

# COMMONWEALTH OF PENNSYLVANIA

## LEGISLATIVE JOURNAL

TUESDAY, MAY 12, 2015

SESSION OF 2015

199TH OF THE GENERAL ASSEMBLY

No. 35

### HOUSE OF REPRESENTATIVES

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

**THE SPEAKER (MIKE TURZAI)  
PRESIDING**

#### PRAYER

The SPEAKER. Our prayer today will be offered by the Reverend Thomas Sweatt of St. James AME Zion Church in Allentown, Pennsylvania. Reverend Sweatt is the guest of Representative Schweyer.

REV. THOMAS SWEATT, Guest Chaplain of the House of Representatives, offered the following prayer:

Let us pray:

Gracious Lord, You are called by many names. We speak to You and of You in many languages and tongues. Blessed are we to be in Your presence and in this place today. Because Your thoughts are perfect and we are imperfect, we ask the blessings of Your heart and mind that Your will be done today and always. There is much to be considered, Lord. The emotional and economical success and prosperity and future of so many Pennsylvanians hangs in the balance.

Our Commonwealth's health, prosperity, and place among the 50 States of our nation will be impacted by what we do and say here. But most of all, what is done here manifests Your presence among us and Your love for Your people. The heart that is filled by You will speak clearly and passionately. Come, holy one, that all may engage in the spirited debate and share and uplift the hearts and needs of all of our citizens.

Let those that rule do so with honor and patience. Our time here is short, yet the impact of our words and works will live far beyond our tenure here. Without You, our words are empty, our works are futile, and our way but wandering. We ask as our forefathers have asked. We wait as they have waited. We receive as You will provide. Have Your way in this place today and always.

This is our prayer. 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 Monday, May 11, 2015, will be postponed until printed.

### BILLS REPORTED FROM COMMITTEES, CONSIDERED FIRST TIME, AND TABLED

**HB 437, PN 475**

By Rep. O'NEILL

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, in sales and use tax, further providing for the definition of "building machinery and equipment."

FINANCE.

**HB 1071, PN 1381**

By Rep. O'NEILL

An Act amending the act of July 9, 2013 (P.L.362, No.54), known as the Development Permit Extension Act, further providing for the definition of "approval" and for existing approval.

FINANCE.

**HB 1099, PN 1415**

By Rep. MAHER

An Act amending the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, in organization of departmental administrative boards and commissions and of advisory boards and commissions, further providing for the Environmental Quality Board.

ENVIRONMENTAL RESOURCES AND ENERGY.

### HOUSE RESOLUTIONS INTRODUCED AND REFERRED

**No. 337** By Representatives BARRAR, V. BROWN, COHEN, CORBIN, CUTLER, DeLUCA, A. HARRIS, MARSICO, McGINNIS, MILLARD, MURT, PICKETT, RAVENSTAHL, READSHAW, ROZZI, SAYLOR, THOMAS and WATSON

A Resolution strongly urging the members of Congress of the United States from Pennsylvania to demand the United States Food and Drug Administration immediately approve the drug GM604 to treat Amyotrophic Lateral Sclerosis.

Referred to Committee on HEALTH, May 12, 2015.

**No. 339** By Representatives LAWRENCE, MARSHALL, MILNE, COHEN, DONATUCCI, HARHART, KIRKLAND, THOMAS and WARD

A Resolution urging the Motor Carrier Safety Advisory Committee within the Department of Transportation to further study the effects of override equipment.

Referred to Committee on TRANSPORTATION, May 12, 2015.

### HOUSE BILLS INTRODUCED AND REFERRED

**No. 929** By Representatives R. BROWN, DUNBAR, GABLER, LAWRENCE, MENTZER, STEPHENS, TOOHIL, TOPPER, BARRAR, GROVE, KAUFFMAN, KNOWLES, MACKENZIE, MARSICO, MILLARD, D. PARKER, PICKETT, TOEPEL, TURZAI and WARD

An Act amending the act of February 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt Enabling Act, in capital facilities, further providing for procedures for capital budget.

Referred to Committee on APPROPRIATIONS, May 12, 2015.

**No. 1023** By Representatives MURT, COHEN, D. COSTA, FARRY, GERGELY and TOEPEL

An Act amending Title 5 (Athletics and Sports) of the Pennsylvania Consolidated Statutes, in regulation of professional wrestling contests and exhibitions, further providing for physician to be in attendance.

Referred to Committee on PROFESSIONAL LICENSURE, May 12, 2015.

**No. 1142** By Representatives DAVIDSON, KINSEY, YOUNGBLOOD, SCHREIBER, THOMAS, MURT, DERMODY, HANNA, FRANKEL, MARKOSEK, V. BROWN, GOODMAN, STURLA, COHEN, BROWNLEE, DONATUCCI, PASHINSKI, O'BRIEN, DEAN, WATERS, M. DALEY, KIM, SCHLOSSBERG, DeLISSIO, McNEILL, CARROLL, FABRIZIO, KAVULICH, DAVIS and ROZZI

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, providing for education reinvestment by the imposition of a severance tax and for distribution of an impact fee.

Referred to Committee on ENVIRONMENTAL RESOURCES AND ENERGY, May 12, 2015.

**No. 1143** By Representatives ROEBUCK, YOUNGBLOOD, DERMODY, HANNA, FRANKEL, GOODMAN, MARKOSEK, STURLA, COHEN, SCHREIBER, BROWNLEE, PASHINSKI, KINSEY, O'BRIEN, DEAN, SCHWEYER, M. DALEY, KIM, SCHLOSSBERG, McNEILL, FABRIZIO, CARROLL, DAVIDSON, KAVULICH, DeLISSIO, THOMAS, C. PARKER and ROZZI

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 school staff and for funding for charter schools;

providing for refund of excess revenue to school districts; further providing for applicability of other provisions of this act and of other acts and resolutions; in reimbursements by Commonwealth and between school districts, providing for basic education funding for 2014-2015 school year and for basic education accountability for 2014-2015 school year; and, in reimbursements by Commonwealth and between school districts, further providing for payments to intermediate units and for special education payments to school districts and providing for further limitation on new applications for Department of Education approval of public school building projects and for safe schools advocate.

Referred to Committee on EDUCATION, May 12, 2015.

**No. 1145** By Representatives GERGELY, ROZZI, READSHAW, BIZZARRO, DAVIS, SAINATO, BISHOP, BURNS, SCHREIBER, KINSEY, YOUNGBLOOD, SCHWEYER, KOTIK, DERMODY, HANNA, FRANKEL, GOODMAN, MARKOSEK, WATERS, KIM, M. DALEY, SCHLOSSBERG, COHEN, V. BROWN, McNEILL, STURLA, FABRIZIO, DeLISSIO, KAVULICH, BROWNLEE, J. HARRIS, PASHINSKI, O'BRIEN, THOMAS, ACOSTA, W. KELLER, MURT, CALTAGIRONE, MAHONEY, SANKEY, HARHAI, LONGIETTI and FARINA

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in vocational education, further providing for vocational education equipment grants; and, in reimbursements by Commonwealth and between school districts, providing for career and technical education innovation and career preparation.

Referred to Committee on EDUCATION, May 12, 2015.

**No. 1157** By Representatives TALLMAN, THOMAS, MILLARD, SAINATO, DRISCOLL, COHEN, READSHAW, SCHREIBER, O'NEILL, MURT, VEREB, FARINA, D. COSTA, TAYLOR, RADER, FARRY, JOZWIAK, KINSEY, SCHWEYER, HELM, GILLESPIE, TOOHIL and WATSON

An Act amending the act of June 28, 1935 (P.L.477, No.193), referred to as the Enforcement Officer Disability Benefits Law, providing for the care of police animals injured in the line of duty.

Referred to Committee on VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, May 12, 2015.

**No. 1162** By Representatives SCHWEYER, PICKETT, YOUNGBLOOD, O'BRIEN, McNEILL, ACOSTA, A. HARRIS, BROWNLEE, SCHREIBER, THOMAS, GIBBONS, COHEN, SABATINA, D. COSTA and WATSON

An Act amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, further providing for definitions.

Referred to Committee on FINANCE, May 12, 2015.

**No. 1167** By Representatives BARBIN, MARSICO, READSHAW, MURT, D. COSTA, BIZZARRO, YOUNGBLOOD, MILLARD, KINSEY, THOMAS, PASHINSKI, STEPHENS, DeLUCA, A. HARRIS, McNEILL, COHEN, WATSON and HARKINS

An Act amending the act of November 24, 1998 (P.L.882, No.111), known as the Crime Victims Act, in enforcement, providing for State income tax intercept.

Referred to Committee on JUDICIARY, May 12, 2015.

**No. 1169** By Representatives WARD, V. BROWN, PHILLIPS-HILL, BLOOM, KINSEY, GABLER, MILLARD, SNYDER, MACKENZIE, METZGAR, STAATS, MCGINNIS, BOBACK, DIAMOND, SCHWEYER, McNEILL, KNOWLES, COHEN, IRVIN, TRUITT, DAVIS, ZIMMERMAN, LONGIETTI, WATSON, SANKEY, HARHART, READSHAW, KAUFFMAN, M. K. KELLER, KLUNK, D. COSTA, PICKETT, MAJOR, GIBBONS, MURT, OBERLANDER and MILNE

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, in preliminary provisions, further providing for the definition of "emergency service responder" and providing for the definitions of "electric cooperative personnel" and "electric utility personnel"; and, in rules of the road in general, further providing for duty of driver in emergency response areas.

Referred to Committee on TRANSPORTATION, May 12, 2015.

**No. 1172** By Representatives DeLUCA, KOTIK, READSHAW, MILLARD, CALTAGIRONE, D. MILLER, THOMAS, RAVENSTAHL, DEASY, P. COSTA, KORTZ, D. COSTA and COHEN

An Act providing for the additional regulation and oversight of integrated delivery networks; and conferring powers and imposing duties on the Insurance Department.

Referred to Committee on INSURANCE, May 12, 2015.

**No. 1180** By Representatives BARRAR, D. COSTA, DIAMOND, GIBBONS, GILLEN, HELM, JAMES, KAUFFMAN, MILLARD, MILNE and ZIMMERMAN

An Act amending Title 24 (Education) of the Pennsylvania Consolidated Statutes, in Public Library Code, further providing for privacy of circulation records.

Referred to Committee on EDUCATION, May 12, 2015.

**No. 1181** By Representatives BARRAR, V. BROWN, D. COSTA, DAVIDSON, DEAN, DEASY, GIBBONS, JAMES, M. K. KELLER, MILLARD, MOUL, O'NEILL, READSHAW, ROZZI and SACCONI

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in firearms and other dangerous articles, providing for application denial.

Referred to Committee on JUDICIARY, May 12, 2015.

**No. 1184** By Representatives BARRAR, BAKER, V. BROWN, CALTAGIRONE, COHEN, D. COSTA, DEAN, DeLUCA, GILLEN, JAMES, KAUFFMAN, KILLION, KOTIK, MURT, ROEBUCK and SACCONI

An Act amending the act of November 29, 2006 (P.L.1463, No.163), known as the Credit Reporting Agency Act, further providing for security freeze.

Referred to Committee on COMMERCE, May 12, 2015.

**No. 1187** By Representatives BENNINGHOFF, JAMES, ENGLISH, GABLER, GINGRICH, GROVE, A. HARRIS, IRVIN, KNOWLES, MILLARD, B. MILLER, MOUL, MURT, OBERLANDER, WATSON and ZIMMERMAN

An Act amending Title 62 (Procurement) of the Pennsylvania Consolidated Statutes, in source selection and contract formation, further providing for sole source procurement and for competitive selection procedures for certain services.

Referred to Committee on STATE GOVERNMENT, May 12, 2015.

**No. 1188** By Representatives ROEBUCK, D. COSTA, HARHAI, HARKINS, KINSEY, LONGIETTI, McNEILL, MURT, SCHREIBER, SCHWEYER, THOMAS, TRUITT and YOUNGBLOOD

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, providing for an educational improvement opportunity scholarship tax credit.

Referred to Committee on EDUCATION, May 12, 2015.

**No. 1189** By Representatives MULLERY, V. BROWN, O'BRIEN, CALTAGIRONE, DAY, FRANKEL, THOMAS, D. COSTA, PASHINSKI, JAMES, DEASY, MURT and COHEN

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in minors, expanding the offense of use of tobacco in schools.

Referred to Committee on JUDICIARY, May 12, 2015.

**No. 1190** By Representatives SANKEY, GAINEY, STURLA, COHEN, DIAMOND, V. BROWN, A. HARRIS, KAUFFMAN, METZGAR, MILLARD, MURT, THOMAS and ZIMMERMAN

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

Referred to Committee on PROFESSIONAL LICENSURE, May 12, 2015.

**No. 1191** By Representatives SANKEY, GAINEY, STURLA, V. BROWN, CAUSER, COHEN, DIAMOND, DUSH, A. HARRIS, KAUFFMAN, METZGAR, MILLARD, MURT, THOMAS and ZIMMERMAN

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

Referred to Committee on PROFESSIONAL LICENSURE, May 12, 2015.

**No. 1192** By Representatives ADOLPH, TURZAI, REED, CUTLER, MAJOR, BENNINGHOFF, ELLIS and OBERLANDER

An Act to provide from the General Fund for the expenses of the Executive and Judicial Departments, the State Government Support Agencies and the General Assembly of the Commonwealth, the public debt and the public schools for the fiscal year July 1, 2015, to June 30, 2016, for certain institutions and organizations, and for the payment of bills incurred and remaining unpaid at the close of the fiscal year ending June 30, 2015; to provide appropriations from the State Lottery Fund, the Tobacco Settlement Fund, the Aviation Restricted Account, the Hazardous Material Response Fund, The State Stores Fund, the Milk Marketing Fund, the Home Investment Trust Fund, the Emergency Medical Services Operating Fund, the Tuition Account Guaranteed Savings Program Fund, the Banking Fund, the Firearm Records Check Fund, the Ben Franklin Technology Development Authority Fund, the Oil and Gas Lease Fund, the Home Improvement Account, the Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund, the Insurance Regulation and Oversight Fund and the Pennsylvania Racehorse Development Restricted Receipt Account, to the Executive Department; to provide appropriations from the Judicial Computer System Augmentation Account to the Judicial Department for the fiscal year July 1, 2015, to June 30, 2016; to provide appropriations from the Motor License Fund for the fiscal year July 1, 2015, to June 30, 2016, for the proper operation of several departments of the Commonwealth and the Pennsylvania State Police authorized to spend Motor License Fund moneys; to provide for the appropriation of Federal funds to the Executive Department of the Commonwealth and for the payment of bills remaining unpaid at the close of the fiscal year ending June 30, 2015.

Referred to Committee on APPROPRIATIONS, May 12, 2015.

**No. 1193** By Representatives DEASY, BISHOP, COHEN, O'BRIEN, SCHREIBER, V. BROWN, YOUNGBLOOD, KORTZ, THOMAS, PASHINSKI, LONGIETTI, READSHAW, KINSEY, MURT, SCHWEYER, DeLUCA, D. COSTA, GIBBONS and ROZZI

An Act providing for the establishment of a Cultural Development District Program for communities in this Commonwealth with arts and cultural centers which benefit the public; and establishing Commonwealth tax exemptions for residents and businesses within the designated cultural development districts.

Referred to Committee on URBAN AFFAIRS, May 12, 2015.

**No. 1194** By Representatives ROAE, ENGLISH, METZGAR, McGINNIS, MAHONEY, LAWRENCE, TRUITT and IRVIN

An Act amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, in powers of Department of Transportation and local authorities, further providing for promulgation of rules and regulations by department.

Referred to Committee on TRANSPORTATION, May 12, 2015.

## SENATE MESSAGE

### RECESS RESOLUTION FOR CONCURRENCE

The clerk of the Senate, being introduced, presented the following extract from the Journal of the Senate, which was read as follows:

In the Senate,  
May 11, 2015

RESOLVED, (the House of Representatives concurring), Pursuant to Article II, Section 14 of the Pennsylvania Constitution, that when the Senate recesses this week, it reconvene on Monday, June 1, 2015, unless sooner recalled by the President Pro Tempore of the Senate; and be it further

RESOLVED, Pursuant to Article II, Section 14 of the Pennsylvania Constitution, that when the House of Representatives recesses this week, it reconvene on Monday, June 1, 2015, unless sooner recalled by the Speaker of the House of Representatives.

Ordered, That the clerk present the same to the House of Representatives for its concurrence.

On the question,

Will the House concur in the resolution of the Senate?

Resolution was concurred in.

Ordered, That the clerk inform the Senate accordingly.

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

**HB 31, PN 1553** (Amended)

By Rep. HARHART

An Act amending the act of July 10, 1990 (P.L.404, No.98), known as the Real Estate Appraisers Certification Act, further providing for powers and duties of the State Board of Certified Real Estate Appraisers, for application and qualifications, for reciprocity and for certification renewal, licensure renewal and records.

### PROFESSIONAL LICENSURE.

**HB 321, PN 341**

By Rep. HARHART

An Act amending the act of April 16, 1992 (P.L.155, No.28), known as the Assessors Certification Act, repealing provisions relating to nonapplicability and providing for certification.

### PROFESSIONAL LICENSURE.

**HB 854, PN 1554** (Amended)

By Rep. HARHART

An Act amending the act of September 27, 1961 (P.L.1700, No.699), known as the Pharmacy Act, further providing for definitions and for pharmacy technician registration, qualifications and supervision.

### PROFESSIONAL LICENSURE.

## LEAVES OF ABSENCE

The SPEAKER. Turning to leaves of absence, the majority whip requests leaves of absence for Representative McGINNIS of Blair County for the day, Representative KILLION of Delaware County for the week, and Representative MARSICO of Dauphin County for the week. Those leaves will be granted.

The minority whip requests leaves of absence for Representative CRUZ of Philadelphia for the day, and Representative DeLUCA of Allegheny County for the day. Those leaves of absence will be granted.

**MASTER ROLL CALL**

The SPEAKER. Turning to the master roll call, will members please proceed to vote.

The following roll call was recorded:

**PRESENT—196**

Acosta	Evans	Kotik	Reed
Adolph	Everett	Krieger	Reese
Baker	Fabrizio	Lawrence	Regan
Barbin	Farina	Lewis	Roae
Barrar	Farry	Longietti	Roebuck
Benninghoff	Fee	Mackenzie	Ross
Bishop	Flynn	Maher	Rozzi
Bizzarro	Frankel	Mahoney	Sabatina
Bloom	Freeman	Major	Saccone
Boback	Gabler	Maloney	Sainato
Boyle	Gainey	Markosek	Samuelson
Bradford	Galloway	Marshall	Sankey
Briggs	Gergely	Masser	Santarsiero
Brown, R.	Gibbons	Matzie	Santora
Brown, V.	Gillen	McCarter	Saylor
Brownlee	Gillespie	McNeill	Schemel
Burns	Gingrich	Mentzer	Schlossberg
Caltagirone	Godshall	Metcalfe	Schreiber
Carroll	Goodman	Metzgar	Schweyer
Causar	Greiner	Miccarelli	Simmons
Christiana	Grove	Millard	Sims
Cohen	Hahn	Miller, B.	Snyder
Conklin	Hanna	Miller, D.	Sonney
Corbin	Harhai	Milne	Staats
Costa, D.	Harhart	Moul	Stephens
Costa, P.	Harkins	Mullery	Sturla
Cox	Harper	Murt	Tallman
Culver	Harris, A.	Mustio	Taylor
Cutler	Harris, J.	Nesbit	Thomas
Daley, M.	Heffley	Neuman	Tobash
Daley, P.	Helm	O'Brien	Toepel
Davidson	Hennessey	O'Neill	Toohil
Davis	Hickernell	Oberlander	Topper
Dawkins	Hill	Ortitay	Truitt
Day	Irvin	Parker, C.	Vereb
Dean	James	Parker, D.	Vitali
Deasy	Jozwiak	Pashinski	Ward
DeLissio	Kampf	Payne	Warner
Delozier	Kaufner	Peifer	Waters
Dermody	Kauffman	Petrarca	Watson
Diamond	Kavulich	Petri	Wentling
DiGirolamo	Keller, F.	Pickett	Wheatley
Donatucci	Keller, M.K.	Pyle	Wheeland
Driscoll	Keller, W.	Quigley	White
Dunbar	Kim	Quinn	Youngblood
Dush	Kinsey	Rader	Zimmerman
Ellis	Kirkland	Rapp	
Emrick	Klunk	Ravenstahl	Turzai,
English	Knowles	Readshaw	Speaker
Evanovich	Kortz		

**ADDITIONS—0****NOT VOTING—0****EXCUSED—5**

Cruz	Killion	Marsico	McGinnis
DeLuca			

**LEAVES ADDED—6**

Davidson	Pyle	Sabatina	Watson
Mullery	Regan		

**LEAVES CANCELED—3**

Davidson	McGinnis	Regan
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The SPEAKER. One hundred and ninety-six members are present here, so we have a quorum.

**GUESTS INTRODUCED**

The SPEAKER. Located in the gallery, the Chair welcomes SignShine. The group is comprised of high school students from the Western Pennsylvania School for the Deaf who specialize in American Sign Language performance. Today SignShine will be performing in the East Wing Rotunda at 11:30 a.m. and 2:30 p.m. and they are the guests of Representative Paul Costa. Welcome.

Located to the left of the rostrum, the Chair welcomes Robert Sheesley, William Gillespie, and John Ritter, who are here for the passage of HR 286, designating today as "Pennsylvania Health Care Information Technology Awareness Day." They are the guests of Representative Reed and Representative Baker. Thank you for being with us today.

Located to the left of the rostrum, along with Chairman Daryl Metcalfe, are Richard Mack, the former sheriff of Graham County, Arizona; and Larry Pratt, executive director of Gun Owners of America. Gentlemen, thank you very much for being here today.

Located in the rear of the House, the Chair welcomes the Indo-American Senior Citizens' Inc. of Montgomery County. They are the guests of Representative Bob Godshall. Welcome. Please stand. Thank you so much for being with us today. Welcome.

Located in the well of the House, the Chair welcomes guest page Sean Michael Todd. Sean, could you please stand. He is the guest of Representative Kavulich.

Guest page Lydia Clark is from Pittsfield in Warren County. Her parents, David and Christine; her brother, Solomon; and her sister, Gracia, are seated in the gallery, and they are all guests of Representative Kathy Rapp. Please stand.

Located in the rear of the House, the Chair welcomes students from Drexel Hill Middle School who captured several awards in the Future City Engineering Competition. This is a national project-based learning experience where students in sixth, seventh, and eighth grade imagine, design, and build cities of the future. Representative Jamie Santora is recognized on unanimous consent.

Representative Santora sends his best and is excited to have you here as his guests.

**2014 MISS PENNSYLVANIA TEEN  
AND INTERNATIONAL JUNIOR MISS  
VICTORIA PIEKUT PRESENTED**

The SPEAKER. Representative Dunbar is invited to the rostrum for the purpose of presenting a citation to the 2014 Miss Pennsylvania Teen and International Junior Miss. Victoria's parents, Jeff and Christine, are located in the gallery, along with her grandparents.

Representative Dunbar, the floor is yours, sir.

Mr. DUNBAR. Thank you, Mr. Speaker.

I also wanted to acknowledge that I had asked Representative Kortz to join us. Representative Kortz is a friend of Victoria's family so I wanted him to come up here as well.

For the last 5 years I have sat in my chair watching the parade of young women come up to the rostrum, and I must admit, I guess I had developed a slight case of tiara envy. Five years, no pageant winners for the 56th District, and I was getting a little bit concerned. But that changes today as I rise to honor the 2014 Miss Pennsylvania Teen winner, Miss Victoria Piekut.

I met Victoria last year, and I can assure you that she is someone who represents Pennsylvania's young teens admirably. In addition to her Miss Pennsylvania Teen honor, she also competed in the National American Miss Junior Pageant, where she was named the overall first runner-up.

She is a 2014 graduate of Norwin High School and will be attending Pitt Greensburg in the fall, studying business. Victoria sings opera through the Duquesne University City Music Center, and was a member of the chorus and theatre club at Norwin High School. But most importantly, Victoria serves as a youth ambassador for the Dysautonomia Youth Network of America. She is a strong advocate for POTS, which is Postural Orthostatic Tachycardia Syndrome, a condition that she shares with approximately 1 to 3 million Americans. This affects the autonomic nervous system. One of her goals that she shared with me was to help raise awareness of POTS, and she has even had a fundraiser back home, a lollipop fundraiser, "Pops for POTS."

Later on today, at 1:30, she will be speaking in the East Wing Rotunda on POTS, and we would like to invite all the members, if they have an opportunity, to come down and help raise awareness about this illness. She is joined here today by her parents, Jeff and Chris Piekut. If you would please rise, Jeff and Chris. Please rise. And her grandparents, Norbert and Kathleen Piekut, if you would also rise. Please join with me in welcoming them all here today as I present this citation honoring Victoria for all her accomplishments.

Thank you, Mr. Speaker.

### LEAVE OF ABSENCE

The SPEAKER. The majority whip has indicated that Representative WATSON would like to be marked on leave. The leave of absence is granted.

### PENNSBURY HIGH SCHOOL GIRLS BOWLING TEAM PRESENTED

The SPEAKER. Representative Santarsiero and Representative Galloway are invited to the rostrum for the purpose of presenting a citation to the Pennsbury High School Girls Bowling Team. Please join us at the rostrum.

Representative Santarsiero, the floor is yours, sir.

Mr. SANTARSIERO. Thank you, Mr. Speaker.

Mr. Speaker, it is a great honor for Representative Galloway and me to come before the House this morning to honor the Pennsbury High School Girls Bowling Team on its State championship. On March 21, at Dutch Lanes in Ephrata, the

Falcons defeated Elizabethtown High School two games to one to win both the State and Eastern Regional titles for the first time in program history.

Pennsbury displayed tenacity several times throughout the course of the season, and certainly during the State tournament. Despite leading the State tournament after the first day of preliminary competition, Pennsbury fell to third place after the first round was completed. This meant that because of the stepladder format, the Falcons would have to win three matches, while Elizabethtown only had to win one.

While Pennsbury easily won in the quarterfinals, it dropped the first game in the best-of-three semifinal and final matches, meaning Pennsbury had to win two straight in order to advance. Much like the boys team last year, the Pennsbury girls used teamwork and depth to win the title and take it home for the school.

Senior Saige Osterhout was the first Pennsbury girl to qualify for an individual championship, which was completed a day later. With us on the podium this morning are Saige, Brittany Sinclair, Kellie Frain, Elizabeth Bruner, and Aurora Erdly. In the rear of the House are other teammates Emilee Kemmerer, Jennifer Boxer, Lauren Brown, Kimberly Bonar, Megan Bruce, and Kelly Vajda.

Two other members of the team that could not be with us today are Lexi Connor and Emily Higginson. Coach Courtney Abel and Dave Nicol of the boys team are in the back of the chamber. If they can please stand, along with the other girls, to be acknowledged.

We are also joined by family members, who are in the gallery, and I want to acknowledge them because I think all the girls would agree, and I know Representative Galloway agrees, that their success and their ability to win this championship was due in no small part to their coaching, obviously, but also the support of their families. And so I would ask that family members who are in the gallery please stand and be acknowledged by the House as well.

Once more, my colleagues, I ask you join me in congratulating the Pennsbury Girls Falcons Bowling Champions of Pennsylvania.

The SPEAKER. Members, we are going to move to resolutions.

There are four members who have asked to speak on the resolutions. On the uncontested calendar, Representative Baker will be speaking on HR 321, and then on the regular House calendar, Representative Chelle Parker on 328, Representative Mike Vereb on 369, and Representative Kinsey on 323.

### UNCONTESTED CALENDAR

#### RESOLUTIONS PURSUANT TO RULE 35

Mr. BAKER called up **HR 286, PN 1335**, entitled:

A Resolution designating Tuesday, May 12, 2015, as "Pennsylvania Health Care Information Technology Awareness Day."

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Mr. BAKER called up **HR 321, PN 1437**, entitled:

A Resolution recognizing the week of May 10 through 16, 2015, as "National Hospital Week" in Pennsylvania.

\* \* \*

Ms. MAJOR called up **HR 329, PN 1479**, entitled:

A Resolution designating May 13, 2015, as "Missing Adult Persons Remembrance Day" in Pennsylvania.

\* \* \*

Mr. BAKER called up **HR 330, PN 1480**, entitled:

A Resolution designating May 31, 2015, as "Young Lungs at Play Day" to help provide model non-smoking behavior to children and youth and help provide children, youth and their families with a safe, smoke free environment.

\* \* \*

Mr. BAKER called up **HR 331, PN 1481**, entitled:

A Resolution designating May 2015 as "Hepatitis Awareness Month" and May 19, 2015, as "Hepatitis Testing Day" in Pennsylvania.

\* \* \*

Mr. BAKER called up **HR 332, PN 1482**, entitled:

A Resolution designating the week of May 17 through 23, 2015, as "22q11.2 Deletion Syndrome Awareness Week" in Pennsylvania.

On the question,  
Will the House adopt the resolutions?

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Readshaw
Adolph	Everett	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McNeill	Schemel
Caltagirone	Godshall	Mentzer	Schlossberg
Carroll	Goodman	Metcalfe	Schreiber
Causser	Greiner	Metzgar	Schweyer
Christiana	Grove	Miccarelli	Simmons
Cohen	Hahn	Millard	Sims
Conklin	Hanna	Miller, B.	Snyder
Corbin	Harhai	Miller, D.	Sonney
Costa, D.	Harhart	Milne	Staats
Costa, P.	Harkins	Moul	Stephens
Cox	Harper	Mullery	Sturla
Culver	Harris, A.	Murt	Tallman

Cutler	Harris, J.	Mustio	Taylor
Daley, M.	Heffley	Nesbit	Thomas
Daley, P.	Helm	Neuman	Tobash
Davidson	Hennessey	O'Brien	Toepel
Davis	Hickernell	O'Neill	Toohil
Dawkins	Hill	Oberlander	Topper
Day	Irvin	Ortitay	Truitt
Dean	James	Parker, C.	Vereb
Deasy	Jozwiak	Parker, D.	Vitali
DeLissio	Kampf	Pashinski	Ward
Delozier	Kaufman	Payne	Warner
Dermody	Kauffman	Peifer	Waters
Diamond	Kavulich	Petrarca	Wentling
DiGirolamo	Keller, F.	Petri	Wheatley
Donatucci	Keller, M.K.	Pickett	Whealand
Driscoll	Keller, W.	Pyle	White
Dunbar	Kim	Quigley	Youngblood
Dush	Kinsey	Quinn	Zimmerman
Ellis	Kirkland	Rader	
Emrick	Klunk	Rapp	Turzai,
English	Knowles	Ravenstahl	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	McGinnis	Watson
DeLuca	Marsico		

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

**STATEMENT BY MR. BAKER**

The SPEAKER. Representative Baker is called to speak on HR 321.

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

Very quickly, I wanted to express my appreciation for the members for supporting HR 321 that recognizes the week of May 10 through 16 as "National Hospital Week." Pennsylvania hospitals deliver health-care services to all residents of this Commonwealth, providing acute inpatient care, as well as outpatient, emergency, behavioral health, rehabilitation, long-term, and home-care services. Specialized hospital care is provided by 34 trauma centers, 6 burn centers, and 13 critical access hospitals here in the Commonwealth that provide outstanding services to our rural hospitals.

Pennsylvania is also home to six academic medical centers and numerous teaching hospitals and medical schools that train future health-care providers and invest in critical health research. National Hospital Week dates back to 1921 in Chicago to an event to build trust during the Spanish influenza outbreak. Hospitals today are multidimensional environments that offer every medical specialty and also focus on population health, prevention, and wellness. Hospitals provide free care to those who have no health-care insurance or inadequate insurance coverage, providing more than \$1 billion in uncompensated care annually. Hospitals contributed \$111 billion to Pennsylvania's economy during last year alone, in 2014.

