

COMMONWEALTH OF PENNSYLVANIA

LEGISLATIVE JOURNAL

MONDAY, JUNE 11, 2012

SESSION OF 2012

196TH OF THE GENERAL ASSEMBLY

No. 39

HOUSE OF REPRESENTATIVES

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

**THE SPEAKER (SAMUEL H. SMITH)
PRESIDING**

PRAYER

The SPEAKER. Today the prayer will be offered by Father John J. Detisch, St. Jude the Apostle Church of Erie, Pennsylvania.

FATHER JOHN J. DETISCH, Guest Chaplain of the House of Representatives, offered the following prayer:

Thank you, and thank you for welcoming me back. I was pastor to Pat Harkins and Flo Fabrizio for 10 years until I was appointed pastor in another part of Erie at Christmas; however, Flo did not realize that until about Easter. It is good that we are here.

My friends, I am sure by now most of us have been to the grave of President John Kennedy at Arlington Cemetery and gazed upon the eternal flame. On the grave is the inscription of that famous quote from his inauguration: "Ask not what your country can do for you – ask what you can do for your country." But there is another quote from that historic address that speaks so clearly to us here and all those who serve in government. President Kennedy also said, "With a good conscience our only sure reward, with history the final judge of our deeds; let us go forth to lead the land we love, asking His blessing and His help, but knowing that here on earth, God's work must truly be our own."

So, my friends, knowing that the presence of God is always with us as we strive daily to do His work by serving His people, let us pray:

Father, You guide and govern everything with order, hope, and love. Look upon all the members of our Pennsylvania Legislature and fill them with the spirit of Your wisdom. May they always act in accordance with Your will and their decisions be for the peace and well-being of us all. May they look to Your Holy Spirit for courage, guidance, and strength, and may they help to influence all of us to be the people that You call us to be, people of hope.

We ask this in Your most holy name. Amen.

PLEDGE OF ALLEGIANCE

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

JOURNAL APPROVAL POSTPONED

The SPEAKER. Without objection, the approval of the Journal of Thursday, June 7, 2012, will be postponed until printed.

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

HB 2065, PN 3713 (Amended) By Rep. BENNINGHOFF

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, providing for the Vets First Tax Credit Program to honor veterans for their service to our country and provide incentives for their employment.

FINANCE.

HB 2438, PN 3659

By Rep. HESS

An Act amending the act of May 15, 1933 (P.L.565, No.111), known as the Department of Banking Code, amending the title of the act; further providing for conflicts of interest and penalty; reorganizing the Department of Banking and the Pennsylvania Securities Commission; and making related repeals.

COMMERCE.

HOUSE BILLS INTRODUCED AND REFERRED

No. 2427 By Representatives FRANKEL, MICCARELLI, FREEMAN, BARBIN, B. BOYLE, K. BOYLE, BRADFORD, CALTAGIRONE, COHEN, D. COSTA, DALEY, DEAN, EVANKOVICH, HALUSKA, HORNAMAN, JOSEPHS, W. KELLER, KORTZ, KULA, MATZIE, NEUMAN, PASHINSKI, PAYTON, SANTARSIERO, SCHMOTZER, M. SMITH, TOEPEL, WILLIAMS and YOUNGBLOOD

An Act amending Title 62 (Procurement) of the Pennsylvania Consolidated Statutes, providing for investment activities in Iran; and imposing civil penalties.

Referred to Committee on STATE GOVERNMENT, June 11, 2012.

No. 2456 By Representatives MURT, V. BROWN, CALTAGIRONE, D. COSTA, DONATUCCI, GILLESPIE, GINGRICH, MILNE, O'NEILL and YOUNGBLOOD

An Act establishing the Family Caregiver Support Advisory Board within the Department of Public Welfare; and providing for its powers and duties.

Referred to Committee on HEALTH, June 11, 2012.

No. 2457 By Representatives J. EVANS, BROOKS, CALTAGIRONE, EVERETT, FLECK, GODSHALL, MILLARD, MILLER, MURT, QUINN, SCHMOTZER, SONNEY, STABACK, VULAKOVICH, BRENNAN and MOUL

An Act authorizing the sale and transfer of title for Project 70 lands owned by Erie County to Springfield Township, Erie County.

Referred to Committee on STATE GOVERNMENT, June 11, 2012.

No. 2458 By Representatives BAKER, MARSICO, GODSHALL, MAHER, BROOKS, CAUSER, CUTLER, GINGRICH, HORNAMAN, KAUFFMAN, M. K. KELLER, KNOWLES, O'NEILL, PICKETT, QUINN and SAYLOR

An Act amending the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law, further providing for the definition of "local agency."

Referred to Committee on STATE GOVERNMENT, June 11, 2012.

No. 2459 By Representatives EMRICK, REESE, BOYD, R. BROWN, CARROLL, CLYMER, CONKLIN, CUTLER, FABRIZIO, FLECK, GILLEN, GROVE, HAHN, HARHART, HARKINS, HICKERNELL, HUTCHINSON, KORTZ, LONGIETTI, MILLARD, MILNE, MULLERY, MURT, OBERLANDER, O'NEILL, PEIFER, PICKETT, PYLE, QUIGLEY, ROAE, ROCK, ROEBUCK, SCAVELLO, SIMMONS, K. SMITH, TALLMAN and VULAKOVICH

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in charter schools, further providing for funding for charter schools.

Referred to Committee on EDUCATION, June 11, 2012.

No. 2460 By Representatives BLOOM, AUMENT, BAKER, BARRAR, BENNINGHOFF, BROOKS, CAUSER, CLYMER, COX, EVERETT, FLECK, FREEMAN, GABLER, GEORGE, GINGRICH, GODSHALL, GRELL, GROVE, HARHART, HELM, HENNESSEY, HICKERNELL, HORNAMAN, KAUFFMAN, KILLION, KORTZ, MAJOR, MARSHALL, MARSICO, METZGAR, MICOZZIE, MILLARD, MIRABITO, MOUL, MURT, MUSTIO, PERRY, PICKETT, PYLE, RAPP, READSHAW, ROAE, ROCK, SAINATO, SAYLOR, SCAVELLO, SONNEY, STABACK,

STEVENSON, TALLMAN, TOEPEL, VEREB, VULAKOVICH, WATSON and YOUNGBLOOD

An Act designating State Route 233 from the western corporate limits of Newville Borough to State Route 11 in Cumberland County as the Marine Lance Corporal Nicholas B. Morrison Memorial Highway.

Referred to Committee on TRANSPORTATION, June 11, 2012.

No. 2461 By Representatives SIMMONS, AUMENT, BRENNAN, CALTAGIRONE, CLYMER, DALEY, EMRICK, EVANKOVICH, EVERETT, GABLER, GINGRICH, GROVE, HEFFLEY, HORNAMAN, KAUFFMAN, KNOWLES, KORTZ, MACKENZIE, MILLER, MUSTIO, PICKETT, QUINN, WILLIAMS and YOUNGBLOOD

An Act amending the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code, in voting by qualified absentee electors, further providing for envelopes for official absentee ballots.

Referred to Committee on STATE GOVERNMENT, June 11, 2012.

No. 2462 By Representatives HARKINS, CONKLIN, BARBIN, BISHOP, K. BOYLE, BRENNAN, GEORGE, BURNS, CARROLL, HALUSKA, P. COSTA, DALEY, DePASQUALE, DONATUCCI, HORNAMAN, JOSEPHS, PAYTON, PASHINSKI, MURPHY, MUNDY, MANN, MAHONEY, BRADFORD, FABRIZIO, GERGELY, CALTAGIRONE, COHEN, D. COSTA, HARHAI, DEASY, DELISSIO, DeLUCA, KAVULICH, PRESTON, M. O'BRIEN, NEUMAN, MULLERY, MATZIE, LONGIETTI, KULA, KORTZ, SABATINA, SAINATO, SCHMOTZER, K. SMITH, VITALI, WATERS, READSHAW, ROEBUCK, SANTONI, SCAVELLO, STABACK, STURLA and WHEATLEY

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 kindergartens and for the definition of "compulsory school age."

Referred to Committee on EDUCATION, June 11, 2012.

No. 2463 By Representatives HARKINS, CONKLIN, BARBIN, BISHOP, K. BOYLE, BRENNAN, GEORGE, BURNS, CARROLL, HALUSKA, P. COSTA, DALEY, DePASQUALE, DONATUCCI, HORNAMAN, JOSEPHS, PAYTON, PASHINSKI, MURPHY, MUNDY, EMRICK, MAHONEY, BRADFORD, FABRIZIO, GERGELY, CALTAGIRONE, COHEN, D. COSTA, HARHAI, DEASY, DELISSIO, DeLUCA, KAVULICH, MULLERY, M. O'BRIEN, NEUMAN, MATZIE, LONGIETTI, KULA, KORTZ, SABATINA, SAINATO, SCHMOTZER, K. SMITH, VITALI, WATERS, FLECK, GIBBONS, READSHAW, ROEBUCK, SANTONI, SCAVELLO, STABACK, STURLA, WHEATLEY, PETRARCA and O'NEILL

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, making editorial changes.

Referred to Committee on EDUCATION, June 11, 2012.

LEAVES OF ABSENCE

The SPEAKER. The Speaker turns to leaves of absence and recognizes the majority whip, who requests a leave of absence for the gentleman, Mr. VEREB, from Montgomery County for the day. Without objection, the leave will be granted.

The Speaker recognizes the majority caucus chairman, who requests a leave of absence for the gentleman, Mr. HANNA, from Clinton County for the day; the gentleman, Mr. KOTIK, from Allegheny County for the day; and the gentleman, Mr. GERBER, from Montgomery County for the day. Without objection, the leaves will be granted.

GUESTS INTRODUCED

The SPEAKER. While we are getting everybody to the floor, I want to welcome some of the guests that are with us today.

Located to the left of the rostrum, we would like to welcome Juliann, Brent, and Christina Tompkins, and Dustin and Pamela Polchin. There are additional family members and friends of these families located in the rear of the House. They are the guests of Representative Toohil. Will our guests please rise. Welcome to the hall of the House.

Also located to the left of the rostrum, as guests of Representative Milne, we would like to welcome Hillary Schmid and Wayne and Cathy Dunlap. Will our guests please rise; over here in the corner with the little one – two little ones.

Also to the left of the rostrum, we would like to welcome the Mount Lebanon school board president, Josephine Posti; High School Principal Brian McFeeley; and Robert McFeeley. Also seated to the left are Mrs. Posti's daughter, Isabela, and her niece, Abigail. They are here today in honor of Mount Lebanon School District's 100th anniversary. They are the guests of Representative Matt Smith. Welcome to the hall of the House.

Also to the left of the Speaker, we would like to welcome Victoria Schmotzer. She is the guest of Representative Schmotzer, his daughter. Please welcome her. There you are, over here; I apologize.

And in the rear of the House, we would like to welcome the Paccione family: Stephen, Lucy, Nicholas, Christopher, and Stephen, Jr. They are here today as the guests of Representative Stephens. Will our guests please rise.

Also in the rear of the House, we would like to welcome Father Dave Bechtel and Stephen Reider. They are guests of Representative Scavello and Representative Mirabito. Will our guests please rise; over here to the far left side.

And as a guest of Representative Waters, located in the rear of the House, we would like to welcome Attorney Amara Chaudhry. She is with the Council on American-Islamic Relations. Will our guest please rise; over here by the right door.

Located in the gallery, we would like to welcome the Pocono Pioneers. They are a group of active and retired telephone workers. They are here today as the guests of Representative Scavello. Will our guests please rise. Welcome to the hall of the House.

Also located in the gallery, we would like to welcome the parents and students from the Neshaminy School District. They are here today as guests of Representative Farry and

Representative Maher. Will our guests please rise. They are kind of spread out across parts of the gallery, the two far sides. Welcome to the hall of the House.

STATEMENT BY MR. FARRY

The SPEAKER. Is the gentleman from Bucks County, Mr. Farry, seeking recognition under unanimous consent relative to his guests?

The gentleman may proceed.

Mr. FARRY. Thank you, Mr. Speaker.

Thank you for allowing me the opportunity to address my colleagues regarding an issue we are facing at home in the Neshaminy School District. As you just mentioned, we are joined in the balcony today by the parents and students of the Neshaminy School District. The reason these students are here today is not an educational trip like many students commonly take to the Capitol, although we are going to make this educational for them. The reason these students are here today is because there is no school in the Neshaminy School District because of the second teacher strike in 2012. Instead of being in the classroom rounding out another school year, they are here during the second week of an end-of-year strike. The parents and students have traveled here to help me convey the message that school strikes in Pennsylvania should be illegal.

The Neshaminy School District is currently in a 4-year contract dispute between the school board and the union. During this time there have been work-to-contract actions, including limiting extra instructional time, the union's failure to attend back-to-school night and graduation, and the refusal of some teachers to write letters of recommendation for the students. The first strike was a 9-day strike in January, and this strike started 1 week ago from today.

In addition to disrupting the parents' routine and in many cases creating a need to find child care and the expense and stress that comes with that, the real victims are the students and the disruption of their educational process. Just because adults cannot agree on a contract situation, the students' education should not be compromised.

Mr. Speaker, it is not just the students and parents opposing striking, many of the teachers do as well. Many feel obligated to follow the union's leadership when a strike vote is taken, but the vast majority of teachers just want to be in the classroom educating our children.

Mr. Speaker, my lifelong community, and our community, has devolved into a bitter, divided community. No one is happy with this situation. We can provide relief to our besieged community through a legislative change to include banning teacher strikes. My colleague from Franklin County has sponsored HB 1369, to which 32 of us have joined as cosponsors. While it is not perfect and will need some amending, it has the foundation to be a problem-solver for this type of legislation by not just banning teacher strikes but by also changing the bargaining process. I encourage my colleagues to watch the video of the House Education Committee hearing held at Neshaminy High School last August. It is extremely compelling.

Mr. Speaker, as I have lobbied my colleagues on this issue, I generally hear three responses: One, I do not have this problem in my district; two, this is a local issue that your school

board and union need to work out; and three, that all other districts in the State are able to reach a contract agreement under the current law, so why bother changing the law? All three responses are correct; however, this is my response: One, teacher strikes should just be outright illegal, as they are in 37 other States. Two, every day in this chamber we vote on bills that are written to address problems from a local situation—

The SPEAKER. The gentleman will suspend.

OBJECTION TO UNANIMOUS CONSENT

The SPEAKER. For what purpose does the lady, Ms. Josephs, from Philadelphia rise?

Ms. JOSEPHS. Thank you, Mr. Speaker.

I have a question. Is this unanimous consent that we are getting a political speech?

The SPEAKER. The gentleman was recognized under unanimous consent. You are correct.

Ms. JOSEPHS. Well, I protest.

The SPEAKER. Excuse me. Would you clarify? By protesting, are you withdrawing—

Ms. JOSEPHS. I withdraw consent.

The SPEAKER. The lady from Philadelphia has withdrawn your unanimous consent.

Mr. FARRY. Mr. Speaker, may I submit the balance of my comments for the record then?

The SPEAKER. We have never had that question before. We will take your request under advisement until we figure out that one.

Mr. FARRY. Very good. Thank you, sir.

GUESTS INTRODUCED

The SPEAKER. I would like to welcome some other guests that are with us.

Located in the well of the House, I would like to welcome Representative Gillespie's daughter, Lauren, who is here today serving as a guest page. Welcome to the hall of the House.

Also in the well of the House, we would like to welcome guest pages Harrison and Meara Hanyon from Pleasant Valley Intermediate School. Harrison enjoys playing the piano and baseball, and Meara is an up-and-coming softball player. Their mother, Connie Merwine, is sitting in the rear of the House. They are here today as the guests of Representative Scavello. Will all our guests please rise; mother and kids.

One other guest, located to the left of the rostrum. We would like to welcome Michelle Fletcher. She is here today as the guest of Representative Lawrence. Please rise. Michelle, welcome to the hall of the House.

LEAVE OF ABSENCE

The SPEAKER. The Speaker returns to leaves of absence and recognizes the majority whip, who requests a leave of absence for the gentleman, Mr. PETRI, from Bucks County for the remainder of the day. Without objection, the leave will be granted.

MASTER ROLL CALL

The SPEAKER. The Speaker is about to take the master roll call. Members will proceed to vote.

The following roll call was recorded:

PRESENT—196

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causser	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
Delozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Pickett	
DePasquale	Keller, M.K.	Preston	Smith, S.,
Dermody	Keller, W.	Pyle	Speaker
DiGirolamo	Killion		

ADDITIONS—0

NOT VOTING—0

EXCUSED—5

Gerber	Kotik	Petri	Vereb
Hanna			

LEAVES ADDED—1

Geist

LEAVES CANCELED—1

Petri

The **SPEAKER**. One hundred and ninety-six members having voted on the master roll call, a quorum is present.

UNCONTESTED CALENDAR**RESOLUTIONS PURSUANT TO RULE 35**

Ms. **TOOHIL** called up **HR 683, PN 3391**, entitled:

A Resolution designating the month of June 2012 as "Cockayne Syndrome Awareness Month" in Pennsylvania and commending the work of the Share and Care Cockayne Syndrome Network for raising awareness of this disease.

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Mr. **KAUFFMAN** called up **HR 749, PN 3631**, entitled:

A Resolution congratulating Letterkenny Army Depot on its 70th anniversary.

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Mr. **BEAR** called up **HR 753, PN 3652**, entitled:

A Resolution commemorating the 195th consecutive Fourth of July celebration held by the Borough of Lititz in Lititz Springs Park.

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Mr. **REED** called up **HR 754, PN 3653**, entitled:

A Resolution designating August 2012 as "Native American Awareness Month" in Pennsylvania.

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Ms. **HAHN** called up **HR 758, PN 3690**, entitled:

A Resolution recognizing the Borough of Bath on the occasion of the 275th anniversary of its founding.

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Mr. **M. SMITH** called up **HR 759, PN 3691**, entitled:

A Resolution honoring Mt. Lebanon School District on the 100th anniversary of its founding.

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Mr. **M. SMITH** called up **HR 760, PN 3692**, entitled:

A Resolution recognizing the Pittsburgh Three Rivers Regatta, which will take place June 30 through July 4, 2012, in the City of Pittsburgh and western Pennsylvania.

On the question,
Will the House adopt the resolutions?

The following roll call was recorded:

YEAS—196

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causar	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
DeLozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Pickett	
DePasquale	Keller, M.K.	Preston	Smith, S.,
Dermody	Keller, W.	Pyle	Speaker
DiGirolamo	Killion		

NAYS—0**NOT VOTING—0****EXCUSED—5**

Gerber	Kotik	Petri	Vereb
Hanna			

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

STATEMENT BY MS. TOOHL

The SPEAKER. The lady from Luzerne County, Ms. Toohil, is seeking recognition under unanimous consent relative to one of the resolutions just adopted.

The lady may proceed under unanimous consent.

Ms. TOOHL. Thank you, Mr. Speaker.

Mr. Speaker, today I rise to recognize and commend the work of the Share and Care Cockayne Syndrome Network for raising public awareness of this disease. Cockayne Syndrome, commonly known as CS, is an extremely rare genetic disorder that affects only several hundred children worldwide, but its impact on the families of these children is significant emotionally, physically, and economically. CS was named after Dr. Edward Alfred Cockayne, a physician from London, England, who concentrated on hereditary diseases in children. He recognized this genetic disorder in 1946.

CS is characterized by short stature and an appearance of premature aging. Children with this disease fail to gain weight or grow at the expected rate. These children have an impaired development of their nervous system. They also have an extreme sensitivity to sunlight. Even a small amount of sun exposure can cause sunburns. Other possible signs and symptoms include hearing loss, eye abnormalities, severe tooth decay, bone abnormalities, and changes in the brain that can be seen on brain scans.

There is currently no treatment for CS, and most patients die in their childhood. The disease is caused by a gene mutation that is passed down from the patient's parents. Diagnosis is often delayed or missed altogether because of the rarity of this disorder, its progressive nature, and the significant differences between cases.

Mr. Speaker, I would like to thank the members of this House for voting in the affirmative on designating the month of June as "Cockayne Syndrome Awareness Month" in Pennsylvania. I encourage the public to learn more about CS and the stories of the young patients that it affects.

GUESTS INTRODUCED

Ms. TOOHL. Mr. Speaker, one of the patients is my constituent, 3-year-old Juliann Tompkins. She joins us on the floor this morning with her parents, Brent and Christina, and her grandmothers, Barb and Pamela. Will the five of you please rise.

Tuttie, as she is commonly called, was diagnosed with CS last year. Because her condition went undiagnosed for so long, she had to undergo two needless skull surgeries. Had there been more awareness, Tuttie and her parents would have been spared a lot of pain. Brent and Christina, her parents, say that Tuttie has taught them never to give up and to cherish every day that they have with her. She has been through so much medically, and yet she remains strong and still has a smile on her face. Mr. Speaker, the Tompkins, along with the Share and Care Network, are working to raise public awareness about this terrible disease in the hope of someday finding a cure. I would like to once again thank this House for the affirmative vote on HR 683. Thank you, Mr. Speaker.

The SPEAKER. The Speaker thanks the lady.

STATEMENT BY MR. M. SMITH

The SPEAKER. The gentleman from Allegheny County, Mr. Matt Smith, is recognized under unanimous consent relative to one of the resolutions just adopted.

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

I want to thank my colleagues for supporting the resolution recognizing Mount Lebanon School District's 100th anniversary. As was mentioned earlier, I am very proud to welcome officials from the Mount Lebanon School District to honor them on their district's centennial anniversary: School Board President Jo Posti, with her daughter and niece, students Isabela Posti and Abigail Cannon, and High School Principal Brian McFeeley and his father, Robert McFeeley, have joined us here today.

I also want to acknowledge the entire school board and administration, including our district superintendent, Dr. Timothy Steinhauer, who could not be here today; teachers; support staff; parents; students, past, present, and future, for their contributions to Mount Lebanon's legacy and Mount Lebanon's mission to provide the best education possible for each and every student.

On behalf of the PA House of Representatives, I want to congratulate Mount Lebanon, the Mount Lebanon School District on their 100th anniversary and wish them the best of luck in their next 100 years. I thank you all for coming, and thank you to my colleagues for their support of this resolution. Thank you, Mr. Speaker.

The SPEAKER. The Speaker thanks the gentleman.

STATEMENT BY MS. HAHN

The SPEAKER. For what purpose does the lady from Northampton County, Ms. Hahn, rise?

Ms. HAHN. Unanimous consent, Mr. Speaker.

The SPEAKER. The lady is in order under unanimous consent.

Ms. HAHN. Thank you, Mr. Speaker.

I would like to thank all of my colleagues for their support on HR 758, which recognizes the Borough of Bath on its 275th anniversary. The Borough of Bath, which takes its name from Bath, England, was founded in 1737, when 247 acres of land were purchased and surveyed for Daniel Craig. Beautifully nestled among the hills at the head of the Monocacy Valley, Bath is in reality a part of the Scotch-Irish Settlement, being the first settlement within the forks of the Delaware, having been laid out prior to the Revolution.

Today Bath is a great community in which to live, work, and raise a family, all while preserving and enhancing its unique heritage. It is one of the treasures of the Lehigh Valley, and I appreciate your support of this resolution honoring its anniversary. The week of August 12-19 we will have many celebrations, so if anyone is traveling over the summer, we welcome you to stop in and visit the borough.

Thank you, Mr. Speaker.

The SPEAKER. The Speaker thanks the lady.

UNCONTESTED SUPPLEMENTAL CALENDAR A

RESOLUTION PURSUANT TO RULE 35

Mr. MILNE called up **HR 768, PN 3703**, entitled:

A Resolution designating the month of August 2012 as "Spinal Muscular Atrophy Awareness Month" in Pennsylvania.

On the question,
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—196

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causar	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
DeLozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Pickett	
DePasquale	Keller, M.K.	Preston	Smith, S.,
Dermody	Keller, W.	Pyle	Speaker
DiGirolamo	Killion		

NAYS—0

NOT VOTING—0

EXCUSED—5

Gerber
Hanna

Kotik

Petri

Vereb

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

STATEMENT BY MR. MILNE

The SPEAKER. The gentleman from Chester County, Mr. Milne, is seeking recognition under unanimous consent relative to the resolution just adopted and may proceed.

Mr. MILNE. Thank you, Mr. Speaker.

Colleagues, I rise to thank you for your support of HR 768, which designates August 2012 as "Spinal Muscular Atrophy Awareness Month" in Pennsylvania. SMA, as it is more commonly known, is a severe neurological disorder which generally manifests itself fairly early in life, namely in toddler and infant years. It is a very devastating diagnosis for a family and for the toddler or for the infant. It starts with a loss of the nerves in the spinal cord, which begins to impact the child's ability to walk, stand, and sit. As the disease progresses, it affects the ability to eat, breathe, and swallow, some of the very fundamental functions of life.

All along, though, many SMA children and infants, their intellectual capacity is not affected and it has often been noted that they are very bright and sociable, all the while suffering these very difficult physical ailments. The incidents of SMA are quite widespread in the United States. Two newborn children are affected every day in the United States, which is approximately one in 6,000 live births. Tragically, there is no cure for SMA. There is a continuum of categories of types of SMA, the most serious being SMA type 1, for which the life expectancy of the toddler is only 1 to 2 years, but again, there is no cure.

I first learned about SMA and the effect it has on a family from some of my constituents, who were just introduced a little while ago by the Speaker. They are more than constituents, though; they are family friends and neighbors. As somebody who saw what they endured going through an SMA diagnosis for their family, I became very interested in this issue. Keith and Hillary Schmid – and Hillary was introduced earlier – welcomed into the world Zane and Avery back on February 19, 2009. These are their first children. Tears of joy soon gave way to tears of sadness as Zane was diagnosed with SMA type 1. Over the course of 4 months her condition deteriorated and she suffered through many of the physical ailments that were described earlier here. She unfortunately did pass away on June 18, 2009.

Now, what has really inspired our community and me personally is the way that Hillary and Keith and their extended families have responded to what they went through. They have tried to find ways to channel tragedy into triumph and helplessness into hopefulness. Hillary and Keith have become very involved with the Families of SMA, FSMA, and have become involved in trying to raise money for cures, for treatments, and ultimately, to try to find a way to prevent this disease from happening in the first place.

Hillary and Keith and their families I would commend for the way they have tried to show an example for all of Pennsylvania about trying to find ways to find cures for a lot of these very difficult diseases. And they have really set a great example for our community and for Pennsylvania, and have really tried to shine the lights on finding a cure for these diseases because they do not want any other families to suffer what their families have suffered. I want to commend them for all their work to find treatments and cures for SMA.

Also, I would note on a happier note, blessings come in twos. With Hillary today are her 6 1/2-month-old twin boys named Brennen and Braxton, who are here with her in Harrisburg today. If I could ask Hillary and Mr. and Mrs. Dunlap, if you could stand up again and let us see those twin boys.

Thank you to the House again for passing HR 768 so we can declare August 2012 as "SMA Awareness Month." Thank you, Mr. Speaker.

The SPEAKER. The Speaker thanks the gentleman.

ANNOUNCEMENT BY SPEAKER

The SPEAKER. We are about to have our regular committee and caucus announcements. I did want to remind the members that the second hour of ethics training required by our rules is going to take place with this break, and any member who did not go through the 1-hour ethics training earlier this year, you are required to go, either in the majority or minority caucus room, today when we have that training. Just a reminder to the members, this is a must-do.

The Parliamentarian notes for me that anyone who already did take the ethics training is more than welcome to sit into this round this afternoon as well. It is not closed off. It is open to anyone that wants to come, but the members that did not do it before must do it this afternoon.

REPUBLICAN CAUCUS

The SPEAKER. For the purpose of a caucus announcement, the Speaker recognizes the lady from Susquehanna County, Ms. Major.

Ms. MAJOR. Thank you, Mr. Speaker.

I would like to announce Republicans will meet at 2 o'clock. In our initial meeting at 2 p.m., we will meet for our ethics training at 2 p.m. I would ask our members to please attend caucus. You do need to be there at 2 p.m. for the ethics training. Our caucus conversations, discussions will begin at 3 p.m., and we would be prepared to be back on the floor at 4:30.

So once again, we have ethics training at 2, Mr. Speaker, caucus at 3 p.m., and back on the floor at 4:30. Thank you.

APPROPRIATIONS COMMITTEE MEETING

The SPEAKER. The Speaker recognizes the gentleman from Delaware County, Mr. Adolph, for the purpose of a committee announcement.

Mr. ADOLPH. Mr. Speaker, there will be a House Appropriations Committee meeting immediately in the majority caucus room. Thank you.

The SPEAKER. There will be an immediate House Appropriations Committee meeting in the majority caucus room.

DEMOCRATIC CAUCUS

The SPEAKER. The gentleman from Allegheny County, Mr. Frankel, for a caucus announcement.

Mr. FRANKEL. Thank you, Mr. Speaker.

Democrats will caucus at 2 o'clock. Democrats will caucus at 2 o'clock. Thank you.

The SPEAKER. The gentleman, Mr. Frankel, from Allegheny County to adjust the announcement? Mr.

FRANKEL. Yes. Thank you.

While we did have an ethics meeting at 11 this morning, there will be another one at 2 o'clock. So the Democrats will have an opportunity to do another session of ethics at 2. We will caucus at 3. Thank you.

ANNOUNCEMENT BY SPEAKER

The SPEAKER. For clarification, there will be an immediate Appropriations Committee meeting in the majority caucus room. At 2 o'clock both caucuses will have their ethics training, and at 3 o'clock both caucuses will meet in their regular caucus meeting. And we are holding off to determine if there is one other committee meeting necessary.

RECESS

The SPEAKER. There are no further announcements. Seeing that, this House stands in recess until 4:30, unless sooner recalled by the Speaker.

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 1539, PN 3689

By Rep. ADOLPH

An Act amending the act of December 18, 2001 (P.L.949, No.114), known as the Workforce Development Act, amending the title of the act; and establishing the Keystone Works Program.

APPROPRIATIONS.

HB 1803, PN 3688

By Rep. ADOLPH

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for automated red light enforcement systems in first class cities and for specific powers of department and local authorities.

APPROPRIATIONS.

HB 1820, PN 3687

By Rep. ADOLPH

An Act amending the act of January 17, 1968 (P.L.11, No.5), known as The Minimum Wage Act of 1968, further providing for minimum wages and for exemptions.

APPROPRIATIONS.

HB 2167, PN 3686

By Rep. ADOLPH

An Act amending the act of January 19, 1968 (1967 P.L.992, No.442), entitled, as amended, "An act authorizing the Commonwealth of Pennsylvania and the local government units thereof to preserve, acquire or hold land for open space uses," further providing for local taxing options.

APPROPRIATIONS.

HB 2359, PN 3507

By Rep. ADOLPH

An Act amending the act of November 26, 1978 (P.L.1375, No.325), known as the Dam Safety and Encroachments Act, further providing for definitions and for regulations and standards.

APPROPRIATIONS.

SB 1150, PN 2259

By Rep. ADOLPH

An Act providing tax credits for the rehabilitation of historic structures.

APPROPRIATIONS.

SB 1433, PN 2257

By Rep. ADOLPH

An Act providing for the Homeowner Assistance Settlement Act; establishing a fund for the purpose of funding the Homeowner's Emergency Mortgage Assistance Program; and providing for the effect of noncompliance with the notice requirements of the homeowner's emergency mortgage assistance program and for allocations from the fund.

APPROPRIATIONS.

SB 1478, PN 2244

By Rep. ADOLPH

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, 2012, to June 30, 2013, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2012.

APPROPRIATIONS.

BILLS SIGNED BY SPEAKER

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

SB 1049, PN 1717

An Act amending Title 30 (Fish) of the Pennsylvania Consolidated Statutes, in fishing licenses, further providing for form and expiration of licenses; providing for license and permit packaging options; and further providing for expiration of licenses and permits.

SB 1406, PN 1934

An Act amending Title 24 (Education) of the Pennsylvania Consolidated Statutes, in private colleges, universities and seminaries, further providing for certification of institutions.

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

CALENDAR**BILLS ON SECOND CONSIDERATION**

The House proceeded to second consideration of **HB 532, PN 3601**, entitled:

An Act providing mandatory insurance coverage for general anesthesia.

On the question,

Will the House agree to the bill on second consideration?

Bill was agreed to.

* * *

The House proceeded to second consideration of **SB 1067, PN 2127**, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, in general provisions, further defining "emergency vehicle"; and adding a definition.

On the question,

Will the House agree to the bill on second consideration?

Bill was agreed to.

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **SB 1351, PN 2140**, entitled:

An Act amending the act of June 29, 1953 (P.L.304, No.66), known as the Vital Statistics Law of 1953, further providing for death and fetal death registration information for certificates, for coroner referrals and for pronouncement of death by a professional nurse.

On the question,

Will the House agree to the bill on third consideration?

Bill was agreed to.

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

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

The following roll call was recorded:

YEAS—195

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock

Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causser	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hutchinson	Parker	Vulakovich
Day	James	Pashinski	Waters
Dean	Josephs	Payne	Watson
Deasy	Kampf	Payton	Wheatley
DeLissio	Kauffman	Peifer	White
Delozier	Kavulich	Perry	Williams
DeLuca	Keller, F.	Petrarca	Youngblood
Denlinger	Keller, M.K.	Pickett	
DePasquale	Keller, W.	Preston	Smith, S.,
Dermody	Killion	Pyle	Speaker
DiGirolamo			

NAYS-1

Hornaman

NOT VOTING-0

EXCUSED-5

Gerber	Kotik	Petri	Vereb
Hanna			

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 388, PN 1388**, entitled:

An Act amending the act of May 1, 1933 (P.L.216, No.76), known as The Dental Law, adding definitions; and providing for professional liability insurance.

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

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

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

The following roll call was recorded:

YEAS-196

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causser	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
Delozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Pickett	
DePasquale	Keller, M.K.	Preston	Smith, S.,
Dermody	Keller, W.	Pyle	Speaker
DiGirolamo	Killion		

NAYS-0

NOT VOTING-0

EXCUSED—5

Gerber	Kotik	Petri	Vereb
Hanna			

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.

SUPPLEMENTAL CALENDAR B

BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **SB 1478, PN 2244**, 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, 2012, to June 30, 2013, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2012.

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

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

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

The following roll call was recorded:

YEAS—196

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.

Carroll	Goodman	Millard	Sonney
Causser	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
Delozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Pickett	
DePasquale	Keller, M.K.	Preston	Smith, S.,
Dermody	Keller, W.	Pyle	Speaker
DiGirolamo	Killion		

NAYS—0

NOT VOTING—0

EXCUSED—5

Gerber	Kotik	Petri	Vereb
Hanna			

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.

* * *

The House proceeded to third consideration of **HB 2359, PN 3507**, entitled:

An Act amending the act of November 26, 1978 (P.L.1375, No.325), known as the Dam Safety and Encroachments Act, further providing for definitions and for regulations and standards.

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

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Vitali.

Mr. VITALI. Thank you, Mr. Speaker.

Will the gentleman stand for brief interrogation?

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

Mr. VITALI. Just looking for a brief, initially, just a brief explanation of the bill.

Mr. CAUSER. Thank you, Mr. Speaker.

Mr. Speaker, HB 2359 addresses a serious problem across the Commonwealth with stream obstructions. Specifically, the legislation will define a "Flood-related hazard." The legislation will go on to require "The Environmental Quality Board shall establish guidelines for the removal of flood-related hazards..." will require that the Department of Environmental Protection be notified before these hazards are removed, will not require a permit for such removal, will not require an engineering study, and will provide for emergency clearing of flood-related hazards.

Mr. VITALI. Thank you, Mr. Speaker.

The SPEAKER. The gentleman will suspend one minute.

If I could just have the members' attention. It is a little loud. It is hard to hear, especially with interrogation. I would appreciate if the members would hold the conversations down; if necessary, take them to the rear of the House, please.

The Speaker thanks the members. The gentleman may proceed.

Mr. VITALI. Thank you, Mr. Speaker.

That concludes my interrogation. I would like to speak on the bill.

The SPEAKER. The gentleman is in order on the bill.

Mr. VITALI. First of all, I would like to thank the maker of the bill for his efforts. I know that obstructions in streams and having them removed is a frustrating process, sometimes a very long process, and I know that the gentleman has spent much time working on this bill to deal with a genuine problem that exists throughout the Commonwealth.

Although this is not my area of expertise, I would like to bring a couple of points to the members' attention. The first point is that the Pennsylvania Department of Environmental Protection opposes this bill. They have stated that to my office publicly. This bill takes away, in certain circumstances, the requirement that a municipality obtain a permit from the Department of Environmental Protection before they remove gravel beds and other obstructions from streams.

I would next like to point out that this bill is also opposed by other groups. The first group is Trout Unlimited. I know many of this body are sportsmen and fishermen and do have the ear of Trout Unlimited. I would just like to share with the members why Trout Unlimited opposes this bill, and I will just read from their letter of May 23, 2012. "We write today to express our concern that the broad language in this bill could lead to further flooding problems..." They also say that, "By far, the streams that caused the greatest extent of damage were those that had been previously altered by channelization, straightening, dredging, removal of vegetation or by cutting off the stream from the adjoining floodplain." This is what Trout Unlimited is saying. "House Bill 2359 promotes *increased* stream disturbance, by allowing municipalities or landowners adjacent to a stream to remove 'flood-related hazards' or to conduct 'stream clearing activities'..." They call this "...a short-term fix to a long-term complex problem." To be clear, Trout Unlimited feels this bill could exacerbate flooding problems, not correct them. This bill is also opposed by the Chesapeake Bay

Foundation. I am going to read from their letter of May 21, 2012. They say, "...HB 2359 attempts to address concerns resulting from recent flooding events...." They say, "Proper permitting and oversight by DEP and its engineers is imperative to ensure that more damage is not done to streams by well-intentioned but uninformed citizens who believe that removal of obstructions will save their property from future flooding events." We "...respectfully must oppose both bills."

So this is opposed by Chesapeake Bay Foundation. It is opposed by Trout Unlimited. It is opposed by the Department of Environmental Protection. Mr. Speaker, I ask that the House keeps the comments of these three respected agencies in mind when making their decision. Thank you very much.

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

On that question, the Speaker recognizes the gentleman from Columbia County, Mr. Millard.

Mr. MILLARD. Thank you, Mr. Speaker.

Mr. Speaker, I rise in support of this bill. This bill is a commonsense approach to remedying problems that many of our areas have experienced in the past events of Tropical Storm Lee. This bill mandates DEP to come up with guidelines, guidelines that will evade costly studies on the behalf of municipalities who are strapped for cash during any given emergency, and especially when they have to go in and remedy a situation in a stream that if not addressed can cause further problems with lesser amounts of rainfall. There are plenty of examples in all of the areas across our Commonwealth that have seen the flooding that occurred in Tropical Storm Lee.

What we are doing here is addressing individual expenses, individuals who are willing to go in and spend their time, their effort, their dollars to clean up debris, to remove gravel bars that were brought in with the amount of rainfall and the force of the water that allowed them to accumulate, and to make DEP user-friendly, consumer-friendly, and that will have guidelines but not all of the unnecessary engineering studies that so many times go hand in hand with any project involving a stream.

So again I would ask the members for an affirmative vote on this bill. Again, I think that it is a commonsense approach to remedying situations that will only become worse if not addressed. Thank you, Mr. Speaker.

LEAVE OF ABSENCE CANCELED

The SPEAKER. The Speaker returns to leaves of absence and recognizes the presence of the gentleman, Mr. Petri, from Bucks County, whose presence is on the floor. His name will be added back to the master roll call.

CONSIDERATION OF HB 2359 CONTINUED

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

On that question, the Speaker recognizes the gentleman from Lancaster County, Mr. Sturla.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, will the maker of the bill rise for brief interrogation?

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

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, who determines that there is a flood hazard?

Mr. CAUSER. Thank you, Mr. Speaker.

Mr. Speaker, the bill clearly defines what a flood hazard is, and it would be up to the local municipal officials or local property owner to determine if it is a hazard.

Mr. STURLA. So if an individual property owner determines that their interpretation of the legislation is that they have a flood hazard, they would then have the right to remove that. Is that correct?

Mr. CAUSER. As I said, the definition of a flood hazard is clearly defined in the legislation, and it is defined as something that poses a "risk to life or property." So yes, the property owner, if they felt that that poses a risk to their property or to human life, they would be able to use this process to remove that hazard.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, if I could make a— Well, I guess I will make a comment and then ask for perhaps a response from the gentleman.

The SPEAKER. You are staying under interrogation, because we do not normally go back and forth?

Mr. STURLA. Okay. Yes; I will stay under interrogation. Thank you, Mr. Speaker.

Mr. Speaker, when I was a youngster growing up, the property behind my parents' house was a farm that encompassed the headwaters of the Conestoga. And during Hurricane Agnes, that meadow flooded, and as a result, the farmer decided that that was a hazard to his property. And in that meadow, the stream meandered around and split several times, and there were tiny, little islands. It was a really wonderful place full of fish, crayfish, turtles, and all sorts of aquatic life. After he determined that that was a hazard to his property, he petitioned the Army Corps of Engineers and they came and dug a channel down through his meadow.

And after that, the stream did not split. There were no little islands, nor was there any aquatic life because it was now a straight channel with no trees on either side of the stream, and it became a barren wasteland. Would that be possible under this legislation?

Mr. CAUSER. Mr. Speaker, you are defining the current process. I am not sure that there is a question in what you are saying.

Mr. STURLA. Mr. Speaker, they do not permit that anymore. DEP would not allow somebody to come do that anymore.

My question is, under your proposal, if the property owner determined that it was a flood hazard, and clearly in his mind it was a flood hazard which had the potential to damage his property because he could not grow grass in that meadow when that flood occurred nor could he allow the cows to graze in the meadow during that flood, would he be able to simply go in and clear a channel with a backhoe?

Mr. CAUSER. Under the circumstance that you are talking about, you are talking about rerouting the stream, and that would not be allowed under this legislation. This is cleaning obstructions out of a stream.

Mr. STURLA. Okay, so rocks and trees and stream banks are not considered obstructions?

Mr. CAUSER. Can you restate the question?

Mr. STURLA. Well, Mr. Speaker, the stream before had numerous fallen trees down through the stream because that formed nice, little trout pools. It had big rocks that diverted the stream from one direction to the other. Would all those things

be able to be removed because they were affecting the ability of the water to flow freely?

Mr. CAUSER. All of this can be removed as is currently with a permit, but the trees that you mentioned right now do not require a permit, so it depends on the specific circumstances of the incident.

Mr. STURLA. But under your legislation, you would not require a permit anymore to do that. Is that correct?

Mr. CAUSER. Under my legislation, anything defined as a "Flood-related hazard" would not require a permit.

Mr. STURLA. So big rocks would not require a permit?

Mr. CAUSER. I did not hear the question.

Mr. STURLA. Big rocks would not require a permit?

Mr. CAUSER. It depends on what you consider to be big, and also how it is defined in legislation, whether it is considered to be a gravel bar or something of that nature.

Mr. STURLA. Thank you.

Mr. Speaker, if a municipality determines that there is a flood hazard because Trout Unlimited had come in and created some trout pools by felling some trees and putting some stone bars out into the stream and by doing some things that were permitted by DEP, could the municipality say, you know what? That affects us, so we are going to come back in and remove that stuff?

Mr. CAUSER. If the municipality felt that it was a flood-related hazard and that it risked public safety in that municipality, they would have permission, under this legislation, to remove that hazard.

Mr. STURLA. And that would be determined by the three township supervisors?

Mr. CAUSER. It would be determined by the local municipal officials.

Mr. STURLA. So even though DEP had permitted all the activity to occur which created those situations, the local municipality could override that and remove those situations. Is that correct?

Mr. CAUSER. That is not correct. I do not believe that DEP is going to permit the placement of flood obstructions or flood hazards in a particular stream.

Mr. STURLA. Well, Mr. Speaker, as I understand it, many of the conservation groups that are out there actually place obstructions in the stream in order to try and slow the water. That is part of what they do to create pools for fish.

Mr. CAUSER. And I do not believe that that would be defined as a "Flood-related hazard."

Mr. STURLA. So something in the water that is impeding the flow of water is not considered something that would create a flood hazard?

Mr. CAUSER. I am familiar with the structures that you are talking about. They are defined as "log vein deflectors." They are actually placed in the side of a stream bank to force the channel out into the middle of the stream, but I would not define them as a "Flood-related hazard."

Mr. STURLA. Okay. And no one else could either. Is that correct?

Mr. CAUSER. Well, the clear reading of the bill and the definition of a "Flood-related hazard," I do not believe that that would come under that definition.

Mr. STURLA. Okay. Thank you, Mr. Speaker.

If I could comment on the bill.

The SPEAKER. The gentleman is in order on the bill.

Mr. STURLA. Mr. Speaker, my concern, as a member of the Chesapeake Bay Commission, which sees half the water to the Chesapeake Bay coming out of the Susquehanna Watershed, is that this affects thousands of municipalities and thousands of properties along the way, and that what we will have are thousands of interpretations of what is a flood hazard on my property or my municipalities, the properties within my municipality, and that we will have a thousand different interpretations of this legislation, and we will be engaged in lawsuit after lawsuit after lawsuit to try and stop things because it will not be a uniform process by which permitting gets done or by which we manage these streams and waterways.

I would urge a "no" vote. Thank you, Mr. Speaker.

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

On that question, the Speaker recognizes the gentleman from McKean County, Mr. Causer.

Mr. CAUSER. Thank you, Mr. Speaker.

Mr. Speaker, HB 2359 addresses a serious concern across the Commonwealth with stream obstructions. This is a problem in every county in every part of this Commonwealth, and the system, the current system for clearing out stream obstructions, is broken. Currently to clean out a simple stream obstruction you have to have cumbersome permits; in many instances, expensive engineering studies; and in one particular incident in Cameron County, I have a municipality that has been trying to clean out a very simple gravel bar, that they know is a public safety hazard, for over 6 years. This is just one example, but the municipal officials have identified that that is a stream-obstruction problem and have been unable to get the required permits to clear it out, and moreover, the engineering study is very costly.

HB 2359 creates a clear, effective, and efficient process to remove obstructions to protect public safety. As I described the bill earlier, it will require the Environmental Quality Board to establish guidelines for removal of these obstructions. I think that goes to the gentleman from Lancaster's earlier comments that this is not just someone going in the stream and removing an obstruction; the Environmental Quality Board will be establishing guidelines for the removal of these obstructions. The bill also requires notice to the Department of Environmental Protection before any projects to remove obstructions would move forward. The bill stipulates that no permits can be required, that no engineering studies can be required, and also provides for an emergency process for stream obstruction removal.

I can tell you that I have met with the Department of Environmental Protection. We have held hearings or informational meetings here in this Capitol Building, with the Department of Environmental Protection, on this issue. They state that they are aware of it. They state that they recognize the issue but have offered absolutely no solutions to the problem – absolutely no solutions.

Let us work together and send a message to the Department of Environmental Protection that this is a serious problem and we need to give our communities the tools necessary to remove these obstructions. Public safety has to be first and foremost priority. So let us work together and vote "yes" on HB 2359. Thank you, Mr. Speaker.

On the question recurring,
Shall the bill pass finally?

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

The following roll call was recorded:

YEAS—136

Adolph	Everett	Lawrence	Quigley
Aument	Farry	Longietti	Quinn
Baker	Fleck	Mackenzie	Rapp
Barbin	Gabler	Maher	Readshaw
Barrar	Geist	Major	Reed
Bear	Gergely	Maloney	Reese
Benninghoff	Gibbons	Marshall	Roae
Bloom	Gillen	Marsico	Rock
Boback	Gillespie	Masser	Ross
Boyd	Gingrich	Matzie	Saccone
Brooks	Godshall	Metcalfe	Sainato
Brown, R.	Goodman	Metzgar	Saylor
Burns	Grell	Miccarelli	Scavello
Buxton	Grove	Micozzie	Simmons
Carroll	Hackett	Millard	Smith, K.
Causer	Hahn	Miller	Sonney
Christiana	Haluska	Milne	Staback
Clymer	Harhai	Mirabito	Stephens
Costa, D.	Harhart	Moul	Stern
Cox	Harper	Mullery	Stevenson
Creighton	Harris	Murphy	Swanger
Culver	Heffley	Murt	Tallman
Cutler	Helm	Mustio	Taylor
Day	Hennessey	Neuman	Tobash
Deasy	Hess	O'Neill	Toepel
Delozier	Hickernell	Oberlander	Toohil
DeLuca	Hutchinson	Pashinski	Truitt
Denlinger	Kampf	Payne	Turzai
DiGirolamo	Kauffman	Peifer	Vulakovich
Dunbar	Keller, F.	Perry	Watson
Ellis	Keller, M.K.	Petrarca	White
Emrick	Killion	Petri	
Evankovich	Knowles	Pickett	Smith, S.,
Evans, D.	Kortz	Pyle	Speaker
Evans, J.	Krieger		

NAYS—60

Bishop	Davidson	Kavulich	Ravenstahl
Boyle, B.	Davis	Keller, W.	Roebuck
Boyle, K.	Dean	Kirkland	Sabatina
Bradford	DeLissio	Kula	Samuelson
Brennan	DePasquale	Mahoney	Santarsiero
Briggs	Dermody	Mann	Santoni
Brown, V.	Donatucci	Markosek	Schmotzer
Brownlee	Fabrizio	McGeehan	Smith, M.
Caltagirone	Frankel	Mundy	Sturla
Cohen	Freeman	Myers	Thomas
Conklin	Galloway	Neilson	Vitali
Costa, P.	Harkins	O'Brien, M.	Waters
Cruz	Hornaman	Parker	Wheatley
Curry	James	Payton	Williams
Daley	Josephs	Preston	Youngblood

NOT VOTING—1

George

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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.

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The House proceeded to third consideration of **HB 1820, PN 3687**, entitled:

An Act amending the act of January 17, 1968 (P.L.11, No.5), known as The Minimum Wage Act of 1968, further providing for minimum wages and for exemptions.

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

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

On that question, the Speaker recognizes the lady from Cumberland County, Ms. Delozier.

Ms. DELOZIER. Thank you, Mr. Speaker.

I just want to take the opportunity to ask for your support of a bill that would allow for employees to work flexible shifts in order to work, to possibly be home with their children, be home with family and responsibilities. This is something that would be in agreement with management and the employee. I just want to take the opportunity, there has been a lot of working together on both sides of the aisle. I appreciate the Democratic chair of our committee, Mr. Keller, for his assistance, as well as the assistance by many of the employees that have lobbied for this. Hopefully, I would ask for your support. Thank you very much.

On the question recurring,
Shall the bill pass finally?

