County. If we give the local municipalities the willingness to add more taxes, Mr. McCall indicates that there would be two, but there is some discussion there could be possibly more than two in Erie County someday as a result of this.

We are also looking at earned income taxes. We are looking at two more car rental taxes as a result of this amendment.

And, Mr. Speaker, we are all being told and I know some members are being urged to vote on this amendment because they are assured that there are no tax increases. Well, I can tell you, as a person who went through this experience a few years ago when we enabled the locals to raise the \$52 occupational privilege tax, most of those municipalities, at least in my area, went the full nine yards and raised it up to \$52 per year right away. So when these taxes get raised at the local level, they are going to be knocking on your doors wondering why you allowed this to happen in the legislature.

I think that is a point that we have to consider tonight, and I urge our colleagues to vote "no" on the McCall amendment.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentelady from Chester County, Ms. McIlvaine Smith.

Ms. McILVAINE SMITH. Thank you, Mr. Speaker.

Mr. Speaker, while I have served in the legislature for less than 6 months, I have been a resident of Chester County my entire life. In fact, my family has lived on the same land for 11 generations since 1683.

As my colleagues such as Carole Rubley and Art Hershey can tell you, the county we grew up in a few decades ago is not the county we see today. New developments sprout up seemingly overnight, traffic congestion grips our roads, and as a result, our infrastructure has paid a heavy price.

Tonight we have the opportunity to do something about it. For the first time we stand ready to invest in our roads and bridges, to improve our infrastructure and create a stable, dependable revenue source for public transit. For the first time we are seriously taking our transportation needs into our own hands and charting a proactive course.

Is it perfect for everyone's district? No. Is it the right thing to do for balance? Yes. This new legislative body came here ready to make the tough decisions, ready to fight, ready to tackle the biggest issues of our day, and I can tell you, it makes me proud.

On this issue we have offered our counties a tool to help raise revenue for their own transit needs without passing an undue financial burden on to them as most States do. Most States have the inverse where localities, not States, pay 80 percent. We have created a fair 80-20 split between the State and counties that can help solve mass transportation needs for a generation, and we have refined the menu of local tax options to ensure local governments do not pick the most onerous and regressive ones such as the RTT (realty transfer tax). And though we will once again debate into the night, nothing worthwhile ever comes easy.

I urge a "yes" vote. Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the lady and recognizes the gentleman from Clarion County, Mr. McIlhatten.

Mr. McILHATTAN. Thank you, Mr. Speaker.

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

The SPEAKER pro tempore. The gentleman has agreed, and you may proceed, Mr. McIlhatten.

Mr. McILHATTAN. My first question involves the SEPTA issue, and I want him to clarify. I think I understood an answer to a question that was just raised a few minutes ago, and I want to make sure I have it clear in my mind. We are talking about the SEPTA situation and the problem they are in and the difficulty in raising funds and things like that. I think the question was asked, when was the last time that SEPTA raised its rates, and I think the maker of the amendment said back in 2001. Is that correct, Mr. Speaker?

Mr. McCALL. That is correct, Mr. Speaker.

Mr. McILHATTAN. So you have not raised rates in 6 years. Is that correct?

Mr. McCALL. 6 years, Mr. Speaker.

Mr. McILHATTAN. Okay. Thank you.

Now I would like to move on with a few questions on the tolling of Interstate 80. One of the counties I represent has five exits right now on Interstate 80, so there is a lot of concern in my district about this plan to toll Interstate 80. How much revenue do you anticipate to raise by tolling the interstate?

Mr. McCALL. About 375 million in the first year, and it grows exponentially thereafter – \$500 million, \$600 million, by about 4 or 5 years down the road from there.

Mr. McILHATTAN. Okay. Now, if I understand correctly, you do not know for sure yet whether you can really toll the interstate. You have to have Federal approval to do that. Am I correct, Mr. Speaker?

Mr. McCALL. That is correct.

Mr. McILHATTAN. Now, how do we go about obtaining that Federal approval? How long is it going to take? Who is going to do that? And what happens to this plan if that gets rejected?

Mr. McCALL. The Department of Transportation would petition the Federal Highway Administration and ask for that designation to be made.

Mr. McILHATTAN. And how long do you anticipate that taking?

Mr. McCALL. I would expect that that would be an expeditious review by the department. They are aware of the debate that we are currently having about the tolling of interstate I-80, as well as we have a jump-start in the Federal reauthorization language that is contained in ISTEA.

Mr. McILHATTAN. How many States now have authorization from the Federal government to toll Interstate 80 or any interstate?

Mr. McCALL. None of them have authorization.

Mr. McILHATTAN. Right now none. Am I correct?

Mr. McCALL. Well, no, that is not true. There is an application in. There are three pilot programs that were authorized in the last reauthorization, and there is one application pending.

Mr. McILHATTAN. Okay. But so far none have been approved. Is that correct, Mr. Speaker?

Mr. McCALL. That is correct.

Mr. McILHATTAN. Okay. Let me ask you, what would happen to this plan if we did not get approval to toll the interstate?

Mr. McCALL. I stand corrected, Mr. Speaker. Missouri and Virginia have both been approved. They were recently approved, and there is one slot left.

Mr. McILHATTAN. Okay. When do you anticipate then, in your plan and scheme and in this legislation, when do you think if you get approval and things go well and this gets passed, when do you think we will start to toll the interstate system here in Pennsylvania?

Mr. McCALL. The anticipated date would be 2010 to start that process.

Mr. McILHATTAN. Okay. Now, let us talk about where are the tollbooths going to be on this interstate, how many, and where are they going to be located? Do we know that? Is that in the bill?

Mr. McCALL. No, it is not, Mr. Speaker. There was a study conducted by the Department of Transportation a number of years ago that recommended 10 gates. This could be five gates, six gates. They have not made that determination yet at this point.

Mr. McILHATTAN. Okay. So we do not know how many tollgates there are going to be and we do not know where they are going to be located right now. Am I correct?

Mr. McCALL. As of right now, we do not know.

Mr. McILHATTAN. Okay. Who is going to make that decision?

Mr. McCALL. That decision will be made by the Department of Transportation and the turnpike if in fact we give them the authorization to move forward with this partnership.

Mr. McILHATTAN. Okay. Let us talk a little bit about the toll structure. What is the toll going to be? Are there built-in increases each year, those types of things? What is the structure going to be? What is the toll structure going to be on this interstate if it happens?

Mr. McCALL. The toll structure will be modeled after the current structure of the current turnpike main line – 6 1/2 cents a mile.

Mr. McILHATTAN. 6 1/2 cents a mile, after the turnpike. Okay.

Now, the Turnpike Commission that operates the present turnpike, if I understand under this legislation, is really going to be responsible for Interstate 80. They are going to sort of lease this thing, own it, operate it like they do the turnpike. Is that correct or not correct, Mr. Speaker?

Mr. McCALL. The turnpike will use the tolling revenues to further pay for transit. The money or the maintenance dollars will actually stay on that road to further maintain it.

Mr. McILHATTAN. Okay. Thank you, Mr. Speaker.

On the turnpike we have service plazas. Are we going to create a system of service plazas now on Interstate 80, or are we going to use the existing businesses that are there, and how is that going to impact those that are there? Have we thought of any of that as we go through this idea of tolling the interstate?

Mr. McCALL. We are not going to build a whole new system as it exists today. We will be using the services of those facilities that are provided at the exits. However, the system of tolling will be completely different than we know it and see it today. They will not be at all of the exits on the interstate. They will be located anywhere from 35 to 50 miles apart. That would allow for the local use of that interstate. So the system that is currently used on the turnpike will be completely different than what you will see on Interstate 80.

Mr. McILHATTAN. Does it say somewhere in the bill that they are prohibited from doing that? I mean, is that there? Is that in the legislation?

Mr. McCALL. The legislation provides for open tolling.

Mr. McILHATTAN. Okay. I want to make it clear – this is my last question – because the Secretary of Transportation has told us in our inquiry that they have not authorized any toll roads and you are telling me two have been approved. Now, I want to make clear, that is your answer to that question. Is that correct? And you stand on that?

Mr. McCALL. The two that have been approved were Virginia and Missouri.

Mr. McILHATTAN. Okay. Thank you, Mr. Speaker.

That concludes my interrogation. Thank you.

The SPEAKER pro tempore. The Chair thanks the gentleman.

LEAVE OF ABSENCE CANCELED

The SPEAKER pro tempore. The Chair recognizes the gentleman, Mr. Hennessey, his presence on the floor of the House, and he will be added to the master roll call.

CONSIDERATION OF HB 1590 CONTINUED

The SPEAKER pro tempore. The Chair recognizes the gentleman, Mr. Benninghoff, from Centre County.

Mr. BENNINGHOFF. Thank you, Mr. Speaker.

If the maker of the amendment would endure a few more questions? He has been very diligent.

The SPEAKER pro tempore. The gentleman has agreed, and you may proceed, Mr. Benninghoff.

Mr. BENNINGHOFF. Thank you, Mr. Speaker.

The previous speaker asked several of the questions, but just for point of clarification, we spoke with the Turnpike Commissioner. It is my understanding that there was going to be more than the six tollbooths that you spoke of. It could be up to 10. Mathematically I believe we have over 300 and close to 400 miles on the interstate, and you said previously they would be somewhere between 30 to 50 miles apart. How many actual poles are we speaking that will be constructed or whatever design they may be?

Mr. McCALL. That determination has not been made by the department at this point in time. I just simply referenced an old PENNDOT study that was done a number of years ago that when they talked about tolling the interstate, they used 10 gantries or 10 tolling facilities along the roadway.

Mr. BENNINGHOFF. So it would be reasonable, since it could be 6 or 10, that somewhere along that 400 miles, it could actually be 6 or 10 or 12 or 13, somewhere divided up by maybe 30-mile intervals. Would that be a fair assumption?

Mr. McCALL. In our opinion, the less the better, because we want to allow for the movement of that local traffic, and then also ascertain whether or not with that open tolling and E-ZPass, that we can identify local use and not charge that local use.

Mr. BENNINGHOFF. The Turnpike Commission— And I believe there was a reference to a fiscal note from the Appropriations Committee that there would be a minimum of 10. So we could estimate that 10 could probably be the minimum. We could be looking at 12 or more in a 400-mile range. I am not trying to pin you.

Mr. McCALL. You could assume that. I would rather it be six or eight, but I think it all depends on how the tolling revenues are impacted by more or less tolls going on the interstate.

Mr. BENNINGHOFF. I appreciate your candor on there, because I think it is some of those unknown numbers that make people a little bit uncomfortable, and my reason for asking that is, is there any estimated cost – and the answer is probably no, if we do not know how many of these are going to be built – for the overall cost, because my concern is, will we be able to recoup those costs to construct these tolls, ultimately, in the fares that will be collected in 5 or 6 years from now?

Mr. McCALL. There are \$110 million set aside for the purpose of providing for those gantries. In the first year, 2009, the proposal calls for the spending of \$500 million plus \$110 million – \$500 million in maintenance, \$110 million to put the gantries in – and then by 2014, an additional \$500 million spent on further maintenance of that roadway.

Mr. BENNINGHOFF. And it is fair to assume that that 110 million that is set aside is revenues yet to be generated through the tolling of I-80. That is not revenue that we currently have available?

Mr. McCALL. That will be revenues that will be monetized through tolling but as well as through the collateralization of the Motor License Fund to the tune of \$4 billion.

Mr. BENNINGHOFF. Just so I understand – I understand the mileage on I-80 – the turnpike has approximately how many miles?

Mr. McCALL. East-west?

Mr. BENNINGHOFF. Yes, please.