Hospitals are among the leading employers in their communities, providing nearly 591,000 total jobs, directly and indirectly.

Mr. Speaker, I want to thank you again and the members for support of HR 321.

Thank you very much, Mr. Speaker.

The SPEAKER. Yes, sir. Thank you, Mr. Baker.

### GUEST INTRODUCED

The SPEAKER. Located in the gallery, the Chair welcomes Zachary Heisey, a junior at Great Valley High School, and he is the guest of Representative Milne. Please rise. Thank you.

### CALENDAR

#### RESOLUTIONS PURSUANT TO RULE 35

Mrs. Parker called up **HR 328, PN 1478**, entitled:

A Resolution recognizing and honoring the members of the Delta Sigma Theta Sorority, Incorporated, for more than a century of commitment to social activism, academic excellence and civic engagement in this Commonwealth and on the occasion of Delta Day at the State Capitol.

On the question,  
Will the House adopt the resolution?

The SPEAKER. Representative Cherelle Parker, the floor is yours.

Mrs. PARKER. That was quick, Mr. Speaker.

Good morning, everyone.

The quote reads as follows, Mr. Speaker: "The Delta..." woman "is one who has been given the opportunity of education and broad development: she is one who has enjoyed the privileges of culture and selected environment... It is pleasing to a heartfelt depth to see her not as self-centered, not desirous of selfish power, not wanting the plaudits of people, not wanting glory – but with a purpose which directs her activities and all that she may control toward lifting somebody else" up.

Mr. Speaker, this quote was from our soror, Mary McCleod-Bethune, and it came to mind as I stood this morning to welcome for the 10th year in a row my distinguished sisters from Delta Sigma Theta Sorority, Inc.

Mr. Speaker, for over a decade, the women of Delta have trekked through our Capitol Building as diligent examples of servant leaders. I am honored to once again host the 70 women joining us today for "Delta Day" at the State Capitol. And this year is special for us, Mr. Speaker, because like HR 328 states, we are getting back to the basics and reconnecting to the mission of our foremothers: to fight for an equitable public education system and equitable social justice.

Now, Mr. Speaker, in the past I have gone through a list just to sort of inform members of who some Deltas of national distinction were, names that we would all be familiar with. But this year, Mr. Speaker, all of my sorors here are very distinguished, but I want to talk about one member of our sorority, one of our sisters who defied the odds. She waited 166 days this year – but if you know Deltas, you know she was patient – and with that in mind, she became the first African-American female Attorney General in the United States, soror Loretta Lynch.

With that in mind, Mr. Speaker, I am going to ask my sorors, our leadership who is here today sitting to the left of the Speaker, sorors, when I call your name, I ask that you stand and remain standing until I complete my very brief remarks. Soror Theljewa Garrett, who is the regional director for the eastern region; Janis Thomas, who is our Pennsylvania State coordinator; Marveta Coleman, who is our PA State social action coordinator; and Maxine Harvey, and I say this every year and you all know I am biased, because she is the president of the chapter that I belong to, and that is the Philadelphia Alumnae Chapter of Delta Sigma Theta Sorority, Inc.; and soror Wanda Graham, who is our chapter president of Valley Forge.

Mr. Speaker, the reason why this is really so important for us today is that sometimes because Delta is primarily, although not totally, made up of African-American women, and we have chapters across the country, and actually, across the world, but we have members of all races and ethnicities who are a part of our organization, it is very important for people to not put us in a box to think all of the women who are here today just happen to live in Philadelphia. That is not the case. We have members of our sorority who are residents in all counties in the Commonwealth of Pennsylvania, so that when they trek it to the polls and when they get actively engage in their respective communities, they come from all different walks of life. They are registered to vote in all different parties. We cannot put them in a box.

Sorors, I want to thank you so very much for your individual advocacy. I want to thank you all for your collective work. And I want you to always keep in mind, as you do with your presence here today, that our advocacy in regards to public education and social justice for all is the heart of the foundation of who we are. We invite all of you to join us at 12 noon in room 60, East Wing, for the roundtable discussion. We will have Republican members and Democratic members alike coming to talk to our sorors.

I thank you all for your patience. Welcome, sorors, and I will see you at 12 noon. And, colleagues, thank you for your support of the resolution.

Thank you, Mr. Speaker.

The SPEAKER. Thank you.

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

The following roll call was recorded:

#### YEAS—195

Acosta	Evans	Kortz	Readshaw
Adolph	Everett	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero



Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McNeill	Schemel
Caltagirone	Godshall	Mentzer	Schlossberg
Carroll	Goodman	Metcalfe	Schreiber
Causer	Greiner	Metzgar	Schweyer
Christiana	Grove	Miccarelli	Simmons
Cohen	Hahn	Millard	Sims
Conklin	Hanna	Miller, B.	Snyder
Corbin	Harhai	Miller, D.	Sonney
Costa, D.	Harhart	Milne	Staats
Costa, P.	Harkins	Moul	Stephens
Cox	Harper	Mullery	Sturla
Culver	Harris, A.	Murt	Tallman
Cutler	Harris, J.	Mustio	Taylor
Daley, M.	Heffley	Nesbit	Thomas
Daley, P.	Helm	Neuman	Tobash
Davidson	Hennessey	O'Brien	Toepel
Davis	Hickernell	O'Neill	Toohil
Dawkins	Hill	Oberlander	Topper
Day	Irvin	Ortitay	Truitt
Dean	James	Parker, C.	Vereb
Deasy	Jozwiak	Parker, D.	Vitali
DeLissio	Kampf	Pashinski	Ward
Delozier	Kaufert	Payne	Warner
Dermody	Kauffman	Peifer	Waters
Diamond	Kavulich	Petrarca	Wentling
DiGirolamo	Keller, F.	Petri	Wheatley
Donatucci	Keller, M.K.	Pickett	Wheeland
Driscoll	Keller, W.	Pyle	White
Dunbar	Kim	Quigley	Youngblood
Dush	Kinsey	Quinn	Zimmerman
Ellis	Kirkland	Rader	
Emrick	Klunk	Rapp	Turzai,
English	Knowles	Ravenstahl	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	McGinnis	Watson
DeLuca	Marsico		

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

\* \* \*

Mr. VEREB called up **HR 369, PN 1158**, entitled:

A Resolution honoring the National Fraternal Order of Police on the occasion of its 100th anniversary.

On the question,  
Will the House adopt the resolution?

The SPEAKER. Representative Vereb.  
Mr. VEREB. Thank you, Mr. Speaker.

Mr. Speaker, on behalf of my cochair of the Law Enforcement Caucus, Representative Dom Costa, and certainly myself, we encourage an affirmative vote on the 100th anniversary resolution, HR 369, which honors the Fraternal Order of Police's 100th anniversary that they will be celebrating this August in Pittsburgh at their convention.

Just very briefly, May 14, 1915, two patrol officers from Pittsburgh actually formed the very first F.O.P. in our nation. In fact, it was not until 1917 that a national F.O.P. was started, so it is only appropriate that the 100th anniversary convention is up in Pittsburgh. And as we always stand with our law enforcement, this is a good finding to protect our police that are out there working to protect us, and it was founded right here in Pennsylvania.

So we encourage a "yes" vote on HR 369. And if you want to know the uniqueness of the number 369, join the Law Enforcement Caucus.

Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Readshaw
Adolph	Everett	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McNeill	Schemel
Caltagirone	Godshall	Mentzer	Schlossberg
Carroll	Goodman	Metcalfe	Schreiber
Causer	Greiner	Metzgar	Schweyer
Christiana	Grove	Miccarelli	Simmons
Cohen	Hahn	Millard	Sims
Conklin	Hanna	Miller, B.	Snyder
Corbin	Harhai	Miller, D.	Sonney
Costa, D.	Harhart	Milne	Staats
Costa, P.	Harkins	Moul	Stephens
Cox	Harper	Mullery	Sturla
Culver	Harris, A.	Murt	Tallman
Cutler	Harris, J.	Mustio	Taylor
Daley, M.	Heffley	Nesbit	Thomas
Daley, P.	Helm	Neuman	Tobash
Davidson	Hennessey	O'Brien	Toepel
Davis	Hickernell	O'Neill	Toohil
Dawkins	Hill	Oberlander	Topper
Day	Irvin	Ortitay	Truitt
Dean	James	Parker, C.	Vereb
Deasy	Jozwiak	Parker, D.	Vitali
DeLissio	Kampf	Pashinski	Ward
Delozier	Kaufert	Payne	Warner
Dermody	Kauffman	Peifer	Waters
Diamond	Kavulich	Petrarca	Wentling
DiGirolamo	Keller, F.	Petri	Wheatley
Donatucci	Keller, M.K.	Pickett	Wheeland
Driscoll	Keller, W.	Pyle	White
Dunbar	Kim	Quigley	Youngblood
Dush	Kinsey	Quinn	Zimmerman
Ellis	Kirkland	Rader	
Emrick	Klunk	Rapp	Turzai,
English	Knowles	Ravenstahl	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	McGinnis	Watson
DeLuca	Marsico		

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

\* \* \*

Mr. KINSEY called up **HR 323, PN 1450**, entitled:

A Resolution commemorating the 62nd anniversary of the Korean War Armistice Agreement.

On the question,  
Will the House adopt the resolution?

The SPEAKER. Representative Kinsey, the floor is yours.  
Mr. KINSEY. Thank you, Mr. Speaker.

Mr. Speaker, I want to thank my colleagues for their vote on HR 323. You see, Mr. Speaker, our nation was barely 5 years away from the end of World War II when North Korea invaded the unprepared South Koreans. Our American soldiers, sailors, airmen, and marines had just finished fighting with the Nazis and the Japanese Empire. They were home taking care of their families, recuperating from the vast toll that war wages on the body and the soul.

Nonetheless, the South Korean Armed Forces were overmatched in troop strength, training, and equipment. Without intervention, the result was inevitable, and so good American soldiers answered the call.

Mr. Speaker, in Pennsylvania, 177,000 troopers answered President Truman's call, leaving their homes and families to stand up against a new breed of dictator looking to spread communism around the globe. Two thousand three hundred and thirty-three Pennsylvanians fighting for freedom and liberty paid the ultimate price. Korea, abound with steep hills and rocky cliffs, has a climate that goes from icy cold to blistering summer heat – unbearable for most, but not for our soldiers. The battles, even with 15 other nations joining us to fight side by side, were not easy.

With true grit, though, our naval and air forces delivered the materials and the extra troops our ground forces needed, and with tremendous sacrifice, our soldiers began to push the enemy back. Allied Forces pushed the North Koreans back over the 38th parallel and kept going.

Soon it seemed that Korea would be one nation again, a free nation governed democratically. However, following Chinese involvement, the war became one of grim attrition, and names such as Bloody Ridge, Pork Chop Hill, and Heartbreak Ridge will live in history forever. In the end, the political will might not have been there for the war to continue, but the courage of our troops was always there in the face of adversity.

The armistice was signed on July 27, 1953, and was designed to "...insure a complete cessation of hostilities and of all acts of armed force in Korea until a final peaceful settlement is

achieved...." That peace has not been achieved yet, and because of that, we must not allow this war to be "the Forgotten War," as some have termed it. Despite its outcome, the sacrifices of hundreds of thousands of Americans killed, wounded, or missing should never be forgotten.

Mr. Speaker, I just want to echo to my colleagues that this month we will be honoring the men and women who have fought in the war on Memorial Day. And I just want to take the time, Mr. Speaker, to say thank you to every single veteran who has stood up for this country and those veterans that sometimes come back to our country, Mr. Speaker, unrecognized, unthanked for the sacrifices that they have made. And I just want to make sure, Mr. Speaker, that we here in the Pennsylvania House of Representatives never forget the sacrifices that our brothers and sisters made for our lives.

Thank you, Mr. Speaker.

The SPEAKER. Thank you, Representative Kinsey.

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

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Readshaw
Adolph	Everett	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McNeill	Schemel
Caltagirone	Godshall	Mentzer	Schlossberg
Carroll	Goodman	Metcalf	Schreiber
Causar	Greiner	Metzgar	Schweyer
Christiana	Grove	Miccarelli	Simmons
Cohen	Hahn	Millard	Sims
Conklin	Hanna	Miller, B.	Snyder
Corbin	Harhai	Miller, D.	Sonney
Costa, D.	Harhart	Milne	Staats
Costa, P.	Harkins	Moul	Stephens
Cox	Harper	Mullery	Sturla
Culver	Harris, A.	Murt	Tallman
Cutler	Harris, J.	Mustio	Taylor
Daley, M.	Heffley	Nesbit	Thomas
Daley, P.	Helm	Neuman	Tobash
Davidson	Hennessey	O'Brien	Toepel
Davis	Hickernell	O'Neill	Toohil
Dawkins	Hill	Oberlander	Topper
Day	Irvin	Ortitay	Truitt
Dean	James	Parker, C.	Vereb
Deasy	Jozwiak	Parker, D.	Vitali
DeLissio	Kampf	Pashinski	Ward
Delozier	Kaufman	Payne	Warner
Dermody	Kauffman	Peifer	Waters
Diamond	Kavulich	Petrarca	Wentling
DiGirolo	Keller, F.	Petri	Wheatley
Donatucci	Keller, M.K.	Pickett	Wheeland
Driscoll	Keller, W.	Pyle	White
Dunbar	Kim	Quinn	Youngblood
Dush	Kinsey	Quinn	Zimmerman

Ellis	Kirkland	Rader	
Emrick	Klunk	Rapp	Turzai,
English	Knowles	Ravenstahl	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	McGinnis	Watson
DeLuca	Marsico		

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

\* \* \*

Mr. BAKER called up **HR 322, PN 1438**, entitled:

A Resolution recognizing the Pennsylvania Developmental Disabilities Council and honoring the Council for working to improve the lives of people with developmental disabilities.

On the question,  
Will the House adopt the resolution?

The SPEAKER. Representative Baker. Waives off?  
Representative Baker waives off.

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

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Readshaw
Adolph	Everett	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McNeill	Schemel
Caltagirone	Godshall	Mentzer	Schlossberg
Carroll	Goodman	Metcalfe	Schreiber
Causer	Greiner	Metzgar	Schweyer
Christiana	Grove	Miccarelli	Simmons
Cohen	Hahn	Millard	Sims
Conklin	Hanna	Miller, B.	Snyder
Corbin	Harhai	Miller, D.	Sonney
Costa, D.	Harhart	Milne	Staats
Costa, P.	Harkins	Moul	Stephens
Cox	Harper	Mullery	Sturla
Culver	Harris, A.	Murt	Tallman
Cutler	Harris, J.	Mustio	Taylor
Daley, M.	Heffley	Nesbit	Thomas
Daley, P.	Helm	Neuman	Tobash

Davidson	Hennessey	O'Brien	Toepel
Davis	Hickernell	O'Neill	Toohil
Dawkins	Hill	Oberlander	Topper
Day	Irvin	Ortitay	Truitt
Dean	James	Parker, C.	Vereb
Deasy	Jozwiak	Parker, D.	Vitali
DeLissio	Kampf	Pashinski	Ward
Delozier	Kaufner	Payne	Warner
Dermody	Kauffman	Peifer	Waters
Diamond	Kavulich	Petrarca	Wentling
DiGirolamo	Keller, F.	Petri	Wheatley
Donatucci	Keller, M.K.	Pickett	Wheeland
Driscoll	Keller, W.	Pyle	White
Dunbar	Kim	Quigley	Youngblood
Dush	Kinsey	Quinn	Zimmerman
Ellis	Kirkland	Rader	
Emrick	Klunk	Rapp	Turzai,
English	Knowles	Ravenstahl	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	McGinnis	Watson
DeLuca	Marsico		

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

**UNCONTESTED SUPPLEMENTAL CALENDAR A**

**RESOLUTION PURSUANT TO RULE 35**

Mr. SAINATO called up **HR 336, PN 1527**, entitled:

A Resolution honoring volunteers and contributors across this Commonwealth who participate in and support Relay For Life events and recognizing Relay For Life of New Castle on its 21st year of participation in the American Cancer Society's national Relay For Life movement.

On the question,  
Will the House adopt the resolution?

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Readshaw
Adolph	Everett	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McNeill	Schemel
Caltagirone	Godshall	Mentzer	Schlossberg

Carroll	Goodman	Metcalf	Schreiber
Causler	Greiner	Metzgar	Schweyer
Christiana	Grove	Miccarelli	Simmons
Cohen	Hahn	Millard	Sims
Conklin	Hanna	Miller, B.	Snyder
Corbin	Harhai	Miller, D.	Sonney
Costa, D.	Harhart	Milne	Staats
Costa, P.	Harkins	Moul	Stephens
Cox	Harper	Mullery	Sturla
Culver	Harris, A.	Murt	Tallman
Cutler	Harris, J.	Mustio	Taylor
Daley, M.	Heffley	Nesbit	Thomas
Daley, P.	Helm	Neuman	Tobash
Davidson	Hennessey	O'Brien	Toepel
Davis	Hickernell	O'Neill	Toohil
Dawkins	Hill	Oberlander	Topper
Day	Irvin	Ortitay	Truitt
Dean	James	Parker, C.	Vereb
Deasy	Jozwiak	Parker, D.	Vitali
DeLissio	Kampf	Pashinski	Ward
Delozier	Kaufner	Payne	Warner
Dermody	Kauffman	Peifer	Waters
Diamond	Kavulich	Petrarca	Wentling
DiGirolamo	Keller, F.	Petri	Wheatley
Donatucci	Keller, M.K.	Pickett	Wheeland
Driscoll	Keller, W.	Pyle	White
Dunbar	Kim	Quigley	Youngblood
Dush	Kinsey	Quinn	Zimmerman
Ellis	Kirkland	Rader	
Emrick	Klunk	Rapp	Turzai,
English	Knowles	Ravenstahl	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	McGinnis	Watson
DeLuca	Marsico		

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

### STATEMENT BY MR. KOTIK

The SPEAKER. We recognize Representative Nick Kotik on unanimous consent.

Mr. KOTIK. Thank you, Mr. Speaker.

Once again it is my privilege to invite the members of the House for the annual luncheon of the Pennsylvania Fraternal Alliance, an umbrella group of about 60 different fraternal organizations throughout the Commonwealth that do a lot of good for the members of the organizations and for the people that are members of those organizations. And those candy bars that are on your desks are compliments of the Pennsylvania Fraternal Alliance.

So I would urge the members of the House to take advantage of this opportunity to stop by the luncheon outside the Lieutenant Governor's Office and interact with the members of the Pennsylvania Fraternal Alliance and show them that you have interest in their issues and we try to work forward to resolve them, because they are great assets to our Commonwealth, and I am very proud to be associated with them.

Thank you, Mr. Speaker.

The SPEAKER. Thank you, Representative Kotik.

### GUESTS INTRODUCED

The SPEAKER. Located in the gallery, the Chair welcomes guests of Representative Becky Corbin: Chad, Stephanie, Ben, and Jack Snyder. Welcome.

Located in the gallery, the Chair welcomes parents and staff from the Elwyn Apple SEEDS (Special Education for Early Developmental Success) Broad Street location. The organization provides early intervention and special education services to preschool-aged children. They are the guests of Representative Jordan Harris. If you could please rise. Thank you very much for joining us today.

### STATEMENT BY MR. KINSEY

The SPEAKER. Representative Kinsey is called upon on unanimous consent.

Mr. KINSEY. Thank you, Mr. Speaker.

I just want to take the time to recognize one of our own who is celebrating his birthday today. Representative Jordan Harris is celebrating his birthday today, so I just wanted to take the time to recognize Representative Harris.

The SPEAKER. Happy birthday.

### STATE GOVERNMENT COMMITTEE MEETING

The SPEAKER. Representative Metcalfe is recognized for an announcement.

Chairman Metcalfe.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, if I could get the attention of the House State Government Committee members. At the break we are going to be meeting in room 205 in the Ryan Office Building. That is room 205 of the Ryan Office Building for a voting meeting on HB 727. That is HB 727 with amendments and any other business that might be brought before the committee, Mr. Speaker.

So that is 205 Ryan, at the break, for HB 727 with amendments and any other business before the committee, voting meeting at the break.

Thank you, Mr. Speaker.

The SPEAKER. The State Government Committee will meet in room 205 of the Ryan Office Building at the break.

### HUMAN SERVICES COMMITTEE MEETING

The SPEAKER. Chairman DiGirolamo, for an announcement.

Mr. DiGIROLAMO. Thank you, Mr. Speaker.

There will be, at the break, a meeting of the House Human Services Committee in room G-50, Irvis Office Building. It will be a voting meeting for the House Human Services Committee. Thank you.

The SPEAKER. Thank you, sir.

The Human Services Committee will meet in room G-50 of the Irvis Office Building at the break.

**ANNOUNCEMENT BY MR. COX**

The SPEAKER. Representative Cox, for an announcement.  
Mr. COX. Thank you, Mr. Speaker.

At this time I would like to announce a meeting of HB 76 cosponsors at the rear of the House. We would like to do that at the break. I understand there are some committee meetings going on, but those of you who can make it, I would like HB 76 cosponsors to meet at the back of the House. Thank you.

**APPROPRIATIONS COMMITTEE MEETING**

The SPEAKER. Representative Adolph, for an announcement.

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

Mr. Speaker, there will be a short, immediate meeting of the House Appropriations Committee in the majority caucus room. Thank you.

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

**REPUBLICAN CAUCUS**

The SPEAKER. The majority caucus chair, Representative Major, for an announcement.

Ms. MAJOR. Thank you, Mr. Speaker.

I would like to announce Republicans will caucus today at 12:15. I would ask our Republican members to please report to our caucus room at 12:15. We would be prepared to come back on the floor, Mr. Speaker, at 1 p.m. Thank you.

The SPEAKER. Thank you, Madam Chair.

**DEMOCRATIC CAUCUS**

The SPEAKER. Representative Frankel, the minority caucus chair, for an announcement.

Mr. FRANKEL. Thank you, Mr. Speaker.

Democrats will also caucus at 12:15. Democrats will caucus at 12:15. Thank you.

The SPEAKER. Thank you, sir.

**RECESS**

The SPEAKER. The House will be in recess until 1 p.m., unless sooner recalled by the Speaker. Thank you.

**RECESS EXTENDED**

The time of recess was extended until 1:30 p.m.; further extended until 1:45 p.m.

**AFTER RECESS**

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

**LEAVE OF ABSENCE CANCELED**

The SPEAKER. The majority whip has indicated that Representative McGinnis would like to be placed back on the master roll. That will be granted.

**BILLS REREPORTED FROM COMMITTEE**

**HB 65, PN 1428**

By Rep. ADOLPH

An Act amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, providing for autopsies.

**APPROPRIATIONS.**

**HB 210, PN 693**

By Rep. ADOLPH

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in grounds and buildings, further providing for approval by department of plans of buildings and exceptions, providing for accountability and reducing costs in construction process, further providing for limitation on new applications for Department of Education approval of public school building projects; and, in reimbursements by Commonwealth and between school districts, further providing for definitions, for approved reimbursable rental for leases hereafter approved and approved reimbursable sinking fund charges on indebtedness, for payments on account of leases hereafter approved and on account of sinking fund charges on indebtedness for school buildings hereafter constructed and for payments on account of building costs and providing for lump sum reimbursement for construction or reconstruction.

**APPROPRIATIONS.**

**HB 609, PN 682**

By Rep. ADOLPH

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in falsification and intimidation, further providing for the offense of impersonating a notary public or a holder of a professional or occupational license.

**APPROPRIATIONS.**

**HB 770, PN 1526**

By Rep. ADOLPH

An Act amending the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, in preliminary provisions, further defining "eligible entity"; and, in licenses and regulations for liquor, alcohol and malt and brewed beverages, further providing for unlawful acts relative to liquor, malt and brewed beverages and licensees.

**APPROPRIATIONS.****BILLS REPORTED FROM COMMITTEES,  
CONSIDERED FIRST TIME, AND TABLED**

**HB 337, PN 359**

By Rep. DiGIROLAMO

An Act amending the act of February 13, 1970 (P.L.19, No.10), entitled "An act enabling certain minors to consent to medical, dental and health services, declaring consent unnecessary under certain circumstances," further providing for mental health treatment.

**HUMAN SERVICES.**

**HB 662, PN 764**

By Rep. DiGIROLAMO

An Act establishing the Kinship Caregiver Navigator Pilot Program within the Department of Human Services.

HUMAN SERVICES.

**HB 727, PN 1555 (Amended)**

By Rep. METCALFE

An Act amending Titles 24 (Education), 51 (Military Affairs) and 71 (State Government) of the Pennsylvania Consolidated Statutes, in Title 24, in preliminary provisions, further providing for definitions and construction and providing for references; in retirement membership, contributions and benefits, further providing for mandatory and optional membership, for credited school service, for waiver of adjustments and for classes of service, for elections, for eligibility points, for eligibility for annuities, for eligibility for refunds, for pickup contributions, for member contributions, for contributions for purchase of credit, for annual compensation limit, for contributions by Commonwealth, for payments by employers, for actuarial cost method, for appropriations by Commonwealth, for return of accumulated deductions, for single life annuity, for disability annuities, for termination of annuities and payment of benefits; providing for school employees' defined contribution plan; in administrative and miscellaneous provisions, further providing for the Public School Employees' Retirement Board, for administrative duties of board, for health insurance, for advisory and reporting duties, for application and election duties, for duties of employers, for rights and duties of school employees and members, for management of fund and accounts, for Public School Employees' Retirement Fund, for State accumulation account, for annuity reserve account, for State guarantee, for taxation, for attachment and assignment of funds, for approval of domestic relations orders, for irrevocable survivor annuitant and for amendment of approved domestic relations orders; providing for irrevocable successor payee; further providing for fraud and adjustment of errors and for payments to school entities by Commonwealth; providing for payments to school entities by Commonwealth commencing with the 2015-2016 school year; in health insurance for retired school employees, further providing for definitions; in Title 51, in employment preferences and pensions, further providing for military leaves of absence; in Title 71, in retirement for State employees and officers, further providing for definitions, for preliminary provisions and for membership, credited service, classes of service, and eligibility benefits, providing for State Employees' Defined Contribution Plan, further providing for contributions, for benefits and for administration, funds and accounts; and making editorial changes.

STATE GOVERNMENT.

**RESOLUTION REPORTED  
FROM COMMITTEE**

**HR 305, PN 1398**

By Rep. DiGIROLAMO

A Resolution urging the Commonwealth to adopt and utilize person-first language with respect to people with disabilities.

HUMAN SERVICES.

The SPEAKER. All members, please report to the floor.

**LEAVE OF ABSENCE**

The SPEAKER. The majority whip indicates that the good gentleman from York County, Mike REGAN, would like to be marked on leave. That leave of absence will be granted.

Members, please report to the floor.

**CALENDAR CONTINUED****BILLS ON SECOND CONSIDERATION**

The House proceeded to second consideration of **HB 621, PN 721**, entitled:

An Act amending the act of March 18, 1875 (P.L.32, No.36), entitled "An act requiring recorders of deeds to prepare and keep in their respective offices general, direct and ad sectum indexes of deeds and mortgages recorded therein, prescribing the duty of said recorders and declaring that the entries in said general indexes shall be notice to all persons," providing for requirements of certain instruments as a condition of recordation and for a fee for reprocessing; and making editorial changes.

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

\* \* \*

The House proceeded to second consideration of **HB 982, PN 1234**, entitled:

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 payment of salaries in cases of sickness, injury or death.

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

\* \* \*

The House proceeded to second consideration of **HB 657, PN 1422**, entitled:

An Act amending the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, further providing for local option and for unlawful acts relative to liquor, malt and brewed beverages and licensees.

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

\* \* \*

The House proceeded to second consideration of **HB 613, PN 685**, entitled:

An Act authorizing local taxing authorities to provide for tax exemption incentives for certain deteriorated industrial, commercial, business and residential property and for new construction in deteriorated areas of communities; providing for an exemption schedule; and establishing standards and qualifications.

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

**BILL ON THIRD CONSIDERATION**

The House proceeded to third consideration of **HB 475, PN 1197**, entitled:

An Act designating a portion of State Route 22/322 in Juniata County as the Honorable Daniel F. Clark Memorial Highway.

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?

Chairman Bill Adolph is recognized.

Members, this commemoration contained in the bill honors a former colleague of ours in the House of Representatives and a loyal staff counsel. I would ask everybody to please take their seats.

Chairman Adolph, the floor is yours.

Mr. ADOLPH. Thank you so much, Mr. Speaker.

Thank you, colleagues, for your attention.

I want to thank Representative Adam Harris, who is currently the State Representative for the 82d Legislative District, for all his help in getting this bill to where it is today. I want to thank Chairman Taylor and Chairman Keller of the Transportation Committee, and of course Eric Bugaile and all his professionalism in trying to find a location for this highway naming of a good friend of all of ours, Dan Clark.

Dan and I met 25 years ago when we were freshmen. I had never been to Harrisburg before. The first day I was ever in Harrisburg was swearing-in day, and I met Dan Clark that day. We had absolutely nothing in common, but we were both full of fun and laughter at that time, and we just struck a friendship that was second to none. Dan, previous to coming to Harrisburg, served as the Juniata County District Attorney, and was an outstanding district attorney. He also had a private law practice in Juniata County. All his family and friends still live there.

And if you ever dealt with Dan Clark on any issues, you certainly would find out a little bit about the congestion along 322. I said the other day in caucus that my first ride from Delaware County to Penn State used to take a little over 4 hours because it was so congested. And every time Dan had an opportunity to leverage support for funding for 322, he certainly did that. I remember Dan and I had the privilege one time of meeting coach Joe Paterno. I introduced him at a legislative conference in Philadelphia, and Coach Paterno told us a story about 322, that he got a phone call from the legendary Coach Bryant of Alabama, and he said, "Coach, I'm never going to play Penn State again because I have never been on such a slow highway in all my life. So you tell that Governor of Pennsylvania unless they fix 322, coach Bear Bryant and his Alabama Crimson Tide will not be back in Pennsylvania." Well, we started fixing 322, not because of Bear Bryant, but because of Dan Clark, and I think this is a fitting tribute for a man that worked so hard for the people that he represented for such a long time.

Dan finished his career as legal counsel for the House Republican Appropriations Committee. Dan helped me understand rural life and how it differs from suburban and big-city life. And he used to say to me, "Here in Mifflintown, we pick out our hamburger for the weekend. We're going to walk right down to this farm, and we're going to pick out our hamburger." I did not believe him, but we did. Dan was a great legislator. He is responsible for a lot of legislation.

**FAMILY INTRODUCED**

Mr. ADOLPH. And at this time I would like to introduce to the members of the hall his family, starting with his wife, Debbie. Debbie, if you would please stand. Also with us today, without a doubt was the pride of Dan Clark, and those are his three children: Ben Clark, his son; Elizabeth and Anna Clark, twin daughters. Please rise.

I am going to turn the mike over to my good friend, Representative Harris. But this tribute, Danny boy, is for you.

The SPEAKER. Chairman Harris.

Mr. A. HARRIS. Thank you, Mr. Speaker.

And I know that was difficult for the Appropriations chairman. The smartest thing Dan did when he came down here was make friends with this guy. He is a great man.

We miss Dan. I just want to point out that it is amazing when you think of how short a span we had with Dan. We lost him way too soon. He actually spent a third of his life serving the public, when you look at his time as district attorney and his time serving here, a third of his life. A third of the time that he was alive he was dedicated to helping the people where I live, in Juniata County, where we do pick out our own hamburger meat, helping Chairman Adolph when he was here on staff, and helping all of Pennsylvania. And this really is a fitting tribute to name a section of 322 for Dan so when we go through it, we think of him.

So I appreciate all of your attention here today, and I just simply ask that you all support HB 475.

**REMARKS SUBMITTED FOR THE RECORD**

Mr. A. HARRIS. I do have some additional remarks I would like to add for the record, but thank you very much for your support.

The SPEAKER. Thank you, sir.

Mr. A. HARRIS submitted the following remarks for the Legislative Journal:

Thank you, Mr. Speaker.

The Honorable Daniel F. Clark led an exemplary life.