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

The following roll call was recorded:

YEAS—195

Adolph	Donatucci	Kirkland	Pyle
Aument	Dunbar	Knowles	Quigley
Baker	Ellis	Kortz	Quinn
Barbin	Emrick	Krieger	Rapp
Barrar	Evankovich	Kula	Ravenstahl
Bear	Evans, D.	Lawrence	Readshaw
Benninghoff	Evans, J.	Longietti	Reed
Bishop	Everett	Mackenzie	Reese
Bloom	Fabrizio	Maher	Roae
Boback	Farry	Mahoney	Rock
Boyd	Fleck	Major	Roebuck
Boyle, B.	Frankel	Maloney	Ross
Boyle, K.	Gabler	Mann	Sabatina
Bradford	Galloway	Markosek	Saccone
Brennan	Geist	Marshall	Sainato
Briggs	George	Marsico	Santarsiero
Brooks	Gergely	Masser	Santoni
Brown, R.	Gibbons	Matzie	Saylor

Brown, V.	Gillen	McGeehan	Scavello
Brownlee	Gillespie	Metcalfe	Schmotzer
Burns	Gingrich	Metzgar	Simmons
Buxton	Godshall	Miccarelli	Smith, K.
Caltagirone	Goodman	Micozzie	Smith, M.
Carroll	Grell	Millard	Sonney
Causer	Grove	Miller	Staback
Christiana	Hackett	Milne	Stephens
Clymer	Hahn	Mirabito	Stern
Cohen	Haluska	Moul	Stevenson
Conklin	Harhai	Mullery	Sturla
Costa, D.	Harhart	Mundy	Swanger
Costa, P.	Harkins	Murphy	Tallman
Cox	Harper	Murt	Taylor
Creighton	Harris	Mustio	Thomas
Cruz	Heffley	Myers	Tobash
Culver	Helm	Neilson	Toepel
Curry	Hennessey	Neuman	Toohil
Cutler	Hess	O'Brien, M.	Truitt
Daley	Hickernell	O'Neill	Turzai
Davidson	Hornaman	Oberlander	Vitali
Davis	Hutchinson	Parker	Vulakovich
Day	James	Pashinski	Waters
Dean	Josephs	Payne	Watson
Deasy	Kampf	Payton	Wheatley
DeLissio	Kauffman	Peifer	White
Delozier	Kavulich	Perry	Williams
DeLuca	Keller, F.	Petrarca	Youngblood
Denlinger	Keller, M.K.	Petri	
DePasquale	Keller, W.	Pickett	Smith, S.,
Dermody	Killion	Preston	Speaker
DiGirolamo			

NAYS—2

Freeman Samuelson

NOT VOTING—0

EXCUSED—4

Gerber Hanna Kotik Vereb

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.

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The House proceeded to third consideration of **HB 2167, PN 3686**, entitled:

An Act amending the act of January 19, 1968 (1967 P.L.992, No.442), entitled, as amended, "An act authorizing the Commonwealth of Pennsylvania and the local government units thereof to preserve, acquire or hold land for open space uses," further providing for local taxing options.

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

(Bill analysis was read.)

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

The question is, shall the bill finally?

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

The following roll call was recorded:

YEAS—189

Adolph	Dunbar	Kirkland	Quigley
Aument	Ellis	Knowles	Quinn
Baker	Emrick	Kortz	Ravenstahl
Barbin	Evankovich	Krieger	Readshaw
Barrar	Evans, D.	Kula	Reed
Bear	Evans, J.	Lawrence	Reese
Benninghoff	Everett	Longietti	Rock
Bishop	Fabrizio	Mackenzie	Roebuck
Bloom	Farry	Maher	Ross
Boyd	Fleck	Mahoney	Sabatina
Boyle, B.	Frankel	Major	Saccone
Boyle, K.	Freeman	Maloney	Sainato
Bradford	Gabler	Mann	Samuelson
Brennan	Galloway	Markosek	Santarsiero
Briggs	Geist	Marshall	Santoni
Brown, R.	George	Marsico	Saylor
Brown, V.	Gergely	Masser	Scavello
Brownlee	Gibbons	Matzie	Schmotzer
Burns	Gillen	McGeehan	Simmons
Buxton	Gillespie	Metzgar	Smith, K.
Caltagirone	Gingrich	Miccarelli	Smith, M.
Carroll	Godshall	Micozzie	Sonney
Christiana	Goodman	Millard	Staback
Clymer	Grell	Miller	Stephens
Cohen	Grove	Milne	Stern
Conklin	Hackett	Mirabito	Stevenson
Costa, D.	Hahn	Moul	Sturla
Costa, P.	Haluska	Mullery	Swanger
Cox	Harhai	Mundy	Tallman
Creighton	Harhart	Murphy	Taylor
Cruz	Harkins	Murt	Thomas
Culver	Harper	Mustio	Tobash
Curry	Harris	Myers	Toepel
Cutler	Heffley	Neilson	Toohil
Daley	Helm	Neuman	Truitt
Davidson	Hennessey	O'Brien, M.	Turzai
Davis	Hess	O'Neill	Vitali
Day	Hickernell	Oberlander	Vulakovich
Dean	Hornaman	Parker	Waters
Deasy	James	Pashinski	Watson
DeLissio	Josephs	Payne	Wheatley
Delozier	Kampf	Payton	White
DeLuca	Kauffman	Peifer	Williams
Denlinger	Kavulich	Perry	Youngblood
DePasquale	Keller, F.	Petrarca	
Dermody	Keller, M.K.	Petri	Smith, S., Speaker
DiGirolamo	Keller, W.	Pickett	
Donatucci	Killion	Preston	

NAYS—8

Boback	Causar	Metcalf	Rapp
Brooks	Hutchinson	Pyle	Roae

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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.

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The House proceeded to third consideration of **HB 1803, PN 3688**, entitled:

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further providing for automated red light enforcement systems in first class cities and for specific powers of department and local authorities.

On the question,

Will the House agree to the bill on third consideration?

RULES SUSPENDED

The SPEAKER. On that question, the gentleman from Blair County, Mr. Geist, is seeking recognition to suspend the rules for the immediate consideration of an amendment.

Mr. GEIST. Thank you, Mr. Speaker.

The little green light down there needs to be repaired.

This is a technical correction only. It involves no change in the bill at all other than the language that says the bill will become law immediately. I would urge a suspension.

The SPEAKER. The gentleman from Blair County, Mr. Geist, moves for the suspension of the rules for the immediate consideration of amendment A11403.

On the question,

Will the House agree to the motion?

The SPEAKER. On the question of suspension, the gentleman from Delaware— For what purpose does the gentleman, Mr. Vitali, rise?

Mr. VITALI. Mr. Speaker, for a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. VITALI. When the question was initially called, the amendment was not on the screen. Now it is, so I do not have that point of order.

The SPEAKER. For what purpose then does the gentleman rise?

Mr. VITALI. Mr. Speaker, I am going to defer speaking.

The SPEAKER. The Speaker thanks the gentleman.

On the motion to suspend, the Speaker recognizes the minority leader, Mr. Dermody.

Mr. DERMODY. Thank you, Mr. Speaker.

I would urge all members to support the motion to suspend the rules.

The SPEAKER. The question is, will the House suspend the rules for the immediate consideration of amendment A11403?

On the question recurring,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—170

Adolph	DiGirolamo	Killion	Preston
Aument	Donatucci	Kirkland	Pyle
Baker	Dunbar	Knowles	Quigley
Barbin	Ellis	Kortz	Quinn
Barrar	Emrick	Krieger	Ravenstahl
Bear	Evankovich	Kula	Readshaw
Benninghoff	Evans, D.	Longietti	Reed
Bishop	Evans, J.	Maher	Reese
Boback	Everett	Mahoney	Roebuck
Boyd	Fabrizio	Major	Ross
Boyle, B.	Farry	Maloney	Sabatina
Boyle, K.	Fleck	Mann	Saccone
Bradford	Frankel	Markosek	Sainato
Brennan	Gabler	Marshall	Santarsiero
Briggs	Geist	Marsico	Santoni
Brooks	George	Masser	Saylor
Brown, R.	Gergely	Matzie	Scavello
Brown, V.	Gibbons	McGeehan	Schmotzer
Brownlee	Gillespie	Metzgar	Smith, K.
Burns	Gingrich	Miccarelli	Smith, M.
Buxton	Godshall	Micozzie	Sonney
Caltagirone	Goodman	Millard	Staback
Carroll	Grove	Miller	Stephens
Christiana	Hackett	Milne	Stern
Clymer	Hahn	Mirabito	Stevenson
Cohen	Haluska	Moul	Sturla
Conklin	Harhai	Mundy	Swanger
Costa, D.	Harhart	Murphy	Taylor
Costa, P.	Harkins	Murt	Thomas
Creighton	Harper	Mustio	Tobash
Cruz	Harris	Myers	Toepel
Culver	Heffley	Neilson	Toohil
Curry	Helm	O'Brien, M.	Turzai
Daley	Hennessey	O'Neill	Vulakovich
Davidson	Hess	Oberlander	Waters
Davis	Hickernell	Parker	Watson
Dean	Hornaman	Pashinski	Wheatley
Deasy	James	Payne	White
DeLissio	Josephs	Payton	Williams
DeLuca	Kampf	Peifer	Youngblood
Denlinger	Kavulich	Petrarca	
DePasquale	Keller, M.K.	Petri	Smith, S.,
Dermody	Keller, W.	Pickett	Speaker

NAYS—27

Bloom	Galloway	Mackenzie	Rock
Causar	Gillen	Metcalfe	Samuelson
Cox	Grell	Mullery	Simmons
Cutler	Hutchinson	Neuman	Tallman
Day	Kauffman	Perry	Truitt
Delozier	Keller, F.	Rapp	Vitali
Freeman	Lawrence	Roae	

NOT VOTING—0

EXCUSED—4

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

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

Mr. **GEIST** offered the following amendment No. **A11403**:

Amend Bill, page 10, line 22, by striking out "in 60 days." and inserting as follows:

- (1) The following provisions shall take effect immediately:
- (i) This section.
- (ii) The amendment of 75 Pa.C.S. § 3116(q).
- (2) The remainder of this act shall take effect in 60 days.

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

The **SPEAKER**. On that question, the Speaker recognizes the gentleman from Blair County, Mr. Geist.

Mr. **GEIST**. Thank you, Mr. Speaker.

This is a technical amendment, agreed to, and all it does is change the start date of the legislation which was passed to immediately so that there is no lapse. I would urge a "yes" vote.

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

The following roll call was recorded:

YEAS—173

Adolph	Donatucci	Knowles	Pyle
Aument	Ellis	Kortz	Quigley
Baker	Emrick	Krieger	Quinn
Barbin	Evans, D.	Kula	Ravenstahl
Bear	Evans, J.	Lawrence	Readshaw
Bishop	Everett	Longietti	Reed
Bloom	Fabrizio	Maher	Reese
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Gabler	Mann	Saccone
Bradford	Galloway	Markosek	Sainato
Brennan	Geist	Marshall	Santarsiero
Briggs	George	Marsico	Santoni
Brown, R.	Gergely	Masser	Saylor
Brown, V.	Gibbons	Matzie	Scavello
Brownlee	Gillespie	McGeehan	Schmotzer
Burns	Gingrich	Metzgar	Smith, K.
Buxton	Godshall	Miccarelli	Smith, M.
Caltagirone	Goodman	Micozzie	Sonney
Carroll	Grell	Millard	Staback
Christiana	Grove	Miller	Stephens
Clymer	Hackett	Milne	Stern
Cohen	Hahn	Mirabito	Stevenson
Conklin	Haluska	Moul	Sturla
Costa, D.	Harhai	Mullery	Swanger
Costa, P.	Harhart	Mundy	Taylor
Creighton	Harkins	Murphy	Thomas
Cruz	Harper	Murt	Tobash
Culver	Harris	Mustio	Toepel
Curry	Heffley	Myers	Toohil
Daley	Helm	Neilson	Truitt
Davidson	Hennessey	O'Brien, M.	Turzai
Davis	Hess	O'Neill	Vulakovich
Day	Hickernell	Oberlander	Waters
Dean	Hornaman	Parker	Watson
Deasy	James	Pashinski	Wheatley
DeLissio	Josephs	Payne	White
Delozier	Kampf	Payton	Williams
DeLuca	Kavulich	Peifer	Youngblood

Denlinger	Keller, M.K.	Petrarca	
DePasquale	Keller, W.	Petri	Smith, S.,
Dermody	Killion	Pickett	Speaker
DiGirolamo	Kirkland	Preston	

NAYS—24

Barrar	Dunbar	Keller, F.	Roae
Benninghoff	Evankovich	Mackenzie	Rock
Brooks	Freeman	Metcalfe	Samuelson
Causar	Gillen	Neuman	Simmons
Cox	Hutchinson	Perry	Tallman
Cutler	Kauffman	Rapp	Vitali

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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.

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Vitali.

Mr. VITALI. Thank you, Mr. Speaker.

I rise in opposition to the bill. I am not going to rehash all of the arguments, but this bill, among other things, extends the red light camera program to 2016. I oppose that. I think essentially what this system is is a money-maker. All of the evidence I have reviewed has indicated that it is inconclusive whether this causes less or more accidents. I think this act of red light cameras is an overintrusion of government into the lives of citizens. It is an improper way to fund government, and I think it is improper that it be extended. So I would ask for a "no" vote.

On the question recurring,

Shall the bill pass finally?

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

The following roll call was recorded:

YEAS—142

Adolph	Donatucci	Knowles	Quigley
Baker	Ellis	Kortz	Quinn
Barbin	Emrick	Kula	Ravenstahl
Bishop	Evans, D.	Lawrence	Readshaw
Boback	Evans, J.	Longietti	Reed
Boyle, B.	Everett	Maher	Roebuck

Boyle, K.	Fabrizio	Mahoney	Ross
Bradford	Farry	Major	Sabatina
Briggs	Fleck	Markosek	Saccone
Brown, R.	Frankel	Marshall	Santarsiero
Brown, V.	Galloway	Masser	Santoni
Brownlee	Geist	Matzie	Saylor
Burns	George	McGeehan	Schmotzer
Buxton	Gergely	Miccarelli	Smith, K.
Caltagirone	Gibbons	Micozzie	Smith, M.
Carroll	Gingrich	Millard	Staback
Christiana	Godshall	Miller	Stephens
Clymer	Goodman	Milne	Stern
Conklin	Grove	Mirabito	Sturla
Costa, D.	Hackett	Mundy	Swanger
Costa, P.	Haluska	Murphy	Taylor
Creighton	Harhai	Murt	Thomas
Cruz	Harkins	Mustio	Tobash
Culver	Harper	Myers	Toepel
Daley	Harris	Neilson	Toohil
Davidson	Heffley	O'Brien, M.	Turzai
Davis	Helm	O'Neill	Vulakovich
Dean	Hennessey	Parker	Waters
Deasy	Hess	Pashinski	Watson
DeLissio	James	Payne	Wheatley
DeLozier	Kampf	Payton	White
DeLuca	Kavulich	Peifer	Williams
Denlinger	Keller, M.K.	Petri	Youngblood
DePasquale	Keller, W.	Pickett	
Dermody	Killion	Preston	Smith, S.,
DiGirolamo	Kirkland	Pyle	Speaker

NAYS—55

Aument	Dunbar	Keller, F.	Rapp
Barrar	Evankovich	Krieger	Reese
Bear	Freeman	Mackenzie	Roae
Benninghoff	Gabler	Maloney	Rock
Bloom	Gillen	Mann	Sainato
Boyd	Gillespie	Marsico	Samuelson
Brennan	Grell	Metcalfe	Scavello
Brooks	Hahn	Metzgar	Simmons
Causar	Harhart	Moul	Sonney
Cohen	Hickernell	Mullery	Stevenson
Cox	Hornaman	Neuman	Tallman
Curry	Hutchinson	Oberlander	Truitt
Cutler	Josephs	Perry	Vitali
Day	Kauffman	Petrarca	

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 **SB 1433, PN 2257**, entitled:

An Act providing for the Homeowner Assistance Settlement Act; establishing a fund for the purpose of funding the Homeowner's Emergency Mortgage Assistance Program; and providing for the effect of noncompliance with the notice requirements of the homeowner's emergency mortgage assistance program and for allocations from the fund.

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

(Bill analysis was read.)

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

The question is, shall the bill pass finally?

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

The following roll call was recorded:

YEAS—197

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causar	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
Delozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Petri	
DePasquale	Keller, M.K.	Pickett	Smith, S.,
Dermody	Keller, W.	Preston	Speaker
DiGirolamo	Killion	Pyle	

NAYS—0

NOT VOTING—0

EXCUSED—4

Gerber Hanna Kotik Vereb

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.

CALENDAR CONTINUED

BILLS ON SECOND CONSIDERATION

The House proceeded to second consideration of **HB 955, PN 3072**, entitled:

An Act amending Titles 4 (Amusements) and 35 (Health and Safety) of the Pennsylvania Consolidated Statutes, revising grants to fire companies and volunteer services in the areas of scope, administration, programs, expiration of authority and special provisions; providing for grants to volunteer quick response services; and making a related repeal.

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

Mr. **BARRAR** offered the following amendment
No. **A11031**:

Amend Bill, page 1, lines 2 through 6, by striking out "revising grants to fire " in line 2 and all of lines 3 through 6 and inserting in amusements, further providing for transfers from the State Gaming Fund; in Commonwealth services, further providing for the Volunteer Companies Loan Fund; in grants to volunteer fire companies and volunteer services, revising preliminary provisions, revising volunteer fire company grant provisions on establishment, publication and notice, award of grants and consolidation incentive, revising volunteer ambulance service grant provisions on establishment, publication and notice and award of grants; revising grant funding provisions on allocation of appropriations and revising miscellaneous provisions on expiration and specificity.

Amend Bill, page 1, lines 11 and 12; page 2, lines 1 through 14, by striking out all of said lines on said pages and inserting

Section 1. Section 1408(b) of Title 4 of the Pennsylvania Consolidated Statutes is amended and the section is amended by adding a subsection to read:

Amend Bill, page 2, line 29, by striking out "\$25,000,000" and inserting

\$30,000,000

Amend Bill, page 3, by inserting between lines 3 and 4

Section 1.1. Section 7365 of Title 35 is amended by adding a subsection to read:

§ 7365. Volunteer Companies Loan Fund.

* * *

(c) Use of funds.—Each fiscal year the State Fire Commissioner may, subject to the approval of the Governor, use an amount equal to up to 3% of the total dollar amount of the loans approved in the immediately preceding fiscal year for the commissioner's administrative cost to implement and oversee the volunteer companies loan program.

Amend Bill, page 3, lines 12 through 15, by striking out all of said lines and inserting

Section 4. The definition of "grant program" in section 7802 of Title 35 is amended and the section is amended by adding a definition to read:

Amend Bill, page 3, lines 29 and 30; page 4, lines 1 through 30; page 5, lines 1 through 3, by striking out all of said lines on said pages

Amend Bill, page 10, lines 16 and 17, by striking out all of said lines and inserting

(a) [Prohibition.—No money] Administration.—The commissioner may, subject to the approval of the Governor, use up to \$125,000 from the appropriation for

Amend Bill, page 10, line 24, by striking out "commissioner" and inserting

Office of the State Fire Commissioner

Amend Bill, page 11, by inserting between lines 2 and 3

(c) Continuing appropriation.—The appropriation referred to in subsection (b) shall not lapse at the end of any fiscal year and may be used in the grant allocation under subsection (b) in the succeeding fiscal year.

Amend Bill, page 11, line 7, by striking out "2016" and inserting 2014

Amend Bill, page 11, lines 15 through 26, by striking out all of said lines and inserting

Section 8. This act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Barrar.

Mr. BARRAR. Thank you, Mr. Speaker.

Mr. Speaker, the fire and emergency grant program is set to expire at the end of June. What my amendment would do is extend it for 2 more years and increase the funding from \$25 million to \$30 million, and also, it would authorize the State Fire Commissioner to use up to \$125,000 for the administration of this grant.

So I would ask the members for a "yes" vote on this. Thank you.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—197

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp
Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor

Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmotzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causser	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
Delozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Petri	
DePasquale	Keller, M.K.	Pickett	Smith, S.,
Dermody	Keller, W.	Preston	Speaker
DiGirolamo	Killion	Pyle	

NAYS—0

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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. **FREEMAN** offered the following amendment
No. **A09229**:

Amend Bill, page 3, lines 12 and 13, by striking out "'grant program" AND" in line 12 and "'VOLUNTEER AMBULANCE SERVICE'" in line 13 and inserting

"grant program," "volunteer ambulance service,"
"volunteer fire company" and "volunteer rescue company"

Amend Bill, page 4, line 13, by striking out all of said line and inserting

"Volunteer fire company." A nonprofit chartered corporation, association or organization, including a volunteer rescue company, located in this Commonwealth which provides fire protection or rescue services and which may offer other voluntary emergency services within this Commonwealth. Voluntary emergency services provided by a volunteer fire company may include voluntary ambulance and voluntary rescue services.

Amend Bill, page 5, line 3, by striking out all of said line and inserting

"Volunteer rescue company." A nonprofit chartered corporation, association or organization located in this Commonwealth that provides rescue services as part of the response to fires [or], vehicle or water accidents within this Commonwealth, including an accredited water rescue company.

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

The SPEAKER. On that question, the Speaker recognizes the gentleman from Northampton County, Mr. Freeman.

Mr. FREEMAN. Thank you, Mr. Speaker.

Mr. Speaker, my amendment would add to the category of those organizations that could apply for this grant "accredited water rescue companies." This addresses a very unique circumstance in terms of water rescue companies. In most circumstances, water rescue companies are merged with EMS (emergency medical services) units or with volunteer fire companies, and therefore, they are currently eligible for the grants.

To the best of my knowledge, there is only one water rescue company that does not qualify for the grants, and that is the Pennsylvania Water Rescue company in Easton, in Northampton County. This is a purely volunteer organization, but because the city of Easton's Fire Department is a professional fire department, they cannot merge with the fire department and therefore are not eligible for the grants.

The Pennsylvania Water Rescue organization has done outstanding work on behalf of water rescue efforts throughout eastern Pennsylvania. In fact, last year they participated in some water rescue efforts in the county of Lebanon, where flooding had occurred. They did outstanding work. They did not receive a dime in compensation. This is a purely volunteer, first responder organization, and yet they cannot access these grants because they are not merged with an EMS or with a volunteer fire company and cannot achieve that because the city of Easton has a professional force.

We must keep in mind that our water rescue companies are part of the first responders. They come onto a scene, they save lives, and they put themselves in harm's way to save those lives. I ask the members to please join me in supporting this amendment. It would allow a very reputable organization that has done outstanding work on behalf of water rescue to also be eligible for these kinds of grants. To the best of my knowledge, it is the only one of its nature across the State, but they are deserving of these grants. And as a volunteer organization, they need to access these grants in order to update their equipment and to be the effective volunteer water rescue operation that they are. So I urge a "yes" vote.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Barrar.

Mr. BARRAR. Thank you, Mr. Speaker.

Mr. Speaker, I would ask the members to vote against this amendment. What it does, it creates a new classification within this grant program. All through the process, when we have held hearings on this and we have met in our Veterans Affairs and Emergency Preparedness Committee on this grant program, there were attempts by numerous other worthy organizations that wanted to get included into this grant program. If we allow this one company to come in, then next year there will be

others, and the next thing you know, it will mean less grant money for the current fire companies and for the EMS program.

So, you know, to make sure that we maximize the benefit – which is what this grant was designed for, was for the fire EMS service – I would ask the members to vote "no" on this. Let us make sure our fire companies get the maximum amount of the grant possible. Thank you. I would ask for a "no" vote.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman, Mr. Freeman, for the second time.

Mr. FREEMAN. Thank you, Mr. Speaker.

Mr. Speaker, we are talking about one volunteer water rescue company. There are safeguards in that any water rescue company under my language has to be accredited; they have to go before the Pennsylvania Voluntary Rescue Service Program, which is headed up by the Fish and Boat Commission, by the Department of Health, and by the Fire Commissioner. So they have to meet those criteria in order to be able to apply for these grants. It is one company, but they do outstanding work. They have saved lives across this State. They have serviced areas beyond the Lehigh Valley; as I mentioned, last year they were instrumental in saving lives and addressing the needs of those folks who experienced extensive flooding in the county of Lebanon.

Grants are already capped. I believe the sum is about \$11,000 to \$15,000. It is not that much money, but for this organization, which does outstanding work and is purely volunteer, it can mean the difference between them staying in existence as a water rescue operation or going out of existence. I urge the members to please come to the aid of this water rescue company. They are first responders. They put their lives on the line. They put their lives in harm's way on behalf of people, to save people and property. Let us not turn our backs on them. I urge a "yes" vote.

The SPEAKER. The question is, will the House agree to the amendment?

Is the gentleman from York County, Mr. Saylor, seeking recognition on this amendment?

The gentleman is in order on the amendment.

Mr. SAYLOR. Thank you, Mr. Speaker.

I rise to oppose the amendment as well. I know in my own district along the Susquehanna River, and I know there is one in Lancaster County, there are at least three river rescue teams that do an outstanding job, and they would not be included under this amendment, so I would rise to oppose the amendment as presented. Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—115

Barbin	DeLuca	Krieger	Ravenstahl
Bishop	DePasquale	Kula	Readshaw
Boback	Dermody	Longietti	Reese
Boyle, B.	Donatucci	Maher	Roae
Boyle, K.	Emrick	Mahoney	Roebuck
Bradford	Evankovich	Mann	Sabatina
Brennan	Evans, D.	Markosek	Saccone
Briggs	Fabrizio	Matzie	Sainato

Brown, R.	Frankel	McGeehan	Samuelson
Brown, V.	Freeman	Metzgar	Santarsiero
Brownlee	Gabler	Miccarelli	Santoni
Burns	Galloway	Micozzie	Scavello
Buxton	George	Millard	Schmotzer
Caltagirone	Gergely	Mirabito	Smith, K.
Carroll	Gibbons	Mullery	Smith, M.
Causser	Godshall	Mundy	Staback
Cohen	Goodman	Murphy	Stephens
Conklin	Hahn	Murt	Sturla
Costa, D.	Haluska	Mustio	Tallman
Costa, P.	Harhai	Myers	Thomas
Cruz	Harhart	Neilson	Toepel
Curry	Harkins	Neuman	Vitali
Daley	Hornaman	O'Brien, M.	Vulakovich
Davidson	James	Parker	Waters
Davis	Josephs	Pashinski	Wheatley
Day	Kavulich	Payton	White
Dean	Keller, W.	Peifer	Williams
Deasy	Kirkland	Petrarca	Youngblood
DeLissio	Kortz	Preston	

NAYS—82

Adolph	Everett	Keller, M.K.	Quigley
Aument	Farry	Killion	Quinn
Baker	Fleck	Knowles	Rapp
Barrar	Geist	Lawrence	Reed
Bear	Gillen	Mackenzie	Rock
Benninghoff	Gillespie	Major	Ross
Bloom	Gingrich	Maloney	Saylor
Boyd	Grell	Marshall	Simmons
Brooks	Grove	Marsico	Sonney
Christiana	Hackett	Masser	Stern
Clymer	Harper	Metcalfe	Stevenson
Cox	Harris	Miller	Swanger
Creighton	Heffley	Milne	Taylor
Culver	Helm	Moul	Tobash
Cutler	Hennessey	O'Neill	Toohil
Delozier	Hess	Oberlander	Truitt
Denlinger	Hickernell	Payne	Turzai
DiGirolamo	Hutchinson	Perry	Watson
Dunbar	Kampf	Petri	
Ellis	Kauffman	Pickett	Smith, S.,
Evans, J.	Keller, F.	Pyle	Speaker

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 recurring,

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

The SPEAKER. It is the Speaker's understanding that the other amendments filed to this bill have been withdrawn.

Is the gentleman from Somerset, Mr. Metzgar, indicating that you have not withdrawn your amendment? Is the gentleman indicating he is still seeking to offer his amendment?

On the question recurring,

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

Mr. **METZGAR** offered the following amendment No. **A08831**:

Amend Bill, page 5, line 11, by striking out "(b)(1)" and inserting (b)

Amend Bill, page 6, line 4, by striking out all of said line and inserting

(3) (i) In a municipality where there are two or more

Amend Bill, page 6, by inserting between lines 12 and 13

(ii) A consolidated entity that is no longer eligible for the combined total under subsection (i) is eligible for an additional \$10,000 thereafter. The amount shall be applied to the consolidated entity's grant award.

Amend Bill, page 9, line 4, by striking out all of said line and inserting

(2) Grants may be awarded on a pro rata basis if the total dollar amount of the approved application exceeds the amount of funds appropriated by the General Assembly for this purpose.

(3) If two or more volunteer ambulance services consolidated their use of equipment, personnel and services within five years preceding the date of the current year application submission deadline, the consolidated entity shall be deemed eligible to receive a grant not to exceed the amount of the combined total for which the individual companies would have been eligible had they not consolidated.

(4) A consolidated entity that is no longer eligible for the combined total under paragraph (3) shall be eligible for an additional \$5,000 thereafter. The amount shall be applied to the consolidated entity's grant award.

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Speaker recognizes the gentleman from Somerset County, Mr. Metzgar.

Mr. METZGAR. Thank you, Mr. Speaker.

This amendment is very simple. In a world where we are trying to encourage consolidation – I am not saying that that is the answer for every fire or EMS company, certainly – but for those that are considering it, they should not be penalized if they decide to do it. So in the case of these grants, if they consolidate, they should be eligible as if they were still two fire or EMS companies. They would have the opportunity to get \$10,000 and \$5,000 respectively for a fire or EMS company. This amendment simply encourages those who consolidate to keep that money. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Barrar.

Mr. BARRAR. Mr. Speaker, I would again ask the members to vote against this amendment. This will dilute the amount of money that the current fire companies and EMS companies will be getting. Remember, in this grant program, we do bring in the paid fire companies. One of the reasons we reduced the sunset date from a 4-year sunset to a 2-year sunset is we originally wanted additional dollars for this program so we could do these things and bring in different classifications of fire companies and to reward the companies that had merged. But unfortunately, because of the economic times that we are in, we were only able to get 5 million additional dollars for the fire companies and EMS companies in the State, so I think it is important that we not allow the amount of money eligible for

grants going into our fire companies to be reduced by amendments like this.

I would ask the members to vote "no" on this, and hopefully in 2 years from now we can come back and revisit this when hopefully there will be additional dollars available to come back and do this type of thing. I agree that the maker of the amendment has some merit to his argument; the problem is, the money just is not there for the grant program without taking away from other fire companies. I would ask the members for a "no" vote on this.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Cambria County, Mr. Barbin.

Mr. BARBIN. I rise in support of the Metzgar amendment. The issue is not whether \$5 million is going to be provided to volunteer fire companies or not; the question is how should that \$5 million be divided?

If the gentleman's amendment merely says that if a fire department is doing those things which will provide more cost-effective services, they should be able to consider that factor when the grants are allocated. It is a fair allocation, because those particular companies have already gone out and tried to make their services more cost-effective.

So we are not reducing any money here. All we are really doing is to say, whatever amount of money we have to split up, we are going to do it in a way that recognizes that the consolidation of fire companies has a benefit to all taxpayers across the Commonwealth.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Bucks County, Mr. Farry.

Mr. FARRY. Thank you, Mr. Speaker.

I rise in opposition to the amendment offered by my colleague. As somebody who has significant experience in the fire service, one of the goals of the merger of organizations is to consolidate resources and save costs. There are benefits provided to those merger organizations during that 5-year window. To provide them continued, equivalent resources in perpetuity is something that this grant program is not intended to do, and it is not intended with the concepts of mergers. So I would request a negative vote on this amendment. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Lawrence County, Mr. Sainato.

Mr. SAINATO. Thank you, Mr. Speaker.

I also rise in opposition to this amendment. While the goal is worthy and I think that it makes some sense, I have to echo my counterpart on the Republican side, Chairman Barrar's comments that there are limited funds here. The goal is to try to get out as much money as we possibly can to our fire departments that are out there and our emergency responders. Every time we dilute a little bit – dilute a little bit here, dilute a little bit there – that will be less money that they will get. We are going to revisit this issue again in 2 years, and that is, I think, we are going to give an opportunity to all those who want to present their case to the committee, to present their case to the legislature. That will be the opportunity.

Our goal is to get this done by the end of this month. We have an obligation to our emergency people. I would encourage a "no" vote.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—65

Barbin	Evankovich	Krieger	Petrarca
Benninghoff	Evans, D.	Kula	Pyle
Boback	Freeman	Maher	Quigley
Brown, V.	Gabler	Mahoney	Rapp
Burns	Geist	Marshall	Ravenstahl
Buxton	Gergely	Metzgar	Reese
Caltagirone	Gillespie	Mirabito	Sacccone
Causser	Godshall	Moul	Smith, M.
Christiana	Goodman	Mullery	Stern
Costa, D.	Haluska	Murphy	Sturla
Costa, P.	Harris	Murt	Toepel
Cruz	Hess	Mustio	Vitali
Daley	Hornaman	Myers	Youngblood
Day	Hutchinson	Neilson	
DeLissio	James	Neuman	Smith, S.,
Dunbar	Kavulich	Parker	Speaker
Ellis	Keller, F.	Perry	

NAYS—132

Adolph	Dermody	Kirkland	Reed
Aument	DiGirolamo	Knowles	Roae
Baker	Donatucci	Kortz	Rock
Barrar	Emrick	Lawrence	Roebuck
Bear	Evans, J.	Longietti	Ross
Bishop	Everett	Mackenzie	Sabatina
Bloom	Fabrizio	Major	Sainato
Boyd	Farry	Maloney	Samuelson
Boyle, B.	Fleck	Mann	Santarsiero
Boyle, K.	Frankel	Markosek	Santoni
Bradford	Galloway	Marsico	Saylor
Brennan	George	Masser	Scavello
Briggs	Gibbons	Matzie	Schmotzer
Brooks	Gillen	McGeehan	Simmons
Brown, R.	Gingrich	Metcalfe	Smith, K.
Brownlee	Grell	Miccarelli	Sonney
Carroll	Grove	Micozzie	Staback
Clymer	Hackett	Millard	Stephens
Cohen	Hahn	Miller	Stevenson
Conklin	Harhai	Milne	Swanger
Cox	Harhart	Mundy	Tallman
Creighton	Harkins	O'Brien, M.	Taylor
Culver	Harper	O'Neill	Thomas
Curry	Heffley	Oberlander	Tobash
Cutler	Helm	Pashinski	Toohil
Davidson	Hennessey	Payne	Truitt
Davis	Hickernell	Payton	Turzai
Dean	Josephs	Peifer	Vulakovich
Deasy	Kampf	Petri	Waters
Delozier	Kauffman	Pickett	Watson
DeLuca	Keller, M.K.	Preston	Wheatley
Denlinger	Keller, W.	Quinn	White
DePasquale	Killion	Readshaw	Williams

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 agree to the bill on second consideration as amended?

The SPEAKER. Once again, it is the Speaker's understanding that all the other amendments to this bill have been withdrawn.

On the question recurring,

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

Bill as amended was agreed to.

(Bill as amended will be reprinted.)

* * *

The House proceeded to second consideration of **SB 100, PN 2258**, entitled:

An Act amending Titles 18 (Crimes and Offenses), 42 (Judiciary and Judicial Procedure) and 61 (Prisons and Parole) of the Pennsylvania Consolidated Statutes, in burglary and other criminal intrusion, further providing for the offense of burglary; in other offenses, further providing for drug trafficking sentencing and penalties; in Pennsylvania Commission on Sentencing, further providing for powers and duties and for publication of guidelines; in sentencing, further providing for sentences for second and subsequent offenses; in sentencing, providing for sentencing for certain paroled offenders; in sentencing, further providing for sentencing generally, for disposition under guilty but mentally ill, for partial confinement, for total confinement and for proceedings and location; in sentencing, providing for court-imposed sanctions for offenders violating probation; in county intermediate punishment, further providing for definitions and for programs; in correctional institutions administration, further providing for drug distribution definitions; in inmate confinement visitation, further providing for Gubernatorial visitors, for official visitors and for rights of official visitors; in inmate confinement prerelease plans, further providing for establishment of prerelease centers, for prerelease plan for inmates, for regulations and for compensation of inmates; in inmate confinement motivational boot camps, further providing for definitions and for selection of inmate participants; in inmate confinement State intermediate punishment, further providing for definitions and for referral to State intermediate punishment program; in inmate confinement recidivism risk reduction incentive, further providing for definitions; in inmate confinement community corrections facilities, further providing for definitions; in inmate confinement, providing for safe community reentry and for community corrections centers and community corrections facilities; in probation and parole administration, further providing for certain offenders residing in group-based homes, for administrative powers over parolees, for general court criteria for parole, for parole power, for parole violation and for parole procedure; in probation and parole administration, providing for early parole subject to Federal order; making a related repeal; and abrogating regulations.

On the question,

Will the House agree to the bill on second consideration?

RULES SUSPENDED

The SPEAKER. Is the gentleman from Berks County, Mr. Caltagirone, seeking recognition?

Mr. CALTAGIRONE. Yes. Thank you, Mr. Speaker.

I would like to move to suspend the rules.

The SPEAKER. For the consideration of amendment A11515?

Mr. CALTAGIRONE. Yes, Mr. Speaker.

It has been agreed to by both sides on the amendment.

The SPEAKER. The gentleman from Berks County, Mr. Caltagirone, has moved for a suspension of the rules for the immediate consideration of amendment A11515.

On the question,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—189

Adolph	DiGirolamo	Keller, W.	Pyle
Aument	Donatucci	Killion	Quigley
Baker	Dunbar	Kirkland	Quinn
Barbin	Ellis	Knowles	Ravenstahl
Barrar	Emrick	Kortz	Readshaw
Bear	Evankovich	Krieger	Reed
Benninghoff	Evans, D.	Kula	Reese
Bishop	Evans, J.	Longietti	Rock
Bloom	Everett	Maher	Roebuck
Boback	Fabrizio	Mahoney	Ross
Boyd	Farry	Major	Sabatina
Boyle, B.	Fleck	Maloney	Saccone
Boyle, K.	Frankel	Mann	Sainato
Bradford	Freeman	Markosek	Samuelson
Brennan	Gabler	Marshall	Santarsiero
Briggs	Galloway	Marsico	Santoni
Brooks	Geist	Masser	Saylor
Brown, R.	George	Matzie	Scavello
Brown, V.	Gergely	McGeehan	Schmotzer
Brownlee	Gibbons	Metcalfe	Simmons
Burns	Gillen	Metzgar	Smith, K.
Buxton	Gillespie	Miccarelli	Smith, M.
Caltagirone	Gingrich	Micozzie	Sonney
Carroll	Godshall	Millard	Staback
Causar	Goodman	Miller	Stephens
Christiana	Grove	Milne	Stern
Clymer	Hackett	Mirabito	Stevenson
Cohen	Hahn	Moul	Sturla
Conklin	Haluska	Mundy	Swanger
Costa, D.	Harhai	Murphy	Tallman
Costa, P.	Harhart	Murt	Taylor
Cox	Harkins	Mustio	Thomas
Creighton	Harper	Myers	Tobash
Cruz	Harris	Neilson	Toepel
Culver	Heffley	Neuman	Toohil
Curry	Helm	O'Brien, M.	Turzai
Daley	Hennessey	O'Neill	Vitali
Davidson	Hess	Oberlander	Vulakovich
Davis	Hickernell	Parker	Waters
Day	Hornaman	Pashinski	Watson
Dean	Hutchinson	Payne	Wheatley
Deasy	James	Payton	White
DeLissio	Josephs	Peifer	Williams
Delozier	Kampf	Perry	Youngblood
DeLuca	Kauffman	Petrarca	
Denlinger	Kavulich	Petri	Smith, S.,
DePasquale	Keller, F.	Pickett	Speaker
Dermody	Keller, M.K.	Preston	

NAYS—8

Cutler	Lawrence	Mullery	Roae
Grell	Mackenzie	Rapp	Truitt

NOT VOTING—0

EXCUSED—4

Gerber

Hanna

Kotik

Vereb

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

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

Mr. **CALTAGIRONE** offered the following amendment
No. **A11515**:

Amend Bill, page 6, line 7, by striking out the comma after "revocation"

Amend Bill, page 12, lines 22 and 23, by striking out "A " in line 22 and "SUBSECTION" in line 23 and inserting subsections

Amend Bill, page 12, line 30; page 13, lines 1 and 2, by striking out all of said lines on said pages and inserting

(1) The aggregate sentence consists of a conviction for an offense graded as a misdemeanor of the second degree or higher; or

Amend Bill, page 13, by inserting between lines 4 and 5

(j) Applicability.—18 Pa.C.S. § 106(b)(8) and (9) (relating to classes of offenses) applies to subsection (i).

Amend Bill, page 13, line 30, by striking out "The" and inserting At the time of sentencing, the

Amend Bill, page 58, line 9, by inserting after "9762(I)" and (j)

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

The **SPEAKER**. On that question, the Speaker recognizes the gentleman from Berks County, Mr. Caltagirone.

Mr. **CALTAGIRONE**. Thank you, Mr. Speaker.

I think Chairman Marsico also would like to speak on this. It has been agreed to. There was some cleanup language that had to be incorporated into SB 100.

Thank you, Mr. Speaker.

The **SPEAKER**. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Dauphin County, Mr. Marsico.

Mr. **MARSICO**. Thank you, Mr. Speaker.

This is an agreed-to technical amendment. I appreciate the support of the members. Thank you.

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

The following roll call was recorded:

YEAS—197

Adolph	Donatucci	Kirkland	Quigley
Aument	Dunbar	Knowles	Quinn
Baker	Ellis	Kortz	Rapp

Barbin	Emrick	Krieger	Ravenstahl
Barrar	Evankovich	Kula	Readshaw
Bear	Evans, D.	Lawrence	Reed
Benninghoff	Evans, J.	Longietti	Reese
Bishop	Everett	Mackenzie	Roae
Bloom	Fabrizio	Maher	Rock
Boback	Farry	Mahoney	Roebuck
Boyd	Fleck	Major	Ross
Boyle, B.	Frankel	Maloney	Sabatina
Boyle, K.	Freeman	Mann	Saccone
Bradford	Gabler	Markosek	Sainato
Brennan	Galloway	Marshall	Samuelson
Briggs	Geist	Marsico	Santarsiero
Brooks	George	Masser	Santoni
Brown, R.	Gergely	Matzie	Saylor
Brown, V.	Gibbons	McGeehan	Scavello
Brownlee	Gillen	Metcalfe	Schmoltzer
Burns	Gillespie	Metzgar	Simmons
Buxton	Gingrich	Miccarelli	Smith, K.
Caltagirone	Godshall	Micozzie	Smith, M.
Carroll	Goodman	Millard	Sonney
Causar	Grell	Miller	Staback
Christiana	Grove	Milne	Stephens
Clymer	Hackett	Mirabito	Stern
Cohen	Hahn	Moul	Stevenson
Conklin	Haluska	Mullery	Sturla
Costa, D.	Harhai	Mundy	Swanger
Costa, P.	Harhart	Murphy	Tallman
Cox	Harkins	Murt	Taylor
Creighton	Harper	Mustio	Thomas
Cruz	Harris	Myers	Tobash
Culver	Heffley	Neilson	Toepel
Curry	Helm	Neuman	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Davis	Hornaman	Parker	Vulakovich
Day	Hutchinson	Pashinski	Waters
Dean	James	Payne	Watson
Deasy	Josephs	Payton	Wheatley
DeLissio	Kampf	Peifer	White
DeLozier	Kauffman	Perry	Williams
DeLuca	Kavulich	Petrarca	Youngblood
Denlinger	Keller, F.	Petri	
DePasquale	Keller, M.K.	Pickett	Smith, S.,
Dermody	Keller, W.	Preston	Speaker
DiGirolamo	Killion	Pyle	

NAYS—0

NOT VOTING—0

EXCUSED—4

Gerber

Hanna

Kotik

Vereb

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?

Bill as amended was agreed to.

(Bill as amended will be reprinted.)

* * *

The House proceeded to second consideration of **HB 2015, PN 3295**, entitled:

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; and providing for Major League Baseball or National Hockey League 50/50 raffle.

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

Mr. **STEPHENS** offered the following amendment No. **A09901**:

Amend Bill, page 1, line 10, by striking out "OR" and inserting a comma

Amend Bill, page 1, line 10, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 1, line 10, by striking out "RAFFLE" and inserting

raffles

Amend Bill, page 3, line 29, by striking out "OR" and inserting a comma

Amend Bill, page 3, line 30, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 4, line 15, by striking out "OR" and inserting a comma

Amend Bill, page 4, line 15, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 4, line 17, by striking out "OR" and inserting a comma

Amend Bill, page 4, line 17, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 4, line 24, by striking out "OR" and inserting a comma

Amend Bill, page 4, line 24, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 4, line 27, by striking out "OR" and inserting a comma

Amend Bill, page 4, line 27, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 4, line 29, by striking out "OR" and inserting a comma

Amend Bill, page 4, line 30, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 5, line 3, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 4, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 5, line 6, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 6, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 8, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 8, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 5, line 10, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 10, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 12, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 12, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 14, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 14, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 17, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 17, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 21, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 22, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 5, line 24, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 24, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 26, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 27, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 5, line 28, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 29, by inserting after "LEAGUE"

or National Basketball Association

Amend Bill, page 6, line 1, by striking out "OR" and inserting a comma

Amend Bill, page 6, line 1, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 6, line 6, by striking out "OR" and inserting a comma

Amend Bill, page 6, line 6, by inserting after "LEAGUE"

or National Basketball Association

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Speaker recognizes the gentleman from Montgomery County, Mr. Stephens.

Mr. STEPHENS. Thank you, Mr. Speaker.

This just includes the NBA (National Basketball Association) in the mix with the rest of the professional sports teams, and I would urge the members' support. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Paul Costa.

Mr. P. COSTA. Thank you, Mr. Speaker.

About a year ago the first place Pittsburgh Pirates – that is right, the first place Pittsburgh Pirates – approached us and asked us about 50-50; since then other teams have asked, and now the Philadelphia 76ers are asking. This is an agreed-to amendment, and I support the amendment.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—175

Adolph	Evans, D.	Kula	Quinn
Baker	Evans, J.	Longietti	Ravenstahl
Barbin	Everett	Mackenzie	Readshaw
Barrar	Fabrizio	Maher	Reed
Benninghoff	Farry	Mahoney	Reese
Bishop	Fleck	Major	Rock
Boback	Frankel	Maloney	Roebuck
Boyle, B.	Freeman	Mann	Ross
Boyle, K.	Gabler	Markosek	Sabatina
Bradford	Galloway	Marshall	Saccone
Brennan	Geist	Marsico	Sainato
Briggs	George	Masser	Samuelson
Brooks	Gergely	Matzie	Santarsiero
Brown, R.	Gibbons	McGeehan	Santoni
Brown, V.	Gillespie	Miccarelli	Saylor
Brownlee	Gingrich	Micozzie	Scavello
Burns	Godshall	Millard	Schmotzer
Buxton	Goodman	Miller	Simmons
Caltagirone	Grove	Milne	Smith, K.
Carroll	Hackett	Mirabito	Smith, M.
Christiana	Hahn	Moul	Sonney
Cohen	Haluska	Mullery	Staback
Conklin	Harhai	Mundy	Stevens
Costa, D.	Harhart	Murphy	Stevenson
Costa, P.	Harkins	Murt	Sturla
Creighton	Harper	Mustio	Tallman
Cruz	Harris	Myers	Taylor
Culver	Heffley	Neilson	Thomas
Curry	Helm	Neuman	Tobash
Daley	Hennessey	O'Brien, M.	Toepel
Davidson	Hess	O'Neill	Toohil
Davis	Hornaman	Oberlander	Truitt
Day	James	Parker	Turzai
Dean	Josephs	Pashinski	Vitali
Deasy	Kampf	Payne	Vulakovich
DeLissio	Kauffman	Payton	Waters
Delozier	Kavulich	Peifer	Watson
DeLuca	Keller, M.K.	Perry	Wheatley
DePasquale	Keller, W.	Petrarca	White
Dermody	Killion	Petri	Williams
DiGirolamo	Kirkland	Pickett	Youngblood
Donatucci	Knowles	Preston	
Dunbar	Kortz	Pyle	Smith, S.,
Ellis	Krieger	Quigley	Speaker
Evankovich			

NAYS—22

Aument	Cox	Hickernell	Metzgar
Bear	Cutler	Hutchinson	Rapp
Bloom	Denlinger	Keller, F.	Roae
Boyd	Emrick	Lawrence	Stern
Causar	Gillen	Metcalfe	Swanger
Clymer	Grell		

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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. **LAWRENCE** offered the following amendment
No. **A11074**:

Amend Bill, page 5, by inserting between lines 8 and 9
(b.1) Sales restricted.—Tickets for the major league baseball, National Hockey League or National Basketball Association 50/50 raffle may not be sold in any seating area designated by the major league baseball or National Hockey League team as a family section.

On the question,

Will the House agree to the amendment?

The **SPEAKER**. On that question, the Speaker recognizes the gentleman from Chester County, Mr. Lawrence.

Mr. **LAWRENCE**. Thank you, Mr. Speaker.

This amendment delineates that any section designated by the team as a family section would be ineligible for the 50-50 raffle tickets to be sold. Thank you.

The **SPEAKER**. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Paul Costa.

Mr. **P. COSTA**. Thank you, Mr. Speaker.