Mr. McCALL. About 340-some-odd miles.

Mr. BENNINGHOFF. Any idea of the total system?

Mr. McCALL. The toll for the total system?

Mr. BENNINGHOFF. No; I am sorry. The number of miles in the total turnpike system, was that it under that 300?

Mr. McCALL. 531 miles.

Mr. BENNINGHOFF. My reason for asking that, I have some concern that last week the Governor was proposing leasing out the turnpike in hopes of privatizing it and making it more efficient and more cost-efficient and now we are going to add a new system on of an additional 400 miles. The turnpike now, the system that we were going to lease last week to try to make it more efficient and privatize, is now going to have almost 1,000 miles to be taken care of.

As a motorist, I have some concerns, obviously from a fiscal perspective, not to mention the massive undertaking of one agency now being responsible to maintain, to plow, and have overall care of almost a 1,000-mile roadway.

Mr. McCALL. PENNDOT will still do the maintenance and operation on Interstate 80. The turnpike will only have oversight on the tolling facilities themselves.

Mr. BENNINGHOFF. Does that relationship ever cease, or will that be done in a continuum with PENNDOT?

Mr. McCALL. There will be an operating agreement established, once the conversion or the partnership is established between the Turnpike Commission and PENNDOT, for the operation and maintenance of that interstate or toll road.

Mr. BENNINGHOFF. But someday, in 5, 6, 7, 8 years, whatever, the turnpike would ultimately be responsible for the maintenance as well as the oversight of the tolling?

Mr. McCALL. No, that is not correct. It will be PENNDOT who has the obligation for the operation and maintenance of the highway.

Mr. BENNINGHOFF. I apologize. I thought you said that there eventually will be an agreement that they would hand that over.

Mr. McCALL. I did not hear that question.

Mr. BENNINGHOFF. I was trying to make sure I heard it properly. I thought you said ultimately there would be an agreement between the Turnpike Commission and PENNDOT to eventually hand over the overall maintenance to the Turnpike Commission.

Mr. McCALL. No, that is not correct. The agreement would establish the Department of Transportation will conduct the operation and maintenance of that road.

Mr. BENNINGHOFF. I thank you, and I appreciate your taking some time to answer those questions.

Mr. Speaker, on the amendment itself, briefly.

The SPEAKER pro tempore. The gentleman is in order on the amendment.

Mr. BENNINGHOFF. While I appreciate the chairman's willingness to answer some of those questions, unfortunately I do not believe that we have all these answers. This is a pretty big undertaking. Whether or not we are going to have 6, 7, 8, 9,

10, 11, 12, or how many of these new tollbooths, it is a big undertaking, both financially and in the maintenance and everyday operation. I believe you as members are being asked to vote on something that has got a lot of uncertainty and ultimately for the taxpayers who are being asked to finance something should these have some shortfalls.

And last but not least, I look at my own motorists who have seen their own gasoline prices go up tremendously this year and a lot last year to the tune of 40, 50, 60, 70, 80, 90 cents in the last 6 or 7 months, and at the same time, they are being asked to be paying additional dollars depending on where these new tollbooths come in. I think that is really unfair to help finance a mass transit system that is not willing to increase their own fares.

So those of you who are trying to decide where you want to go with this thing, I do not necessarily think it has to be done tonight. I think some of these unanswered questions ought to be worked out. And more importantly, in the spirit of one of the previous speakers who talked about fairness, I think it is only fair to those people who live in the rural districts and who are already paying very extremely high gasoline taxes to not be asked to pay additional tolls, to be funding a system that they may never ride on, have never seen, and a system that is not willing to help support itself.

Mr. Speaker, I appreciate your time and indulgence, and I would encourage the members to vote "no" on the McCall amendment.

Thank you very much.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentleman from Westmoreland County, Mr. Stairs.

Mr. STAIRS. Thank you, Mr. Speaker.

I have been sitting here, just as other members have, listening to the debate and certainly very interested in this novel approach, but upon kind of pondering a couple issues that come to my mind, over the years I have always kind of recognized and appreciated the good job, really the excellent job of local municipalities in my district, and I am sure other members will concur that their townships do really a yeoman's job of maintaining their roads and providing excellent service to their constituents, and really, this gives with a lot less money, maybe oftentimes outshines PENNDOT, in giving a good-quality road in their local communities.

Over the years, in talking to my supervisors that I represent and municipalities, they have been saying how much more difficult it is particularly to maintain their roads, and one of the reasons being the liquid fuels money is not up to the challenge that they receive from the State. I know the last time we passed a gas tax to enhance transportation, there was no change for the local communities, and so after all these years, we are finding the difficulty for them to meet the needs of their constituents and their local municipalities.

You know, I am very fearful that without significant help – I know there is slight help here for local municipalities – but without significant assistance to help them, they are having a much more difficult time, and I sense that in a couple years with this lack of funding, that the local roads will be deteriorating and we are going to be creating another problem. So I am very apprehensive to vote for a proposal such as we have tonight, seeing that the lack of foresight to prevent the local governments having a dilemma or maybe a catastrophe coming down in the next couple years.

Maybe to a bigger element, I think that a lot of our local roads should be run by local communities rather than the State, and without the adequate funding, they are going to be very apprehensive in turn-back programs, taking over more State roads that would be better handled by the local government. So I think we are making a serious mistake of not providing the funding to allow these small communities, townships, the incentive to take over roads on turn-back as well as maintain the roads.

On another issue, maybe much more large in the scope, is in southwestern Pennsylvania. Whether it be south of Pittsburgh or east of Pittsburgh, a major road project, the Mon Valley Expressway, is a very important part of our future, and I am fearful that if we pass this legislation, we are dooming further enhancement of the Mon Valley Expressway as well as the Southern Beltway around Pittsburgh. Living east of Pittsburgh, if we want to go to the airport or to the city of Pittsburgh itself, we have to fight the traffic, which now is horrendous with repairs being made on the parkway. So there is not going to be a Southern Beltway; there is not going to be a completion of the Mon Valley Expressway. So I would hope that the members of this body from southwestern Pennsylvania are not delusional in thinking that by voting for this, that we are going to speed up this development of this very important road. In fact, to the contrary, we are going to probably prevent this road from ever being completed, which is going to be a disservice to the people from our area.

And to kind of finally reflect on the condition of the roads and bridges in my area as well as other areas in this Commonwealth, you know, it really, although I realize mass transit is very important, but why make our people in rural areas subsidize mass transit in urban areas? You know, we have heard the last time that fares have been raised on mass transit in the Pittsburgh area, I applaud PAT (Port Authority Transit) for at least making an effort to raise fares somewhat, but in the Philadelphia area they have not been increased. So I think that in fairness to rural Pennsylvania, do not expect us to bail you out and pay your transportation costs.

So I would hope that my colleagues would join me in opposing this amendment, because even though we have to solve this dilemma, I think let us not try to do it tonight. Let us try to work this out in a manner that we all can be winners and not just a few.

Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentleman from Dauphin County, Mr. Buxton.

Mr. BUXTON. Thank you, Mr. Speaker.

Would the maker of the amendment subject himself to interrogation?

The SPEAKER pro tempore. He has agreed once again. You may proceed.

Mr. BUXTON. Mr. Speaker, on page 16, line 46, of the proposed amendment, there is a new section 1515 entitled "New initiatives program." Of the mass transportation moneys that will be raised under this amendment, how much is perceived to be available under the new initiatives program?

Mr. McCALL. Mr. Speaker, because of the amount of money we drive in the first year, there will not be money available for the new initiatives program. However, in the second year, we anticipate anywhere from \$47 to \$50 million, up to that amount being appropriated in the program. That

would account for a number of initiatives. Corridor One in Harrisburg; the Schuylkill Valley Metro, which is Philadelphia to Reading; the Scranton, PA, to Hoboken, New Jersey, through East Stroudsburg; the Allegheny Valley Railroad from Westmoreland County; the Greensburg line; the Amtrak Keystone West, Harrisburg to Pittsburgh; and the Navy Yard subway extension project in Philadelphia are currently the eligible projects for that new initiatives program.

Mr. BUXTON. Mr. Speaker, of the \$46 to \$50 million that you anticipate would be available in the second year for such initiatives that you just cited, my question would be, if any of those initiatives are adopted by the Commonwealth, would they be subjected to permanent financing under this legislation? What I mean is, if they were approved as a project within the confines of this amendment, would any one of those initiatives which you just indicated, could they apply for ongoing annual appropriations to keep that system alive and going?

Mr. McCALL. Yes, Mr. Speaker, because it is anticipated that the fund would continue to grow. Moneys appropriated into that fund will grow at a rate of anywhere from that \$40 to \$50 million a year, and they would be eligible for a continuing appropriation.

Mr. BUXTON. Thank you, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentleman, Mr. Ellis.

Mr. ELLIS. Thank you, Mr. Speaker.

Will the maker of the amendment stand for brief interrogation?

The SPEAKER pro tempore. He has agreed, and you may proceed.

Mr. ELLIS. If we can switch gears for a second, going back to some of the enabling language for the taxes, under your amendment you provide enabling language to put an additional \$2-a-day tax on rental cars? Is that correct? Or is it \$2 per transaction?

Mr. McCALL. It would be up to \$2. It could be 50 cents. It could be a dollar.

Mr. ELLIS. Is that a per day—

Mr. McCALL. Per day, yes.

Mr. ELLIS. Okay. Does the rental fee, would that also include like light-duty trucks as well as U-Hauls in addition to, you know, a regular car rental?

Mr. McCALL. Yes. It is on vehicles.

Mr. ELLIS. Okay. So pretty much a wide definition there.

Is it safe to assume this tax is going to be levied on anybody that rents a vehicle, not just folks coming into Pennsylvania from another State on a vacation and going to our airports and renting cars, but also on the local people that will be renting them, you know, after a traffic accident or when their car is in the shop or if they are taking their children off to college and they are renting a U-Haul? Those people will also be experiencing the same tax?

Mr. McCALL. If your local county decides that they need the ability to raise additional revenues and would like to use this as a menu item, the local county would have the ability, by ordinance, if they impose an ordinance, to impose that tax if they so desire. Nothing in this amendment tells them that they have to do anything. It is a completely local decision on the entire menu of taxes that are available to local governments to implement.

Mr. ELLIS. Okay. But if they so chose, they could apply up to a \$2-per-day tax on all vehicles. That is correct?

Mr. McCALL. If they so choose.

Mr. ELLIS. Right. Do you have any idea what percentage of the actual vehicle rentals that occur here in the Commonwealth are from Pennsylvania residents as opposed to people that are coming in from out of State?

Mr. McCALL. I do not know the answer to that.

Mr. ELLIS. Okay. Thank you very much.

Mr. Speaker, on the amendment.

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

Mr. ELLIS. Mr. Speaker, a tax on rental cars and U-Hauls and other light-duty trucks is really primarily a tax on local residents. These are the people that are going to be feeling this tax if it is implemented in their areas, and it will not be applied specifically only to people coming into Pennsylvania. This is a tax, an additional tax, on our local residents. These are the people that are renting the vehicles, like I stated before. When their vehicle breaks down and they need to get to work here in our Commonwealth of Pennsylvania and they have to rent a vehicle, they are going to be paying an additional tax. If they are in an accident and they are in the hospital, or even if they are fine and they are at home and they get another vehicle, they are going to pay a tax on that. In their time of need, they will be paying another tax. And I will tell you what, whenever they decide at the end of August and they are taking their kids off to the University of Pittsburgh, my alma mater, and maybe they are going to Penn State or one of the other fine universities we have here, and they load up that U-Haul and they are going to take a 3-day trip out there, they are going to pay an additional \$6 tax, and I will tell you what, Mr. Speaker, these are not the folks that we need to be taxing at this point.