Early in his career he was the quintessential small-town, jack-of-all-trades attorney who could help you with just about any legal issues you had.

Later in his career he was our elected district attorney in Juniata County – putting him at the forefront of public safety in our small community.

Soon after being elected district attorney, a bigger calling came when Dan was called upon to run for State Representative. He attacked the campaign with tenacious effort, was successful, and went on to serve seven terms here in the PA House of Representatives.

All of these positions – local attorney, district attorney, and State Representative – allowed Dan to keep a pulse on the many issues and concerns that faced our small rural area. No issue was more important

or urgent to Dan than the pressing need to upgrade and improve our infrastructure, particularly Route 22/322, the main artery that runs directly through our county. This section of roadway was a dangerous bottleneck that disrupted the flow of traffic to State College and Harrisburg, and was the cause of many horrendous crashes – many of them leading to fatalities.

Through his tireless advocacy, and most importantly, his votes to fund the project, this dangerous corridor was improved and upgraded in the years following Dan's retirement. Because of his efforts, everyone traveling through Juniata and Mifflin Counties can do so in a much safer fashion.

I ask you to join Chairman Adolph and myself as we name a portion of Route 22/322 in honor of the Honorable Daniel F. Clark.

Thank you, Mr. Speaker.

The SPEAKER. Chairman Markosek.

Mr. MARKOSEK. Thank you, Mr. Speaker.

Very briefly on behalf of Leader Dermody, the leadership team of the Democratic Caucus, and the Democratic Caucus, I stand today also to ask for support of this very timely, and I think worthwhile, bill here today, naming bill of 322, for our good friend and former colleague, Dan Clark.

You know, it is interesting. After Dan left the legislature, he was a lobbyist for a while, and I think some of us actually got to know him better through that career than when he was actually here, although I remember him very vividly, and I share Chairman Adolph's great memories of Dan and his presence here.

He was also a very active and loyal, and I might say very friendly, staff member of the majority Appropriations staff. He was their general counsel, and we could not have had anybody better to work with over there. He was just a great guy, and we were all very saddened, and it was very sudden, his illness, at least from our perspective, very sudden and sad how quickly Dan left us. But I am sure he is looking in here today, kind of like the big PCN (Pennsylvania Cable Network) in the sky, I guess, and watching what we are doing.

Dan, if you are listening, I hope you have a smile on your face, because this is for you. Thank you.

On the question recurring,

Shall the bill pass finally?

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

The following roll call was recorded:

#### YEAS—195

Acosta	Evans	Kortz	Ravenstahl
Adolph	Everett	Kotik	Readshaw
Baker	Fabrizio	Krieger	Reed
Barbin	Farina	Lawrence	Reese
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora

Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McGinnis	Schemel
Caltagirone	Godshall	McNeill	Schlossberg
Carroll	Goodman	Mentzer	Schreiber
Causar	Greiner	Metcalfe	Schweyer
Christiana	Grove	Metzgar	Simmons
Cohen	Hahn	Miccarelli	Sims
Conklin	Hanna	Millard	Snyder
Corbin	Harhai	Miller, B.	Sonney
Costa, D.	Harhart	Miller, D.	Staats
Costa, P.	Harkins	Milne	Stephens
Cox	Harper	Moul	Sturla
Culver	Harris, A.	Mullery	Tallman
Cutler	Harris, J.	Murt	Taylor
Daley, M.	Heffley	Mustio	Thomas
Daley, P.	Helm	Nesbit	Tobash
Davidson	Hennessey	Neuman	Toepel
Davis	Hickernell	O'Brien	Toohil
Dawkins	Hill	O'Neill	Topper
Day	Irvin	Oberlander	Truitt
Dean	James	Ortitay	Vereb
Deasy	Jozwiak	Parker, C.	Vitali
DeLissio	Kampf	Parker, D.	Ward
Delozier	Kaufman	Pashinski	Warner
Dermody	Kauffman	Payne	Waters
Diamond	Kavulich	Peifer	Wentling
DiGirolamo	Keller, F.	Petrarca	Wheatley
Donatucci	Keller, M.K.	Petri	Wheeland
Driscoll	Keller, W.	Pickett	White
Dunbar	Kim	Pyle	Youngblood
Dush	Kinsey	Quigley	Zimmerman
Ellis	Kirkland	Quinn	
Emrick	Klunk	Rader	Turzai,
English	Knowles	Rapp	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	Regan	Watson
DeLuca	Marsico		

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 SPEAKER. To Debbie, to Ben, to Elizabeth, Anna, Jessica, thank you for being with us here today. Godspeed to you. We will always have Dan in our hearts. Thank you.

#### BILLS ON SECOND CONSIDERATION

The House proceeded to second consideration of **HB 837, PN 1316**, entitled:

An Act authorizing certain financial institutions to conduct savings promotion raffles; and providing for enforcement by the Department of Banking and Securities.

On the question,

Will the House agree to the bill on second consideration?



Mrs. **R. BROWN** offered the following amendment  
No. **A01545**:

Amend Bill, page 2, line 1, by inserting after "following"  
, subject to regulations promulgated by the institution's prudential  
regulator under the American Savings Promotion Act (Public Law 113-  
251, 128 Stat. 2888)

Amend Bill, page 2, lines 8 and 9, by striking out all of line 8 and  
"(7)" in line 9 and inserting  
(6)

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

The **SPEAKER**. Representative Brown, you are recognized.  
Mrs. **R. BROWN**. Thank you, Mr. Speaker.  
This amendment is agreed to and just simply clarifies the  
definition of "eligible financial institution" by making the  
definition consistent with that of the Federal American Savings  
Promotion Act, and I do ask for a positive vote.

Thank you, Mr. Speaker.

The **SPEAKER**. Thank you very much, Representative  
Brown.

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

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Ravenstahl
Adolph	Everett	Kotik	Readshaw
Baker	Fabrizio	Krieger	Reed
Barbin	Farina	Lawrence	Reese
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McGinnis	Schemel
Caltagirone	Godshall	McNeill	Schlossberg
Carroll	Goodman	Mentzer	Schreiber
Causser	Greiner	Metcalfe	Schweyer
Christiana	Grove	Metzgar	Simmons
Cohen	Hahn	Miccarelli	Sims
Conklin	Hanna	Millard	Snyder
Corbin	Harhai	Miller, B.	Sonney
Costa, D.	Harhart	Miller, D.	Staats
Costa, P.	Harkins	Milne	Stephens
Cox	Harper	Moul	Sturla
Culver	Harris, A.	Mullery	Tallman
Cutler	Harris, J.	Murt	Taylor
Daley, M.	Heffley	Mustio	Thomas
Daley, P.	Helm	Nesbit	Tobash
Davidson	Hennessey	Neuman	Toepel
Davis	Hickernell	O'Brien	Toohil
Dawkins	Hill	O'Neill	Topper
Day	Irvin	Oberlander	Truitt
Dean	James	Ortitay	Vereb
Deasy	Jozwiak	Parker, C.	Vitali
DeLissio	Kampf	Parker, D.	Ward
Delozier	Kaufer	Pashinski	Warner

Dermody	Kauffman	Payne	Waters
Diamond	Kavulich	Peifer	Wentling
DiGirolamo	Keller, F.	Petrarca	Wheatley
Donatucci	Keller, M.K.	Petri	Wheeland
Driscoll	Keller, W.	Pickett	White
Dunbar	Kim	Pyle	Youngblood
Dush	Kinsey	Quigley	Zimmerman
Ellis	Kirkland	Quinn	
Emrick	Klunk	Rader	Turzai,
English	Knowles	Rapp	Speaker
Evankovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	Regan	Watson
DeLuca	Marsico		

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.

The **SPEAKER**. The bill as amended will be reprinted.

\* \* \*

The House proceeded to second consideration of **HB 833**,  
**PN 1001**, entitled:

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

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

Ms. **RAPP** offered the following amendment No. **A00872**:

Amend Bill, page 1, line 15, by inserting after "who"  
successfully  
Amend Bill, page 1, line 18, by inserting after "for"  
successful

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

The **SPEAKER**. Representative Rapp, on the question.  
Ms. **RAPP**. Thank you, Mr. Speaker.

This amendment is just a technical amendment that clarifies  
a student must successfully complete a course in computer  
science or information technology to be permitted to apply for  
up to one credit earned for successful completion of such course  
to satisfy a student's mathematics or science credit requirement  
for graduation.

Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Ravenstahl
Adolph	Everett	Kotik	Readshaw
Baker	Fabrizio	Krieger	Reed
Barbin	Farina	Lawrence	Reese
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McGinnis	Schemel
Caltagirone	Godshall	McNeill	Schlossberg
Carroll	Goodman	Mentzer	Schreiber
Causer	Greiner	Metcalfe	Schweyer
Christiana	Grove	Metzgar	Simmons
Cohen	Hahn	Miccarelli	Sims
Conklin	Hanna	Millard	Snyder
Corbin	Harhai	Miller, B.	Sonney
Costa, D.	Harhart	Miller, D.	Staats
Costa, P.	Harkins	Milne	Stephens
Cox	Harper	Moul	Sturla
Culver	Harris, A.	Mullery	Tallman
Cutler	Harris, J.	Murt	Taylor
Daley, M.	Heffley	Mustio	Thomas
Daley, P.	Helm	Nesbit	Tobash
Davidson	Hennessey	Neuman	Toepel
Davis	Hickernell	O'Brien	Toohil
Dawkins	Hill	O'Neill	Topper
Day	Irvin	Oberlander	Truitt
Dean	James	Ortitay	Vereb
Deasy	Jozwiak	Parker, C.	Vitali
DeLissio	Kampf	Parker, D.	Ward
Delozier	Kaufner	Pashinski	Warner
Dermody	Kauffman	Payne	Waters
Diamond	Kavulich	Peifer	Wentling
DiGirolamo	Keller, F.	Petrarca	Wheatley
Donatucci	Keller, M.K.	Petri	Wheeland
Driscoll	Keller, W.	Pickett	White
Dunbar	Kim	Pyle	Youngblood
Dush	Kinsey	Quigley	Zimmerman
Ellis	Kirkland	Quinn	
Emrick	Klunk	Rader	Turzai,
English	Knowles	Rapp	Speaker
Evanovich			

NAYS—0

NOT VOTING—0

EXCUSED—6

Cruz	Killion	Regan	Watson
DeLuca	Marsico		

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.

The SPEAKER. The bill as amended will be reprinted.

\* \* \*

The House proceeded to second consideration of **HB 138, PN 122**, entitled:

An Act amending Title 35 (Health and Safety) of the Pennsylvania Consolidated Statutes, providing for soliciting by first responder organizations.

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

Mr. **FARRY** offered the following amendment No. **A01514**:

Amend Bill, page 3, line 6, by inserting after "is"  
a nonprofit organization as classified under section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)) and is

Amend Bill, page 3, lines 11 through 14, by striking out all of said lines

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

The SPEAKER. On that question, the Chair recognizes Representative Farry.

Mr. FARRY. Thank you, Mr. Speaker.

This is just a technical amendment that is agreed to.

The SPEAKER. Thank you, sir.

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

The following roll call was recorded:

YEAS—195

Acosta	Evans	Kortz	Ravenstahl
Adolph	Everett	Kotik	Readshaw
Baker	Fabrizio	Krieger	Reed
Barbin	Farina	Lawrence	Reese
Barrar	Farry	Lewis	Roae
Benninghoff	Fee	Longietti	Roebuck
Bishop	Flynn	Mackenzie	Ross
Bizzarro	Frankel	Maher	Rozzi
Bloom	Freeman	Mahoney	Sabatina
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McGinnis	Schemel
Caltagirone	Godshall	McNeill	Schlossberg
Carroll	Goodman	Mentzer	Schreiber
Causer	Greiner	Metcalfe	Schweyer
Christiana	Grove	Metzgar	Simmons
Cohen	Hahn	Miccarelli	Sims

Conklin	Hanna	Millard	Snyder
Corbin	Harhai	Miller, B.	Sonney
Costa, D.	Harhart	Miller, D.	Staats
Costa, P.	Harkins	Milne	Stephens
Cox	Harper	Moul	Sturla
Culver	Harris, A.	Mullery	Tallman
Cutler	Harris, J.	Murt	Taylor
Daley, M.	Heffley	Mustio	Thomas
Daley, P.	Helm	Nesbit	Tobash
Davidson	Hennessey	Neuman	Toepel
Davis	Hickernell	O'Brien	Toohil
Dawkins	Hill	O'Neill	Topper
Day	Irvin	Oberlander	Truitt
Dean	James	Ortitay	Vereb
Deasy	Jozwiak	Parker, C.	Vitali
DeLissio	Kampf	Parker, D.	Ward
Delozier	Kaufer	Pashinski	Warner
Dermody	Kauffman	Payne	Waters
Diamond	Kavulich	Peifer	Wentling
DiGiroلامo	Keller, F.	Petrarca	Wheatley
Donatucci	Keller, M.K.	Petri	Wheeland
Driscoll	Keller, W.	Pickett	White
Dunbar	Kim	Pyle	Youngblood
Dush	Kinsey	Quigley	Zimmerman
Ellis	Kirkland	Quinn	
Emrick	Klunk	Rader	Turzai,
English	Knowles	Rapp	Speaker
Evanovich			

NAYS-0

NOT VOTING-0

EXCUSED-6

Cruz	Killion	Regan	Watson
DeLuca	Marsico		

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.

The SPEAKER. The bill as amended will be reprinted.

\* \* \*

The House proceeded to second consideration of **HB 504, PN 561**, entitled:

An Act amending the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, in tax for education, further providing for sales and use tax for timbering.

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

Mr. **SAYLOR** offered the following amendment No. **A01564**:

Amend Bill, page 1, line 11, by striking out the period after "timbering" and inserting  
; establishing the School District Millage Rate Reduction Fund and the School District Homestead and Farmstead Relief Fund;  
providing for additional taxation and for senior citizens property

tax and rent rebate assistance; and repealing provisions of the Taxpayer Relief Act.  
Amend Bill, page 1, lines 14 through 17, by striking out all of said lines and inserting  
Section 1. The title of the act of March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, is amended to read:  
**AN ACT**  
Relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for property tax relief and for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities;  
prescribing crimes, offenses and penalties.  
Section 2. Section 201(k)(8) and (o)(4)(B) of the act, amended April 23, 1998 (P.L.239, No.45), are amended to read:  
Amend Bill, page 7, by inserting between lines 9 and 10  
Section 3. The act is amended by adding articles to read:

**ARTICLE XVI**  
**SCHOOL PROPERTY TAX REFORM**  
**PART I**  
**PRELIMINARY PROVISIONS**

Section 1601. Short title of article.  
This article shall be known and may be cited as the School Property Tax Reform Act.  
Section 1602. 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:  
"Average daily membership." The term as defined in section 2501 of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.  
"Board of school directors." The term includes the following:  
(1) A board of school directors of a school district of the first class A, second class, third class or fourth class.  
(2) A city council of a city of the first class.  
"Department." The Department of Revenue of the Commonwealth.  
"Equalized millage." The term as defined in section 2501(9.2) of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.  
"Farmstead." As defined in 53 Pa.C.S. § 8582 (relating to definitions).  
"Farmstead property." The term as defined in 53 Pa.C.S. § 8582 (relating to definitions).  
"Homestead." The term defined in 53 Pa.C.S. § 8401 (relating to definitions).  
"Homestead property." The term as defined in 53 Pa.C.S. § 8401 (relating to definitions).  
"Index." The term defined in section 302 of the Taxpayer Relief Act.  
"Real property tax." The total dollar value of real property taxes paid by property owners in a school district determined by adding the real property taxes collected by, or on behalf of, the school district plus State millage rate reduction allocations, State homestead and farmstead exclusion allocations and State property tax reduction allocations. The term does not include an allocation under section 505(d) of the Taxpayer Relief Act.  
"Residential property tax." The dollar value of real property taxes paid by residential property owners in a school district, determined by multiplying the real property taxes collected by the school district times the percentage of the total property value in the school district classified as residential by the State Tax Equalization Board for the calendar year in which the tax year began.  
"School district." A school district of the first class, first class A, second class, third class or fourth class.  
"School District Homestead and Farmstead Relief Fund." The

fund established in section 1604.

"School District Millage Rate Reduction Fund." The fund established in section 1603.

"Secretary." The Secretary of the Budget of the Commonwealth.  
"State homestead and farmstead exclusion allocation." The allocation under section 1643.

"State millage rate reduction allocation." The allocation under section 1632.

"State property tax reduction allocation." A payment made under section 505 of the Taxpayer Relief Act.

"State Treasurer." The State Treasurer of the Commonwealth.  
"Taxpayer Relief Act." The act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act.

Section 1603. School District Millage Rate Reduction Fund.

(a) Establishment.—The School District Millage Rate Reduction Fund is established as a special fund in the State Treasury. The fund shall not lapse.

(b) Purpose.—Money in the fund shall be distributed to school districts under section 1632 and shall be used exclusively for the purposes enumerated in this article.

(c) Deposits into the fund.—Funds generated by the tax under section 1611 shall be deposited into the fund.

(d) Transfer from the fund.—

(1) In order to ensure that the General Fund is not negatively impacted by the imposition of the tax under section 1611, not later than June 30, 2017, and each June 30 thereafter, an amount equal to the refund reimbursement factor multiplied by the amount of refunds issued under Article III for tax years in which the tax imposed under section 1611 is applicable shall be transferred from the fund to the General Fund.

(2) For the purpose of this subsection, "refund reimbursement factor" means a fraction equal to the rate of tax imposed under section 1611 divided by the sum of the rate of tax imposed under section 1611 plus the rate of tax imposed under Article III.

Section 1604. School District Homestead and Farmstead Relief Fund.

(a) Establishment.—The School District Homestead and Farmstead Relief Fund is established as a special fund in the State Treasury. The fund shall not lapse.

(b) Purpose.—Except as provided under section 2908-G(c), money in the fund shall be distributed to school districts under section 1643 and shall be used exclusively for the purposes enumerated in this article.

(c) Deposits.—Funds generated by the tax under section 1612 shall be deposited into the fund.

(d) Transfers.—Upon authorization by the secretary in order to comply with section 1622(a)(3), the State Treasurer shall transfer from the fund to the School District Millage Rate Reduction Fund an amount sufficient to ensure that the total amount of revenue in the School District Millage Rate Reduction Fund for a fiscal year is not less than the amount distributed from the previous fiscal year.

#### PART II

#### SCHOOL PROPERTY TAX REDUCTIONS FROM STATEWIDE SOURCES

Section 1611. Additional personal income tax imposed.

(a) Personal income tax.—For taxable years beginning after December 31, 2015, there is imposed an additional tax upon each class of income as defined in Article III. The tax shall be calculated, collected and paid over to the Commonwealth in the same manner as provided in Article III.

(b) Rate.—The tax imposed by subsection (a) shall be at the rate of 0.63%.

(c) Deposit of tax proceeds.—The department shall deposit taxes collected under this section in the School District Millage Rate Reduction Fund. The amount shall be the sum of the taxes collected under this section and Article III multiplied by a fraction equal to the rate of tax under this section divided by the sum of the rate of tax under this section and the rate of tax under section 302.

(d) Rules and regulations.—The rules and regulations of the department promulgated under this act or any other act, shall be applicable to the tax imposed by this section to the extent that they are applicable to the tax imposed under Article III.

(e) Construction.—The tax imposed by this section shall be in addition to any tax imposed under Article III or section 321(c) of the Taxpayer Relief Act. The provisions of Article III shall apply to the tax imposed by this section.  
Section 1612. Additional sales and use tax imposed.

(a) Additional taxation.—The tax imposed by this section shall be in addition to any tax imposed under Article II or II-B, section 503 of the act of June 5, 1991 (P.L.9, No.6), known as the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class, or section 3152-B of the act of July 28, 1953 (P.L.73, No.230), known as the Second Class County Code. The provisions of Article II shall apply to the tax imposed by this section.

(b) Sales tax.—Beginning January 1, 2016, there is imposed a tax upon each separate sale at retail of tangible personal property or services. The tax under this subsection shall be imposed upon the purchase price. The tax shall be collected by the vendor from the purchaser and shall be paid over to the Commonwealth in the same manner as provided in Article II.

(c) Use tax.—Beginning January 1, 2016, there is imposed a tax upon the use of tangible personal property purchased at retail and on services purchased at retail. The tax under this subsection shall be imposed upon the purchase price. The tax shall be paid over to the Commonwealth by the person who makes such use. The tax imposed under this subsection shall not be paid over to the Commonwealth by any person who has paid the tax imposed under subsection (b) or has paid the tax imposed under this subsection to the vendor with respect to such use.

(d) Hotel tax.—Beginning January 1, 2016, there is hereby imposed an excise tax on the rent upon every occupancy of a room or rooms in a hotel, as defined in Article II. The tax shall be collected by the operator or owner from the occupant and paid over to the Commonwealth.

(e) Rate.—The tax imposed by subsections (b), (c) and (d) shall be at a rate of 1%.

(f) Tax computation.—The tax imposed under subsections (b), (c) and (d) shall be computed as follows:

(1) If the purchase price is 50¢ or less, no tax shall be collected.

(2) If the purchase price is 51¢ or more but less than \$1.51, 1¢ shall be collected.

(3) If the purchase price is \$1.51 or more but less than \$2.51, 2¢ shall be collected.

(4) If the purchase price is \$2.51 or more but less than \$3.51, 3¢ shall be collected.

(5) If the purchase price is \$3.51 or more but less than \$4.51, 4¢ shall be collected.

(6) If the purchase price is \$4.51 or more but less than \$5.51, 5¢ shall be collected.

(7) If the purchase price is \$5.51 or more but less than \$6.51, 6¢ shall be collected.

(8) If the purchase price is \$6.51 or more but less than \$7.51, 7¢ shall be collected.

(9) If the purchase price is \$7.51 or more but less than \$8.51, 8¢ shall be collected.

(10) If the purchase price is \$8.51 or more but less than \$9.51, 9¢ shall be collected.

(11) If the purchase price is \$9.51 or more but less than \$10.01, 10¢ shall be collected.

(12) If the purchase price is more than \$10, 1% of each \$10 purchase price plus the above bracket charges upon any fractional part of a \$10 increment shall be collected.

(g) Deposit of tax proceeds.—The department shall deposit taxes collected under this section in the School District Homestead and Farmstead Relief Fund. The amount shall be one-seventh of the sum of

the amount collected under this section and Article II. The tax collected under this section shall be subject to the transfers under section 281.2 and 74 Pa.C.S. § 1506(c)(1) and (3.4) in the same way as the tax imposed under Article II.

(h) Rules and regulations.—The rules and regulations of the department which are promulgated under this act or any other act, shall be applicable to the tax imposed by this section to the extent that they are applicable to the tax imposed under Article II.

(i) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Purchase price." As defined in Article II.

"Sale at retail." As defined in Article II.

"Tangible personal property." As defined in Article II.

### PART III

#### STATE FUNDS FORMULAE

##### SUBPART A

#### PRELIMINARY PROVISIONS

Section 1621. Scope of part.

This part relates to the allocation of State funds for the dollar-for-dollar reduction of school district property taxes through millage rate reductions and funding homestead property exclusions.

Section 1622. Certifications.

(a) Secretary certifications.—

(1) Not later than April 15, 2016, and April 15 of each year thereafter, the secretary shall certify all of the following:

(i) The total amount of revenue in the School District Millage Rate Reduction Fund and the School District Homestead and Farmstead Relief Fund. In calculating the total amount of revenue in each of the funds, the secretary shall take into account all of the following:

(A) For the certification to be completed not later than April 15, 2016, revenue which:

(I) has been deposited into the fund prior to the date of the certification; and

(II) is reasonably projected to be deposited into the fund during the six months following the date on which the certification is made; and

(B) For certifications in subsequent fiscal years:

(I) revenue which has been deposited into the fund during the six months prior to the date on which the certification is made; and

(II) revenue enumerated in clause (A)(II).

(ii) In certifying the amount available for distribution from each fund under subsection (c), the secretary shall only certify an amount that is sustainable in subsequent years.

(2) If the actual revenue deposited into each of the funds during the six months following the date on which the certification is made exceeds projections, any revenue in excess of projections shall remain in that fund and may be included in the certification for the subsequent fiscal year.

(3) The secretary may not certify an amount of revenue in the School District Millage Rate Reduction Fund which is less than the dollar amount certified in the previous fiscal year.

(b) Notification of Department of Education.—By April 20, 2016, and April 20 each year thereafter, the secretary shall notify the Department of Education whether it is authorized to provide school districts with State millage rate reduction allocations and State homestead and farmstead exclusion allocations under Subparts B and C.

(c) Distribution.—

(1) For fiscal year 2016-2017 and for each fiscal year thereafter, the secretary shall authorize the Department of Education to distribute from the School District Millage Rate Reduction Fund the amount certified for the fund under subsection (a)(1).

(2) For fiscal year 2016-2017 and for each fiscal year thereafter, the secretary shall authorize the Department of Education to distribute from the School District Homestead and Farmstead Relief Fund the difference between the amount certified for the fund under subsection (a)(1) and the sum of all of the following:

(i) the amount sufficient to fund additional reimbursements to eligible school districts under section 1642; and

(ii) the amount under 2908-G(c).

The amount deducted under this subsection for additional reimbursements under section 1642 shall be calculated based on the information provided by school districts under section 503(b)(2) of the Taxpayer Relief Act.

Section 1623. Disclosure of relief.

(a) Tax notice.—A school district which receives a State property tax reduction allocation, a State homestead and farmstead exclusion allocation or a State millage rate reduction allocation shall itemize the total homestead and farmstead exclusion and millage rate reductions on tax bills sent to taxpayers. At minimum, a tax bill must show the tax liability which was due for the property in the previous tax year, the amount of the applicable exclusion and the amount of reduced tax liability due to rate reductions. The tax bill shall be easily understandable and include a notice under subsection (b).

(b) Notice of property tax relief.—

(1) For a taxpayer who is a homestead property or farmstead property owner, the tax bill must include a notice that the tax bill includes a homestead or farmstead exclusion and a millage rate reduction. The notice shall, at a minimum, be in the following form:

#### NOTICE OF PROPERTY TAX RELIEF

Your enclosed tax bill includes a tax reduction for your homestead and/or farmstead property. As an eligible homestead and/or farmstead property owner, you have received tax relief through a homestead and/or farmstead exclusion which has been provided under the School Property Tax Reform Act and the Taxpayer Relief Act, two laws passed by the Pennsylvania General Assembly designed to reduce your property taxes. Your tax bill also includes a reduction in the tax rate on real property provided through the Education Finance Reform Act.

(2) For a taxpayer that is not a homestead property or farmstead property owner, the tax bill must include a notice that the tax bill includes a millage rate reduction. The notice shall, at a minimum, be in the following form:

#### NOTICE OF PROPERTY TAX RELIEF

Your enclosed tax bill includes a reduction in the tax rate on real property. This reduction has been provided under the School Property Tax Reform Act, a law passed by the Pennsylvania General Assembly designed to reduce your property taxes.

Section 1624. Information collection and verification.

(a) Information collection.—The Department of Education shall develop an information collection policy to gather information which will allow the department to confirm that State millage rate reduction allocations and State homestead and farmstead exclusion allocations are being used for the purposes enumerated in this article and that State property tax reduction allocations are being used for the purposes enumerated in the Taxpayer Relief Act. The information collection policy may include requiring a school district to provide information in the uniform form prepared under section 312(b) of the Taxpayer Relief Act that would allow the Department of Education to comply with the requirements of this section.

(b) Verification.—The Department of Education shall develop procedures to routinely analyze the information collected under subsection (a) to identify a school district which is not using a State millage rate reduction allocation or State homestead and farmstead exclusion allocation for the purposes enumerated in this article or is using a State property tax reduction allocation for the purposes enumerated in the Taxpayer Relief Act.

#### SUBPART B

#### STATE ALLOCATION DISTRIBUTION FOR MILLAGE RATE REDUCTIONS

##### Section 1631. Scope of subpart.

This subpart relates to the allocation of State funds generated by the additional tax under section 1611 for the dollar-for-dollar reduction of school district property taxes through millage rate reductions.

##### Section 1632. State millage rate reduction allocation.

(a) Administration.—The Department of Education shall calculate the State millage rate reduction allocation for each school district as follows:

(1) For the 2016-2017 fiscal year all of the following apply:

(i) Multiply the school district's 2012-2013 equalized millage by the dollar amount necessary to allocate all the money in the School District Millage Rate Reduction Fund as authorized under section 1622(c).

(ii) If the allocation under this paragraph is less than the product of the real property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.12 for a school district, the school district shall receive an additional amount so that the total allocation under this paragraph is equal to the product of the real property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.12.

(iii) If the allocation under this paragraph is greater than the product of the real property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.19 for a school district, the school district shall receive a total allocation equal to the product of the real property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.19.

(2) For the 2017-2018 fiscal year all of the following apply:

(i) Multiply the school district's equalized millage for the 2013-2014 fiscal year by the dollar amount necessary to allocate all the money in the School District Millage Rate Reduction Fund as authorized under section 1622(c).

(ii) If the allocation under this paragraph is less than the product of the real property taxes collected during the 2013-2014 fiscal year and a numerical value of 0.2 for a school district, the school district shall receive an additional amount so that the total allocation under this paragraph is equal to the product of the real property taxes collected during the 2013-2014 fiscal year and a numerical value of 0.2.

(iii) If the allocation under this paragraph is greater than the product of the real property taxes collected during the 2013-2014 fiscal year and a numerical value of 0.3 for a school district, the school district shall receive a total allocation equal to the product of the real property taxes collected during the 2013-2014 fiscal year and a numerical value of 0.3.

(3) For all fiscal years beginning after the 2017-2018 fiscal year:

(i) Multiply the allocation from the previous fiscal year by the percentage change in the amount to be collected from the tax under section 1611, except that the percentage change under this paragraph may not be less than zero.

(ii) Add the amount in subparagraph (i) to the allocation from the previous fiscal year.

(b) Notification.—The Department of Education shall notify each school district of the amount of its State millage rate reduction allocation not later than May 1 of each year.

(c) Payment.—For the fiscal year commencing July 1, 2016, and each fiscal year thereafter, except as set forth in subsection (d), the Department of Education shall pay from the School District Millage Rate Reduction Fund to each eligible school district a State millage rate reduction allocation equal to the amount calculated under subsection (a). The State millage rate allocation shall be divided into two equal payments, which shall be made on the fourth Thursday of August and the fourth Thursday of October.

(d) First class school districts.—The State millage rate reduction allocation for a school district of the first class shall be paid by the Department of Education to a city of the first class for use for a school district of the first class as prescribed in section 1633.

##### Section 1633. Mandatory use of State millage rate reduction allocation to reduce rate of real property tax.

(a) Reduction in first fiscal year.—For the first fiscal year in which a school district receives a State millage rate reduction allocation and except for a tax increase which is approved by the electorate under section 333(c) of the Taxpayer Relief Act, a board of school directors may not adopt a final budget, including a final budget under section 312 of the Taxpayer Relief Act, which includes a tax on real property which would generate revenue greater than:

(1) the sum of the maximum amount of revenue which could be raised by the allowable increase under the index and the amount permitted under the referendum exceptions in section 333(f) or (n) of the Taxpayer Relief Act, minus;

(2) the school district's State millage rate reduction allocation.

(b) Subsequent reductions and limitations.—For the second fiscal year in which a school district receives a State millage rate reduction allocation and for all fiscal years in which a school district receives a State millage rate reduction allocation thereafter and except for a tax increase which is approved by the electorate under section 333(c) of the Taxpayer Relief Act, a board of school directors may not adopt a final budget, including a final budget under section 312 of the Taxpayer Relief Act, which includes a tax on real property which would generate revenue greater than:

(1) the sum of the maximum amount of revenue which could be raised by the allowable increase under the index and the amount permitted under the referendum exceptions in section 333(f) or (n) of the Taxpayer Relief Act, minus;

(2) the increase in the school district's State millage rate reduction allocation from the previous fiscal year.