Again, this is an agreed-to amendment. Thank you.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—194

Adolph	Donatucci	Killion	Preston
Aument	Dunbar	Kirkland	Pyle
Baker	Ellis	Knowles	Quigley
Barbin	Emrick	Kortz	Quinn
Barrar	Evankovich	Krieger	Rapp
Bear	Evans, D.	Kula	Ravenstahl
Benninghoff	Evans, J.	Lawrence	Readshaw
Bishop	Everett	Longietti	Reed
Bloom	Fabrizio	Mackenzie	Reese
Boback	Farry	Maher	Roae
Boyd	Fleck	Mahoney	Rock
Boyle, B.	Frankel	Major	Roebuck
Boyle, K.	Freeman	Maloney	Ross
Bradford	Gabler	Mann	Sabatina
Brennan	Galloway	Markosek	Saccone
Briggs	Geist	Marshall	Sainato
Brooks	George	Marsico	Samuelson
Brown, R.	Gergely	Masser	Santarsiero
Brown, V.	Gibbons	Matzie	Santoni
Brownlee	Gillen	McGeehan	Saylor
Burns	Gillespie	Metcalfe	Scavello
Buxton	Gingrich	Metzgar	Schmotzer
Caltagirone	Godshall	Miccarelli	Simmons
Carroll	Goodman	Micozzie	Smith, K.
Causar	Grell	Millard	Smith, M.
Christiana	Grove	Miller	Sonney
Clymer	Hackett	Milne	Staback
Cohen	Hahn	Mirabito	Stevens
Conklin	Haluska	Moul	Stern
Costa, D.	Harhai	Mullery	Stevenson
Costa, P.	Harhart	Mundy	Sturla
Cox	Harkins	Murphy	Swanger
Creighton	Harper	Murt	Tallman
Cruz	Harris	Mustio	Taylor
Culver	Heffley	Myers	Tobash
Curry	Helm	Neilson	Toepel

Cutler	Hennessey	Neuman	Toohil
Daley	Hess	O'Brien, M.	Truitt
Davidson	Hickernell	O'Neill	Turzai
Davis	Hornaman	Oberlander	Vitali
Day	Hutchinson	Parker	Vulakovich
Dean	James	Pashinski	Waters
Deasy	Josephs	Payne	Watson
Delozier	Kampf	Payton	Wheatley
DeLuca	Kauffman	Peifer	White
Denlinger	Kavulich	Perry	Youngblood
DePasquale	Keller, F.	Petrarca	
Dermody	Keller, M.K.	Petri	Smith, S.,
DiGirolamo	Keller, W.	Pickett	Speaker

NAYS—3

DeLissio	Thomas	Williams
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NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 recurring,

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

Mrs. **BROOKS** offered the following amendment
No. **A11034**:

Amend Bill, page 3, line 30, by inserting after "**RAFFLES**"
 selective raffles

Amend Bill, page 4, by inserting between lines 22 and 23

"Selective raffle." A game in which a participant buys a ticket or tickets for a chance to win a donated prize. The participant places his or her ticket or tickets in a designated location for the price which he or she would like to win. The winner for each prize is determined by a random drawing of tickets with a corresponding number for the prize.

* * *

On the question,

Will the House agree to the amendment?

The **SPEAKER**. On that question, the Speaker recognizes the lady from Mercer County, Mrs. Brooks.

Mrs. **BROOKS**. Thank you, Mr. Speaker.

What this amendment does is, as we know, there are many organizations in our communities that hold selective auctions or recently named Chinese auctions to raise money for people that perhaps have cancer or Lions Clubs, Rotaries, so forth, and this would just put in statute that those are still able to be held.

Thank you, Mr. Speaker.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—186

Adolph	Evankovich	Krieger	Rapp
Baker	Evans, D.	Kula	Ravenstahl
Barbin	Evans, J.	Longietti	Readshaw
Barrar	Everett	Mackenzie	Reed
Benninghoff	Fabrizio	Maher	Reese
Bishop	Farry	Mahoney	Roae
Bloom	Fleck	Major	Rock
Boback	Frankel	Maloney	Roebuck
Boyle, B.	Freeman	Mann	Ross
Boyle, K.	Gabler	Markosek	Sabatina
Bradford	Galloway	Marshall	Saccone
Brennan	Geist	Marsico	Sainato
Briggs	George	Masser	Samuelson
Brooks	Gergely	Matzie	Santarsiero
Brown, R.	Gibbons	McGeehan	Santoni
Brown, V.	Gillespie	Metzgar	Saylor
Brownlee	Gingrich	Miccarelli	Scavello
Burns	Godshall	Micozzie	Schmotzer
Buxton	Goodman	Millard	Simmons
Caltagirone	Grell	Miller	Smith, K.
Carroll	Grove	Milne	Smith, M.
Causser	Hackett	Mirabito	Sonney
Christiana	Hahn	Moul	Staback
Cohen	Haluska	Mullery	Stephens
Conklin	Harhai	Mundy	Stern
Costa, D.	Harhart	Murphy	Stevenson
Costa, P.	Harkins	Murt	Sturla
Cox	Harper	Mustio	Swanger
Cruz	Harris	Myers	Tallman
Culver	Heffley	Neilson	Taylor
Curry	Helm	Neuman	Thomas
Daley	Hennessey	O'Brien, M.	Tobash
Davidson	Hess	O'Neill	Toepel
Davis	Hornaman	Oberlander	Toohil
Day	Hutchinson	Parker	Truitt
Dean	James	Pashinski	Turzai
Deasy	Josephs	Payne	Vitali
DeLissio	Kampf	Payton	Vulakovich
Delozier	Kauffman	Peifer	Waters
DeLuca	Kavulich	Perry	Watson
DePasquale	Keller, F.	Petrarca	Wheatley
Dermody	Keller, M.K.	Petri	White
DiGirolamo	Keller, W.	Pickett	Williams
Donatucci	Killion	Preston	Youngblood
Dunbar	Kirkland	Pyle	
Ellis	Knowles	Quigley	Smith, S.,
Emrick	Kortz	Quinn	Speaker

NAYS—11

Aument	Clymer	Denlinger	Lawrence
Bear	Creighton	Gillen	Metcalf
Boyd	Cutler	Hickernell	

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 recurring,
Will the House agree to the bill on second consideration as amended?

Ms. **PICKETT** offered the following amendment
No. **A11466**:

Amend Bill, page 1, line 9, by striking out "AND"
Amend Bill, page 1, line 10, by inserting after "RAFFLE"
; and further providing for Licensing of eligible
organizations to conduct games of chance
Amend Bill, page 6, by inserting between lines 6 and 7
Section 2.1. Section 307(h) of the act, renumbered and amended
February 2, 2012 (P.L.7, No.2) is amended to read:
Section 307. Licensing of eligible organizations to conduct games of
chance.

* * *

(h) Background checks.—[Each]

(1) Except as set forth in paragraph (2), each application
for a license shall include the results of a criminal history record
information check obtained from the Pennsylvania State Police,
as defined in 18 Pa.C.S. § 9102 (relating to definitions) and
permitted by 18 Pa.C.S. § 9121(b) (relating to general
regulations), for the executive officer and secretary of the eligible
organization making the application for a license or any other
person required by the department.

(2) Paragraph (1) does not apply as follows:

(i) An application submitted by an eligible
organization that is not a club, shall not be required to
include the results of a criminal history record
information check if the application includes an affidavit
executed by the eligible organization's executive officer
affirming that, if granted a license, the eligible
organization does not anticipate that the organization's
total small games of chance revenue will exceed \$2,500
during the period for which the license is valid. The
department shall prescribe an affidavit form for this
purpose and make the form available to licensing
authorities.

(ii) If, following the issuance of a license to an
eligible organization under subparagraph (i), the eligible
organization's total small games of chance revenue
receipts surpass \$2,500 during the period for which the
license was valid, the eligible organization shall:

(A) within 180 days of surpassing the
specified amount, provide the issuing authority
with the results of a criminal history record
information check for its executive officer and
secretary which meets the requirements of
paragraph (1); and

(B) when it next applies for licensure,
comply with paragraph (1).

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

The SPEAKER. On that question, the Speaker recognizes the
lady from Bradford County, Ms. Pickett.

Ms. PICKETT. Thank you, Mr. Speaker.

This amendment would exempt eligible organizations, if
their proceeds are less than \$2500 in a calendar year, from
obtaining background checks on their president and their
secretary.

Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—193

Adolph	Dunbar	Kirkland	Quigley
Aument	Ellis	Knowles	Quinn
Baker	Emrick	Kortz	Rapp
Barbin	Evankovich	Krieger	Ravenstahl
Barrar	Evans, D.	Kula	Readshaw
Bear	Evans, J.	Lawrence	Reed
Benninghoff	Everett	Longietti	Reese
Bishop	Fabrizio	Mackenzie	Roae
Bloom	Farry	Maher	Rock
Boback	Fleck	Mahoney	Roebuck
Boyd	Frankel	Major	Ross
Boyle, B.	Freeman	Maloney	Sabatina
Boyle, K.	Gabler	Mann	Saccone
Bradford	Galloway	Markosek	Sainato
Brennan	Geist	Marshall	Samuelson
Briggs	George	Marsico	Santarsiero
Brooks	Gergely	Masser	Santoni
Brown, R.	Gibbons	Matzie	Saylor
Brown, V.	Gillen	McGeehan	Scavello
Brownlee	Gillespie	Metcalfe	Schmotzer
Burns	Gingrich	Metzgar	Simmons
Buxton	Godshall	Miccarelli	Smith, K.
Caltagirone	Goodman	Micozzie	Smith, M.
Carroll	Grell	Millard	Sonney
Causar	Grove	Miller	Staback
Christiana	Hackett	Milne	Stephens
Cohen	Hahn	Mirabito	Stern
Conklin	Haluska	Moul	Stevenson
Costa, D.	Harhai	Mullery	Swanger
Costa, P.	Harhart	Mundy	Tallman
Cox	Harkins	Murphy	Taylor
Creighton	Harper	Murt	Thomas
Cruz	Harris	Mustio	Tobash
Culver	Heffley	Myers	Toepel
Curry	Helm	Neilson	Toohil
Cutler	Hennessey	O'Brien, M.	Truitt
Daley	Hess	O'Neill	Turzai
Davidson	Hickernell	Oberlander	Vitali
Day	Hornaman	Parker	Vulakovich
Dean	Hutchinson	Pashinski	Waters
Deasy	James	Payne	Watson
DeLissio	Josephs	Payton	Wheatley
Delozier	Kampf	Peifer	White
DeLuca	Kauffman	Perry	Williams
Denlinger	Kavulich	Petrarca	Youngblood
DePasquale	Keller, F.	Petri	
Dermody	Keller, M.K.	Pickett	Smith, S.,
DiGirolamo	Keller, W.	Preston	Speaker
Donatucci	Killion	Pyle	

NAYS—4

Clymer	Davis	Neuman	Sturla
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NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 recurring,
Will the House agree to the bill on second consideration as amended?

The SPEAKER. On that question, the Speaker recognizes the gentleman from Bucks County, Mr. Clymer.

Mr. CLYMER. Thank you, Mr. Speaker.

Mr. Speaker, would the primary sponsor stand for a few questions?

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

Mr. CLYMER. Thank you, Mr. Speaker.

Mr. Speaker, we know that this raffle, this 50-50, will take place in the stadium. Whereabouts in the stadium, as I go into a stadium whereabouts would this raffle take place, or the 50-50 drawing?

Mr. P. COSTA. If we will use the Pittsburgh Pirates as an example, at PNC Park, when people walk in, there is a concourse. It can be set up anywhere in the concourse. The raffle will be run by the Pittsburgh Pirates Charities – not the Pittsburgh Pirates themselves, but their charities – and in every game, they have the opportunity to give the money to a different organization.

Mr. CLYMER. Is there an age limit as to who can purchase the 50-50? Is there an age limit as to who can purchase the 50-50?

Mr. P. COSTA. I do not designate it in this legislation. I do not know if there is in the gaming law. I believe it would be the same circumstances as gaming – what is it, 21?

Mr. CLYMER. I mean, I just would not want someone 13 or 14 spending money on a raffle when that is not the proper thing to do.

My next question is, what is the price of the 50-50? Is it 50 cents, a dollar, whatever?

Mr. P. COSTA. Usually a dollar.

Mr. CLYMER. A dollar. But can they go higher?

Mr. P. COSTA. Yes, they can buy as many tickets as they would like.

Mr. CLYMER. And could the charitable group of the Pittsburgh Penguins that you said, or the Pittsburgh Pirates, could they charge \$5 a ticket?

Mr. P. COSTA. I believe they could charge what they want. I am not sure if that is designated in the legislation, but typical 50-50 raffles are usually a dollar a ticket. Fifty cents goes to the winner; 50 percent would go to the Pirates Charities, again using the Pirates. It also includes Philadelphia Phillies Charities, the Flyers Charities, the 76ers Charities, and the Penguins Charities.

Mr. CLYMER. Mr. Speaker, what is the expected total? I mean, do you have a projection as to how much money could be raised in one night? You know, the people going in and buying the—

Mr. P. COSTA. It could vary depending on the attendance.

Mr. CLYMER. Are you saying that the Penguins could raise more than the Pittsburgh Pirates?

Mr. P. COSTA. On a given night, yes.

Mr. CLYMER. Just wanted to make certain.

Mr. Speaker, so there is absolutely no way that the charitable organizations for the Pittsburgh Penguins will contract this out to another group, that they will be the ones responsible for selling the raffles or the 50-50. Is that correct?

Mr. P. COSTA. Under this legislation, they are not permitted to let anybody else do it. It has to be done – again under the Pirates scenario – it has to be done by the Pirates Charities. That is in the language.

Mr. CLYMER. Mr. Speaker, thank you very much. I will have final remarks—

Mr. P. COSTA. Thank you.

Mr. CLYMER. —on third consideration. Thank you.

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

Mr. **MAHER** offered the following amendment
No. **A11189**:

Amend Bill, page 5, line 5, by inserting after "FREQUENCY—" "A Major League Baseball, National Hockey League or National Basketball Association team shall conduct only one Major League Baseball, National Hockey League or National Basketball Association 50/50 raffle per home game."

Amend Bill, page 5, line 6, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 6, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 8, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 8, by inserting after "LEAGUE" or National Basketball Association

On the question,

Will the House agree to the amendment?

AMENDMENT WITHDRAWN

The SPEAKER. The gentleman indicates he is withdrawing that amendment.

The gentleman is reconsidering that thought.

The gentleman from Allegheny County, Mr. Maher, are you seeking consideration of this amendment?

On the question recurring,

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

The SPEAKER. The gentleman from Allegheny County, Mr. Maher, is recognized and calls up amendment A11189, which the clerk will read again.

Mr. MAHER. Thank you, Mr. Speaker, and I apologize for the—

The SPEAKER. Will the gentleman just suspend.

I withdrew it at your first notion. I would like the clerk to read it back just to be clear.

On the question recurring,

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

Mr. **MAHER** reoffered the following amendment
No. **A11189**:

Amend Bill, page 5, line 5, by inserting after "FREQUENCY.—" A Major League Baseball, National Hockey League or National Basketball Association team shall conduct only one Major League Baseball, National Hockey League or National Basketball Association 50/50 raffle per home game.

Amend Bill, page 5, line 6, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 6, by inserting after "LEAGUE" where it occurs the second time

or National Basketball Association

Amend Bill, page 5, line 8, by striking out "OR" and inserting a comma

Amend Bill, page 5, line 8, by inserting after "LEAGUE" or National Basketball Association

On the question recurring,

Will the House agree to the amendment?

The SPEAKER. On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Maher.

Mr. MAHER. Thank you, Mr. Speaker.

My apologies to our colleagues. I had two different amendments filed, and I was a little confused as to which number was which.

This amendment is almost a technical amendment. It just clarifies that this opportunity to do these drawings would be limited to once per game as opposed to an infinite number during the course of a game.

Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Paul Costa.

Mr. P. COSTA. Thank you, Mr. Speaker.

I actually did not hear what his amendment does, but it is my understanding it is only permitting one 50-50 raffle per event.

So may I interrogate the maker of the amendment, please?

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

Mr. P. COSTA. If there is a doubleheader, are we going to permit them to sell two because it is two games?

Mr. MAHER. That would be two games. Play ball.

Mr. P. COSTA. Okay. Then I am fine with the amendment.

On the amendment, Mr. Speaker.

The SPEAKER. The gentleman is in order on the amendment.

Mr. P. COSTA. As long as we understand that if it is a single game, they can sell one raffle, and if it is a doubleheader, they can have two separate raffles, I am fine with this amendment. Thank you.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—196

Adolph	Donatucci	Knowles	Quigley
Aument	Dunbar	Kortz	Quinn
Baker	Ellis	Krieger	Rapp
Barbin	Emrick	Kula	Ravenstahl

Barrar	Evankovich	Lawrence	Readshaw
Bear	Evans, D.	Longietti	Reed
Benninghoff	Evans, J.	Mackenzie	Reese
Bishop	Everett	Maher	Roae
Bloom	Fabrizio	Mahoney	Rock
Boback	Farry	Major	Roebuck
Boyd	Fleck	Maloney	Ross
Boyle, B.	Frankel	Mann	Sabatina
Boyle, K.	Freeman	Markosek	Saccone
Bradford	Gabler	Marshall	Sainato
Brennan	Galloway	Marsico	Samuelson
Briggs	Geist	Masser	Santarsiero
Brooks	George	Matzie	Santoni
Brown, R.	Gergely	McGeehan	Saylor
Brown, V.	Gibbons	Metcalfe	Scavello
Brownlee	Gillespie	Metzgar	Schmotzer
Burns	Gingrich	Miccarelli	Simmons
Buxton	Godshall	Micozzie	Smith, K.
Caltagirone	Goodman	Millard	Smith, M.
Carroll	Grell	Miller	Sonney
Causar	Grove	Milne	Staback
Christiana	Hackett	Mirabito	Stephens
Clymer	Hahn	Moul	Stern
Cohen	Haluska	Mullery	Stevenson
Conklin	Harhai	Mundy	Sturla
Costa, D.	Harhart	Murphy	Swanger
Costa, P.	Harkins	Murt	Tallman
Cox	Harper	Mustio	Taylor
Creighton	Harris	Myers	Thomas
Cruz	Heffley	Neilson	Tobash
Culver	Helm	Neuman	Toepel
Curry	Hennessey	O'Brien, M.	Toohil
Cutler	Hess	O'Neill	Truitt
Daley	Hickernell	Oberlander	Turzai
Davidson	Hornaman	Parker	Vitali
Davis	Hutchinson	Pashinski	Vulakovich
Day	James	Payne	Waters
Dean	Josephs	Payton	Watson
Deasy	Kampf	Peifer	Wheatley
DeLissio	Kauffman	Perry	White
Delozier	Kavulich	Petrarca	Williams
DeLuca	Keller, F.	Petri	Youngblood
Denlinger	Keller, M.K.	Pickett	
DePasquale	Keller, W.	Preston	Smith, S.,
Dermody	Killion	Pyle	Speaker
DiGirolamo	Kirkland		

NAYS—1

Gillen

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 recurring,

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

Bill as amended was agreed to.

(Bill as amended will be reprinted.)

CONSIDERATION OF HB 955 CONTINUED**DECISION OF CHAIR RESCINDED**

The SPEAKER. Without objection, the Speaker rescinds the announcement that HB 955, PN 3072, on page 5, received second consideration.

On the question recurring,

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

AMENDMENT A09229 RECONSIDERED

The SPEAKER. On that question, the Speaker is in receipt of a motion to reconsider. Representatives Barrar and Saylor move that the vote by which amendment A09229 to HB 955, PN 3072, that was passed on the 11th of June be reconsidered.

On the question,

Will the House agree to the motion?

The SPEAKER. On that motion to reconsider, the Speaker recognizes the gentleman from York County, Mr. Saylor.

Mr. SAYLOR. Mr. Speaker, I rise to oppose the amendment.

The SPEAKER. Excuse me; the question before the House is whether or not we are going to reconsider it, the amendment. You are recognized to debate whether or not we should reconsider the amendment.

Mr. SAYLOR. Yes, Mr. Speaker; I apologize.

The reason we should reconsider this is because some members were under the impression that this was to benefit all river rescues in the Commonwealth. It does not. It only pertains to one river rescue in the whole Commonwealth, which I believe is unfair to the rest of the river rescues throughout our Commonwealth, and so I think we need to reconsider the vote by which this was taken.

The SPEAKER. On the motion to reconsider, the Speaker recognizes the gentleman from Washington County, Mr. Neuman.

Mr. NEUMAN. Thank you, Mr. Speaker.

I rise to oppose the motion to reconsider. It was actually brought out during floor debate that it was only going to help this one program.

And this was fully vetted. We had an opportunity to vote "yes" or "no." This is not an adequate reason to bring up this amendment again for a vote, so I would ask that you oppose this motion to reconsider. Thank you.

The SPEAKER. On the motion to reconsider, the Speaker recognizes the gentleman from Northampton County, Mr. Freeman.

Mr. FREEMAN. Thank you, Mr. Speaker.

I also rise to urge a "no" vote on reconsideration.

The gentleman from York made it sound as if this would be the only water rescue that would qualify. As I made clear in my comments before, the reason this is important for the Pennsylvania Water Rescue operation is because the other water rescue companies that are volunteer and associated with a volunteer fire company or an EMS unit already qualify. This is a unique set of circumstances where you have a volunteer water rescue operation that does outstanding work, volunteers their

time, cannot be affiliated with the local fire company because it is a paid service. It is one company. They do good work. They save lives and they are first responders. They deserve to have the same right to apply for these kind of grants as anyone else, and the other companies that are volunteer—

The SPEAKER. Will the gentleman suspend.

I realize it is a little vague there how to define this, but the question before the House is whether or not to consider. I would ask you to try not to redebate the amendment, although I understand the gray area, that that line is not real bright, but try to stay on the reconsideration motion, please.

Mr. FREEMAN. Thank you, Mr. Speaker.

I appreciate the guidance. I was just responding to the gentleman from York's comments on the reconsideration.

So I would urge a "no" vote. I would urge a "no" vote on reconsideration to allow this one company to be able to apply for those grants as other water rescues because of their outstanding work. Thank you.

The SPEAKER. On the question of reconsideration, the Speaker recognizes the gentleman from Delaware County, Mr. Barrar.

Mr. BARRAR. Thank you, Mr. Speaker.

Mr. Speaker, I would ask the members to vote for reconsideration for probably some of the reasons the last gentleman stated, that it only affects one river rescue squadron in the whole State of Pennsylvania. I think our members were under the impression that every fire company that had one of these rescue teams would be eligible. I had an opportunity to talk to them. I am hoping for a different outcome here. I would ask for a "yes" vote. Thank you.

The SPEAKER. The question is, will the House reconsider the vote by which amendment A09229 passed earlier today?

On the question recurring,

Will the House agree to the motion?

The following roll call was recorded:

YEAS—100

Adolph	Farry	Maher	Rapp
Aument	Fleck	Major	Reed
Baker	Gabler	Maloney	Reese
Barrar	Geist	Marshall	Rock
Bear	Gillen	Marsico	Ross
Benninghoff	Gillespie	Masser	Saccone
Bloom	Gingrich	Metcalfe	Saylor
Boback	Grell	Miccarelli	Scavello
Boyd	Grove	Micozzie	Simmons
Brooks	Hackett	Millard	Sonney
Brown, R.	Harper	Miller	Stephens
Causar	Harris	Milne	Stern
Christiana	Heffley	Moul	Stevenson
Clymer	Helm	Murt	Swanger
Cox	Hennessey	Mustio	Tallman
Creighton	Hickernell	O'Neill	Taylor
Culver	Hutchinson	Oberlander	Tobash
Cutler	Kampf	Payne	Toohil
Delozier	Kauffman	Peifer	Truitt
Denlinger	Keller, F.	Perry	Turzai
DiGirolamo	Keller, M.K.	Petri	Vulakovich
Dunbar	Killion	Pickett	Watson
Ellis	Knowles	Pyle	
Evankovich	Krieger	Quigley	Smith, S.,
Evans, J.	Lawrence	Quinn	Speaker
Everett	Mackenzie		

NAYS—97

Barbin	DeLissio	Josephs	Petrarca
Bishop	DeLuca	Kavulich	Preston
Boyle, B.	DePasquale	Keller, W.	Ravenstahl
Boyle, K.	Dermody	Kirkland	Readshaw
Bradford	Donatucci	Kortz	Roae
Brennan	Emrick	Kula	Roebuck
Briggs	Evans, D.	Longietti	Sabatina
Brown, V.	Fabrizio	Mahoney	Sainato
Brownlee	Frankel	Mann	Samuelson
Burns	Freeman	Markosek	Santarsiero
Buxton	Galloway	Matzie	Santoni
Caltagirone	George	McGeehan	Schmotzer
Carroll	Gergely	Metzgar	Smith, K.
Cohen	Gibbons	Mirabito	Smith, M.
Conklin	Godshall	Mullery	Staback
Costa, D.	Goodman	Mundy	Sturla
Costa, P.	Hahn	Murphy	Thomas
Cruz	Haluska	Myers	Toepel
Curry	Harhai	Neilson	Vitali
Daley	Harhart	Neuman	Waters
Davidson	Harkins	O'Brien, M.	Wheatley
Davis	Hess	Parker	White
Day	Hornaman	Pashinski	Williams
Dean	James	Payton	Youngblood
Deasy			

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 clerk read the following amendment No. **A09229**:

Amend Bill, page 3, lines 12 and 13, by striking out "'grant program" AND" in line 12 and "'VOLUNTEER AMBULANCE SERVICE'" in line 13 and inserting

"grant program," "volunteer ambulance service,"
"volunteer fire company" and "volunteer rescue company"

Amend Bill, page 4, line 13, by striking out all of said line and inserting

"Volunteer fire company." A nonprofit chartered corporation, association or organization, including a volunteer rescue company, located in this Commonwealth which provides fire protection or rescue services and which may offer other voluntary emergency services within this Commonwealth. Voluntary emergency services provided by a volunteer fire company may include voluntary ambulance and voluntary rescue services.

Amend Bill, page 5, line 3, by striking out all of said line and inserting

"Volunteer rescue company." A nonprofit chartered corporation, association or organization located in this Commonwealth that provides rescue services as part of the response to fires [or], vehicle or water accidents within this Commonwealth, including an accredited water rescue company.

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

The SPEAKER. On that question, the Speaker recognizes the gentleman from Northampton County, Mr. Freeman.

Mr. FREEMAN. Thank you, Mr. Speaker.

I rise to urge a "yes" vote on my amendment. As was mentioned in previous debate, there is one company that is left out of this because they are not affiliated with a volunteer fire company or an EMS service because they are in the city of Easton and we have a paid fire service. So they cannot apply for these grants.

This water rescue company, the PA Water Rescue, is a volunteer service. They do outstanding work, and they service areas beyond the Lehigh Valley. As I mentioned, last year they came into Lebanon Valley to help those individuals who were victims of severe flooding. They received no compensation for that effort. They are not seeking any kind of paid compensation. They are seeking the ability to apply for the grants that allow them to maintain their equipment and to be the kind of effective water rescue operation that they are.

These are first responders. These are people who put their lives on the line to save human life. All we are asking is that they be granted the same right to apply for this grant because they cannot get that kind of grant application in under the current circumstances.

I ask the members who voted "yes" to please stand by their "yes" vote and to help this one company to continue their outstanding work on behalf of the people of Pennsylvania.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Barrar.

Mr. BARRAR. Thank you, Mr. Speaker.

Mr. Speaker, I would ask the members for a "no" vote on this. This affects one company in the entire State. The fair thing to do, if we were going to do this, would be to open it up to all the river rescue teams that are out there, not one. The way this amendment is drafted, only one company will be affected by this. All through the debate that we had in the Veterans Affairs and Emergency Preparedness Committee, there were different groups that tried to get in here, get into this bill. There were what are called QRS (quick response services), quick response teams. They wanted to be in here. We actually took them out of the bill. There were only five or six of them in the State.

And again, I would ask the members for a "no" vote. Let us get the maximum amount out to our fire companies and EMS companies in the State of Pennsylvania, and I need you to do a "no" vote on this. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from York County, Mr. Saylor.

Mr. SAYLOR. Mr. Speaker, I rise again to oppose the Freeman amendment, and I understand why he wants to do this and I commend him for that one company. But the truth is that what you are doing, not only are there companies that are not receiving it now, but you are now opening it up to every fire company in Pennsylvania, who may choose to now see another way to get money into their fire company and will start and buy a boat and have their own rescue team, whether it is a large stream or it is a river that may flow through their community.

If we want to lessen the grants to our own local community fire companies and open this door up where you are going to be hit by your local fire companies who start to run rescue teams now, you will then vote in favor of the Freeman amendment, and then you are going to find yourself in a quagmire next year when those fire companies, more come forward and say, we want our rescue teams funded as well.

I understand. I have river rescue teams. I have the Susquehanna River, a large part of it along my district line, but they do not get the funding. And for us to single out one particular company in Pennsylvania and then to open the door to lessen the amount of funding for future fire company grants for all of our fire companies in this Commonwealth, I think is opening a Pandora's box.

So while I appreciate what Representative Freeman's rescue company does and I appreciate where he is coming from, we are really putting ourselves into a position that is a no-win situation for our fire companies in the future. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Crawford County, Mr. Roae.

Mr. ROAE. Thank you, Mr. Speaker.

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

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

Mr. ROAE. Thank you, Mr. Speaker.

Mr. Speaker, we have an organization in my county, in Crawford County. It is the Crawford County Scuba Team. They are not a part of another volunteer fire department; they are not part of an ambulance service. They are an independent organization. They provide services throughout Crawford County and the region. I am a volunteer firefighter. They came to our township a couple weeks ago. We had a car that went into a pond. We do not have the training; we do not have the experience to do something like that. The scuba team was called to take care of that situation.

Now, some people are saying your amendment would only cover one department. Would your amendment cover all water rescue type of departments or any of them that are not affiliated with other fire departments?

Mr. FREEMAN. Thank you, Mr. Speaker.

I guess the question to be answered is, is this organization accredited?

Mr. ROAE. That I am not sure of. What is involved in becoming accredited?

Mr. FREEMAN. You obviously have to meet a certain standard. You have to be approved by the Pennsylvania Voluntary Rescue Services Program, which is comprised of the representatives from the Fish and Boat Commission, the Fire Commissioner, and the Department of Health. If they can meet accreditation and they are not affiliated, they, too, will be eligible for these kinds of grants.

The issue, though, is to be either accredited or to be able to be part of an EMS operation, a volunteer EMS or volunteer fire company in order to do so. In fact, to that point, the gentleman from Delaware County made it sound like others were excluded; in reality, if they are part of a volunteer fire company already, if they are part of an EMS operation, they already can qualify for these grants under the law. So this is meant to help

those water rescue operations that do save lives and are accredited to be able to apply for the same grants.

Mr. ROAE. Mr. Speaker, is there a list available of the accredited departments?

Mr. FREEMAN. To my knowledge there is. I do not know how many of them are affiliated and how many are not, but there is a list available to the best of my knowledge.

Mr. ROAE. Mr. Speaker, the way the amendment is drafted, if a company was not accredited now but became accredited in the future, I assume they would then qualify?

Mr. FREEMAN. That would be correct. It is a handful of operations that actually do water rescue. I believe – and if you can give me one moment – to the best of my knowledge, there are 40 water rescue operations. It is difficult to ascertain from the list how many are affiliated with a volunteer fire company, how many are affiliated, say, with an EMS, or how many are part of a municipal service, but those that are affiliated with a volunteer fire company, those that are affiliated with a volunteer EMS operation currently are eligible for these grants. To the best of my knowledge, this is the one company – that is in the process of being accredited, actually – that will be eligible if this were to pass. Without it, they are very likely to probably be marginalized and no longer exist. They have been struggling for years to maintain their equipment levels. They are purely volunteer. They raise their money by selling Christmas trees and doing bingo nights, and they do excellent work saving human lives.

So I am asking this House to please stand with people who have saved people not only in the Lehigh Valley but throughout eastern Pennsylvania. They have been available for water rescue throughout eastern Pennsylvania, as I mentioned, last year helping out in rescue operations in Lebanon County.

Mr. ROAE. Thank you, Mr. Speaker.

I think the water rescue is very important; like I said, back in Crawford County we really depend on that.

I think you have a good amendment, and I support the amendment. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Westmoreland County, Mr. Evankovich.

Mr. EVANKOVICH. Thank you, Mr. Speaker.

Would the majority chairman of the Veterans Affairs and Emergency Preparedness Committee stand for brief interrogation?

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

Mr. EVANKOVICH. Thank you, Mr. Speaker.

Mr. Speaker, do you have an estimate on how many of these QRS organizations exist in Pennsylvania that would become eligible under this amendment?

Mr. BARRAR. Because this amendment has just really come up, we really have not had a chance to take a look at this to see how many. I think the previous speaker had quoted somewhere around 40. I would estimate that number has got to be higher when you include water rescue, if you include dive teams, and every fire company that has some type of a specialty type of craft out there, watercraft, that is eligible to go out there and rescue people in the water.

I assume that everyone that does any type of water rescue will be applying for grants under this amendment if it goes into

the bill, which could be as many as 300 or 400 companies applying for this grant, which will greatly water down the money available to the fire companies.

Mr. EVANKOVICH. Thank you, Mr. Speaker.

Are you aware or can you make any estimates as to what this will do for the grants available for our existing volunteer fire companies if this gets into the bill?

Mr. BARRAR. When we started this we were hoping to get enough money in there just to cover some of the increased cost in the diesel fuel that these companies pay. If we allow all these different categories to go in, I think it is going to greatly reduce the money that is going to be available for the EMS and fire companies at this point.

And 2 years from now I would be more than willing to come back here when this sunsets again and we have an opportunity to shoot for more funding to entertain these specialty groups that we have in here today, but I truly believe right now is the wrong time to do this.

Mr. EVANKOVICH. Thank you, Mr. Speaker.

That concludes my interrogation. Just very briefly on the amendment.

The SPEAKER. The gentleman is in order on the amendment.

Mr. EVANKOVICH. At first glance, I voted for this amendment whenever I first read it because I did not realize the full implication. I believe if we pass this amendment, it will really water down substantially the amount of aid that is available and grant money to our local fire companies.

And I agree with the majority chairman that we need to at some point address these water rescues. I am just not sure that today and right now is the time to do it.

Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Lancaster County, Mr. Sturla.

Mr. STURLA. Thank you, Mr. Speaker.

Will the maker of the amendment rise for brief interrogation?

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

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, as I understand from what you stated earlier, if there is currently a water rescue team that is affiliated with a volunteer fire department or an EMS, that volunteer fire department or EMS can currently apply for a grant that would include the equipment used by the water rescue team. Is that correct?

Mr. FREEMAN. That is correct, Mr. Speaker, and that is how most of these operations get their grant money, is through that affiliation.

Mr. STURLA. So, Mr. Speaker, if my volunteer fire department or EMS decided to run out and buy a boat tomorrow, as was suggested might happen, would they also qualify to get a grant for that equipment if they started a water rescue team?

Mr. FREEMAN. It would have to be an accredited water rescue team or one that would meet the other State standards, but they would be able to apply for it through the program because it is equipment needs for what is part of their operation.

Mr. STURLA. So, Mr. Speaker, the gold rush that is predicted here if your amendment passes already exists. All you are saying is that because your particular boat and rescue team

is affiliated with a paid department, they do not qualify for any of this, and that is why you are saying that they would under your amendment, but currently any of the predictions that there are going to be 300 or 400 other companies, anyone that already has a water rescue team that is qualified already qualifies for funds. Is that correct?

Mr. FREEMAN. Yes, in essence, that is true. One clarification: Because this is a volunteer water rescue operation, they cannot affiliate with the paid municipal service, and that is what is the impediment to them being able to make an application for these kinds of grants.

And I have to state, to clarify the record again, the gentleman from Delaware made it sound like there were so many. According to the official record, there are about 40-some that exist in the State, and it is difficult to ascertain which of those are affiliated, but just looking at the list of the names, it indicates that most of them are already affiliated with a volunteer EMS or volunteer fire company, so they are able to qualify for the grants. This is one exception which, again, provides a valuable service to people throughout the eastern part of Pennsylvania but cannot make an application for these grants because they are not affiliated with a volunteer fire company or EMS being in the city of Easton and having a municipal service.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, the other thing that was raised was that this amendment had sort of been sprung upon us. Did you timely file your amendment?

Mr. FREEMAN. Yes, Mr. Speaker, and I am glad the gentleman brought that issue up. This bill was intended to be voted last week and was passed over. The draft of our amendment dates from March, March 12 of this year, so this issue did not just pop up. It has been there. I discussed the amendment with the prime sponsor of the bill last week, and it has been around for a while, and obviously it has been caucused as well.

Mr. STURLA. Mr. Speaker, so what you are saying is, this amendment has been around a long time; plenty of time to vet it. There is not the opportunity for a rush on people starting water rescue teams.

And one other final thing. If I have a paid department, paid fire department, and we have a paid water rescue team, does that qualify for any of this money?

Mr. FREEMAN. Thank you for your patience, Mr. Speaker.

Under the current language in the bill – totally unrelated to my amendment – if a municipal fire company is now eligible for these grants. So if they have a service, they would be eligible as well, but again, it would have to be a paid service. This is the anomaly or the unique circumstances that are brought on by my amendment in that you have a volunteer water rescue but you have a paid service. They fall between the cracks. Again, currently if it is a volunteer EMS or volunteer fire company and they have a water rescue, they qualify. If it is a paid service, since this bill now provides grants for paid services, in all likelihood it will qualify as a paid water rescue, but here we have volunteers who are putting in lots of time, lots of hours to save human lives in very precarious situations who will not qualify.

Mr. STURLA. So let me clarify this: Under the bill, everybody would qualify who is currently volunteer or who is paid except your water rescue team?

Mr. FREEMAN. That is my understanding as I understand the circumstances. And keep in mind, I know the prime sponsor

mentioned the idea of cutting it into other grants. It is my understanding grants are capped at about \$15,000 and the actual dollar figure is about \$11,000. So we are not talking about making a significant dent in the pot of money that is there, but we are talking about the ability for an exceptional water rescue operation to stay in existence by being able to acquire the equipment they need to continue their volunteer effort to save human lives in very precarious flooding situations.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, if I may, on the amendment?

The SPEAKER. On the amendment, the gentleman is in order.

Mr. STURLA. Mr. Speaker, for the reasons stated by the maker of the amendment, I ask for an affirmative vote. This is something that seems like we are being punitive to one particular water rescue team that seems to have been around for a while but for some of these dollars may not be around in the near future, and I would encourage a positive vote. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Bucks County, Mr. Farry.

Mr. FARRY. Thank you, Mr. Speaker.

I rise to speak out against this amendment. With all due respect to the maker of the amendment, I understand what he is intending to accomplish. The drafter of this legislation I believe has already stated that he would work with the maker of this amendment over the course of the next 2 years, between now and the proposed sunset of this legislation, to perhaps bring about some resolution.

My concern is the unintended consequences of this amendment. For example, a current nonprofit volunteer fire company that has as one of its service units that it provides a marine unit, a water rescue unit, could now separate that water rescue unit as a separate nonprofit, divide its assets as a separate nonprofit, and now be able to apply for two grants – one for the primary fire company and now one for the separate nonprofit water rescue unit. That is not what this legislation is intended to do. This legislation's pure intent is to provide grants to fire companies and ambulance providers, EMS providers.

I think there is a significant unintended consequence that could evolve with this legislation, and I think it is better to be considered over the course of the next 2 years. I respectfully ask for a "no" vote on this amendment.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Northampton County, Mr. Freeman, for the second time.

Mr. FREEMAN. Thank you, Mr. Speaker.

I will not belabor the point, but I ask the members of this House to please allow this one water rescue company, which does outstanding work, which has time and again helped to save lives, to be able to apply for a grant.

As I mentioned, this is the only water rescue operation I am aware of that does not qualify, because they are not affiliated with a volunteer fire or a volunteer EMS service. They have done outstanding work, most recently way outside of the Lehigh Valley in Lebanon County, relieving those fire companies of the need for other water rescue services. They came to the aid of people way outside of their jurisdiction in Lebanon County to save lives and to help with a very drastic situation.

I would like to think the members of this House will stand by our first responders and not be parochial. These are individuals who put their lives on the line to save human life. They are not looking for a handout; they are looking for the ability to apply for a grant to continue their fine work. And I am amazed that anyone in this chamber, anyone could be opposed to allowing an exceptional water rescue operation to at least be able to submit an application in order to be able to continue their fine work.

In all likelihood, this operation probably will not be around in 2 years if they cannot make an effort to apply for this kind of equipment. I am asking you to let them continue to exist and for all of us to stand by our first responders, who do so much putting their lives on the line to save human life. I ask for a "yes" vote.

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

The following roll call was recorded:

YEAS—105

Barbin	DeLuca	Keller, W.	Payton
Bishop	DePasquale	Kirkland	Petrarca
Boyle, B.	Dermody	Kortz	Preston
Boyle, K.	Donatucci	Kula	Ravenstahl
Bradford	Emrick	Longietti	Readshaw
Brennan	Evans, D.	Maher	Roae
Briggs	Fabrizio	Mahoney	Roebuck
Brooks	Frankel	Mann	Sabatina
Brown, V.	Freeman	Markosek	Sainato
Brownlee	Gabler	Matzie	Samuelson
Burns	Galloway	McGeehan	Santarsiero
Buxton	George	Metzgar	Santoni
Caltagirone	Gergely	Miccarelli	Schmotzer
Carroll	Gibbons	Millard	Smith, K.
Cohen	Godshall	Mirabito	Smith, M.
Conklin	Goodman	Mullery	Staback
Costa, D.	Hahn	Mundy	Stephens
Costa, P.	Haluska	Murphy	Sturla
Cruz	Harhai	Murt	Thomas
Curry	Harhart	Mustio	Toepel
Daley	Harkins	Myers	Vitali
Davidson	Harper	Neilson	Waters
Davis	Hornaman	Neuman	Wheatley
Day	James	O'Brien, M.	White
Dean	Josephs	Parker	Williams
Deasy	Kavulich	Pashinski	Youngblood
DeLissio			

NAYS—92

Adolph	Everett	Lawrence	Reed
Aument	Farry	Mackenzie	Reese
Baker	Fleck	Major	Rock
Barrar	Geist	Maloney	Ross
Bear	Gillen	Marshall	Saccone
Benninghoff	Gillespie	Marsico	Saylor
Bloom	Gingrich	Masser	Scavello
Boback	Grell	Metcalfe	Simmons
Boyd	Grove	Micozzie	Sonney
Brown, R.	Hackett	Miller	Stern
Causar	Harris	Milne	Stevenson
Christiana	Heffley	Moul	Swanger
Clymer	Helm	O'Neill	Tallman
Cox	Hennessey	Oberlander	Taylor
Creighton	Hess	Payne	Tobash
Culver	Hickernell	Peifer	Toohil
Cutler	Hutchinson	Perry	Truitt
Delozier	Kampf	Petri	Turzai

Denlinger	Kauffman	Pickett	Vulakovich
DiGirolamo	Keller, F.	Pyle	Watson
Dunbar	Keller, M.K.	Quigley	
Ellis	Killion	Quinn	Smith, S.,
Evankovich	Knowles	Rapp	Speaker
Evans, J.	Krieger		

NOT VOTING—0

EXCUSED—4

Gerber	Hanna	Kotik	Vereb
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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 recurring,

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

Bill as amended was agreed to.

(Bill as amended will be reprinted.)

The SPEAKER. The House will be at ease for a minute or two.

The House will come to order.

* * *

The House proceeded to second consideration of **HB 11, PN 2889**, entitled:

An Act amending the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, further providing for enforcement; further providing for definitions, for general powers of board, for when sales may be made at Pennsylvania liquor stores, for sales by Pennsylvania liquor stores; adding provisions relating to wholesale wine distribution; further providing for authority to issue liquor licenses to hotels, restaurants and clubs, for sale of malt or brewed beverages by liquor licensees, and for malt and brewed beverages manufacturers', distributors' and importing distributors' licenses; adding provisions relating to enhanced distributor's licenses; and further providing for malt and brewed beverages retail licenses, for distributors' and importing distributors' restrictions on sales and storage, for retail dispensers' restrictions on purchases and sales, for interlocking business prohibited, for licenses not assignable and transfers, for revocation and suspension of licenses and fees, for unlawful acts relative to liquor, alcohol and liquor licensees, for unlawful acts relative to malt or brewed beverages and licensees, for unlawful acts relative to liquor, malt and brewed beverages and licensees, for moneys paid into Liquor License Fund and returned to municipalities, and for moneys paid into State Stores Fund for use of Commonwealth.

On the question,

Will the House agree to the bill on second consideration?

Mr. **TURZAI** offered the following amendment
No. **A11448**:

Amend Bill, page 1, lines 17 through 28; page 2, lines 1 through 17, by striking out all of said lines on said pages and inserting in preliminary provisions, further providing for definitions and for interpretation; in administration, further providing for general powers of board; in administration, providing for adjustment of fees by regulation; in administration, further providing for subjects of

regulation, for enforcement, for Bureau of Consumer Relations and for wine and spirits marketing; in Pennsylvania Liquor Stores, further providing for establishment, for selection of personnel, for management, for sales and for audits by Auditor General; providing for wine and spirits distribution; in licensing and regulation, further providing for authority to issue liquor licenses to hotels, restaurants and clubs, for issuance, transfer or extension of hotel, restaurant and club liquor licenses, for license fees, for sale of malt and brewed beverages by liquor licensees, for wine auction permits, for liquor importers, for malt and brewed beverages licenses, for retail dispensers' restrictions on purchases and sales, for license transfer, for revocation and suspension of licenses and fines, for local option, for shipment of wine into Commonwealth, for unlawful acts relative to liquor, alcohol and liquor licensees, for unlawful acts relative to malt or brewed beverages and licensees and for unlawful acts relative to liquor, malt and brewed beverages and licensees; in licensing and regulation, providing for unlawful acts relative to wine and spirits retail licensees; in licensing and regulation, further providing for identification cards, licensees and immunity; and making a related repeal.

Amend Bill, page 27, lines 24 through 30; pages 28 through 136, lines 1 through 30; page 137, lines 1 through 7, by striking out all of said lines on said pages and inserting

Section 1. The definitions of "case" and "potable distilled spirits" in section 102 of the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, reenacted and amended June 29, 1987 (P.L.32, No.14) and amended July 7, 2006 (P.L.584, No.84), are amended and the section is amended by adding a definition to read:

Section 102. Definitions.—The following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:

* * *

"Case" shall mean a package prepared [by the manufacturer] for sale or distribution of [twelve] six or more original containers totaling [two hundred sixty-four] seventy-two or more fluid ounces of malt or brewed beverages [excepting those packages containing twenty-four or more original containers each holding seven fluid ounces or more].

* * *

"Municipal police department" shall mean a police department of a county, city, region, borough, town or township.

* * *

"Potable distilled spirits" or "spirits" shall mean and include any distillate from grains, wine, fruits, vegetables or molasses, except ethyl alcohol, capable of being used for beverage purposes.

* * *

Section 2. Section 104(c) and (d) of the act, amended December 7, 1990 (P.L.622, No.160) and December 20, 1996 (P.L.1513, No.196), are amended to read:

Section 104. Interpretation of Act.—* * *

(c) Except as otherwise expressly provided, the purpose of this act is to prohibit the manufacture of and transactions in liquor, alcohol and malt or brewed beverages which take place in this Commonwealth, except by and under the control of the board as herein specifically provided, and every section and provision of the act shall be construed accordingly; to provide a structure in this Commonwealth for a distribution system, including the [establishment of Pennsylvania liquor stores and] licensing of wine and spirits wholesalers, wine and spirits retailers, importing distributors and distributors; and to preserve manufacturers of liquor and alcohol and malt and brewed beverages selling those products within this Commonwealth. The provisions of this act dealing with the manufacture, importation, sale, distribution and disposition of liquor, alcohol and malt or brewed beverages within the Commonwealth through [the instrumentality of the board,] licensees and otherwise, provide the means by which such control shall be made effective. This act shall not be construed as forbidding, affecting or regulating any transaction which is not subject to the legislative authority of this Commonwealth.

(d) The provisions of this act are intended to create a system for distribution [that shall include the fixing of prices for] of liquor and

alcohol and controls placed on prices for liquor and alcohol and malt and brewed beverages, and each of which shall be construed as integral to the preservation of the system, without which system the Commonwealth's control of the sale of liquor and alcohol and malt and brewed beverages and the Commonwealth's promotion of its policy of temperance and responsible conduct with respect to alcoholic beverages would not be possible.

* * *

Section 3. Section 207(a), (b), (c) and (j) of the act, amended November 30, 2004 (P.L.1727, No.221) and December 8, 2004 (P.L.1810, No.239), are amended to read:

Section 207. General Powers of Board.—Under this act, the board shall have the power and its duty shall be:

[(a) To buy, import or have in its possession for sale and sell liquor, alcohol, corkscrews, wine and liquor accessories, trade publications, gift cards, gift certificates, wine- or liquor-scented candles and wine glasses in the manner set forth in this act: Provided, however, That all purchases shall be made subject to the approval of the State Treasurer, or his designated deputy. The board shall buy liquor and alcohol at the lowest price and in the greatest variety reasonably obtainable.]

(b) To control the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in accordance with the provisions of this act[, and to fix the wholesale and retail prices at which liquors and alcohol shall be sold at Pennsylvania Liquor Stores. Prices shall be proportional with prices paid by the board to its suppliers and shall reflect any advantage obtained through volume purchases by the board. The board may establish a preferential price structure for wines produced within this Commonwealth for the promotion of such wines, as long as the price structure is uniform within each class of wine purchased by the board. The board shall require each Pennsylvania manufacturer and each nonresident manufacturer of liquors, other than wine, selling such liquors to the board, which are not manufactured in this Commonwealth, to make application for and be granted a permit by the board before such liquors not manufactured in this Commonwealth shall be purchased from such manufacturer. Each such manufacturer shall pay for such permit a fee which, in the case of a manufacturer of this Commonwealth, shall be equal to that required to be paid, if any, by a manufacturer or wholesaler of the state, territory or country of origin of the liquors, for selling liquors manufactured in Pennsylvania, and in the case of a nonresident manufacturer, shall be equal to that required to be paid, if any, in such state, territory or country by Pennsylvania manufacturers doing business in such state, territory or country. In the event that any such manufacturer shall, in the opinion of the board, sell or attempt to sell liquors to the board through another person for the purpose of evading this provision relating to permits, the board shall require such person, before purchasing liquors from him or it, to take out a permit and pay the same fee as hereinbefore required to be paid by such manufacturer. All permit fees so collected shall be paid into the State Stores Fund. The board shall not purchase any alcohol or liquor fermented, distilled, rectified, compounded or bottled in any state, territory or country, the laws of which result in prohibiting the importation therein of alcohol or liquor, fermented, distilled, rectified, compounded or bottled in Pennsylvania.

(c) To determine the municipalities within which Pennsylvania Liquor Stores shall be established and the locations of the stores within such municipalities].

* * *

[(j) By regulation, to provide for the use of a computerized referral system to assist consumers in locating special items at Pennsylvania Liquor Stores and for the use of electronic transfer of funds and credit cards for the purchase of liquor and alcohol at Pennsylvania Liquor Stores.]

* * *

Section 3.1. The act is amended by adding a section to read:

Section 207.1. Adjustment of Fees by Regulation.—(a)

Notwithstanding any provision of this act or the act of April 9, 1929 (P.L.177, No.175), known as "The Administrative Code of 1929," to the contrary, all fees required under this act shall be fixed by the board by regulation and shall be subject to the act of June 25, 1982 (P.L.633, No.181), known as the "Regulatory Review Act." If the revenues raised by the fees imposed under this act are not sufficient to meet expenditures over a two-year period, the board shall increase the fees by regulation so that the projected revenues will meet projected expenditures.

(b) If the board determines that the fees established by the board under subsection (a) are inadequate to meet the minimum enforcement efforts required under this act, the enforcement bureau, after consultation with the board and subject to the "Regulatory Review Act," shall increase the fees by regulation in an amount so that adequate revenues are raised to meet the required expenditures.