In addition, Mr. Speaker, let us be honest. A tax, an additional tax on rental cars, is not needed. Right now when you rent a car in Pennsylvania, sometimes up to 16 percent of the rental agreement is a tax already – 16 percent. Our sales tax is only 6 percent, but for goodness' sakes, we want to put a 16-percent tax on the cars, and now we want to increase that \$2 additionally every day. Mr. Speaker, the rental-car business here in Pennsylvania, you know, we may have these ideas of these national companies and how they are the big conglomerates, but the reality is, in Pennsylvania, the people that own the rental-car franchises, are small business men and women, and we stand up in this chamber almost on every single issue and we talk about how we want to help the small businessman of Pennsylvania, and right now we are about to do another tax on the small businesses. I do not think this is a good amendment. I think for this reason, for these local taxes being enabled, whether they choose to do it or not – they already have the option for some other taxes – I do not think this is a good time for it.

For this reason and for all the other reasons we have heard over the course of this debate, I think that like a previous speaker said, we need to continue the dialogue, solve some of these issues, and move on to a real package where those who are using the transportation are paying for the transportation, and we are all benefiting from having better roads and bridges.

Thank you very much, Mr. Speaker.

The SPEAKER pro tempore. The Chair thanks the gentleman and recognizes the gentleman from Indiana County, Mr. Reed.

Mr. REED. Thank you, Mr. Speaker.

Will the gentleman please stand for brief interrogation?

The SPEAKER pro tempore. The gentleman has agreed, and you may proceed, Mr. Reed.

Mr. REED. Mr. Speaker, can you tell us, we have talked an awful lot about mass transit funding, about SEPTA in particular, and the Pittsburgh or actually the Port Authority Transit. Could you tell us how much of SEPTA's budget comes from the State, both dollarwise and percentage comes from State dollars, whether it be the motor license vehicle fund or just the General Fund revenues?

Mr. McCALL. '06-'07, it is 67.64 percent.

Mr. REED. Do you happen to have the same number for the Pittsburgh transit authority?

Mr. McCALL. 22.97 percent.

Mr. REED. And in follow-up to those numbers, do you happen to know the percentages that both SEPTA and the Pittsburgh transit authority come from the local share?

Mr. McCALL. Philadelphia is \$59,438,000. We do not have the Port Authority's numbers.

Mr. REED. Do you know what percentage that \$59 million makes up of their total operating budget?

Mr. McCALL. By virtue of local, they pay 80 percent of the operating budget among the five contributing counties. So they pay 80 percent of that local share.

Mr. REED. When you look at the total local share as opposed to the State share and the Federal share, what is that total share of the total budget operating those systems?

Mr. McCALL. We do not have their total budget numbers, Mr. Speaker.

Mr. REED. Would you perhaps be able to provide that? I will not ask for it today, but if you could perhaps have your staff provide that to the members. I think it would be useful to provide those numbers and in particular perhaps comparison numbers to other systems across the nation that are similar in size so we know, are we paying more as a State into those local systems as opposed to other cities or are we paying less, and should the locals be making up the larger share.

Just shifting gears for one second, we have talked an awful lot about the mass transit side of this proposal, SEPTA and the Pittsburgh transit authority tonight, and my understanding, if it is correct, is that the Secretary of Transportation and the Governor thus far have not provided a list of what is going to be done with the other half of the funding that you are asking us to approve this evening when you are looking at the funding for transportation projects on the highways and bridges.

Mr. McCALL. Mr. Speaker, you know, this is about the fifth time this question has been asked, and, you know, we have a crisis in transportation and everybody is asking for projects to get funded. You know, we are just trying to maintain the program as we know it. The problem is that transportation, our road and bridge program, and transit is at a crisis state with the funding that they currently receive. Without the additional dollars that we are providing, we can see the collapse of those systems. This money primarily keeps our systems whole, meaning the money that we have going out to take care of our road and bridge problem as associated or as the spending associated with the 12-year program, the money that we provide in this amendment maintains that program. So we do not have to take projects off of the program.

Mr. REED. Well, then let me rephrase perhaps. Do you anticipate the Secretary of Transportation or the Governor releasing a list of the projects on that current 12-year TIP program (Transportation Improvement Program) – for my

area, it is District 10 – that are in jeopardy of not being completed should this proposal not be approved?

Mr. McCALL. Mr. Speaker, every single program contained on the 12-year plan is in jeopardy. At what priority, I am not absolutely certain, but I can tell you right now that in every county across this Commonwealth, all of those programs are in jeopardy.

Mr. REED. So what, I guess to clarify your position, you are telling us that every transportation project in the State of Pennsylvania may not be funded at all if we do not fund this amendment here tonight, because there are no dollars out there to fund any transportation projects, even though we have a gas tax already in place and Federal matching dollars that come in to fund transportation projects. It seems to me that there would be some funding for transportation projects already out there, that this crisis, as you have called it, only jeopardizes a certain portion of those projects, and I would think it would be helpful for the members to know, in particular in their own districts in rural Pennsylvania, those of us who do not represent mass transit communities, what projects are in jeopardy, which bridges are in jeopardy of not being fixed, and which ones are likely to be fixed.

Mr. McCALL. Mr. Speaker, what we were buying in 1996 at \$1 costs us \$2 today. I do not think I have to tell you about the price of steel, the price of concrete, the price of macadam, the price of labor. All of those things combined have completely eroded the buying power of our current program.

Certainly there are projects that are moving forward that are contained in that program to the tune of about \$3 billion, but we cannot keep pace with the bridges that are failing. We have 6,000 structurally deficient bridges. We cannot keep pace with the deficit spending right now with our transit systems, and because of the same things, because of fuel costs and all those other things, labor costs, health-care costs, they are eroding those dollars as well. The money that we have in this program will help us maintain what we currently have on the books.

Mr. REED. Thank you, Mr. Speaker.

On the amendment, please.

THE SPEAKER (DENNIS M. O'BRIEN) PRESIDING

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

Mr. REED. Mr. Speaker, I think it is a little bit difficult to ask the members, especially those members who come from rural communities across the Commonwealth who do not have large mass transit systems, to support an increase in revenue for transportation projects when we do not actually know where the money is going to. Is any of the money going to come back to Indiana County, the 62d Legislative District? Is all the money going to Philadelphia, Pittsburgh, Erie, wherever else? When you look at similar programs, when we are asked to increase revenues, for instance, if we are asked to increase revenues in the basic education line item, we are given a printout of how that is going to impact each and every school district that we represent, each and every school district across the State of Pennsylvania. So I think it would be reasonable to ask, if we are asked to support additional transportation funding, that we would like to know, where is that money going to go to, how is that money going to be spent, and if the lack of that money does jeopardize projects, which projects it does actually jeopardize.

So I guess more than anything else tonight, I would ask the members to oppose this amendment until we get a clarification from the Governor and from the Secretary of Transportation, what will the highway and bridge dollars be used for, and will it be spread across the entire State or just sent to certain areas of the Commonwealth?

Thank you, Mr. Speaker.

The SPEAKER. The Chair recognizes the majority leader, Representative DeWeese.

Mr. DeWEESE. I just wanted to momentarily commiserate with my honorable rural colleague. One of the preeminent impulses in my own perspective that allows me to be so unremitting in my favorable vote tonight will be that young people, old people, middle-aged folks in rural settings in Indiana County and Greene County are in very, very similar circumstances in this regard, who suffer with disabilities, who endure with disabilities, who prevail with disabilities. People, Pennsylvanians with disabilities, will be treated better by this legislation. The fact is, a long time ago there was an experiment for folks with disabilities to experience mass transit opportunities in rural settings in the State. It was only a finite set of counties. This legislation, the McCall amendment, very, very prudently and in an idealistic way reaches out to all 67 counties.

So our brothers and sisters back home in rural settings, especially in the Indiana County setting where my honorable colleague hails from, will now, for the first time, people in wheelchairs, people with disabilities, will be a beneficiary of the McCall amendment. So the gentleman can rest easy on that regard.

The SPEAKER. Representative DePasquale.

Mr. DePASQUALE. Thank you, Mr. Speaker.

I do believe that the McCall amendment is a big win for my district with over 830-some-odd thousand dollars that will come in for Rabbit Transit, which does a great job for my district. However, every legislator must decide what is in the best interest of their particular districts when it comes to transit.

There are two specific points that I want to raise of statewide importance that I believe are in the McCall amendment. One is senior citizens that qualify for the dollar ride program. Prior to the McCall amendment, they were only able to do this on off-peak hours. With the McCall amendment, this program will be for all hours of the day.

Second, and this one, I must admit, is a personal issue for me, although it certainly did not harm me growing up in Pittsburgh and Allegheny County because the program was already in existence there. But for the disability program, my brother would have had a very tough time getting to high school and would have had a very tough time getting to college, and if there is anything that I can do during my time in this legislature to help people with disabilities, people in wheelchairs, get to work, get to school, basically live a life that all of us try to live. There are 16 counties where that program does not exist. Those counties are Armstrong, Butler, Cambria, Clarion, Delaware, Forest, Indiana, Lackawanna, Luzerne, Montour, Somerset, Susquehanna, Warren, Wayne, Westmoreland, and Wyoming. With the McCall amendment, in those 16 counties, people with wheelchairs will have the ability through public transit to get to work. In the wealthiest country in the United States of America, I believe that is something that we have a moral responsibility to do. So I am for the McCall amendment.

The SPEAKER. Representative Marsico.

Mr. MARSICO. Thank you, Mr. Speaker.

I would like to interrogate the maker of the amendment.

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

Mr. MARSICO. Mr. Speaker, following up what the Representative from the city of Harrisburg had questioned you regarding the Corridor One project and the section 1515, the new initiatives program, you had mentioned that there could be \$46 to \$50 million per year after next year available for new startup commuter rail projects. Is that correct?

Mr. McCALL. \$50 million, Mr. Speaker.

Mr. MARSICO. I am sorry?

Mr. McCALL. \$50 million.

Mr. MARSICO. \$50 million per year, but that would be somehow divided to all the different projects or programs that are listed under section 1515 – Schuylkill Valley Metro, Scranton, Allegheny Valley Railroad, the Navy Yard subway extension. Is that correct?

Mr. McCALL. Yes, Mr. Speaker. They are examples of qualifying—

Mr. MARSICO. The \$50 million, you would give a portion of that \$50 million to each one of those projects? Is that what your initiative says?

Mr. McCALL. No, Mr. Speaker. Fifty million goes into that program, the new initiatives program. It would then be the requirement of the local MPOs (metropolitan planning organizations) to go through a planning process, just like we have established with our road and bridge program.

Mr. MARSICO. Okay.

Mr. McCALL. They would now be mandated to go through a planning process, get it on the TIP, apply for the funding, and also be able to provide for a local match.

Mr. MARSICO. So these projects or these new startups would not be part of any funding, mass transit funding annual program?

Mr. McCALL. They would qualify for the funding out of this new initiatives program. They were the examples we gave, so they are the types of projects that we want to fund out of the program.

Mr. MARSICO. So in other words, for example, Corridor One would not qualify, get an annual percentage of the funding, of the mass transit funding formula, like SEPTA and the other ones do. Is that correct? There would be no guarantee.

Mr. McCALL. Yes, that is correct. That is correct, but they would qualify for ongoing appropriations as they build the facilities out.

Mr. MARSICO. Okay. They are not an intercity rail. Would that then not qualify them for this? Or would it?

Mr. McCALL. Could you repeat the question?

Mr. MARSICO. They are a commuter rail.