(c) Continued applicability.—A tax rate which is reduced or otherwise subject to this section shall remain subject to the provisions of section 333 of the Taxpayer Relief Act.

(d) Applicable tax rate for first class school district.—This section and section 333, except section 333(b)(2), of the Taxpayer Relief Act shall apply to a tax on real property levied by a city of the first class for the benefit of a school district of the first class.

#### SUBPART C

#### STATE ALLOCATION DISTRIBUTION TO FUND FOR HOMESTEAD AND FARMSTEAD EXCLUSIONS

##### Section 1641. Scope of subpart.

This subpart relates to the allocation of State funds generated by the additional tax under section 1612 for the dollar-for-dollar reduction of school district property taxes through the funding of homestead and farmstead exclusions.

##### Section 1642. Additional reimbursement.

A school district shall receive a payment equal to the aggregate amount of the tax credited under section 324(2) of the Taxpayer Relief Act minus its reimbursement under section 324(4) of the Taxpayer Relief Act.

##### Section 1643. State homestead and farmstead exclusion allocation.

(a) Administration.—The Department of Education shall calculate the State homestead and farmstead exclusion allocation for each school district, except the portion which is calculated under section 1642, as follows:

(1) For the 2016-2017 fiscal year all of the following apply:

(i) Multiply the school district's 2012-2013 average daily membership by the school district's 2012-2013 equalized millage.

(ii) Multiply the product under subparagraph (i) by the dollar amount necessary to allocate all the money in the School District Homestead and Farmstead Relief Fund as authorized under section 1622(c).

(iii) If the allocation under this paragraph is less than the product of the residential property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.1 for a school district, the school district shall receive an additional amount so that the total allocation under this paragraph is equal to the product of the residential property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.1.

(iv) If the allocation under this paragraph is greater than the product of the residential property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.16 for a school district, the school district shall receive a total allocation equal to the product of the residential property taxes collected during the 2012-2013 fiscal year and a numerical value of 0.16.

(2) For all fiscal years beginning after the 2016-2017 fiscal year all of the following apply:

(i) Multiply the school district's average daily membership for the fourth fiscal year immediately preceding the fiscal year for which the allocation is being made by the school district's equalized millage for the fourth fiscal year immediately preceding the fiscal year for which the allocation is being made.

(ii) Multiply the product under subparagraph (i) by the dollar amount necessary to allocate all the money in the School District Homestead and Farmstead Relief Fund as authorized under section 1622(c).

(iii) If the allocation under this paragraph is less than the product of the residential property taxes collected during the fourth fiscal year immediately preceding the fiscal year for which the allocation is being made and a numerical value of 0.14 for a school district, the school district shall receive an additional amount so that the total allocation under this paragraph is equal to the product of the residential property taxes collected during the fourth fiscal year immediately preceding the fiscal year for which the allocation is being made and a numerical value of 0.14.

(iv) If the allocation under this paragraph is greater than the product of the residential property taxes collected during the fourth fiscal year immediately preceding the fiscal year for which the allocation is being made and a numerical value of 0.23 for a school district, the school district shall receive a total allocation equal to the product of the residential property taxes collected during the fourth fiscal year immediately preceding the fiscal year for which the allocation is being made and a numerical value of 0.23.

(b) Notification.—The Department of Education shall notify each school district of the amount of its State homestead and farmstead exclusion allocation not later than May 1 of each year.

(c) Payment.—For the fiscal year commencing July 1, 2016, and each fiscal year thereafter, except as set forth in subsection (d), the Department of Education shall pay to each eligible school district a State homestead and farmstead exclusion allocation equal to the

amount calculated under subsection (a) plus the payment as calculated under section 1642. The State homestead and farmstead exclusion allocation shall be divided into two equal payments, which shall be made on the fourth Thursday of August and the fourth Thursday of October.

(d) First class school districts.—The State homestead and farmstead exclusion allocation for a school district of the first class shall be paid by the Department of Education to a city of the first class for use for a school district of the first class as prescribed in section 1644.

Section 1644. Disposition of State homestead and farmstead exclusion allocation.

(a) Homestead and farmstead exclusions.—A board of school directors for a school district which receives a State homestead and farmstead exclusion allocation shall use the allocation to fund exclusions for homestead and farmstead property or, if applicable, may utilize any revenue in excess of the revenue required to fund the maximum homestead and farmstead exclusions authorized under 53 Pa.C.S. § 8586 (relating to limitations) to reduce the property tax rate on all properties subject to the property tax in the school district.

(b) Homestead and farmstead exclusion process.—Each fiscal year in which a school district imposes a tax authorized under section 321 of the Taxpayer Relief Act or receives a State homestead and farmstead exclusion allocation or State property tax reduction allocation, the board of school directors of a school district shall calculate a homestead and farmstead exclusion for the purpose of reducing school district property taxes. The school district shall adopt a resolution implementing the homestead and farmstead exclusion not later than the last day of the fiscal year immediately preceding the fiscal year in which the homestead and farmstead exclusions shall take effect.

#### PART IV

#### MISCELLANEOUS PROVISIONS

Section 1691. Additional provisions.

(a) Other provisions.—Any school district property tax reduction approved under Subchapter D of Chapter 3 of the Taxpayer Relief Act shall continue in effect.

(b) Applicability.—Except as otherwise provided, a school district shall remain subject to the Taxpayer Relief Act.

#### ARTICLE XXIX-G

#### SENIOR CITIZENS PROPERTY TAX AND RENT REBATE ASSISTANCE

Section 2901-G. Scope of article.

This article provides senior citizens with assistance in the form of property tax and rent rebates.

Section 2902-G. (Reserved).

Section 2903-G. 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:

"Board." The Board of Finance and Revenue of the Commonwealth.

"Claimant." A person who files a claim for property tax rebate or rent rebate in lieu of property taxes and:

(1) was at least 65 years of age or whose spouse, if a member of the household, was at least 65 years of age during a calendar year in which real property taxes or rent were due and payable;

(2) was a widow or widower and was at least 50 years of age during a calendar year or part thereof in which real property taxes or rent were due and payable; or

(3) was a permanently disabled person 18 years of age or older during a calendar year or part thereof in which the real property taxes or rent were due and payable.

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

"Homestead." A dwelling, whether owned or rented, and so much of the land surrounding it, as is reasonably necessary for the use

of the dwelling as a home, occupied by a claimant. The term includes, but is not limited to:

(1) Premises occupied by reason of ownership or lease in a cooperative housing corporation.

(2) Mobile homes which are assessed as realty for local property tax purposes and the land, if owned or rented by the claimant, upon which the mobile home is situated, and other similar living accommodations.

(3) A part of a multidwelling or multipurpose building and a part of the land upon which it is built.

(4) Premises occupied by reason of the claimant's ownership or rental of a dwelling located on land owned by a nonprofit incorporated association, of which the claimant is a member, if the claimant is required to pay a pro rata share of the property taxes levied against the association's land.

(5) Premises occupied by a claimant if the claimant is required by law to pay a property tax by reason of the claimant's ownership or rental, including a possessory interest, in the dwelling, the land or both. An owner includes a person in possession under a contract of sale, deed of trust, life estate, joint tenancy or tenancy in common or by reason of statutes of descent and distribution.

"Household income." All income received by a claimant and the claimant's spouse while residing in the homestead during the calendar year for which a rebate is claimed.

"Income." All income from whatever source derived, including, but not limited to:

(1) Salaries, wages, bonuses, commissions, income from self-employment, alimony, support money, cash public assistance and relief.

(2) The gross amount of any pensions or annuities, including railroad retirement benefits for calendar years prior to 1999 and 50% of railroad retirement benefits for calendar years 1999 and thereafter.

(3) (i) All benefits received under the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.), except Medicare benefits, for calendar years prior to 1999, and 50% of all benefits received under the Social Security Act, except Medicare benefits, for calendar years 1999 and thereafter.

(ii) Notwithstanding any other provision of this act to the contrary, persons who, as of December 31, 2012, are eligible for the property tax or rent rebate shall remain eligible if the household income limit is exceeded due solely to a Social Security cost-of-living adjustment.

(iii) Eligibility in the property tax and rent rebate program pursuant to subparagraph (ii) shall expire on December 31, 2016.

(4) All benefits received under State unemployment insurance laws and veterans' disability payments.

(5) All interest received from the Federal or any state government or any instrumentality or political subdivision thereof.

(6) Realized capital gains and rentals.

(7) Workers' compensation.

(8) The gross amount of loss of time insurance benefits, life insurance benefits and proceeds, except the first \$5,000 of the total of death benefit payments.

(9) Gifts of cash or property, other than transfers by gift between members of a household, in excess of a total value of \$300.

The term does not include surplus food or other relief in kind supplied by a governmental agency, property tax or rent rebate or inflation dividend.

"Permanently disabled person." A person who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to continue indefinitely, except as provided in section 2904-G(b)(3) and

(c).

"Real property taxes." All taxes on a homestead, exclusive of municipal assessments, delinquent charges and interest, due and payable during a calendar year.

"Rent rebate in lieu of property taxes." Twenty percent of the gross amount actually paid in cash or its equivalent in any calendar year to a landlord in connection with the occupancy of a homestead by a claimant, irrespective of whether such amount constitutes payment solely for the right of occupancy or otherwise.

"Secretary." The Secretary of Revenue of the Commonwealth.

"Widow" or "widower." The surviving wife or the surviving husband, as the case may be, of a deceased individual and who has not remarried except as provided in section 2904-G(b)(3) and (c).

Section 2904-G. Property tax; and rent rebate.

(a) Schedule of rebates.—

(1) The amount of any claim for property tax rebate or rent rebate in lieu of property taxes for real property taxes or rent due and payable during calendar years 1985 through 2005 shall be determined in accordance with the following schedule:

Household Income	Percentage of Real Property Taxes or Rent Rebate in Lieu of Property Taxes Allowed as Rebate
\$ 0 - \$ 4,999	100%
5,000 - 5,499	100
5,500 - 5,999	90
6,000 - 6,499	80
6,500 - 6,999	70
7,000 - 7,499	60
7,500 - 7,999	50
8,000 - 8,499	40
8,500 - 8,999	35
9,000 - 9,999	25
10,000 - 11,999	20
12,000 - 12,999	15
13,000 - 15,000	10

(2) The following apply:

(i) The base amount of any claim for property tax rebate for real property taxes due and payable during:

(A) Except as provided under clause (B), calendar year 2006 and thereafter shall be determined in accordance with the following schedule:

Household Income	Amount of Real Property Taxes Allowed as Rebate
\$ 0 - \$ 8,000	\$650
8,001 - 15,000	500
15,001 - 18,000	300
18,001 - 35,000	250

(B) For calendar year 2016 and thereafter, a claimant shall be eligible for an additional base amount in addition to the base amount under clause (A) in accordance with the following schedule:

Household Income	Additional Amount of Real Property Taxes Allowed as Rebate
\$ 0 - \$ 8,000	\$200



<u>8,001 - 15,000</u>	<u>200</u>
<u>15,001 - 18,000</u>	<u>200</u>
<u>18,001 - 35,000</u>	<u>200</u>

(ii) The supplemental amount for a claimant with a household income equal to or less than \$30,000 and an eligible claim for property tax rebate for real property taxes due and payable during the calendar year preceding the first year in which a payment under section 505(b) of the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, is made and each year thereafter and whose real property taxes exceed 15% of the claimant's household income shall be equal to 50% of the base amount determined under subparagraph (i). A claimant who is a resident of a city of the first class, a city of the second class A or a school district of the first class A shall be ineligible for the supplemental amount under this subparagraph.

(3) The amount of any claim for rent rebate in lieu of property taxes for rent due and payable during:

(i) Except as provided in subparagraph (ii), calendar year 2006 and thereafter shall be determined in accordance with the following:

<u>Household Income</u>	<u>Amount of Rent Rebate in Lieu of Property Taxes Allowed as Rebate</u>
<u>\$ 0 - \$ 8,000</u>	<u>\$650</u>
<u>8,001 - 15,000</u>	<u>500</u>
<u>15,001 - 18,000</u>	<u>0</u>
<u>18,001 - 35,000</u>	<u>0</u>

(ii) For calendar year 2016 and thereafter, a claimant shall be eligible for an additional base amount in addition to the base amount under subparagraph (i) in accordance with the following schedule:

<u>Household Income</u>	<u>Additional Amount of Real Property Taxes Allowed as Rebate</u>
<u>\$ 0 - \$ 8,000</u>	<u>\$200</u>
<u>8,001 - 15,000</u>	<u>200</u>
<u>15,001 - 18,000</u>	<u>200</u>
<u>18,001 - 35,000</u>	<u>200</u>

(b) Limitations on claims.—

(1) No claim through calendar year 2005 shall be allowed if the amount of property tax or rent rebate computed in accordance with this section is less than \$10, and the maximum amount of property tax or rent rebate payable shall not exceed \$500.

(2) For calendar year 2006 and thereafter, the maximum amount of property tax or rent rebate in lieu of property taxes payable shall not exceed the lesser of:

(i) the amount of a claim under subsection (a)(2) or (3);

(ii) the amount of real property taxes actually paid; or

(iii) 20% of gross rent actually paid.

(3) No claim shall be allowed if the claimant is a tenant of an owner of real property exempt from real property taxes.

(c) Apportionment and public assistance.—

(1) If any of the following exist relating to a claim:

(i) a homestead is owned or rented and occupied for only a portion of a year or is owned or rented in part by a person who does not meet the qualifications for a claimant, exclusive of any interest owned or leased by a

claimant's spouse;

(ii) the claimant is a widow or widower who remarries; or

(iii) the claimant is a formerly disabled person who is no longer disabled,

the department shall apportion the real property taxes or rent in accordance with the period or degree of ownership or leasehold or eligibility of the claimant in determining the amount of rebate for which a claimant is eligible.

(2) A claimant who receives public assistance from the Department of Public Welfare shall not be eligible for rent rebate in lieu of property taxes during those months within which the claimant receives public assistance.

(d) Government subsidies.—Rent shall not include subsidies provided by or through a governmental agency.

Section 2905-G. Filing of claim.

(a) General rule.—Except as otherwise provided in subsection (b), a claim for property tax or rent rebate shall be filed with the department on or before the 30th day of June of the year next succeeding the end of the calendar year in which real property taxes or rent was due and payable.

(b) Exception.—A claim filed after the June 30 deadline until December 31 of such calendar year shall be accepted by the secretary as long as funds are available to pay the benefits to the late filing claimant.

(c) Payments from State Lottery Fund.—No reimbursement on a claim shall be made from the State Lottery Fund earlier than the day following the 30th day of June provided in this article on which that claim may be filed with the department.

(d) Eligibility of claimants.—

(1) Only one claimant from a homestead each year shall be entitled to the property tax or rent rebate.

(2) If two or more persons are able to meet the qualifications for a claimant, they may determine who the claimant shall be.

(3) If they are unable to agree, the department shall determine to whom the rebate is to be paid.

Section 2906-G. Proof of claim.

(a) Contents.—Each claim shall include:

(1) Reasonable proof of household income.

(2) The size and nature of the property claimed as a homestead.

(3) The rent, tax receipt or other proof that the real property taxes on the homestead have been paid or rent in connection with the occupancy of a homestead has been paid.

(4) If the claimant is a widow or widower, a declaration of such status in such manner as prescribed by the secretary.

(b) Proof of disability.—

(1) Proof that a claimant is eligible to receive disability benefits under the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.) shall constitute proof of disability under this article.

(2) No person who has been found not to be disabled by the Social Security Administration shall be granted a rebate under this article.

(3) A claimant not covered under the Social Security Act shall be examined by a physician designated by the department and such status determined using the same standards used by the Social Security Administration.

(c) Direct payment of taxes or rent not required.—It shall not be necessary that such taxes or rent were paid directly by the claimant if the rent or taxes have been paid when the claim is filed.

(d) Proof of age on first claim.—The first claim filed shall include proof that the claimant or the claimant's spouse was at least 65 years of age, or at least 50 years of age in the case of a widow or widower during the calendar year in which real property taxes or rent were due and payable.

Section 2907-G. Incorrect claim.

Whenever on audit of a claim the department finds the claim to

have been incorrectly determined, it shall redetermine the correct amount of the claim and notify the claimant of the reason for the redetermination and the amount of the corrected claim.

Section 2908-G. Funds for payment of claims.

(a) Payment.—Approved claims shall be paid from the State Lottery Fund established by the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law.

(b) Transfers.—The Secretary of the Budget shall transfer the following amounts from the Property Tax Relief Fund to the State Lottery:

(1) Notwithstanding any other provision of law, an amount equal to \$100,000,000 of the total slot machine license fees paid by successful applicants for a Category 1 slot machine license under 4 Pa.C.S. § 1209 (relating to slot machine license fee). The transfer under this paragraph shall occur upon deposit in the Property Tax Relief Fund of moneys derived from the fee from the fourth successful applicant for a Category 1 slot machine license.

(2) Notwithstanding any other provision of law, an amount equal to \$100,000,000 of the total slot machine license fees paid by successful applicants for a Category 2 slot machine license under 4 Pa.C.S. § 1209. The transfer under this paragraph shall occur upon deposit in the Property Tax Relief Fund of moneys derived from the fee from the third successful applicant for a Category 2 slot machine license.

(3) For fiscal years 2007-2008 and 2008-2009, an amount equal to the sum of approved claims to be paid in each of those fiscal years under sections 704 of the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, and 2904-G(a)(2)(ii) of this act, if any.

(4) For fiscal year 2009-2010 and each fiscal year thereafter, the sum of all of the following, minus the amount under subsection (c):

(i) The difference between the sum of the amount of approved claims to be paid in the next fiscal year under section 2904-G(a)(2)(i) and (3) and the amount of approved claims paid in fiscal year 2006-2007 under section 2904-G(a)(1).

(ii) The sum of the amount of approved claims to be paid in the next fiscal year under section 704 of the Taxpayer Relief Act and 2904-G(a)(2)(ii) of this act, if any.

(5) Beginning in fiscal year 2009-2010 and until the difference between the sum of subparagraphs (i) and (ii) and \$200,000,000 is paid, an amount of not less than \$40,000,000 annually or the amount of the difference, whichever is less. All transfers under this paragraph shall be completed no later than four years after the transfer required by paragraph (2).

(i) The difference between the sum of the amount of approved claims to be paid in fiscal year 2007-2008 under section 2904-G(a)(2)(i) and (3) and the amount of approved claims paid in fiscal year 2006-2007 under section 2904-G(a)(1).

(ii) The difference between the sum of the amount of approved claims to be paid in fiscal year 2008-2009 under section 2904-G(a)(2)(i) and (3) and the amount of approved claims paid in fiscal year 2006-2007 under section 2904-G(a)(1).

(c) For fiscal years 2017-2018 and each fiscal year thereafter, the Secretary of the Budget shall transfer from the School District Homestead and Farmstead Relief Fund to the State Lottery an amount sufficient to provide the following:

(i) The additional base amounts in section 2904-G(a)(2)(i)(B).

(ii) The additional amounts in section 2904-G(a)(3)(ii).

(iii) The increased supplemental amounts under section 2904-G(a)(2)(ii) as the result of the additional

base amounts under section 2904-G(a)(2)(i)(B).

(iv) The increased supplemental amounts under section 704 of the Taxpayer Relief Act as the result of the additional base amounts under section 2904-G(a)(2)(i)(B).

Section 2909-G. Claim forms and rules and regulations.

(a) General rule.—Necessary rules and regulations shall be prescribed by a committee consisting of the Secretary of Aging, the Secretary of Revenue and the Secretary of Community and Economic Development. The Secretary of Aging shall serve as the chairman of the committee. The department shall receive all applications, determine the eligibility of claimants, hear appeals, disburse payments and make available suitable forms for the filing of claims.

(b) Report to General Assembly.—In addition to any rules and regulations prescribed under subsection (a), the department shall collect the following information and issue a report including such information to the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives by September 30, 2006, and September 30 of each year thereafter:

(1) The total number of claims which will be paid in the fiscal year in which the report is issued with the information provided by school district, by county and for each household income level under section 2904-G(a)(2)(i).

(2) The total amount of rebates paid in the fiscal year in which the report is issued with the information provided by school district, by county and for each household income level under section 2904-G(a)(2)(i).

Section 2910-G. Fraudulent claims and conveyances to obtain benefits.

(a) Civil penalty.—In any case in which a claim is excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and a penalty of 25% of the amount claimed shall be imposed. The penalty and the amount of the disallowed claim, if the claim has been paid, shall bear interest at the rate of 1.5% per month from the date of the claim until repaid.

(b) Criminal penalty.—The claimant and any person who assisted in the preparation or filing of a fraudulent claim commits a misdemeanor of the third degree and, upon conviction thereof, shall be sentenced to pay a fine not exceeding \$1,000 or to imprisonment not exceeding one year, or both.

(c) Disallowance for receipt of title.—A claim shall be disallowed if the claimant received title to the homestead primarily for the purpose of receiving property tax rebate.

Section 2911-G. Petition for redetermination.

(a) Right to file.—A claimant whose claim is either denied, corrected or otherwise adversely affected by the department may file with the department a petition for redetermination on forms supplied by the department within 90 days after the date of mailing of written notice by the department of such action.

(b) Contents.—The petition shall set forth the grounds upon which the claimant alleges that such departmental action is erroneous or unlawful, in whole or part, and shall contain an affidavit or affirmation that the facts contained in the petition are true and correct.

(c) Extension of time for filing.—

(1) An extension of time for filing the petition may be allowed for cause but may not exceed 120 days.

(2) The department shall hold such hearings as may be necessary for the purpose of redetermination, and each claimant who has duly filed such petition for redetermination shall be notified by the department of the time when and the place where such hearing in the claimant's case will be held.

(d) Time period for decision.—The department shall, within six months after receiving a filed petition for redetermination, dispose of the matters raised by such petition and shall mail notice of the department's decision to the claimant.

Section 2912-G. Review by Board of Finance and Revenue.

(a) Right to review.—Within 90 days after the date of official receipt by the claimant of notice mailed by the department of its decision on a petition for redetermination filed with it, the claimant who is adversely affected by the decision may by petition request the board to review such action.

(b) Effect of no decision from department.—The failure of the department to officially notify the claimant of a decision within the six-month period provided for by section 2911-G shall act as a denial of the petition, and a petition for review may be filed with the board within 120 days after written notice is officially received by the claimant that the department has failed to dispose of the petition within the six-month period.

(c) Contents of petition for redetermination.—A petition for redetermination filed shall state the reasons upon which the claimant relies or shall incorporate by reference the petition for redetermination in which such reasons were stated. The petition shall be supported by affidavit that the facts set forth therein are correct and true.

(d) Time period for decision.—The board shall act in disposition of petitions filed with it within six months after they have been received, and, in the event of failure of the board to dispose of any petition within six months, the action taken by the department upon the petition for redetermination shall be deemed sustained.

(e) Relief authorized by board.—The board may sustain the action taken by the department on the petition for redetermination or it may take such other action as it shall deem necessary and consistent with provisions of this article.

(f) Form of notice.—Notice of the action of the board shall be given by mail to the department and to the claimant.  
Section 2913-G. Appeal.

A claimant aggrieved by a decision of the board may appeal from the decision of the board in the manner provided by law for appeals from decisions of the board in tax cases.

Section 4. Any reference in an act or part of an act to the former Chapter 13 of the act of June 27, 2006 (1st Sp.Sess. P.L.1873, No.1), known as the Taxpayer Relief Act, shall be deemed a reference to the addition of Article XXIX-G of the act.

Section 5. Repeals are as follows:

(1) The General Assembly declares that the repeals under paragraph (2) are necessary to effectuate the addition of Articles XVI and XXIX-G of the act.

(2) Sections 342 and 343 and Chapter 13 of the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act, are repealed.

Amend Bill, page 7, line 10, by striking out "2" and inserting 6

Amend Bill, page 7, line 10, by striking out "in 60 days." and inserting

as follows:

(1) The amendment of section 201(k)(8) and (o)(4)(B) of the act shall take effect in 60 days.

(2) 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 Chair recognizes the good gentleman from York County, Representative Saylor.

Mr. SAYLOR. Thank you, Mr. Speaker.

I rise to offer amendment A1564, which is a property reduction amendment to this HB 504. My bill takes and raises the personal income tax from 3.07 to 3.70, the sales tax from 6 percent to 7 percent, with no new items coming under the tax revisions. This money is then to be dollar for dollar

redistributed to all the taxpayers of Pennsylvania in property tax relief. In general, it offers somewhere between a 40- to 60-percent reduction in property taxes to all Pennsylvanians.

Thank you, Mr. Speaker.

The SPEAKER. Representative Fred Keller.

Mr. F. KELLER. Mr. Speaker, I was wondering if the maker of the amendment would stand for brief interrogation?

The SPEAKER. Representative Saylor, will you stand for interrogation? Yes, he will.

Mr. F. KELLER. Mr. Speaker, going through the amendment, there are a couple questions that I have regarding the account. On page 6, lines 33 through 37, "If the actual revenue deposited into each of the funds during the six months following the date on which the certification is made exceeds projections, any revenue in excess of projections shall remain in that fund and may be included in the certification for the subsequent fiscal year." So does that indicate that if there are excess funds, they will remain in an account here in Harrisburg?

Mr. SAYLOR. That is in Act 120. That money would stay in that restricted account and could not be used for anything else, and then those dollars that are reserved that have not been spent out will be used in the following year for property tax relief in the following year.

Mr. F. KELLER. Okay. But as I read the language, on line 36, it is a "may" provision and not a "shall." So as we know with funds in Harrisburg, when they have a balance, there is oftentimes the urge to get a majority of the General Assembly to appropriate them for something else. Could that happen in future years?

Mr. SAYLOR. The "may" provision, it just means if there is money there, if there is excess money, not that it may be used for something else.

And I want to correct myself. I said Act 120. It is Act 1.

Mr. F. KELLER. Correct. But being that it is a "may" provision, it does not mean that all that money has to be driven out to the taxpayers. As long as there is an account here in Harrisburg and a majority of the General Assembly and the Governor agrees to use it for something else, that potential exists. Is that true, Mr. Speaker?

Mr. SAYLOR. No. That is not true; that is not true at all. The dollars in that account, that is a restricted account, can only be used for property tax relief. It cannot be used for education funding or any other line item, only for property tax relief.

Mr. F. KELLER. Okay. The Race Horse Development Fund is a restricted account. Is that correct?

Mr. SAYLOR. Yes, it is a restricted account.

Mr. F. KELLER. And we took money from that previously to do other things?

Mr. SAYLOR. By statute only; yes, by statute.

Mr. F. KELLER. So potentially—

Mr. SAYLOR. Any law in Pennsylvania out there can be changed by the General Assembly at any time; yes.

Mr. F. KELLER. Okay. So the potential is if there is money in that account and there is the temptation by those elected officials in the future, that money can be collected for any worthwhile purpose, but, Mr. Speaker, future legislators could say, hey; there is money here. Let us use it to balance the budget. So that potential would exist that we could collect this money and end up using it for other purposes.

Mr. SAYLOR. Well, when you look at the fund as a whole, the dollars in that fund are constantly, year to year, driven out, the amount of money that is collected in those funds. So it is not like that fund is going to accumulate billions of dollars into the future, where every year those dollars would be driven out. The excess is to be used via the formula that is set up under this legislation, so it is not like we are going to build a trust fund in there. It is actually dollars that are being driven out to the local property tax homeowners and businesses through that process. So it is not like this fund is ever going to accumulate too much more money than what we are driving out each year.

Mr. F. KELLER. Thank you, Mr. Speaker.

I do have an additional question, and it is on page 10, lines 30 through 35, and the reason I am going to ask the question – before I get to that, if I can ask something. It mentions, "the sum of the maximum amount of revenue which could be raised by the allowable increase under the index and the amount permitted under the referendum exceptions in section 333...of the Taxpayer Relief Act, minus..." the rate reduction. So one would assume, Mr. Speaker, that if the inflation rate goes up 2 percent and the index goes up 4 percent, the school district could end up raising property taxes even though we have increased the sales tax and the income tax.

Mr. SAYLOR. Yes. In other words, what you understand it still would be less than what the Act 1 index would give them, so it is still not as high as what it would have been under this legislation. In other words, if you bring in additional money above the rate of inflation, those dollars then would mean that the school districts could not raise property taxes because they brought more money in than what the index or the consumer price index or whatever the average weekly wage is in Pennsylvania. So it still would control the way the property tax in the future could go up. So it does have a limiting effect on the property tax future of tax increases.

Mr. F. KELLER. Okay. And it is my understanding that the Act 1 index is a combination of the employment cost index and the statewide average weekly wage for the State, and once that number is arrived upon, then each school district may be adjusted depending upon their aid ratio.

Mr. SAYLOR. That is correct.

Mr. F. KELLER. So it is my understanding that if the school district has an aid ratio of .4, their index can be higher than the average index for the entire State.

Mr. SAYLOR. That is correct.

Mr. F. KELLER. Okay. Thank you, Mr. Speaker.

Mr. Speaker, if I could be recognized on the bill, please, or the amendment?

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

Mr. F. KELLER. Thank you, Mr. Speaker.

I know we are gathered here today to discuss some important legislation on what is a tax shift – not tax elimination, not tax reform, not spending reform, but a tax shift.

You know, I do not have to go back too many years in recent history in the Commonwealth when everybody said, if you allow slot machines, we are going to reduce your property tax. That has not happened. Our property taxes are now higher and increasing, and we have legalized gambling in Pennsylvania.

I think it is sort of fitting that we are discussing this on the 90th birthday of baseball great Yogi Berra, because it is "déjà vu, all over again." Here again it is promises, promises made by people in Harrisburg about which pocket we are going to pick to

pay the taxes. At the end of the day, the money is coming out of the same pockets. And as we know, property taxes in the out-years, because the index – and I look for my school districts almost every year – the index, not the exceptions, just the index has been higher than the rate of inflation, which means we are going to charge our constituents a higher personal income tax, a higher sales and use tax, and when the index is higher than the rate of inflation, we are going to turn around and we are going to raise their property taxes. That is what is going to happen. There is nothing in here that controls that and keeps it at or below the rate of inflation.

So when we look at this, we can call it whatever we like, but in 5 to 10 years, if we are back at the same spot, what are we going to do? Our school districts already have the authority to place on the ballot a referendum that asks the people that live within that school district, do you want your taxes raised on your income to reduce the property taxes of your family, friends, and neighbors? And when you look at those referendums across the State, they almost always fail. So the question is, if people do not want to raise their own taxes on their income to reduce their families', friends', and neighbors' property taxes, what makes them think the wise Representatives from Harrisburg should raise the taxes on their wages to reduce property tax for somebody across the Commonwealth whom they do not even know?

Again, this is a big tax shift, and as I said before, I do not think we are any wiser than the people that send us here. And when they do not vote to do it in their own districts, I really have to question why we should be standing down here in Harrisburg taking money out of those local economies so that we can redistribute it across the Commonwealth. You know, it is just a redistribution of wealth from one area to another, and I think that we need to really consider what we do to control costs in government, not bring more money into Harrisburg. My constituents did not send me to Harrisburg and say, "I want more money collected in Harrisburg so that you can decide how to spend it around the Commonwealth." It is a fundamental idea of people to have the freedom to spend their own money and not have us determine at a statewide level what we should be doing.

So for those reasons I ask that everybody vote "no" on amendment A01564. Thank you.

The SPEAKER. Representative Todd Stephens of Montgomery County.

Mr. STEPHENS. Thank you, Mr. Speaker.

Mr. Speaker, I certainly applaud the maker of this amendment and all those who worked hard on this property tax issue, not only this session but in previous sessions. I know it is a vexing issue that is very important to many of our constituents and taxpayers.