(c) All fees imposed in accordance with this act shall be for the exclusive use of the board in carrying out the provisions of this act and shall be annually appropriated for that purpose.

(d) All acts or parts of acts are repealed insofar as they are inconsistent with this section.

Section 4. Section 208 of the act is amended to read:

Section 208. Specific Subjects on Which Board May Adopt Regulations.—Subject to the provisions of this act and without limiting the general power conferred by the preceding section, the board may make regulations regarding:

[(a) The equipment and management of Pennsylvania Liquor Stores and warehouses in which liquor and alcohol are kept or sold, and the books and records to be kept therein.]

(b) The duties and conduct of the officers and employees of the board.

[(c) The purchase, as provided in this act, of liquor and alcohol, and its supply to Pennsylvania Liquor Stores.

(d) The classes, varieties and brands of liquor and alcohol to be kept and sold in Pennsylvania Liquor Stores. In making this determination the board shall meet not less than twice a year.

(e) The issuing and distribution of price lists for the various classes, varieties or brands of liquor and alcohol kept for sale by the board under this act.]

(f) The labeling of liquor and alcohol sold under this act and of liquor and alcohol lawfully acquired by any person prior to January first, one thousand nine hundred thirty-four.

(g) Forms to be used for the purposes of this act.

(h) The issuance of licenses and permits and the conduct, management, sanitation and equipment of places licensed or included in permits.

[(i) The place and manner of depositing the receipts of Pennsylvania Liquor Stores and the transmission of balances to the Treasury Department through the Department of Revenue.

(j) The solicitation by resident or nonresident vendors of liquor from Pennsylvania licensees and other persons of orders for liquor to be sold through the Pennsylvania Liquor Stores and, in the case of nonresident vendors, the collection therefrom of license fees for such privilege at the same rate as provided herein for importers' licenses.]

Section 5. Section 211(a) of the act, amended October 5, 1994 (P.L.537, No.80), is amended to read:

Section 211. Enforcement.—(a) There is created within the Pennsylvania State Police a Bureau of Liquor Control Enforcement [which]. The bureau and municipal police departments shall be responsible for enforcing this act and any regulations promulgated pursuant thereto. Officers and investigators assigned to the bureau or a municipal police department shall have the power and their duty shall be:

(1) To investigate whenever there are reasonable grounds to believe liquor, alcohol or malt or brewed beverages are being sold on premises not licensed under the provisions of this act. If the investigation produces evidence of the unlawful sale of liquor or malt or brewed beverages or any other violation of the provisions of this act, the officer involved in the investigation shall institute criminal

proceedings against the person or persons believed to have been criminally liable, as otherwise provided by law or rule of court.

(2) To arrest on view, except in private homes, without warrant, any person actually engaged in the unlawful sale, importation, manufacture or transportation or having unlawful possession of liquor, alcohol or malt or brewed beverages contrary to the provisions of this act or any other law of this Commonwealth or any person whom the officer/investigator, while in the performance of his assigned duties under and pursuant to this act and any regulations promulgated under this act, observes to be in violation of any of the following provisions:

18 Pa.C.S. § 3302 (relating to causing or risking catastrophe).

18 Pa.C.S. § 3304 (relating to criminal mischief).

18 Pa.C.S. § 4101 (relating to forgery).

18 Pa.C.S. § 5503 (relating to disorderly conduct).

18 Pa.C.S. § 5505 (relating to public drunkenness and similar misconduct).

18 Pa.C.S. § 5512 (relating to lotteries, etc.).

18 Pa.C.S. § 5513 (relating to gambling devices, gambling, etc.).

18 Pa.C.S. § 5514 (relating to pool selling and bookmaking).

18 Pa.C.S. § 6307 (relating to misrepresentation of age to secure liquor or malt or brewed beverages).

18 Pa.C.S. § 6308 (relating to purchase, consumption, possession or transportation of liquor or malt or brewed beverages).

18 Pa.C.S. § 6309 (relating to representing that minor is of age).

18 Pa.C.S. § 6310.1 (relating to selling or furnishing liquor or malt or brewed beverages to minors).

18 Pa.C.S. § 6310.3 (relating to carrying a false identification card).

(3) Upon reasonable and probable cause, to search for and to seize, without warrant or process, except in private homes, any liquor, alcohol or malt or brewed beverages unlawfully possessed, manufactured, sold, imported or transported and any stills, equipment, materials, utensils, vehicles, boats, vessels, animals, aircraft, or any of them, which are or have been used in the unlawful manufacture, sale, importation or transportation of the same. Such liquor, alcohol, malt or brewed beverages, stills, equipment, materials, utensils, vehicles, boats, vessels, animals or aircraft so seized shall be disposed of as hereinafter provided.

(4) To investigate and issue citations for any violations of this act or any laws of this Commonwealth relating to liquor, alcohol or malt or brewed beverages, or any regulations of the board adopted pursuant to such laws or any violation of any laws of this Commonwealth or of the Federal Government, relating to the payment of taxes on liquor, alcohol or malt or brewed beverages by any licensee, his officers, servants, agents or employees.

(5) To arrest any person who engages in the following offenses when the said offenses are committed against the officer/investigator or any person accompanying and assisting the officer/investigator while the said officer/investigator is performing assigned duties under and pursuant to this act and any regulations promulgated under this act:

18 Pa.C.S. § 2701 (relating to simple assault).

18 Pa.C.S. § 2702 (relating to aggravated assault).

18 Pa.C.S. § 2705 (relating to recklessly endangering another person).

18 Pa.C.S. § 2706 (relating to terroristic threats).

18 Pa.C.S. § 2709 (relating to harassment [and stalking]).

18 Pa.C.S. § 5104 (relating to resisting arrest or other law enforcement).

18 Pa.C.S. § 5501 (relating to riot).

(6) To serve and execute warrants issued by the proper authorities for offenses referred to in this subsection and to serve subpoenas.

(7) To arrange for the administration of chemical tests of breath,

blood or urine, including preliminary breath tests, to persons for the purpose of determining the alcoholic content of blood or the presence of a controlled substance by qualified personnel of a State or local police department or qualified personnel of a clinical laboratory licensed and approved by the Department of Health.

Section 6. Section 213 of the act, amended April 29, 1994 (P.L.212, No.30), is repealed:

[Section 213. Bureau of Consumer Relations.—The board shall establish a Bureau of Consumer Relations which shall be responsible for handling all consumer complaints and suggestions. The bureau shall develop a system-wide program for investigating all complaints and suggestions and implementing improvements into the State store system. The management of the bureau shall be vested in a director, who shall be assisted by such other personnel as the board deems necessary.]

Section 7. Section 215 of the act, amended June 25, 2010 (P.L.217, No.35), is repealed:

[Section 215. Wine and Spirits Marketing.—(e) The board is authorized to participate in or sponsor wine and spirits events for the purpose of educating consumers as to the wines and spirits available in this Commonwealth. The wine and spirits to be used for the event may be acquired through the State store system or may be donated from outside this Commonwealth. Participation in the tastings may be conditioned on the purchase of a ticket to the event. The event may include events occurring on premises licensed by the board, and the board may sell wine and spirits for off-premises consumption in an area designated by the board for such sale.]

Section 8. Sections 301, 302 and 303 of the act are repealed:

[Section 301. Board to Establish State Liquor Stores.—(a) The board shall establish, operate and maintain at such places throughout the Commonwealth as it shall deem essential and advisable, stores to be known as "Pennsylvania Liquor Stores," for the sale of liquor and alcohol in accordance with the provisions of and the regulations made under this act; except that no store not so already located shall be located within three hundred feet of any elementary or secondary school, nor within a dry municipality without there first having been a referendum approving such location. When the board shall have determined upon the location of a liquor store in any municipality, it shall give notice of such location by public advertisement in two newspapers of general circulation. In cities of the first class, the location shall also be posted for a period of at least fifteen days following its determination by the board as required in section 403(g) of this act. The notice shall be posted in a conspicuous place on the outside of the premises in which the proposed store is to operate or, in the event that a new structure is to be built in a similarly visible location. If, within five days after the appearance of such advertisement, or of the last day upon which the notice was posted, fifteen or more taxpayers residing within a quarter of a mile of such location, or the City Solicitor of the city of the first class, shall file a protest with the court of common pleas of the county averring that the location is objectionable because of its proximity to a church, a school, or to private residences, the court shall forthwith hold a hearing affording an opportunity to the protestants and to the board to present evidence. The court shall render its decision immediately upon the conclusion of the testimony and from the decision there shall be no appeal. If the court shall determine that the proposed location is undesirable for the reasons set forth in the protest, the board shall abandon it and find another location. The board may establish, operate and maintain such establishments for storing and testing liquors as it shall deem expedient to carry out its powers and duties under this act.

(b) The board may lease the necessary premises for such stores or establishments, but all such leases shall be made through the Department of General Services as agent of the board. The board, through the Department of General Services, shall have authority to purchase such equipment and appointments as may be required in the operation of such stores or establishments.

Section 302. Selection of Personnel.—Officers and employees of

the board, except as herein otherwise provided, shall be appointed and employed subject to the provisions of the Civil Service Act.

Section 303. Management of Pennsylvania Liquor Stores.—Every Pennsylvania Liquor Store shall be conducted by a person appointed in the manner provided in the Civil Service Act who shall be known as the "manager" and who shall, under the directions of the board, be responsible for carrying out the provisions of this act and the regulations adopted by the board under this act as far as they relate to the conduct of such stores.]

Section 9. Section 304 of the act, amended December 8, 2004 (P.L.1810, No.239), is repealed:

[Section 304. When Sales May Be Made at Pennsylvania Liquor Stores.—(a) Except as provided for in subsection (b), every Pennsylvania Liquor Store shall be open for business week days, except holidays as that term is defined in section 102. The board may, with the approval of the Governor, temporarily close any store in any municipality.

(b) Certain Pennsylvania Liquor Stores operated by the board shall be open for Sunday retail sales between the hours of noon and five o'clock postmeridian, except that no Sunday sales shall occur on Easter Sunday or Christmas day. The board shall open up to twenty-five per centum of the total number of Pennsylvania Liquor Stores at its discretion for Sunday sales as provided for in this subsection. The board shall submit yearly reports to the Appropriations and the Law and Justice Committees of the Senate and the Appropriations and the Liquor Control Committees of the House of Representatives summarizing the total dollar value of sales under this section.]

Section 10. Section 305 of the act, amended May 8, 2003 (P.L.1, No.1), July 17, 2003 (P.L.63, No.15), November 30, 2004 (P.L.1727, No.221), December 8, 2004 (P.L.1810, No.239) and July 6, 2005 (P.L.135, No.39), is repealed:

[Section 305. Sales by Pennsylvania Liquor Stores.—(a) The board shall in its discretion determine where and what classes, varieties and brands of liquor and alcohol it shall make available to the public and where such liquor and alcohol will be sold. Every Pennsylvania Liquor Store shall be authorized to sell combination packages. If a person desires to purchase a class, variety or brand of liquor or alcohol not currently available from the board, he or she may place a special order for such item so long as the order is for two or more bottles. The board may require a reasonable deposit from the purchaser as a condition for accepting the order. The customer shall be notified immediately upon the arrival of the goods.

In computing the retail price of such special orders for liquor or alcohol, the board shall not include the cost of freight or shipping before applying the mark-up and taxes but shall add the freight or shipping charges to the price after the mark-up and taxes have been applied.

Unless the customer pays for and accepts delivery of any such special order within ten days after notice of arrival, the store may place it in stock for general sale and the customer's deposit shall be forfeited.

(b) Every Pennsylvania Liquor Store shall sell liquors at wholesale to hotels, restaurants, clubs, and railroad, pullman and steamship companies licensed under this act; and, under the regulations of the board, to pharmacists duly licensed and registered under the laws of the Commonwealth, and to manufacturing pharmacists, and to reputable hospitals approved by the board, or chemists. Sales to licensees shall be made at a price that includes a discount of ten per centum from the retail price. The board may sell to registered pharmacists only such liquors as conform to the Pharmacopoeia of the United States, the National Formulary, or the American Homeopathic Pharmacopoeia. The board may sell at special prices under the regulations of the board, to United States Armed Forces facilities which are located on United States Armed Forces installations and are conducted pursuant to the authority and regulations of the United States Armed Forces. All other sales by such stores shall be at retail. A person entitled to purchase liquor at wholesale prices may purchase the liquor at any Pennsylvania Liquor Store upon tendering cash, check or credit card for the full amount of the purchase. For this purpose, the board

shall issue a discount card to each licensee identifying such licensee as a person authorized to purchase liquor at wholesale prices. Such discount card shall be retained by the licensee. The board may contract through the Commonwealth bidding process for delivery to wholesale licensees at the expense of the licensee receiving the delivery.

(c) Whenever any checks issued in payment of liquor or alcohol purchased from State Liquor Stores by persons holding wholesale purchase permit cards issued by the board shall be returned to the board as dishonored, the board shall charge a fee of five dollars per hundred dollars or fractional part thereof, plus all protest fees, to the maker of such check submitted to the board. Failure to pay the face amount of the check in full and all charges thereon as herein required within ten days after demand has been made by the board upon the maker of the check shall be cause for revocation or suspension of any license issued by the board to the person who issued such check and the cancellation of the wholesale purchase permit card held by such person.

(d) No liquor or alcohol package shall be opened on the premises of a Pennsylvania Liquor Store. No manager or other employe of the board employed in a Pennsylvania Liquor Store shall allow any liquor or alcohol to be consumed on the store premises, nor shall any person consume any liquor or alcohol on such premises, except liquor and alcohol which is part of a tasting conducted pursuant to the board's regulations. Such tastings may also be conducted in the board's headquarters or regional offices.

(e) The board may sell tax exempt alcohol to the Commonwealth of Pennsylvania and to persons to whom the board shall, by regulation to be promulgated by it, issue special permits for the purchase of such tax exempt alcohol.

Such permits may be issued to the United States or any governmental agency thereof, to any university or college of learning, any laboratory for use exclusively in scientific research, any hospital, sanitorium, eleemosynary institution or dispensary; to physicians, dentists, veterinarians and pharmacists duly licensed and registered under the laws of the Commonwealth of Pennsylvania; to manufacturing chemists and pharmacists or other persons for use in the manufacture or compounding of preparations unfit for beverage purposes.

(f) Every purchaser of liquor, alcohol, corkscrews, wine or liquor accessories, trade publications, gift cards, gift certificates, wine- or liquor-scented candles or wine glasses from a Pennsylvania Liquor Store shall receive a numbered receipt which shall show the price paid therefor and such other information as the board may prescribe. Copies of all receipts issued by a Pennsylvania Liquor Store shall be retained by and shall form part of the records of such store.

(g) The board is hereby authorized and empowered to adopt and enforce appropriate rules and regulations to insure the equitable wholesale and retail sale and distribution, through the Pennsylvania Liquor Stores, of available liquor and alcohol at any time when the demand therefor is greater than the supply.

(h) Every Pennsylvania Liquor Store shall sell gift certificates and gift cards which may be redeemed for any product sold by the board. In addition, the board may sell corkscrews, wine and liquor accessories, wine- or liquor-scented candles, trade publications and wine sleeves at Pennsylvania Liquor Stores.

(i) Notwithstanding any other provision of law to the contrary, the board may sell wine in containers having a capacity of six liters or less.]

Section 11. Section 306 of the act is amended to read:

Section 306. Audits by Auditor General.—(a) It shall be the duty of the Department of the Auditor General to make all audits which may be necessary in connection with the administration of the financial affairs of the board [and the Pennsylvania Liquor Stores operated and maintained by the board]. Such audits shall be conducted in accordance with generally accepted accounting principles. Nothing herein shall be construed to require the Auditor General to conduct biannual inventories.

(b) At least one audit shall be made each year of the affairs of the board[, and all collections made by the Pennsylvania Liquor Stores

shall be audited quarterly]. A copy of the annual audit of the affairs of the board shall be submitted to each member of the General Assembly.

(c) Special audits of the affairs of the board [and the Pennsylvania Liquor Stores maintained and operated by the board] may be made whenever they may, in the judgment of the Auditor General, appear necessary, and shall be made whenever the Governor shall call upon the Auditor General to make them.

(d) Copies of all audits made by the Department of the Auditor General shall be promptly submitted to the board and to the Governor.

[(e) Unless the Department of the Auditor General shall neglect or refuse to make annual, quarterly or special Audits, as hereinabove required, it shall be unlawful for the board to expend any money appropriated to it by the General Assembly for any audit of its affairs, except for the payment of the compensation and expenses of such auditors as are regularly employed as part of the administrative staff of the board.]

Section 12. The act is amended by adding an article to read:

ARTICLE III-A
WINE AND SPIRITS DISTRIBUTION
SUBARTICLE A
GENERAL PROVISIONS

Section 301-A. Scope of article.

This article relates to liquor distribution privatization.

Section 302-A. Legislative intent.

(a) Declaration.—The General Assembly finds and declares that:

(1) The sale of liquor at wholesale or retail should no longer be by the Commonwealth, but rather by private persons licensed and regulated by the Commonwealth.

(2) The health and welfare of the citizens of this Commonwealth will be adequately protected by the regulation of private licensees through strict enforcement of laws and rules relating to the purchase and sale of liquor.

(3) The sale of liquor through wholesale and retail licensees will improve customer service, selection and price.

(4) The operation and efficiency of State government will be improved.

(b) Purpose.—The General Assembly recognizes the following public policy purposes and declares that the following objectives of the Commonwealth are to be served by this article:

(1) The authorization of wine and spirits wholesale and retail licenses is intended to continue and enhance the generation of revenue to the Commonwealth related to the wholesale and retail sale of liquor.

(2) The transition to a privately owned and operated wholesale and retail liquor distribution system shall be accomplished in a manner that protects the public through regulation and policing of all activities involved in the wholesale and retail sale of liquor.

(3) The establishment of wine and spirits wholesale and retail licenses is intended to provide broad economic opportunities to the citizens of this Commonwealth and shall be implemented in such a manner as to prevent monopolization by establishing reasonable restrictions on the control of wholesale and retail licensees.

(4) The transition to a privately owned and operated wholesale and retail liquor distribution system shall be accomplished in a manner that creates incentives and facilitates the transition of Pennsylvania Liquor Store and other effected employees to other employment.

(5) The transition to a privately owned and operated wholesale and retail liquor distribution system shall be accomplished in a manner that minimizes disruption of services to the public.

(6) With the transition to a privately owned and operated wholesale and retail liquor distribution system, it is necessary to enhance alcohol education efforts to ensure against the illegal sale of alcohol, prevent and combat the illegal consumption of alcohol by minors and visibly intoxicated persons and discourage

the intemperate use of alcohol.

(7) Participation in the wholesale and retail sale of liquor by any wholesale or retail licensee shall be deemed a privilege, conditioned upon the proper and continued qualification of the licensee and upon the discharge of the affirmative responsibility of each licensee to provide the Department of General Services and the board with assistance and information necessary to assure that the policies declared by this article are achieved.

Section 303-A. Definitions.

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

"Affiliate" or "person affiliated with." A person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with a specified person.

"Agency." The Pennsylvania Higher Education Assistance Agency.

"Bid-rigging." The concerted activity of two or more persons to determine in advance, or attempt to influence, the selected bidder for a wine and spirits retail license. The term includes any of the following:

(1) Conspiring or cooperating in the preparation of bids, including the determination of bid amounts.

(2) Submitting prearranged bids, agreed-upon higher or lower bids or other complementary bids.

(3) Agreeing to submit identical bids.

(4) Agreeing to coordinate the retail zones in which a person will or will not submit a bid.

(5) Agreeing to share profits with or give an equity interest to a person who does not submit the high bid.

(6) Agreeing to set up territories to restrict competition.

(7) Agreeing not to submit a bid.

"Blended brand valuation." For any particular brand of liquor, the sum of the wholesale profit margin on each product of a brand.

"Brand of liquor." A liquor product or series of liquor products produced by a single manufacturer.

"Change in control." For purposes of wine and spirits licensees, the acquisition by a person or group of persons acting in concert of more than 20% of a licensee's securities or other ownership interests, except for any ownership interest of the person that existed at the time of initial licensing, or more than 20% of the securities or other ownership interests of a corporation or other legal entity which owns, directly or indirectly, at least 20% of the securities or other ownership interests of the licensee.

"Commission." The State Civil Service Commission of the Commonwealth.

"Controlling interest." As follows:

(1) For a publicly traded legal entity, an interest in a legal entity, applicant or licensee whereby a person's sole voting rights under State law or corporate articles or bylaws entitles the person to elect or appoint one or more of the members of the board of directors or other governing board or the ownership, directly or indirectly, of 5% or more of the securities of the publicly traded corporation.

(2) For a privately held corporation, partnership, limited liability company or other form of privately held legal entity, the holding of any securities in the legal entity.

"Countywide adjusted net profit factor." Fifty percent of an amount equal to all sales to unlicensed customers minus the taxes and cost of goods sold for all government-operated Pennsylvania Liquor Stores located in a given county in the fiscal year immediately prior to the initiation of divestiture under section 315-A(a).

"Department." The Department of General Services of the Commonwealth.

"Displaced employee." A full-time employee of the board whose employment is terminated as a sole and direct result of the board's decision to cease wholesale and retail operations under this article. The term shall not include a person who is terminated for cause or who retires or resigns, is furloughed or is otherwise separated from

employment for any other reason.

"Institution of higher education." A public or private institution within this Commonwealth authorized by the Department of Education to grant a certificate, associate degree or higher degree. The term includes a branch or satellite campus of the institution.

"Licensed premises" or "controlled area." The areas utilized by a wholesale or retail licensee for the storage, sale or distribution of liquor.

"Retail acquisition factor." For wine and spirits retail licenses, a factor of three.

"Variable pricing." For purposes of the wholesale sale of liquor, any disparity in the price of an item sold to one licensee as compared to the price of the same item to another licensee or a licensee of a different classification. The term shall not include discounts for volume purchases.

"Wholesale acquisition factor." A factor of 2.5 applied to the wholesale profit margin of a brand of liquor in determining the wholesale license fee.

"Wholesale profit margin." Twenty percent of the total of costs of goods sold of a particular liquor product over the most recent 12-month period for which information is available.

"Wine and spirits licensee." A person that holds a wine and spirits wholesale license or a wine and spirits retail license issued under this article.

"Wine and spirits retail license." A license issued by the department or the board authorizing a person to sell and distribute wine and spirits to the public for off-premises consumption.

"Wine and spirits retail licensee." A person that holds a wine and spirits retail license under this article.

"Wine and spirits store." A wine and spirits retail licensed business operated under the authority granted under this article.

"Wine and spirits wholesale license." A license issued by the department or the board authorizing a person to sell and distribute liquor on a wholesale basis to wine and spirits retail licensees and other licensees under this act.

"Wine and spirits wholesale licensee." A person that holds a wine and spirits wholesale license under this article.

Section 304-A. Reports to General Assembly.

(a) Annual report.—One year after the effective date of this section, and each year thereafter until the board no longer engages in wholesale or retail liquor transactions, the board, in cooperation with the department, shall submit to the General Assembly an annual report on wholesale and retail alcohol sales in this Commonwealth and the implementation of this article, including the total revenue earned by the issuance of licenses under this article for the wholesale and retail sale of liquor and the net profit or loss of each licensed premises in this Commonwealth.

(b) Review.—Five years following the effective date of this section, and every five years thereafter, the board, in cooperation with the department, shall conduct a thorough review of the operations of wine and spirits licensees. The board, in cooperation with the department, shall submit a copy of this review and any recommendations relating to the expansion of existing wine and spirits retail licenses to the General Assembly.

Section 305-A. Powers and duties of department and board.

(a) Orderly transition.—It shall be the power and duty of the department and the board to implement this article and effect an orderly transition to a privately owned and operated wholesale and retail liquor distribution system in this Commonwealth in a manner that is consistent with this article and the laws of this Commonwealth and which maintains a continuous level of service to the public. The department shall be primarily responsible to administer the transition to a privately owned wholesale and retail liquor distribution system. The board shall be primarily responsible for enforcement of this article and this act on the liquor distribution operations of wine and spirits licensees and the administration of this article once the privatization transition is completed.

(b) Specific duties.—Within 180 days of the effective date of this

section, the department shall utilize the authority provided for under section 306-A and any other powers of the department and with the full cooperation and assistance of the board, shall, at a minimum, have completed all of the following duties:

(1) Establishment of an application process and schedule for the investigation and award of wine and spirits wholesale licenses under this article.

(2) Establishment of a blended brand valuation for each brand of liquor sold by Pennsylvania Liquor Stores in this Commonwealth.

(3) Assignment of the 1,600 wine and spirits retail licenses to counties across this Commonwealth to be utilized by the department in transition to private retail liquor distribution consistent with the provisions of this article.

(4) Establishment of a process for the initial transition of wine and spirits retail licenses to distributors licensed under section 431 via an application process as prescribed under this article.

(5) Establishment of a process for the auction of wine and spirits retail licenses and minimum bid amounts for each wine and spirits retail license to be auctioned under this article.

(6) Establishment of procedures and standards governing the relationship between wine and spirits wholesale licensees and manufacturers and the ability and terms upon which that relationship may be terminated.

(c) Enforcement.—In order to promote enforcement during and after the transition to privatization, the board shall coordinate with the Municipal Police Officers' Education and Training Commission to develop a component of the basic and in-service training for police officers focused on the requirements of this act with particular emphasis on violations of this act determined by the board to be serious in nature.

Section 306-A. Temporary regulations.

(a) Promulgation.—In order to facilitate the prompt implementation of this article, regulations promulgated by the department shall be deemed temporary regulations which shall expire no later than four years following the effective date of this section. The department may promulgate temporary regulations not subject to:

(1) Sections 201, 202 and 203 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law.

(2) The act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act.

(b) Expiration.—The authority provided to the department to adopt temporary regulations under subsection (a) shall expire on January 1, 2016. Regulations adopted after this period shall be promulgated as provided by law.

Section 307-A. Order of transition to private distribution system.

(a) Wholesale transition.—The department shall transition the board's wholesale distribution function to privately owned and operated wholesale licensees before divesting the board's retail operations. The transition must substantially divest the board of all operations relating to the wholesale distribution of alcohol in this Commonwealth within one year of the effective date of this section.

(b) Retail transition.—Sixty months following the effective date of this section, the department shall substantially divest the board of all operations relating to the retail sale of alcohol in this Commonwealth. The department may extend this transition period by certifying to the President pro tempore of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives that the department cannot complete the retail transition in the 60-month period. The department shall provide a detailed explanation of the circumstances which caused the delay with its certification to the General Assembly.

(c) Prohibition.—Except as necessary to ensure a continuous level of service to the public and subject to section 328-A, the board shall not engage in any wholesale or retail distribution of alcohol within this Commonwealth following completion of the wholesale and retail

transitions.

(d) Cooperation required.—The board shall fully cooperate with the department in all aspects of implementation of this article and shall provide the department with all records in the possession of, or available to, the board upon request.

(e) Moratorium.—The board shall have no authority to hire employees or staff on a full-time basis nor transition any part-time employee to employment on a full-time basis after the effective date of this section. Any employee hired after the effective date of this section shall be hired on a part-time basis only.

SUBARTICLE B

PRIVATIZATION OF WHOLESALE WINE AND SPIRITS DISTRIBUTION

Section 308-A. Wholesale divestiture.

(a) Authorized wine and spirits wholesale licenses.—

(1) One wine and spirits wholesale license may be issued by the department to each successful applicant. The wine and spirits wholesale license shall authorize the distribution of the brands of liquor to wine and spirits retail licensees and other licensees authorized to sell or distribute liquor under this act, as proposed by an applicant and approved by the department.

(2) Subject to the conditions enumerated under section 313-A, wholesale licensees may distribute more than one brand of liquor under the same wine and spirits wholesale license.

(3) Upon application by a wine and spirits wholesale licensee, the board may amend the authorization under a wine and spirits wholesale license to include or exclude additional brands of liquor.

(b) Wholesale license fee.—

(1) At the time of issuance, the department shall impose a one-time wholesale license fee to be paid by each successful applicant for a wine and spirits wholesale license in an amount equal to the blended brand valuation for each brand of liquor authorized by the wine and spirits wholesale license multiplied by the wholesale acquisition factor.

(2) Within the time prescribed under section 305-A, the department shall determine and publish as a notice in the Pennsylvania Bulletin the wholesale license fee for each brand of liquor sold at Pennsylvania Liquor Stores for a continuous period of at least one year prior to the effective date of this section.

(c) Brands not previously sold.—

(1) The department shall impose a one-time wine and spirits wholesale license fee of \$1,000 for each brand of liquor that has not been sold at Pennsylvania Liquor Stores for a continuous period of one year in the ten years prior to the effective date of this section and is proposed to be distributed by an applicant for a wine and spirits wholesale license on a Statewide basis.

(2) If, at any time during the term of a wine and spirits wholesale license, the wine and spirits wholesale licensee proposes to sell and distribute a new brand of liquor not previously sold in this Commonwealth, the wine and spirits wholesale licensee shall apply to the board for permission to sell the brand and pay an additional license fee determined in accordance with this section.

(d) Term.—

(1) A wine and spirits wholesale license, after payment of the wholesale license fee, shall be in effect unless suspended, revoked or not renewed by the board upon good cause consistent with the license requirements as provided for under this article.

(2) The license of a wine and spirits wholesale licensee in good standing shall be renewed every two years consistent with this article.

(3) Nothing under this subsection shall be construed to relieve a wine and spirits wholesale licensee of the affirmative duty to notify the board of any changes relating to the status of its license or to any other information contained in the application materials on file with the department or the board.

Section 309-A. (Reserved).

Section 310-A. Application for wine and spirits wholesale license.

(a) Applications.—An application for a wine and spirits wholesale license shall be submitted on a form and in a manner as shall be required by the department.

(b) Eligibility.—A person may be eligible to apply for a wine and spirits wholesale license if the person satisfies all of the following:

(1) Neither the applicant nor any affiliate of the applicant has applied for or holds a wine and spirits retail license or other license which authorizes the retail sale of wine and spirits to consumers.

(2) The applicant, if a corporation, a limited liability company, limited partnership, partnership, association or other legal entity, is organized under the laws of this Commonwealth.

(3) The applicant, if a natural person, is a citizen of the United States and a resident of this Commonwealth.

(4) Neither the applicant nor any affiliate of the applicant, executive officer, director or general or limited partner of the applicant or person holding, directly or indirectly, a controlling interest in the applicant has been convicted of a crime identified in subsection (d)(9).

(c) Other licenses.—Nothing under this article or act shall be construed to prohibit a properly licensed importing distributor of malt and brewed beverages from applying for and, if approved, being issued a wine and spirits wholesale license.

(d) General requirements.—In addition to any other information required under this article or as may be required by the department, the applicant for a wine and spirits wholesale license shall include, at a minimum, the following:

(1) The name and address of the applicant.

(2) A statement as to whether the applicant is an individual, corporation, limited liability company, limited partnership, partnership or association and, if the applicant is not an individual, the state of incorporation or organization.

(3) If the applicant is not an individual, the names and residence addresses of each executive officer, director, general or limited partner or person holding a controlling interest in the applicant.

(4) If the applicant is an association, the names and residence addresses of the persons constituting the association.

(5) A statement of the brands of liquor the applicant proposes to engage in wholesale distribution on a Statewide basis.

(6) The proposed location and proof of ownership or lease for the wholesale operation, including any proposed warehouses, if available.

(7) Floor plans for any facility proposed to be used in wholesale operations and existing design plans for any facility that is planned, but not yet constructed, to the extent they are available.

(8) Information disclosing all arrests of the applicant and any affiliate of the applicant, executive officer, director or general or limited partner of the applicant or person holding a controlling interest in the applicant and all citations issued to the same for nonsummary offenses. The information shall include:

(i) A brief description of the circumstances surrounding the arrest or issuance of the citation.

(ii) The specific offense charged or cited.

(iii) The ultimate disposition of the charge or citation, including the details of any dismissal, plea bargain, conviction, sentence, pardon, expungement or order of Accelerated Rehabilitative Disposition.

(9) A sworn statement that the applicant and any affiliate of the applicant, or any executive officer, director or general or limited partner of the applicant or person holding a controlling interest in the applicant have never been convicted:

(i) of any crime involving fraud, moral turpitude or racketeering within a period of ten years immediately

preceding the date of the application; or

(ii) of any felony or equivalent crime.

(10) A statement that the applicant intends to continuously operate as a wine and spirits wholesale licensee for the duration of the license term and to provide a level of service, including product availability, reasonably equivalent to the level of service currently provided by the Commonwealth.

(11) A financial statement or letter of credit in a form and containing such information as the department shall prescribe to indicate the applicant's financial capability to operate the wholesale operation and the estimated volume of wholesale business to be conducted annually.

(12) The following shall apply:

(i) A current tax certificate issued by the Department of Revenue showing any amount of taxes owed to the Commonwealth for the applicant and any affiliate of the applicant, executive officer, director or general or limited partner of the applicant or person holding a controlling interest in the applicant.

(ii) Any unpaid taxes identified on the tax certificate required to be filed with the application must be paid before the application is considered complete and reviewed by the department.

(13) A signature and verification by oath or affirmation, or under penalty of unsworn falsification to authorities, by the applicant, if a natural person, or, when the applicant is a legal entity, a person specifically authorized by the legal entity to sign the application, to which shall be attached written evidence of that authority.

(e) Additional information.—An applicant shall, during the application process, provide any other information determined to be appropriate by the department.

(f) Amended application.—When a change occurs in any information provided to the department as part of the application process, the applicant shall immediately notify the department of the change and timely provide amended information to the department in a form and manner determined by the department.

(g) Application fees and investigative costs.—

(1) An application filing fee of \$10,000 shall be due upon application for a wine and spirits wholesale license. The application filing fee shall be refunded if, due to no fault on the part of the applicant, the wine and spirits wholesale license is not approved.

(2) The department shall establish, charge and collect fees from an applicant to recover the costs directly related to the department's review and investigation of the application for a wine and spirits wholesale license. The board shall have the same duty relating to fees as to applications for renewal.

Section 311-A. Review and investigation of application.

(a) Completeness of application.—

(1) The following shall apply:

(i) The department may not consider an incomplete application and shall notify the applicant in writing if an application is incomplete.

(ii) An application shall be considered incomplete if it does not include all applicable fees and all information and accompanying documentation required by the department, including the payment of any unpaid taxes identified on any tax certificate required to be filed with the application.

(2) A notification of incompleteness shall state the deficiencies in the application that must be corrected prior to consideration of the merits of the application.

(3) The applicant shall be afforded a reasonable period of time, as determined by the department, to cure the deficiencies.

(4) If the applicant fails to timely cure noticed deficiencies, the application shall be deemed denied by the

department without further action.

(b) Investigation.—After receipt of an application for a wine and spirits wholesale license and a determination that the application is complete, the department shall conduct an investigation of the application as deemed necessary or desirable. The investigation shall include, and the applicant shall have the burden of demonstrating, at a minimum, the following:

(1) The truth and veracity of the information provided in the application.

(2) The applicant's cooperation and the cooperation of any affiliate of the applicant, and any executive officer, director or general or limited partner of the applicant or person holding a controlling interest in the applicant in the application process and with any request by the department or the board for any information deemed necessary for licensure.

(3) The good character, integrity and suitability of the applicant and any affiliate of the applicant, executive officer, director or general or limited partner of the applicant or person holding a controlling interest in the applicant.

(4) The applicant possesses sufficient financial resources to:

(i) Operate as a wholesale licensee.

(ii) Pay all taxes due and owing to the Commonwealth.

(iii) Assume liability for the safe operation of the wholesale operations.

(5) The applicant possesses sufficient business ability and experience to create and maintain a successful and efficient wholesale operation that provides service at a level that is reasonably equivalent to the level of service currently provided in this Commonwealth at the time of enactment of this article.

(6) The applicant has entered into a contractual relationship with one or more licensed manufacturers or importers for the distribution in this Commonwealth of a brand or brands of liquor regardless of whether the contractual relationship is contingent upon the board issuing a wine and spirits wholesale license to the applicant.

(7) The physical facilities proposed to be used in the applicant's wholesale operations are located and designed in such a manner as to:

(i) Assure that all warehouses are located within this Commonwealth.

(ii) Function as a self-contained unit, with limited customer access.

(iii) Not have any interior connection with any other business or with any residential building without prior board approval.

(iv) Provide adequate security to protect the applicant's inventory from unauthorized sale or diversion.

(v) Protect the public interest.

(c) Assistance with investigations.—The department may enter into an agreement with the Pennsylvania State Police or the Office of Inspector General to assist the department in conducting investigations under this section and to provide for the reimbursement of actual costs incurred for providing the assistance.

Section 312-A. Issuance of licenses.

(a) Notification.—Upon completion of the investigation under section 311-A, the department shall inform the applicant in writing of its decision to approve or deny the application.

(b) Approval.—If the application is approved, the department shall notify the successful applicant of the licensing fee due, as required under section 308-A, based on the brand licensing fees established under section 308-A for the brands of liquor approved for the applicant.

(c) Denial.—

(1) If an application is denied, the department shall provide the applicant with the specific reasons for the denial in

the written notification required under subsection (a).

(2) The applicant shall be entitled to a hearing on the denial, if a hearing is requested within ten days of the department's notification and the request is in writing on a form and in a manner prescribed by the department.

(3) Any hearing conducted under this section shall comply with 2 Pa.C.S. (relating to administrative law and procedure).

(d) Issuance.—After approval of an application, the department shall issue a wine and spirits wholesale license to the applicant, if the applicant has completed all of the following acts:

(1) Paid the wholesale license fee required under this article. Payment shall be made by certified check or wire transfer to a designated restricted account in The State Stores Fund.

(2) Paid any outstanding application or investigation fees.

(3) Executed and delivered to the department the statement of conditions required under section 313-A.

(4) Purchased the board's marketable surplus warehouse inventory of all brands of liquor the applicant is being authorized to distribute at the board's original cost, subject to the excise tax provided for under section 336-A, plus an administrative fee to be determined by the board.

(5) Fulfilled any other conditions required by the department or the board or provided for under this article.

(e) License not entitlement.—Nothing in this article shall be construed to create an entitlement to a wine and spirits wholesale license.

(f) Other licenses.—Nothing in this act shall be construed to prohibit a wine and spirits wholesale licensee from applying for and, if approved, being issued a license as an importing distributor of malt and brewed beverages.

Section 313-A. Wholesale licensee statement of conditions.

(a) Statement of conditions.—The department shall develop a statement of conditions to be executed by a wine and spirits wholesale licensee governing the wine and spirits wholesale licensee.

(b) Conditions.—In addition to any other conditions the department deems necessary or appropriate for a specific wine and spirits wholesale licensee, a statement of conditions under this section shall include, at a minimum, the following conditions and impose the following obligations and requirements on an ongoing basis:

(1) Wine and spirits wholesale licensees may not sell liquor to persons that are not licensed under this act.

(2) Wine and spirits wholesale licensees shall serve all licensees eligible to purchase liquor under this act and shall make liquor available for sale to those licensees under the same pricing structure.

(3) Except for wine and spirits wholesale licensees that hold an importing distributor license under section 431, wine and spirits wholesale licensees may not under any circumstances sell malt or brewed beverages.

(4) Wine and spirits wholesale licensees may not engage in the conduct that would constitute any of the following:

(i) Variable pricing.

(ii) Unfair or deceptive trade practices proscribed under Federal or State law or regulation.

(iii) Intentional exclusion of competing brands of liquor from the marketplace.

(5) A wine and spirits wholesale licensee shall only sell and distribute liquor that is subject to a contractual relationship between the wine and spirits wholesale licensee and one or more licensed manufacturers or importers of wine and spirits.

(6) (i) A wine and spirits wholesale licensee shall do all of the following:

(A) Acquire liquor exclusively from:

(I) a licensed manufacturer or importer of wine and spirits with whom the wine and spirits wholesale licensee

has the contractual authority to sell at wholesale as provided under this act; or

(II) an entity affiliated with the wine and spirits wholesale licensee.

(B) Keep a detailed log of all wholesale liquor transactions, including both acquisitions and sales to licensees under this act.

(ii) When liquor is acquired from an entity affiliated with the wine and spirits wholesale licensee, the entity shall, for taxation purposes provided for under section 336-A, be considered a licensed manufacturer or importer of wine and spirits.

(7) A wine and spirits wholesale licensee's licensed premises and all facilities involved in its wholesale operations, including any changes to those facilities during the term of the license, shall be subject to the inspection, investigation and approval of the department or the board.

(8) A wine and spirits wholesale licensee shall maintain adequate security to protect the licensee's inventory from unauthorized sale or diversion and prevent its unauthorized distribution.

(9) Wine and spirits wholesale licensees shall not engage in any separate business activity upon any premises on which wholesale liquor operations are conducted without prior approval of the board.

(10) Wine and spirits wholesale licensees may sell liquor between 2 a.m. of any Monday and 12 midnight of the following Saturday.

(11) Wine and spirits wholesale licensees shall collect and remit to the Department of Revenue the excise tax as provided under section 336-A.

(12) Wine and spirits wholesale licensees shall be considered a Pennsylvania Liquor Store for the purposes of collecting and remitting taxes consistent with the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, from persons licensed to sell liquor for on-premises consumption under Article IV.

(13) A wine and spirits wholesale licensee shall notify the board within 15 days of any change in persons holding a controlling interest in the licensee.

(14) A wine and spirits wholesale licensee shall notify the board within 15 days of becoming aware of any arrest or criminal indictments or convictions by the licensee or any affiliate of the licensee, or any executive officer, director or general or limited partner of the licensee or person holding a controlling interest in the licensee.

(15) A wine and spirits wholesale licensee shall notify the board within 15 days of becoming aware of any violation of this act by the licensee or any affiliate of the licensee, or any executive officer, director or general or limited partner of the licensee, person holding a controlling interest in the licensee or employee of the licensee.

(16) Neither a wine and spirits wholesale licensee, nor any of its affiliates, shall, at any time, seek to be approved or be approved by the department or the board to distribute brands of liquor in a manner which constitutes a violation of Federal or State law, including, but not limited to, antitrust or other unfair trade practices, or creates a monopolistic liquor distribution system in this Commonwealth.

(17) Wine and spirits wholesale licensees shall make the licensed premises, all of the facilities involved in the wholesale operation and all of the business and financial books and records of the wholesale operation available at any time for inspection and audit by the department or the board.

(18) Wine and spirits wholesale licensees shall cooperate fully in any inquiry or investigation by the department or the board and provide any information requested by the department or the board.

(19) Wine and spirits wholesale licensees, if a corporation, a limited liability company, limited partnership, partnership, association or other legal entity, shall at all times be organized under the laws of this Commonwealth.

(20) Wine and spirits wholesale licensees, if a natural person, shall at all times be a citizen of the United States and a resident of this Commonwealth.

(c) Sanctions.—A wine and spirits wholesale licensee that fails to comply with any condition contained in the licensee's statement of conditions shall be subject to board-imposed administrative sanctions or other penalties authorized under sections 471 and 494.

(d) Transition.—Notwithstanding any law or regulation to the contrary, during the period of divestiture of wine and spirits wholesale operations, the following shall apply:

(1) The board shall have no authority to levy or collect the tax imposed under the act of June 9, 1936 (Sp.Sess., P.L.13, No.4) entitled "An act imposing an emergency State tax on liquor, as herein defined, sold by the Pennsylvania Liquor Control Board; providing for the collection and payment of such tax; and imposing duties upon the Department of Revenue and the Pennsylvania Liquor Control Board," for or on any brand of liquor purchased from a wine and spirits wholesale licensee.

(2) The board shall have no authority to apply a retail mark up on any brand of liquor purchased from a wholesale licensee of more than 25%.

Section 314-A. Loss of rights to wholesale brands of liquor.

The procedures and standards established by the department under section 305-A(b) to govern the relationship between wine and spirits wholesale licensees and manufacturers shall, at a minimum, incorporate the following principles:

(1) A manufacturer having a contract, including all agreements, understandings or other arrangements, whether written or oral, with a wine and spirits wholesale licensee for the distribution in this Commonwealth of a brand or brands of liquor may terminate the distribution rights and transfer the rights to another wine and spirits wholesale licensee upon the voluntary agreement of both licensees. In the event of a voluntary termination and transfer, the manufacturer shall provide written notice to the board indicating that affected wine and spirits wholesale licensees have both agreed to the termination and transfer. A copy of the notification to the board shall be provided to both licensees.

(2) If a wine and spirits wholesale licensee does not agree to the termination or transfer of its distribution rights, the manufacturer may terminate or transfer the rights only for good cause, as defined by the department or the board, or upon payment to the terminated licensee of reasonable compensation, as determined by the board to reflect the value of the wine and spirits wholesale licensee's business related to the terminated brand of liquor.

(3) Whether voluntary or involuntary, the termination and transfer of the right to distribute the brand of liquor shall comply with section 326-A.

SUBARTICLE C

PRIVATIZATION OF RETAIL LIQUOR DISTRIBUTION

Section 315-A. Retail divestiture through issuance of wine and spirits retail licenses.

(a) Initiation of divestiture.—No later than one year after the effective date of this article, and following completion of the wholesale transition, the department shall initiate the divestiture of the Pennsylvania Liquor Store system as provided in this subarticle.

(b) Authorized retail licenses.—The department shall be authorized to issue 1,600 wine and spirits retail licenses to qualified applicants and then to successful bidders in accordance with this subarticle.

(c) Retail licenses in cities of the first class.—Of the 1,600 wine and spirits retail licenses authorized under subsection (b), the

department shall be authorized to issue not more than 130 retail licenses for the operation of wine and spirits retail licenses within a city of the first class.

(d) Other licenses.—Nothing in this article or this act may prohibit:

(i) A wine and spirits retail licensee from applying for and, if approved, being issued a distributor license as referred to under section 431 that authorizes the licensee to sell malt and brewed beverages at retail for off-premises consumption. Use of the licenses shall be in a manner consistent with section 329-A.

(ii) A restaurant liquor licensee or a malt and brewed beverages retail licensee from applying for and, if approved, being issued a distributor license under section 431, except that a distributor licensee may not sell malt or brewed beverages to a restaurant liquor licensee or a malt and brewed beverage retail licensee under common ownership with the distributor licensee.

Section 316-A. Sale and auction of wine and spirits retail licenses.

(a) Application for retail licenses.—For the first six months following the initiation of retail wine and spirits divestiture, the department, with the full cooperation and assistance of the board, shall receive applications from distributors licensed under section 431 whose license was in active status with the board on the effective date of this section for the issuance of wine and spirits retail licenses.

(b) Auction of remaining licenses.—

(1) At the conclusion of the six-month period under subsection (a), the department, with the full cooperation and assistance of the board, shall auction the remaining wine and spirits retail licenses on a county-by-county basis to bidders.

(2) To determine the number of remaining wine and spirits retail licenses, the department, with the full cooperation of the board, shall subtract the total number of applications that were accepted by the department and the board under subsection (a) from the total number of wine and spirits retail licenses authorized under section 315-A.

(3) To determine how many wine and spirits retail licenses in each county shall be auctioned, the department, with the full cooperation and assistance of the board, shall assign wine and spirits retail licenses consistent with all of the following:

(i) The department shall assign wine and spirits retail licenses to counties across this Commonwealth.

(ii) In assigning wine and spirits retail licenses, the department shall balance the factor of historic sales of liquor, population density and median household income with the policy objective of assuring adequate and reasonable liquor distribution in all areas of this Commonwealth.

(4) At a minimum, each county shall have the same number of wine and spirits retail licenses assigned to it for auction as the number of active distributor licenses minus the number of distributor licensees also licensed to sell wine and spirits under subsection (a).

(5) The department shall assign wine and spirits retail licenses through the promulgation of temporary regulations and shall publish the temporary regulations in the Pennsylvania Bulletin.

Section 317-A. Application for wine and spirits retail licenses by distributors.

(a) Application.—In accordance with section 316-A(a), the department, with the full cooperation of the board, shall receive applications for wine and spirits retail licenses from distributors licensed under section 431 whose license was in active status with the board on the effective date of this section.

(b) Investigation.—Upon receiving an application, the department shall conduct an investigation based upon the information submitted to evaluate whether the applicant meets all of the following:

(1) The applicant qualifies as a responsible and suitable

person to hold a wine and spirits retail liquor license and operate a wine and spirits store location.

(2) The applicant has proposed an acceptable facility and location for a wine and spirits store.

(3) The applicant's planned operation complies with the requirements prescribed in this article and the statement of conditions under section 323-A.

(c) Additional information.—The department may require additional information from an applicant and conduct onsite inspections, as necessary, to complete the application process.

(d) Assistance with investigations.—The department may enter into an agreement with the Pennsylvania State Police or the Office of Inspector General to assist the department in the conduct of investigations under this section. The agreement shall provide for the reimbursement of the Pennsylvania State Police or the Office of Inspector General for the actual costs incurred for providing assistance.

(e) Application fee.—There shall be an application fee of \$5,000 payable at the time of application. This fee shall be refunded to the applicant if, due to no fault of the applicant, the wine and spirits retail license is not issued to the applicant.

(f) Retail license fee.—

(1) There shall be a one-time retail license fee payable by applicants based on the county in which the applicant is located.

(2) The retail license fee shall be determined by the department by dividing the countywide adjusted net profit factor by the sum of the total number of wine and spirits retail licenses assigned in a specific county and then multiplying that sum by the acquisition factor for wine and spirits retail licenses.

(3) The retail license fee shall be payable via certified check or wire transfer to a designated restricted account established in The State Stores Fund within 60 days of the date of application by the distributor or prior to the issuance of the wine and spirits retail license, whichever is earlier in time.

(g) Investigative fees.—The department shall have the authority to establish, charge and collect fees from an applicant to recover the costs directly related to the department's investigation within the application process.

(h) Acceptance of qualifications.—An applicant's qualifications will be accepted by the department if the department's investigation reveals all of the following:

(1) The applicant was truthful.

(2) The applicant and its officers, directors and principals, if any, are of good character, integrity and suitability.

(3) The applicant possesses sufficient financial resources to operate a wine and spirits store, pay all taxes due and meet all other financial obligations.

(4) The applicant possesses sufficient business ability to operate a wine and spirits store.

(5) The proposed facility complies with the requirements prescribed in this article and the statement of conditions under section 323-A.

(i) Issuance of license.—If an applicant's qualifications are accepted by the department, the department shall qualify the applicant and issue a wine and spirits retail license upon the occurrence of all of the following:

(1) The execution and delivery to the department and the board of the statement of conditions required under section 323-A.

(2) Payment of any outstanding application, license or investigation fees.

(3) Fulfillment of any other conditions required by the department.

(j) Qualifications unacceptable.—If an applicant's qualifications are not accepted by the department, the department shall add the license to the number of wine and spirits retail licenses being made available for auction pursuant to this subarticle.