Mr. McCALL. Could you repeat the question, Mr. Speaker?

Mr. MARSICO. Yes, sir. The Corridor One project is not an intercity rail; it is a commuter rail. Would that qualify or disqualify them from this new initiatives program?

Mr. McCALL. Mr. Speaker, it is my understanding that the Corridor One project would qualify under the new initiatives fixed-route program.

Mr. MARSICO. Well, I am sorry, sir. Would you repeat that?

Mr. McCALL. Yes. You would qualify for the program.

Mr. MARSICO. You would or would not?

Mr. McCALL. Corridor One would qualify for the new initiatives money.

Mr. MARSICO. Well, staff informs me that it would not because it is not considered as an intercity rail project. That is determined by the Federal Transportation.

Mr. McCALL. That is correct.

Mr. MARSICO. So then they are not.

Mr. McCALL. They are not qualified for intercity rail funding, but they do qualify for the new initiatives money to build the facilities.

Mr. MARSICO. Could you point out to me where it says that in your legislation, sir?

Mr. McCALL. We will do that, Mr. Speaker.

Mr. Speaker, these are two completely different programs. Page 17, line 7: "The department may fund projects that do not receive funding from the Federal New Starts Program if the applicant can provide sufficient justification that the project can meet all of the following requirements...." It is a competitive process. You would be competing against all other programs going after that money. If you go to page 18, line 18, you will see the definition of "intercity rail" and the differences between the two programs.

Mr. MARSICO. So I just wonder where it says, does it say "commuter rail" there anywhere? I do not see that.

Mr. McCALL. In which program, Mr. Speaker?

Mr. MARSICO. It would be lines 18 and 19 and 20. It says "intercity rail."

Mr. McCALL. The definition of "intercity transportation" starts on line 18, page 18, and continues through to page 20.

Mr. MARSICO. Okay. Thank you, Mr. Speaker. I guess there is just a communication problem here.

If I could, Mr. Speaker, make comments on the bill, on the amendment.

One more thing, if I could. I have one more question. I am sorry.

Mr. Speaker, as far as the projects here in the midstate, central Pennsylvania, the highway and bridge projects, I know that you mentioned that many of the projects are in jeopardy if this bill or amendment is not passed. In central Pennsylvania, we have a number of crucial highway and bridge projects that are on the TIP, that have been supported by the Federal government as well. You are saying that these programs could be in jeopardy if this is not passed. Is that correct? These projects.

Mr. McCALL. Yes, Mr. Speaker, they could be in jeopardy.

Mr. MARSICO. So what guarantees do we have here in central Pennsylvania if this bill is passed and what guarantees do we have from the Secretary of Transportation that these crucial projects in the midstate and the Capital City will be funded?

Mr. McCALL. A "yes" vote by you, Mr. Speaker.

Mr. MARSICO. That is what I thought. Now, that is my point. The central Pennsylvania delegation here does not support this amendment. It is obvious that our projects here, highway and bridge projects here in this area and transit subsidies as well, are going to be in jeopardy because we do not put up a "yes" vote. We have no guarantees. The only guarantee we have here tonight is that all the costs are going to go up, costs to our constituents. So I ask that the members oppose this amendment. Thank you.

The SPEAKER. Representative Metcalfe.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, we have heard a lot of debate here this evening, and potentially I guess we could hear a lot more. We heard this evening how we are kind of buying a pig in a poke if we actually support this legislation for what empty promises it may or may not hold. But, Mr. Speaker, I think one thing is clear from the details that have evolved and been shared out of the debate here tonight. Mr. Speaker, that is that Pennsylvania citizens will be expected to pay more for the same service that they are currently receiving from mass transit service.

Mr. Speaker, I joined together with one of my good friends from Allegheny County, Representative Mark Mustio, earlier this year and we went down into the bus stops, both in his district and mine, surveyed those who are using mass transit in our districts and our region, and then we rode those buses into Pittsburgh to meet up and talk about the issue of mass transit. Well, Mr. Speaker, as we surveyed a number of constituents in both Representative Mustio's district and my own, the leading response that I had from those using the service in how we should deal with the funding issues facing mass transit is to require more efficiency changes, Mr. Speaker – to require more efficiency changes. The leading response was not to provide more State money or to empower local governments to assess more taxes on regional taxpayers; the leading response was more efficiency, Mr. Speaker. Another leading response was that those using the service believed that they actually could pay more for the service that was being given to them, that they would be willing to pay higher fares for the service that was being rendered due to the cost of parking and other things it would cost them if they did not use the service.

Mr. Speaker, this legislation does not have any guarantees for projects in districts of members, but, Mr. Speaker, this legislation does have guarantees of hundreds of millions of dollars over the next 50 years, resulting in billions of dollars of taxpayers' money going into mass transit, Mr. Speaker. Mr. Speaker, when I looked at the numbers earlier this year, it showed that mass transit riders in Pennsylvania were already receiving about 25 percent of the pie when you divided up the money that was being spent by our State from State money on roads and bridges and mass transit. Well, Mr. Speaker, 25 percent of the pie for less than 5 percent of the population who use mass transit just does not seem right, and this legislation here this evening has the potential to increase that percentage in a very great way based on the numbers that we heard earlier of hundreds of millions of dollars going to mass transit, but were almost equal amounts to what was going to go into roads and bridges.

Mr. Speaker, last Friday I and many of my colleagues received this neat-looking transit of Allegheny County, State of Pennsylvania, transit bank bus. Now, we heard about a pig in a poke, which made me think of piggy banks, but here we have got a bus bank. Mr. Speaker, I am here to tell you, the majority of the taxpayers in my district do not want to put one more nickel into buses or mass transit, Mr. Speaker. Mr. Speaker, it is a real cute bus, and I am sure that the union members who had to pay for it probably would not agree with the expense, as their bureaucrats authorized.

Mr. Speaker, we have talked a lot about reform this session, and I heard an earlier speaker talk about the new freshman class and all they are here to fight for. Well, Mr. Speaker, I can guarantee you, when it comes around next year's election and

voters start to find out that what they bought was a pig in a poke, that the members that they elected were not reformers but were tax-and-spenders, we are going to see some more changes, and hopefully that will put us in the direction to having real reform, Mr. Speaker, which is reform for the taxpayers, to protect the taxpayers. No more money for mass transit, use what you are receiving in a more efficient way, and let us put the money into roads and bridges, and we can do it in a way that prioritizes what we are spending instead of increasing spending on the taxpayers of Pennsylvania.

Thank you, Mr. Speaker.

The SPEAKER. Representative Belfanti.

Mr. BELFANTI. Thank you, Mr. Speaker.

Mr. Speaker, I have just one or two brief questions for the maker of the amendment, if he will stand for interrogation.

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

Mr. BELFANTI. Thank you, Mr. Speaker.

I do not want to beat a dead horse, because this horse has been beaten up and beaten up for 2 days now, Thursday of last week and all day and evening today. However, because of all the numbers that have been spewed out there by what my good friend, Representative Bud George, would refer to as "up-againers," I do want to just ask a question or two that we started out with, and that is about Interstate 80. Now, Interstate 80 runs through a part of my district, and my understanding is that these tolls at the very outset will be at the State borders and then there will be some selective sites which will negate the necessity for most workers, who utilize Interstate 80 to go back and forth to work, to pay a toll. Is that correct?

Mr. McCALL. That is correct, Mr. Speaker.

Mr. BELFANTI. Thank you, Mr. Speaker.

And, Mr. Speaker, what percentage of motorists driving on Interstate 80 today are out-of-Staters?

Mr. McCALL. Seventy-two to seventy-three percent of the people who use Interstate 80 are from outside the Commonwealth of Pennsylvania.

Mr. BELFANTI. So roughly three-quarters of the motoring public, including tractor-trailers, are out-of-Staters that are traversing the State of Pennsylvania just to get from Ohio to New Jersey or parts somewhere beyond that.

Mr. McCALL. That is correct, Mr. Speaker.

Mr. BELFANTI. And what does it cost annually again, Mr. Speaker, to maintain Interstate 80?

Mr. McCALL. It costs the Commonwealth anywhere from \$110 million to about \$140 million, \$150 million a year to maintain that highway.

Mr. BELFANTI. And is it my understanding that if your amendment passes, the moneys that will be captured just at the two ends of the State will likely almost take care of that bill without even putting any other tolling in between the State?

Mr. McCALL. It was felt that all of the tolls collected on Interstate 80 would more than cover the operation and maintenance of that highway and additionally free up that maintenance cost to the Motor License Fund as well. So there is a double advantage there in that you not only get the operation and maintenance costs covered on Interstate 80 by that tolling but you also get the freeing up of the money that the Department of Transportation currently spends for the operation and maintenance of that road to take care of other road and bridge programs with that money.

Mr. BELFANTI. And that number again would be in the \$300 million, \$350 million mark?

Mr. McCALL. Yes, Mr. Speaker, in the first year.

Mr. BELFANTI. And that money would be able to be spent in Northumberland and Somerset, Clarion, Columbia Counties?

Mr. McCALL. Yes, Mr. Speaker, and there will be at least a billion dollars of investment on that road in the first 6 years after the agreement is signed between the turnpike and the Department of Transportation, \$1 million in upgrades alone on that interstate.

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

That concludes my interrogation. On the amendment.

The SPEAKER. The gentleman is recognized on the amendment.

Mr. BELFANTI. I really want to thank Representative McCall for his hard work and his endurance in trying to persuade the members of this House of the good parts of this amendment, and in my 27 years, I have been here for three, four, maybe five highway and bridge and mass transit bills, and from central Pennsylvania, do you think that I would like to separate mass transit from bridge and highway funding? You bet I would, because you would never get a vote out of me for mass transit, just like my fellow colleagues from southeastern and southwestern Pennsylvania would probably not vote for a highway-bridge bill without mass transit in it. So it is a Catch-22. And I understand for the benefit of the freshmen, the sophomores, the new people, that you cannot decouple mass transit and highway and bridge money and ever expect to get 102 votes out of this chamber and 26 votes out of the Senate to do something.

Well, let us talk about what this bill does not do. It does not impose a statewide gas tax as proposed by the Governor, which I told my caucus I was not going to support. It does not toll all of Interstate 80 at every exit, which I told my caucus and the leadership team that I would not support. It does not sell or lease the turnpike, which I would not support either, to a for-profit entity. God knows what the tolls would have been on a for-profit turnpike. And it does not toll all of the other interstates as the Republican leader has proposed I believe a week ago, toll not only Interstate 80 but 81, 78, 83, 283, 95, et cetera, et cetera, et cetera. I could not support that, Mr. Speaker.

Now, we heard a little bit earlier from the gentleman who was concerned about tourism. Well, if we are to rely on out-of-State tourism, which is the dollars we really want to attract here, not the people from Shamokin driving 15 miles to Knoebel's Grove and spending their money on the ferris wheel and going home but those out-of-Staters, what about leaving this go, putting our heads in the sand, and having a lot of those bridges tolled, or I am sorry, having a lot of our bridges closed or have weight restriction imposed upon them so that detour after detour would permeate the Commonwealth of Pennsylvania? We need to do something about this situation.

Now, there are 202 other members here, and maybe there are better ideas out there. I do not know who had one. I know my good friend, Representative Markosek, thought he had a better idea, but I do not think, I do not think it would have mustered 102 votes. I think the Governor had a good idea. I know his plan would have mustered 102 votes. But when you look at three out of four vehicles, and just on the issue of Interstate 80 alone, capturing all of that money, all of that out-of-State money for the very first time, that alone is worth a vote on this amendment,

Mr. Speaker. These people are avoiding paying one penny in maintenance costs on the heaviest-used road in the State. They are avoiding the turnpike where they might have to pay and they are driving, oh, 40 or 50 miles north of the turnpike to avoid paying anything and driving for free on Interstate 80, causing us, what Representative McCall talked about as a double whammy, the \$350 million it costs to maintain that road and the \$350 million less we have for the roads in our districts.