I do rise, unfortunately, to oppose this particular amendment, but to offer an alternative plan, which is filed as an amendment. It is last session's HB 1189. HB 1189 last session passed with 149 votes, Mr. Speaker, and the reason for that is very simple. Unlike the current proposal that is before us, that alternative allows the decisions to be made at the local level, the level closest to the taxpayers, those that will be footing the bills in our schools. That is where the decisionmaking ought to occur. Up here in Harrisburg is not the appropriate place for us to be making the decisions for these very specific and nuanced questions about what forms of taxation are most appropriate in every individual school district across the Commonwealth. Those decisions are best made at the local level.

And for that reason I would encourage members to vote "no" to this amendment and look forward to a "yes" vote on an amendment to be considered later on that would allow our local school districts the flexibility, the flexibility to choose from additional forms of taxation so they are not stuck simply with the property tax option but have some additional options on the menu, so to speak, that they can choose from in terms of funding their schools.

So, Mr. Speaker, I do rise to encourage my members to oppose this particular amendment and hope that we can advance a plan that allows for more local decisionmaking authority and more local control over the menu of options afforded to our local school boards as they seek to fund our schools appropriately.

Thank you, Mr. Speaker.

The SPEAKER. Representative Cohen of Philadelphia County.

Mr. COHEN. Mr. Speaker, this proposal has elements that I think are good and elements that I think are not adequate. I think it is good that we are honestly facing issues of taxes and tax shifting. We cannot endlessly say that we do not favor any tax increase in anything at all, because any ability to deal with the fundamental increases in costs in State government and local government and school districts requires some increases in statewide revenue if there is going to be any cuts in local costs, and I thank the gentleman, Mr. Saylor, for recognizing this with this amendment.

However, two major problems facing the Commonwealth are a lack of school funding, which affects many school districts in Pennsylvania including Philadelphia. Many people think that Governor Wolf's proposal, which is being attacked as far too generous by some, is in fact inadequate, and that even more money is needed than Governor Wolf is proposing. And then we have the problem that everybody is talking about of pensions. We need money for our pension fund of some degree. It does not particularly matter what category money is in. If we get pension fund money that cuts educational costs, then that would cut property costs. If we get higher educational appropriations, then the school districts would be able to contribute more money for pension funds and that will lower property tax pressures. But this bill, by just cutting the property tax, as one speaker said, basically just gives an invitation to local school boards to say, okay, we have got a State-mandated property tax cut that the State has funded, and now we are going to increase property taxes again so we will get it back to where it was before, and now we will have new local revenue with the new property taxes and the State will pay for the old property taxes.

I think this amendment is a step in the right direction, but it just does not go far enough. It is not clear enough. We need more money directly for education, we need more money directly for the pension fund, and the way to get it is to spell things out more clearly. Hopefully, this legislation will lead to an improved version as the legislative process goes on, and I would be glad to vote for it at that time, but at this time with these two key elements missing of inadequate money for the schools of Pennsylvania and inadequate money for the pension funds of Pennsylvania, I am voting "no."

The SPEAKER. Representative Mike Hanna.

Mr. HANNA. Thank you, Mr. Speaker.

Mr. Speaker, like many of the previous speakers, I come to support amendment A1564 to HB 504 with a good number of reservations.

Mr. Speaker, property tax reform in Pennsylvania has proved elusive for decades, and while there are a lot of problems with this amendment, it is important that we try and move forward in trying to effectuate property tax reform during this legislative session.

Mr. Speaker, many of my colleagues and I would like to see additional wage tax relief and property tax relief for the economic engine of this State in the southeast corner.

Mr. Speaker, as HB 504 progresses through the legislature, I believe we should do more for our urban and rural school districts, all while taking into account ability to pay. And, Mr. Speaker, this amendment fails to take into account ability to pay. That is probably my most serious reservation with this amendment.

Mr. Speaker, it is also extremely important to continue the discussion to address the devastating education cuts and the human services cuts that we have endured over the last 4 years.

Make no mistake about it, this process has just begun, and while there is significant work that needs to be done, we must continue to further improve the bill so that it benefits all Pennsylvanians, from every corner of the State, in all ZIP (Zoning Improvement Plan) Codes, and in all school districts. This amendment does not do that, but it is a step in the right direction, and for that reason I will be supporting it today.

Thank you, Mr. Speaker.

The SPEAKER. Representative Dush.

Mr. DUSH. Thank you, Mr. Speaker.

Would the maker of the bill be willing to stand for interrogation, please?

The SPEAKER. The good gentleman, Representative Saylor, will stand for interrogation.

Mr. DUSH. Mr. Speaker, I thank you very much for this bill. The work that your team has been doing on this, it is outstanding, and I think it has gone further than anything that I am aware of towards addressing many of the issues.

I have a couple questions, the first of which, if a school district is being responsible and saving money for the future construction of a building, would they be in any way penalized for establishing a savings account and a fund balance that was above any certain threshold? Would they be penalized for that?

Mr. SAYLOR. Not at all. Many school districts choose, instead of raising all at one time property taxes, they tend to build a savings account up so they can do exactly that to control their property taxes. So no, this bill in no way inhibits them to build a savings account to pay for future construction in any shape or form.

Mr. DUSH. On the reverse of that, if you have got a school district that decides, as some have done with the money that has come from other forms of what are supposed to be property tax relief, they treat it more as a Christmas gift and start trying to build a stadium or something like that, what is there in place to prevent the property taxes from being increased as a result of that extra money coming in?

Mr. SAYLOR. Again, on this piece of legislation, our amendment to this bill, our bill must be used for a dollar-for-dollar reduction in property taxes. Anything that would be built,

major, would come under Act 1, I believe it is. That would have to require a referendum to increase taxes to build something like that that would go above the rate of inflation. Am I answering—I am not sure I heard your question correctly.

Mr. DUSH. That addresses the question.

I do have many of the same reservations that Representative Keller had. I appreciate, again, the work that you have done. I am glad, honestly, this is being introduced as an amendment rather than a stand-alone bill, because I would like to see the completed product, the locks that I would like to see in place. Many of the people of my district that are in support of this type of legislative action have the same concerns that Representative Keller had indicated, but the money comes down to Harrisburg and then the legislature. And I have to say this body, we have got a lot of people who are willing to roll up their sleeves and get the job done, but my concern is for future legislatures and having a degree of local control.

Unfortunately, I am in the position of voting against this amendment, but I have got to tell you, I have never seen this kind of progress before. I would like to see some of the things that need to be addressed done, and I thank you and commend you and the entire team for the work that you have done on this.

Mr. SAYLOR. Thank you.

Mr. DUSH. Thank you, Mr. Speaker.

The SPEAKER. Representative Cherelle Parker.

Mrs. PARKER. Thank you. Thank you, Mr. Speaker.

Mr. Speaker, I rise in support of amendment A01564, and, Mr. Speaker, I do so although A01564 clearly falls short of providing the kind of wage tax relief and property tax relief for the economic engine in southeastern Pennsylvania.

But, Mr. Speaker, when I thought about everything that I consider to be fundamentally wrong and ways that amendment A01564 could be improved, I thought to myself, Mr. Speaker, about the fact that over the past 4 years, as residents of our country and our Commonwealth have grown extremely frustrated about the inability of government and legislators to come together to reach much-needed compromise, particularly in a bipartisan manner, that I have been one of the first people to say that we have to build meaningful alliances to work in a bipartisan manner so that we can reach a much-needed compromise, and that clearly, Mr. Speaker, it is with the spirit of compromise in moving the needle forward so that we can address the issue of property tax reform and relief along with funding public education for residents across the Commonwealth of Pennsylvania regardless of their socioeconomic status and/or the ZIP Codes in which they reside.

But I would be remiss, Mr. Speaker, if I stood before you today and said to you that when the people of the city of Philadelphia recognize that this amendment, when and if it passes this chamber today and if it moves on throughout the process, Mr. Speaker, I do not want the residents of the city of Philadelphia to think that any of us from Philadelphia who will support this measure today think that this is the solution to the problem for funding public education and/or providing property tax relief in the Commonwealth of Pennsylvania and/or in our great city. It is not. But this amendment will do something that could be even more important for us, and that is if we want to have an honest and thoughtful debate so that we can reach compromise on that very important issue, this will help us to

move the conversation forward so that the Governor, who has introduced a very, very ambitious agenda that I believe will impact positively the entire Commonwealth of Pennsylvania, but it will allow the Governor, along with legislators from both sides of the aisle, to continue discussions and move the process along as we get to move more closely to that huge deadline that is coming forward, and before we know it, we will close our eyes and open them, Mr. Speaker, and that deadline will be looking us in our faces.

So with that in mind, I encourage my colleagues to vote in the affirmative for amendment A01564 – not because it is perfect, Mr. Speaker; there is definitely room for improvement – but I support it today, Mr. Speaker, to empower the Governor, our legislative leaders, and members from both sides of the aisle to reach much-needed compromise in addressing this very important issue so that it will positively impact all residents of the Commonwealth of Pennsylvania.

Thank you, Mr. Speaker.

The SPEAKER. The good gentleman from Delaware County, the Appropriations chairman, Bill Adolph.

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

I have been in this hall for many years. I can see the handwriting on the wall. I know where this amendment is going. I have heard from various legislators on both sides of the aisle, but I would be remiss in my duties as chairman of the Appropriations Committee if I did not just bring a couple things to your attention.

I first want to congratulate the maker of the amendment and their team for putting together, in my opinion, the most reasonable tax shift from local to State, from property tax to income tax and sales tax. I represent areas, Mr. Speaker, that receive no more than 15 percent – one district gets 18 percent – from the State, and this proposal obviously addressed some of that.

But let me tell you, this proposal increases State spending by \$4.3 billion in the first year and will continue to grow year after year after that. How do I know that? I have watched my school property taxes rise year after year despite good budgeting by many of our local school boards. School boards will tell you that property tax is more reliable; however, wage tax in good times brings in a lot of revenue. Experience a recession and you will see what that income tax does for you and that sales and use tax. I remember in 2008 what happened to our PIT here, but the most glaring mistake that we are making here is taking on this \$4.3 billion local tax and bringing it up to the State while we still have a structural deficit.

I would love to have had this conversation and this debate after the budget, after we balance our books. There is probably not a day that goes by that I do not receive a letter from a constituent, a member of this House requesting funds for a line item that might have been deleted by the Governor's proposal or increased funding based upon last year.

Just to get back to last year, Mr. Speaker, the best prediction is that we need \$1 billion, but this amendment puts a new line item on our budget of \$4.3 billion. It is a tax shift; it is a tax shift. There are winners and losers; there are winners and losers, but let us take a look about who will naturally win. There is no question in my mind our senior citizens benefit from any type of switch from property tax to a PIT, but who pays for that? The wage earners, our small business people, the job creators – they will be paying an increase in State income taxes, an increase in State sales and use taxes.

The other problem that I see – now, I am not going to change anybody's mind today. I can see that this is going to go to the negotiation table. But let me tell you something, as the baby boomers retire, the largest generation in America, the baby boomers start to retire, the next generation will be paying the bulk of this tax shift, and guess what? There are not as many of them as there are of the baby boomers, so this tax rate will continue to grow.

So what is the next move? Right now not every school district in the Commonwealth receives the same amount of funding based upon their wealth, based upon the per capita, based upon the needs. We are not increasing State funding for education, State funding for DHS (Department of Human Services) items – your hospitals, your nursing homes – but we find that the most important thing that we can do before we balance the State budget is increase the line item by \$4.3 billion.

I see where we are going. So when I come back to you 30 days from now, we will see where this is all going to lead to, but I am really shocked that we would be proposing a 16-percent increase in State spending on a \$1 billion structural deficit. Thank you.

The SPEAKER. Representative Barbin.

Mr. BARBIN. Would the maker of the amendment please rise for interrogation?

The SPEAKER. Yes. The gentleman has indicated he will stand for interrogation. Please proceed, sir.

Mr. BARBIN. Thank you, Mr. Speaker.

Mr. Speaker, about a year ago on the steps of the Capitol, a 90-year-old World War II veteran testified to both sides of the General Assembly that he was losing his house because of property tax bills that were no longer manageable for him and that he was going to lose his house. Would this amendment to the bill provide him with tax relief which would allow him to keep his house?

Mr. SAYLOR. Absolutely. One of the things that I have tried to point out to people today is society has changed over the last 40, 50 years, and I think we all recognize it in our own communities, our own churches. Whether it is a veteran or a senior citizen today, many times in the past a lot of people would pass away at 68 years of age. Now we have men and women serving us in our Armed Forces who retire and are retiring on maybe a small pension from the military, a little bit of Social Security, and today they are living 30 years after they retire and no longer working. This bill allows those individuals to keep their home, stay in their home that they have paid for. And so, yes, you are exactly right, this helps that veteran.

Mr. BARBIN. Mr. Speaker, on the bill, or on the amendment?

The SPEAKER. Yes, Representative Barbin, you are in order and you may speak.

Mr. BARBIN. Thank you.

I rise in support of this amendment. I know what this amendment does. I have read all the pages. This is not the amendment that I would write, but I am not in the majority. What I believe is more important is that we reach some compromise that helps our oldest citizens stay in their houses. I have been here for 7 years. This is exactly the same position we were in on the transportation bill. There are 100 reasons to be against an amendment or against property tax reform. I can think of at least 99, but the bottom line is, we have to move

forward. We have to do something to keep one of our citizens, like the World War II veteran that is losing his house, in his house.

We cannot wait until after the budget is passed. It is time to do something now. If somebody has a better idea, bring it up, but if you do not, I am voting for this bill. I encourage everyone to vote for the bill because it pushes it over to the Senate. We will reach a compromise, and at least some of these seniors will be able to stay in their house.

The SPEAKER. Representative Joe Emrick.

Mr. EMRICK. Thank you, Mr. Speaker.

First, I would like to thank the gentleman from York County for proposing this amendment and for all of my colleagues who put in an incredible amount of time working on this issue knowing how vital it is to many, many of us across the Commonwealth.

As most of us, if not all of us, in this chamber know, the root cause of the property tax problem that we have is with the educational funding formula, and so while certain parts of the State benefit dramatically because of that flawed formula, there are other parts of the State that now face a crushing property tax problem. And I, for one, have talked to thousands of my constituents, and I have heard the story, just like the previous speaker just mentioned, way too often where seniors and other people can no longer afford to stay in their home simply because they cannot pay their property taxes. In my humble opinion, Mr. Speaker, that should be unconstitutional. Nobody deserves or should ever lose their home – in many cases, homes that have been paid for for years – because they cannot pay their property taxes. And so this bill, while not perfect, is a very good piece of legislation that provides significant property tax relief to the many parts of the State that need it, such as the Lehigh Valley, the Poconos, Berks County, south central PA, and other areas.

And just to give you an example of how the three districts that I represent would benefit under this proposal, the total property tax relief for the Bangor School District would be more than \$8 million, and a net benefit, once all taxes are accounted for, of more than \$2 million; the Nazareth School District will receive over \$13 million in property tax relief under this proposal, and a net benefit of over \$3 million; and the Easton Area School District will receive \$26 1/2 million in property tax relief under this proposal, and a net benefit of almost \$8 1/2 million.

Mr. Speaker, this is a crushing issue for the constituents that I represent. I know it is a crushing issue for many, many of my colleagues, and I would ask for an affirmative vote. Thank you, Mr. Speaker.

The SPEAKER. Thank you, sir.

Representative Metcalfe.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, would the maker of the amendment answer a question?

The SPEAKER. The gentleman has indicated he will stand for interrogation.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, in the legislation, it provides for a "NOTICE OF PROPERTY TAX RELIEF." The language reads, "Your enclosed tax bill includes a reduction in the tax rate on real property. This reduction has been provided under the School

Property Tax Reform Act, a law passed by the Pennsylvania General Assembly designed to reduce your property taxes."

Mr. Speaker, why is it necessary to include in this a notice for the property tax bill?

Mr. SAYLOR. First of all, it is already in Act 1, and we just want to make, for transparency purposes, we want to make sure it is clear to everybody that it needs to be done.

Mr. METCALFE. It is already in Act 1?

Mr. SAYLOR. It is already in Act 1.

Mr. METCALFE. So that language that I am reading is underlined. So this is new language in this amendment?

Mr. SAYLOR. In this amendment, yes. It is already in Act 1, but it repeals it out of Act 1 and puts it in this piece of legislation.

Mr. METCALFE. Thank you, Mr. Speaker.

If I can make comments on the legislation, Mr. Speaker?

The SPEAKER. Yes, sir. You are in order.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, as a citizen before being elected to the legislature, having heard back then prior to 1998 that the legislature wanted to bring about property tax reform, as a hardworking taxpayer, I had concerns. I was concerned that whatever, whatever was done was not going to be for the good of the hardworking taxpayer but would be for the good of those in government and those in bureaucracy who wanted to take more from the taxpayer, Mr. Speaker. And as I have talked to taxpayers that I represent, I believe a number, many of the taxpayers that I represent have the same skepticism about government talking about tax reform.

Something that I have been advocating for since the beginning of my time in office is a true tax reform that is an elimination of the property tax with voter referendum to make sure the spending problem is put in check, Mr. Speaker, but this legislation does not provide that. This legislation should say, instead of "this was passed on your behalf or passed by the General Assembly for your property tax relief," this should say in big, bold, red letters across the property tax bill, "taxpayer beware, because you are going to be paying more, more in tax dollars." Your tax burden is going to be greater at the end of the day with this legislation, just as it would be with the Wolf proposal. Either way, the taxpayer gets taken to the cleaners once again.

So for anybody watching this in the press, for all the press reporting on it, do not grab the nice sound bites that are being crafted for your digestion to make your life easier when you are reporting on what is happening here in these halls today. Do some research. Expose this to the taxpayers for the increase in personal income tax that every hardworking taxpayer is going to be burdened with, show it for the increase in sales tax that everybody is going to be burdened with that has to make a purchase, and show it for what it is going to do, and that is not to give more moneys to school districts. This is to give more money to the teachers union, because this money will be consumed by the public-sector unions that will be feeding out of these new dollars.

This legislation, Mr. Speaker, with the property taxes that are going to be reduced, those property taxes will creep back up to be the same exact burden they have been because there are no spending limitations other than the current index, which does not stop anybody. Year after year after year when school districts ask for waivers to go above the index, they are granted one after another with little to no resistance, Mr. Speaker. The

index that is in place requires them to go to voter referendum, unless they have a waiver, if they want to go above that index, Mr. Speaker, and if school districts increase up to the waiver, there is no voter referendum; there is no waiver needed. They just continue to increase taxes up to the index amount.

So as taxpayers get brought into this lullaby that they will be receiving some type of property tax relief finally, what they will realize a few years down the road, most likely, is that they will be paying more in PIT, more in the personal income tax, more in the sales tax, and they will be paying back to the same burden in their property tax in the near future, Mr. Speaker.

Mr. Speaker, this is not an answer to those citizens across the State that have been rallying and asking for substantive property tax relief in the way of elimination of school property taxes. This does not do that. And for legislators that ran on that issue that are now compromising to go along with this vote, this vote is not going to answer the cries of those citizens that have been put in jeopardy for their homes, Mr. Speaker. This is a shortsighted answer to what needs a long-term solution for a very real problem, Mr. Speaker.

Mr. Speaker, I would ask that this amendment be opposed and voted down because it will not do anything except increase the tax burden across the State in a great way that our citizens cannot afford, Mr. Speaker.

Thank you, Mr. Speaker.

The SPEAKER. The good gentleman from Bucks County, Gene DiGirolamo.

Mr. DiGIROLAMO. Thank you, Mr. Speaker.

Mr. Speaker, I have been in the House here for 20 years, and almost since the very first day that I got sworn in in January of 1995, the issue of property taxes and how do we reduce them across the State of Pennsylvania has been talked about and debated.

I remember initially my good friend from Berks County, Sam Rohrer, had a bill, and he pushed that bill for a number of years and he finally got a vote on it. It did not pass. There have been many other votes here in the House on reducing property taxes here in Pennsylvania, and, Mr. Speaker, for the record, I have never voted once "yes" on any of those bills. I voted against every one of those bills. But today, Mr. Speaker, I rise in support of the Saylor amendment that we have before us, and there are a number of reasons why I support it today, Mr. Speaker.

For how long, how many years are we going to talk about reducing property taxes in each and every one of our districts? All of us, I am sure – I know I have – have campaigned through the years on reducing property taxes. We have had town hall meetings and talked about reducing property taxes. We probably sent e-mails out and put articles in our newsletter about reducing property taxes. How long are we going to continue talking about it and not doing anything?

And the stories, Mr. Speaker, that we hear from our constituents. Just last week I heard a story, and most of them, in my district anyway, are from our senior citizens, and they are heartbreaking, Mr. Speaker, they are heartbreaking – senior citizens on fixed incomes that come into the district office and they are looking for help to pay their property taxes because they are not going to be able to stay in their homes any longer if they do not get some help. And they sit there in my district office, Mr. Speaker, and last week the woman was in tears because she did not know what she was going to do or how she was going to pay her property taxes, Mr. Speaker.



How long are we going to continue this debate and talk about it, Mr. Speaker? This bill is not perfect. There are things in this bill that I do not like, but I will bet you what. If I ask everybody in this hall here to come up with a bill that reduces property taxes, we would probably have 203 different ideas.

This bill is not perfect, but if we are really going to do something about reducing property taxes, Mr. Speaker, we have got to put a "yes" vote up and move this bill forward. That is the only way we are going to get it done. If you put up a "no" vote today, go back home to your district and tell your constituents that we are never going to see property tax relief, because this is the last chance you have to reduce property taxes, Mr. Speaker.

Just in closing, old saying: It is time to put our money where our mouth is. Let us tell the people of Pennsylvania that we are serious about moving this law forward and reducing property taxes. I ask for an affirmative vote on the Saylor amendment. Thank you.

The SPEAKER. Representative Evankovich.

Mr. EVANKOVICH. Thank you, Mr. Speaker.

Mr. Speaker, many of the points on this property tax shift proposal have already been discussed both for and against. The simple realities, the simple realities that exist are that one thing is for sure, one thing is for sure, we can claim victory for some if this amendment passes and becomes law; some people can claim victory, but just as the last speaker said, are you ready to go home and tell your constituents, whether you voted for or against this, that you voted to raise certain taxes for certain of your constituents at their peril to give relief to others?

The reality is from a policy perspective. We are shifting \$5 billion that is locked out of this, locked out of this building, locked out of the Capitol for its own spending purposes. We are taking \$5 billion that is locked out of this building and we are bringing it in here. We are putting it at the will of any other General Assembly, we are putting it at the will of any other Governor, and we can guarantee one thing, based upon past performance of what happens in the halls of this Capitol, is that they will find a way to spend it on purposes for which it was not originally intended.

Mr. Speaker, as the majority Appropriations chairman alluded to, we often hear about the brain drain here in the State of Pennsylvania, how our brightest, our youngest leave this State to find employment in other States. Well, the simple reality, Mr. Speaker, is that if we pass this provision, if this provision becomes law, we have once again shifted the costs of this State on to the younger working-class families, and it is already a cost that they cannot bear, otherwise we would not have a brain-drain problem.

Mr. Speaker, as I said, we will be able to claim victory if this amendment passes, but victory for whom? One-to-one reduction, one-to-one reduction in property taxes – we have heard it over and over again – \$1 raised, \$1 reduced. Whose taxes are being raised? Whose taxes are being reduced? Why are we taking a system that everyone knows is already unfair, we know that the way we fund our schools is unfair, we know it to be true, but why are we then creating another unfair system to try to fix the one that is already broken? Why are we creating more winners and losers? We should fix the system as it is, not do a partial elimination. If we are going to consider eliminating property taxes, why are we going to create a partial elimination, a one-third elimination? Because we know what is going to happen, that money is either going to be here or it is not going

to be here, but it is going to be spent, and we are going to be back to the same problem that we have today.

I urge my colleagues to vote "no" on amendment A01564. Thank you.

The SPEAKER. Representative Harper.

Ms. HARPER. Thank you, Mr. Speaker.

Several of the speakers today have challenged those of us who are voting "no" to say so if we have a better idea. I have a better idea. It is filed as an amendment to this bill, and it will come up in due course.

The people we are trying to help and protect here are our senior citizens who feel they are being pushed out of their homes by property taxes. Why not expand the property tax and rent rebate program to keep those folks in their homes?

This is a massive tax increase. It benefits companies and malls and other payers of taxes and puts the burden on individuals and families. Make no mistake about it, it is a massive tax shift and a massive tax increase on individuals and families, and it is a huge tax decrease to large property owners who are, hopefully, making money from their properties.

If we really want to help people who are senior citizens over a certain age, under a certain income, who need help, expanding the property tax and rent rebate program is the way to do it.

Now, I am not crazy about raising any tax, and this actually raises two taxes massively – sales and income taxes – but for a modest increase in the sales tax, .5 percent, we can give real relief to seniors on fixed incomes because we can expand eligibility for that very popular program and we can expand and increase the rebates that each of the seniors gets. It applies to homeowners and to renters, because obviously part of their rent is property taxes.

Let us target the relief to the people who need it. If we go with the Saylor amendment— Let me ask you guys, how many of you have had the experience of having a citizen say to you, "Whatever happened to that money from gambling that we were supposed to get as property tax relief?" And I tell them, "It's on your tax bill. It's that homestead exemption." And they say, "No, it isn't." I say, "Yes, it is." And they say, "No, it isn't." And I say, "Give me your tax bill," and I show it to them, and they are not impressed. And trust me, this is a massive tax increase, and it is going to have the exact same effect on your constituents' property tax bills.

So let us go with the solution that takes care of the people who need to be taken care of: seniors on fixed incomes. I have an amendment coming up. Keep your powder dry and vote for that.

Thank you, Mr. Speaker.

The SPEAKER. Thank you, Representative.

Representative Mike Vereb.

Mr. VEREB. Thank you, Mr. Speaker.

A few things, if I could just put them out there. One, I stand in favor of this amendment. We hear a lot of talk about the funding formula. This General Assembly last year created a basic education funding formula commission, which is made up of 15 members which I proudly cochair with my good friend, Senator Pat Browne – one of the most bipartisan groups of people working together to address that formula issue. We all know the formula is broken. We all know that we have been throwing money at a formula that is broken. We need to come up with a fair funding formula, that is the goal and the challenge of this commission, and we hope by June 10 to deliver a product to you.

That being said, there is no perfect formula. There is no perfect amount of money to pay for education. There is certainly no perfect property tax bill in Pennsylvania.

Mr. Speaker, in my 9 years, every single time I am walking doors, I promise people I will continue to fight for property tax elimination, elimination, elimination. This does not eliminate, but I feel it is very important that we keep the property tax issue alive, similar to what we did last session when I supported HB 1189.

We all have great ideas. This education system that we face is Herculean, to say the least, to try to tackle. Saying "no" and "this is not good enough," well, what is the plan that will work that has not been run before?

My good friend from Berks County has been championing the elimination bill. We feel that this bill is not a compromise to that bill but is a compromise in the sense that it is going to keep this conversation going. Revenue has to be raised to pay the bill for education, and the people that are going to pay for it are the same people. The question is, are they going to pay for it through goods and services, or are they going to continue to deal with it based on the property of their house value through property assessments?

Every single addition, every single improvement that gets done to a home and a permit is pulled, people's property taxes go up before the school boards do anything. You talk to the people at home; I actually think people at home like us better than our local school boards because they are faced with that challenge of raising taxes almost each and every year.

Mr. Speaker, we are working diligently. We are taking the charge of this General Assembly very seriously. We have been doing so in a very bipartisan way. We had a new administration come in who is working with us toward getting to an end goal of what it costs to educate our children in Pennsylvania.

So I urge a "yes" vote to the Saylor amendment, and I urge that this vote will keep the conversation of property tax, either elimination or reduction, in the front spotlight of the General Assembly.

Thank you, Mr. Speaker.

The SPEAKER. Representative Baker.

Mr. BAKER. Thank you, Mr. Speaker.

I regrettably rise to oppose my good friend, the gentleman from York County's amendment.

Mr. Speaker, I have supported property tax elimination bills in the past for a number of years, and as long as I have been around, property tax reform has been an issue. But I can tell you that I cannot support this massive tax increase in sales tax, income tax, and growing government in spending by nearly \$5 billion a year when there are no cost controls about future tax increases. There is no referendum approval process by the local voters to decide whether they should support this or not.

And on that point, since Act 1 passed – and I believe it was 2006 and 2007 ensued the beginning of several local referendum votes on shifting this tax burden to income in search of property tax relief – I can tell you there have been four votes in my district on referendum that shifts taxes to income in exchange for trying to lower property taxes. And each and every referendum vote in my district, the voters resoundingly defeated, defeated tax reform.

Now, I understand the voters want property tax relief, but I can tell you based on those very strong votes in my legislative district – one vote was 4 to 1 against; the other votes were either 3 to 1 or 2 to 1 against – the constituents and the property tax

payers and the income tax payers and the sales tax payers, I can tell you the vast majority of the taxpayers did not approve this tax shift, this tax increase.

So I would be very, very careful for the members when putting up a vote to massively increase sales tax by 17 percent and increasing income taxes by 21 percent. There is no taxpayer protection against future property tax increase in this amendment.

And my goodness, there is no benefit, no relief at all to renters. The renters are going to pay increased sales tax and income tax and get absolutely no benefit whatsoever. So it really hurts the renters in the Commonwealth of Pennsylvania.

For all these reasons, Mr. Speaker, I rise to oppose this amendment and ask the members to be very, very careful about voting for massive tax increases.

Thank you, Mr. Speaker.

The SPEAKER. Representative Grove.

Mr. GROVE. Thank you, Mr. Speaker.

We have heard a lot about property taxes thus far, but what we do know is people are unhappy with the current system of financing education.

Individuals have brought up gaming. Gaming has brought \$600 million in property tax reduction for homeowners – \$600 million. Amendment A01564, we are talking about \$4.2 billion.

Slot revenue does not grow. It has not grown. We have had oversaturation, which was actually brought up when we were debating this to begin with. This is tax revenue that naturally grows and will continue to drive money towards property tax relief in the out-years.

I stand today in support of A01564. It provides one of the largest school property tax cuts in the history of the Commonwealth – \$4.9 billion when you include current slot revenue, average of 50-percent reduction for homeowners. All property tax payers will see reductions, businesses and individuals alike. Renters whose rent is predicated on property taxes will either see reductions or less increases on top of increases to the property tax and rent rebate program, which is in this amendment. It will provide long-term and substantial property tax relief, unlike gaming. More importantly, Mr. Speaker, this changes how we fund education in this Commonwealth.

Right now we cannot tell school districts how much money they will be getting. We have not done a budget yet, and they are predicating their budgets on an unknown amount. Mr. Speaker, this amendment will ensure our school districts have notification of the allocation they will get prior to the June deadline. That is important for local budgeting and allowing school districts to make spending decisions at the local level.

It creates less burden on taxpayers. By reducing the millage rates to the personal income tax increase, you automatically reduce out-year property tax increases, and you provide relief to all property tax payers, not just homeowners. Sales tax revenue will go to homeowners directly. That \$1.56 billion will be driven out to primary residence homeowners. That is what gets you the 50-percent reduction for homeowners and drives it to those who are calling the highest for property tax relief in their areas.

For the first time State government is guaranteeing school districts a predictable line of funding, which they will know prior to June. Through current school financing, school districts right now are setting budgets where they are either predicting a

zero increase and hoping for the best, or we allow them to reopen their budget, but they just do not know. They do not know how much money they will be getting.

With the guaranteed State funding that this amendment provides, it ensures that State funding will always offset property tax increases to protect taxpayers in the out-years. The goal of this is not for more taxes or higher taxes, it is to redo how we do State funding, to make sure the State share is where it is supposed to be at, as well as providing relief at the local level. If we guarantee money, school districts should not have to raise it, and that is what this bill does.

It ensures Harrisburg does not become a super-school board. We did not get elected to school board; we got elected to State government. We have other priorities than just education. While it is one of the most critical issues we deal with, we are not dealing with the minutiae that school board directors have to deal with.

Mr. Speaker, we protect school districts. If State tax revenue fails, we pull sales tax revenue to make sure the millage rates we force school districts to do – make sure we fund at the State level. It is important to school financing that we guarantee that.