(k) Approval of qualifications.—If the qualifications of the

applicant are approved by the department, the department shall issue a wine and spirits retail license to the applicant consistent with the requirements of subsection (i).

(l) License not entitlement.—Nothing contained in this article is intended or may be construed to create an entitlement to a wine and spirits retail license. A wine and spirits retail license shall be a privilege as between the board and the licensee, but shall be property as between the licensee and third parties.

(m) Terms of licensure.—A wine and spirits retail license, after payment of the applicable fees, shall be in effect unless suspended, revoked or not renewed by the board upon good cause shown consistent with the license requirements as provided for under this article. The license of a wine and spirits retail licensee in good standing shall be subject to renewal every two years consistent with this article. Nothing under this subsection may relieve a wine and spirits retail licensee of the affirmative duty to notify the board of any changes relating to the status of its license or to any other information contained in the application materials on file with the department or the board.

Section 318-A. Conduct of retail auctions; requirements.

(a) Conduct of auctions.—The department shall conduct an auction for wine and spirits retail licenses for each county in this Commonwealth to which a wine and spirits retail license has been assigned for auction under sections 316-A(b) and 317-A(j) consistent with the following:

(1) The department shall establish a deadline for submission of bids for auctions.

(2) The department shall review the submission of timely bids to determine compliance with the minimum bid requirements of section 322.1-A. A bid which does not comply with the minimum bid amount shall be rejected. Bidder identification information and bid amount for an accepted bid shall be made subject to public disclosure.

(3) The department shall select the highest bid for best and final offers. The number of bids selected for each county shall be equal to two times the number of wine and spirits retail licenses assigned for auction by the department to a given county. The department shall notify the bidders of the selected bids in each county.

(4) The department shall establish a best and final offer period in which the bidders making the selected bids under paragraph (3) shall be provided an opportunity to submit a revised bid that will represent its best and final offer. A bidder may not submit a best and final offer which includes a bid amount less than the bidder's original bid.

(5) The department shall review the best and final offers submitted under paragraph (4) and shall accept a high bidder for each license in each county.

(b) Other bidders.—Nothing in this article shall prohibit a person licensed by the department to sell malt and brewed beverages at retail for off-premises consumption from submitting a bid and, if successful, being issued a wine and spirits retail license. Use of the licenses shall be in a manner consistent with section 329-A.

(c) Bidder collusion.—Persons may not collude to rig a bid involving a wine and spirits retail license.

(d) Criminal penalty.—

(1) An individual who violates subsection (c) commits a felony of the third degree and shall, upon conviction, be sentenced to pay a fine of not more than \$50,000 or to imprisonment for not more than one year, or both.

(2) A person other than an individual that violates subsection (c) commits a felony of the third degree and shall, upon conviction, be sentenced to pay a fine of not more than \$1,000,000.

(e) Civil penalty.—

(1) Except as set forth in paragraph (2), the Attorney General may bring a civil action against a person that violates subsection (c) for a penalty of up to \$100,000.

(2) If there is a criminal action under subsection (d),

paragraph (1) shall not apply.

(f) Disqualification, termination and debarment.—In addition to any other criminal or civil penalties imposed under this section, the following shall apply to a person penalized under subsection (d) or (e):

(1) The person shall be disqualified from bidding on or holding a wine and spirits retail license or holding any other license authorized under this act for a period of three years.

(2) The board shall revoke any license issued under this act.

(3) The person may be subject to 62 Pa.C.S. § 531 (relating to debarment or suspension).

Section 319-A. Postqualification of selected bidders.

(a) Investigation.—Upon selection of a bid under section 318-A(a)(5), the department shall conduct an investigation of each bidder whose bid was accepted under section 318-A(a)(5) based upon the information submitted to evaluate whether:

(1) the bidder qualifies as a responsible and suitable person to hold a wine and spirits retail liquor license and operate a wine and spirits store;

(2) the bidder has proposed an acceptable facility and location for a wine and spirits store; and

(3) the bidder's planned operation complies with this article.

(b) Additional information.—The department may require additional information from a bidder and conduct onsite inspections, as necessary, to complete the postqualification process.

(c) Assistance with investigations.—The department may enter into an agreement with the Pennsylvania State Police or the Office of Inspector General to assist the department in the conduct of investigations under this section and to provide for the reimbursement of actual costs incurred for providing assistance.

(d) Public input hearings.—During the postqualification process, the department shall schedule public input hearings in six regions of this Commonwealth, including one in a city of the first class, at which interested members of the public will be provided the opportunity to testify regarding selected bidder qualifications, including the location of proposed wine and spirits stores. The testimony of a public witness shall be considered by the department in the postqualification investigation of bidders to which the testimony applies.

(e) Investigative fees.—The department may charge fees to a bidder to recover the costs directly related to the department's investigation within the postqualification process.

(f) Acceptance of qualifications.—A bidder's qualifications shall be accepted by the department if the department's investigation reveals all of the following:

(1) The bid information was truthful.

(2) The bidder and its officers, directors and principals, if any, are of good character, integrity and suitability.

(3) The bidder possesses sufficient financial resources to operate a wine and spirits store, pay all taxes due and meet all other financial obligations.

(4) The bidder possesses sufficient business ability to operate a wine and spirits store.

(5) The proposed facilities are compliant with all of the operational requirements of the statement of conditions under this article.

(g) Issuance of license.—If a selected bidder's qualifications are accepted by the department, the department shall qualify the bidder and shall issue a wine and spirits retail license to the bidder upon the occurrence of the following:

(1) Execution and delivery to the department and the board of the statement of conditions required under section 323-A.

(2) Payment of the bid amount by certified check or wire transfer to a designated restricted account established in The State Stores Fund.

(3) Payment of any outstanding bid or investigation fees.

(4) Fulfillment of any other conditions required by the

department.

(h) Qualifications unacceptable.—

(1) If a bidder's qualifications are not accepted by the department, the department shall identify the next highest bidder that was not selected in the auction under section 318-A(a)(5) and conduct a postqualification investigation of that bidder, consistent with subsection (a).

(2) If the second highest bidder is not approved, the department shall repeat the postqualification process for the next highest unselected bidder in the auction for that county.

(3) If the third highest bidder in an auction is not approved by the department, the department shall have the authority whether to proceed with a new auction for that wine and spirits retail license or conduct an additional best and final offer period to consider additional bids from the original auction.

(i) Approval of qualifications.—If the qualifications of the bidder are approved by the department under subsection (f), the department shall issue a wine and spirits retail license to the successful bidder consistent with the requirements of subsection (h).

(j) License not entitlement.—Nothing contained under this article is intended to create an entitlement to a wine and spirits retail license. A wine and spirits retail license shall be a privilege as between the board and the licensee, but shall be property as between the licensee and third parties.

(k) Terms of licensure.—

(1) A wine and spirits retail license shall be in effect unless suspended, revoked or not renewed by the board upon good cause shown consistent with the license requirements as provided for under this article.

(2) A wine and spirits retail license shall be subject to renewal every two years consistent with this article.

(3) Nothing under this subsection relieves a wine and spirits retail licensee of the affirmative duty to notify the board of changes relating to the status of its license or to other information contained in the application materials on file with the department or the board.

Section 320-A. Auctions with no or insufficient minimum bids.

If an insufficient number of bids which meet or exceed the minimum bid are submitted in an auction in a county, the department:

(1) shall select the bids which meet or exceed the minimum bid subject to postqualification; and

(2) may conduct a new auction for the remaining wine and spirits retail licenses without a minimum bid or with a modified minimum bid.

Section 321-A. Protest of bid selection.

(a) Time period.—Within five days of the selection of a bidder in an auction for a county, a bidder that is not selected by the department for the wine and spirits retail license in the county must file a protest in writing with the department. Failure to comply with this subsection results in a waiver of the right to appeal the selection.

(b) Requirements.—

(1) The subject matter of a protest is restricted to the conduct of the auction for the specific county in which the protester participated. A person may not protest an auction in which that person did not participate as a bidder.

(2) The protesting party must be represented by an attorney at law.

(3) The protesting party waives its right to and is disqualified from being selected by the department as the next highest bidder for postqualification under section 319-A.

(4) The protesting party must provide the department with a bond, letter of credit or other form of security acceptable to the department in an amount equal to the amount of the bid which was accepted. The accepted security must be in an amount equal to the highest bid received from any bidder. If the bid protest does not result in the overturning of the department's bid selection for the specific wine and spirits retail license protested, and the original bidder who was selected does not pay the bid

amount for any reason, the protester shall forfeit its security to the department.

Section 322-A. Content of bids.

Each bid submitted to participate in a wine and spirits retail license auction under this subarticle must meet the following requirements:

(1) The bid must include a summary page which clearly identifies:

(i) The name, address and tax identification number of the bidder.

(ii) The county for which the bid is being submitted.

(iii) The amount of the bid.

(iv) The amount of the minimum bid for the wine and spirits retail license auction in which the bidder is participating.

(2) A general description of the bid and the location of the proposed wine and spirits store, including the estimated square feet of total retail space in the proposed location.

(3) Whether the applicant is an individual, corporation, limited liability company, limited partnership, partnership or association or other legal entity and, if the applicant is not an individual, the state of incorporation or organization and the names and residence addresses of each executive officer, director, general or limited partner or person holding a controlling interest in the applicant.

(4) If the bidder is an association, the bid must set forth the names and addresses of the persons constituting the association.

(5) If the bidder is a corporation, limited liability company, limited partnership, partnership, association or other legal entity, the bid must show that the entity is organized under the laws of this Commonwealth.

(6) If the bidder is an individual, the bid must show that the bidder is a citizen of the United States and a resident of this Commonwealth and that the bidder is not acting as an agent for any other person, partnership, association or group of persons beneficially interested in the license.

(7) The proposed location and ownership of the site for the wine and spirits store, including floor plans of existing facilities to be utilized in the bidder's retail operation or design plans for any facilities not yet constructed, to the extent they are available.

(8) Information disclosing an arrest of the applicant and an affiliate of the applicant, executive officer, director or general or limited partner of the applicant or person holding a controlling interest in the applicant and a citation issued to the same for an offense that is not a summary offense. The information must include:

(i) A brief description of the circumstances surrounding the arrest or issuance of the citation.

(ii) The specific offense charged or cited.

(iii) The ultimate disposition of the charge or citation, including the details of a dismissal, plea bargain, conviction, sentence, pardon, expungement or order of Accelerated Rehabilitative Disposition.

(9) A sworn statement that the bidder, an affiliate of the bidder or an executive officer, director or general or limited partner of the bidder or person holding a controlling interest in the bidder have never been convicted of a crime involving fraud, moral turpitude or racketeering within a period of ten years immediately preceding the date of the bid, or been convicted of a felony or equivalent crime in a Federal or state jurisdiction, including this Commonwealth.

(10) A statement that the bidder will:

(i) continuously operate a wine and spirits store for the duration of the two-year license period; and

(ii) provide a level of service, including hours of

operation and product availability reasonably equivalent to the level of service currently provided in the same geographic area.

(11) The bidder shall provide a financial statement or letter of credit, consistent with the requirements prescribed by the department, which demonstrates the financial capability to operate the wine and spirits store and the estimated volume of business to be conducted.

(12) A current tax certificate issued by the Department of Revenue for the bidder, an affiliate of the bidder, and any executive officer, director or general or limited partner of the bidder or person holding a controlling interest in the bidder. Unpaid taxes identified on a tax certificate required to be filed with the bid shall be paid before the bid is accepted for submission by the department.

(13) There is a bid filing fee of \$10,000 that must be submitted by certified check with the bid. The bid must be refunded by the department if, due to no fault of the bidder, the bidder is not issued a wine and spirits retail license. No fault of the bidder shall include instances when the bid amount exceeded the reserve for the license, but the bid amount was not high enough for the bidder to be selected.

(14) The bid must be signed and verified by oath or affirmation by the owner as follows:

(i) if an individual or, in the case of an association, by a member or partner thereof; or

(ii) in the case of a corporation or limited liability company, by an executive officer thereof or a person specifically authorized by the corporation to sign the bid. Written evidence of the authority must be attached to the bid.

(15) A noncollusion affidavit, executed by the bidder, if an individual, or a person specifically authorized by the bidder, if a legal entity, to sign the affidavit, certifying that neither the bidder nor any affiliate of the bidder or executive officer, director or general or limited partner of the bidder or person holding a controlling interest in the bidder has engaged in collusion, bid-rigging or other prohibited activity in relation to the bid. The form and content of the noncollusion affidavit shall be determined by the department. Failure of a bidder to provide the required noncollusion affidavit disqualifies the bid unless cured within a time period determined by the department. A required noncollusion affidavit must state whether or not the bidder, an affiliate of the bidder or an executive officer, director or general or limited partner of the bidder or person holding a controlling interest in the bidder has been convicted or found liable for an act prohibited by Federal or State law in a jurisdiction involving conspiracy or collusion with respect to bidding on a public contract or in relation to the sale or lease of a public asset within the last ten years. An affirmative statement by the bidder that the bidder, an affiliate of the bidder or an executive officer, director or general or limited partner of the bidder or person holding a controlling interest in the bidder has been convicted or found liable on such grounds may be grounds for the department to find the bidder not suitable.

(16) A bidder shall have a continuing duty during the auction process to update information in the bid and provide any other information determined to be appropriate by the department.

Section 322.1-A. Minimum bid for retail auctions.

During the initial implementation period as provided for by section 305-A(b), the department shall establish minimum bid amounts for each wine and spirits retail license auction consistent with the following requirements:

(1) The department shall calculate one minimum bid for each county auction by dividing the countywide adjusted net profit factor by the sum of the total number of wine and spirits retail licenses assigned to the county and then multiplying the

sum by the acquisition factor for wine and spirits retail licenses.

(2) The department shall establish minimum bids for retail auctions through promulgation of temporary regulations under section 306-A and shall publish the temporary regulations in the Pennsylvania Bulletin.

Section 323-A. Wine and spirits retail licensee statement of conditions.

(a) Statement of conditions.—The department shall develop a statement of conditions to be executed by each wine and spirits retail licensee governing the wine and spirits retail licensee.

(b) Conditions.—In addition to any other conditions the department, in consultation with the board, deems necessary or appropriate for a specific wine and spirits retail licensee, a statement of conditions under this section shall include, at a minimum, the following conditions and impose the following obligations and requirements on an ongoing basis:

(1) Wine and spirits retail licensees are strictly prohibited from selling or distributing liquor to persons under 21 years of age or persons that are visibly intoxicated.

(2) No wine and spirits retail licensee may operate a retail wine and spirits store located within:

(i) Three hundred feet of an elementary or secondary school without board approval.

(ii) A dry municipality without first having a referendum approving the sale of wine and spirits at retail.

(2.1) No wine and spirits retail license may be operated at any place or property upon which is located as a business the sale of liquid fuels and oil if the point of sale or dispensing of liquid fuels and oil is within 100 feet of the closest point to the physical building in which the license is located.

(3) A wine and spirits retail licensee's wine and spirits store and all facilities involved in its retail operations, including any changes to those facilities during the term of the license, are subject to the inspection, investigation and approval of the department or the board.

(4) Wine and spirits retail licensees shall maintain adequate security to protect the licensee's inventory from unauthorized sale or diversion and prevent its unauthorized distribution. Nothing in this paragraph shall preclude a wine and spirits retail licensee from moving wine and spirits inventory between wine and spirits retail stores under common ownership on a quarterly basis upon no less than 24 hours' notice to the board.

(5) No wine and spirits retail licensee may engage in a separate business activity upon any licensed premises on which retail liquor operations are conducted without prior approval of the board.

(6) Wine and spirits retail licensees may not sell wine or spirits to Article IV licensees and other wine and spirits retail licensees except in an emergency, as defined by regulation by the board.

(7) No wine and spirits retail licensee may locate its retail premises within one-quarter mile of another wine and spirits retail licensee's retail premises.

(8) Wine and spirits retail licensees shall notify the board within 15 days of a change in persons holding a controlling interest in the wine and spirits retail licensee.

(9) Wine and spirits retail licensees shall notify the board within 15 days of becoming aware of an arrest or criminal indictment or conviction by the wine and spirits retail licensee or an affiliate of the licensee, or any executive officer, director or general or limited partner of the licensee or person holding a controlling interest in the licensee.

(10) Wine and spirits retail licensees shall notify the board within 15 days of becoming aware of a violation of this article by the licensee or an affiliate of the licensee, executive officer, director or general or limited partner of the licensee, person holding a controlling interest in the licensee or employee

of the licensee.

(11) The premises of each wine and spirits store must be a self-contained unit with limited customer access dedicated to the sale of liquor and related merchandise. No wine and spirits store may have an interior connection with another business or with a residential building except as approved by the board. Purchases of wine and spirits must be paid for at a location within the confines of the controlled area.

(12) Each wine and spirits retail licensee shall design its controlled area in a manner and with adequate safeguards to ensure that its liquor products are secure and that the area may not be accessed during prohibited hours of operation.

(13) No wine and spirits retail licensee may hold, directly or indirectly, more than 40 wine and spirits retail licenses within this Commonwealth, nor may a wine and spirits retail licensee own:

(i) More than 10% of the wine and spirits retail licenses in a county that has ten or more wine and spirits retail licenses.

(ii) More than one wine and spirits retail license in a county that has less than ten wine and spirits retail licenses.

(14) Every wine and spirits store may sell liquor for off-premises consumption. In addition to the sale of liquor, wine and spirits stores may sell related merchandise within the controlled area of the store. Sales of related merchandise within the controlled area shall not exceed 30% of the gross annual sales of a wine and spirits store. Unless the wine and spirits retail licensee also operates a license which authorizes the sale of malt and brewed beverages for off-premises consumption in the same controlled area consistent with section 329-A, no wine and spirits store has authority under any circumstances to sell malt or brewed beverages.

(15) Wine and spirits retail licensees shall make the premises and the facilities involved in the retail operation and all of the business and financial books and records of the retail operation available at any time for inspection and audit by the board.

(16) Wine and spirits retail licensees may sell wine or spirits between 9 a.m. and 11 p.m. of any day except Sunday to persons not licensed under this act.

(17) In addition to the hours authorized under paragraph (16), wine and spirits retail licensees may, upon purchasing a permit from the board at an annual fee of \$1,000, sell wine or spirits to persons not licensed under this act or to a holder of a special occasion permit on Sunday between the hours of 9 a.m. and 9 p.m.

(18) No wine and spirits retail licensee may employ a person under 18 years of age to work in a controlled area, and no employee under 21 years of age is permitted to engage in the sale of liquor.

(19) No wine and spirits retail licensee may hold a wine and spirits wholesale license.

(20) The wine and spirits retail licensee, if a corporation, a limited liability company, limited partnership, partnership, association or other legal entity, shall, at all times, be organized under the laws of this Commonwealth.

(21) The wine and spirits retail licensee, if an individual, shall, at all times, be a citizen of the United States and a resident of this Commonwealth.

(22) Each licensee shall assure that all wine and spirits store managers and employees authorized to engage in the sale of liquor shall complete Responsible Alcohol Management Control Program training in accordance with section 471.1 within six months of their commencing employment with the licensee.

(23) A wine and spirits retail licensee may place its license in safekeeping for a period not to exceed two years:

(i) pending transfer of the license from person-

to-person or place-to-place, or both; or

(ii) during renovation of the premises upon which retail operations are conducted.

(24) Any wine and spirits retail license that remains in safekeeping for a period that exceeds two consecutive years shall be forfeited and reaucted by the board in a manner consistent with the provisions of this subarticle.

(25) Except as permitted under paragraph (18), a wine and spirits retail licensee shall ensure that no person under 21 years of age is permitted to enter the controlled area unless accompanied by an adult.

(26) In addition to the provisions of section 495(b) and (c), a wine and spirits retail licensee shall assure the use of a transaction scan device to verify the age of any person who appears to be under 35 years of age. The board shall promulgate regulations as are necessary for the implementation and use of a transaction scan device.

(27) The wine and spirits retail licensee shall not sell a liquor product at a price less than its underlying cost.

(28) The wine and spirits retail licensee shall not provide tasting samples of liquor on the premises where retail operations are conducted in individual portions greater than one fluid ounce or to individuals who are less than 21 years of age.

(29) No wine and spirits retail licensee may require customers of the premises where wine and spirits are sold to purchase a membership or otherwise charge a fee in order to purchase products, including wine and spirits, from the premises.

(30) The wine and spirits retail licensee shall be considered a Pennsylvania Liquor Store for the purposes of collecting and remitting taxes consistent with the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, from a person other than a person licensed to sell liquor for on-premises consumption under Article IV.

(c) Sanctions.—A wine and spirits retail licensee that fails to abide by any condition contained in the licensee's statement of conditions shall be subject to board-imposed administrative sanctions or other penalties authorized under sections 471 and 494.

SUBARTICLE D

MISCELLANEOUS PROVISIONS AND CLOSING OF STATE STORES

Section 324-A. License renewals.

(a) Renewal.—Wine and spirits licenses issued under this article shall be subject to renewal every two years. The application for renewal shall be submitted on a form provided by the board at least 30 days prior to the expiration of the wine and spirits license and shall include, at a minimum, an update of the information contained in the initial and prior renewal applications, if any, and the payment of any renewal application filing fee required by this article. A wine and spirits license for which a completed renewal application and fee has been received by the board shall continue to be valid unless and until the board sends written notification to the licensee that the board has denied the renewal of the license.

(b) Renewal fee.—An application filing fee of \$1,000 shall be due upon application for the renewal of a wine and spirits license. The board shall have the authority to adjust the renewal application filing fee to ensure that the fee adequately recovers the costs associated with license renewal. The board shall also collect fees from a renewal applicant to recover the costs of a renewal investigation.

(c) Renewal hearings.—The board may hold hearings on renewal applications as it deems necessary at a time and in a format as it shall determine. A wine and spirits licensee whose renewal application is denied shall be entitled to a hearing before the board in accordance with section 464.

(d) Revocation or failure to renew.—In addition to any other sanctions the board may impose, the board may, at its discretion, suspend, revoke or deny renewal of any wine and spirits license issued under this article if it finds that the licensee or any of its affiliates, executive officers, directors or general or limited partners or persons

holding a controlling interest in the licensee is in violation of any provision of this act, has furnished the board with false or misleading information or is no longer suitable for licensure. In the event of a revocation or failure to renew, the wine and spirits licensee's authorization to conduct business as a wine and spirits licensee shall immediately cease, and all fees paid in connection with licensure shall be deemed forfeited. In the event of a suspension, the licensee's authorization to conduct business shall immediately cease until the board notifies the licensee that the suspension is no longer in effect.

(e) Affirmative duty.—Nothing under this section shall relieve a wine and spirits licensee of the affirmative duty to notify the board of any changes relating to the status of its license or to any other information contained in the application materials filed with the board.
Section 325-A. Sale, assignment or transfer of license.

(a) Prohibition.—No person may sell, assign or otherwise transfer a wine and spirits license granted under this article unless all of the following are met:

(1) The person has obtained the prior written approval of the board.

(2) The person has paid the fee under subsection (c).

(3) If the license is a wine and spirits retail license, the wine and spirits licensee must have been in continuous operation for at least one year prior to the date of the transfer of the license.

(b) Compliance.—Any person to whom a wine and spirits license is sold, assigned or transferred shall comply with the provisions of this article prior to the sale, assignment or transfer of the license.

(c) Transfer fee.—The transfer of a wine and spirits license shall be subject to a transfer fee equal to 1% of the license fee paid for the license and shall be paid as a condition of the transfer of the license. The transfer fee applicable to the transfer of brands of liquor under section 326-A(b) shall not apply to the transfer of a wine and spirits wholesale license.

(d) Change of control.—For the purposes of this section, a change of control of a wholesale or retail licensee shall be deemed to be a sale, assignment or transfer of a wine and spirits wholesale or retail license. A licensee shall notify the board immediately upon becoming aware of any proposed or contemplated change of control.
Section 326-A. Transfer of brands of liquor.

(a) Prohibition.—No brand of liquor offered for sale in this Commonwealth may be transferred to a different wine and spirits wholesale licensee without prior approval from the board.

(b) Transfer fee.—An application to the board to transfer the right to distribute a brand of liquor shall be subject to an application fee equal to 1% of the initial license fee attributable to the brand of liquor or \$1,000, whichever is greater.

Section 327-A. Suspension or revocation.

(a) Authority of board.—The board shall have the authority to suspend or revoke a wine and spirits license issued under this article when the board finds that any of the following apply:

(1) The licensee has violated this article or any regulations of the board.

(2) The licensee has knowingly presented to the board false, incomplete or misleading information.

(3) The licensee has pleaded guilty, entered a plea of nolo contendere or has been found guilty of a felony by a judge or jury in a Federal or State court.

(4) The licensee failed to operate the business or to provide a reasonable level of consumer service.

(b) Hearings.—Suspension and revocation hearings shall be held in accordance with the procedures under section 514.

(c) Sales prohibited.—No person may sell liquor at any premises if the wine and spirits license applicable to that premises has been forfeited, suspended or revoked or has expired.

(d) Public sale.—In the event of the revocation, forfeiture or surrender of any wine and spirits retail license in accordance with this article, the board shall conduct an auction of the license, consistent with the procedures and requirements under this article.
Section 328-A. Closure of Pennsylvania Liquor Stores.

(a) Schedule of closure.—The department, in consultation with the board, shall develop a protocol for the closure of the State-operated Pennsylvania Liquor Stores which is designed to ensure continuous service to the public during the transition to the private wholesale and retail distribution of liquor. The protocol shall be subject to the following provisions:

(1) A State-operated Pennsylvania Liquor Store shall remain open if no wine and spirits retail licensee's premises are in operation within a ten-mile radius of the State-operated Pennsylvania Liquor Store.

(2) A State-operated Pennsylvania Liquor Store may, at the discretion of the department, remain open if the store produces a net operating profit greater than or equal to 7% of the store's gross receipts. For the purposes of calculating net operating profit, the department, with the full cooperation of the board, shall determine the gross receipts of each State-operated Pennsylvania Liquor Store and subtract:

(i) All store operational expenses for the individual store.

(ii) An amount equal to the store's share of nonstore operation expenses incurred by the board which shall be proportionate to the gross sales at the store compared to the gross sales of all other stores operated by the Commonwealth.

(3) The department, with the full cooperation of the board, shall examine the placement of wine and spirits licenses, State-operated Pennsylvania Liquor Store locations and store profitability on a quarterly basis.

(4) A State-operated Pennsylvania Liquor Store closed pursuant to this section shall close within 45 days of notice from the department to the board.

(5) All State-operated Pennsylvania Liquor Stores shall be closed within 60 months of the conclusion of the auction process under section 318-A. Notice of the date of conclusion of the auction process shall be posted by the department in the Pennsylvania Bulletin.

(b) Sale of State-operated store inventory.—The department, in consultation with the board, shall establish a procedure for the sale of the inventory, property and fixtures of all Pennsylvania Liquor Stores consistent with Article XXIV-A of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929. Wine and spirits licensees shall have the opportunity to bid on the items to be sold or otherwise participate in the sale. All proceeds from the sales shall be deposited into The State Stores Fund.

(c) Pennsylvania Liquor Store leases.—The board shall attempt to assign all existing Pennsylvania Liquor Store leases with a remaining lease term to applicants for or holders of a wine and spirits retail license.

Section 329-A. Combined use of certain licenses.

(a) General rule.—Except as provided in subsections (b) and (c), a wine and spirits retail license may not be operated on the same premises as another class of license or have an interior connection to a business or residence for which the board has authorized an interior connection for another class of license.

(b) Distributor licenses.—Prior to January 1, 2024:

(1) A wine and spirits retail license may be operated on the same premises as, or have an interior connection to a business or residence for which the board has authorized an interior connection for, a distributor license issued under section 431.

(2) A wine and spirits retail license may not be operated with an interior connection to another business or residence for which the board has authorized a license for a class of retail license, other than a distributor license under section 431, which authorizes the holder of the license to sell malt or brewed beverages for off-premises consumption.

(c) Other retail licenses.—After January 1, 2024, a wine and spirits retail license may be operated on the same premises as, or with an interior connection to an unlicensed area shared with, another class

of retail license which authorizes the holder of the license to sell malt or brewed beverages for off-premises consumption.

(d) Requirements for interior connections to grocery stores or supermarkets.—The following shall apply:

(1) Except as provided under paragraph (2) and consistent with the provisions of this section, the board shall require, as a condition of authorizing an interior connection between a restaurant, retail dispenser of malt or brewed beverages, distributor or a wine and spirits retail license and a grocery store or supermarket, the following:

(i) The construction of a solid, permanent, continuous physical separation of at least four feet in height between the licensed business and grocery store or supermarket.

(ii) Unless additional connections are required by law, the licensee shall be permitted no more than one interior connection, which shall not be more than ten feet wide, for every 40 linear feet of physical separation under subparagraph (i).

(2) Paragraph (1) shall not apply to interior connections approved by the board prior to the effective date of this section but shall apply to any modification to the area in which the licensee engages in the sale of liquor or malt or brewed beverages.

(e) Definition.—For the purposes of this section, a "grocery store" or "supermarket" shall mean a retail establishment where food, food products and supplies for the table are sold for human consumption off the premises on an ongoing basis.

Section 330-A. The State Stores Fund.

All fees, assessments, bid amounts or other charges paid by wine and spirits license applicants, bidders or licensees shall be paid or transferred into a restricted account in The State Stores Fund.

Section 331-A. Return of fee or bid.

(a) Wholesale license fee.—The entire wholesale license fee paid by a wine and spirits wholesale licensee under section 312-A(d)(1) shall be returned if this article is amended or otherwise altered by an act of the General Assembly within five years of the effective date of this section to change provisions relating to the loss of rights to wholesale brands of liquors under section 314-A.

(b) Retail bid amount.—The entire retail license fee or retail bid amount paid by a wine and spirits retail licensee under section 317-A(f) or 319-A(g) shall be returned if this article is amended or otherwise altered by an act of the General Assembly within five years of the effective date of this section to authorize additional wine and spirits retail licenses under section 315-A.

SUBARTICLE E

REEMPLOYMENT AND RETRAINING OF DISPLACED EMPLOYEES

Section 332-A. Preference in public employment hiring.

(a) Civil service examinations.—

(1) A displaced employee who successfully passes a civil service appointment examination shall be marked or graded an additional three points above the mark or grade credited for the examination if:

(i) the examination is for a paid position administered under the act of August 5, 1941 (P.L.752, No.286), known as the Civil Service Act, and in the classified service existing under the commission's jurisdiction; and

(ii) the employee establishes the qualifications required by law for appointment to the position.

(2) The total mark or grade, including the mark-up under paragraph (1), obtained by the displaced employee shall represent the final mark or grade of the employee and shall determine the employee's standing on any eligibility list certified or furnished to the appointing power.

(b) Certification.—The commission shall require the board to certify a list of displaced employees under subsection (a). Placement on

the list by the board shall establish eligibility for the preference granted under subsection (a).

(c) Noncivil service positions.—If a paid State position does not require a civil service examination, a displaced employee who possesses the requisite qualifications and is eligible for appointment to a paid State position in offices under the Governor's jurisdiction within the executive branch shall be given a preference in the appointment by the appointing authority.

(d) (Reserved).

(e) Eligibility.—

(1) A displaced employee's eligibility for the mark-up provided under subsection (a) and for the preference for noncivil service positions provided under subsection (c) shall cease upon the occurrence of one of the following:

(i) The displaced employee's appointment or hiring into a position in the classified service existing under the commission's jurisdiction or into a paid State position where no civil service examination is required.

(ii) Two years from the board's implementation of its decision to cease wholesale and retail operations under this article.

(2) In order to be eligible for the mark-up provided under subsection (a) and for the preference for noncivil service positions provided under subsection (c), a displaced worker must be terminated as a sole and direct result of the decision to cease wholesale and retail operations under this article and must work until the final day set by the board for that employee's job function.

Section 333-A. Educational grant eligibility.

(a) Eligibility.—A displaced employee shall be eligible for a two-year educational grant for attending a program of instruction at an institution of higher education within one year of the date of displacement from State service in the following amount:

(1) \$1,000 per year for attendance on a full-time basis;

or

(2) \$500 per year for attendance on a part-time basis.

(b) Certification.—The board shall certify the list of displaced employees to the agency.

(c) Grant award.—The agency shall make a determination of grant eligibility and shall pay the grant directly to the institution of higher education attended by the displaced employee in a manner consistent with the agency's regulations.

Section 334-A. Reemployment tax credit.

(a) Eligibility.—A displaced employee is eligible for a two-year reemployment tax credit voucher in the amount of \$1,000 per taxable year. The voucher shall be made available to each displaced employee upon termination of employment. Each voucher shall be certified by the board before the voucher is provided to the displaced employee. The Department of Revenue shall be informed of each displaced employee to whom a voucher has been provided.

(b) Transfer of voucher.—An employer in this Commonwealth who employs a displaced employee on a full-time basis may, upon transfer of the voucher from the employee to the employer, use the voucher as a credit against the State tax liability of the employer, if the employer can demonstrate the following:

(1) The employee for whom the tax credit is being sought was terminated from a State store within 12 months of being employed by the employer.

(2) The former board employee has been employed by the employer seeking the tax credit on a full-time basis for a period not less than one year.

(c) Voucher submittal.—The employer shall submit the tax credit voucher to the Department of Revenue along with the information required under subsection (b)(1) and (2) to claim a tax credit against the employer's liability for a tax identified under subsection (d)(2).

(d) Amount of credit.—

(1) An employer may claim a reemployment tax credit for each job filled by a displaced employee of \$1,000 per taxable

year for a maximum of two taxable years.

(2) An employer may apply the reemployment tax credit to 100% of the employer's:

(i) State corporate net income tax, capital stock and franchise tax or the personal tax of a shareholder of the company if the company is a Pennsylvania S corporation.

(ii) Insurance premiums tax, gross receipts tax, bank and trust company shares tax, mutual thrift institutions tax or title insurance companies shares tax.

(iii) Any combination of the taxes under subparagraphs (i) and (ii).

(3) A displaced employee whose subsequent employment is terminated with an employer who has utilized the reemployment tax credit voucher to claim a one-year \$1,000 tax credit may transfer the voucher to a new employer who may use the remaining \$1,000 tax credit as a claim against the employer's tax liability for taxes identified under paragraph (2).

(4) The term of the reemployment tax credit voucher may not exceed two years from the date the voucher is provided to the qualified former board employee.

Section 334.1-A. Early retirement.

(a) Eligibility.—Notwithstanding any provisions of 71 Pa.C.S. (relating to State government), any displaced employee who is an eligible member under 71 Pa.C.S. at the time of displacement from State service shall be entitled to receive a maximum single life annuity calculated pursuant to 71 Pa.C.S. § 5702 (relating to maximum single life annuity) without any reduction by virtue of an effective date of retirement which is under the superannuation age if the displaced employee meets all of the following:

(1) has credit for at least 30 eligibility points or is at least 55 years of age with at least ten eligibility points;

(2) terminates State service; and

(3) files an application for an annuity with an effective date of retirement not later than six months from the date of notice from the board of the employee's date of displacement.

(b) Ineligibility.—An employee who files for early retirement under subsection (a) shall not be eligible for benefits under section 332-A, 333-A or 334-A.

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

"Member." As defined in 71 Pa.C.S. § 5102 (relating to definitions).

Section 334.2-A. Transition assistance.

(a) Counseling and placement.—The department shall coordinate with the Office of Administration to provide counseling and other general assistance to employees of the board who are displaced to transition those employees to other employment in either the public or private sector.

(b) Transition funding.—All costs for programs provided under this subarticle shall be reimbursed from proceeds of the divestiture of wholesale wine and spirits and retail wine operations held in the State Stores Fund.

Section 335-A. Protection of existing benefits.

(a) Contract benefits.—Nothing under this section shall be deemed to affect:

(1) Pension benefits accrued prior to the date of separation occurring as a sole and direct result of the decision to cease wholesale and retail operations under this article.

(2) Payment of any accrued benefit derived from the terms of a preexisting collective bargaining agreement payable upon separation from employment.

(b) Collective bargaining.—As a result of the preferential hiring benefits, the tax credit for subsequent employers and the protection of benefits arising from an employee's pension or from a preexisting collective bargaining agreement under this section, the board is deemed to have satisfied all obligations to bargain over the effects of its

decision to cease wholesale and retail operations under this article which may arise under the act of June 1, 1937 (P.L.1168, No.294), known as the Pennsylvania Labor Relations Act, or the act of July 23, 1970 (P.L.563, No.195), known as the Public Employee Relations Act.

(c) Local regulation.—Any local regulation, ordinance or resolution of a political subdivision regarding notice to displaced workers is superseded by this article.

SUBARTICLE F

WINE AND SPIRITS TAXES

Section 336-A. Excise tax on wine and spirits.

(a) Duty to collect taxes.—Except as provided under subsection (f), a wine and spirits wholesale licensee shall collect from each manufacturer and importer of wine and spirits an excise tax on wine and spirits sold in this Commonwealth at the rates prescribed under subsections (b) and (c).

(b) Excise tax on wine.—An excise tax on wine and natural sparkling wine is imposed at the following rates:

(1) Except as set forth in paragraph (3), for wine containing 0.5% or more alcohol by volume and less than 17.259% alcohol by volume, \$8.25 per gallon.

(2) Except as set forth in paragraph (3), for wine containing 17.259% or more alcohol by volume, \$8.75 per gallon.

(3) For natural sparkling wine, \$9.00 per gallon.

(c) Excise tax on liquor.—Except for the taxes imposed under subsection (b), an excise tax on liquor is imposed at the following rates:

(1) For liquor containing less than 17.259% of alcohol by volume, \$11.00 per gallon.

(2) For liquor containing 17.259% or more of alcohol by volume and not more than 55.780% of alcohol by volume, \$11.50 per gallon.

(3) For liquor containing more than 55.780% of alcohol by volume, \$12.00 per gallon.

(d) Remittance of excise tax.—Each wine and spirits wholesale licensee within this Commonwealth shall remit taxes imposed and collected under this section to the Department of Revenue monthly on or before the tenth day of the month following collection of the tax.

(e) Exemptions.—Taxes imposed under this section shall not apply to:

(1) Malt or brewed beverages.

(2) Liquor sold to a post exchange, ship service store or base exchange located in a military, naval or air force reservation within this Commonwealth.

Section 13. Section 401(a) of the act, amended December 22, 2011 (P.L.530, No.113), is amended to read:

Section 401. Authority to Issue Liquor Licenses to Hotels, Restaurants and Clubs.—(a) Subject to the provisions of this act and regulations promulgated under this act, the board shall have authority to issue a retail liquor license for any premises kept or operated by a hotel, restaurant or club and specified in the license entitling the hotel, restaurant or club to purchase liquor from a [Pennsylvania Liquor Store] wine and spirits wholesale licensee under Article III-A and to keep on the premises such liquor and, subject to the provisions of this act and the regulations made thereunder, to sell the same and also malt or brewed beverages to guests, patrons or members for consumption on the hotel, restaurant or club premises. Such licensees, other than clubs, shall be permitted to sell malt or brewed beverages for consumption off the premises [where sold in quantities of not more than one hundred ninety-two fluid ounces in a single sale to one person] in packages prepared for sale or distribution of not more than thirty original containers or totaling not more than three hundred sixty fluid ounces as provided for in section 407. Such licenses shall be known as hotel liquor licenses, restaurant liquor licenses and club liquor licenses, respectively. No person who holds any public office that involves the duty to enforce any of the penal laws of the United States, this Commonwealth or of any political subdivision of this Commonwealth may have any interest in a hotel or restaurant liquor license. This

prohibition applies to anyone with arrest authority, including, but not limited to, United States attorneys, State attorneys general, district attorneys, sheriffs and police officers. This prohibition shall also apply to magisterial district judges, judges or any other individuals who can impose a criminal sentence. This prohibition does not apply to members of the General Assembly, township supervisors, city councilpersons, mayors without arrest authority and any other public official who does not have the ability to arrest or the ability to impose a criminal sentence. This section does not apply if the proposed premises are located outside the jurisdiction of the individual in question.

* * *

Section 14. Section 404 of the act, amended January 6, 2006 (P.L.1, No.1), is amended to read:

Section 404. Issuance, Transfer or Extension of Hotel, Restaurant and Club Liquor Licenses.—Upon receipt of the application and the proper fees, and upon being satisfied of the truth of the statements in the application that the applicant is the only person in any manner pecuniarily interested in the business so asked to be licensed and that no other person will be in any manner pecuniarily interested therein during the continuance of the license, except as hereinafter permitted, and that the applicant is a person of good repute, that the premises applied for meet all the requirements of this act and the regulations of the board, that the applicant seeks a license for a hotel, restaurant or club, as defined in this act, and that the issuance of such license is not prohibited by any of the provisions of this act, the board shall, in the case of a hotel or restaurant, grant and issue to the applicant a liquor license, and in the case of a club may, in its discretion, issue or refuse a license: Provided, however, That in the case of any new license or the transfer of any license to a new location or the extension of an existing license to cover an additional area the board may, in its discretion, grant or refuse such new license, transfer or extension if such place proposed to be licensed is within three hundred feet of any church, hospital, charitable institution, school, or public playground, or if such new license, transfer or extension is applied for a place which is within two hundred feet of any other premises which is licensed by the board: And provided further, That the board's authority to refuse to grant a license because of its proximity to a church, hospital, charitable institution, public playground or other licensed premises shall not be applicable to license applications submitted for public venues or performing arts facilities: And provided further, That the board shall refuse any application for a new license, the transfer of any license to a new location or the extension of an existing license to cover an additional area if, in the board's opinion, such new license, transfer or extension would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a radius of five hundred feet of the place proposed to be licensed: And provided further, That the board shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license. The board shall refuse any application for a new license, the transfer of any license to a new location or the extension of any license to cover an additional area where the sale of liquid fuels or oil is conducted if the point of sale or dispensing of liquid fuels or oil is within one hundred feet of the closest point to the physical building in which the license is located. The board may enter into an agreement with the applicant concerning additional restrictions on the license in question. If the board and the applicant enter into such an agreement, such agreement shall be binding on the applicant. Failure by the applicant to adhere to the agreement will be sufficient cause to form the basis for a citation under section 471 and for the nonrenewal of the license under section 470. If the board enters into an agreement with an applicant concerning additional restrictions, those restrictions shall be binding on subsequent holders of the license until the license is transferred to a new location or until the board enters into a subsequent agreement removing those restrictions. If the application in question

involves a location previously licensed by the board, then any restrictions imposed by the board on the previous license at that location shall be binding on the applicant unless the board enters into a new agreement rescinding those restrictions. The board may, in its discretion, refuse an application for an economic development license under section 461(b.1) or an application for an intermunicipal transfer of a license if the board receives a protest from the governing body of the receiving municipality. The receiving municipality of an intermunicipal transfer or an economic development license under section 461(b.1) may file a protest against the transfer of a license into its municipality, and the receiving municipality shall have standing in a hearing to present testimony in support of or against the issuance or transfer of a license. Upon any opening in any quota, an application for a new license shall only be filed with the board for a period of six months following said opening.

Section 14.1. Section 405(c) of the act, amended April 29, 1994 (P.L.212, No.30), is amended to read:

Section 405. License Fees.—* * *

(c) All license fees authorized under this section shall be collected by the board for the use of the municipalities in which such fees were collected, if the municipalities receive services from a municipal police department. Fees collected in municipalities which do not receive service from a municipal police department shall be transferred to the enforcement bureau.

* * *

Section 15. Section 407(a) of the act, amended June 28, 2011 (P.L.55, No.11), is amended to read:

Section 407. Sale of Malt or Brewed Beverages by Liquor Licensees.—(a) Every liquor license issued to a hotel, restaurant, club, or a railroad, pullman or steamship company under this subdivision (A) for the sale of liquor shall authorize the licensee to sell malt or brewed beverages at the same places but subject to the same restrictions and penalties as apply to sales of liquor, except that licensees other than clubs may sell malt or brewed beverages for consumption off the premises where sold in [quantities of not more than one hundred ninety-two fluid ounces in a single sale to one person] packages prepared for sale or distribution of not more than thirty original containers or totaling not more than three hundred and sixty fluid ounces. The sales may be made in either open or closed containers, Provided, however, That a municipality may adopt an ordinance restricting open containers in public places. No licensee under this subdivision (A) shall at the same time be the holder of any other class of license, except a retail dispenser's license authorizing the sale of malt or brewed beverages only or a wine and spirits retail license consistent with the restrictions contained under section 329-A.

* * *

Section 16. Section 408.12(g), (h) and (i) of the act, added July 1, 1994 (P.L.402, No.61), are amended to read:

Section 408.12. Wine Auction Permits.—* * *

(g) Any wine sold under this section shall be purchased from a [Pennsylvania Liquor Store] wine and spirits licensee under Article III-A, a Pennsylvania limited winery or any seller authorized to sell wine by the bottle or case in this Commonwealth or shall be donated by a person who is neither a licensee nor a permittee who has legally acquired the wine and legally possesses it in this Commonwealth.

(h) If any wine sold under this section is purchased from a seller other than a [Pennsylvania Liquor Store] wine and spirits licensee under Article III-A or a Pennsylvania limited winery, the permittee shall provide thirty days' notice to the board of its intent to purchase such wine. The notice shall include a description of the wine to be purchased, the quantity to be purchased, the name of the seller and any other information which the board may require. The permittee shall comply with all board regulations regarding taxes and fees.

(i) The permittee shall be responsible for paying to the board an amount equal to all taxes which would have been paid on such wine if it had been purchased from a [Pennsylvania Liquor Store] wine and spirits licensee under Article III-A, together with a processing fee to be determined by the board.

* * *

Section 17. Section 410(e) of the act is amended to read:

Section 410. Liquor Importers' Licenses; Fees; Privileges; Restrictions.—* * *

(e) Importers' licenses shall permit the holders thereof to bring or import liquor from other states, foreign countries, or insular possessions of the United States, and purchase liquor from manufacturers located within this Commonwealth, to be sold outside of this Commonwealth or to [Pennsylvania Liquor Stores] wine and spirits wholesale licensees under Article III-A within this Commonwealth, or when in original containers of ten gallons or greater capacity, to licensed manufacturers within this Commonwealth.

All importations of liquor into Pennsylvania by the licensed importer shall be consigned to [the board or] the principal place of business or authorized place of storage maintained by the licensee.

* * *

Section 18. Section 431(b) of the act, amended December 8, 2004 (P.L.1810, No.239), is amended to read:

Section 431. Malt and Brewed Beverages Manufacturers', Distributors' and Importing Distributors' Licenses.—* * *

(b) The board shall issue to any reputable person who applies therefor, and pays the license fee hereinafter prescribed, a distributor's or importing distributor's license for the place which such person desires to maintain for the sale of malt or brewed beverages, not for consumption on the premises where sold, and in quantities of not less than a case or original containers containing one hundred twenty-eight ounces or more which may be sold separately as prepared for the market by the manufacturer at the place of manufacture. The board shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license: And provided further, That, in the case of any new license or the transfer of any license to a new location, the board may, in its discretion, grant or refuse such new license or transfer if such place proposed to be licensed is within three hundred feet of any church, hospital, charitable institution, school or public playground, or if such new license or transfer is applied for a place which is within two hundred feet of any other premises which is licensed by the board: And provided further, That the board shall refuse any application for a new license or the transfer of any license to a new location if, in the board's opinion, such new license or transfer would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a radius of five hundred feet of the place proposed to be licensed. The board shall refuse any application for a new license or the transfer of any license to a location where the sale of liquid fuels or oil is conducted if the point of sale or dispensing of liquid fuels or oil is within 100 feet of the closest point to the physical building in which the licensee is located. The board may enter into an agreement with the applicant concerning additional restrictions on the license in question. If the board and the applicant enter into such an agreement, such agreement shall be binding on the applicant. Failure by the applicant to adhere to the agreement will be sufficient cause to form the basis for a citation under section 471 and for the nonrenewal of the license under section 470. If the board enters into an agreement with an applicant concerning additional restrictions, those restrictions shall be binding on subsequent holders of the license until the license is transferred to a new location or until the board enters into a subsequent agreement removing those restrictions. If the application in question involves a location previously licensed by the board, then any restrictions imposed by the board on the previous license at that location shall be binding on the applicant unless the board enters into a new agreement rescinding those restrictions. The board shall require notice to be posted on the property or premises upon which the licensee or proposed licensee will engage in sales of malt or brewed beverages. This notice shall be similar to the notice required of hotel, restaurant and club liquor licensees.

Except as hereinafter provided, such license shall authorize the holder thereof to sell or deliver malt or brewed beverages in quantities above specified anywhere within the Commonwealth of Pennsylvania, which, in the case of distributors, have been purchased only from persons licensed under this act as manufacturers or importing distributors, and in the case of importing distributors, have been purchased from manufacturers or persons outside this Commonwealth engaged in the legal sale of malt or brewed beverages or from manufacturers or importing distributors licensed under this article. In the case of an importing distributor, the holder of such a license shall be authorized to store and repackage malt or brewed beverages owned by a manufacturer at a segregated portion of a warehouse or other storage facility authorized by section 441(d) and operated by the importing distributor within its appointed territory and deliver such beverages to another importing distributor who has been granted distribution rights by the manufacturer as provided herein. The importing distributor shall be permitted to receive a fee from the manufacturer for any related storage, repackaging or delivery services. In the case of a bailee for hire hired by a manufacturer, the holder of such a permit shall be authorized: to receive, store and repackage malt or brewed beverages produced by that manufacturer for sale by that manufacturer to importing distributors to whom that manufacturer has given distribution rights pursuant to this subsection or to purchasers outside this Commonwealth for delivery outside this Commonwealth; or to ship to that manufacturer's storage facilities outside this Commonwealth. The bailee for hire shall be permitted to receive a fee from the manufacturer for any related storage, repackaging or delivery services. The bailee for hire shall, as required in Article V of this act, keep complete and accurate records of all transactions, inventory, receipts and shipments and make all records and the licensed areas available for inspection by the board and for the Pennsylvania State Police, Bureau of Liquor Control Enforcement, during normal business hours.

Each out of State manufacturer of malt or brewed beverages whose products are sold and delivered in this Commonwealth shall give distributing rights for such products in designated geographical areas to specific importing distributors, and such importing distributor shall not sell or deliver malt or brewed beverages manufactured by the out of State manufacturer to any person issued a license under the provisions of this act whose licensed premises are not located within the geographical area for which he has been given distributing rights by such manufacturer. Should a licensee accept the delivery of such malt or brewed beverages in violation of this section, said licensee shall be subject to a suspension of his license for at least thirty days: Provided, That the importing distributor holding such distributing rights for such product shall not sell or deliver the same to another importing distributor without first having entered into a written agreement with the said secondary importing distributor setting forth the terms and conditions under which such products are to be resold within the territory granted to the primary importing distributor by the manufacturer.