Mr. Speaker, let us not be a partisan chamber tonight. All of the questions, all of the comments I heard against this proposal sounded partisan to me. They sounded like "up-againer" votes. And I do not know what the other side is going to come up with if this bill goes down, but it is not going to be good for us, because the Governor has already mentioned that he intends to keep us in special session into July if need be to resolve the issue of mass transit.

Let us get done what we can get done. This is a good starting point. We are never going to find a bill that everybody in this chamber is going to agree on. We are too diverse of a State. There are too many of us who do not have mass transit, who have husbands and wives who both work, who have to own two cars and pay two car payments, and they are a little upset that people can jump on a bus for 50 cents and complain about a fare increase. And then we have people in the urban areas who cannot afford car insurance, so they have to jump on a bus. For God's sake, Mr. Speaker, we are a diverse State. We are 67 diverse counties. This is the best opportunity we have. Let us not let it go by the wayside. Let us vote "yes" on the McCall amendment.

Thank you.

The SPEAKER. Representative Daley.

Mr. DALEY. Will the maker of the amendment stand for interrogation?

The SPEAKER. The gentleman indicates that he will. The gentleman is in order and may proceed.

Mr. DALEY. Thank you, Mr. Speaker.

There has been significant discussion this evening concerning the Mon-Fayette Expressway, and 35 miles of that highway have at one point or another been in my legislative district, and I am very concerned about that funding, so my questions will be centered around that project.

Mr. Speaker, first, is any of the \$400 million bond revenue planned for any additional new highway construction?

Mr. McCALL. Not new capacity.

Mr. DALEY. And, Mr. Speaker, does the payback of the \$400 million bond issue depend upon existing turnpike revenues that are currently in the turnpike model as we see it today?

Mr. McCALL. Could you repeat that? I missed that, Mr. Speaker. I am sorry.

Mr. DALEY. Does the payback of the \$400 million bond issue depend on existing turnpike revenues that are currently in the turnpike revenue model that is ongoing today?

Mr. McCALL. Yes.

Mr. DALEY. Could you explain what part of the payback of the \$400 million bond issue will depend upon those existing revenues?

Mr. McCALL. Your question is, the \$400 million in— There are two forms of payment. The Turnpike Commission, after the agreement signed in the first year, would provide \$700 million in revenues, and then that would grow over the course of the next 40 years. They would first off, in the first 10, amortize \$4 billion using the Motor License Fund

revenues, with the additional payment being made by the Turnpike Commission. The tolling of I-80 comes on line in 2010. That would provide the additional revenues to get us at the \$800 to \$900 figure for both the turnpike and for transit, or for the highways and bridges and transit.

Mr. DALEY. The only effect, Mr. Speaker, from my understanding is, if there is a default on the bond issuing, then there would be an effect on existing revenues. Is that correct?

I said, Mr. Speaker, that if there is a default on the \$400 million bond issue, then that may have an effect on existing turnpike revenues. Is that correct?

Mr. McCALL. Potentially.

Mr. DALEY. Thank you, Mr. Speaker.

Previous legislation dedicating tax revenues to turnpike-named projects, specifically the Mon-Fayette Expressway, will they be disrupted by this proposal?

Mr. McCALL. Not at all, Mr. Speaker.

Mr. DALEY. Mr. Speaker, does your legislation speak to current capital programs being undertaken by the turnpike, specifically the Mon-Fayette Expressway?

Mr. McCALL. They are not affected at all, Mr. Speaker.

Mr. DALEY. Mr. Speaker, it is my understanding that the legislation that you are proposing is a model which places fundamentally another layer, another level, above the current Turnpike Commission operations regarding the repair and construction, replacement of bridges and highways throughout Pennsylvania. Is that correct, Mr. Speaker?

Mr. McCALL. That is correct, Mr. Speaker.

Mr. DALEY. Mr. Speaker, knowing that you were in the chamber in 1991, is it not true that the Mon-Fayette Expressway was based upon a secured dedication of revenue source, the oil and gas franchise tax?

Mr. McCALL. That is correct, Mr. Speaker. There is a dedicated funding source as articulated in the 1991 law.

Mr. DALEY. Mr. Speaker, and is it not true that that generated 1 cent of the gas tax went to a dedicated source of funding for the Mon-Fayette Expressway? Am I correct in that assumption?

Mr. McCALL. That is correct, about \$62 million.

Mr. DALEY. Now, Mr. Speaker, my understanding was initially that the cap on the wholesale price of gas at that time, the low end, that 1 cent generated approximately 91 cents of the wholesale price and currently it is at \$1.25. Is that correct?

Mr. McCALL. That was the floor and the ceiling for the oil company franchise tax. The average wholesale price, 91 cents, was the floor, \$1.25 was the ceiling.

Mr. DALEY. And currently, Mr. Speaker, that Mon-Fayette Expressway dedicated source of funding is at the top of the cap. Is that correct?

Mr. McCALL. That is correct.

Mr. DALEY. Now, correct me if I am wrong, if my math is wrong, and I know you chaired the Transportation Committee for several years, Mr. Speaker, that initially there was approximately \$65 to \$70 million generated every year as a dedicated source of funding for the Mon-Fayette Expressway under current law, and that has been increased to approximately \$93 million or approximately 40 percent. Would that be about right, Mr. Speaker?

Mr. McCALL. That is correct, Mr. Speaker.

Mr. DALEY. On the bill, Mr. Speaker.

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

Mr. DALEY. For all those individuals that heard about the Mon-Fayette Expressway and the construction and the adverse effect that this may have on the construction of the Mon-Fayette Expressway, in 1991 we dedicated 1 cent of a gallon, 1 cent of the oil and gas franchise tax, for the construction of the Mon-Fayette Expressway, which included the Philly Connector and the Southern Beltway. That 1991 Mon-Fayette Expressway money was based upon a millage rate, and that millage rate was on a preponderance of the wholesale petroleum price, and the fact that that wholesale petroleum price has increased over the years, nearly 40 percent, has created fundamentally a windfall.

I spoke to Secretary Biehler, our Secretary of Transportation, not more than 35 minutes ago outside these chambers, and I told him I could not support this legislation if it had any adverse effect on the Mon-Fayette Expressway, and he assured me it does not. He assured me that the Mon-Fayette Expressway and the missing connector from Brownsville to Centerville Borough will be the top priority of the Turnpike Commission for the completion of that project. And how does that affect us in southwestern Pennsylvania? Fayette County is one of the poorest counties in the State outside of Philadelphia. Philadelphia's poverty rate is at 28.7, Fayette County is at 28.6, and Greene County is 28.5. So it is very important for us in southwestern Pennsylvania that we work to complete that highway. If this project was adversely affected, I would ask for a "no" vote. I could not come up in all good conscience and tell my colleagues in southwestern Pennsylvania that this would be a good piece of legislation if it adversely affected the Mon-Fayette Expressway and its completion.

The Southern Beltway is another issue, Mr. Speaker. It is something that all of us want in western Pennsylvania, but we know to build the Southern Beltway, the southern corridor connecting the Philly Connector all the way to Monroeville is going to cost about \$5 billion, and we know that money is not there right now. We hope that that money will be there soon. We want to complete that circle route around the city of Pittsburgh that will help expansion in the South Hills and in Washington, Fayette, and Greene Counties, Westmoreland and Beaver Counties.

Mr. Speaker, I ask for an affirmative vote. I believe this will have no adverse effect on the Mon-Fayette Expressway. The Secretary of Transportation has assured me it will have no effect on the Mon-Fayette Expressway, and it is absolutely imperative that we do something with bridges and highways because I-70 is collapsing; bridges are falling. A bridge collapsed last year, and it is going to continue to collapse. That road was built in 1958.

So, Mr. Speaker, I ask for an affirmative vote on the McCall amendment.

The SPEAKER. Representative Phillips.

Mr. PHILLIPS. Thank you, Mr. Speaker.

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

The SPEAKER. Will Representative McCall stand for interrogation? Will Representative McCall stand for interrogation? The gentleman indicates that he will. The gentleman is in order and may proceed.

Mr. PHILLIPS. Thank you, Mr. Speaker.

There are many parts to this amendment, and there have been many questions asked and many have been asked over and over again, and you have been very gracious in the way you answered the questions. I appreciate that.

There is one part of the amendment that I have been receiving a lot of phone calls on, and that is on tolling Interstate 80, and I guess it is because Interstate 80 runs through my district, and there are two parts basically that I have been receiving calls on. And one, it has to do with the businesses that are located along Interstate 80, and I really mean those that are located right at the exits. Well, what assurance can I give them that their businesses, like some of the truck stops, will not be affected by tolling Interstate 80, such as they do on the Pennsylvania Turnpike? They put the plazas in, and really, if a lot of that took place, I know that it would affect a lot of businesses and probably some of them would close. What is set in that would prevent them from losing business due to having plazas put in after this road is being tolled?

Mr. McCALL. Thank you, Mr. Speaker.

Mr. Speaker, this will be an open tolling system. There will be no tolls at any of the exits because we certainly do not want to inhibit people from getting off and using the local businesses along those exits. The tolling will be high-speed tolling. The speed limit is 65. If everybody travels at 65, they will be able to go through those tolling gantries at that rate of speed. But it will be a completely different system as we know it. There will not be additional facilities built along that turnpike or that system along I-80 as we know it with the current turnpike main-line system.

Mr. PHILLIPS. You are saying that it will not be like the Pennsylvania Turnpike and the plazas that are built?

Mr. McCALL. No, Mr. Speaker. As a matter of fact, we want to make sure that the people use the local businesses that are along the interstate.

Mr. PHILLIPS. I understand that they have a lease, and they can do, I have been told they can do whatever they want with that lease?

Mr. McCALL. The language specifically says it has to be an open system, Mr. Speaker. But the turnpike will, in fact— There will be a lease agreement or a public-public partnership between PENNDOT and the turnpike for the turnpike to toll and collect those revenues and then to bond those proceeds.

Mr. PHILLIPS. I know, Mr. Speaker, there have been concerns, and that is why I brought it up, and I have been getting calls on it, and it is my hope that it is accurate that they would not be affected and plazas would not be put in.

The second question is, local traffic on tolling, you said there will not be— How many toll stations will there be or how many are suggested that be put on Interstate 80?

Mr. McCALL. That has not been really determined, Mr. Speaker. Certainly, like I have mentioned on a number of occasions, the last study that was done on I-80 for the open tolling, there were 10 toll plazas stretched from the New Jersey border to the Ohio border, and that is an average of about 35 miles in between. The more tollbooths you put up, the more you ensure that you collect toll revenues. The less you put up, the more toll revenues you can conceivably lose.

We have asked in our deliberations, and you know, we cannot force any hands at this point until we have a law passed and those negotiations can begin, but our concern is that local traffic be allowed to use that highway at no charge or at no toll. So we are trying to figure out a way or devise a system that that can in fact occur.

Mr. PHILLIPS. But there is no system put into place yet? You do not really know how it can be done?

Mr. McCALL. Again, there has been no system, and that number has not been determined, but I will again go back to the studies that have been done on the toll road, and at that point it was determined that 10 would be a sufficient number.

Mr. PHILLIPS. But it is definite that the locals will not have to pay tolls, and the reason I bring that up, I do not know how many calls I have got on that. They asked if I was in favor of tolling Interstate 80, and I said, certainly I am, but only if the locals do not have to pay tolls. And you know, you have to have an assurance that this will not happen, and that was my reason for bringing up the questions.