We require the department to check school district reporting to verify that school districts are utilizing the tax reductions in the proper way, something that is not done now. More importantly, Mr. Speaker, we require school districts to send property tax bills with last year's payments so property owners can actually see the reductions.

As one of my previous commenters commented, right now it looks like we just devalued their house for slot revenue. They actually do not see the reductions. They do not feel it. With this bill, Mr. Speaker, that \$4.2 billion in property tax relief will be seen by them because it will require school districts to actually place it in there. Everyone will see their property tax reductions.

Mr. Speaker, it is time to act. Amendment A01564 provides predictability in school funding and reforms an antiquated school finance system that everyone agrees is broken. We fix the problem and we can start moving forward with substantial ways to help school districts further reduce costs. But, Mr. Speaker, this is important to the taxpayers of this Commonwealth to reform our system and increase the State share in a dollar-for-dollar shift. None of this money is going to the General Fund; it is going right back to the taxpayers of Pennsylvania where it belongs.

Mr. Speaker, I would appreciate my colleagues' support for A01564.

Thank you, Mr. Speaker.

### LEAVE OF ABSENCE CANCELED

The SPEAKER. Members, the majority whip has indicated that Representative Regan would like to be placed back on the master roll, and that will so be granted.

### CONSIDERATION OF HB 504 CONTINUED

The SPEAKER. Representative Rick Saccone.

Mr. SACCONI. Thank you, Mr. Speaker.

Mr. Speaker, property and taxes; Americans love the one and they hate the other, especially when the hated tax is applied to their beloved property. This is the number one issue in my district, like many others across this State. Most of us already

know that property tax is an unfair and immoral tax that hurts people on fixed incomes in their most vulnerable moment.

Owning a home is a core American value. This bill, however, will help protect our homes from the threat of loss due to a government tax. This bill relieves the burden on property owners by spreading responsibility to everyone across the State. I hear people saying, constantly hear that this is a tax shift. It is a tax shift. It is not a tax shift. It is a tax spread. It is taking the tax from one group of property owners and shifting it to everyone in the State because everyone pays sales tax. Even tourists passing through the State pay sales tax and can help fund our schools.

Unlike the Governor's proposal, under this bill school districts receive a dollar-for-dollar swap for the money they currently receive from property tax. Now, I do have concerns about it, because remember, there are those out there that tempt us to take a bite of this apple called partial relief. And I tell you, my friends, beware that this is not the voice of the serpent that bids you to eat, because partial relief is a deception. It is a grand deception because we all know that people under this onerous burden of property tax, straining under this unjust tax, will grasp at anything that gives them the illusion of relief. But you know that what happens once this partial relief is put into place, school district expenses will just rise again and taxpayers will be right back where they started from. Do not be deceived.

We all still wince from the promises of the casino tax scam that was supposed to be for property tax relief. The only way to truly deal with this problem is to eliminate the school property tax. And people tell us they are willing, they are willing to pay more in a sales tax and an income tax if you eliminate the property tax. This does not eliminate the property tax. That is not what we have before us today.

I will vote for this bill with the proviso that there is an amendment coming up right behind it that will put a voter referendum on any tax increases. That is the only way that we will get true property tax relief out of this bill.

You know, people have lost faith in our government. You all know it. We say it all the time here, and for many cases, with good reason. The people tell us what they want to do, and they say the politicians do the opposite. People want elimination. They want true property tax relief. They want us to cut and control spending. They do not want the illusion of property tax relief. This is a step toward elimination.

You know, as Einstein had said, "The significant problems we face cannot be solved at the same level of thinking we were at when we created them." We need new ideas. This is a new idea.

Everyone back home is saying it cannot be done. Every time I go to the town hall meetings, they say, "Yeah, you guys say you are going to eliminate property tax, you are going to give us some relief – you will not do it. You cannot do it. You have been saying you were going to do it for 40 years."

But remember, our reputation is made by searching for things that cannot be done and doing them. This is your chance to actually do something about property taxes. So I beg you all to do the courageous thing: stand with me and the taxpayers and vote "yes" on this amendment.

The SPEAKER. Representative Roae.

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

The SPEAKER. The good gentleman has indicated he will stand.

Mr. ROAE. Thank you.

Mr. Speaker, on the fiscal note on about the third page, I was reading about the funding that would go to the Public Transportation Assistance Fund and the Public Transportation Trust Fund, and I just wanted to get a clarification on that. It is saying that in 2016 there would be \$15 million transferred to the Public Transportation Assistance Fund and \$65 million transferred to the Public Transportation Trust Fund. Is that accurate, Mr. Speaker?

Mr. SAYLOR. That is accurate. It is the current law that this General Assembly operates under, so nothing has changed in this amendment.

Mr. ROAE. So, Mr. Speaker, the theory that this amendment would give a \$1-per-\$1 shift from sales tax and personal income tax to property tax, it is actually \$80 million less than that. Is that correct?

Mr. SAYLOR. We are not changing anything in the current statute. When we drafted this amendment, we drafted it so that we were not trying to change other provisions that are currently in law just to create property tax relief. Vendors will still get their 1 percent of the 1 percent they are collecting, so we are not changing that law either. The mass transit, we are not changing that either. So you are correct that the current law as is on sales taxes is not being changed at all.

Mr. ROAE. All right. Thank you.

May I speak on the amendment, Mr. Speaker?

The SPEAKER. Yes, sir. You are in order.

Mr. ROAE. All right. Thank you, Mr. Speaker.

I think this amendment is well-intended. I think there are a lot of people that would support eliminating property taxes. A lot of us are scared to reduce property taxes because they can just go right back up again. But I am concerned about this portion of the amendment that would actually allocate more money for mass transit.

In 2013 when we passed the transportation legislation, mass transit got an additional \$500 million more than they previously got. Because of the way the existing law is, how they get a cut of the sales tax money if we increase the sales tax, another \$80 million a year will go to mass transit, and it just seems like that \$80 million should go towards more property tax relief rather than mass transit.

Back when we passed the transportation law, it came out that 90 percent of the new \$500 million of transportation funding went to Philadelphia and Pittsburgh because that is where most of the mass transit riders are. So I suppose that means that 90 percent of this \$80 million would also go to the systems in Philadelphia and Pittsburgh. And I hope as this legislation moves through the process, I hope that we can amend the part of this out where mass transit would get \$80 million that should rightfully go towards more property tax reductions.

Thank you, Mr. Speaker.

The SPEAKER. Yes, sir.

The good lady, Representative Rosemary Brown.

Mrs. R. BROWN. Thank you, Mr. Speaker.

I rise in support of this amendment. I thank Chairman Saylor and many of the other members of this House who worked on this proposal.

Mr. Speaker, although I support full elimination of school taxes, this proposal offers significant relief to my taxpayers and I cannot turn my back on this opportunity. My people are begging and pleading every day, as many of the members have said, for help to make their tax bills more reasonable. I know

this amendment will continue to evolve as we move the tax relief discussions forward.

And I have heard about winners and losers, and I have to tell you in this debate, let us talk about losers, because my district, the school districts such as mine have received as low as 23 percent of their funding from the State while others receive 60 to 70 percent. Areas such as mine were the fastest growing counties in Pennsylvania and the State never recognized it. Eight to twelve thousand dollar school property tax bills are unacceptable, they are unsustainable, and truly, very un-American. We must do something to help the people of my district and many of the other districts within this Commonwealth.

Yes, there may be areas that receive slightly more or slightly less in this proposal, but we are moving towards the middle, the middle of where there are less winners and losers at such a drastic difference.

I ask all members to do the right thing and realize that we as a group have an obligation to help the people of this Commonwealth.

Thank you, Mr. Speaker, and I ask for a "yes" vote on this amendment.

The SPEAKER. Thank you, Representative.

Do any other members wish to be recognized? Doyle Heffley, Representative Doyle Heffley.

Mr. HEFFLEY. Thank you, Mr. Speaker.

I rise in support of the Saylor amendment because everywhere I go in the district that I represent, people ask me about property taxes and what is being done in Harrisburg. Some people back home say that I should come to Harrisburg and demand, demand that we eliminate property taxes. I cannot demand that we eliminate property taxes, but I can voice my support for this amendment. As we work on what is a tax shift – not a tax increase, as many have called it – this is a tax shift that will provide meaningful property tax relief, in some areas over 50-percent relief, for the hardworking families that pay property taxes.

A property tax bill of eight or ten thousand dollars a year is unacceptable. We have communities that are becoming blighted, blighted for no other reason than the taxes are higher than the mortgages. When this happens, senior citizens can no longer sell their homes.

A lot of people for many years have felt that home ownership is great in the concept that it is your nest egg. As you age, you want to sell your home to cash in so you have money for your retirement, but when the property tax bill is higher than the mortgage, you are losing equity in that home. So there are many facets to the issue with property taxes and why it is more equitable to say paying a PIT (personal income tax) or a sales tax to offset those costs, being based more on the ability to pay than just some arbitrary number.

Mr. Speaker, this bill is not perfect. I truly support full property tax elimination, but I feel that this bill gets us one step further in that process and I urge my colleagues for a positive vote. Thank you.

The SPEAKER. Any other members, because I am going to go to the leader and then I am going to go to the prime sponsor? Representative Mark Gillen.

Mr. GILLEN. Thank you, Mr. Speaker.

For the last several years I have carried this letter with me in my pocket, and I have made a commitment to this unknown constituent, individual, in my school district. He did not sign the

letter from he and his wife; in fact, on the outside of the envelope there was no return address. The letter ends, "Please help."

This grandparent raised all five of their children in their home. I am not going to read the letter. It mentioned every seminal holiday, birthday party, Christmas event. They indicated to me in this correspondence that they would be forced to sell their home within a year. It has been several years since I received this letter and there is nothing I can do to learn who they are or to rescue them, but what we can do is speak on behalf of those of the Greatest Generation.

My dad was a World War II veteran. He has passed away. My mother is 89 years old, and she would like desperately to stay in her own home. I think we have an ethical, we have a moral responsibility to our senior citizens especially so that they are not placed in a position that they are forced out of their homes and average Pennsylvanians are not forced into a situation where they are renting and leasing their property from the government.

This amendment is not a finished product. I would like to see more, but guess what? This is the beginning of the process. We are on the highway. There will be other amendments to follow, and certainly, I would like to see a referendum follow this particular amendment.

We talk about taxes – personal income tax, sales tax. In fact, those taxes will rise and we cannot apologize for that, but guess what? Dollar for dollar it is going toward property tax. It is going to rescue some senior citizen. It is going to give this legislative body hope. When we look up on the board and this vote goes down, it is the end of property tax elimination discussion before this body, at least in the near term.

I ask that we continue the process. Let us go down the road together, let us develop an improved product, but a vote for this is to continue the debate and discussion on property tax elimination. I ask for an affirmative vote on the Saylor amendment.

The SPEAKER. Any other members who wish to speak? The majority leader, Dave Reed.

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

Before I offer my remarks on the proposal in general, I do just want to say thank you to the maker of the amendment, Chairman Saylor; to the leaders of the working group in our caucus we have had working on this issue for about 6 months – Representative Grove, Representative Cox, and Representative Heffley; to the 25 to 30 members of our caucus who have been intently working on property tax reform during that timeframe; to the members of the Democratic Caucus who have worked on this issue for years alongside our members; and to the members in general, I just want to say thank you for your patience.

Debating property tax reform is not an easy issue to deal with. There is an expectation among those in the public that there is an easy fix, that there is a pot of gold at the end of a rainbow, that you can have schools, you can have teachers, you can have textbooks, you can have computers, but you do not have to pay for them. That is just not the case. But we do have the opportunity to create a fairer manner of the way we gain our revenues to fund our public schools.

This proposal is not the end-all, be-all. I am not sure there is any perfect solution. In fact, I have a feeling that of the 203 members of this body, if we were each given a computer and asked to come up with our own solution, we would all come up with something a little bit differently.

The unfortunate part, though, is we do not live in a dictatorship. We do not get to decide on our own. We are lucky to live in a representative democracy where we work together, we give and take, we try to move the ball forward to progress as a community, as a body and as a State. This is the beginning of the discussion.

For many folks like myself, we would like to end that discussion with the day when we completely eliminate property taxes as the way we fund our public schools, but we have been waiting for 40 or 50 years for that day to come, and I, for one, am not willing to wait another 40 or 50 years to provide significant property tax relief to our citizens. This bill provides almost \$5 billion in property tax relief to the citizens of Pennsylvania. That is a significant step forward.

Now, I understand some folks will be for it and some folks will be against it, but we were all elected to make positive changes for the folks of Pennsylvania.

As a legislator, I am often given the opportunity to be a commencement speaker at high schools and colleges, and one of the lines I always refer to in my speech is a line about how many great ideas, how many great possibilities, and how many potential solutions fall victim to folks that are all so passionate about maintaining the status quo. Today is about a willingness to move off the status quo, to move forward with the discussion, to see where it might take us, to see where we can leave this State together – not as Republicans, not as Democrats, not as urban members or rural members, but as leaders of each and every citizen across this Commonwealth.

Now, I make no secret that I am a history buff and I like to read biographies of Presidents and I like to quote great leaders of our times. I had the opportunity 2 weeks ago to travel to Florida with my wife and my three children to take our kids to Disney World for the very first time. And as we walked through the Magic Kingdom, in one of the rides where they had construction going on, they had different quotes from Walt Disney as he led the beginning of the Disney brand. One of the quotes stuck out to me. That quote was that sometimes it is "fun to do the impossible."

Today we have the opportunity to try to do the impossible. We have the opportunity to try to do what folks have said we could not do for 50 years and cannot be done for the next 50 years. I hope whatever your concerns about the minute details of this proposal, you will come on the adventure with us and see if the impossible can be done over the next couple months. I think it is something we owe to our citizens to continue the discussion and see if once and for all we can move off the status quo and bring true, meaningful property tax reform to the people of this State.

I would ask the members to support the Saylor amendment. Let us move this ball forward together, and let us bring property tax reform home.

Thank you, Mr. Speaker.

The SPEAKER. The good gentleman from York County, the prime sponsor, Representative Saylor.

Mr. SAYLOR. Thank you, Mr. Speaker.

You know, I have been here for 23 years; this is my 23d year here. But before I came here, kind of today and for the last few weeks and at least maybe a month, I have been feeling that I now understand what Governor Casey went through with his tax proposal, which I supported, by the way, not because Governor Casey's proposal for property tax relief in Pennsylvania was a perfect plan – it was not – but there is no

perfect plan. And I also now, with Jim Cox, understand what he has gone through with HB 76.

But as a person who has been here 23 years, I have constantly, and I think as many of you have been called to recognize people who have celebrated their 100th birthday, 95th birthday. I have a great-uncle who is 97 years old, and I just lost one that was 96. I have three uncles that are in their eighties. My mom, thank God she does not have PCN, is 79. I know what they are experiencing. I think a lot of us here understand what seniors are experiencing. But it is not just seniors with property taxes, it is a lot of other people with a lot of other things.

How about the woman or a husband who gets cancer and is off from work for 2 years fighting cancer or some other disease, who loses their home because their income does not allow them to pay their property taxes? How about the veterans that we heard Representative Barbin talk about earlier who have fought for our nation and that we always talk so proudly of and how important they are to the freedom of our nation? And yes, some people think that maybe senior citizens in this Commonwealth are treated better than they should; I am not sure about that, where that comes from, but there are people who believe that.

This proposal has property tax and rent rebate money in it. This proposal does have some controls on future property taxes. Is it perfect? No.

This is a shift, and I do not know how you do a shift without increasing taxes somewhere else and putting it toward property taxes or wherever you want to spend it. But it is not just an increase, it is a shift. And you can argue, oh, it is a tax increase of this percent or that percent, but the truth of the matter is, are you for property tax reduction?

I am not only for reduction, I am for elimination. I have been saying for years, long before I came here, we need to do away with property taxes. Property taxes are not a way to fund our education system. One of the most important things that we have as legislators to fund in this nation is education and we have the most unfair tax system to fund it. I have heard people say, "Well, I don't trust the future legislature. I don't trust future Governors. I don't trust school boards." They are all elected officials and we have to expect elected officials to be held accountable by the voters.

We have a responsibility here to pass legislation that is fair. Again, I am not opposed to any – I think I have voted for and cosponsored more property tax bills than maybe anybody in this General Assembly.

The truth of it is that this piece of legislation I think fairly distributes the money across this Commonwealth. And I thank the Governor for starting this. For the first time in many years, we have had a Governor – since Governor Casey – who has said it is an issue that needs to be addressed.

Some people would like to wait until later to address it. I do not think seniors want us to wait until later. I do not think that veteran over there wants us to wait until later to address it. We know around here, some people say, "Well, let's do everything at one time, one bill, one piece." We know that does not work around here. It never has and never will. You do not address legislation in a holistic phase; you do it piece by piece, as we are going to do with the basic education funding formula when it comes before this General Assembly.

This is the start of a process to hopefully get all the way to the end and onto the Governor's desk by June 30. That is what people want.

I know there are others here with different plans, and I am fine with that. I do not take that personally. That is what we are all about here. We have different ideas. But I will say to those of you here today who campaign on property tax reform or elimination, you better decide what you are for, because there is nothing in property tax reform or elimination that does not require some kind of a tax increase on another proposal to eliminate or to cut property taxes. It is just not possible. You are kidding yourself and you are kidding your voters.

We need to move forward and we need to move this process forward today. I ask for you to vote for this amendment because it is the start of a process. It is something that this General Assembly has waited way too long to do. It is time for us to give real relief to the taxpayers of Pennsylvania in this process.

So today I ask for an affirmative vote for not only the seniors of Pennsylvania and the veterans of Pennsylvania, but for all the others who are involved in Pennsylvania. Even the realtors and many of the other businesspeople throughout Pennsylvania believe this solving of the property tax problem in this Commonwealth will create jobs. Some people argue with that, but I believe it creates jobs. It is a burdensome thing that businesses face, it is a burdensome thing that our seniors face, and it is a burdensome thing that our young people face as well. Let us do the right thing today. Let us pass property tax reform.

Thank you, Mr. Speaker.

The SPEAKER. Thank you, sir.

## LEAVE OF ABSENCE

The SPEAKER. Representative SABATINA has requested to be put on leave. That leave will be granted.

## CONSIDERATION OF HB 504 CONTINUED

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

The following roll call was recorded:

### YEAS—109

Barbin	Gergely	Lawrence	Reese
Barrar	Gibbons	Lewis	Regan
Bishop	Gillen	Major	Ross
Boback	Gillespie	Maloney	Rozzi
Bradford	Gingrich	Markosek	Saccone
Brown, R.	Godshall	Marshall	Santora
Brownlee	Goodman	Matzie	Saylor
Caltagirone	Greiner	Mentzer	Schemel
Carroll	Grove	Metzgar	Sonney
Christiana	Hahn	Miccarelli	Staats
Corbin	Hanna	Millard	Sturla
Cox	Harhart	Miller, B.	Tallman
Cutler	Harris, A.	Moul	Taylor
Daley, P.	Heffley	Mullery	Thomas
Davidson	Helm	Mustio	Tobash
Davis	Hennessey	O'Brien	Toepel
Dean	Hickernell	O'Neill	Toohil
Dermody	Hill	Ortitay	Topper
Diamond	Irvin	Parker, C.	Vereb
DiGrolamo	Jozwiak	Parker, D.	Ward
Dunbar	Kaufner	Pashinski	Warner
Ellis	Keller, M.K.	Payne	Waters
Emrick	Keller, W.	Peifer	Wheatley
Evans	Kirkland	Pyle	Wheeland
Farry	Klunk	Quigley	White

Fee	Knowles	Rader	Youngblood
Frankel	Kortz	Reed	Zimmerman
Galloway			

## NAYS—86

Acosta	Donatucci	Kinsey	Rapp
Adolph	Driscoll	Kotik	Ravenstahl
Baker	Dush	Krieger	Readshaw
Benninghoff	English	Longietti	Roae
Bizzarro	Evankovich	Mackenzie	Roebuck
Bloom	Everett	Maher	Sainato
Boyle	Fabrizio	Mahoney	Samuelson
Briggs	Farina	Masser	Sankey
Brown, V.	Flynn	McCarter	Santarsiero
Burns	Freeman	McGinnis	Schlossberg
Causer	Gabler	McNeill	Schreiber
Cohen	Gainey	Metcalfe	Schweyer
Conklin	Harhai	Miller, D.	Simmons
Costa, D.	Harkins	Milne	Sims
Costa, P.	Harper	Murt	Snyder
Culver	Harris, J.	Nesbit	Stephens
Daley, M.	James	Neuman	Truitt
Dawkins	Kampf	Oberlander	Vitali
Day	Kauffman	Petrarca	Wentling
Deasy	Kavulich	Petri	
DeLissio	Keller, F.	Pickett	Turzai,
Delozier	Kim	Quinn	Speaker

## NOT VOTING—0

## EXCUSED—6

Cruz	Killion	Sabatina	Watson
DeLuca	Marsico		

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?

The SPEAKER. Members, the House is going to stand in recess for just about 5 minutes and then we will start up with the other amendments.

Representative Grove is calling up amendment—Amendment 1556 is called up by Representative Knowles. I am sorry. I apologize. That will be over temporarily.

Members, we are going to be at recess – or at ease, excuse me; I apologize. We are going to be at ease until about 4:10. We will be at ease until 4:10.

The House will come to order.

Members, as you know, many, many amendments were filed, and some need to be redrafted. So what we are going to do – just give me a moment. I need to speak with the minority leader, and I do apologize.

Members, while many of the amendments will be withdrawn, there are certain amendments that will still be offered. Some have to be redrafted to the amendment. They need to be redrafted by the Legislative Reference Bureau. We are going to proceed with the other bills on third consideration at this time.

## BILL PASSED OVER TEMPORARILY

The SPEAKER. We are going to go over, temporarily, HB 504.

## SUPPLEMENTAL CALENDAR B

## BILLS ON THIRD CONSIDERATION

The House proceeded to third consideration of **HB 210, PN 693**, entitled:

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, in grounds and buildings, further providing for approval by department of plans of buildings and exceptions, providing for accountability and reducing costs in construction process, further providing for limitation on new applications for Department of Education approval of public school building projects; and, in reimbursements by Commonwealth and between school districts, further providing for definitions, for approved reimbursable rental for leases hereafter approved and approved reimbursable sinking fund charges on indebtedness, for payments on account of leases hereafter approved and on account of sinking fund charges on indebtedness for school buildings hereafter constructed and for payments on account of building costs and providing for lump sum reimbursement for construction or reconstruction.

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?

Representative Carroll.

Mr. CARROLL. Thank you, Mr. Speaker.

Mr. Speaker, before us we have HB 210, which is the PlanCon (Planning and Construction Workbook) bill, and again, Mr. Speaker, this bill does not provide any additional money to the school districts of our Commonwealth who were promised financing for school construction projects. There have been multiple efforts to insert the necessary \$100 million into this bill to provide the financing that was promised to our school districts to prevent property tax increases, but unfortunately, those efforts have been unsuccessful.

Mr. Speaker, I do not think any school district in our Commonwealth will send us a thank-you note for making this process easier if at the end of the day they do not have the financing that was promised.

Mr. Speaker, this bill lacks \$100 million, and for that reason I urge a "no" vote.

Thank you, Mr. Speaker.

## LEAVE OF ABSENCE

The SPEAKER. Representative DAVIDSON has requested to be placed on leave of absence, and that request has been granted.

## CONSIDERATION OF HB 210 CONTINUED

The SPEAKER. Representative Grove, the floor is yours.

Mr. GROVE. Thank you, Mr. Speaker.

HB 210 reforms an old, antiquated system of how we do school reimbursement. HB 210 corrects, basically, not managing a system for over four decades through Republican and Democratic Governors. We have tried moratoriums. There has been another proposed moratorium. The fact is we need to change the system. That is why school officials across this Commonwealth support HB 210 to provide efficiency and cost reductions in the school construction process, as well as move forward on reforming this old, antiquated system.

It reduces the number of steps it takes school districts to actually complete the school reimbursement process. It requires automation. It requires transparency and openness so taxpayers and school officials and members of this general body can see exactly where school projects are.

Mr. Speaker, this is good reform that hits the heart of reform and transparency as well as cost savings to the Commonwealth and school districts. I would appreciate an affirmative vote on HB 210 to move forward with transparency and openness.

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—142

Adolph	Gabler	Mackenzie	Reed
Baker	Gainey	Maher	Reese
Barrar	Galloway	Mahoney	Regan
Benninghoff	Gergely	Major	Roae
Bizzarro	Gibbons	Maloney	Ross
Bloom	Gillen	Markosek	Saccone
Boback	Gillespie	Marshall	Sainato
Briggs	Gingrich	Masser	Sankey
Brown, R.	Godshall	McGinnis	Santarsiero
Caltagirone	Goodman	Mentzer	Santora
Causar	Greiner	Metcalfe	Saylor
Christiana	Grove	Metzgar	Schemel
Conklin	Hahn	Miccarelli	Simmons
Corbin	Harhai	Millard	Snyder
Costa, D.	Harhart	Miller, B.	Sonney
Cox	Harper	Miller, D.	Staats
Culver	Harris, A.	Milne	Stephens
Cutler	Heffley	Moul	Sturla
Daley, M.	Helm	Murt	Tallman
Daley, P.	Hennessey	Mustio	Taylor
Davis	Hickernell	Nesbit	Tobash
Day	Hill	Neuman	Toepel
DeLissio	Irvin	O'Neill	Toohil
Delozier	James	Oberlander	Topper
Dermody	Jozwiak	Ortitay	Truitt
Diamond	Kampf	Parker, D.	Vereb
DiGirolamo	Kaufner	Payne	Vitali
Dunbar	Kauffman	Peifer	Ward
Dush	Keller, F.	Petrarca	Warner
Ellis	Keller, M.K.	Petri	Wentling
Emrick	Kirkland	Pickett	Wheeland
English	Klunk	Pyle	White
Evankovich	Knowles	Quigley	Zimmerman
Everett	Krieger	Quinn	
Farry	Lawrence	Rader	Turzai,
Fee	Lewis	Rapp	Speaker

## NAYS—52

Acosta	Deasy	Keller, W.	Ravenstahl
Barbin	Donatucci	Kim	Readshaw
Bishop	Driscoll	Kinsey	Roebuck
Boyle	Evans	Kortz	Rozzi
Bradford	Fabrizio	Kotik	Samuelson
Brown, V.	Farina	Longietti	Schlossberg
Brownlee	Flynn	Matzie	Schreiber
Burns	Frankel	McCarter	Schweyer
Carroll	Freeman	McNeill	Sims
Cohen	Hanna	Mullery	Thomas
Costa, P.	Harkins	O'Brien	Waters
Dawkins	Harris, J.	Parker, C.	Wheatley
Dean	Kavulich	Pashinski	Youngblood

## NOT VOTING—0

## EXCUSED—7

Cruz	DeLuca	Marsico	Watson
Davidson	Killion	Sabatina	

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

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

\* \* \*

The House proceeded to third consideration of **HB 65, PN 1428**, entitled:

An Act amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, providing for autopsies.

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—194

Acosta	Evans	Kortz	Ravenstahl
Adolph	Everett	Kotik	Readshaw
Baker	Fabrizio	Krieger	Reed
Barbin	Farina	Lawrence	Reese
Barrar	Farry	Lewis	Regan
Benninghoff	Fee	Longietti	Roae
Bishop	Flynn	Mackenzie	Roebuck
Bizzarro	Frankel	Maher	Ross
Bloom	Freeman	Mahoney	Rozzi
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora



Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McGinnis	Schemel
Caltagirone	Godshall	McNeill	Schlossberg
Carroll	Goodman	Mentzer	Schreiber
Causar	Greiner	Metcalfe	Schweyer
Christiana	Grove	Metzgar	Simmons
Cohen	Hahn	Miccarelli	Sims
Conklin	Hanna	Millard	Snyder
Corbin	Harhai	Miller, B.	Sonney
Costa, D.	Harhart	Miller, D.	Staats
Costa, P.	Harkins	Milne	Stephens
Cox	Harper	Moul	Sturla
Culver	Harris, A.	Mullery	Tallman
Cutler	Harris, J.	Murt	Taylor
Daley, M.	Heffley	Mustio	Thomas
Daley, P.	Helm	Nesbit	Tobash
Davis	Hennessey	Neuman	Toepel
Dawkins	Hickernell	O'Brien	Toohil
Day	Hill	O'Neill	Topper
Dean	Irvin	Oberlander	Truitt
Deasy	James	Ortitay	Vereb
DeLissio	Jozwiak	Parker, C.	Vitali
Delozier	Kampf	Parker, D.	Ward
Dermody	Kaufman	Pashinski	Warner
Diamond	Kauffman	Payne	Waters
DiGirolamo	Kavulich	Peifer	Wentling
Donatucci	Keller, F.	Petrarca	Wheatley
Driscoll	Keller, M.K.	Petri	Wheeland
Dunbar	Keller, W.	Pickett	White
Dush	Kim	Pyle	Youngblood
Ellis	Kinsey	Quigley	Zimmerman
Emrick	Kirkland	Quinn	
English	Klunk	Rader	Turzai,
Evankovich	Knowles	Rapp	Speaker

NAYS-0

NOT VOTING-0

EXCUSED-7

Cruz	DeLuca	Marsico	Watson
Davidson	Killion	Sabatina	

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

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

\* \* \*

The House proceeded to third consideration of **HB 609, PN 682**, entitled:

An Act amending Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes, in falsification and intimidation, further providing for the offense of impersonating a notary public or a holder of a professional or occupational license.

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-194

Acosta	Evans	Kortz	Ravenstahl
Adolph	Everett	Kotik	Readshaw
Baker	Fabrizio	Krieger	Reed
Barbin	Farina	Lawrence	Reese
Barrar	Farry	Lewis	Regan
Benninghoff	Fee	Longietti	Roae
Bishop	Flynn	Mackenzie	Roebuck
Bizzarro	Frankel	Maher	Ross
Bloom	Freeman	Mahoney	Rozzi
Boback	Gabler	Major	Saccone
Boyle	Gainey	Maloney	Sainato
Bradford	Galloway	Markosek	Samuelson
Briggs	Gergely	Marshall	Sankey
Brown, R.	Gibbons	Masser	Santarsiero
Brown, V.	Gillen	Matzie	Santora
Brownlee	Gillespie	McCarter	Saylor
Burns	Gingrich	McGinnis	Schemel
Caltagirone	Godshall	McNeill	Schlossberg
Carroll	Goodman	Mentzer	Schreiber
Causar	Greiner	Metcalfe	Schweyer
Christiana	Grove	Metzgar	Simmons
Cohen	Hahn	Miccarelli	Sims
Conklin	Hanna	Millard	Snyder
Corbin	Harhai	Miller, B.	Sonney
Costa, D.	Harhart	Miller, D.	Staats
Costa, P.	Harkins	Milne	Stephens
Cox	Harper	Moul	Sturla
Culver	Harris, A.	Mullery	Tallman
Cutler	Harris, J.	Murt	Taylor
Daley, M.	Heffley	Mustio	Thomas
Daley, P.	Helm	Nesbit	Tobash
Davis	Hennessey	Neuman	Toepel
Dawkins	Hickernell	O'Brien	Toohil
Day	Hill	O'Neill	Topper
Dean	Irvin	Oberlander	Truitt
Deasy	James	Ortitay	Vereb
DeLissio	Jozwiak	Parker, C.	Vitali
Delozier	Kampf	Parker, D.	Ward
Dermody	Kaufman	Pashinski	Warner
Diamond	Kauffman	Payne	Waters
DiGirolamo	Kavulich	Peifer	Wentling
Donatucci	Keller, F.	Petrarca	Wheatley
Driscoll	Keller, M.K.	Petri	Wheeland
Dunbar	Keller, W.	Pickett	White
Dush	Kim	Pyle	Youngblood
Ellis	Kinsey	Quigley	Zimmerman
Emrick	Kirkland	Quinn	
English	Klunk	Rader	Turzai,
Evankovich	Knowles	Rapp	Speaker

NAYS-0

NOT VOTING-0

EXCUSED-7

Cruz	DeLuca	Marsico	Watson
Davidson	Killion	Sabatina	

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

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

\* \* \*

The House proceeded to third consideration of **HB 770, PN 1526**, entitled:

An Act amending the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code, in preliminary provisions, further defining "eligible entity"; and, in licenses and regulations for liquor, alcohol and malt and brewed beverages, further providing for unlawful acts relative to liquor, malt and brewed beverages and licensees.