When a Pennsylvania manufacturer of malt or brewed beverages licensed under this article names or constitutes a distributor or importing distributor as the primary or original supplier of his product, he shall also designate the specific geographical area for which the said distributor or importing distributor is given distributing rights, and such distributor or importing distributor shall not sell or deliver the products of such manufacturer to any person issued a license under the provisions of this act whose licensed premises are not located within the geographical area for which distributing rights have been given to the distributor and importing distributor by the said manufacturer: Provided, That the importing distributor holding such distributing rights for such product shall not sell or deliver the same to another importing distributor without first having entered into a written agreement with the said secondary importing distributor setting forth the terms and conditions under which such products are to be resold within the territory granted to the primary importing distributor by the manufacturer. Nothing herein contained shall be construed to prevent

any manufacturer from authorizing the importing distributor holding the distributing rights for a designated geographical area from selling the products of such manufacturer to another importing distributor also holding distributing rights from the same manufacturer for another geographical area, providing such authority be contained in writing and a copy thereof be given to each of the importing distributors so affected.

* * *

Section 19. Section 432(d) of the act, amended January 6, 2006 (P.L.1, No.1), is amended to read:

Section 432. Malt and Brewed Beverages Retail Licenses.—* * *

(d) The board shall, in its discretion, grant or refuse any new license, the transfer of any license to a new location or the extension of an existing license to cover an additional area if such place proposed to be licensed is within three hundred feet of any church, hospital, charitable institution, school, or public playground, or if such new license, transfer or extension is applied for a place which is within two hundred feet of any other premises which is licensed by the board. The board shall refuse any application for a new license, the transfer of any license to a new location or the extension of an existing license to cover an additional area if, in the board's opinion, such new license, transfer or extension would be detrimental to the welfare, health, peace and morals of the inhabitants of the neighborhood within a radius of five hundred feet of the place to be licensed. The board may enter into an agreement with the applicant concerning additional restrictions on the license in question. If the board and the applicant enter into such an agreement, such agreement shall be binding on the applicant. Failure by the applicant to adhere to the agreement will be sufficient cause to form the basis for a citation under section 471 and for the nonrenewal of the license under section 470. If the board enters into an agreement with an applicant concerning additional restrictions, those restrictions shall be binding on subsequent holders of the license until the license is transferred to a new location or until the board enters into a subsequent agreement removing those restrictions. If the application in question involves a location previously licensed by the board, then any restrictions imposed by the board on the previous license at that location shall be binding on the applicant unless the board enters into a new agreement rescinding those restrictions. The board shall refuse any application for a new license, the transfer of any license to a location where the sale of liquid fuels or oil is conducted or the extension of an existing license to cover an additional area if the point of sale or dispensing of liquid fuels or oil is within 100 feet of the closest point to the physical building in which the licensee is located: And provided further, That the board shall have the discretion to refuse a license to any person or to any corporation, partnership or association if such person, or any officer or director of such corporation, or any member or partner of such partnership or association shall have been convicted or found guilty of a felony within a period of five years immediately preceding the date of application for the said license. The board may, in its discretion, refuse an application for an economic development license under section 461(b.1) or an application for an intermunicipal transfer or a license if the board receives a protest from the governing body of the receiving municipality. The receiving municipality of an intermunicipal transfer or an economic development license under section 461(b.1) may file a protest against the approval for issuance of a license for economic development or an intermunicipal transfer of a license into its municipality, and such municipality shall have standing in a hearing to present testimony in support of or against the issuance or transfer of a license. Upon any opening in any quota, an application for a new license shall only be filed with the board for a period of six months following said opening.

* * *

Section 20. Section 438 of the act, amended June 25, 2010 (P.L.217, No.35), is amended to read:

Section 438. Number and Kinds of Licenses Allowed Same Licensee.—(a) Any retail dispenser may be granted licenses to maintain, operate or conduct any number of places for the sale of malt or brewed beverages, but a separate license must be secured for each

place where malt or brewed beverages are sold.

(b) No person shall possess or be issued [more than one distributor's or importing distributor's license.] more than forty distributor's licenses, nor shall any person possess or be issued:

(i) more than ten percent (10%) of the distributor licenses in any one county which has ten or more distributor licenses; or

(ii) more than one distributor license in any one county which has less than ten distributor licenses.

(b.1) No person shall possess or be issued more than one importing distributor's license.

(c) No person shall possess more than one class of license, except that a holder of a retail dispenser's license may also be a holder of a retail liquor license or a wine and spirits retail license consistent with the restrictions contained in section 329-A: Provided, however, That nothing contained in this section shall be construed to prohibit a member of the governing board of a public authority created under subdivision (n) of Article XXIII of the act of August 9, 1955 (P.L.323, No.130), known as "The County Code," from having an interest in a distributor or importing distributor license notwithstanding the fact that the public authority has an interest in one or more retail licenses or acts as a landlord for one or more retail licenses: And, provided further, That, notwithstanding any other provision of this section, an entity may acquire both a manufacturer's license or a limited winery license and a hotel, restaurant or retail dispenser license for use at the same location and more than one location may be so licensed. The licenses and a person's interest in the licenses or in the entity holding the licenses shall not be subject to this section.

Section 21. Section 442(a)(1) of the act, amended June 28, 2011 (P.L.55, No.11), is amended to read:

Section 442. Retail Dispensers' Restrictions on Purchases and Sales.—(a) (1) No retail dispenser shall purchase or receive any malt or brewed beverages except in original containers as prepared for the market by the manufacturer at the place of manufacture. The retail dispenser may thereafter break the bulk upon the licensed premises and sell or dispense the same for consumption on or off the premises so licensed. No retail dispenser may sell malt or brewed beverages for consumption off the premises [in quantities in excess of one hundred ninety-two fluid ounces] in packages prepared for sale or distribution of not more than thirty original containers or totaling not more than three hundred and sixty fluid ounces. Sales may be made in open or closed containers, Provided, however, That a municipality may adopt an ordinance restricting open containers in public places. No club licensee may sell any malt or brewed beverages for consumption off the premises where sold or to persons not members of the club.

Section 22. Section 468(a)(3) of the act, amended December 20, 2000 (P.L.992, No.141), is amended to read:

Section 468. Licenses Not Assignable; Transfers.—(a) ***

(3) No license shall be transferred to any place or property upon which is located as a business the sale of liquid fuels and oil if the point of sale or dispensing of liquid fuels and oil is within 100 feet of the closest point to the physical building in which the licensee is located. Except in cases of emergency such as death, serious illness, or circumstances beyond the control of the licensee, as the board may determine such circumstances to justify its action, transfers of licenses may be made only at times fixed by the board. In the case of the death of a licensee, the board may transfer the license to the surviving spouse or personal representative or to a person designated by him. From any refusal to grant a transfer or upon the grant of any transfer, the party aggrieved shall have the right of appeal to the proper court in the manner hereinbefore provided.

Section 22.1. Section 471(b) of the act, amended July 6, 2005 (P.L.135, No.39), is amended to read:

Section 471. Revocation and Suspension of Licenses; Fines.—**

*

(b) Hearing on such citations shall be held in the same manner as provided herein for hearings on applications for license. Upon such

hearing, if satisfied that any such violation has occurred or for other sufficient cause, the administrative law judge shall immediately suspend or revoke the license, or impose a fine of not less than [fifty dollars (\$50)] one hundred dollars (\$100) nor more than [one thousand dollars (\$1,000)] two thousand dollars (\$2,000), or both, notifying the licensee by registered letter addressed to his licensed premises. If the licensee has been cited and found to have violated section 493(1) insofar as it relates to sales to minors or sales to a visibly intoxicated person, section 493(10) insofar as it relates to lewd, immoral or improper entertainment or section 493(14), (16) or (21), or has been found to be a public nuisance pursuant to section 611, or if the owner or operator of the licensed premises or any authorized agent of the owner or operator has been convicted of any violation of the act of April 14, 1972 (P.L.233, No.64), known as "The Controlled Substance, Drug, Device and Cosmetic Act," or of 18 Pa.C.S. § 5902 (relating to prostitution and related offenses) or 6301 (relating to corruption of minors), at or relating to the licensed premises, the administrative law judge shall immediately suspend or revoke the license, or impose a fine of not less than [one thousand dollars (\$1,000)] five thousand dollars (\$5,000) nor more than [five thousand dollars (\$5,000)] ten thousand dollars (\$10,000), or both. However, if a licensee has been cited and found to have violated section 493(1) as it relates to sales to minors or sales to a visibly intoxicated person but at the time of the sale the licensee was in compliance with the requirements set forth in section 471.1 and the licensee had not sold to minors or visibly intoxicated persons in the previous four years, then the administrative law judge shall immediately suspend or revoke the license, or impose a fine of not less than [fifty dollars (\$50)] one hundred dollars (\$100) nor more than [one thousand dollars (\$1,000)] two thousand dollars (\$2,000), or both. The administrative law judge shall notify the licensee by registered mail, addressed to the licensed premises, of such suspension, revocation or fine. In the event the fine is not paid within twenty days of the adjudication, the administrative law judge shall suspend or revoke the license, notifying the licensee by registered mail addressed to the licensed premises. Suspensions and revocations shall not go into effect until thirty days have elapsed from the date of the adjudication during which time the licensee may take an appeal as provided for in this act, except that revocations mandated in section 481(c) shall go into effect immediately. Any licensee whose license is revoked shall be ineligible to have a license under this act until the expiration of three years from the date such license was revoked. In the event a license is revoked, no license shall be granted for the premises or transferred to the premises in which the said license was conducted for a period of at least one year after the date of the revocation of the license conducted in the said premises, except in cases where the licensee or a member of his immediate family is not the owner of the premises, in which case the board may, in its discretion, issue or transfer a license within the said year. In the event the bureau or the person who was fined or whose license was suspended or revoked shall feel aggrieved by the adjudication of the administrative law judge, there shall be a right to appeal to the board. The appeal shall be based solely on the record before the administrative law judge. The board shall only reverse the decision of the administrative law judge if the administrative law judge committed an error of law, abused its discretion or if its decision is not based on substantial evidence. In the event the bureau or the person who was fined or whose license was suspended or revoked shall feel aggrieved by the decision of the board, there shall be a right to appeal to the court of common pleas in the same manner as herein provided for appeals from refusals to grant licenses. Each of the appeals shall act as a supersedeas unless, upon sufficient cause shown, the reviewing authority shall determine otherwise; however, if the licensee has been cited and found to have violated section 493(1) insofar as it relates to sales to minors or sales to a visibly intoxicated person, section 493(10) insofar as it relates to lewd, immoral or improper entertainment or section 493(14), (16) or (21), or has been found to be a public nuisance pursuant to section 611, or if the owner or operator of the licensed premises or any authorized agent of the owner or operator has been convicted of any violation of "The Controlled Substance, Drug, Device

and Cosmetic Act," or of 18 Pa.C.S. § 5902 or 6301, at or relating to the licensed premises, or if the license has been revoked under section 481(c), its appeal shall not act as a supersedeas unless the reviewing authority determines otherwise upon sufficient cause shown. In any hearing on an application for a supersedeas under this section, the reviewing authority may consider, in addition to other relevant evidence, documentary evidence, including records of the bureau, showing the prior history of citations, fines, suspensions or revocations against the licensee; and the reviewing authority may also consider, in addition to other relevant evidence, evidence of any recurrence of the unlawful activity occurring between the date of the citation which is the subject of the appeal and the date of the hearing. If the reviewing authority is the board, no hearing shall be held on the application for a supersedeas; however, a decision shall be made based on the application, answer and documentary evidence under this subsection. If the application for a supersedeas is for a license that has been revoked under section 481(c), the reviewing authority shall grant the supersedeas only if it finds that the licensee will likely prevail on the merits. No penalty provided by this section shall be imposed for any violations provided for in this act unless the bureau notifies the licensee of its nature within thirty days of the completion of the investigation.

* * *

Section 23. Section 472(a) of the act, amended February 21, 2002 (P.L.103, No.10), is amended and the section is amended by adding a subsection to read:

Section 472. Local Option.—(a) In any municipality or any part of a municipality where such municipality is split so that each part thereof is separated by another municipality, an election may be held, subject to subsection (c), on the date of the primary election immediately preceding any municipal election, but not oftener than once in four years, to determine the will of the electors with respect to the granting of liquor licenses to hotels, restaurants, resort facilities and clubs, not oftener than once in four years, to determine the will of the electors with respect to the granting of liquor licenses to public venues, to performing arts facilities, to continuing care retirement communities, to hotels located on property owned by an accredited college or university, to privately-owned private golf courses or to privately-owned public golf courses, not oftener than once in four years, to determine the will of the electors with respect to the granting of licenses to retail dispensers of malt and brewed beverages, not oftener than once in four years, to determine the will of the electors with respect to granting of licenses to wholesale distributors and importing distributors, not more than once in two years, to determine the will of the electors with respect to the granting of club liquor licenses or club retail dispenser licenses to incorporated units of national veterans' organizations, not oftener than once in two years to determine the will of the electors with respect to the granting of special occasion permits to qualified organizations, or not more than once in four years, to determine the will of the electors with respect to the establishment[, operation and maintenance by the board of Pennsylvania liquor stores] of wine and spirits retail licensees, within the limits of such municipality or part of a split municipality, under the provisions of this act: Provided, however, Where an election shall have been held at the primary preceding a municipal election in any year, another election may be held under the provisions of this act at the primary occurring the fourth year after such prior election: And provided further, That an election on the question of [establishing and operating a State liquor store] the operation of wine and spirits retail licenses under Article III-A shall be initiated only in those municipalities, or that part of a split municipality that shall have voted against the granting of liquor licenses; and that an election on the question of granting wholesale distributor and importing distributor licenses shall be initiated only in those municipalities or parts of split municipalities that shall have at a previous election voted against the granting of dispenser's licenses. Whenever electors equal to at least twenty-five per centum of the highest vote cast for any office in the municipality or part of a split municipality at the last preceding general election shall file a petition with the county board of elections of the county for a referendum on

the question of granting any of said classes of licenses [or the establishment of Pennsylvania liquor stores], the said county board of elections shall cause a question to be placed on the ballots or on the voting machine board and submitted at the primary immediately preceding the municipal election. Separate petitions must be filed for each question to be voted on. Said proceedings shall be in the manner and subject to the provisions of the election laws which relate to the signing, filing and adjudication of nomination petitions, insofar as such provisions are applicable.

When the question is in respect to the granting of liquor licenses, it shall be in the following form:

Do you favor the granting of liquor
licenses for the sale of liquor
in.....
of.....?

Yes
No

When the question is in respect to the granting of liquor licenses to resort facilities in those municipalities that do not already allow the retail sale of liquor, it shall be in the following form:

Do you favor the granting of liquor
licenses to resort facilities for the sale
of liquor in the.....
of.....?

Yes
No

When the question is in respect to the granting of restaurant liquor licenses for use at public venues in those municipalities that do not already allow the retail sale of liquor, it shall be in the following form:

Do you favor the granting of liquor
licenses to public venues for the sale of
liquor in the.....
of.....?

Yes
No

When the question is in respect to the granting of restaurant liquor licenses for use at performing arts facilities in those municipalities that do not already allow the retail sale of alcohol, it shall be in the following form:

Do you favor the granting of liquor
licenses to performing arts facilities for
the sale of liquor in
the.....
of.....?

Yes
No

When the question is in respect to the granting of liquor licenses for hotels located on property owned by an accredited college or university in those municipalities that do not already allow the granting of liquor licenses, it shall be in the following form:

Do you favor the granting of liquor
licenses to hotels on property owned by
an accredited college or university in
the.....
of.....?

Yes
No

When the question is in respect to the granting of liquor licenses, for privately-owned private golf courses, it shall be in the following form:

Do you favor the granting of liquor
licenses for privately-owned private
golf courses for the sale of liquor
in.....by.....
of.....?

Yes
No

When the question is in respect to the granting of liquor licenses, for privately-owned public golf courses, it shall be in the following form:

Do you favor the granting of liquor
licenses for privately-owned public
golf courses for the sale of liquor
in.....by.....
of.....?

Yes
No

When the question is in respect to the granting of liquor licenses to continuing care retirement communities in those municipalities that have not already approved the granting of liquor licenses, it shall be in the following form:

Do you favor the granting of liquor licenses for continuing care retirement communities

in.....by..... Yes
of.....? No

When the question is in respect to the granting of licenses to retail dispensers of malt and brewed beverages, it shall be in the following form:

Do you favor the granting of malt and brewed beverage retail dispenser licenses for consumption on premises where sold in the..... Yes
of.....? No

When the question is in respect to the granting of licenses to wholesale distributors of malt or brewed beverages and importing distributors, it shall be in the following form:

Do you favor the granting of malt and brewed beverage wholesale distributor's and importing distributor's licenses not for consumption on premises where sold in the..... Yes
of.....? No

When the question is in respect to the granting of club liquor licenses to incorporated units of national veterans' organizations, it shall be in the following form:

Do you favor the granting of club liquor licenses to incorporated units of national veterans' organizations in the..... Yes
of.....? No

When the question is in respect to the granting of club retail dispenser licenses to incorporated units of national veterans' organizations, it shall be in the following form:

Do you favor the granting of club retail dispenser licenses to incorporated units of national veterans' organizations in the..... Yes
of.....? No

When the question is in respect to the granting of special occasion permits allowing the sale of liquor by qualified organizations in municipalities that do not already allow the retail sale of liquor, it shall be in the following form:

Do you favor the granting of special occasion permits to allow the sale of liquor by qualified organizations in the..... Yes
of.....? No

When the question is in respect to the granting of special occasion permits allowing the sale of malt or brewed beverages only by qualified organizations in municipalities that do not already allow the retail sale of malt or brewed beverages, it shall be in the following form:

Do you favor the granting of special occasion permits to allow the sale of malt or brewed beverages only by qualified organizations in the..... Yes
of.....? No

When the question is in respect to the [establishment, operation and maintenance of Pennsylvania liquor stores] operation of licenses to wine and spirits retail licensees it shall be in the following form:

Do you favor the [establishment, operation and maintenance of Pennsylvania liquor stores] operation of wine and spirits retail licenses in the..... Yes
of.....? No

of.....?

In case of a tie vote, the status quo shall obtain. If a majority of the voting electors on any such question vote "yes," then liquor licenses shall be granted by the board to hotels, restaurants, resort facilities and clubs, or liquor licenses shall be granted by the board to public venues, to performing arts facilities, to continuing care retirement communities, to hotels located on property owned by an accredited college or university, to privately-owned private golf courses or to privately-owned public golf courses, or malt and brewed beverage retail dispenser licenses or wholesale distributor's and importing distributor's license for the sale of malt or brewed beverages shall be granted by the board, or club liquor licenses or club retail dispenser licenses shall be granted by the board to incorporated units of national veterans' organizations, or special occasion permits may be issued to qualified organizations, or [the board may establish, operate and maintain Pennsylvania liquor stores] to wine and spirits retail licensees under Article III-A, as the case may be, in such municipality or part of a split municipality, as provided by this act; but if a majority of the electors voting on any such question vote "no," then the board shall have no power to grant or to renew upon their expiration any licenses of the class so voted upon in such municipality or part of a split municipality; or if the negative vote is on the question in respect to the establishment, operation and maintenance of Pennsylvania liquor stores, the board shall not open and operate a Pennsylvania liquor store in such municipality or part of a split municipality, nor continue to operate a then existing Pennsylvania liquor store in the municipality or part of a split municipality for more than two years thereafter or after the expiration of the term of the lease on the premises occupied by such store, whichever period is less, unless and until at a later election a majority of the voting electors vote "yes" on such question].

(a.1) Wine and spirits retail licenses authorized under Article III-A may be placed in any municipality in which the operation of a State-operated Pennsylvania Liquor Store is permissible and no question under subsection (a) shall be required for the placement. The provisions of subsection (a) relating to the operation of wine and spirits retail licenses shall apply in municipalities in which a State-operated Pennsylvania Liquor Store would not have been permissible prior to the effective date of this subsection.

Section 24. Section 488 of the act, added February 21, 2002 (P.L.103, No.10), is amended to read:

Section 488. Shipment of Wine [into Commonwealth].—(a) The shipment of wine [from out-of-State] to residents of this Commonwealth [is prohibited, except as otherwise provided for in] shall be governed by this section.

(b) Notwithstanding any other provision of this act or law to the contrary, a person licensed by the board or another state as a producer[, supplier, importer, wholesaler, distributor or retailer] of wine and who obtains a direct wine shipper license as provided for in this section may ship up to [nine] eighteen liters per month of any wine [not included on the list provided for in subsection (c) on the Internet order of] to any resident of this Commonwealth who ordered the wine on the Internet or by telephone or mail and who is at least twenty-one (21) years of age for such resident's personal use and not for resale.

(c) Each month, the board shall publish on the Internet a list of all classes, varieties and brands of wine available for sale in [the Pennsylvania Liquor Stores. A person holding a direct shipper license may ship only those classes, varieties and brands of wine not included on the list at the time an Internet order is placed] this Commonwealth.

(c.1) Prior to issuing a direct wine shipper license, the board shall require the person seeking the license to:

- (1) File an application with the board.
- (2) Pay a one hundred dollar (\$100) registration fee.
- (3) Provide to the board a true copy of its current alcoholic beverage license issued by the board or another state, if applicable.
- (4) Provide the board with any other information the board deems necessary and appropriate.
- (5) Provide documentation which evidences that it has obtained

a sales tax license from the Department of Revenue.

(d) [An out-of-State] A direct wine shipper shall:

(1) Not ship more than [nine] eighteen liters per month on the Internet, telephone or mail order of any person in this Commonwealth.

(2) Report to the board each year the aggregate total of wine shipped [into] to all residents of this Commonwealth in the preceding calendar year.

(3) Permit the board or the Secretary of Revenue, or their designated representatives, to perform an audit of the [out-of-State] direct wine shipper's records upon request.

(4) Be deemed to have submitted to the jurisdiction of the board, any other State agency and the courts of this Commonwealth for purposes of enforcement of this section and any related laws, rules or regulations.

(5) Require proof of age of the recipient, in a manner or format approved by the board, before any wine is shipped to a resident of this Commonwealth.

(6) Ensure that all boxes or exterior containers of wine shipped directly to a resident in this Commonwealth are conspicuously labeled with the words "CONTAINS ALCOHOL: SIGNATURE OF PERSON 21 YEARS OF AGE OR OLDER REQUIRED FOR DELIVERY."

(7) Pay to the Department of Revenue all taxes due on sales to residents of this Commonwealth. The amount of the taxes shall be calculated as if the sales were made in this Commonwealth at the locations where delivery is made.

(8) Annually renew its license by paying a renewal fee established by the board.

(e) A direct shipper may ship wine on the Internet, telephone or mail order of a resident into this Commonwealth provided that the wine [is shipped to a Pennsylvania Liquor Store selected by the resident. The wine will be subject to taxes in the same manner as wine sold directly by the board. The wine will not be released by the State store until all moneys due, including all taxes and fees, have been paid by the resident] will be subject to all taxes due on sales to residents of this Commonwealth with the amount of the taxes to be calculated as if the sale were made in this Commonwealth at the location where delivery is made.

(f) [A person shall sign an affidavit provided by the Pennsylvania Liquor Store where the wine was delivered to stating that the wine will only be used for the person's personal use.] Any person who resells wine obtained under this section commits a misdemeanor of the second degree.

(g) The board may promulgate such rules and regulations as are necessary to implement and enforce the provisions of this section. [The board may charge the resident a fee to cover the cost associated with processing the Internet order.]

(h) The board shall submit [monthly] annual reports to the Appropriations Committee and the Law and Justice Committee of the Senate and to the Appropriations Committee and the Liquor Control Committee of the House of Representatives summarizing the number of direct shipper licenses issued by the board[,] and the quantity of wine sold by direct wine shippers pursuant to this section [and the total dollar value of sales under this section].

(i) The term "wine" as used in this section shall mean liquor which is fermented from grapes and other fruits, having alcoholic content of twenty-four per centum or less. The term "wine" shall not include malt or brewed beverages nor shall wine include any products containing alcohol derived from malt, grain, cereal, molasses or cactus.

(j) No application for a direct wine shipper license may be approved by the board for a producer in another state unless the other state's laws allow for the direct shipment of wine from Pennsylvania producers into that state.

(k) The term "direct wine shipper" as used in this section shall mean a person who holds a direct wine shipper license as provided in this section and includes a limited winery.

Section 25. Section 491 of the act, amended October 5, 1994 (P.L.522, No.77), February 21, 2002 (P.L.103, No.10), December 9, 2002 (P.L.1653, No.212), July 17, 2003 (P.L.63, No.15), July 7, 2006

(P.L.584, No.84) and December 22, 2011 (P.L.530, No.113), is amended to read:

Section 491. Unlawful Acts Relative to Liquor, Alcohol and Liquor Licensees.—

It shall be unlawful—

(1) Sales of Liquor. For any person, by himself or by an employee or agent, to expose or keep for sale, or directly or indirectly, or upon any pretense or upon any device, to sell or offer to sell any liquor within this Commonwealth, except in accordance with the provisions of this act and the regulations of the board. This clause shall not be construed to prohibit hospitals, physicians, dentists or veterinarians who are licensed and registered under the laws of this Commonwealth from administering liquor in the regular course of their professional work and taking into account the cost of the liquor so administered in making charges for their professional service, or a pharmacist duly licensed and registered under the laws of this Commonwealth from dispensing liquor on a prescription of a duly licensed physician, dentist or veterinarian, or selling medical preparations containing alcohol, or using liquor in compounding prescriptions or medicines and making a charge for the liquor used in such medicines, or a manufacturing pharmacist or chemist from using liquor in manufacturing preparations unfit for beverage purposes and making a charge for the liquor so used. All such liquors so administered or sold by hospitals, physicians, dentists, veterinarians, pharmacists or chemists shall conform to the Pharmacopoeia of the United States, the National Formulary, or the American Homeopathic Pharmacopoeia. This clause shall not be construed to prohibit an executor or an administrator of a decedent's estate from selling privately or at public auction liquor which was an asset of the decedent. The board shall establish regulations to ensure that State taxes from the sales will be paid by the estate from the proceeds of the sale. The board may not prohibit a sale of liquor for the reason that it was not lawfully acquired prior to January 1, 1934 or has not been purchased [from a Pennsylvania Liquor Store or] in compliance with Pennsylvania law.

(2) Possession or Transportation of Liquor or Alcohol. For any person, except a manufacturer or the board or the holder of a sacramental wine license or of an importer's license, to possess or transport any liquor or alcohol within this Commonwealth which was not lawfully acquired prior to January first, one thousand nine hundred and thirty-four, or has not been legally purchased from a [Pennsylvania Liquor Store] wine and spirits licensee under Article III-A or a licensed limited winery in Pennsylvania, except in accordance with section 488 or the board's regulations. In addition, it shall be lawful for anyone to possess miniatures totaling less than one gallon purchased in another state or a foreign country. The burden shall be upon the person possessing or transporting such liquor or alcohol to prove that it was so acquired. Notwithstanding this section or any other provision of the law, wine may be produced by any person without a license if the wine is not produced for sale and total production does not exceed two hundred gallons per calendar year. Wine produced in accordance with this clause may be used at organized affairs, exhibitions, competitions, contests, tastings or judgments if it is not sold or offered for sale.

None of the provisions herein contained shall prohibit nor shall it be unlawful for any person to import into Pennsylvania, transport or have in his possession, an amount of liquor not exceeding one gallon in volume upon which a State tax has not been paid, if it can be shown to the satisfaction of the board that such person purchased the liquor in a foreign country or United States territory and was allowed to bring it into the United States. Neither shall the provisions contained herein prohibit nor make it unlawful for (i) any member of the armed forces on active duty, or (ii) any retired member of the armed forces, or (iii) any totally disabled veteran, or (iv) the spouse of any person included in the foregoing classes of persons to import into Pennsylvania, transport or have in his possession an amount of liquor not exceeding one gallon per month in volume upon which the State tax has not been paid, so long as such liquor has been lawfully purchased from a package store established and maintained under the authority of the United States and is in containers identified in accordance with

regulations issued by the Department of Defense. Such liquor shall not be possessed, offered for sale or sold on any licensed premises.

None of the provisions herein contained shall prohibit nor shall it be unlawful for any consul general, consul or other diplomatic officer of a foreign government to import into Pennsylvania, transport or have in his possession liquor upon which a State tax has not been paid, if it can be shown to the satisfaction of the board that such person acquired the liquor in a foreign country and was allowed to bring it into the United States. Such liquor shall not be possessed, offered for sale or sold on any licensed premises.

Any person violating the provisions of this clause for a first offense involving the possession or transportation in Pennsylvania of any liquor in a package (bottle or other receptacle) or wine not legally purchased from a [Pennsylvania Liquor Store] wine and spirits licensee under Article III-A or from a licensed limited winery in Pennsylvania, with respect to which satisfactory proof is produced that the required Federal tax has been paid and which was purchased, procured or acquired legally outside of Pennsylvania shall upon conviction thereof in a summary proceeding be sentenced to pay a fine of twenty-five dollars (\$25) for each such package, plus costs of prosecution, or undergo imprisonment for a term not exceeding ninety (90) days. Each full quart or major fraction thereof shall be considered a separate package (bottle or other receptacle) for the purposes of this clause. Such packages of liquor shall be forfeited to the Commonwealth in the manner prescribed in Article VI of this act but the vehicle, boat, vessel, animal or aircraft used in the illegal transportation of such packages shall not be subject to forfeiture: Provided, however, That if it is a second or subsequent offense or if it is established that the illegal possession or transportation was in connection with a commercial transaction, then the other provisions of this act providing for prosecution as a misdemeanor and for the forfeiture of the vehicle, boat, vessel, animal or aircraft shall apply.

(3) Purchase of Liquor or Alcohol. For any person within this Commonwealth, by himself or by an employee or agent, to attempt to purchase, or directly or indirectly, or upon any pretense or device whatsoever, to purchase any liquor or alcohol from any person or source [other than a Pennsylvania Liquor Store], except in accordance with the provisions of this act or the regulations of the board.

(4) Possession and Use of Decanters. For any person to use decanters of alcoholic beverages except that the use of decanters or other similar receptacles by licensees shall be permitted in the case of wines and then only in accordance with the regulations of the board, but nothing herein contained shall prohibit the manufacture and possession of wine as provided in clause (2) of this section.

(5) Failure to Properly Dispose of Empty Liquor Containers. For any restaurant, hotel or club licensee, his servants, agents or employees, to fail to break any package in which liquors were contained, except those decanter packages that the board determines to be decorative, within twenty-four hours after the original contents were removed therefrom, unless the licensee participates in either a municipal recycling program, in accordance with the act of July 28, 1988 (P.L.556, No.101), known as the "Municipal Waste Planning, Recycling and Waste Reduction Act," or a voluntary recycling program. The licensee shall provide proof in writing of the participation in a recycling program upon the demand of the Bureau of Liquor Control Enforcement of the Pennsylvania State Police. The proof of participation shall be provided in a manner as prescribed by the Pennsylvania Liquor Control Board.

(6) Sales by Restaurant and Hotel Liquor Licensees. For any restaurant or hotel licensee, his servants, agents or employees, to sell any liquor or malt or brewed beverages for consumption on the licensed premises except in a room or rooms or place on the licensed premises at all times accessible to the use and accommodation of the general public, but this section shall not be interpreted to prohibit a restaurant liquor licensee from providing private affairs the primary function of which is for catering only to weddings or special occasions arranged twenty-four hours in advance, nor to prohibit a hotel licensee, or a restaurant licensee when the restaurant is located in a hotel, from

selling liquor or malt or brewed beverages in any room of such hotel occupied by a bona fide guest or to prohibit a restaurant licensee from selling liquor or malt or brewed beverages in a bowling alley where the restaurant and bowling alley are immediately adjacent and under the same roof.

(7) Sales of Liquor by Manufacturers and Licensed Importers. For any manufacturer or licensed importer of liquor in this Commonwealth, his agents, servants or employees, to sell or offer to sell any liquor in this Commonwealth except to [the board for use in Pennsylvania Liquor Stores] a wine and spirits wholesale licensee under Article III-A, and in the case of a manufacturer, to the holder of a sacramental wine license or an importer's license. Notwithstanding any other provision of this act, a manufacturer or licensed importer may sell or offer to sell liquor for delivery outside of this Commonwealth.

(8) Importation and Sales of Alcohol. For any person, to import alcohol into this Commonwealth, or to sell alcohol to any person, except in accordance with section 488 and the provisions of this act or the regulations of the board.

(9) Possession of Alcohol. For any person, to have alcohol in his possession, except in accordance with the provisions of this act and the regulations of the board.

(10) Fortifying, Adulterating or Contaminating Liquor. For any licensee or any employee or agent of a licensee or of the board, to fortify, adulterate or contaminate any liquor, except as permitted by the regulations of the board, or to refill wholly or in part, with any liquid or substance whatsoever, any liquor bottle or other liquor container.

(11) Importation of Liquor. For any person, other than [the board] a wine and spirits wholesale licensee or the holder of a sacramental wine license, an importer's license or a direct shipper's license, to import any liquor whatsoever into this Commonwealth, but this section shall not be construed to prohibit railroad and pullman companies from purchasing and selling liquors purchased outside the Commonwealth in their dining, club and buffet cars which are covered by public service liquor licenses and which are operated in this Commonwealth.

(12) Delivery of Liquor by Certain Licensees. For a liquor licensee permitted to deliver liquor, to make any deliveries except in his own vehicles bearing his name, address and license number on each side in letters not smaller than two inches in height, or in the vehicle of another person duly authorized to transport liquor within this Commonwealth.

(13) Violation of Certain Rules and Regulations of Board. For any person, to violate any rules and regulations adopted by the board [to insure the equitable] relating to wholesale and retail sale and distribution of liquor and alcohol through [the Pennsylvania Liquor Stores] wine and spirits licensees under Article III-A.

(14) Offering Commission or Gift to Members of Board or State Employee. For any person selling or offering to sell liquor or alcohol to, or purchasing at wholesale liquor or alcohol from, the board, either directly or indirectly, to pay or offer to pay any commission, profit or remuneration, or to make or offer to make any gift to any member or employee of the board or other employee of the Commonwealth or to anyone on behalf of such member or employee.

Section 26. Section 492(9) of the act, amended December 22, 2011 (P.L.530, No.113), is amended and the section is amended by adding a clause to read:

Section 492. Unlawful Acts Relative to Malt or Brewed Beverages and Licensees.—

It shall be unlawful—

(9) Transportation of Malt or Brewed Beverages by Licensee. For a malt or brewed beverage licensee, to deliver or transport any malt or brewed beverages, excepting in vehicles bearing the name and address and license number of such licensee painted or affixed on each side of such vehicle in letters no smaller than two inches in height and for purposes not prohibited under this act.

(22) Interior connections to distributors. For the licensed area of

a distributor licensee to have an interior connection with any other business or with any residential building, except as approved by the board.

Section 27. Section 493(1) and (2) of the act, amended December 8, 2004 (P.L.1810, No.239) and July 6, 2005 (P.L.135, No.39), are amended to read:

Section 493. Unlawful Acts Relative to Liquor, Malt and Brewed Beverages and Licensees.—The term "licensee," when used in this section, shall mean those persons licensed under the provisions of Article IV, unless the context clearly indicates otherwise.

It shall be unlawful—

(1) Furnishing Liquor or Malt or Brewed Beverages to Certain Persons. For any licensee [or the board,] or any employee, servant or agent of such licensee [or of the board], or any other person, to sell, furnish or give any liquor or malt or brewed beverages, or to permit any liquor or malt or brewed beverages to be sold, furnished or given, to any person visibly intoxicated, or to any minor: Provided further, That notwithstanding any other provision of law, no cause of action will exist against a licensee [or the board] or any employee, servant or agent of such licensee [or the board] for selling, furnishing or giving any liquor or malt or brewed beverages or permitting any liquor or malt or brewed beverages to be sold, furnished or given to any insane person, any habitual drunkard or person of known intemperate habits unless the person sold, furnished or given alcohol is visibly intoxicated or is a minor.

(2) Purchase or Sale of Liquor or Malt or Brewed Beverages on Credit; Importing Distributors or Distributors Accepting Cash. For any licensee, his agent, servant or employee, to sell or offer to sell or purchase or receive any liquor or malt or brewed beverages except for cash, excepting credit extended by a hotel or club to a bona fide guest or member, or by railroad or pullman companies in dining, club or buffet cars to passengers, for consumption while enroute, holding authorized credit cards issued by railroad or railroad credit bureaus or by hotel, restaurant, retail dispenser eating place, club and public service licensees, importing distributors or distributors to customers not possessing a license under this article and holding credit cards issued in accordance with regulations of the board or credit cards issued by banking institutions subject to State or Federal regulation: Provided further, That nothing herein contained shall be construed to prohibit the use of checks or drafts drawn on a bank, banking institution, trust company or similar depository, organized and existing under the laws of the United States of America or the laws of any state, territory or possession thereof, in payment for any liquor or malt or brewed beverages if the purchaser is the payor of the check or draft and the licensee is the payee: Provided further, That notwithstanding any other provision of this act to the contrary, it shall be unlawful for an importing distributor or distributor to accept cash for payment of any malt or brewed beverages from anyone possessing a license issued under this article, except it shall be permissible for the importing distributor or distributor to accept credit cards, money orders or cashiers' checks for payment of any malt or brewed beverages in addition to any other type of payment authorized by the board from anyone possessing a license under this article. No right of action shall exist to collect any claim for credit extended contrary to the provisions of this clause. Nothing herein contained shall prohibit a licensee from crediting to a purchaser the actual price charged for original containers returned by the original purchaser as a credit on any sale, or from refunding to any purchaser the amount paid by such purchaser for such containers or as a deposit on containers when title is retained by the vendor, if such original containers have been returned to the licensee. Nothing herein contained shall prohibit a manufacturer from extending usual and customary credit for liquor or malt or brewed beverages sold to customers or purchasers who live or maintain places of business outside of the Commonwealth of Pennsylvania, when the liquor or malt or brewed beverages so sold are actually transported and delivered to points outside of the Commonwealth: Provided, however, That as to all transactions affecting malt or brewed beverages to be resold or consumed within this Commonwealth, every licensee shall pay and

shall require cash deposits on all returnable original containers and all such cash deposits shall be refunded upon return of the original containers.

* * *

Section 28. The act is amended by adding a section to read:

Section 493.2. Unlawful Acts Relative to Wine and Spirits Retail Licensees.—(a) It shall be unlawful for any wine and spirits retail licensee, or any employee, servant or agent of the licensee, or any other person, to sell, furnish or give any liquor or malt or brewed beverages, or to permit any liquor or malt or brewed beverages to be sold, furnished or given, to any minor. Notwithstanding any other provision of law, no cause of action will exist against a licensee or any employee, servant or agent of the licensee for selling, furnishing or giving any liquor or malt or brewed beverages or permitting any liquor or malt or brewed beverages to be sold, furnished or given to any insane person, any habitual drunkard or person of known intemperate habits unless the person sold, furnished or given alcohol is a minor.

(b) Any person who violates the provisions of subsection (a) shall, upon conviction, be sentenced to pay a fine of not less than two thousand dollars (\$2,000) nor more than ten thousand dollars (\$10,000) and may have the license suspended or revoked.

Section 29. Section 495 of the act, amended December 20, 1996 (P.L.1523, No.199), February 21, 2002 (P.L.103, No.10) and December 16, 2002 (P.L.1806, No.221) and repealed in part March 25, 1988 (P.L.262, No.31), is amended to read:

Section 495. Identification Cards; Licensees and [State Liquor Store] Employees Saved From Prosecution.—(a) The valid photo driver's license or identification card issued by the Department of Transportation or by any other state, a valid armed forces of the United States identification card, a valid passport or a travel visa issued by the United States or a foreign country that contains the holder's photograph shall, for the purpose of this act, be accepted as an identification card.

(b) Such identification card shall be presented by the holder thereof upon request of any [State Liquor Store or any] licensee, or the servant, agent or employee thereof, for the purpose of aiding such [store,] licensee, or the servant, agent or employee to determine whether or not such person is twenty-one years of age and upwards, when such person desires alcoholic beverage at a [State Liquor Store or] licensed establishment.

(c) In addition to the presentation of such identification card, the agent of the [State Liquor Store or the] licensee, or his servant, agent or employee, may require the person whose age may be in question to fill in and sign a form containing language approved by the board or containing the following:

..... 19
I,....., hereby represent to
....., a [State Store or] licensee of the board, that
I am of full age and discretion and over the age of 21 years, having
been born on 19..... at This statement is
made to induce said [store or] licensee above named to sell or
otherwise furnish alcoholic beverages to the undersigned.

Serial Number of Identification Card:

I understand that I am subject to a fine of \$300.00 and sixty days imprisonment or fine for misrepresentation herein.

Witness:

Name.....

Address.....

The forms shall be printed in a manner approved by the board and shall be filed alphabetically by the [State Liquor Store or] licensee in a file box containing a suitable alphabetical index at or before the close of business on the day that the form is executed, and any such form shall be subject to examination by any officer, agent or employee of the enforcement bureau at any and all times.

(e) No penalty shall be imposed on a licensee[, or the licensee's

employee [or State Liquor Store employee] for serving alcohol to a minor if the licensee or employee can establish that the minor was required to produce an identification card as set forth in subsection (a), the minor completed and signed the form as set forth in subsection (c) and these documents were relied upon in good faith. This defense shall apply to all civil and criminal prosecutions.

(f) In addition to the defense set forth in subsection (e), no penalty shall be imposed on a licensee[,] or the licensee's employee [or State Liquor Store employee] for serving alcohol to a minor if the licensee or employee can establish that the minor was required to produce an identification card as set forth in subsection (a), a photograph, photocopy or other visual or video presentation of the identification card was made and those documents were relied upon in good faith. This defense shall apply to all civil and criminal prosecutions.

(g) In addition to the defenses set forth in subsections (e) and (f), no penalty shall be imposed on a licensee[,] or the licensee's employee [or Pennsylvania Liquor Store employee] for serving alcohol to a minor if the licensee or employee can establish that the minor was required to produce an identification card as set forth in subsection (a), the identification card is identified as a valid card by a transaction scan device and the identification card and transaction scan results were relied upon in good faith. This defense shall apply to all civil and criminal prosecutions. For purposes of this section, a "transaction scan device" is a device capable of deciphering in an electronically readable format the information encoded on the magnetic strip or bar code of an identification card set forth in subsection (a).

(h) No licensee or licensee's agent or employee shall sell or otherwise disseminate the information derived from a transaction scan to any third party, except to the board, the bureau or other law enforcement official, for any purpose, including, but not limited to, any marketing, advertising or promotional activities, except that a licensee or licensee's agent or employee may release that information pursuant to a court order. Any person who violates this subsection commits a summary offense and shall, upon conviction, be sentenced to pay a fine not exceeding five hundred dollars (\$500) for the first offense and to pay a fine not exceeding one thousand dollars (\$1,000) for subsequent offenses.

Section 30. Repeals are as follows:

(1) The General Assembly declares that the repeal under paragraph (2) is necessary to effectuate the addition of section 336-A of the act.

(2) The act of June 9, 1936 (Sp.Sess., P.L.13, No.4) entitled "An act imposing an emergency State tax on liquor, as herein defined, sold by the Pennsylvania Liquor Control Board; providing for the collection and payment of such tax; and imposing duties upon the Department of Revenue and the Pennsylvania Liquor Control Board," is repealed.

Section 31. The Department of General Services shall determine when the Pennsylvania Liquor Control Board is no longer engaged in the wholesale or retail sale of liquor in this Commonwealth and shall publish that date as a notice in the Pennsylvania Bulletin.

Section 32. This act shall take effect as follows:

(1) The following provisions shall take effect upon publication of the notice under section 31 of this act:

(i) The amendment of sections 104, 207, 208, 211, 213, 215, 301, 302, 303, 304, 305, 306, 492, 493 and 495 of the act.

(ii) Section 30 of this act.

(2) The amendment of sections 410 and 472 of the act shall take effect in one year.

(3) The addition of section 207.1 of the act shall take effect in two years.

(4) The remainder of this act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Speaker recognizes the gentleman, Mr. Turzai.

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

In front of us is an amendment to HB 11. That amendment, as everyone knows, is the privatization of licenses for the sale of wine and spirits. Since Governor Thornburgh, this State has been talking about moving into the 21st century. Our fellow States of New York, New Jersey, Delaware, Maryland, West Virginia, and Ohio all have private-sector approaches to how we dispense wine and spirits in this State. They are focused on consumers. They are not focused on special interests.

There are only two States in the entire country, Utah and Pennsylvania, that have a complete monopoly with respect to the sale of wine and spirits. Why is Pennsylvania so anachronistic? Why is Pennsylvania not willing to focus on its citizens and consumers? The Scranton Times-Tribune today said this: There is "...consistent polling showing 70 percent of Pennsylvanians...in favor..." of privatizing the sale of wine and spirits, and "With a governor and legislative majorities in both houses in favor of ending the state monopoly,...the question since 2010 has been, what are they waiting for?"

The fact of the matter is, in terms of revenue, the LCB (Liquor Control Board) has been saying that they bring in a consistent amount of money to this State as a cash cow. It is disingenuous. It is a myth. In fact, the vast majority of the money that comes from the sale of wine and spirits in the State is from taxes, about \$400 million annually. Under this particular amendment, that does not change. That and more will come in through the taxing of private-sector sales in the State of Pennsylvania. In fact, the only contribution out of \$1.4 billion in sales has been \$80 million, \$80 million, and the LCB had to dip into the red to be able to make that contribution. This notion that in fact they are bringing in all this revenue is complete myth.

The fact of the matter is, over the last 10 years the central administration costs of the LCB have risen by 150 percent, and the retail operation costs have risen 75 percent over that same 10-year period. It is why they are dipping into their net assets to in fact be able to make any contribution to the General Fund out of \$1.5 billion in sales.

In addition, everybody knows that if you come into the State of Pennsylvania, there is no focus on the consumer whatsoever. At 621 stores, we are the least-served population in the entire country. We are not talking about proliferation; we are in fact talking about nonservice. In Adams County, one of our most significant tourist counties, there is one liquor store – that is it.

The fact of the matter is, the private sector knows how to bring, in a controlled fashion – because we are only entertaining 1600 licenses, still one of the lowest per capita in the country – the private sector knows how to bring goods and services to market. They do it in 48 other States. They do it on a wholesale front and they do it on a retail front, and they do it in a responsible manner. The fact of the matter is, in licensed States versus a controlled State like Pennsylvania, every study has shown that with respect to DUIs (driving under the influence) or underage drinking, licensed States do as well, if not better. This particular proposal, however, recognizes the private-sector component already in the sale of alcohol in Pennsylvania.

Beer distributors. Beer distributors with every day are having a tougher and tougher time making it. Why? Because grocery stores are in fact getting E (eating place) licenses and R (restaurant) licenses and creating cafes where they are able to sell beer, and that number is only going to grow.

The fact of the matter is, this State is an anachronism. We need to be able to provide a single point where you can, as a consumer, make your purchase. It comes in two places. One, we offer right of first refusal at fair market value to every beer distributor in the State to be able to have a wine and spirits license, and that fair market value is based on historical sales within their particular county. Those licenses are, of course, limited by county. There are 1600 of them, but the beer distributors have a right of first refusal with those first 1100 licenses. If you want it, you can have it, and you can grow your business by the opportunity that you are getting to have a wine and spirits license and become a one-stop place for a consumer to go.

Second, you can get it and you can either partner with another entity or sell that opportunity, perhaps to a grocery store, and they can take a profit at a premium with respect to the sale of the beer, the wine, and the spirits license that they now have in hand.

Finally, if a beer distributor does not want it, he or she can just say no. There are 500 other licenses that would be auctioned on a geographical basis, and on that geographical basis, they would be limited by county, and any that were turned down by the beer distributors would be placed into that auction pool. They would be auctioned off at a premium but at a fair market value. You set a reserve price based on sales, and it would be an arm's-length transaction. That would be the second part of the transition from the public sector to the private sector, and those who would win on the auctions would have the ability to sell wine and spirits, although they would not have the opportunity to sell beer. Only the beer distributors or those that would purchase a beer distributor's license would be able to have the sale of beer, wine, and spirits. That is the way that the legislation would work.

It is in fact designed to build upon the work that our Liquor Committee did that wanted to make sure that the beer distributors were given an option to have the wine and spirits licenses, while also focusing on consumers and convenience and price and getting us out of the conflict of interest that we are in. In fact, I do not believe we should be in the business of pushing vodka through Mother's Day ads, as the LCB has, while we are the same entity, the State, that should be responsible for taxing it, regulating it, licensing it, and law enforcement.

In fact, I thought the Times-Tribune had another great point: "Whatever the economic considerations, the reason that..." we "...should press the measure is more fundamental. The state government has no legitimate business in the retail alcoholic beverage business. The state monopoly, a vestige of the post-Prohibition era, has evolved primarily to serve those with vested interests in it, rather than consumers – hence..." the posing by the particular union "of the employees' contract with a public employer as a definitive hedge against" any "private enterprise."

"Lawmakers..." need to "...approve bringing the state system into the 21st century."

In addition, as brought forth by our Liquor Control members on the committee, they felt that we needed to modernize beer sales in the State to allow beer distributors to in fact be able to

sell 6-packs and to be able to allow taverns and bars to sell 30-packs. That is an additional focus on consumers.

The fact of the matter is, this legislation, unlike those in the past, has not been focused on special interests. It has been focused instead on the consumer, on doing right by Pennsylvania. Now, there is an added advantage in that it brings a windfall. According to the Governor's Public Financial Management report of October of last year, this particular proposal and others would bring in anywhere upfront from \$1.1 billion to \$1.9 billion, and in addition, a House companion bill – although others have different ideas with respect to the usage of those upfront funds – another companion bill would use that money to improve road and bridge infrastructure in this State. Again, that upfront revenue from the privatization of wholesale and the privatization of retail would bring in anywhere from \$1.1 to \$1.9 billion, with the right-of-first-refusal option to the beer distributors and the auctioning of the licenses and the auctioning of wholesale.

Now, keep in mind, Pennsylvania does have an additional layer in this wholesale which tends to add cost to the purchase. Not only do we have the 18-percent Johnstown flood tax and a 6-percent sales tax; we have a 30-percent markup, a 30-percent markup. Those are all on top of each other. The 18 percent is first, then the 6 percent is on the price, plus the 18 percent, then the 30-percent markup is on the base price; the 18 percent, the 6 percent, and then the 30-percent markup. That seems to me unconscionable, particularly when it is about feeding a bureaucracy as opposed to moving Pennsylvania into the 21st century.