And did you tell me it would be approximately 35 miles — I did not hear too plain — was it 35 miles between where tolls would be paid or where tollbooths would be set up?

Mr. McCALL. Based on those 10 gantry systems, on average they would be 35 miles apart based on 10. The less the number, the more space in between and the more local traffic can use the highway without going from a gantry to another gantry, so they could use that road completely for free.

Mr. PHILLIPS. Thank you very much for answering my questions. I really appreciate that.

The SPEAKER. Representative Mark Keller.

Mr. M. KELLER. Thank you, Mr. Speaker.

Would the maker of the amendment please stand for interrogation?

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

Mr. M. KELLER. Thank you, Mr. Speaker.

I realize that it has been a long evening and you have been asked many, many questions, but there are a lot of concerns with this amendment, and if I can direct you to page 5, lines 25 through 28, in particular talking about "...the Department of Transportation to qualify as intercity service rather than commuter rail service." I have questions about the definitions of those.

Mr. McCALL. Page 5?

Mr. M. KELLER. Yes, that would be page 5, line 28, where it says "...intercity service rather than commuter rail..."

I do not see any definition for "commuter rail," and that concerns me on the issues of, especially here in central Pennsylvania.

Mr. McCALL. Mr. Speaker, it is our understanding that "commuter rail" is defined in Title 74.

Mr. M. KELLER. Mr. Speaker, and could you define that? What is that? What is the definition of "commuter rail"?

Mr. McCALL. We will provide that for the gentleman as soon as we have it, the official definition.

Mr. M. KELLER. Mr. Speaker, what I am reading, according to the piece that I have in front of me with the amendment, is that the funding is for intercity, but it does not address commuter rail service. That is my major concern as far as what the amendment addresses.

Mr. McCALL. Is that a question, Mr. Speaker?

Mr. M. KELLER. Yes, Mr. Speaker. It would also, in my interpretation, the— Excuse me a minute. The new initiatives program that was spoke about earlier this evening, Corridor One would not be funded in that, according to the—

Mr. McCALL. Commuter rail or the Corridor One program is absolutely eligible for funding under the new initiatives program, absolutely.

Mr. M. KELLER. Mr. Speaker, under the definition that is here, it does not seem to be. That is what my concern is.

Mr. McCALL. " 'Fixed-route public transportation services.' Regularly scheduled transportation that is available to the general public and is provided according to published schedules along designated published routes with specified stopping points for the taking on and discharging of passengers, including public bus and commuter rail systems. The term does not include exclusive ride taxi service, charter or sightseeing services, nonpublic transportation or school bus or limousine services."

Mr. M. KELLER. Mr. Speaker, is that the amendment or is that something else you are reading from?

Mr. McCALL. That is the definition in Title 74.

Mr. M. KELLER. Okay. In your amendment it does not say that, though. It says "rather than."

Mr. Speaker? Mr. Speaker, this is a prime example of why I feel personally that something like this, this type of legislation should be handled at the committee level and then come out to the floor. Unfortunately, we have not done that process that was set in place, and I would encourage that to be done.

Thank you, Mr. Speaker.

The SPEAKER. Representative Thomas.

Mr. THOMAS. Thank you, Mr. Speaker.

Let us not get upset. I just wanted to take a half a second to extend my sincere thanks and appreciation to the Honorable Keith McCall. He showed up, stood up, stayed up. He has hung in there. He is not sweating. He is not crying. He is not running. He has hung in there and has done an excellent job and has taught all of us that mass transit is all of our problem.

Vote "yes" on the McCall amendment. Thank you, Mr. Speaker.

The SPEAKER. Representative Youngblood.

Ms. YOUNGBLOOD. Mr. Speaker, I just have a few remarks that I would like to have included in the record.

I have been a longtime advocate for our State's mass transit authorities to sell naming rights to businesses. In fact, in 2005 my former chief of staff Alexander McManimen, both a lawyer and C.P.A. (certified public accountant), did substantial research that led to the legislation I introduced – HR 15 – that urged our mass transit agencies to lease or sell naming rights as a way to generate needed revenue. Mr. Speaker, I was proud that HR 15 was unanimously passed 2 years ago, June the 21st, 2005.

Today, Mr. Speaker, I rise again and voice my ardent support for this legislation contained in HB 1590 and to thank Representative Keith McCall for joining me in this endeavor and for making it a part of our collective efforts to ensure adequate funding for mass transit.

A fully functioning mass transit system that is able to provide adequate employment, retain commuters, provide safety for all transit routes, and can still sustain its own funding independent of support from the State and Federal governments is crucial to the residents of this Commonwealth. The proposed plan is viable and can offer additional funding for mass transit.

One example of naming rights that can provide unique marketing opportunities for businesses and successfully generate revenue for mass transit transportation can be seen in kiosks. Kiosks are booths, stalls, stands, and cubicles. These kiosks are located on the platform of subways, rail stops. Companies such as Starbucks, Dunkin' Donuts, and other fast food chains can strategically choose mass transit locations and will make sure that their companies have overall visibility. Commuters will have the opportunity to purchase these

food items while waiting for the train or other modes of mass transportation. Advertising for kiosks can be mounted on the walls at various transit locations. Kiosks are successfully being utilized in New York and Europe.

Mr. Speaker, the time for naming rights was important in June 21, 2005, and it is even more important today, June the 25th, 2007, and I thank Keith McCall for his endeavors in taking my initiative, naming rights, and including it in mass transportation.

Thank you, and I will submit my remarks for the record.

REMARKS SUBMITTED FOR THE RECORD

Ms. YOUNGBLOOD submitted the following remarks for the Legislative Journal:

Mr. Speaker, I have been a longtime advocate for our State's transit authorities to sell naming rights to businesses. In fact, in 2005 my former chief of staff Alex McManimen, both a lawyer and C.P.A., did substantial research that led to legislation that I introduced – HR 15 – that urged our mass transit agencies to lease or sell naming rights as a way to generate much-needed revenue. Mr. Speaker, I was proud that HR 15 was unanimously adopted by this chamber exactly 2 years ago to the date on June 21, 2005.

Today, Mr. Speaker, I rise to again voice my ardent support for this initiative contained in HB 1590 and to thank Representatives McCall, Evans, and Markosek for joining me in this endeavor and for making it part of our collective efforts to ensure adequate mass transportation funding.

A fully functioning mass transit system that is able to provide adequate employment, retain commuters, provide safety on all transit routes, and can still sustain its own funding independent of support from the State and Federal government is crucial to the residents of this Commonwealth. The proposed plan is viable and can offer additional funding for mass transportation.

One example of how the naming rights can provide unique marketing opportunities for businesses and successfully generate revenue for mass transportation can be seen by the use of kiosks (booth, stall, stand, and cubicle). These kiosks are located on the platforms at subway and rail stops. Companies such as Starbucks, Dunkin' Donuts, and other fast food chains strategically choose transit locations that are sure to increase their company's overall visibility. Commuters would have the opportunity to purchase these food items while waiting for the trains and/or other modes of transportation. Advertising for kiosks can be mounted on the walls at various transit locations. Kiosks are successfully being utilized in New York and Europe.

Mr. Speaker, the time for selling naming rights was important on June 21, 2005, and it is even more imperative today, June 25, 2007. There are residents in this great Commonwealth who rely heavily on the mass transportation system. And they deserve the right to be assured that their lives will go uninterrupted, and they can continue to go to work, to get food, to go to doctor's appointments, to school, and all the other places that their lifestyles may require.

Thank you, Mr. Speaker.

The SPEAKER. Will the House agree to the amendment?

The Chair recognizes Representative Maher.

Mr. MAHER. Mr. Speaker, I am sorry to disappoint those who have anticipated something other happening at this moment.

I do want to share the kind observations about the diligence of Mr. McCall. I had the good fortune to serve with him on the Transportation Committee for many years, and I know that while we may have differences on legislative proposals, that

he is genuine, genuine as can be in his appreciation in the importance of transportation systems throughout the State, mass transit throughout the State, as is the gentleman standing to his right, the current chairman of the Transportation Committee. And knowing what strong advocates they are and knowing how sincere they are and knowing how smart they are, I am left with the awful question of trying to figure out why they are so mistaken.

I am an advocate for mass transit, and I understand that in urban areas, whether you ride the bus or ride the rail or ride the incline or not, the city depends on those who do. The system must function. I have been advocating improvements and changes in mass transit since the day I arrived in this chamber. I had been enthusiastic for many years about the prospects often discussed that at the Port Authority they would be right-sizing, that the unions would step back from a system run for the benefit of employees and embrace a system run for the benefit of the community.

Just this last Friday for the first time, the Port Authority adopted a budget, a budget that embraced significant changes to the system, and some would argue that more changes are in order. But I observed that with the budget that they embraced last week with the revisions to that system, that they identified that their funding gap with Pennsylvania was \$35 million. Now, that is not chicken scratch, but it is not nearly what is contemplated in this legislation.

I have not heard of SEPTA making similar changes. Maybe I missed it, but I have not heard those changes discussed by anyone in the lengthy debate we have had. I believe the first step towards improving and repairing the financial condition of mass transit is for those systems to look inward; to look inward. The executive director of the Port Authority acknowledged that the system functioning up until very recently was really a system designed for the city of Pittsburgh in the 1950s, not the 21st century, and those of us who are from western Pennsylvania appreciate how significantly different the city is in every measure. They are making those changes. Some would say more changes are needed, but again, I come back to, what has SEPTA been doing?

Most of the money in mass transit, the lion's share, winds up at SEPTA. The next largest share winds up at the Port Authority. In recent years the average that has been flexed from highway money to transit systems across the State has averaged \$130 million a year. The Governor asked for an \$800 million solution to that \$130 million problem. Now, I would say that \$130 million problem was before right-sizing. The Port Authority whittled their problem down to \$35 million. What has SEPTA done?

If we take our view away from their being on the cusp of reform of their own houses, you can expect it to happen. If you really think that transit should be improved, this is the opportunity. Let us give them a shot. I say we ought to be providing sufficient funds to keep those wheels turning, but to throw \$500 million under this proposal at a \$130 million problem before the \$130 million is streamlined is surrendering an opportunity to solve problems. It is also surrendering \$400 million a year that could be used to repair our bridges and roads that are failing. Those of you who are not from those urban areas, keep in mind, your vote for this amendment moves \$400 million that could be used to repair and improve roads and bridges in your communities and puts it into systems whose diagnosed funding problems are a small fraction of that.

Now, certainly our roads and bridges are in terrible shape. Those of us who represent Washington County I think were shocked when a bridge, a State bridge, collapsed on Interstate 70; a bridge collapsed on Interstate 70. And what was the Governor's solution? Did he come out and take a look at it? Scratch his head? No. He dispatched people to knock down several other bridges in western Pennsylvania.

Now, I suppose if that bridge had fallen down in Philadelphia, the solution would have been different. So this raises— Well, I think you would agree with me, the solution would have been different. But it points to that any solution to road and bridge deterioration needs to recognize that this State is a big State. It needs to recognize that the northern tier and the southwest, the southeast, central Pennsylvania, the northwest all have different challenges, and it needs to ensure that a reasonable amount of funding is going to each.

Now, some things are certain under this amendment. One thing that is certain is the search for \$4 1/4 billion in new taxes and tolls over the next 5 years. What is not certain is where that goes. Where does that money go? We have heard repeatedly – and the maker of the amendment was very, very kind and patient as he responded over and over again – that there is no identification of where that money goes; none. So if you are expecting a fair share in your neck of the woods, I ask you to look at this amendment and tell me why you would expect that. I want you to explain to me what you are going to tell your community in 2 years hence when your community gets the short end of the stick because you did not insist that every part of Pennsylvania be considered.