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—184

Acosta	Evankovich	Kotik	Readshaw
Adolph	Evans	Krieger	Reed
Baker	Everett	Lewis	Reese
Barbin	Fabrizio	Longietti	Regan
Barrar	Farina	Mackenzie	Roae
Benninghoff	Farry	Maher	Roebuck
Bishop	Flynn	Mahoney	Ross
Bizzarro	Frankel	Major	Rozzi
Bloom	Freeman	Maloney	Saccone
Boback	Gabler	Markosek	Sainato
Boyle	Gainey	Marshall	Samuelson
Bradford	Galloway	Masser	Sankey
Briggs	Gergely	Matzie	Santarsiero
Brown, R.	Gibbons	McCarter	Santora
Brown, V.	Gillespie	McGinnis	Saylor
Brownlee	Gingrich	McNeill	Schemel
Burns	Godshall	Metcalfe	Schlossberg
Caltagirone	Goodman	Metzgar	Schreiber
Carroll	Grove	Miccarelli	Schweyer
Causer	Hahn	Millard	Simmons
Christiana	Hanna	Miller, D.	Sims
Cohen	Harhai	Milne	Snyder
Conklin	Harhart	Moul	Sonney
Corbin	Harkins	Mullery	Staats
Costa, D.	Harper	Murt	Stephens
Costa, P.	Harris, A.	Mustio	Sturla
Cox	Harris, J.	Nesbit	Taylor
Culver	Heffley	Neuman	Thomas
Daley, M.	Helm	O'Brien	Tobash
Daley, P.	Hennessey	O'Neill	Toepel
Davis	Hill	Oberlander	Toohil
Dawkins	Irvin	Ortitay	Topper
Day	James	Parker, C.	Truitt
Dean	Jozwiak	Parker, D.	Vereb
Deasy	Kampf	Pashinski	Vitali
DeLissio	Kaufer	Payne	Ward
Delozier	Kauffman	Peifer	Warner
Dermody	Kavulich	Petrarca	Waters
Diamond	Keller, F.	Petri	Wentling
DiGirolamo	Keller, M.K.	Pickett	Wheatley
Donatucci	Keller, W.	Pyle	Wheeland
Driscoll	Kim	Quigley	White
Dunbar	Kinsey	Quinn	Youngblood
Dush	Kirkland	Rader	
Ellis	Klunk	Rapp	Turzai,

Emrick English	Knowles Kortz	Ravenstahl	Speaker
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## NAYS—10

Cutler	Greiner	Mentzer	Tallman
Fee	Hickernell	Miller, B.	Zimmerman
Gillen	Lawrence		

## NOT VOTING—0

## EXCUSED—7

Cruz	DeLuca	Marsico	Watson
Davidson	Killion	Sabatina	

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.

## RECESS

The SPEAKER. Members, we are going to stand in recess until 6:30 p.m. We will stand in recess until 6:30 p.m. We would ask all members to please be back on the floor at 6:30 p.m. Thank you.

## RECESS EXTENDED

The time of recess was extended until 7 p.m.

## AFTER RECESS

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

## LEAVE OF ABSENCE

The SPEAKER. The minority whip has requested that Representative MULLERY be put on leave of absence, and that leave will be granted.

## CALENDAR CONTINUED

## CONSIDERATION OF HB 504 CONTINUED

The SPEAKER. Members, returning to HB 504 on second consideration, there are nine amendments that have been filed that are still to be called up. We will start with Representative Stephens.

On the question recurring,

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

Mr. **STEPHENS** offered the following amendment  
No. **A01256**:

Amend Bill, page 1, lines 1 through 35; page 2, lines 1 through 43 (A01564), by striking out all of said lines on said pages and inserting

Amend Bill, page 1, line 11, by inserting after "timbering" ; and providing for school property tax reform

Amend Bill, page 7, by inserting between lines 9 and 10 Section 2. The act is amended by adding an article to read:

ARTICLE XVI

SCHOOL PROPERTY TAX REFORM

PART I

(RESERVED)

PART II

OPTIONAL PROPERTY TAX ELIMINATION ACT

Section 1651. Definitions.

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

"Board of school directors." A board of school directors of a school district of the first class A, second class, third class or fourth class.

"Domicile." The term as defined in section 501 of the Local Tax Enabling Act.

"Earned income." The term as defined in section 501 of the Local Tax Enabling Act.

"Elimination tax." Any of the following:

(1) The tax levied by a school district on earned income and net profits under this part.

(2) A mercantile tax imposed under section 1662.

(3) A business privilege tax imposed under section 1662.

"Index." The term as defined in section 302 of the Taxpayer Relief Act.

"Local Tax Enabling Act." The act of December 31, 1965 (P.L.1257, No.511), known as The Local Tax Enabling Act.

"Net profits." The term as defined in section 501 of the Local Tax Enabling Act.

"Resident." The term as defined in section 501 of the Local Tax Enabling Act.

"School district." A school district of the first class A, second class, third class or fourth class.

"Taxpayer Relief Act." The act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act.

Section 1652. Preemption.

No act of the General Assembly may vacate or preempt any resolution passed or adopted under the authority of this part, or any other act, providing authority for the imposition of an elimination tax by a school district, unless the act of the General Assembly expressly vacates or preempts the authority to pass or adopt resolutions.

Section 1653. Real property tax replacement.

A school district that levies a tax on real property may reduce or eliminate the revenues provided by the real property tax by imposing the elimination tax as provided under this part.

Section 1654. Resolution required.

The board of school directors may impose or increase the maximum limits of the elimination tax by adopting a resolution. Prior to approving the resolution, the board of school directors shall:

(1) Give public notice of its intent to adopt the resolution in the manner provided under section 306 of the Local Tax Enabling Act.

(2) Conduct at least one public hearing regarding reducing or eliminating the tax on real property and imposing or increasing the maximum rate of the elimination tax.

Section 1655. Use of funds.

All funds generated from an elimination tax shall be used to directly reduce or eliminate school district real property tax millage rates.

Section 1656. Elimination tax rate limits.

(a) Limit.—If a school district has reduced property tax millage rates to zero, a board of school directors may not increase the

elimination tax for the support of public schools by more than the index unless there is compliance with section 333 of the Taxpayer Relief Act.

(b) Maximum rate.—The maximum rate of the elimination tax calculated under this part shall not be subject to the limits on the earned income tax specified under section 311(3) of the Local Tax Enabling Act.

(c) Limit.—The rate of the mercantile or business privilege tax imposed under section 1662 shall not generate revenues in excess of 50% of the total elimination tax revenues generated under this part. Section 1657. Exemption.

A school district that imposes an elimination tax may exempt from the payment of that tax any person whose total income from all sources is less than \$12,000.

Section 1658. Collections.

(a) Earned income and net profits.—An elimination tax on earned income and net profits shall be subject to Chapters 5 and 7 of the Local Tax Enabling Act.

(b) Mercantile tax or business privilege tax.—A mercantile tax or a business privilege tax imposed under this part shall be subject to section 1662.

Section 1659. Credits.

(a) Credit.—Except as provided under subsection (b), the provisions of section 317 of the Local Tax Enabling Act shall be applied by a board of school directors to determine any credits applicable to an elimination tax.

(b) Limitation.—Payment of a tax on earned income and net profits to any state other than Pennsylvania or to any political subdivision located outside the boundaries of this Commonwealth by a resident of a school district located in this Commonwealth shall not be credited to and allowed as a deduction from the liability of the person for an elimination tax imposed by the school district of residence. Section 1660. Real property tax prohibited.

(a) Prohibition.—For the first fiscal year beginning after the adoption of a resolution that eliminates real property tax millage rates and each fiscal year thereafter, a school district shall be prohibited from levying, assessing or collecting a real property tax.

(b) Applicability.—This section shall not apply to the collection of delinquent real property taxes.

Section 1661. Applicability of personal income tax.

Nothing in this part shall be construed to authorize a school district to levy, assess or collect a personal income tax.

Section 1662. Mercantile or business privilege tax.

(a) Wholesale dealers.—Each school district shall have the power and may levy, assess and collect a tax on each dollar of the whole volume of business transacted by wholesale dealers in goods, wares and merchandise.

(b) Retail sales.—Each school district shall have the power and may levy, assess and collect a tax on each dollar of sales by:

(1) Retail dealers in goods, wares and merchandise, including proprietors of restaurants or other places where food, drink and refreshments are served.

(2) Providers of services.

(c) Transactions partially free of tax.—No tax shall be levied on the dollar volume of business transacted by wholesale and retail dealers derived from the resale of goods, wares and merchandise, taken by any dealer as a trade-in or as part payment for other goods, wares and merchandise, except to the extent that the resale price exceeds the trade-in allowance.

Section 1663. Exclusions from tax.

A tax under section 1662 may not be levied, assessed or collected on:

(1) The gross receipts from utility service of any person or company whose rates and services are fixed and regulated by the Pennsylvania Public Utility Commission, on any public utility services rendered by the person or company, on any privilege or transaction involving the rendering of the public utility service or on any Federal Energy Regulation Commission-approved qualifying facility.

(2) Any of the following:

(i) Goods and articles manufactured in the school district.

(ii) The by-products of manufacture.

(iii) Minerals, timber, natural resources and farm products produced in the school district.

(iv) The preparation or processing of items under subparagraph (iii) for use or market.

(v) Any privilege, act or transaction related to the business of manufacturing, the production, preparation or processing of minerals, timber and natural resources or farm products, by manufacturers, by producers and by farmers with respect to the goods, articles and products of their own manufacture, production or growth.

(vi) Any privilege, act or transaction relating to the business of processing by-products of manufacture.

(vii) The transportation, loading, unloading or dumping or storage of goods, articles, products or by-products under this paragraph, except that school districts may levy, assess and collect taxes on a person using municipal services and the personal income of natural persons engaged in these activities whether doing business as an individual proprietorship or as members of partnerships or other associations.

(3) Gross receipts or part of gross receipts which are:

(i) Discounts allowed to purchasers as cash discounts for prompt payment of their bills.

(ii) Charges advanced by a seller for freight, delivery or other transportation for the purchaser in accordance with the terms of a contract of sale.

(iii) Received upon the sale of an article of personal property which was acquired by the seller as a trade-in to the extent that the gross receipts in the sale of the article taken in trade does not exceed the amount of trade-in allowance made in acquiring the article.

(iv) Refunds, credits or allowances given to a purchaser on account of defects in goods sold or merchandise returned.

(v) Pennsylvania sales tax and any sales tax, use tax and occupancy tax imposed under law.

(vi) Based on the value of exchanges or transfers between one seller and another seller who transfers property with the understanding that property of an identical description will be returned at a subsequent date, except that if sellers engaged in similar lines of business exchange property and one of them makes payment to the other in addition to the property exchanged, the additional payment received may be included in the gross receipts of the seller receiving such additional cash payments.

(vii) Receipts of sellers from sales to other sellers in the same line where the seller transfers the title or possession at the same price for which the seller acquired the merchandise.

(viii) Transfers between one department, branch or division of a corporation or other business entity of goods, wares and merchandise to another department, branch or division of the same corporation or business entity and which are recorded on the books to reflect such interdepartmental transactions.

(ix) Transfers attributable to activities occurring outside the taxing authority. Gross receipts shall be attributed to the jurisdiction in which the activities generating the receipts occur.

(4) The gross receipts of:

(i) Any bank, bank and trust company, private bank, savings bank or trust company, as defined in the

act of November 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965.

(ii) Any other institution or entity subject to the supervision of the Department of Banking and Securities under section 201 of the act of May 15, 1933 (P.L.565, No.111), known as the Department of Banking and Securities Code.

(iii) Any national bank.

(iv) Any similar institution or entity established pursuant to Federal law or the law of any state.

(5) The gross receipts of any distributor or importing distributor of malt or brewed beverages subject to licensure under the act of April 12, 1951 (P.L.90, No.21), known as the Liquor Code.

(6) The gross premiums of any insurance company authorized to do business in this Commonwealth.

Section 1664. Construction.

Except where otherwise provided, the provisions of the Local Tax Enabling Act shall apply to a tax imposed under this part.

Amend Bill, page 7, line 10, by striking out "2" and inserting 3

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Chair recognizes Representative Stephens of Montgomery County.

Mr. STEPHENS. Thank you, Mr. Speaker.

I appreciate the opportunity to speak on this amendment briefly. This amendment would just provide our local school districts with an option, a menu of taxes that they could utilize at their discretion rather than having all of us here collectively make that determination for them, as was indicated in the previous amendment that was adopted.

#### AMENDMENT WITHDRAWN

Mr. STEPHENS. In light of the fact that that amendment was adopted, and because frankly, Mr. Speaker, I would like to keep this initiative alive for further and future consideration should a compromise be necessary down the road, I will be withdrawing this amendment at this time.

The SPEAKER. Thank you very much, Mr. Stephens.

Amendment 1256 has been withdrawn.

On the question recurring,

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

Mr. KNOWLES offered the following amendment No. **A01559**:

Amend Bill, page 1, line 6 (A01564), by striking out "and" where it occurs the second time

Amend Bill, page 1, line 7 (A01564), by inserting after "Act" ; and making an inconsistent repeal

Amend Bill, page 10, lines 14 through 17 (A01564), by striking out all of said lines and inserting

(1) the amount of revenue generated in the previous fiscal year, minus;

Amend Bill, page 10, lines 30 through 33 (A01564), by striking out all of said lines and inserting

(1) the amount of revenue generated in the previous fiscal year, minus;

Amend Bill, page 10, by inserting between lines 44 and 45

(A01564)

Section 1634. Public referendum requirements for increasing the rate of a tax on real property.

(a) General rule.—Except as provided in subsection (b) and unless there is compliance with subsection (c), a board of school directors may not increase the rate of a tax on real property for the support of the public schools.

(b) Change in rate following countywide reassessment.—In the first year that a county implements a countywide revision of assessment by revaluing the properties and applies an established predetermined ratio or changes its assessment base by applying a change in the predetermined ratio, a school district levying a real property tax on the revised assessment roll for the first time shall reduce its tax rate, if necessary, so that the total amount of taxes levied for that year does not exceed the total amount of taxes levied for the previous year. For the purpose of determining the total amount of taxes to be levied for the first year under this section, the amount to be levied on newly constructed buildings or structures or on increased valuations based on new improvements made to existing houses shall be considered.

(c) Referendum.—

(1) In order to take an action prohibited under subsection (a), at the election immediately preceding the start of the school district's fiscal year in which the proposed tax increase would take effect, a referendum stating the specific rate or rates of the tax increase must be submitted to the electors of the school district and a majority of the electors voting on the question must approve the increase.

(2) A school district acting pursuant to this subsection shall submit the referendum question required under this subsection to the election officials of each county in which it is situate no later than 60 days prior to the election immediately preceding the fiscal year in which the tax increase would take effect.

(3) The election officials of each county shall, in consultation with the board of school directors, draft a nonlegal interpretative statement which shall accompany the referendum question in accordance with section 201.1 of the act of June 3, 1937 (P.L.1333, No.320), known as the Pennsylvania Election Code. The nonlegal interpretative statement shall include information that references the items of expenditure for which the tax increase is sought and the consequence of the referendum being disapproved by the electorate.

(d) Failure to approve referendum.—If a referendum question submitted under subsection (c) is not approved, the board of school directors may not approve an increase in the tax rate.

(e) Election interference prohibited.—

(1) No public funds may be used to urge any elector to vote for or against a referendum or be appropriated for political or campaign purposes.

(2) This subsection shall not be construed to prohibit the use of public funds for dissemination of factual information relative to a referendum appearing on an election ballot.

(f) Applicable tax rate for first class school district.—This section shall apply to a tax on real property levied by a city of the first class for the benefit of a school district of the first class.

(g) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"County." A county of the first, second, second A, third, fourth, fifth, sixth, seventh or eighth class.

Amend Bill, page 22, by inserting between lines 33 and 34 (A01564)

(3) All acts and parts of acts are repealed insofar as they are inconsistent with the addition of section 1634 of the act.

On the question,

Will the House agree to the amendment?

The SPEAKER. The number is 1559 for the amendment, 1559.

On that question, the Chair recognizes Representative Knowles.

Mr. KNOWLES. Thank you, Mr. Speaker.

Mr. Speaker, my amendment is very simple. It would require a referendum. It would require a referendum in order for any school board to increase property taxes.

The SPEAKER. Are there any other comments on amendment 1559? Representative Hanna.

We will come back to Representative Hanna or Representative Dermody.

Representative Saccone. Thank you, sir.

Mr. SACCONI. Thank you, Mr. Speaker.

I just want to remind my colleagues – I will be brief – but I want to remind my colleagues what we said just a few minutes or a couple hours ago when we voted on the Saylor amendment, that without this amendment, that bill is just a big tax increase. It is not property tax relief. The only way this bill becomes property tax relief is to put a control on the spending to keep the taxes from going back up in a year or two.

With this amendment, we will have true property tax relief. We will have reduction and a mechanism to keep the taxes from going up. And I want to tell you that there is a good chance, very little, very few times will it ever go to referendum because this is a great leverage point for school boards. Because if you are faced with, if you are negotiating a contract and you are faced with a big raise or you want to build a \$100 million school, and you say, "Look, I have got to take this to referendum," it forces people to be more reasonable.

Very few times is this ever going to make it to referendum. People are going to say, "Look, we have got to have, before we take this to referendum, we have to make sure we have something that is very, very reasonable that the taxpayers will accept." It will give school boards the leverage they need to keep costs down.

This whole thing is a real compromise for many of us because many of us, as you know, are for total elimination, and we know we are not going to get that. That is not before us, so we are willing to compromise and go with what would be a partial relief, except with this amendment we will really make it property tax relief.

This is really taxpayer protection. The people want this. The people need this. I think this is the right thing to do, and there is never a wrong time to do the right thing. So I ask you to please support the Knowles amendment.

Thank you, Mr. Speaker.

The SPEAKER. Representative Dermody, the minority leader.

Mr. DERMODY. Thank you, Mr. Speaker.

Mr. Speaker, I ask every member to vote against this amendment. We already have controls in place that will control any tax increases from our school boards, but this amendment also hamstringing our local school boards. We have seen what happened in Ohio and California. California, with one of the most, the best public school system in the country, was

devastated when local school boards were not allowed to do what they have to do to make things work. Had we adequately funded education over the years, our school boards would not have to raise taxes. We have the opportunity now to give people the ability and our school boards the ability to make it affordable and to make a way to fund education that makes sense.

A back-end referendum does not make sense. It will devastate our school districts, and we need to vote "no" to make our school districts work properly.

Thank you, Mr. Speaker.

The SPEAKER. Representative Metcalfe.

Mr. METCALFE. Thank you, Mr. Speaker.

Mr. Speaker, this voter referendum is what is needed to keep the property taxes from creeping back up again if this actually becomes law. Without voter referendum, without empowering taxpayers to say no to the insatiable appetites that we see in school boards across this State, we will continue to see property taxes increase.

Just this week, I believe it was, I had a story sent over to me about one of my school districts, Seneca Valley School District. And one of their board members, their board president was mouthing off to the press saying that they are forced to do a lot of what we do because the State legislature has not fixed the pension problem. Well, they are proposing, according to the reports, an \$8 million increase this year. The news is reporting that \$2 1/2 million of that is for the pensions, so about 31 percent is for the pension issue. But 69 percent of their increase, in the Seneca Valley School District that they are proposing, is for something other than pensions that they are blaming the legislature for.

I mean, this shows the actions of these local politicians and how they try and demonize somebody else for their irresponsible decisions, and that is why voter referendum in the hand of the taxpayer in the school districts across this State will be a great empowerment for the citizens, to stop these school boards from increasing taxes and trying to blame somebody else.

To say that you are going to increase spending by \$8 million and then say \$2 1/2 million of it is for pensions, but it is the legislature's fault that we have got to increase taxes, should be outrageous. And we have to address the pension issue, and we just moved legislation out of the State Government Committee today that takes us in a very large step in that direction of bringing about pension reform. The Senate is moving on pension reform, and we need to do that.

But at the same time, property taxes will continue to increase across this State, chasing people out of their homes if we do not empower the taxpayer with voter referendum. I support the Knowles amendment. We need this type of taxpayer protection if this is going to become law to protect from higher property taxes, because as noted in the example of our board president in Seneca Valley, DiTullio, that he certainly wants to try and find somebody else to blame for the irresponsible actions of increasing salaries and increasing benefits and then expecting us to pick up the tab for it.

So we need to stop these school boards from raising taxes, and the way to do it is to put the power in the hand of the taxpayer, Mr. Speaker.

The SPEAKER. Representative Hanna.

Mr. HANNA. Thank you, Mr. Speaker.

Mr. Speaker, I rise in opposition to the Knowles amendment. This amendment would prohibit a school district from raising property taxes without a voter referendum. What the amendment ignores is the fact that school districts are already restricted to the Act 1 index for property tax increases and that the already limited exceptions will be further reduced in the very near future. So the Act 1 limits are already in place, and this amendment ignores that fact.

In addition, Mr. Speaker, I want to quote a recent editorial that said, "Anyone who doubts the problems with a referendum procedure only need look to the west to Ohio, one of the states where it has resulted in deadlock and schizophrenic school budget planning. Passing school budgets election by election based on political considerations and electioneering is just bad public policy."

In the broad sweep of American history, the success of public education is the best explanation for American successes in the world. Public education created our middle class, built a democratic society with social and economic mobility, and fueled America's can-do business climate. This is no time to politicize public education.

We are what is called a representative democracy, and that is so that we can do what is right, not what is just politically expedient. And what we need to do today is do what is right, and that is to vote "no" on the Knowles amendment.

Thank you, Mr. Speaker.

The SPEAKER. Will Tallman, Representative Will Tallman of Adams County.

Mr. TALLMAN. Thank you, Mr. Speaker.

I just had the opportunity – well, maybe it was an opportunity or not – but anyway, I lived outside of Rochester, New York, for 5 1/2 years, Henrietta School District, southern suburb of Rochester. And New York State of course has voter referendum. And it did not achieve the goals that those people are proposing, are proposing supporting the voter referendum. What happens is you get special interests involved in the voter referendum.

So the Henrietta School District, the one year that I was there that we actually voted on their budget, voted three times, yard signs out there saying, "Vote no on the budget," and the budget went down to defeat. The second time around, they made cuts. So those people affected by the cuts, they were upset, so they said, "Vote no on the budget." Budget went down to defeat. So the third time around, very close to the original budget, it was approved.

So not only did the spending not get reduced, it cost the school district three times to do a referendum. So if you look at New York State and their votes on budget, is school spending reduced or actually curtailed? No, because special interests get involved at the local school district levels.

Thank you, Mr. Speaker.

The SPEAKER. Representative Grove.

Mr. GROVE. Thank you, Mr. Speaker.

First, I think before we enter into the discussion of referendum, we need to have an understanding of how current property taxes increase in the Commonwealth. Back in 2006 we passed, the General Assembly at the time passed Act 1 special session. That provided for an index, an adjusted index which allowed school districts to raise property taxes up to a certain threshold. It further provided 10 exceptions to the rule that allowed school districts to raise taxes above that index.

After that was all done, school districts had to go to voter referendum for any additional increases above that. In 2011 Act 25 closed the bulk of the exceptions. I had the Independent Fiscal Office run a cost-savings analysis of Act 1 and Act 25. It is dated April 17, 2015. Act 1 and Act 25 provided between \$500 million and \$2 billion worth of taxpayer savings over 6 years.

And then we have the underlying bill, which does have very substantial cost controls built into it. The scope of the Saylor amendment that was adopted is to ensure school districts do not need to raise taxes in the out year. The millage rate reduction actually reduces out-year property tax increases as everything is predicated in percent millage rates.

So once you sweep the millage rates, you automatically reduce the ability of school districts to raise taxes in the out year. Furthermore, after the full implementation after 2 years, any out year revenue growth from the personal income tax will be used to offset property tax increases. The reality is, I am not sure we are going to see too many property tax increases, if at all, with implementation of the Saylor amendment.

It is predicated on funding schools using State resources but opens the door, because in reality, the personal income tax and sales tax may at some point be reduced over time due to economic conditions. We need to make sure protections are in place so we as a General Assembly do not have to backfill lost revenue at the State level and also backfill revenue at the local level. If referendums are not passed locally, school districts are going to come back and point the fingers at us for not funding them, which means they are probably just going to do cutting the sports programs and saying, "If you want the sports programs back, you better go talk to Representative X and make sure we get the amount of money we need to actually fund what we need to do."

So if you are interested in double tax increases to fill the State budget and also school district budgets, feel free to vote for a referendum. The underlying bill and past work of this General Assembly applies the proper threshold of taxpayer protection while being fiscally responsible to our school districts and our State budget.

Thank you, Mr. Speaker.

The SPEAKER. Before I turn to the majority leader, are there any other members that wish to be— Representative Keller

Mr. F. KELLER. Thank you, Mr. Speaker.

I rise in support of amendment A01559, offered by the gentleman from Schuylkill County. The reason I rise about this— And I heard people talking about the Act 1 index and how that controls spending. It does for things that are above the Act 1 index, but the index itself allows school districts to raise taxes to the index. The index is comprised of a couple components. One of them is a statewide average weekly wage, and the other is the employment cost index. The employment cost index is a nationwide number published by the Bureau of Labor Statistics, and the statewide average weekly wage is just that, the statewide average weekly wage.

Then in school districts, the poorer of the school districts, it is adjusted for aid ratios, and then it goes even higher. So we can talk about the statewide index, where it might be 1.7, and it was a few years ago. In my wealthiest school district, they could raise their taxes 2.2 percent; in my next district that was not quite as wealthy, it was 2.5 percent; and in my poorest district,

it was 2.8 percent on the property owners in those districts, when the inflation rate was only rising around 1 3/4.

So we can talk all we want about the index. I am not talking about going over the index. I am talking about going to the index. And what this bill does is, if we do not generate enough revenue to get to that index, then property taxes can increase in future years. So you may go back and be a hero for year 1, 2, 3, but keep in mind as that index continually outpaces inflation, and the statewide average weekly wage has increased every year since 1970, I do not think the inflation rate has.

So you are going to see in future years property tax increases happening in spite of raising the personal income tax and the sales tax on your constituents. That is what is going to happen, so keep that in mind. If property tax is such a thing that I heard people talking about, nobody should lose their home. We need to pass this so that we can give them relief. It is only relief for a short period of time without this amendment.

We should give our senior citizens, our veterans, our most vulnerable citizens on fixed incomes the method to protect their homes, and that is exactly what this does. Please support the Knowles amendment.

Thank you, Mr. Speaker.

The SPEAKER. Representative Christiana.

Mr. CHRISTIANA. Thank you, Mr. Speaker.

I just want to correct this repeated myth. I think one of the members from the minority's leadership team said that if increased State spending would somehow reduce property taxes or when the State does not increase education spending, that that somehow correlates to a property tax increase. And I just want to point out that the last 4 years under Governor Rendell, property taxes rose by 7 percent, 7.3 percent, 6.1 percent, and 5.9 percent. Those are significantly higher than the last 4 years, when the other side of the aisle claimed that we had cut property taxes, yet— Or excuse me, we had cut State investments in education. But if we look at statewide property taxes over the last 4 years, they are significantly lower than when Governor Rendell was in office, and they credit that Governor's decision to make record investments in education.

This myth that somehow State investment affects property taxes is not actually backed up by reality and backed up by the numbers. The property tax increases under Governor Rendell were significantly higher than those under Governor Corbett, and therefore, I would say that that justification to defeat this amendment is meritless. And I think we should support the Knowles amendment and allow the taxpayers to make a decision if they want to see their property taxes increase.

Thank you, Mr. Speaker

The SPEAKER. Representative Doyle Heffley.

Mr. HEFFLEY. Thank you, Mr. Speaker.

Mr. Speaker, I have been serving now for 5 years in the House, and I still remember going door to door as I first ran for this office and knocking on doors and talking to people, and the number one issue then was property taxes. And today the number one issue still is property taxes. A few years ago we had the opportunity to vote for Act 25, which eliminated a lot of the exemptions and forced a referendum under the Act 1 index. In the amendment we just considered and added to this bill, there are cost-control measures that will prevent taxes from increasing in the future.

While I have the utmost respect for my colleague from Schuylkill County, and in concept I agree full-heartedly with this amendment, I feel at this time this amendment and this bill

will not further the conversation and bring any meaningful property tax reform to the constituents that I represent.

Somebody once said that nothing worth doing is ever easy. These are tough votes that we have to put up, but I would ask my colleagues to vote against this amendment so we can further this conversation and once and for all provide meaningful property tax relief to our constituents. Thank you.

The SPEAKER. Representative Conklin.

Mr. CONKLIN. I want to thank you, Mr. Speaker.

The conversation is interesting as we go across the board, but I might not be as educated as most of my fellow comrades in here. My doctorate degree may not be in political science, but one thing I will tell you is that I love history. See, history tells us very clearly why William Penn set up a representative democracy. He set it up for the simple fact that mothers and senior citizens who work all day worrying how to feed their children, how to get to the store, should not have to worry about the gross index of the cost of living every day or the CPI (Consumer Price Index) or whether Ed Rendell or Tom Corbett or anybody else decided to shortchange or overspend or give too much money to schools or not enough money to schools.

And I realize that history is a lot of fun, but at the end of the day, do we really want to go referendum? Think about this. If you were a county commissioner, which I was, you were elected by the people, the people of your district to represent them so they do not have to worry about what the cost index is every day, worry about whether their Bill of Rights is being protected. You are elected to do that. If you are a school board member, and by the way, for those of you who are school board members, do you hear how we talk about you on the House floor? For some reason we forget that these nasty, dirty school board members happen to be representatives of their community, that the people voted for them and put them into place to represent their views. At the end of the day, we have the choice here at the Commonwealth. We can go down that road like other States and not have representative government, not have politicians that have the will to do what is right and wrong but simply throw something on a ballot with a 10-second sound bite.

Mr. Speaker, the gentleman who did this, I know he means well, but I also know he believes in representative government. I know he believes that if you are a county commissioner, you are elected to make decisions. I know he believes if you are a school board member, you are elected to make decisions. I know he believes that a mother struggling with three children may not have the time to sit down in front of her dictionary and figure out what words we are using tonight. I understand that these men and women understand that because they are Representatives. They represent their district, and they have to vote that way. But at the end of the day, you have to remember what you are doing. You are going to tear down the very fiber that William Penn and our forefathers set forth to make sure the government was run directly, effectively, and for the people. Do not use your own personal views, what you might think is right, but use the view that is correct. History is great. We can pick on Corbett. We can pick on Rendell. But at the end of the day, this is about representative government.

I am asking you just to vote "no" to this. Let us move on. Let us move on to the next amendment. We have a long night. We can get this done very quickly.

Thank you, Mr. Speaker.

The SPEAKER. Members, we have three more members before the leader and the prime sponsor of the amendment want to speak.

If we could just stay on the amendment, it would be important to do so. Right now Representative DiGirolamo will be followed by Representative Hill, Representative Petri, and then I am going to go to the leader and to the prime sponsor of the amendment.

If anybody else wishes to speak, if you could tell me before the leader and the prime sponsor, I would appreciate it.

Representative DiGirolamo, it is yours.

Mr. DiGIROLAMO. Thank you, Mr. Speaker. On the amendment.

Act 1 already provides significant protections for the taxpayers in every one of our school districts. I will say that again: Act 1 already provides protections for our taxpayers in our school districts. Let us not tie or handcuff our school boards, our elected, duly elected school boards. Let us not tie or handcuff their hands to manage their budgets.