With respect to law enforcement, any sale has to be in a private-sector store, obviously, but it needs to be in a separate area with employees who are over 21 years of age, all who have had alcohol safety training with mandated age verification scanners. And like many of you who have seen the beer cafes at various stores throughout the State, it has to be cordoned off in those particular areas. It is not going to be in your aisles, but it is just going to be off with a separate cash register, and then you can continue to shop with respect to your meats and cheeses and vegetables and the like.

The fact of the matter is, consumers all across this State, no matter where I go, approach me and say, when are we going to be able to get out of the State store system? Why is the State so antiquated? Why can I not pick up a bottle of wine when I am shopping in a grocery store or when I go to a beer distributor to pick up all three items that I might need for a party or for my home? And the fact of the matter is here, we are not pushing. If you have a town that is, quote, unquote, "dry" or does not permit alcohol sales, that does not change. Your zoning in each local community is your zoning, and each local community has the right to keep that in place should it so desire. There is no reason to change it.

In addition, the licenses can be moved within a county, but there are also franchise-like territories to make sure that no single area has proliferation and that there is real value in the particular product.

I do want to, if I might, read this from a Philadelphia Inquirer editorial, when it talked about the idea of kiosks being moved to customer convenience. "The kiosks were supposed to allow customers to purchase wine in supermarkets and other stores rather than being constrained by the LCB's hours and locations. But the monstrous, overly complicated devices – equipped with

Breathalyzers, driver's license readers, and live video links to ministry headquarters – have turned out to be prohibitively glitchy and unapproachable.

"With any luck, though, the Commonwealth's beleaguered wine-droid army will someday have one proud distinction: It will be regarded in retrospect as the LCB's Waterloo. Rarely before has any government agency so succinctly, thoroughly, and convincingly made the case for its own elimination."

And the fact of the matter is, privatizing the system is in fact an opportunity to increase private-sector jobs, family-sustaining private-sector jobs, but we also provide in here opportunities: an early buyout for employees with significant tenure, tax credits for employers that hire those individuals, preferential points to be able to pick up civil service positions, a career link-like desk to help people make the transition, and a scholarship to be able to go to a State System or a State-related university or tech school to be able to continue training in another field.

The fact of the matter is, we are thinking on many, many fronts about what would make a fair transition with respect to the privatization so that Pennsylvania could be like other States. It does not happen immediately. It happens over 2 years' time, and it is, I would suggest to you, thoughtful and with the input from many, many members as we try to move forward in Pennsylvania to a new day.

In the end, there is no singular way to move Pennsylvania from the antiquated, non-consumer-friendly approach that we presently have in place to one that allows us to be akin to the rest of the country. You do your best, you put your fairest approach on the table, and you have to decide, are you for the consumers in moving Pennsylvania into the 21st century, or are you against it and want to maintain the status quo, which is about protecting special interests? This is the opportunity for us. This is about moving Pennsylvania out of an area it does not need to be in and focus instead on those core functions that we do best – education; infrastructure; helping those who need it the most, a helping hand up, being a safety net, while at the same time making sure that what we do not need to be doing as a core function we are not.

That explains the amendment in detailed part, and I would appreciate your support for amendment 11448. Thank you very much.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Berks County, Mr. Santoni.

Mr. SANTONI. Thank you, Mr. Speaker.

Will the maker of the amendment stand for interrogation?

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

Mr. SANTONI. Thank you, Mr. Speaker.

I just have some questions with regards to your amendment. We received it this morning. I know that the issue has been out there for a long time. The actual language of this amendment was just put forth earlier, so it is such a substantial change in policy that I just had some questions, first of all on some of the fiscal issues that you spoke about.

I understand you are privatizing the whole system, both wholesale and retail, and I was wondering, at least on the retail level, how much money did you plan on generating from the sale of those licenses at the retail level?

Mr. TURZAI. Based on the Public Financial Management report that was prepared by the Governor under the original HB 11, it would have been \$1.3 billion to \$1.9 billion, but given the auctioning of the licenses at fair market value to the distributors, 1100 of the 1600, the total amount of retail and wholesale would be \$1.1 billion to \$1.6 billion. The component part of that on the retail side would be approximately \$800 million to \$1 billion.

Mr. SANTONI. \$800 million to \$1 billion. That is a wide range. So you are saying that if 1600 retail licenses, about \$800 million, that comes out to roughly \$500 million, \$500,000; I am sorry, \$500,000 a license, roughly, statewide. Do you have any indication that any other State that has privatized recently even approached that number? Do you have any information on that?

Mr. TURZAI. It varies from county to county based on the sales history in each county.

Mr. SANTONI. I understand, and the average amount is, as I said, \$500,000. Your county I think is a little bit higher; mine is a little bit lower, but it is still \$400,000 a license. So my question is—

Mr. TURZAI. The average on the reserve price would be \$305,000.

Mr. SANTONI. And do you have any – I think that is low; I disagree – but do you have any information from any States that have produced those kinds of revenues when they privatized?

Mr. TURZAI. There has been no State that has privatized the entire system. They have that at a singular point in time, there have been— So there is no specific example of a complete transition. West Virginia, in fact, did it 20 years ago.

Mr. SANTONI. Okay. So the answer is none.

In the bill it says that beer distributors get sort of a 6-month head start—

Mr. TURZAI. And the other thing about West Virginia is they auctioned off a 10-year license. What they did in West Virginia is when they valued it, the value was at a 10-year license, and then they rebid them the next 10 years and they rebid them the next 10 years. They rebid them every 10 years. So the value here is more like the system that we have under beer, whereby you actually own your license and you hold it and you can sell your license. Now, you do have to pay annual fees on that particular license, and in fact you have to pay a transfer fee when you transfer it to another party, but you can sell that license just like a beer distributor today can sell that license or like a tavern can sell that license.

Mr. SANTONI. Okay.

I am just trying to get to the dollar amount that you are talking about, because you said about \$1.1 billion, and originally when the Governor first spoke, it was \$3 billion, and then it went to \$2 billion, and now it is \$1.1 billion, and I am trying to find out where those numbers are coming from.

Mr. TURZAI. No. Governor Rendell had actually indicated that he thought it would be \$1 1/2 billion. Jack Wagner had indicated that he thought it would be \$1 billion. Given the Public Financial Management report under the original HB 11, it was \$1.3 billion up to \$1.9 billion, and we said it would be up to \$2 billion. It has always been what has been said by both this administration and by the Public Financial Management, that is an organization that the Governor's Office engaged and that was used by both Governor Rendell and Governor Corbett.

Mr. SANTONI. So the beer distributors got an opportunity to bid on these licenses, and we can haggle over what you think they are going to be.

Mr. TURZAI. The beer distributors do not have to bid over the licenses; in fact, they are being offered at a right of first refusal based on fair market value, based on sales within the county. The other licenses would be bid on and auctioned. The beer distributors do not have to bid on the licenses. They are offered the licenses to purchase at a reserve price.

Mr. SANTONI. So the beer distributors have the right of first refusal to bid on the license, and if they do not do that, what happens? What happens if there are 25 beer distributor licenses, say, in Berks County, and only two are bid? What happens after that?

Mr. TURZAI. They would go into the pool with the other licenses to be auctioned.

Mr. SANTONI. And is there a minimum, a maximum on the amount that those bids would start at auction?

Mr. TURZAI. Yes. There would be a minimum reserve set by average sales, and what you do is you set that reserve price with respect to the geographic area based on the county, and you would set that reserve price and you would auction it from that reserve price, which is typical in valuation auctions.

Mr. SANTONI. And suppose nobody bids those, then what?

Mr. TURZAI. You would relook at the reserve price, but the fact of the matter is, given history, particularly in West Virginia, it is quite clear that those will be— I am quite sure that they will be taken at an auction.

Mr. SANTONI. Is there not a possibility that it could eventually be no minimum, that somebody could come in and bid any amount of money? Could that not happen under your amendment?

Mr. TURZAI. The Department of General Services would control the auction, but they would be setting it at a reserve price.

Mr. SANTONI. I think the amendment does say that it could get to a point where there is no minimum price.

And then my next question would be, what would we do to those distributors that had bid \$400,000 or \$300,000 on a license? Tough luck?

Mr. TURZAI. The actual practical aspect with respect to the bidding of those licenses is they will be higher than what would be given to the beer distributors of a right of first refusal.

Mr. SANTONI. Okay. All right. I disagree—

Mr. TURZAI. The way it would work is there is a premium, really, for the limitation and the amount of licenses. Those 500-plus licenses really are at a premium. Pennsylvania is one of the least served in the entire country. The fact of the matter is, if you look at any particular county— Let me, if I might, Mr. Speaker, just take a look at— Can I have the sheet?

Mr. SANTONI. I do not know of any beer distributors in Berks County that could afford \$300,000 for a license, but I guess—

Mr. TURZAI. Well, the fact of the matter is, if you take out a 10-year note, that is \$30,000 annually, and the projected revenues are significantly higher than that from the sale of wine and spirits. In addition, if you take out a 15-year note, it is about \$20,000, which is not unusual in terms of your debt service. Debt service is always part of an ongoing business's operations, and they can also always turn it down.

But put in mind that with respect to those other 500 licenses that would be placed by the Department of General Services across the State, let me just use, by way of example, in Delaware County, let us say, there are active beer distributors, about 50; there are chain drugstores of 66; there are mass merchants like Walmarts or Targets of 6; there are chain grocery stores of 33; and there are total retail trades of all kinds of 1,861. The number of existing State stores in Delaware County presently is 21; the projected retail licenses by population would be around 70; the projected retail licenses by net sale would be 67, and each of those licenses after the right of first refusal to the beer distributors would be auctioned off and they would be at a premium, because many of those grocery stores, mass merchants, chain drugstores, would all like the opportunity to have them. Now, of course they would only have wine and spirits, whereas the beer distributors would have beer, wine, and liquor.

Mr. SANTONI. I see that we are really bending over backwards to take care of our beer distributors in Pennsylvania. I was just wondering where they stand on the issue, on your amendment?

Mr. TURZAI. A number of beer distributors individually are for it; the trade association wants to keep it at beer. But as many of you know, the beer distributors are already having a difficult time in terms of the fact that the E and R licenses are to be taken by grocery stores to put in cafes, and people more and more — I think it is now at 121 and growing in the State of Pennsylvania — more and more people now have the option to be able to go to the grocery store to get beer, and that is not true with respect to wine and spirits.

By way of example anecdotally, where I live, in less than 2 miles from where I live the Giant Eagle now has a beer cafe where you can purchase beer, even in a six-pack. You cannot do that at the beer distributor. You can only get it at a minimum, I believe, of 24 a case. And for many people, they have the convenience of being able to go to the grocery store, and it has taken away significant sales from the beer distributors in my particular community. That is beginning to proliferate all across the State and continues to grow.

Mr. SANTONI. So to summarize, the group that oversees and represents the beer distributors is against this amendment. Okay.

Mr. TURZAI. Typically, my understanding for interrogation is you ask a question if you do not know the answer. If are you looking for an answer to a question, I am glad to answer it if you do not know, but if it is part of your argument, I am sure you can make that on your own.

Mr. SANTONI. I am just asking questions and simple answers.

The wholesale license aspect of the legislation, how much did you say that was going to bring in, approximately, during that sale?

Mr. TURZAI. It is approximately over \$500 million, but please let me quote the Public Financial Management report, please. I apologize; let me quote specifically, "The wholesale industry is a consolidated industry with a relatively small number of wholesalers controlling a large portion of the national market. Many different regulations and control methods are found among the states; in particular, a franchise law and its impact on manufacturers and wholesalers can have a

significant effect on the relationships in the three-tier system and on consumers."

The way we drafted the wholesale structure is based on what specifically occurs in 23 of the States. All States but a few have complete privatization of the wholesale level, but most use the model that is a franchise-type model, and that is what we base ours on. There are 23 other States that have it. And it indicates here that "To evaluate the retail auction option's impact on valuation..., PFM "...developed..." a number of "...methods and models. Based on research, data and certain assumptions, the estimated valuation of..." wholesale licenses in the range of \$575 million would be generated from wholesale. Retail, again, would be somewhere from just shy of \$800 million up to \$1 billion under this particular approach.

Mr. SANTONI. And do you have any information as to, assuming how many wholesale licenses, how people would bid on that? Do you have an idea, an estimate in your legislation how many wholesale license bidders there might be in Pennsylvania?

Mr. TURZAI. We do not, but I can tell you what I believe to be the practice in all other States that have wholesale and how it works. Typically, what you do, because that level of bureaucracy is not present in other States, so what happens in other States is this: manufacturers use wholesalers – broker retailers, wholesalers – to get their product to market, and the way they get their product to market is typically there are a number of big wholesalers, of brokers, all, by the way, who use union workforce both in terms of transportation and in terms of warehousing. And many, even in the State of New York in the actual sales of the product, they bring that product to market. Under a franchising approach, particular brands that already have a contract with the State monopoly would be auctioned off in accordance with the Department of General Service's process for auctioning those off.

Also what happens is there tends to be a lot of smaller wholesalers that have niche wine and niche liquor products, particularly specialty wines or specialty liquors, which continue to develop in the market. Each of these wholesalers, both on the high end and on the low end, have a professional workforce, and that professional workforce, particularly on the sales or marketing side of items, this is what they do. They have an apprentice level, a journeyman level, and a master level, and they get educated on their particular product that they sell for their particular customers, and they go out and they have a relationship not only with the bars and the taverns and the restaurants, but they would have it with the retail outlets as well, and they think about what that particular area, actually, what their customers want in that particular area and suggest particular products. Many of them on their business cards actually call themselves beverage professionals; that is what they call themselves. And these warehouses and these trucks, transportation for these wholesalers, would in fact probably increase in total jobs from the existing numbers. Really, some have estimated that it would even double or triple certainly by at least another thousand. Those are significantly good-paying jobs, and as one individual told me, they said, "Look, it works in 48 other States and you do not need this additional layer." Many of the abuses with respect to the Liquor Control Board, the LCB, have consistently been on their wholesale side.

But that is how wholesale would work. The Governor's report of the Public Financial Management specifically said it would be in the range of \$575 million, and those licenses would

be auctioned off by brand, by geography, in a way that would allow Pennsylvania to be like 23 other States in that specific model, the franchise model.

Mr. SANTONI. Let us move on.

On the tax aspect of your amendment, Mr. Speaker, you impose a gallonage tax. Is that not a new tax you are putting on?

Mr. TURZAI. Just let me get the Public Financial Management report, and I will cite you specifics from it. The Public Financial Management report, again an organization that has members who are members of both parties and some independents, and who were often used by Governor Rendell and were used by Governor Corbett here with respect to assessing privatization, specifically said that "The vast majority of PLCB revenue comes from two sources: mark-up of the cost of goods sold," which is the 30 percent, "and state taxes applied...", which is just shy of \$400 million. As we have indicated, the \$400 million would continue in addition to the business taxes that you would be receiving by having it in the private sector versus the government sector. And keep in mind, the revenue supports the PLCB operation expenses for wholesale and retail operations and regulatory licensing and administration functions. That is already where most of the money goes on their expenditure side.

With respect to the tax, "Pennsylvania currently imposes an 18 percent excise tax...and a 6 percent state sales tax on products. Because the State controls the wholesale and retail operation..." – this Johnstown flood tax is an excise tax – "...most states do not retain this degree of control of their distribution system and instead use a gallonage tax. And because a gallonage tax is based on volume rather than price,..." it is what most States tend to rely upon. The fact of the matter is, the converted gallonage tax to raise the same amount of revenue as existing taxes is the approach that we took, because the vast majority of States use a gallonage tax. The gallonage tax actually taxes the volume and the alcohol content of a particular product. It takes that into account. This particular model does use the gallonage tax. It is a replacement tax. It is a fairer system. It is what other States use. But under either an excise tax or a gallonage tax, that revenue would be essentially the same.

Mr. SANTONI. I have concluded my interrogation. I would like to comment on the amendment, please.

The SPEAKER. The gentleman is in order on the amendment.

Mr. SANTONI. Thank you, Mr. Speaker.

I had some simple questions, and I know that the leader is a very astute and knowledgeable attorney and can give good answers, and I just thought it would be best to just deal with the issues and less than in interrogation and just speak on the issue of his amendment and on privatization of our State liquor system.

First of all, I think it is unfortunate that as chairman of this committee, the Democratic chairman, the minority chairman of this committee, we did not have an opportunity to fully vet the amendment. I know that this issue has been around for a long, long time. The issue of privatization has been discussed through many administrations and has never come this far for a vote, so I commend the leader for doing that. But the fact of the matter is that if we are going to privatize the system, we should do it the right way, and this just simply is not the way to do it.

We talked about dollars, we talked about the amount that is going to be brought in by the system at both the wholesale and

retail level, and I think, quite frankly, that the maker of the amendment's numbers are way too high. I do not think that there is any beer distributor – maybe there are a few; I should not say any – but there are a few beer distributors that can afford \$300,000, \$400,000, but the places that I represent in Berks County just cannot afford spending \$300,000, \$400,000, \$500,000 for a license, a retail license, and that is why the Malt Beverage Distributors Association, who represents this organization, is vehemently opposed to the Turzai amendment.

There is really nothing in place that prevents beer distributors from sort of sitting out the first 6 months and then coming in later and paying significantly less than what someone comes in and bids initially for it, but that is a technical argument, and I just disagree with that, and I think that it hurts those distributors that would come in early and make a bid on a license. So I think that that is a flaw in the legislation.

On the wholesale side, again I think because of the amount that is going to be generated and the cost of that license, there are really not that many opportunities for businesses out there. There are probably one or two that might come into Pennsylvania. So essentially, we are going to have a monopoly. It is just going to be a private monopoly on the liquor industry in Pennsylvania. So I think that that is a mistake to do it that way.

Even in the PFM report, it said a relatively small amount of wholesale licensees determine the whole market throughout the country, so the fact that there are not that many are going to cause us an issue in Pennsylvania, and, again, will create a private monopoly, really.

We talked about markup. There is an assumption in the markup on the wholesale line of 20 percent, and I know that they are taking away that markup, but the fact of the matter is, on the retail side there is going to be, in order to stay within that 30 percent that is currently in place, retail is only going to be able to mark up their price 10 percent, and that essentially restricts their opportunity to make a profit, and again, takes away the argument that the private system is better.

A gallonage tax is a new tax, so whoever signed that pledge, be careful; if you vote for this, you might be violating that pledge. The fact of the matter is, the gallonage tax is a regressive tax. If you drink the fancy stuff, you will probably pay a lesser amount, but if you represent areas of regular people out there, then the product that they buy, that gallonage tax is going to be a significantly higher percentage of that product. So again, you are sticking it to the working-class guy out there if you support that new tax.

It does take away the discount to licensees. Licensees currently get a 10-percent discount, so it is going to take that away from them. The amendment will do that.

There are provisions in the amendment for grocery stores and other— Well, all nondistributor licenses are going to have to set up a separate facility with a separate entrance. So bars, taverns, grocery stores, if they want to get this wine and spirit license, they are not going to be able to have it in their main facility. They are going to have to build another entrance and another passageway not connected to the original store.

And I understand when you poll this people think that privatization is a great idea because they are going to have availability; they are going to be able to go to the grocery store and get beer and wine and spirits in one shot, and that is not going to be the case. So I think we need to make sure that we understand that when people support privatization – and I have

seen the polling numbers, too – that they think there is going to be better availability, better pricing, more selection, and in the majority of the State that is just not going to be the case. It is actually going to be the opposite, and we can certainly talk about that in more detail.

Enforcement. Sixteen hundred licenses. Right now we have 620, so you can do the math. So there are going to be a significant number of additional licenses, and we can certainly get into the social costs of what all those additional licenses will mean. The Centers for Disease Control in Atlanta came out with a position paper that says privatization is a bad idea. It hurts public health. So the information that you heard earlier about DUIs, the fact of the matter is, if there is more availability of liquor, there are going to be more issues related to alcohol – DUIs, domestic abuse, and those kinds of things – and I think that that is a serious concern to our Commonwealth.

One thing I want to point out – and I think that if you are a rural legislator, you should really be against this bill – there is actually language in the bill that says if nobody bids on a license and there is a liquor store in a 10-mile radius of that liquor store, that liquor store will stay open. So I am not sure that that is real, true privatization, because I guess what we are saying is, will the free market work? Yes, but it is not going to provide stores and licensees in these rural areas, so we are going to leave those liquor stores there with the employees, and really there is no discussion in the amendment what happens to all of those. And those employees, are they still going to be employees of probably the LCB, and what is going to be their status and things like that? So that is going to be a cost, and of course, those stores are probably going to be the least profitable, so that is going to be a cost to our Commonwealth. So I do not think that the leader thought about that when putting that in. Maybe he can remove that.

Jobs. Mr. Speaker, the biggest issue in this coming election and in our time here – I am not running, so it does not affect me – but you have heard it, it is jobs, and the LCB system creates and has good-paying, good-benefit jobs. They are in your community. They are spending money and they are keeping your economy going. You are going to wipe them out. There are some provisions in the bill that will allow \$1,000 a year for an education for full-time employees or \$500 a year for a part-time employee to go back to school, but really, let us be honest, that is a drop in the bucket and really does not mean anything.

And listen, I think, again, we talk about privatization and we talk about public polling and everybody wants government out of their liquor business, and I understand that, but the fact of the matter is, what people want is, again, better selection, more product at a lower price, and the Turzai amendment, quite frankly, does just the opposite.

We have other bills, Mr. Speaker, dealing with trying to make the system better – and we have heard some of it is actually in the Turzai amendment, so he thinks it is good legislation – that is bipartisan, that we have worked on with the good chairman from the Republican side in the Liquor Committee, with the Senate chairman over on the other side, that want to make the system better and want to modernize our system of liquor.

And let us also be honest: The old State stores are not around anymore. The wine and spirit shops have done a pretty good job. The selection is good, jobs are good, and I think the system in place is fairly good. Can we make changes? Yes, and that is why we are interested in making changes to modernize the

system without throwing it away, a system where we have an asset, again, that brings lots of money back to our Commonwealth, that creates jobs, and that allows for good selection at a good price for our constituents.

I ask you to vote "no" on the Turzai amendment, 11448. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Erie County, Mr. Evans.

Mr. J. EVANS. Thank you, Mr. Speaker.

Mr. Speaker, I rise today to offer my support to legislation that has been needed for quite some time in Pennsylvania.

This legislation, the amendment to HB 11, is necessary in our State for two reasons: First, it is time that Pennsylvania gets out of the business of selling alcohol; and second, our desperate need to find revenue to invest in our transportation infrastructure.

Now, as everybody here knows, Pennsylvania is one of only two States in the entire nation to have such strong and tight control over the sale of its wine and spirits. And while the control has served its purpose for three-quarters of a century, it is time to let that go. It is time to modernize. It is time to let the private sector participate in the business in which government should not be involved, and it is time for them to reach out to consumers and give them a system that works for them.

Mr. Speaker, we have many paradoxes in government, and this one in which the Commonwealth both regulates and promotes the sale of wine and spirits is a paradox of the absurd. I cannot help but be reminded of an LCB ad campaign from last year in which the PLCB urged consumers to show their love for their mom on Mother's Day by buying her a fifth of vodka.

Second, Mr. Speaker, this amendment to HB 11, which has been in the works for quite some time, privatizes the system in a way that everybody wins a little and everybody has to give something up.

The compromise with this bill, along with the concerns of the various stakeholders that we have addressed, all show that legislation is not designed in a vacuum; various public hearings have been held, and the public has been actively involved and engaged in this debate for more than a year. With this bill we learned, we listened, and we acted.

This proposal ensures that the Commonwealth gets its maximum return through the auctioning of licenses and includes appropriate controls so the Pennsylvania Liquor Control Board continues its tight oversight and enforcement.

The consumer has been at the forefront of this proposal. For far too long Pennsylvania's system has been archaic. Consumers want choice and they want convenience, and they will spend their money in establishments with both. Pennsylvania's current system of wines and spirits and even malt beverages is anything but convenient and offers limited choice.

Now, Pennsylvania consumers, whether you believe it or not, are smart and they are savvy and they know when they are being deceived. Just take, for instance, the 32 wine kiosks that were added a couple of years ago to select grocery stores in Pennsylvania, including one just a few miles from here. The idea was a complete failure, as evidenced by internal memos circulated before the devices were even installed and the fact that just one company was able to bid on the contract.

After just a few months of poor sales, consumers found the kiosks inconvenient and unreliable and the breathalyzers and cameras rather creepy. Grocery stores quickly yanked the kiosks from their stores, and in the end, the Commonwealth lost more than \$1 million.

Now, this failure is coupled by additional stores of questionable management practices by the PLCB, including hundreds of bottles of premium wine being sold for less than what the State paid for it. This is coupled with high operating costs for an agency of its size and scope, and more than 50 of its stores operating in the red.

There is a reason why the nation's 48 other States have gotten out of this business and have let the private sector take over.

Now, the opponents of HB 11 and this amendment – or any type of privatization, for that matter – argue that strong control directly translates to a safer Commonwealth, but the evidence just does not support that argument. Pennsylvania's ranking of alcohol deaths is near the U.S. average, and traffic deaths are identical to the U.S. average. When alcohol and traffic deaths are linked, Pennsylvania is slightly below the U.S. average. We are higher than the national average in underage drinking, in binge drinking, in underage binge drinking. Clearly the control that has been the hallmark of our alcohol system in Pennsylvania for decades is not working. The control has simply worn off in favor of an expensive monopoly that the majority of Pennsylvanians do not want.

Additionally, Mr. Speaker, I support the amendment to HB 11 and the privatization of this system because of the dedication of funding and the benefits it will have for every person who uses our highway system. As a longtime member of the House Transportation Committee and somebody who has logged hundreds of thousands of miles on our highway system during my tenure here in the House, I fully understand the needs of our transportation infrastructure and how important it is to find dedicated revenue to make sure that our roads, highways, and bridges are safe.

Simply, Mr. Speaker, Pennsylvania yet again finds itself behind the times. We have shed our reputation as the Rust Belt, and we are becoming a leader in energy, technology, and medical research. The 21st century has so much promise, but yet we are barely in the 20th century in terms of alcohol sales. We are forced to drink the type of wine the PLCB says we should, buy cases of beer instead of six-packs, and keep our Walmarts and grocery stores free of any type of alcohol, and when our residents come to our district offices and ask us why, our answer is, "because we say so."

Forty-eight other States have gotten the message that alcohol is a business and not a core function of government, but when it comes to being able to pick up a bottle of wine, a six-pack for a backyard picnic, or even a little whiskey for an Irish coffee, Pennsylvania is in a horse-and-buggy world where now electric cars are being rolled out.

Mr. Speaker, I ask my colleagues to support this amendment to HB 11 and support a change that is desperately needed and greatly wanted.

Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Killion.

Mr. KILLION. Thank you, Mr. Speaker.

Eighty years ago, almost 80 years ago, the Federal government ended prohibition. The States rushed in to enact laws dealing with liquor within their borders. In the ensuing 79, 80 years, every other State has modernized except for two — Pennsylvania and Utah.

All you need to do to know how bad our system is is talk to someone that is visiting Pennsylvania for the first time and is trying to navigate our liquor laws. They will say, I want to get a six-pack, but I want to get a case of beer for tomorrow. I would like to pick up a bottle of whiskey and maybe a bottle of wine for my wife. No problem; easy to do. Go over there to the deli and you can get a six-pack, only two, only two; not more than two. Now you need your case. Go down the block or a couple blocks away, maybe a mile or so, and pick up your case. If you want to get some wine or a bottle of whiskey, then you have to go over to a State store. It is crazy. Every other State has gotten out of that system.

And what does it mean for our residents? I live 6 miles from the Delaware border, 11 miles from a very fine wine and spirits store and beer store, and I can tell you, I can tell you my neighbors do not shop in our State stores. My neighbors get in their cars, and due to our laws and what we do here, risk themselves and break the law to travel to Delaware to get better sales; better service, better service; better quality; and better prices. I watch them do it. It happens every day. You just need to drive down there and look at the Pennsylvania license plates in the parking lot; tons of them. We force them to do that. It is time we bring those people back to Pennsylvania, back to our State, give them the service they want, the quality they want, and the prices they want. This is the amendment to do it.

Vote "yes." Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Mercer County, Mr. Stevenson.

Mr. STEVENSON. Thank you, Mr. Speaker.

This evening as we talk about the privatization of the State liquor system, we have heard and I am sure we will hear many more times arguments opposing this change. As with any major legislative proposal, reasons can always be found to vote in the negative. It is generally easier to be negative when it comes to a major change than it is to be positive. One can always argue that the proposal goes too far, or on the other hand, that it does not go far enough, or the proposal contains too much of this and not enough of that.

Instead, I would like to suggest that we look at the larger issues involved in this proposal, and it seems to me that there are three good reasons to support the change in the way alcohol is sold in Pennsylvania. The three reasons have to do with constituents, contradictions, and capitalism. First of all, our constituents want the change. In poll after poll, Pennsylvania citizens have indicated their support for privatization of alcohol sales. An average of these polls indicates that 70 percent of Pennsylvanians support the change. This attitude of Pennsylvania citizens is reflected by editorial boards from across the Commonwealth. To choose just a few, from the Harrisburg Patriot-News: "Why is Pennsylvania in the wholesale and retail liquor business? Surely, 48 other states can't be getting this liquor and wine selling thing wrong." From the Delaware County Times: "The state should turn this entire thing over to private enterprise...(and) end the antiquated way

the state sells alcohol." And from the Pittsburgh Tribune-Review: "Pennsylvania's liquor prices are artificially high, the result of an antiquated, Prohibition-era system of government control." It seems to me that since we represent the constituents who share this opinion, it seems logical that we should also support the change to privatization.

The second reason to support this legislation has to do with the inherent contradictions in our current system. There is an obvious contradiction in making a government entity responsible for the marketing of alcohol while at the same time making that same entity responsible for policing and monitoring the sale of that alcohol. In Pennsylvania we have a State agency that is trying to balance both of these contradictory demands and therefore not doing either very well. How can the LCB be expected to develop marketing strategies that will make the agency more profitable while at the same time balance that challenge against the demands that it controls the sale of alcohol and educate the public about the dangers of excessive or improper use?

We have witnessed the wine kiosks, the Chairman's Selection, and the expansion of store hours — all sincere attempts to cater to consumers and increase sales. Nonetheless, during this time overall profitability of the LCB has decreased in recent years due to decreased sales revenue and increased expenditures. Clearly, after privatization, the LCB would be better positioned to concentrate on its core mission, which would be to provide alcohol education and enforcement without the contradiction of promoting sales.

The third reason to support this measure and the Turzai amendment is capitalism. Since America's founding capitalism and the free enterprise system have driven the economic engine, which has propelled this country to be the most productive in the entire world. By changing to a system which supports the sale of alcohol through private enterprise, the forces of capitalism will be released. Our history as a country and as a State is clear: When it comes to service, selection, competition, and price, private enterprise does it better. An agency under government control cannot compete. Consumers make decisions based on these factors. It is for that reason that Pennsylvania consumers travel to bordering States in search of better selection, better pricing, and service. If increased revenue from the sale of alcohol is one of our goals, let us bring those consumers back to Pennsylvania by allowing the private sector to offer that selection, pricing, and service here at home. As you make this vote, ask yourself this question: Does capitalism and competition actually work, or is the continuation of a government-controlled monopoly a better solution?

Certainly there are many peripheral questions in this debate, but in the end, there are only several core issues. In my mind they are constituents, contradictions, and capitalism. Vote "yes" on the Turzai amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Indiana County, Mr. Reed.

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

Mr. Speaker, I rise in support of the Turzai amendment to HB 11.

Mr. Speaker, as we evaluate this entire debate and the contents of various amendments throughout this process, we come back to a very basic question: Is the sale of alcohol, is the sale of wine and spirits in Pennsylvania a core function of

government? Is it at the same level of providing safety to our citizens? Is it at the same level of educating our children, protecting our environment, building roads and bridges, reviving our State's economy? Should the State in the 21st century still be one of the two States across this nation that still controls both the wholesale and the retail liquor business in this country?

Mr. Speaker, this amendment may just represent a starting point to the discussion; it certainly should not represent an ending point to the discussion. What privatization and our liquor system should look like in the future should be open to debate in this House, in the Senate, in the Governor's Office and across this Commonwealth. The public has taken up this debate for a number of years now and has decided it is time for a change. Mr. Speaker, this amendment represents a solid step towards enacting that change in Pennsylvania and beginning to meet our public's expectations both of what they would like our liquor system to look like in the future, but also provides us an opportunity financially to look at a number of different areas we may not necessarily have room for in the Commonwealth's budget today. The funding derived from a proposal like this could provide significant dollars in areas like transportation projects and pension reform, two significant drivers to the Commonwealth's budget in the coming years ahead.

So, Mr. Speaker, today's amendment, this amendment, may just represent a first step, but it is an important first step to continuing this discussion over the months ahead, and I would encourage my colleagues to support the Turzai amendment to HB 11. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Philadelphia County, Mr. Dwight Evans.

Mr. D. EVANS. Mr. Speaker, thank you.

Mr. Speaker, this is a very interesting debate, and as I have been listening, Mr. Speaker, this is not a new debate. We brought this debate up in the 1990s and formed a partnership with a gentleman from York County, who is a very good friend, Mr. Peck Foster from York. And when we brought this issue up in the 1990s, this issue was not a partisan issue. It is an issue that has a lot to do with the culture of Pennsylvania, and we need not to take that lightly, because I have heard consistently talk about core responsibility. And the rationale that I have heard from this particular side, and particularly the prime sponsor of this particular amendment, has been based on, because 48 other States do it, we should do it. Let me repeat that. I have heard consistently because 48 other States do it is the reason we should do it.

If you understand anything about the historical perspective of where we started, there was a debate between what you call the wet and the dry. And it was all Republicans in the House and in the Senate and a Republican Governor, and that Republican Governor at that particular time felt that prohibition was not around, and the reality of it was that this particular commodity called alcohol should be treated in a different way.

We need to understand clearly the element that we are dealing with today, and when I constantly hear the debate and the discussion around core responsibility of government, I look at the issue about public safety, that we all have a responsibility and an obligation to be concerned about our consumers. And when I hear this term used about "special interests," the reality of it is, Mr. Speaker, that we all have to be concerned about

public safety. We all have to understand that when this commodity called alcohol is used and if it is not used properly, it can be very dangerous to a lot of people's health.

This is not like you are talking about a suit. This is not like you are talking about a dress. This is talking about an element that has been extremely dangerous to our society. Now, we all need to understand that it is clear in my mind that for those of us who want to raise the serious questions about the system we have and we control that system and we can modernize that system, and because we do not want to see alcohol on every single corner and every single location across the Commonwealth of Pennsylvania strictly for the basis of making more money, that does not make us wrong. That does not make this a State that is not in the 21st century. If you listen to the debates that have been stated so far, they have constantly been centered around being negative about the State of Pennsylvania. They have constantly said, well, Pennsylvania is not in the 21st century if we do not adopt this amendment. I refuse to accept that, Mr. Speaker. I refuse to accept that.

The system has been modernized and it can be modernized more. It is no longer, Mr. Speaker, when they use language called State stores. They are not called States stores – wine and spirit shops, Mr. Speaker. They are self-serve, Mr. Speaker. They use credit cards. They use all the modernization that they use. And when you hear individuals say, well, my constituents want to come back; well, the reality, Mr. Speaker, you know, it is about freedom of choice, and at this particular point we have a system, in my view, that is convenient, meeting the price that is necessary. But more than anything, Mr. Speaker, it has that element of public safety, because we cannot ignore the social impact that alcohol is having on our society. We cannot ignore that, Mr. Speaker. We have to face up to that reality.

So my point when I listen to this argument, well, because 48 States have it, we should have it. That is kind of what I am hearing. I am hearing strictly the argument, well, 48 other States, and we should not be in this business. Well, Mr. Speaker, I can only say to you this: When you really begin to look carefully and think about the implications – because nobody has a problem getting a drink, let us be clear; nobody has a problem in this State – stadiums, theaters, you name it, Mr. Speaker. Alcohol is available 24/7, 7 days a week, so there is no question that anybody has the availability of alcohol. That is not the issue. The questions are, how is it handled? Exactly how are we treating it? And not on the basis, because of 48 other States, this is what they do and we are not moderate; we are not 21st century, because why would you want to put down the State that you represent? Why would you all of a sudden want to say to people, well, Pennsylvania is not like the other States? Well, Mr. Speaker, the reality of it is, we do not have to be like those other States. We have our own culture, we have our own habits, and we have our own values, because I really do think this is a value issue. I really do, Mr. Speaker; I really do, fundamentally, when you talk about family values and you talk about exactly how do we want to treat this State? What do we want this State to be known for when we look towards the future? So in my opinion, Mr. Speaker, this moves the State in the wrong direction.

Now, we have seen Governors, Democrat and Republican Governors, argue for this because it really gets down to the question, in my view, about revenue. It really gets down to the question of how much money, how much money can we bring in, because that is what it is about. Under the current system,

Mr. Speaker, we get \$530 million. That is what we get out of the current system, and also, Mr. Speaker, 5,000 sustainable jobs, jobs where people have a chance and an opportunity, jobs where basically people suddenly can take care of their families. Now all of a sudden I heard all of those things that the gentleman said, well, we are going to offer a tuition scholarship, we are going to offer all those kind of things. You cannot even pay for the current education system you have. You cannot even pay for the higher ed system you have and now all of a sudden you are saying we are going to offer some kind of special breaks. Come on, Mr. Speaker. You have heard this before.

In my view, public safety is a core responsibility of this State; public safety, Mr. Speaker. When we really look at and we really think about it, that is our responsibility, because we need to make sure, Mr. Speaker, that our children, that our families are all safe out on these roads and these highways.

And the reality of how this system has been working, in my view, it has been moving in the right direction. I said to the gentleman, who is the maker of this amendment, we had a debate about this not this January, the January before, and I said to him clearly: If you want to modernize, if you want to sell liquor 24/7, in my view, Mr. Speaker, you make some tweaks to it, the current system, but you do not need to throw the system out. I do not believe that needs to occur.

So we have a chance here, Mr. Speaker, to send a loud message once and for all to kill this amendment, because I think the amendment will send the wrong message to the rest of the States. It would send the wrong message to the rest of States, Mr. Speaker, because we have a different sort of character and culture in this State, and I do not believe, Mr. Speaker, that we take that willy-nilly. We are about the business of having the State where we move forward.

Again I would suggest, Mr. Speaker, that we vote "no" on the Turzai amendment. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Mustio.

Mr. MUSTIO. Thank you, Mr. Speaker.

Wow. I thought I just heard, "Do not be so negative on the current system," and then we proceed to be negative on an amendment that wants to change the vision of the way we sell alcohol in Pennsylvania.

Mr. Speaker, we heard a little bit from the last speaker about public safety, and I just wanted to bring the members' attention to the fact that we have two control States in the country, one being Utah and the other being Pennsylvania. Utah ranks best in the number of alcohol-related traffic deaths per capita, that being 51st because they include the District of Columbia. Naturally, you would think Pennsylvania would be 50th, based on the fact that we are the other control State, but we are not 50th, Mr. Speaker. We are 33d, ranked behind Indiana, Virginia, Illinois, Alaska, California, New Hampshire, Ohio, Michigan, Washington, Rhode Island, Iowa, Connecticut, Minnesota, District of Columbia, Massachusetts, New Jersey, and New York.

Mr. Speaker, I think what this debate is about is change, and people are very reluctant to change. In caucus I related a personal story. In my business, and one of the members of the leadership team on the other side of the aisle and I were both in similar businesses, and years ago the banks wanted to get into our business, and some of the people that did what we did, some

of the companies that did what we did were afraid of the competition. There was somebody else who was going to be entering the market. We do not want to change the way we operate because it might hurt us personally financially. Then there are others in the business who look at that as an opportunity to challenge the status quo, change your culture, and provide a better service to the consumer, and I think that is what we are asking all of us to vote "yes" on tonight, is to listen to our constituents. Vote "yes." Change the system in Pennsylvania and then the licensees will adapt to attract the customers based on that new system. Sure they do not want to change. Most of them are making a lot of money doing what they are doing. Some, as was indicated earlier by the leader, are starting to die on the vine. They are seeing competition come in, but they do not have any other tools to help stave off that competition. They are continuing to have to operate in the same way and the competition is coming in and basically eating their lunch. So what we want to do tonight is to try to change that culture, not only in the sale of alcohol and wine, but I think also in the sale of beer in the State of Pennsylvania.

So I ask you not to take the blinders off. I ask you to stay focused on the consumer, the constituent, and the taxpayer and not focused on those that want us to stay status quo, those that want you to continue to have limited choice, those that want you to continue to have high prices, and those that want you to just be able to have the service that we have right now, which, in many cases, is very poor. We can all cite examples of when things are good, but right now there is not the competition to challenge that.

Mr. Speaker, I urge those that are interested in a new vision for Pennsylvania, as far as the sale and availability of alcoholic beverages, to vote "yes" on privatization and "yes" for the Turzai amendment. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Montgomery County, Mr. Quigley.

Mr. QUIGLEY. Thank you, Mr. Speaker.

Mr. Speaker, I rise tonight in support of the Turzai amendment. As a member of both the Liquor Control Committee and the Appropriations Committee, it was with great interest that I listened to the hearings over the past year, and particularly our Appropriations Committee hearings. And one of the things that concerned me as we talk about how much money comes in from the current system, \$500 million a year, and has been discussed and looked at different charts, 75 percent of that is the 6-percent sales tax and the 18-percent Johnstown flood tax. The remainder is the, quote, "contribution that is given from the LCB to the General Fund."

During the questioning in last year's Appropriations Committee, we talked about how is that contribution determined? What goes into that? And the response was, we give what we are asked to give by the current administration. So it begs the question of how much exactly are they earning there or what can they contribute, and should they really not be taking care of all fixed costs and then contributing everything that is left over there? And yet that still remains a mystery.

We have seen the gross revenues coming into the system rising while the cost of this system continues to rise, squeezing further that amount of the contribution that can be given. In a privatized system, the money would come in with an expansion of these licenses. The 6-percent sales tax is still there. This new

gallage tax would also make up that changed revenue, and we would know exactly what we are getting from a private system. We would not be forced to depend on a contribution depending on how the year goes within that system.

The other concern that we found out during that was some of the miscues of the current system, the wine kiosk situation. When we questioned the LCB during our hearing over the summer, they said that we cannot be afraid to try to take new ventures or try to explore new avenues. Well, that is great when it is in the private hands and the private sector is putting up their capital and their money for it. When it is a government-run system, it is easy to take chances with other people's money.

So, Mr. Speaker, for these reasons, I believe that this is the first step and a right direction to change the way that we have been doing business here in Pennsylvania, and I urge a positive vote for the Turzai amendment. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Lancaster County, Mr. Bear.

Mr. BEAR. Thank you, Mr. Speaker.

Mr. Speaker, I rise to support the Turzai amendment A11448, because now is the time for bold, decisive action, to challenge the status quo, to move Pennsylvania government into the 21st century, but most importantly, to put consumers first. That is why we must take advantage of this opportunity before us and give the boot to the Pennsylvania Liquor Control Board and the State-run stores, because not only does it make good business sense, but this is what our constituents want. It is that simple.

Poll after poll shows that Pennsylvanians want us out of the wine and spirits business. Why? Because they see what it is like in other States. They travel and they want better customer service, selection, and convenience. Well, the same is true for Lancaster County. Lancaster County residents want us out of the liquor business, too. The reason is simple. If you are a fiscal conservative, you believe in free markets, open competition, and limited government. If you are a social conservative, you believe that if Pennsylvania is in the business of liquor, then so am I, and that is not a business I want to be in. That is why Pennsylvania ACTION (Americans for Christian Traditions in Our Nation), a leading social conservative group, has endorsed Representative Turzai's liquor privatization plan, and that is why I do as well.

And on a side note, this past fall we had Representative Turzai to Lancaster County, to Linden Hall, to talk about his liquor privatization bill. We also had visitors from the UFCW (United Food and Commercial Workers) PA Wine and Spirits Council there, including the president. Afterwards I had the good honor to be advertised on central Pennsylvania radio about how I should not support the privatization of liquor stores. He asked that all central Pennsylvanians call my office and say, do not support privatization. Well, I got phone calls, almost 200 of them, and only four, I will say four people said do not sell the stores. Everyone else wanted us out of the liquor business and said do not back down to these unions. Privatize the stores, get Pennsylvania where everyone else is, and do it now.

So, Mr. Speaker, get Pennsylvania out of the liquor business and vote for the Turzai amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the bill?

On that question, the Speaker recognizes the lady from Lebanon County, Mrs. Gingrich.

Mrs. GINGRICH. Thank you, Mr. Speaker.

I rise in support of the amendment to HB 11, and I do want to say first that I appreciate the work done by leadership, by the committee, by all the stakeholders that added to the structure of this amendment that we are looking at tonight.

In my opinion, it is a worthy effort. The amendment provides two essential components that will provide us the opportunity to really and truly modernize the sale of liquor in the Commonwealth. First, it is founded in good government policy, which of course I think is critical to this body, and in that it takes the Commonwealth out of the sale of liquor; it takes them out of the business completely. And in addition, it opens the door to significant economic growth in the private sector.

This amendment is the framework that we need to get this important initiative over to the Senate where it will garner further input and more questions, concerns, and an ability to structure the legislative process that we will be able to move this forward, ultimately eliminating the current arcane system that we have had for almost 80 years.

Selling alcohol is not a core responsibility of government, and this initiative, we all know, is overwhelmingly supported by Pennsylvania consumers. So in the end, Mr. Speaker, it just makes sense. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the lady from Montgomery County, Ms. Harper.

Ms. HARPER. Thank you, Mr. Speaker.

Mr. Speaker, did you ever have a guest come in from out of town on a Saturday night and you say, "Whoops, I have to run to the State store before it closes," and the guest says, "What is a State store?" And you explain, and they say, "Boy, that is weird." I mean, they have been around. They have been to New Jersey. They have been to Delaware. They know that States just like ours do not have government-run alcohol stores.

Mr. Speaker, I am voting for the Turzai amendment tonight because the people who sent me here want me to do that, and they want most of my colleagues here to do that as well.

The Quinnipiac poll, which is just about a year old, showed that Republicans do support selling the State stores; Democrats support selling the State stores; Independents support selling the State stores; men support selling the State stores; women support selling the State stores; even union households support selling the State stores; southeastern Pennsylvania, where I come from, supports selling the State stores; as does northeastern Pennsylvania; as does western Pennsylvania; northwestern Pennsylvania; southwestern Pennsylvania; and central Pennsylvania. Across the State of Pennsylvania, there is hardly ever unanimity as good as it is on this issue. Our constituents want us out of the business.

This bill is not perfect. I have been here 12 years; when I see a perfect bill, I will let you know. It has not happened yet, but it certainly is a good start, Mr. Speaker, and I am supporting it.

Thank you very much.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Lancaster County, Mr. Sturla.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, will the majority leader rise for brief interrogation?

The SPEAKER. I believe he is at the anteroom off the rear of the House. I believe the staff may be going to get him.

The House will be at ease for a moment.

Mr. STURLA. I will try and be brief. I understand—

The SPEAKER. The House will come back to order.

The gentleman, Mr. Sturla, is in order that the majority leader is back at the podium to stand for interrogation. You may proceed.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, I will try and make these questions quick. I think they can be answered with yeses or noes.

When we did casino legislation, we barred legislators from owning an interest in any of these licenses. Is that same true with these licenses, or would legislators be able to buy these licenses?

Mr. TURZAI. Thank you.

On three fronts, first of all, the licenses are being offered at a right of first refusal to beer distributors. Unless somebody wants to declare that they own an interest in a beer distributor, that would not be the case.

Second, the other licenses are auctioned off at arm's length. The gambling licenses were not auctioned off at arm's length. They were in fact selected by a group, and that is why you needed to make it clear that you could not have self-dealing.

Here it is beer distributors. They already exist, right of first refusal. The rest of the licenses are actually bid or auctioned, arm's-length transactions. The gambling licenses were not arm's length transactions.

I would say the good gentleman from York County, I am not convinced that it is needed, but he does have an amendment after this amendment that would prohibit legislators from having any ownership interest. I can tell you this: I myself have no ownership interest at a beer distributor and would not be in any way looking to get into a bidding process, a public arm's-length bidding process for a license. So it is not necessary, because this is not akin to the way gambling was done, which did not provide for arm's-length auctions. We tried to get that, but we did not get it.

Mr. STURLA. So I take that is a yes, legislators can buy a license.

Second question—

Mr. TURZAI. No, that is not what I said.

Mr. STURLA. So legislators would be barred from buying a license, Mr. Speaker?

Mr. TURZAI. No. It is irrelevant, because the fact of the matter is, you have to have a beer distributor to be able to pick up one of the 1100 that would be offered at a right of first refusal, and then you auction off the licenses in a public process, so it would be completely open.

Mr. STURLA. But in that open public auction, a legislator could buy a license, yes or no?

Mr. TURZAI. As I said, it would be open and accountable, and it has to be a public auction.

Mr. STURLA. Okay. So I take that as a yes.

Mr. Speaker, as I – and I have only had a chance to see this since 10:30 this morning, so this is a quick read on this – as I understand it, any one entity can only own 40 licenses.

Mr. TURZAI. Yes.

Mr. STURLA. But is there anything that prohibits me from owning 5 different corporations that own 40 licenses each?

Mr. TURZAI. Yes. There is language that would prohibit that, because it prohibits direct and indirect, which is standard legal language to prohibit that kind of outline that you are putting forth in your hypothetical.

Mr. STURLA. So my child cannot own 40 licenses and I own 40 licenses also?

Mr. TURZAI. Correct.

In addition, keep in mind, out of 1600 licenses, the limitation is not only 40 per State, but it is also by county. You cannot own any more than 10 percent within a county.

Mr. STURLA. Thank you. Thank you, Mr. Speaker.

That ends my interrogation. If I could make some comments?

The SPEAKER. The gentleman is in order on the amendment.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, under the current system, you can walk into any wine and spirits store and have access to over 17,000 products, online or in that store. There is also access to over 13,000 more products, for a total of 30,000 products. The 13,000, in some cases, they need to order, but under the current system, you have access to 30,000 selections. Almost every wine and spirits store in Pennsylvania, even the smallest ones in the most remote areas, offers more than 3,000 products for sale.

Now, Mr. Speaker, I have had the opportunity to visit neighboring States, on occasion, that have wine and spirits or wine and beer in grocery stores and other areas, and I have yet to find the multitude of stores that offer 3,000 let alone 17,000 or 30,000 selections. In most cases there is at best a part of an aisle, and under this proposal to privatize, the assumption is that most of these would be bought by existing entities, and my guess is that what they will do is instead of having three rows of Pampers and three rows of Doritos and three rows of beans, they will have two rows of Pampers and two rows of Doritos and two rows of beans, and then there will be two or three rows of wine or spirits, certainly not a selection of 3,000 or 17,000 or 30,000, because that is the experience in other States. That is not just me imagining it; that is the reality in other States.