Of course, I also wonder, how do you know how much you need if you do not know where it is going? How do we know we need \$4 1/4 billion if we do not know what it is going to be spent on? Now, I suspect somebody actually knows where it is going to be spent, and I am guessing that if they thought that would encourage 102 votes, you would know, too. But you do not know, and my guess is because 102 of us would not find it a reasonable answer.

Now, to the Mon-Fayette, Southern Beltway, in particular concern for me out of the southwest, the gentleman, Mr. Daley, and I share a passion for that road, and I wanted to offer a couple of observations relative to the points that he raised. One is he pointed out that there is \$93 million a year in dedicated funding that goes toward the Mon-Fayette and Southern Beltway. What he may not realize is that that money has already been spent. That money goes to pay for portions of the road that have already been constructed, and there are large, large gaps in that road.

When you hear that there is no change to the building plan in this amendment for the Mon-Fayette Expressway and the Southern Beltway, I think you can believe that, I really do, because right now there is no building plan. The Turnpike Commission announced last month, in very plain talk, that they had no plan to go any further because they did not have the resources to go any further.

So if someone is assuring members from the southwest who care about the Mon-Fayette and Southern Beltway that this bill will have no adverse effect, I would suggest to you that is about saying that the lack of a middle-inning relief pitcher will have no adverse effect on the Pirates' chances of being in the World Series this year. There is no shot. There is already no shot, under the current circumstance. I think the real question is, what have you done? What have you done to ensure that the

Mon-Fayette and Southern Beltway will be completed? And in this amendment the answer is nothing. Worse than nothing, you put it at the back end of a train that is \$4.25 billion long. It is not on the list. It is not on the 12-year plan.

Can you bring it back to life? Well, I think you can, but you cannot with this amendment. Consider the math. The turnpike, the turnpike right now, audited financial statements, \$612 million is their total revenue. That is every nickel of toll; that is every nickel they collect from everyone. But that is not the bottom line. The bottom line, they have got to pay to run the road, they have got to pay to plow the road, got to pay to repair the road, and they have got debt service costs. What is the cash flow? The most recent audited year for the turnpike, the cash flow out of the turnpike is \$73 million; \$73 million in a year.

Now, what does this bill call for? This bill does not say send that \$73 million over to the Department of Transportation. This bill says send 10 times that much. The total cash flow from the turnpike today is \$73 million. This bill says, send the State \$700 million. Well, where is the turnpike going to get that \$700 million? Where? Well, I suppose it could double its tolls, because you remember, total revenue right now is \$611 million, so if it needs to throw off an extra \$640 million, to meet what the bill requires, it would have to double tolls. Others would say, well, you go out and borrow it, but sooner or later, somebody has got to pay.

Now, I ask you the question, if you are from southwestern PA and the tolls on the turnpike have to double to support this load, what is that going to do to industry in our area? What does that do to our competitive advantage of being relatively close to the east coast markets when those sales travel down the turnpike? If the cost of moving goods and tolls is greater than what you are paying your driver, greater than what you are paying in fuel, you will find another place to do business. And to those of you in central Pennsylvania, when you look at this great central Pennsylvania growth over the years, a lot of it is due to commerce, commerce that flows on the turnpike. If tolls are doubled on the turnpike, I expect you will see that commerce head south. Maryland will be very happy with you. Interstate 68 is beautiful this time of year, most times of the year, and a lot of the depots you see here, a lot of the centers of commerce will move elsewhere.

But why are we doing all of this? What are we doing this for? Well, it is not entirely clear because we are not privy to what is going to happen with all of this money. In fact, to the extent that the legislature was involved in appropriations historically, that responsibility is being removed. Your ability to ever influence what projects are going forward and which ones do not will end permanently if this amendment becomes law. Instead, it will be entirely up to the discretion of the department.

Now, when it comes to transit funding, we are told, well, there is a formula. Well, look at the formula and look at the fine print in the bill. It turns out the Secretary can throw that formula out the window the minute this bill becomes effective, and he does not even need your permission. He does not need the permission of IRRC (Independent Regulatory Review Commission). He needs permission of nobody. That formula can be thrown out the window entirely based upon the language which is in this amendment. So if you are putting any stock in that allocation formula, you have got a lot of faith that those things that can go wrong will not go wrong. I on the other hand expect that they will, because why would that provision be there? Why would it be possible that day one the allocation can

change, unless somebody wanted that ability? Otherwise, it might say a year from now, 2 years from now or 3 years from now or 4 years from now, but right now today.

Now, the Governor when he was proposing his oil tax said he wanted to make it illegal to pass a tax on to consumers. Now, his current stance apparently is he wants to make darn sure that all the costs get passed on to consumers, because beyond the tolls, we have got a whole list of taxes: county sales tax, a half a percent; a county use tax, half percent; a hotel tax of half percent by counties; oh, and another hotel tax, 1 percent for counties. So if you are in counties like Allegheny that I represent, you will now have four hotel taxes; four. Well, who the heck is going to come and pay all of that? What effect does that have on our ability to attract business, to attract conventions? And those who say it will not have any effect, well, you know, there was that convention center hotel some people wanted. How much more expensive will it be to build that hotel if the guests cannot be expected to want to pay the freight?

Now, there is also that municipal car rental tax, which can be a local community or it can be the county, which, keep in mind, in Allegheny County more than half the car rentals are by your neighbors. It is not by people from out of town. It is from your neighbors. If you think you are just taxing an out-of-towner on that one, think twice.

The earned income tax is another beauty, a municipal earned income tax of a half percent. Apparently our memories are short. I seem to remember Act 1 being widely, widely 99 percent rejected by picking up a new income tax. I seem to remember Act 72 being rejected for picking up a new income tax. But some people still think that that is the solution. My guess is your constituents will remind you otherwise. And by the way, on that tax, that tax is not on the same basis as your current local income tax, which means your constituents are probably going to have to fill out two forms, two forms, which will be an annual reminder that you saw fit to create a new tax that was not even coincident with the current tax, so they have got to do two returns locally? They are going to love that; they are going to love that.

There is so much uncertain here about what good can come. There is great certainty about the good that is needed, but they are not matched up in this amendment. Nothing is guaranteed except for the death of the Mon-Fayette Expressway. That seems pretty clear.

The local match, the 5 to 1 that has been heralded as great progress of your local responsibility, well, by the way, it turns out 5 to 1 is what this Governor's task force says we already have. There is no progress there. There is no shift of responsibility. In fact, curiously enough, this amendment says that the fare box, the local fare box, does not count for local match, which removes any incentive for SEPTA or anyone else to look to their own fares to handle this.

The SPEAKER. Will the gentleman suspend so the Chair can take care of some housekeeping issues.

Mr. MAHER. If you would bear with me, I will be done in 30 seconds, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

Mr. MAHER. Oddly enough, this amendment does not call for any cost reductions to SEPTA, any cost reductions to the Port Authority. In fact, the funding formula punishes progress. To the extent that the Port Authority has made progress, it will be punished with this funding formula. If you are from

Pittsburgh, that is not good. If you are from southwestern Pennsylvania, the death of the Mon-Fayette Expressway guaranteed by this amendment is not good. If you are from the Philadelphia collar communities, well, we know all about what they are doing to SEPTA. If you are from central Pennsylvania, understand Corridor One is going to be competing with the disabled for a small part of funding, that even if Corridor One elbowed everybody else out, it will be 100 years before Corridor One could be completed on this schedule. If you are from northern Pennsylvania, that I-80 toll is troublesome. And if you are anywhere in Pennsylvania that cares about real estate taxes, the last gasp at property tax reform probably disappears if this amendment becomes law.

So I ask you, why a \$500 million solution to a \$130 million problem, and why, why vote for highway and bridge funding that you have no way of knowing whether it will solve the problems in your communities?

I hope you will join me in opposing this legislation. Thank you, Mr. Speaker.

REMARKS SUBMITTED FOR THE RECORD

The SPEAKER. Representative James.

Mr. JAMES. Thank you, Mr. Speaker.

Mr. Speaker, I would like to have my remarks submitted for the record.

The SPEAKER. The Chair thanks the gentleman.

Mr. JAMES submitted the following remarks for the Legislative Journal:

I rise today to call on my colleagues to support the McCall amendment. While I share the opinion of many of my colleagues who see the bill and the amendment as imperfect, our State is facing a challenge, a crisis that cannot wait for perfect.

I specifically want to address the composition of the SEPTA Board. I have heard my colleagues from the counties surrounding Philadelphia who use SEPTA say that they do not want to see their representation diminished. I understand their concerns, but as a Philadelphian, my residents and residents around the city depend on SEPTA for more than commuting to work Monday through Friday.

I would like to give Philadelphians their fair share of representation on the SEPTA Board. In 2005, 87 percent of SEPTA riders were from the city of Philadelphia, yet under current regulation, the mayor of Philadelphia and commissioners of Bucks, Chester, Delaware, and Montgomery Counties each appoint two members to the board – that is equal representation despite Philadelphia's overwhelming usage. The additional seats are appointed by the Governor and House and Senate majority and minority leaders, who are each authorized to appoint one.

So I repeat that the McCall amendment is not perfect. In my opinion, it does not go far enough to give Philadelphia its fair share, but in the interest of solving our crisis or working to move in the right direction to solve our crisis, I am willing to compromise and support the McCall amendment as a step in the right direction.

Thank you.

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

(Members proceeded to vote.)

The SPEAKER. The clerk will record the vote. On the question, the "yeas"—

VOTE STRICKEN

The SPEAKER. For what purpose does the gentleman rise?

Mr. KING. Mr. Speaker, I meant to vote "yes" on that amendment. If we need to reconsider, whatever the case is, but I certainly meant to vote "yes" on that amendment. The switch was bumped accidentally.

The SPEAKER. The clerk will strike the vote.

POINT OF ORDER

Mr. S. SMITH. Mr. Speaker, a point of order. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state his point of order.

Mr. S. SMITH. I believe I heard the Speaker declare the vote called, which would imply to me that that vote should be a recorded vote, and the gentleman has the opportunity to file a reconsideration motion, like we normally do, Mr. Speaker. Am I correct in that, what I heard the Speaker say, or did my ears deceive me?

Mr. DeWEESE. Mr. Speaker?

The SPEAKER. The vote was not recorded, for the information of the minority leader. For the information of the minority leader, at the time the Chair instructed the clerk to record the vote, the vote was 102-101, and the vote was not recorded; 102 to 100.

Mr. DeWEESE. Mr. Speaker? Mr. Speaker? Mr. Speaker?

The SPEAKER. The Chair recognizes the majority leader.

Mr. DeWEESE. In order to give some sense of placidity and fraternity to this wonderful chamber, why do we not just reconsider the effort, and we can amble off into the night as brothers and sisters?

Mr. S. SMITH. Mr. Speaker?

The SPEAKER. Representative Smith.

Mr. S. SMITH. I believe that I heard the Speaker declare the vote closed, and I realized from the time the words came off of your lips and before the board was presumably locked, the vote changed again to create the 101 tie. But I still believe, Mr. Speaker, once you call for the final vote, the final vote is there, and to strike the board and back up from that I think, Mr. Speaker, is—

The SPEAKER. If the gentleman will allow the Chair to interrupt. The Chair is in receipt of a reconsideration motion.

Mr. S. SMITH. And what was the vote that is being reconsidered, and what was the tally on that vote? I would like to see the recorded vote on that.

The SPEAKER. There is no recorded vote.