Mr. Speaker, there was talk of border bleed and people that currently drive to Delaware. There is nothing in this proposal that starts to tax alcohol in Delaware. There is, however, much in this proposal that says the revenue to the State would basically be the same; the taxes will basically be the same; the price of alcohol will be the same, if not higher, as a result of this legislation, but somehow people will somehow feel good about the fact that they will pay a higher price to a private retailer in their own State instead of continuing to do the border bleed, and that has been supported by the most recent experience in Washington. They did an experiment in privatization, and it was not what was sold to the citizens of the State of Washington. Washington State auctioned off more than 1600 private liquor licenses, the same as what is proposed here in Pennsylvania. The transition to privatized liquor sales took place earlier this month on June 1. In the past 11 days, the news reports coming out of Washington talk about the pitfalls and the shortsighted privatization scheme in Washington. According to a recent survey in the Seattle Times, liquor prices in Washington increased for 13 of the 20 most popular brands in the State.

Prices will likely stabilize at about 20 percent higher than they were before privatization, and a recent story in the Associated Press detailed how Washington consumers, hit by the sticker shock of liquor privatization, are now flocking to neighboring Oregon to buy their booze at lower prices.

Again, unless Delaware agrees that they are going to start taxing at a higher rate than we do, which is not in this bill, you have done nothing about border bleed in this amendment.

Mr. Speaker, the study from PFM was cited in several cases, the Public Financial Management study that was done. It took many months for PFM to produce a detailed financial analysis of the previous privatization proposal, but we have seen no financial analysis of this proposal. Instead, what we saw was citing statistics from the previous PFM study, which was about a different piece of legislation. It is disingenuous and fiscally irresponsible to use outdated financial estimates from a completely different plan and say that it applies to this scheme.

In fact, earlier the majority leader said that for the retail outlets, the reserve price on average was about \$300,000. Now, I only got a 750 on my math board scores, but when I take 1600 times \$300,000, I get \$480 million, and yet the majority leader said the expected take would be somewhere between \$1.1 billion and \$1.6 billion. So that begs the question, if it really is worth \$1.1 billion to \$1.6 billion, that would mean that the average price for a retail outlet license should be between \$675,000 to \$1 million, and if that is the case, why are we going to sell licenses at 30 cents on the dollar to a certain special group? Why would we let them buy a license for \$300,000 when it is worth \$1 million? Why would we institutionalize that and say that is okay, 30 cents on the dollar is okay?

I believe the reality is that we are not going to get \$300,000 for them either, but then that \$480 million estimate is above what it should be. It should not be \$480 million or \$1.1 billion or \$1.6 billion, because the other States that did privatization, their experience was that it was less than the \$300,000 mark. So why are we selling them off for less than they are worth unless we are talking about bogus numbers coming from a financial report that was done about a different bill?

In fact, the PFM study that was done estimated that the revenues generated would be \$67 million from our current system for this past year; instead, it was \$104 million. They are off by 54 percent.

Mr. Speaker, the proposed amendment guarantees higher taxes and annual fees that will result in higher prices leading more Pennsylvania consumers to flee to neighboring States. As I pointed out earlier, that is what is happening in Washington State now.

Mr. Speaker, there is also going to be increased societal costs. The Liquor Control Board has a zero-tolerance policy for sales to minors and intoxicated individuals, and that has resulted in store employees challenging or carding more than 1 million suspected minors in past years.

Mr. Speaker, there is nothing in this bill that provides for further enforcement. Right now every employee of a Pennsylvania wine and spirit store is in fact an enforcement officer. Under the privatized scheme, no one working in those privatized stores would be charged with enforcement. That would fall back on the taxpayers, and the cost of that is not included in this amendment.

Furthermore, in April of 2011 the U.S. Centers for Disease Control, Task Force on Community Preventive Services,

published a piece in the peer-reviewed American Journal of Preventive Medicine. This is not just stuff that is made up because somebody has some bogus study somewhere. They found that privatization contributes to increases in alcohol consumption, creating a greater risk of alcohol abuse and its associated societal costs. There is nothing in this amendment that accounts for those associated higher societal costs.

Mr. Speaker, it was pointed out earlier that this really is not the free market system either, because this amendment says, oh, by the way, in those areas where we are unlikely to sell a license, we are still going to maintain a State store system, and because there is no private for-profit entity that is willing to do it there, the likelihood is it is going to lose money. So the part of the system that is currently not profitable is the part that we will keep and maintain. That makes no sense.

Mr. Speaker, it was also suggested that transportation will benefit from this legislation. There is nothing in this amendment that deals with transportation. The only way you can suspect that transportation will benefit from this is that there might be higher DUI fines as a result of this amendment.

Mr. Speaker, for a multitude of reasons, I would encourage members to vote "no" on this. There may be a scheme out there that makes sense for privatization. I have not seen it yet, but it is certainly not amendment 11448.

It was stated earlier that we could just send it over to the Senate and maybe they will fix it. We could also send it back to committee and fix it. We could also have a realistic debate on this amendment with seeing it for longer than a few hours, which is when this amendment was posted.

This is serious business. I encourage you to vote "no" on the Turzai amendment, and if you are going to come back with something, at least come back with a reasonable proposal, but it is certainly not this amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Lancaster County, Mr. Denlinger. The gentleman waives off.

On the question, the Speaker recognizes the lady from Bradford County, Ms. Pickett.

Ms. PICKETT. Thank you, Mr. Speaker.

This is an idea for which the time has arrived. The majority of Pennsylvanians do not want government running businesses. This bill is an opportunity for current entrepreneurs to expand and take on new business growth. The bill will also create new entrepreneurs, employment opportunities, and consumer service.

Mr. Speaker, consumers have spoken. They want to be able to buy differently. They want to be treated as valued customers. And in that vein, our small businesses, who are licensees and must do business with a State store – and they currently may purchase from one and one only, one store – want service. They want service that better enables them to run their businesses to the satisfaction of their own customers. They want deliveries, they want selection, they want professional product information and quick response to purchase needs.

This bill will no doubt see further change as it goes through this process. The desire is to take government out of business ownership while making this transition as positive as possible for all concerned. This is the first step to privatization, and we need to take it.

I urge a "yes" vote on the Turzai amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Butler County, Mr. Ellis.

Mr. ELLIS. Thank you, Mr. Speaker.

I rise today in support of amendment A11448.

Mr. Speaker, I come at this from a little different angle. My grandfather, when he came to the country, eventually settled down into a job where he owned a beer distributor, and after him my father owned a beer distributor, and fortunately for me, I was in the position where I, also, was running the beer distributor. That is third generation, Mr. Speaker.

The reality is that every day we were in business we wondered, what is going to happen to the value of our business? Is anything ever going to change in Harrisburg that is going to take away the value from what we do for a living? And I will tell you what, Mr. Speaker, it was a scary thought that any day our livelihood would go away. Well, eventually 5 years ago my father did pass away, but before he did he sold his beer distributor for slightly less than what he had paid for it 18 years prior to that.

This situation is one that is occurring over and over again in the families, the mom-and-pops, that are running the beer distributors right out there, and there are families that are trying to turn it over to the generations, and they do not know that it makes sense for the younger generations to get in the business. This amendment, this concept, is the first one in 30 years that takes into consideration the mom-and-pop beer distributors that are out there.

Mr. Speaker, with this amendment they will have an option. For those that have turned it over to the next generation, they will be able to expand and innovate and sell more products, and the ones that do it best are going to thrive. And for those that are at the end of their career and they are ready to get out, there is an option for a value in their license that is increasing, a worthy product for them to retire on. So either the families that look to continue or those that are looking to get out, privatization, as proposed by Representative Turzai, is the right direction to go for those folks.

And again, Mr. Speaker, I will remind you, this is the first time this legislature has ever taken into consideration what we are going to do with people that have lived by the rules that are out there and how are we going to take care of them as we move forward. This amendment does it, and I encourage a "yes" vote.

Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from York County, Mr. Grove.

Mr. GROVE. Thank you, Mr. Speaker.

Two weeks ago York County hosted the 38th Annual Hot Rod Association Nationals East. More than 4,000 cars from the entire eastern seaboard participated. While I was at one of these events, a competitor asked me where he could get alcohol near the York Expo Center. I could not help but chuckle as I gave my answer, detailing the complexity of his question. I told him if he wanted a case of beer, he should take the Carlisle Street exit and take the first left. The beer distributor is on the left. For just a 6-pack or a 12-pack of beer, he should take the Highland Street exit and hang a left. The six-pack shop would be about six blocks on the left. Now, for liquor or wine, take the Carlisle

Street exit and make a right. The State-run wine and spirit store is in the shopping complex on the left-hand side, but if you are looking for nonalcoholic beer, you can get it at any grocery store, probably close to one of those locations. The individual who asked looked like a deer in headlights. Any reasonable person would expect a simple answer to a simple question. Unfortunately, with Pennsylvania's convoluted system of alcohol sales, there is no straightforward response and the system confounds reason.

Why would any organization want to host a large event in Pennsylvania when we do not have a consumer-based alcohol system? In fact, we have one of the least customer-friendly systems in the entire United States. Every State is in competition for business, and we are losing. York County is a great example. We have seen a large influx of Marylanders moving to York County over the past few decades, but they are still attracted to Maryland for alcohol purchases. Why? It is convenient, easy, and cheaper.

Even as one of the world's largest alcohol purchasers, our prices do not reflect that we are passing on our buying power to consumers. We can, we must, must do a better job at stopping the border bleed to bring revenue back into the State and start competing with our neighbors.

I can give you many anecdotal examples, but the real story is the one in the raw data. For 4 of the last 6 fiscal years, LCB operating costs plus profit exceeded the total net sales by \$178.2 million. The Liquor Control Board's ending net assets by fiscal year has changed dramatically over the last 4 years. From the 2006 to 2007 year, the book shows \$75.8 million in ending net assets. In 2007-2008 the number rose to \$105.8 million. For 2008-2009 it was left with \$55.6 million, nearly half of what it was previously. You cannot blame the recession on these numbers because we all know alcohol is a recession-proof industry. In 2009-2010 the LCB made history, ending with a deficit of more than \$8 million. In 2010-2011 the deficit has grown to \$31.2 million.

Mr. Speaker, it is time to reform our antiquated alcohol system. We must base it on free market principles with the consumer in mind. It is time to privatize, modernize, and revolutionize alcohol sales in Pennsylvania, and amendment 11448 is the solution. I urge my colleagues to join me in support for this plan to bring the Commonwealth into the 21st century. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Wheatley.

Mr. WHEATLEY. Thank you, Mr. Speaker.

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

The SPEAKER. Will the gentleman, Mr. Turzai, stand for interrogation?

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

Mr. WHEATLEY. Thank you, Mr. Speaker.

Mr. Speaker, I was wondering as I was reviewing the amendment, are there any provisions in the amendment that allow for local municipalities or counties to play a role in where the licenses may end up, locating in those areas?

Mr. TURZAI. In the first instance, every municipality that has adopted the ability to do zoning laws today can in fact prohibit the sale of alcoholic beverages in their municipality.

This does not change. That exists today and it will continue to exist, so if you are in fact a municipality that is, quote, unquote, "dry," you just remain dry.

Mr. WHEATLEY. But in the case of Allegheny County, we are not a dry county, and in the city of Pittsburgh. So in that instance, would the city or the county have any say on the location of the license, not the beer distributor that might choose to have a license or go after the sale of wine or spirits, but a new licensee? Would they have any control over where they could locate?

Mr. TURZAI. Well, Allegheny County has 118 beer distributors, so they would be offered a right of first refusal, and they are in existence wherever they are. Allegheny County by population would be somewhere as determined by the Department of General Services. The projected retail licenses would be 169, of which 118 would be offered to beer distributors in the first instance, and it operates like beer licenses do. Beer licenses right now, when you own a beer license you have a particular county in which you can locate that particular beer license, and it is your private property. That is also true, I believe, for restaurant licenses – no; the restaurant licenses are at a municipal level, taverns are at a municipal level, beer distributors are countywide, and that is set statewide by population. So there would be 169 projected retail licenses in Allegheny County, 118 which would be offered to beer distributors. If through zoning you do not want that establishment, you do not have to have it.

Mr. WHEATLEY. Okay. I think for my own clarity purposes, for non-beer distributors who are automatically offered right of refusal, first right of refusal, any other new licensee who goes after a bid to have a license can locate anywhere they want inside of that county without the county or municipality having a say of where they set up shop. Is that right? And the only reason I am asking that is because if that is true, then I am going to make a statement, but if that is not true, then there is no need for me to make a statement.

Mr. TURZAI. As I said, the beer distributors are offered the right of first refusal, and there are 118 in Allegheny County. One hundred and sixty-nine projected licenses would be set aside for Allegheny County, of which 118 would be existing beer distributors. The others would be able to be placed within that county, but you cannot put it into a municipality that zones out that type of an establishment.

Mr. WHEATLEY. Fine.

One last question, if I may, Mr. Speaker. In your review of the other 48 States that offer this privatization of liquor and wine sales, have you seen where or have you reviewed where most of these shops tend to set up? These stores, are they mostly in very dense population areas, are they in mostly sparse— I mean, what type of— As you reviewed it, where do you find most of these shops tend to open up?

Mr. TURZAI. Well, the ones that are going to be auctioned off, it seems, given past practice in other jurisdictions, and five States have recently privatized, they are bought up by chain drugstores, mass merchants, chain grocery stores, the retail trades of all kinds, but let us be honest, it is going to be, in our area, Giant Eagle, Walmart, chain drugstores.

Also, for those that have a niche, like somebody that wants to sell to a different market like exclusive wines or say they want to sell a niche market of exclusive liquors or liqueurs, of which happens in other States because there are different markets, this is designed to get a variety of markets. But what

you would see is that in Allegheny County there are 18 mass merchants; there are 63 chain grocery stores; there are 4,795 retail trades of all kinds; there are at least 125 chain drugstores. So those would be the likely bidders on the licenses above the 118 that are reserved for the beer distributors, in addition to the entrepreneurs that want that niche wine-type store or that niche liqueur/liquor-type store. Entrepreneurs, as you know, in bidding on these auctions, will have a variety of ideas as to what they would like to do with those particular licenses.

Mr. WHEATLEY. Sure.

Mr. Speaker, that ends my interrogation. Mr. Speaker, I would like to speak on the amendment.

The SPEAKER. The gentleman is in order on the amendment.

Mr. WHEATLEY. Mr. Speaker, one of my concerns, coming from a State like Michigan who has private liquor stores and traveling in many capacities of States in California, North Carolina, and others, one of my great concerns is when you do not have proper controls and some type of mechanism to monitor how and where these free markets can locate themselves, when it is in wine and spirits and that type of vein, they tend to happen to overlocate themselves in neighborhoods that are already afflicted with many other social ills.

And when I reviewed the amendment, and as I was listening to the conversation earlier from all the various speakers, we talked about offering something for the citizens of Pennsylvania, where there is a group of Pennsylvanians that we did not really talk about and what we can do to protect their interests, and that is to make sure their communities, their neighborhoods, their families have some level of protection, that they are not going to wake up one day in the very near future and see two and three wine and spirit stores in their neighborhood that has the free market driving their decision; it has individuals who have all types of challenges standing outside buying all types of available product with no type of protection.

So yes, on one hand we may offer the citizens of Pennsylvania the options and choices to have a new market and new available spirits for themselves that are run by private interests, but whenever you have private interests that at the end of the day it is their bottom line to sell things and to make profits, we need to counterbalance that with protections for citizens. And in this amendment, from what I heard from the maker of the amendment, there is no consideration, no protection in the language for those citizens.

On top of that, I think it is kind of odd that in this economy that we are talking about, we seem to discount that there are 5,000 workers who are currently working in this system, and as I read through the amendment, where are the protections to make sure as we transition to a private system, if that is what we are going to do, that that private system will afford the same type of protections for those workers that are currently in the system that are citizens of our Commonwealth, that will have a major economic impact to our Commonwealth?

I think, as many have said before, I think if this is an idea that has run its course and we need to change the way we do business in Pennsylvania, I think it is important that we do it in a way that is not haphazard, that we do it in a way that we are looking towards how we bring in a private system but at the same time protect all of our neighborhoods and all of our citizens, we allow for a fair transitioning of the workforce, and

we also offer up opportunities for new entrepreneurs. And by the way, I did not see any language in here to make sure that there is a fair process. I mean, I know we do blind bidding and everything, but where is the process for making sure our veteran-owned businesses or our minority- and women-owned businesses also get a fair opportunity to get into this market if in fact that is what we are talking about?

So I think there are a lot of challenges to this bill. And I think I heard one of the previous speakers say she has been here a number of years and had not seen a perfect bill yet, and I would agree with that, but we have seen bills that have been a little more bipartisan, longer working together through the issues trying to find a shared middle ground, and not one that has been rushed through to meet a certain desire just to open up the market. I think when we open up the market and we do not have consumer protections like the ones I talked about, making sure that we do not have an overabundance of these type of products in one neighborhood or one area or one municipality because that is where most of your market might come from, or not having some transition support for a workforce that will basically be devastated, in my opinion, and not having some ability to also allow for a fair transitioning to the free market, I think we have problems.

So with that being said, Mr. Speaker, I would just encourage us that if we are not willing to put this back in committee and work it through some more in the committee, that we as a concerned citizenry and colleagues on both sides of the aisle would vote this down at this time and not move forward. So I would ask all of my colleagues to vote "no" on this amendment, if in fact the maker of the amendment is not willing to put it back in committee, and continue to work this idea through some more. So thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Cumberland County, Mr. Bloom.

Mr. BLOOM. Thank you, Mr. Speaker.

Mr. Speaker, there is an old saying that perfection leads to procrastination leads to paralysis.

Is this legislation that we are now considering, the Turzai amendment, is it perfect? No. It contains a lot of provisions that I like and some that I do not, but can the hardworking taxpayers of Pennsylvania afford to let this government procrastinate any longer on getting our State out of the liquor business? Can the hardworking taxpayers of Pennsylvania afford to let 80 years of legislative paralysis keep our citizens trapped in an antiquated, archaic, expensive, State-run liquor monopoly? Mr. Speaker, no, we cannot.

It is time to deliver economic freedom to the citizens of this Commonwealth. It is time to privatize the PLCB once and for all.

Mr. Speaker, through the course of the debate this evening, many of the detractors of this amendment and this legislation have compared our experience here in Pennsylvania and this proposal to the proposal in Washington State that had not gone so well for the taxpayers in that State. But, Mr. Speaker, the conditions here in Pennsylvania, both economically and in a regulatory sense, are drastically different than those in Washington State. About the only similarity is that in Washington State, like in Pennsylvania, the citizens by an overwhelming majority wished to get the government out of the liquor business.

Mr. Speaker, in Washington State the legislation that was adopted imposed four different taxes on the purchase of alcoholic beverages – a 10-percent wholesaler tax, a 17-percent retailer tax, a 20.5-percent sales tax, and a \$14.27-per-gallon tax. Our taxes in Pennsylvania would be drastically lower than those taxes. The private sector cannot overcome a confiscatory tax environment, but the private sector can thrive when it is set free from the government constraint that we now face here in Pennsylvania.

Mr. Speaker, in order to match what was done in Washington, we would have to impose a \$35- to \$50-per-gallon tax on these beverages when in fact in Pennsylvania what we are proposing, what we are discussing here tonight is to impose merely an \$11.50 tax on most spirits and an \$8.25 tax on most wines to ensure revenue neutrality.

Mr. Speaker, our citizens here in Pennsylvania have waited long enough. This legislation will unleash an economic sector that has been trapped for almost a century in the policies of prohibition. Passing this legislation will bring about new jobs, new opportunities, and new investments for the consumers and citizens of Pennsylvania.

Thank you, Mr. Speaker. I urge a "yes" vote on this amendment.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Allegheny County, Mr. Kortz.

Mr. KORTZ. Thank you, Mr. Speaker.

Would the maker of the amendment stand for brief interrogation?

The SPEAKER. Will the gentleman just be at ease for a minute.

The gentleman, Mr. Kortz, if it is okay, we will come back to you.

Mr. KORTZ. Yes, sir. I will wait. Thank you.

The SPEAKER. I appreciate it.

The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Adolph.

Mr. ADOLPH. Thank you, Mr. Speaker.

Mr. Speaker, I rise in support of Representative Turzai's amendment, and it is pretty simple. The people that we represent on a daily basis have said over and over again that they want the State government to get out of the liquor business.

Where I live in Delaware County, we are surrounded by three States that residents frequent. They see the prices of the alcohol, the wines that they can get in the other States. I am often asked by my constituents, "Why, Representative, if the Commonwealth of Pennsylvania is one of the largest purchasers of wine and liquors in the world, why are the prices in other States less?" You go into the Johnstown flood tax, you go into the question and analyzing, well, the State has to put liquor stores in areas that are not profitable.

We have a monopoly here of wholesale and retail, and over the years I have seen an improvement in our State system, but we had to force legislation upon the Liquor Control Board in order to do that. Under the leadership of Representative Taylor, we have seen legislation come out of that committee year in and year out to improve the system but only to force the LCB to make a better product. The one thing that we cannot do is we cannot lower the prices because it is a monopoly. The free market system, Mr. Speaker, will lower that system. The

competition, the locations, the hours, the service will determine the prices that our constituents will pay.

When you look at a system that only has 600 stores in this vast Commonwealth, and I know a lot of folks in this General Assembly have traveled this Commonwealth, to believe that we only have 600 stores is hard to believe. This piece of legislation will increase it to over 1600.

I have had an opportunity to drive up and down I-95 from Maine to Florida watching sporting events, and I will tell you what, it is really a joy to go into a town in North Carolina and walk into a market where I can pick up a six-pack of beer, a bottle of wine, a couple sandwiches, and then go and enjoy a sporting event. We cannot do that here in Pennsylvania.

We are only one of two States in this entire nation; just think about that, one of two States in this entire nation that think the State of Pennsylvania can do a better job than the free market enterprise. We do not want the residents of our Commonwealth to decide what products are good, what products are bad. We will determine it for them.

The time has come for us to get out of this system, to open up the free market to allow more jobs to come to Pennsylvania so our revenue from this business will increase, just like the 48 other States in this nation.

I want to congratulate the Liquor Committee for all the work that they have done to make this amendment a commonsense piece of legislation. I urge my colleagues on both sides of the aisle to think of their neighbors and think of their constituents that have answered these polls for over two decades. Seventy percent of the residents in this Commonwealth want us to get out of this liquor business, and the time is now. Thank you.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Delaware County, Mr. Hackett.

Mr. HACKETT. Thank you, Mr. Speaker, and I will be very brief.

I do see this amendment as a jobs amendment to a jobs bill. Ultimately, this is a jobs amendment, and I read this amendment as more stores equals more jobs, 1600 versus 620. Someone needs to design, build, heat, cool, secure, clean, advertise, and make repairs to these stores.

Mr. Speaker, we need to let the private sector put our families, friends, and neighbors back to work. I ask the members' support on this amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the amendment?

On that question, the Speaker recognizes the gentleman from Chester County, Mr. Lawrence.

Mr. LAWRENCE. Thank you, Mr. Speaker.

I rise in support of the amendment offered by the good gentleman from Allegheny County.

Mr. Speaker, personally, I do not drink, and some who have watched my votes here in the General Assembly might think that I would oppose this bill on moral grounds. With that being said, I would like to share some insights as one who lives in a relatively rural area, about 5 miles from the States of Delaware and Maryland.

Mr. Speaker, many of my constituents who are otherwise law-abiding regularly break the law by driving to Delaware and Maryland to purchase wine and hard liquor. The State store system forces everyday citizens to break the law and, in my

view, perpetuates a perception by the general public that government is ineffective and unresponsive.

Now, why is this the case? Why would not people simply patronize the State store in Jennersville across the street from my district office? I can tell you why: The selection in Jennersville stinks, and the prices are even worse. Look, I visited the Jennersville store a few weeks back to check out their selection of Pennsylvania wines. The store was clean and tidy, but I could not find any Pennsylvania wines. So I asked the clerk, "Where are the Pennsylvania wines?" and I was directed to a selection of about a dozen varieties. None of our local wineries in southern Chester County were even represented. This I find amazing. We have a State-run liquor store that does not even stock the products made in Pennsylvania less than 10 miles away from the store.

Now, if you visit the State's liquor Web site, which we have heard a little bit about tonight, finewineandgoodspirits.com, you can search for wines by region. You can look up wines from New Zealand, from Italy, from California, but amazingly, not that I can find, at least, is there any place where Pennsylvania wines are being featured. Here the State is, running an operation that does not even take the time to promote our own homegrown wineries.

Mr. Speaker, let me tell you about another trip I recently took a few weeks back to a liquor store in Delaware. Guess what? Pennsylvania wines were well represented there. I could have had my pick of whatever I wanted, including wine from the Paradox Vineyard located in Landenberg just down the street from my house. While I was there, I took the time to check the prices, specifically the price of some popular varieties of hard liquor. The Delaware prices speak for themselves: Captain Morgan Puerto Rican Spiced Rum, 1.75 liters – Pennsylvania price, \$29.92; Delaware price, \$16.99. Crown Royal Canadian Whiskey, 750 milliliters – Pennsylvania price, \$26.49; Delaware, \$17.99. Smirnoff Vodka, 200 milliliters – Pennsylvania price, \$4.97; Delaware price, \$2.99.

Mr. Speaker, perhaps the most telling of the selection available in Delaware but not Pennsylvania is an anecdote from my campaign for State House back in 2008. My opponent held a fundraiser where alcohol was served, and it came to light on his campaign finance reports that he had purchased the wine for his event in Delaware. When asked by the local newspaper why he broke the law and crossed State lines to make the purchase, he stated the wine he wanted for his event was unavailable in Pennsylvania.

Mr. Speaker, the people of Pennsylvania are sick and tired of dealing with the arcane and obtuse State store system. Now is the time for action. I encourage an affirmative vote. Thank you.

The SPEAKER. The House will be at ease for a few minutes.

The House will come back to order.

The Speaker returns to the gentleman from Allegheny County, Mr. Kortz, who is seeking interrogation of the prime sponsor. The gentleman, Mr. Kortz, is in order.

Mr. KORTZ. Thank you, Mr. Speaker.

Mr. Speaker, I just have a few brief questions. I just wanted to confirm something on the gallonage tax to begin with. I understand that the wine and the spirits will have this new gallonage tax. I just wanted to confirm that beer will not have this new tax. Is that correct, sir?

Mr. TURZAI. Yes. The majority of States use a gallonage tax for wine and spirits, not an excise tax like the Johnstown flood tax. Any State that has a private system uses a gallonage tax, not the excise tax. As you know, there is also a 6-percent State sales tax. That tax is not on beer.

Mr. KORTZ. Not on beer. Okay. Thank you.

Next on the retail license, I have a few questions. I am looking at the numbers we have been given. You have already stated that between \$1.1 billion and \$1.6 billion will come from the retail licenses and about another \$500 million from the distributor licenses. Looking at these numbers on the retail side, I notice that the lowest is in Juniata County for \$60,000 per license, using the formula based on sales that you have provided, and the highest retail sales license is \$833,000, and that would be in Montgomery County. Are these numbers correct, sir? This is what the new license fee will be?

Mr. TURZAI. No, that is not the range I have for what would be offered for a wine and spirits license. And keep in mind, if a distributor does not want it, they do not have to get it. They can turn it down. You have really three options: You can take it, and you may have the cash or you can finance it; second, you can purchase it and turn around and sell it; or third, you can reject it, and you do not have to take the right of first refusal, and then it goes into the auction. They are based on historic sales within a particular county.

By way of example, you mentioned Juniata County. Juniata has five beer distributors and total retail trades of all kinds, 81. The projected liquor sales to consumers for 2012-2013 in Juniata County is about \$600,000 annually. There is only one State store in Juniata County. The projected retail licenses would be five, so one of those would be offered to the beer distributors, and the reserve price would be around \$60,000 based on sales. Montgomery County, which has 54 beer distributors, it had over \$162 million, actually \$163 million in sales. They have 39 liquor stores today. The projected retail licenses would be 121. Fifty-four of those are beer distributors. It would be about \$600,000 at that price. And again, they could be accepted, they could be accepted and sold, often for a premium, or they could be rejected.

Mr. KORTZ. Okay. Well, sir, you just stated what I stated, really. In Juniata County, it is going to be \$60,000 per license, correct? You just mentioned that number.

Mr. TURZAI. That is the estimated— Keep in mind, Juniata County only has about \$600,000 annually in sales in that county.

Mr. KORTZ. Right.

Now, on the high side, Montgomery County; do I have the number right that each license will—

Mr. TURZAI. No, you have it too high.

Mr. KORTZ. What number is it, sir?

Mr. TURZAI. I just said it is approximately \$600,000, slightly above \$600,000.

Mr. KORTZ. Okay. And then if we come back to where we both reside, in Allegheny County, I am showing \$695,000. Obviously that is incorrect. Could you tell me what the real number is?

Mr. TURZAI. Yes; we have approximately \$570,000.

Mr. KORTZ. Okay. So it is about \$120,000 less. And you are projecting a little over 144 retail licenses in Allegheny County?

Mr. TURZAI. No, 169.

Mr. KORTZ. 169.

Mr. TURZAI. Keep in mind, Allegheny County is a county of almost, not quite, 2 million people. There are presently 118 beer distributors; 124, at a minimum, chain drugstores; 18 mass merchants; 63 chain grocery stores; and 4,795 retail trades of all kinds. The licenses would be 169 minus 118 for beer distributors, if they should choose them.

Mr. KORTZ. Okay. My question is this now, now that we have established some numbers: We are looking at 169 people, theoretically 169 licenses in Allegheny County. If we are only successful in selling half of those, if we sell 83 of those, say, and there is still another 83, are we going to keep State stores open to take care of the populous until we sell the other 83 or 84?

Mr. TURZAI. You will sell every license, there is no doubt. They are going to be at a premium. It is one of the lowest per capita still in the country.

Under a modified HB 11, as modified by this particular amendment, the ratio of outlets that sell spirits to adult residents in the State will be a third of the average number in licensed States and will be substantially lower than the average ratio for monopoly States. If we had the average number of outlets as a licensed State, the Commonwealth would actually have, could have up to plus-3500 outlets, and if Pennsylvania had the average number of outlets for a monopoly State, we would have approximately 1500 outlets.

The fact of the matter is that all of the 1600 licenses, whether rejected by the beer distributors or not, will be picked up by folks who want to be in the business, because the opportunities to bring product and service to market are significant and great profits are there.

Mr. KORTZ. Theoretically, if we can only sell half of the licenses that you project, if we only sell half across this State, obviously we are going to try to move the rest of those licenses at a discounted price. Is that correct?

Mr. TURZAI. Could you repeat that question, please?

Mr. KORTZ. Hypothetically, if we only sell half of the licenses across the State, if we cannot move those other—

Mr. TURZAI. I am sorry; my understanding is that there are no hypotheticals, and I have already answered the question.

Mr. KORTZ. No, what I am getting at, sir, is if we can only sell half, will the rest of them be sold at a reduced price?

Mr. TURZAI. No.

Mr. KORTZ. Okay. So then we are going to maintain that, we are going to keep that price no matter what throughout the duration until those licenses are sold.

Mr. Speaker, if I could speak on the bill, please.

The SPEAKER. The gentleman is in order, on the bill – on the amendment. Excuse me.

Mr. KORTZ. On the amendment. Thank you, Mr. Speaker. And I want to thank the leader for standing for a few brief questions.

Mr. Speaker, it is good to hear that we do not have a beer tax coming at us. Obviously, that is good for the people of Pennsylvania. But I do take issue with the license fees. Everybody is talking about we are going to get all this money from these fees, and I take issue with that. I cannot see 169 beer distributors, retailers, going out for these licenses at \$570,000 per license. I cannot see that. They are not going to sell for that amount of money. We are not going to be able to push that, and this is a flawed bill or a flawed amendment if we think we are. We are not going to come up with the money that we need.

Mr. Speaker, this same measure, this privatization, recently occurred in Washington State. For those of you who do not know this, it has been very recent, and I would like to share with you some articles from the newspapers that have come about because of what has happened out there. For example, here is Reuters last week, Washington: "Liquor sticker shock stirs up Washington state drinkers."

"The bad news for customers is that on average, per-bottle prices on liquor could rise between 10 percent and 30 percent, retailers say."

"The state's markup on wholesale liquor had been nearly 52 percent. The new private-sector markup could be as high as 72 percent, including newly imposed state fees...."

"RESTAURANTS SEE PRICE GOUGING."

"Already, liquor industry insiders are blaming wholesale distributors – two of which control about 80 percent of the state's liquor products – for the bulk of the price hikes.

" 'What restaurants and retailers suspect...is that distributors are padding their wholesale margin in order to recoup' the license fees they pay,..." a spokesman for giant Costco.

" 'There's price-gouging going on,'..." said a Washington Restaurant Association spokesman.

Mr. Speaker, numerous articles from The Seattle Times: "Less than a week after a historic" price "change to liquor sales in Washington, many customers are complaining about bigger-than-expected prices...."

"...The Seattle Times found that liquor prices on the whole increased for 13 of the 20 most-popular brands in the state." It does not seem like the price is coming down.

Article after article after article; it goes on and on. The Daily News, the same thing.

And here is another interesting one, Washington: "Liquor switch may have unintended consequences." This is from the HeraldNet. Dr. Dennis Donovan, director of the Alcohol and Drug Abuse Institute at the University of Washington, his question: " 'What impact will convenience have on drinking? There's been real clear research across time,' said Donovan, also a professor in the UW Department of Psychiatry & Behavioral Sciences. 'Privatization of alcohol and ease of access has increased use.'

"Mary Segawa, alcohol awareness program manager with the Washington State Liquor Control Board, said research on privatized sales shows big shifts in alcohol use."

There are other articles on the theft by teens that are going in called beer runs. They are putting caps on alcohol bottles.

Mr. Speaker, what do we get with privatization? Washington State is a classic example. But let us look at what is going to happen here. We are going to get 4,000 people laid off. Oh yeah, that is good for the economy. We are going to have higher prices, 10 to 30 percent. And my good friend from Delaware County talked about border bleed. If you think it is bad now, wait until it is 10 to 30 percent. You are going to see a hemorrhage across that border. Ease of access for our teens, less selection, increased use and abuse, increased theft: Mr. Speaker, this is a formula for disaster, not for success.

I want to see things work and I want to see us get better, but this bill will not make us better. I urge a "no" vote on this amendment. Thank you, Mr. Speaker.

The SPEAKER. The question is, will the House agree to the bill?

On that question, the Speaker recognizes the gentleman from Bucks County, Mr. Petri.

Mr. PETRI. Thank you, Mr. Speaker.

You know, one of the major responsibilities we have when we divest an asset is responsibility to taxpayers. So let us talk about whether this bill as drafted is really responsible to our taxpayers.

Serving on the Liquor Committee, we had hearings last year, and one of the reports we received and was talked about quite a bit tonight was the Public Financial Management report, and I read that report cover to cover. One of the interesting aspects of that report was that it had a number of possible solutions but indicated they were only to consider two alternatives to sale of this system. That meant that there were a number of alternatives that were never considered, and we do not know, sitting here today, what the financial repercussions of those decisions might be.

One might ask themselves, if you had a business and an asset that made a couple hundred million dollars a year – forget the taxes, just in profits – and truthfully, the number that has been bandied around is somewhere around \$80 to \$90 million, but in fact the numbers were skewed, because that was the worst year the PLCB ever had and in fact does not count some of the indirect moneys that come in for drug and alcohol and other items into our budget.

So if you were looking to sell your business and you made almost \$200 million a year, what would you want for your business? Would you accept \$400 to \$600 million? I do not think so. No rational person would. So one of the questions to be considered is not just about privatization, but what we should be considering is the proper way to privatize, if we are going to privatize.

I find it interesting that what we are talking about doing with an operating, ongoing business is auctioning off one of its assets, and that is a license. What about all the other assets that constitute a liquor store, even one that is owned by the State? There is an existing customer base, there is goodwill, there is the store lease, there is stock and inventory, and there are fixtures.

In the New Hope store alone, I am being told, I think we spent over \$500,000 just to outfit that store, and we are just going to give it away. We are going to forget about it. Did anyone ever think that the owner of that store might be a buyer of that license, that they may just step into an asset? Why in the world would we ever sell just the license when we have so much more to offer?

The second point I want to make to members: Make no mistake, this amendment is substantially different than anything that the Liquor Committee has had a hearing on. Yes, the wholesale licenses are similar, but the retail methodology for liquidating is completely different.

And let us talk about this benefit that a beer distributor is getting. Do we realize that for a beer distributor to acquire this license, the first thing they are going to have to do is either find a new store or add on to their store? Then in Montgomery County we are hearing that the license is going to be \$800,000. By the way, you cannot finance those acquisitions; you cannot find a bank to lend you money to acquire a license. Then they are going to have to put in fixtures in trade, buy inventory. All of this is going to cost a tremendous amount.

Now, let us say because this is not a requirement, a beer distributor does not have to buy, let us say they bypass that. Then they lose their business, because selling beer only will not be a successful formula, and the local grocery store will eat

them alive. If they do buy and they are somehow able to finance the additional acquisitions and the expenses, which will be millions of dollars, they will have a thriving, ongoing business, no doubt about that. But the problem is that they could have a competitor within one-quarter mile, and they could have 80 of them – 80 to 90, something like that – per county. Can you imagine, if you were bidding on an auction, what you would pay for the opportunity to spend millions of dollars to have 80 competitors at your doorstep, knowing that in all likelihood the big-box stores and the grocery stores will eat you alive? That is why the beer distributors are looking at this and saying this is not a good deal for them, but they also know that if this passes, they almost have no choice, because the moment it passes is the end of the day for the beer distributor.

Now, is that fair? I do not know. I guess you could say it is a private-sector situation they bought. It is only a license; it is not a privilege. If we change the rules of the game midstream and they paid, in Bucks County a typical beer distributor, even in this market, would go for \$500,000, so if they lose \$500,000 worth of assets, what is the big deal? Why should we care? Well, we should care. We should care. We should make sure that they are protected, because we are changing the rules midstream.

Now, I am not sitting here saying that we should not consider doing anything. I heard many of the comments of speakers tonight and would agree that the system is antiquated in many ways and it should be improved, and maybe parts of it should be privatized. But you know what was really interesting? A couple of speakers actually made the point, you made the point that just because something is private does not mean it is more convenient. What did I hear? I heard you complain about the beer business. Well, the beer business is privatized and it is still not convenient, and it is not convenient because of the rules that exist. They are archaic, and we imposed them and we can change them.

One of the things I am concerned about is that this bill really is effectively a giveaway to some folks. We can sit here and predict that some businesses will make a tremendous amount of money, and we know who they are, and most of all, they are not our constituents. They are foreign nationals; they are corporations located in foreign States. And when I talk to my folks at home and they talk about wanting to have privatization, they will say to me, well, what do you think my chance of bidding is? Well, for those of you that think you have a chance of bidding on this, forget it. The rules that we are imposing in this bill make sure that you will not be able to buy, because if you want to be a wholesaler, you have to have an existing supply chain. Well, those that have that existing supply chain are already doing business with Pennsylvania, so we are asking them to pay money for something that they already do.

In the area of retail, we have already talked about that first bid goes to a beer distributor, so if you are one of the other licensees, you cannot get a license until those licenses are not accepted. You know, on any piece of legislation, the devil is in the details, and that is particularly true here.

I would share with you that I think privatization for most people means something that is public, something that is available to people and to the general public, but that is not so true in this bill. Let us take a look at some of the individual provisions.

First of all, this is a bill that just came out and was available today, just today. I have had a chance to read it; I hope all of you have. On page 18, there are some interesting definitions. For a wholesale license, there is this complicated formula of using blended brand valuation for each brand of liquor authorized by the wine and spirits wholesale license, multiplied by the wholesale acquisition factor. All of those are defined terms, but can you hear yourself saying, what? What does that mean? I do not understand that. Well, even being on the Liquor Committee I can tell you today that I do not know that I understand it, because we never heard from any experts to tell us what it meant.

So even though the terms are defined and we can read them, we can even understand what they might mean, what we do not know is whether they are proper in accordance with the industry. And I will admit that is a difficult task, to decide what is the fair price to sell a State monopoly for, but it is certainly one that we have a duty and obligation to determine.

And, you know, even having these provisions in here, it turns out that the beer distributors, the IDs (independent distributors) as we call them, really do not want this opportunity. And you have to ask yourself, do they not want the opportunity because they are afraid of making money? No, that is what they do. Are they afraid of setting up the supply chain? No, they already have it. So why is it that they do not want this opportunity? I believe it is because it probably does not make economic sense to them. And so therefore, when you are looking at the revenues that are to be derived from the sale of the wholesale system, if the folks that have these systems – they have the warehouses, they have the trucks, and they have the employees – are not willing to bid, who is going to bid?

Let us move on and look at levels of service. One of the things everyone should be concerned about, particularly in rural areas, is what is the level of service going to be? You do not want your constituents to say, well, you know, the system is even worse than it was before. One of the provisions on page 20 provides that when an applicant files their application, they have to indicate in their statement that they will continue the level of service, including product availability, reasonably equivalent to the service for their area that was provided by the Commonwealth. But that is really just a statement on the application. There is nothing in the bill that says what happens if that level of service is not maintained. Who complains? Do they not get renewed? What happens to their license? It is all very general and speculative. So I would say to you, for those that are concerned about levels of service, there really is no enforcement mechanism to ensure that a level of service and quality is maintained.

There has been much discussion about whether the PLCB provides a wide array of services, and I do not think that there are too many people that can doubt that there is a wide range of product. Certainly people would like to see the price reduced, but does this bill reduce the price? The answer is no, the bill does not reduce the price, because there is a provision in here that causes the new tax to be revenue-neutral, and so prices will not go down. There will be some winners and there will be some losers, and I would speculate that the border States are going to be the ones, the border areas are going to be the ones that are going to see slightly lower prices, and the middle part of the State will see increased prices.

Let us move on then, page 37. There is a formula for bidding, and we heard a little bit about what those numbers might be. We heard in Montgomery County, a license could be \$800,000; in Bucks County, it would approach that number. What I think is interesting is if you look at the list of stores and their sales, this bill uses an average county formula, so any license in a particular county would go for the same number. But if you take my own county, in Bucks County, obviously the stores that are in Doylestown, Warrington, Newtown, and New Hope should sell for a larger or higher number because they are in the top 60 of all the stores in the State, but that is not how this bill works. Everybody pays the same price, regardless of where they buy in the county. So that is a real fallacy in how we market.

Page 38 allows licensees to perform other services on their premises, but it does not say what. It just says who can approve it, and that would be the PLCB. That is something we ought to really look at and change.

And then we talked a little bit about the restrictions on market share. Yes, there are restrictions, but are they strong enough? I say no. In the end, under this bill, someone really could gain 10 percent of any market. That is a pretty large share. That is a pretty large share for somebody to be able to control. Ten percent, that means that if 10 people each controlled 10 percent, you would have 10 people controlling the whole market.

Essentially I would say to you what this amendment does is changes a State monopoly into a privately-held monopoly. That is what it does in the end. I believe we can do better, and I think we should do better. I think we need to look at the economics of this amendment. I do not believe that the numbers will hold up. I do not believe that we will receive anywhere near \$400 to \$600 million for an asset. Does this chamber remember when we discussed selling the turnpike or leasing the turnpike? Overwhelmingly the chamber decided that while it was an idea, it did not make economic sense, and that is what I am here to tell you. This deal right now, the way it is drafted, does not make economic sense. Could it make economic sense? Yeah, I think it could, but you would have to sell all of the assets of the PLCB, including the store, the goodwill, the operation, and assigned leases.

We owe our taxpayers the duty to derive the best possible price we can, and I think we really need to send this back to committee and rework this legislation, understanding that this particular amendment has not been discussed and debated, not only by the insiders but by the outsiders, people we can rely on.

MOTION TO RECOMMIT

Mr. PETRI. So I would make a motion at this time to rerefer this bill to the House Liquor Committee for consideration.

The SPEAKER. The gentleman from Bucks County, Mr. Petri, has moved that this bill and the amendments be recommitted to the Liquor Control Committee. Is that correct?

Mr. PETRI. That is correct.

On the question,

Will the House agree to the motion?

LEAVE OF ABSENCE

The SPEAKER. The Speaker returns to leaves of absence and recognizes the majority whip, who requests a leave of absence for the gentleman from Blair County, Mr. GEIST, for the remainder of the day. Without objection, the leave will be granted.

CONSIDERATION OF HB 11 CONTINUED

The SPEAKER. On the question of recommitting HB 11 along with the amendments to the Liquor Control Committee, the Speaker recognizes the gentleman from Bucks County, Mr. Petri.

Mr. PETRI. Thank you, Mr. Speaker.

My concern in making this motion is simply that we have all the information that can be possibly available. When a House member, any of us, is faced with a very complicated issue, and there is nothing that I have encountered in this chamber that is more complicated than the Pennsylvania Liquor Code, and that is usually not a good thing, but in order to make sure that we really understand the economics of this transaction – and make no mistake, it is an economic transaction where we are taking an asset of the Commonwealth that produces reoccurring revenue and we are selling it – before we do that, I think it is incumbent upon us to fully understand the nature of what we are doing.

Yes, many of us have a broad sense of where we would like to be on privatization. You know, you are either for it or you are against it. But what is privatization and how it works, line item by line item, has never really been reviewed. There are over 200 amendments to this particular piece of legislation, including the amendment we are considering, and I think it is incumbent upon us to understand what each and every one of those provisions does so that we ensure that if we decide to sell the State liquor system, that every dollar that is due our taxpayer comes to that taxpayer, and to make sure that the end result is the efficient system that they want.

Thank you, Mr. Speaker.

MOTION WITHDRAWN

Mr. PETRI. Mr. Speaker, at this moment I withdraw the motion, subject, subject to the right to bring it back up at a later date. Thank you.

BILL AND AMENDMENTS PASSED OVER

The SPEAKER. For the information of the members, there are still other members seeking recognition on this bill. Obviously, there are also a lot of other amendments to consider, and therefore, we are going to go over it for the remainder of the day.

There will be no further votes.

COMMITTEE MEETINGS CANCELED

The SPEAKER. Is the gentleman, Mr. Metcalfe, from Butler County seeking recognition relative to an announcement?

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, for the information of the members of the House State Government Committee and for the public, tomorrow morning we did have a meeting scheduled of the committee at 9 o'clock. That meeting will be canceled for tomorrow.

Mr. Speaker, just to let the members of the State Government Committee know that they will not have to be at the State Government Committee meeting tomorrow at 9. It is canceled for tomorrow.

Thank you, Mr. Speaker.

The SPEAKER. The Speaker thanks the gentleman

Is the gentleman from Lancaster County, Mr. Creighton, seeking recognition for the purpose of an announcement?

Mr. CREIGHTON. Thank you, Mr. Speaker.

The Local Government Committee meeting tomorrow at 9 o'clock will be canceled and be rescheduled for a future date.

Thank you, Mr. Speaker.

EDUCATION COMMITTEE MEETING

The SPEAKER. Is the gentleman from Bucks County, Mr. Clymer, seeking recognition for the purpose of an announcement?

Mr. CLYMER. Yes, Mr. Speaker.

Mr. Speaker, as a reminder, the House Education Committee will be meeting at 9:30 sharp, so we expect all members to be there. Thank you.

The SPEAKER. State Government will meet at 9:30 tomorrow.

REMARKS SUBMITTED FOR THE RECORD

The SPEAKER. Is the gentleman from Delaware County, Mr. Adolph, seeking recognition under unanimous consent relative to legislation that passed earlier today?

Mr. ADOLPH. Yes. Thank you, Mr. Speaker.

Mr. Speaker, I have some comments that I would like to submit for the record on SB 388. Thank you.

The SPEAKER. The gentleman will deliver his remarks to the clerk, and they will be submitted for the record.

Mr. ADOLPH submitted the following remarks for the Legislative Journal:

With the passage of SB 388, I want members to be clear on the fact that there is now and will continue to be only one form or type of dentistry license that is issued by the Department of State.

The license granted by the Department of State to practice dentistry will be the same for an individual who actively treats patients as well as for an individual that does not see patients but may be required to be licensed as a condition for other employment related to dentistry that does not involve the treatment of patients. Often other types of employment can deal with insurance companies or those who serve as a member of the board of directors for companies that do business related to dentistry.

Members should know that this legislation does not impact those who do not treat patients. This legislation will only impact the

certification by the State Board of Dentistry that allows dentists to actively see patients. Before a dentist licensed by the Department of State may begin actively seeing patients, they will be required to submit the proof of insurance contained in this legislation to the State Board of Dentistry.

So to the members, if you have a licensed dentist in your district who works for an insurance company or serves as a board member of an insurance company and does not actively practice dentistry in performing board-related or employee-related duties, he or she will not be required to maintain the medical malpractice coverage prescribed in SB 388 and will otherwise not be affected by this legislation.

VOTE CORRECTION

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

Mr. DENLINGER. Mr. Speaker, I would like to correct the record.

The SPEAKER. The gentleman may state his correction.

Mr. DENLINGER. Mr. Speaker, in the matter of HB 1803, I was recorded in the affirmative. I wish to be recorded in the negative.

The SPEAKER. The gentleman's remarks will be noted for the record.

BILLS RECOMMITTED

The SPEAKER. The Speaker recognizes the majority leader, who moves that the following bills be recommitted to the Committee on Appropriations:

HB 532;
HB 955;
HB 2015;
SB 100; and
SB 1067.

On the question,

Will the House agree to the motion?

Motion was agreed to.

BILLS REMOVED FROM TABLE

The SPEAKER. The Speaker recognizes the majority leader, who moves that HB 451 and HB 910 be removed from the tabled calendar and placed on the active calendar.

On the question,

Will the House agree to the motion?

Motion was agreed to.

BILL REMOVED FROM TABLE

The SPEAKER. The Speaker recognizes the majority leader, who moves that HB 1948 be removed from the tabled calendar and placed on the active calendar.

On the question,

Will the House agree to the motion?

Motion was agreed to.

BILL TABLED

The SPEAKER. The Speaker recognizes the majority leader, who moves that HB 1948 be removed from the active calendar and placed on the tabled calendar.

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

BILLS AND RESOLUTIONS PASSED OVER

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

ADJOURNMENT

The SPEAKER. Seeing no further business before this House, the Speaker recognizes the gentleman, Mr. Aument, from Lancaster County, who moves that this House do adjourn until Tuesday, June 12, 2012, at 11 a.m., e.d.t., unless sooner recalled by the Speaker.

On the question,
Will the House agree to the motion?
Motion was agreed to, and at 10:15 p.m., e.d.t., the House adjourned.