Mr. S. SMITH. Then what are we reconsidering?

Mr. MAHER. A point of order, Mr. Speaker. Mr. Speaker, I have a point of order.

The SPEAKER. The gentleman will cease.

Mr. MAHER. I have a point of order, Mr. Speaker.

The SPEAKER. The gentleman will cease.

Mr. MAHER. Mr. Speaker, as I understand the long history—

The SPEAKER. The gentleman is not in order. Will the gentleman cease.

MOTION FOR PREVIOUS QUESTION

Mr. DeWEESE. Mr. Speaker, I call the previous question.

The SPEAKER. The gentleman, Representative DeWeese, moves the previous question on the adoption of amendment—

Mr. MAHER. Point of order, Mr. Speaker, and I do not really need the mike to be heard.

The SPEAKER. —A02073.

Mr. MAHER. Mr. Speaker, I have had a point of order. You cannot simply choose not to recognize members.

The SPEAKER. The gentleman will cease. There is nothing in order except the motion to move the previous question. That is not a debatable motion.

Those who second this motion will rise and remain standing until their names are recorded, 20 members are recorded.

Representative Daley; Representatives Sturla, Brennan, Seip, Eachus, Cohen, Curry, Dermody, Grucela, Williams, O'Brien, Waters, Harper, Leach, Gerber, Levdansky, George, Mundy, Staback, Blackwell, James, Josephs, Taylor, Vitali, Tangretti.

The motion for the previous question having been made and seconded, those in favor of the motion for the previous question will vote "aye"; those opposed, "no." An "aye" vote is a vote to end all debate and bring this House to an immediate vote.

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

The following roll call was recorded:

YEAS—102

Belfanti	Galloway	Manderino	Shimkus
Bennington	George	Mann	Siptroth
Bianucci	Gerber	Markosek	Smith, K.
Bishop	Gergely	McCall	Smith, M.
Blackwell	Gibbons	McGeehan	Solobay
Brennan	Goodman	McI. Smith	Staback
Buxton	Grucela	Melio	Sturla
Caltagirone	Haluska	Mundy	Surra
Carroll	Hanna	Myers	Tangretti
Casorio	Harhai	O'Brien, M.	Taylor, R.
Cohen	Harkins	Oliver	Thomas
Conklin	Hornaman	Pallone	Vitali
Costa	James	Parker	Wagner
Cruz	Josephs	Pashinski	Walko
Curry	Keller, W.	Payton	Wansacz
Daley	Kessler	Petrarca	Waters
DeLuca	King	Petrone	Wheatley
DePasquale	Kirkland	Preston	White
Dermody	Kortz	Ramaley	Williams
DeWeese	Kotik	Readshaw	Wojnaroski
Donatucci	Kula	Roebuck	Yewcic
Eachus	Leach	Sabatina	Youngblood
Evans, D.	Lentz	Sainato	Yudichak
Fabrizio	Levdansky	Santoni	
Frankel	Longietti	Seip	O'Brien, D.,
Freeman	Mahoney	Shapiro	Speaker

NAYS—99

Adolph	Gabig	McIlhattan	Raymond
Argall	Geist	Mensch	Reed
Baker	Gillespie	Metcalfe	Reichley
Barrar	Gingrich	Micozzie	Roae
Bastian	Godshall	Millard	Rock
Bear	Grell	Miller	Rohrer
Benninghoff	Harhart	Milne	Ross

Beyer	Harper	Moul	Samuelson
Boback	Harris	Moyer	Saylor
Boyd	Helm	Murt	Scavello
Brooks	Hennessey	Mustio	Schroder
Causer	Hershey	Nailor	Smith, S.
Civera	Hess	Nickol	Sonney
Clymer	Hickernell	O'Neill	Stairs
Cox	Hutchinson	Payne	Steil
Creighton	Kauffman	Peifer	Stern
Cutler	Keller, M.	Perry	Stevenson
Dally	Kenney	Perzel	Swanger
Denlinger	Killion	Petri	Taylor, J.
DiGirolamo	Mackereth	Phillips	True
Ellis	Maher	Pickett	Turzai
Evans, J.	Major	Pyle	Vereb
Everett	Mantz	Quigley	Vulakovich
Fairchild	Marshall	Quinn	Watson
Fleck	Marsico	Rapp	

NOT VOTING—1

Capelli

EXCUSED—1

Rubley

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

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

The SPEAKER. The question before the House is—
Mr. MAHER. A point of order, Mr. Speaker. A point of order, Mr. Speaker.

The SPEAKER. —will the House adopt amendment A02073?

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

The following roll call was recorded:

YEAS—101

Belfanti	Galloway	Markosek	Siptroth
Bennington	George	McCall	Smith, K.
Bianucci	Gerber	McGeehan	Smith, M.
Bishop	Gergely	McI. Smith	Solobay
Blackwell	Gibbons	Melio	Staback
Brennan	Goodman	Mundy	Sturla
Buxton	Grucela	Myers	Surra
Caltagirone	Hanna	O'Brien, M.	Tangretti
Carroll	Harhai	Oliver	Taylor, R.
Casorio	Harkins	Pallone	Thomas
Cohen	Hornaman	Parker	Vitali
Conklin	James	Pashinski	Wagner
Costa	Josephs	Payton	Walko
Cruz	Keller, W.	Petrarca	Wansacz
Curry	Kessler	Petrone	Waters
Daley	King	Preston	Wheatley
DeLuca	Kirkland	Ramaley	White
DePasquale	Kortz	Readshaw	Williams
Dermody	Kotik	Roebuck	Wojnaroski
DeWeese	Kula	Sabatina	Yewcic
Donatucci	Leach	Sainato	Youngblood
Eachus	Lentz	Samuelson	Yudichak
Evans, D.	Levdansky	Santoni	
Fabrizio	Mahoney	Seip	O'Brien, D.,

Frankel Freeman	Manderino Mann	Shapiro Shimkus	Speaker
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NAYS—100

Adolph	Gabig	Marshall	Quinn
Argall	Geist	Marsico	Rapp
Baker	Gillespie	McIlhattan	Raymond
Barrar	Gingrich	Mensch	Reed
Bastian	Godshall	Metcalfe	Reichley
Bear	Grell	Micozzie	Roae
Benninghoff	Haluska	Millard	Rock
Beyer	Harhart	Miller	Rohrer
Boback	Harper	Milne	Ross
Boyd	Harris	Moul	Saylor
Brooks	Helm	Moyer	Scavello
Causer	Hennessey	Murt	Schroder
Civera	Hershey	Mustio	Smith, S.
Clymer	Hess	Nailor	Sonney
Cox	Hickernell	Nickol	Stairs
Creighton	Hutchinson	O'Neill	Steil
Cutler	Kauffman	Payne	Stern
Dally	Keller, M.	Peifer	Stevenson
Denlinger	Kenney	Perry	Swanger
DiGirolamo	Killion	Perzel	Taylor, J.
Ellis	Longietti	Petri	True
Evans, J.	Mackereth	Phillips	Turzai
Everett	Maher	Pickett	Vereb
Fairchild	Major	Pyle	Vulakovich
Fleck	Mantz	Quigley	Watson

NOT VOTING—1

Cappelli

EXCUSED—1

Rubley

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

BILL PASSED OVER

The SPEAKER. HB 1590 will be passed over for the day.

SENATE MESSAGE

HOUSE AMENDMENTS
TO SENATE AMENDMENTS
CONCURRED IN BY SENATE

The clerk of the Senate, being introduced, informed that the Senate has concurred in the amendments made by the House of Representatives to the Senate amendments to **HB 906, PN 2021**.

BILL SIGNED BY SPEAKER

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

HB 906, PN 2021

An Act amending the act of July 31, 2003 (P.L.73, No.17), known as the Volunteer Fire Company and Volunteer Ambulance Service Grant Act, further defining "volunteer ambulance service"; further providing for guidelines and procedures, for award of grants and for expiration of authority; providing for publication and notice, for special provisions; and repealing an obsolete act.

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

BILLS REMOVED FROM TABLE

The SPEAKER. The Chair recognizes the majority leader, who moves the following bills be removed from the tabled bill calendar:

- SB 929;
- SB 930;
- SB 931;
- SB 932;
- SB 933;
- SB 934;
- SB 935;
- SB 936;
- SB 937;
- SB 938;
- SB 939;
- SB 940;
- SB 941;
- SB 942;
- SB 943;
- SB 944;
- SB 945;
- SB 946;
- SB 947;
- SB 948;
- SB 950;
- SB 951;
- SB 952;
- SB 953;
- SB 954;
- SB 955;
- SB 956;
- SB 957;
- SB 958; and
- SB 959.

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

RESOLUTIONS

Mr. DeWEESE called up **HR 122, PN 824**, entitled:

A Resolution petitioning the President and Congress of the United States to increase funding for the Low-Income Home Energy Assistance Program (LIHEAP).

On the question,
Will the House adopt the resolution?

RESOLUTION TABLED

The SPEAKER. The Chair recognizes the majority leader, who moves that HR 122 be placed on the table.

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

RESOLUTION REMOVED FROM TABLE

The SPEAKER. The Chair recognizes the majority leader, who moves that HR 122 be removed from the table.

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

* * *

Mr. DeWEESE called up **HR 135, PN 835**, entitled:

A Resolution calling on the United Nations to take action to help free three Israeli soldiers held captive by Hezbollah in violation of international law.

On the question,
Will the House adopt the resolution?

RESOLUTION TABLED

The SPEAKER. The Chair recognizes the majority leader, who moves that HR 135 be placed on the table.

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

RESOLUTION REMOVED FROM TABLE

The SPEAKER. The Chair recognizes the majority leader, who moves that HR 135 be removed from the table.

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

* * *

Mr. DeWEESE called up **HR 136, PN 836**, entitled:

A Concurrent Resolution urging the President and Congress of the United States to ban exportation of elemental mercury.

On the question,
Will the House adopt the resolution?

RESOLUTION TABLED

The SPEAKER. The Chair recognizes the majority leader, who moves that HR 136 be placed on the table.

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

RESOLUTION REMOVED FROM TABLE

The SPEAKER. The Chair recognizes the majority leader, who moves that HR 136 be removed from the table.

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

HOUSE SCHEDULE

The SPEAKER. The Chair recognizes the majority leader, Representative DeWeese.

Mr. DeWEESE. Just a matter of scheduling, Mr. Speaker.

We will convene at 9 a.m. and move toward a full day of debate. I had an informal chat with my good friend from Jefferson County, the minority leader, and would hope that someday, weeks and weeks or months and months in advance, one last effort at reform might be considered, and that would be that we consider adopting the United States Congressional effort of debate where we would have a time span of 2 hours, 3 hours, whatever, especially for intense debates, and that time would be divided up among our members.

One of my very dear friends tonight took over 90 minutes, which is his right, and I am sure some of us were edified by that exercise, but if the dynamics of our debate will be as lengthy as they were today, we will have to get launched a little bit earlier as the week proceeds. We do have to do the people's business. We have a budget that needs to be presented by 11:30 – excuse me; that was not a Freudian slip, I hope – by 11 o'clock on June 30. So our day will be jam-packed tomorrow and on subsequent days later in the week. But the essence of this announcement is our launch tomorrow will be at 9 a.m.

Thank you.

BILLS AND RESOLUTIONS PASSED OVER

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

ADJOURNMENT

The SPEAKER. The Chair recognizes Representative Quinn from Bucks County, who moves this House do now adjourn until Tuesday, June 26, 2007, at 9 a.m., unless sooner recalled by the Speaker.

On the question,
Will the House agree to the motion?
Motion was agreed to, and at 11 p.m., e.d.t., the House adjourned.