I ask for a "no" vote on the Knowles amendment. Thank you.

The SPEAKER. Representative Hill.

Mrs. HILL. Thank you, Mr. Speaker.

I rise this evening to tell you that the best way to control school district spending is to elect responsible people to your school boards. Over 4 years ago I saw all these problems that all of you have identified, and to be quite frank with you, many of those problems came down to us from this institution.

I chose to run for this office because I was tired of all the mandates that were being handed down to us as school board directors and how it tied my hands to do the responsible thing. I have never raised taxes as a school board director, and I am really proud of that. If you really want to fix school district spending problems, we are going to pass a pension bill. We are going to start eliminating all the mandates. And quite honestly, I view this as just another unfunded mandate. There is absolutely no prohibition of public funds for dissemination of information about this referendum.

How much money are your school districts going to spend to advertise and educate on this measure? As this is written, I cannot support it.

Thank you very much, Mr. Speaker.

### LEAVE OF ABSENCE CANCELED

The SPEAKER. The minority whip has indicated that Representative Davidson would like to be placed back on the master roll call. Representative Davidson will be so marked. That request is granted.

### CONSIDERATION OF HB 504 CONTINUED

The SPEAKER. Representative Petri.

Mr. PETRI. Thank you, Mr. Speaker.

Mr. Speaker, I believe we need to be a little more thoughtful about this amendment that is proposed. I congratulate the maker for thinking of the idea, but we have to remember that we elect our local school board members, and I think it is important, knowing that there are over 500 school districts, to be a little thoughtful about the circumstances under which they may govern. And while many of their decisions may upset us personally, we may feel that we disagree with their decision, we



have to remember that they are being given information that we may not have the advantage of having in front of us.

And I think it is important as an elected official to respect that decision, and if that decision turns out to be wrong, then the voters have a clear recourse. They can unelect that school board member or the majority.

I agree with some of the previous speakers who indicate that we have placed some limits on the amount that school boards can increase taxes. There may be, there may be some thought to placing referendums on future increases; however, I think we need to take a little more time to understand under what circumstances those referendums would be placed.

So at this time I would suggest that I am not sure this amendment is ready to be considered with respect to property taxes. And I think we need to take a step back and remember that these folks are accountable to our taxpayers directly and should be so in the event that they act inappropriately. Thank you.

The SPEAKER. Members, at this time I am going to turn the floor over to the majority leader and then to the prime sponsor of the amendment, so if anybody else wishes to be recognized, this is the time.

Majority Leader Dave Reed.

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

I have a great appreciation for the gentleman from Berks County and what he is seeking to accomplish with this amendment. And I think we all have a unified goal of restricting property tax increases at the school district level in the future, and I think the bill as outlined by the Representative from York County contains a number of cost constraints in it already. And certainly, a number of folks have some other ideas that are worthy of consideration as well.

Unfortunately, I am going to have to oppose this amendment because in order to get to that broader discussion on what a final property tax bill should look like to be implemented into law, we need to move this process forward. We need to ensure that we get through second consideration today, third consideration tomorrow, send the bill over to the Senate, and then begin broad negotiations with our colleagues in the Senate and the Governor's Office on what a final product may look like.

So with no disrespect to the gentleman from Berks County, respectfully, I would ask the members to vote "no."

The SPEAKER. Representative Knowles, who will be the last speaker on the amendment.

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

I want to thank my colleagues for your comments. I did not agree with some of them, but I sincerely appreciate your input. I want you to think about something when you are pushing that button. You are pushing that button to allow the people who pay the bills to make the decision. You are allowing those folks that pay the bills to make a decision on whether or not there should be a new Taj Mahal school built. You are allowing them to make the decision.

Mr. Speaker, you have got to understand, this is a compromise to me, because the people that I represent want total elimination of school property taxes. That is what they want. They do not want this because they are concerned about the very thing that I am trying to address here. Mr. Speaker, I would ask my colleagues to view this as taxpayer protection, taxpayer protection, rescuing the taxpayers from people, from some people who do not know how to control spending.

There has been some mention made here about representative government. I have got to tell you, Mr. Speaker, the people that I represent are telling me that this is what they want. They want this in place so they can be protected from a school board 2 years from now jacking up the real estate property tax.

Mr. Speaker, I thank each and every one of you for your consideration, and I would ask for a "yes" vote on amendment A01559.

Thank you, Mr. Speaker.

## LEAVE OF ABSENCE

The SPEAKER. Representative PYLE has requested through the majority whip to be placed on leave. That leave of absence will be granted.

## CONSIDERATION OF HB 504 CONTINUED

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

The following roll call was recorded:

### YEAS—58

Baker	Evankovich	Krieger	Pickett
Barrar	Everett	Lawrence	Quigley
Bloom	Gabler	Mackenzie	Rapp
Boback	Gillen	Mahoney	Regan
Brown, R.	Gingrich	Maloney	Roe
Christiana	Godshall	Masser	Saccone
Cox	Hahn	McGinnis	Sankey
Culver	Harhart	Metcalfe	Schemel
Day	Harris, A.	Metzgar	Simmons
Delozier	Jozwiak	Millard	Staats
Diamond	Kaufner	Moul	Topper
Dunbar	Kauffman	Mustio	Truitt
Dush	Keller, F.	Ortitay	Warner
Emrick	Keller, M.K.	Parker, D.	Wheeland
English	Knowles		

### NAYS—135

Acosta	Fabrizio	Kortz	Roebuck
Adolph	Farina	Kotik	Ross
Barbin	Farry	Lewis	Rozzi
Benninghoff	Fee	Longietti	Sainato
Bishop	Flynn	Maher	Samuelson
Bizzarro	Frankel	Major	Santarsiero
Boyle	Freeman	Markosek	Santora
Bradford	Gainey	Marshall	Saylor
Briggs	Galloway	Matzie	Schlossberg
Brown, V.	Gergely	McCarter	Schreiber
Brownlee	Gibbons	McNeill	Schweyer
Burns	Gillespie	Mentzer	Sims
Caltagirone	Goodman	Miccarelli	Snyder
Carroll	Greiner	Miller, B.	Sonney
Causer	Grove	Miller, D.	Stephens
Cohen	Hanna	Milne	Sturla
Conklin	Harhai	Murt	Tallman
Corbin	Harkins	Nesbit	Taylor
Costa, D.	Harper	Neuman	Thomas
Costa, P.	Harris, J.	O'Brien	Tobash
Cutler	Heffley	O'Neill	Toepel
Daley, M.	Helm	Oberlander	Toohil
Daley, P.	Hennessey	Parker, C.	Vereb
Davidson	Hickernell	Pashinski	Vitali
Davis	Hill	Payne	Ward
Dawkins	Irvin	Peifer	Waters

Dean	James	Petrarca	Wentling
Deasy	Kampf	Petri	Wheatley
DeLissio	Kavulich	Quinn	White
Dermody	Keller, W.	Rader	Youngblood
DiGirolamo	Kim	Ravenstahl	Zimmerman
Donatucci	Kinsey	Readshaw	
Driscoll	Kirkland	Reed	Turzai,
Ellis	Klunk	Reese	Speaker
Evans			

NOT VOTING—0

EXCUSED—8

Cruz	Killion	Mullery	Sabatina
DeLuca	Marsico	Pyle	Watson

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. Representative Keller, it is my understanding that you are withdrawing amendment 1246, sir? Okay. Amendment 1246 has been withdrawn. Thank you, sir.

Representative Keller, my understanding is you are going to withdraw amendment 1306? Amendment 1306 has been withdrawn.

Representative Keller, you are withdrawing amendment 856? Okay. Amendment 856 has been withdrawn.

On the question recurring,

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

Mr. F. KELLER offered the following amendment No. **A01254**:

Amend Bill, pages 7 and 8, by striking out lines 27 through 51 on page 7 and lines 1 through 3 on page 8 (A01564) and inserting understandable.

(b) (Reserved).

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Speaker recognizes Representative Fred Keller.

Mr. F. KELLER. Thank you, Mr. Speaker.

Amendment A01254 is a simple amendment. It strikes the language from the bill as amended by the amendment earlier today from the gentleman from York County and removes the notice to taxpayers.

You know, looking at the bill, I know it was mentioned earlier today and it was mentioned that it is in the current law. Well, it is in the current law; that does not mean that we should continue to put it there. I think if we are doing the right decisions, we do not need to go around and tell everybody that and put a piece of something in their mail every year with the property tax.

So, Mr. Speaker, I ask that the members support the amendment and remove that language of the notice of the taxpayer reduction.

Thank you, Mr. Speaker.

The SPEAKER. Do any members wish to be recognized on amendment 1254?

Representative Saylor.

Mr. SAYLOR. Mr. Speaker, I rise to oppose the gentleman from Snyder County's amendment. I think it is important that, first of all, this language is in Act 1, and we believe it should be in this act as we move forward. We think it is very important for transparency purposes to have this language in this amendment.

And I would rise to oppose Representative Keller's amendment. Thank you.

The SPEAKER. Representative Hanna.

Mr. HANNA. Thank you, Mr. Speaker.

Mr. Speaker, I rise in opposition to the amendment. Mr. Speaker, it is very important that folks understand and that we are transparent in what we do. The notice that is provided in the bill is important to us as legislators, and it is important to our taxpayers that they receive this notice. I would oppose the amendment and ask for a "no" vote.

Thank you, Mr. Speaker.

The SPEAKER. Do any other members wish to be recognized on amendment 1254?

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

YEAS—15

Bloom	Everett	Knowles	Roae
Diamond	Harris, A.	Maher	Sankey
Dush	Irvin	McGinnis	Truitt
Evankovich	Keller, F.	Metcalf	

NAYS—178

Acosta	English	Kortz	Readshaw
Adolph	Evans	Kotik	Reed
Baker	Fabrizio	Krieger	Reese
Barbin	Farina	Lawrence	Regan
Barrar	Farry	Lewis	Roebuck
Benninghoff	Fee	Longietti	Ross
Bishop	Flynn	Mackenzie	Rozzi
Bizzarro	Frankel	Mahoney	Saccone
Boback	Freeman	Major	Sainato
Boyle	Gabler	Maloney	Samuelson
Bradford	Gainey	Markosek	Santarsiero
Briggs	Galloway	Marshall	Santora
Brown, R.	Gergely	Masser	Saylor
Brown, V.	Gibbons	Matzie	Schemel
Brownlee	Gillen	McCarter	Schlossberg
Burns	Gillespie	McNeill	Schreiber
Caltagirone	Gingrich	Mentzer	Schweyer
Carroll	Godshall	Metzgar	Simmons
Causser	Goodman	Miccarelli	Sims
Christiana	Greiner	Millard	Snyder
Cohen	Grove	Miller, B.	Sonney
Conklin	Hahn	Miller, D.	Staats
Corbin	Hanna	Milne	Stephens
Costa, D.	Harhai	Moul	Sturla
Costa, P.	Harhart	Murt	Tallman
Cox	Harkins	Mustio	Taylor
Culver	Harper	Nesbit	Thomas

Cutler	Harris, J.	Neuman	Tobash
Daley, M.	Heffley	O'Brien	Toepel
Daley, P.	Helm	O'Neill	Toohil
Davidson	Hennessey	Oberlander	Topper
Davis	Hickernell	Ortitay	Vereb
Dawkins	Hill	Parker, C.	Vitali
Day	James	Parker, D.	Ward
Dean	Jozwiak	Pashinski	Warner
Deasy	Kampf	Payne	Waters
DeLissio	Kaufer	Peifer	Wentling
Delozier	Kauffman	Petrarca	Wheatley
Dermody	Kavulich	Petri	Wheeland
DiGirolamo	Keller, M.K.	Pickett	White
Donatucci	Keller, W.	Quigley	Youngblood
Driscoll	Kim	Quinn	Zimmerman
Dunbar	Kinsey	Rader	
Ellis	Kirkland	Rapp	Turzai,
Emrick	Klunk	Ravenstahl	Speaker

NOT VOTING—0

EXCUSED—8

Cruz	Killion	Mullery	Sabatina
DeLuca	Marsico	Pyle	Watson

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?

Mr. F. KELLER offered the following amendment No. **A01263**:

Amend Bill, page 1, lines 3 through 7 (A01564), by striking out all of said lines and inserting

; imposing tax on personal income, sales and use of personal property and hotel use; establishing a fund for county property tax elimination; and prohibiting county property tax.

Amend Bill, page 1, line 25 (A01564), by striking out "articles" and inserting

an article

Amend Bill, page 1, lines 26 through 35; pages 2 through 21, lines 1 through 51; page 22, lines 1 through 33 (A01564), by striking out all of said lines on said pages and inserting

#### ARTICLE XVI

#### COUNTY PROPERTY TAX ELIMINATION

##### PART I

##### PRELIMINARY PROVISIONS

Section 1601. Short title of article.

This article shall be known and may be cited as the County Property Tax Elimination Act.

Section 1602. 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:

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

"Equalization factor." A fraction determined as follows:

(1) Add:

(i) the rate of tax imposed under section 1621; and

(ii) the rate of tax imposed under section 1622.

(2) Divide:

(i) the rate of tax imposed under section 1623;

by

(ii) the sum under paragraph (1).

(3) Express the quotient under paragraph (2) as a

fraction.

"Fund." The County Property Tax Elimination Fund established in section 1603.

"Real property tax." The total dollar value of real property tax paid by property owners in a county determined by adding the real property taxes collected by, or on behalf of, the county.

"Secretary." The Secretary of the Budget.

Section 1603. Fund.

(a) Establishment.—The County Property Tax Elimination Fund is established as a special fund in the State Treasury.

(b) Purposes.—

(1) Money in the fund shall be used for the purpose enumerated in section 1633.

(2) Beginning in 2017, in order to ensure that the General Fund is not negatively impacted by the imposition of the tax under section 1621, by June 30 of a taxable year when the tax under section 1621 is applicable, the State Treasurer shall transfer from the fund to the General Fund an amount equal to the product of:

(i) the equalization factor; and

(ii) the amount of refunds issued under Article

III.

(c) Use.—Money in the fund is subject to the following:

(1) Transfer under subsection (b)(2).

(2) Distribution under section 1634.

(d) Sources.—The following are the sources of the fund:

(1) Money generated by the taxes under sections 1621 and 1622.

(2) Appropriations.

(3) Return on money in the fund.

(e) Nonlapse.—Money in the fund is continuously appropriated into the fund. This appropriation shall not lapse at the end of any fiscal year.

#### PART II

#### COUNTY PROPERTY TAX ELIMINATION

##### FROM STATEWIDE SOURCES

Section 1621. Additional personal income tax.

(a) Imposition.—There is imposed a tax upon each class of income as defined in Article III.

(b) Rate.—The tax imposed by subsection (a) shall be at the rate of 0.33%.

(c) Deposit of tax proceeds.—The department shall deposit into the fund an amount determined as follows:

(1) Add:

(i) tax collected under this section; and

(ii) tax collected under Article III.

(2) Multiply:

(i) the sum under paragraph (1); by

(ii) the equalization factor.

(d) Administration.—The tax shall be calculated, collected and paid over to the Commonwealth in the same manner as provided in Article III and 61 Pa. Code Pt. I Art. V (relating to personal income tax).

(e) Construction.—The tax imposed by this section shall be in addition to the tax imposed under the following:

(1) Article III.

(2) Section 321(c) of the act of June 27, 2006 (1st

Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act.

Section 1622. Additional sales, use and hotel tax.

(a) Sales and use tax.—There is imposed a tax upon each separate sale at retail of tangible personal property or services. The tax under this subsection shall be imposed upon the purchase price.

(b) Use tax.—There is imposed a tax upon the use of tangible personal property purchased at retail and on services purchased at retail. The tax under this subsection shall be imposed upon the

purchase price.

(c) Hotel tax.—There is imposed an excise tax on the rent upon occupancy of a hotel.

(d) Rate and computation.—The tax imposed by subsections (a), (b) and (c) shall be at a rate of 1%.

(e) Administration.—The tax shall be calculated, collected and paid over to the Commonwealth in the same manner as provided in Article II and 61 Pa. Code Pt. I Art. II (relating to sales and use tax), subject to all of the following:

(1) The tax under subsection (a) shall be collected by the vendor from the purchaser.

(2) Except as set forth in paragraph (3), the tax under subsection (b) shall be paid over to the Commonwealth by the person who makes the use.

(3) Paragraph (2) shall not apply if the person:

(i) has paid the tax imposed under subsection (a); or

(ii) has paid the tax imposed under this subsection to the vendor with respect to the use.

(4) The tax under subsection (c) shall be collected by the operator or owner from the occupant and paid over to the Commonwealth.

(f) Deposit of tax proceeds.—From taxes collected under this section, the department shall deposit into the fund one-seventh of the sum of:

(1) the amount collected under this section; and

(2) the amount collected under Article II.

(g) Construction.—The tax imposed by this section shall be in addition to the tax imposed under the following:

(1) Section 3152-B of the act of July 28, 1953 (P.L.723, No.230), known as the Second Class County Code.

(2) Articles II and II-B.

(3) Section 503 of the act of June 5, 1991 (P.L.9, No.6), known as the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class.

(h) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Hotel." As defined in section 209(a)(1).

"Purchase price." As defined in section 201(g).

"Sale at retail." As defined in section 201(k).

"Tangible personal property." As defined in section 201(m).

#### PART V DISTRIBUTION

Section 1631. Scope of part.

This chapter relates to the allocation of State money for the dollar-for-dollar elimination of county property taxes.

Section 1632. Certifications.

(a) Duty.—By April 30, the secretary shall certify the total amount of money in the fund.

(b) Notification.—By May 15, the secretary shall notify the Department of Community and Economic Development of the amount certified under subsection (a).

Section 1633. Mandatory use of funds.

A county which imposes a tax on real property shall utilize money received from the fund for the elimination of real property taxes.

Section 1634. County property tax distribution.

(a) Requirement.—By June 30, the Department of Community and Economic Development shall distribute from the fund to each county the amount under subsection (b).

(b) Amount.—The distribution amount shall consist of the following:

(1) The total amount of property tax collected by the county in 2016.

(2) A prorated amount of money remaining in the fund after distribution under paragraph (1). The amount under this paragraph shall be calculated as follows:

(i) Divide:

(A) the amount of real property tax collected by the county in 2016; by

(B) the amount of real property tax collected by all counties in 2016.

(ii) Multiply:

(A) the quotient under subparagraph (i);

by

(B) the amount of money remaining in the fund after distribution under paragraph (1).

Section 1635. Real property tax.

(a) Prohibition.—Except as set forth in subsection (b), a county may not impose a tax on real property.

(b) Delinquency.—Subsection (a) shall not apply to the collection of delinquent real property taxes owed to the county.

#### PART X

#### MISCELLANEOUS PROVISIONS

Section 1691. Applicability.

(a) Personal income tax.—The tax under section 1621 shall apply to taxable years beginning after December 31, 2015.

(b) Sales, use and hotel tax.—The tax under section 1622 shall apply to taxable transactions which occur after January 1, 2016.

Amend Bill, page 22, line 36 (A01564), by striking out "6" and inserting

4

Amend Bill, page 22, lines 39 through 43 (A01564), by striking out all of said lines and inserting

Section 4. Effective date

This act shall take effect as follows:

(1) The following provisions shall take effect January 1, 2017:

(i) Section 1632.

(ii) Section 1634(a).

(iii) Section 1635.

(2) The remainder of this act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. On the question, the Chair recognizes Representative Fred Keller.

Mr. F. KELLER. Thank you, Mr. Speaker.

I rise to ask members to support amendment 1263. What this amendment does, it simply takes out the words "school district" and inserts "county." And the reason I do that is because under the current proposal, as far as increasing the PIT and the sales and use tax, this would generate enough money, based upon our estimations, to do that. And I have heard people talk about how property taxes, nobody should lose their home because of a tax. Well, this is a tax that we can totally eliminate. You only have to divide it 67 ways. You do not deal with aid ratios and all the other things. You are not telling your school boards how to run their school board. It takes one whole class of tax on property and eliminates it.

Really, when you look at that, if that is what we are about, why do we not take the one that we can generate enough revenue with to totally eliminate, and then the chances are less of that coming back. Furthermore, if we can make that work, then guess what? Then we can apply that to other things.

Again, it is just a matter of, you know, which taxes do you want to try to eliminate. And I know people wanted to try to eliminate taxes. This allows us to do that. I know I have heard the argument, "Well, that does not get rid of the tax that everybody is complaining about. It is the school property tax."

Well, regardless of whether I reduce the school property tax by taking your money and reduce it by \$800 or I eliminate an \$800 county property tax bill, it is still \$800 of property tax relief to the taxpayers – not relief, but actually a shift.

So in looking at that, I would just ask the members to consider this because I think it puts us on a path that would help us understand the ramifications of collecting money in Harrisburg and trying to drive it out to political subdivisions. And I think this would be a little bit easier than trying to manage distributing something 500 ways. We would only have to figure out how to distribute it 67 ways.

Thank you, Mr. Speaker.

The SPEAKER. Representative Saylor.

Mr. SAYLOR. Thank you, Mr. Speaker.

I rise to oppose the Keller amendment. And I give Representative Keller a lot of credit. I do not disagree that—I am okay with eliminating all property taxes in Pennsylvania. I still think it is a very unfair tax. But the one thing that drives home the issue of property taxes has been school property taxes for people across this State. So while I am okay with reducing county property taxes, the first thing we have to deal with is the major issue facing Pennsylvania, and that is school property taxes.

So I rise to oppose the Keller amendment. Let us deal with school property taxes and we can deal with county property taxes at another time. But right now we hear from taxpayers across the State that it is the school property taxes they would like to see eliminated.

Thank you, Mr. Speaker.

The SPEAKER. Representative Dermody.

Mr. DERMODY. Thank you, Mr. Speaker.

Mr. Speaker, tonight with the Saylor amendment, we have taken the most important step we have taken on property tax reform in Pennsylvania history. This amendment guts and replaces that amendment. It is a step backwards that we should not take, we cannot take, and I urge all the members to oppose the Keller amendment.

Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—13

Evankovich	Knowles	Metcalfe	Roae
Everett	Maher	Mustio	Tallman
Gillen	McGinnis	Parker, D.	Truitt
Keller, F.			

NAYS—180

Acosta	Ellis	Kirkland	Readshaw
Adolph	Emrick	Klunk	Reed
Baker	English	Kortz	Reese
Barbin	Evans	Kotik	Regan
Barrar	Fabrizio	Krieger	Roebuck
Benninghoff	Farina	Lawrence	Ross
Bishop	Farry	Lewis	Rozzi
Bizzarro	Fee	Longietti	Saccone
Bloom	Flynn	Mackenzie	Sainato
Boback	Frankel	Mahoney	Samuelson
Boyle	Freeman	Major	Sankey
Bradford	Gabler	Maloney	Santarsiero
Briggs	Gainey	Markosek	Santora

Brown, R.	Galloway	Marshall	Saylor
Brown, V.	Gergely	Masser	Schemel
Brownlee	Gibbons	Matzie	Schlossberg
Burns	Gillespie	McCarter	Schreiber
Caltagirone	Gingrich	McNeill	Schweyer
Carroll	Godshall	Mentzer	Simmons
Causer	Goodman	Metzgar	Sims
Christiana	Greiner	Miccarelli	Snyder
Cohen	Grove	Millard	Sonney
Conklin	Hahn	Miller, B.	Staats
Corbin	Hanna	Miller, D.	Stephens
Costa, D.	Harhai	Milne	Sturla
Costa, P.	Harhart	Moul	Taylor
Cox	Harkins	Murt	Thomas
Culver	Harper	Nesbit	Tobash
Cutler	Harris, A.	Neuman	Toepel
Daley, M.	Harris, J.	O'Brien	Toohil
Daley, P.	Heffley	O'Neill	Topper
Davidson	Helm	Oberlander	Vereb
Davis	Hennessey	Ortitay	Vitali
Dawkins	Hickernell	Parker, C.	Ward
Day	Hill	Pashinski	Warner
Dean	Irvin	Payne	Waters
Deasy	James	Peifer	Wentling
DeLissio	Jozwiak	Petrarca	Wheatley
Delozier	Kampf	Petri	Wheeland
Dermody	Kaufner	Pickett	White
Diamond	Kauffman	Quigley	Youngblood
DiGirolamo	Kavulich	Quinn	Zimmerman
Donatucci	Keller, M.K.	Rader	
Driscoll	Keller, W.	Rapp	Turzai,
Dunbar	Kim	Ravenstahl	Speaker
Dush	Kinsey		

NOT VOTING—0

EXCUSED—8

Cruz	Killion	Mullery	Sabatina
DeLuca	Marsico	Pyle	Watson

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?

Mr. **EVANKOVICH** offered the following amendment No. **A00840**:

Amend Bill, page 3, line 37 (A01564), by striking out "Funds" and inserting

Thirty percent of the funds

Amend Bill, page 3, by inserting between lines 45 and 46 (A01564)

Section 1605. Additional School District Millage Rate Reduction Fund.

(a) Establishment.—The Additional School District Millage Rate Reduction Fund is established as a special fund in the State Treasury. The fund shall not lapse.

(b) Purpose.—Money in the fund shall be distributed to school districts under section 1632 and shall be used exclusively for the purposes enumerated in this article.

(c) Deposits into the fund.—Seventy percent of the funds generated by the tax under section 1611 shall be deposited into the fund.

Amend Bill, page 5, lines 30 through 32, by striking out ". The amount shall be one-" in line 30, all of line 31 and "and Article II." in

line 32 (A01564) and inserting

and the additional School District Millage Rate Reduction Fund. The amount deposited in the School District Homestead and Farmstead Relief Fund shall be equal to one-seventh of the sum of the amount collected under this section and Article II of the Tax Reform Code multiplied by 0.30. The amount deposited in the Additional School District Millage Rate Reduction Fund shall be equal to one-seventh of the sum of the amount collected under this section and Article II of the Tax Reform Code multiplied by 0.70.

Amend Bill, page 6, line 7 (A01564), by striking out "15" where it occurs the first time and inserting

30

Amend Bill, page 6, line 7 (A01564), by striking out "15" where it occurs the second time and inserting

30

Amend Bill, page 6, lines 8 through 10, by striking out "all of the" in line 8, all of line 9 and "(i) The" in line 10 (A01564) and inserting

the

Amend Bill, page 6, lines 12 through 37, by striking out "In" in line 12 and all of lines 13 through 37 (A01564)

Amend Bill, page 6, line 38 (A01564), by striking out "(3)" and inserting

(2)

Amend Bill, page 6, lines 42 through 47 (A01564), by striking out all of said lines and inserting

(a.1) Duty of the Department of Revenue.—The Department of Revenue shall determine, based on the amount certified under subsection (a), the amount in the School District Millage Rate Reduction Fund collected in each school district.

(b) Notification of Department of Education.—By May 10, 2016, and May 10 of each year thereafter, the Department of Revenue shall notify the Department of Education of the amount of funds in the School District Millage Rate Reduction Fund attributable to each school district.

Amend Bill, page 8, lines 34 through 51; page 9, lines 1 through 37 (A01564), by striking out all of said lines on said pages and inserting

(a) Administration.—The State millage rate reduction allocation for each school district shall equal the sum of the total amount of money in the Additional School District Millage Rate Reduction Fund multiplied by a fraction equal to the amount of funds determined under section 1622(a.1) divided by the total amount of funds in the School District Millage Rate Reduction Fund and the amount of funds determined under section 1622(a.1).

Amend Bill, page 9, line 40 (A01564), by striking out "1" and inserting

15

On the question,

Will the House agree to the amendment?

The SPEAKER. On that question, the Chair recognizes Representative Evankovich.

Mr. EVANKOVICH. Thank you, Mr. Speaker.

Mr. Speaker, I will make my comments on the description of this amendment very brief. We heard a lot during the debate on the original HB 860 language about victories on property tax reform, one-to-one swaps out from tax increases to property tax reductions. Mr. Speaker, what my amendment seeks to do is actually very simple. What my amendment seeks to do is to return the dollars that are raised in one school district back to that school district, so in other words, the existing tax framework that exists now in amended HB— The increased tax provisions that are now included in HB 504, my amendment

does not touch. All it does is change the distribution formula so that the income taxes that are paid out of a school district return to that school district. In addition, Mr. Speaker, 70 percent of the sales and use tax that is paid into the State would be returned proportionally the same way that that income tax is, and then the 30 percent remaining would be distributed on the existing ADM (average daily membership) and equalized millage formula in the amended HB 504.

Mr. Speaker, we heard a lot about the reasons why folks were behind the amendment to HB 504 earlier, and those were predominantly because they did not believe that somebody should lose their home because of a property tax bill. Mr. Speaker, I believe that we should be dealing with that issue, not the funding formula issue. What my amendment would do is it would allow the dollars that are raised in a school district under new taxes to stay in that school district on a one-to-one basis, and I humbly ask for members' support.

The SPEAKER. Representative Tallman.

Mr. TALLMAN. Thank you, Mr. Speaker.

I was wondering if the maker of the amendment would stand for interrogation.

The SPEAKER. The good gentleman will stand for interrogation. You may proceed, sir.

Mr. TALLMAN. Just an easy question. I have a couple school districts in Adams County that basically would not benefit very well if they kept their, particularly their sales tax portion would stay in the district because there is no sales tax generated in that district. That is my home school district. So how do you propose for the money to stay in the Bermudian Springs School District in Adams County?

Mr. EVANKOVICH. Thank you, Mr. Speaker.

To answer the gentleman's question, I believe that this is a tax policy question of whether or not we should be considering a shell game of moving tax money around the State. Right now we all recognize that there is a local property tax problem. The question that I always ask is, should we be taking money out of one school district's pocket and giving it to another school district, because that is essentially what the existing language in HB 504 does now?

What my amendment would do is it would allow that money to stay local, where it is raised. The income tax would stay where it was raised. The sales tax would be distributed proportionally based on your overall proportion of the State income tax that is paid in. So your district in and of itself may not generate a tremendous amount of sales tax, but based on the proportional income from other districts, you would be getting that money back.

Mr. TALLMAN. Thank you, Mr. Speaker.

So I am understanding, at the Bermudian Springs School District, Adams County, which does not generate much, we do not have much sales in that school district, and it does not have much on the income tax side either. So you are saying that it would, Bermudian Springs School District would make out proportionally under this, because we do not generate much money in our local income tax or sales tax?

Mr. EVANKOVICH. Thank you, Mr. Speaker.

According to some information that I have, the Bermudian Springs School District would pay roughly \$4 million in new income tax and sales tax, and they would receive roughly \$4 million in return.

Mr. TALLMAN. Thank you.

The SPEAKER. The minority leader, Representative Dermody.

Representative Dermody will not be speaking at this time. I recognize Representative Hanna.

Mr. HANNA. Thank you, Mr. Speaker.

Mr. Speaker, I rise in opposition to amendment 840. Mr. Speaker, in reviewing the amendment, it is clear that the intent is to keep the personal income tax where it was generated, which clearly means that wealth would stay where wealth is, and it makes it impossible for any formula to help those who need it the most.

That alone is reason enough to oppose amendment 840. But in addition, the additional language that talks about 70 percent of the sales and use tax being used for millage rate reduction and 30 percent for home State reduction translates essentially to taking money from residential homeowners and giving it to businesses. In my opinion, this is the second strong reason why you should not be for amendment 840. I urge a "no" vote.

Thank you, Mr. Speaker.

The SPEAKER. Representative Dan Truitt.

Mr. TRUITT. Thank you, Mr. Speaker.

Will the maker of the amendment stand for brief interrogation?

The SPEAKER. The good gentleman has indicated he will, and you may proceed, sir.

Mr. TRUITT. Thank you, Mr. Speaker.

This amendment came up quickly. Obviously, things are moving along—

The SPEAKER. Sir, just suspend for just a second, sir. Thank you.

Members, if we might, there is not, there is only one other amendment. We are close to finishing debate on this amendment. If we could give our attention to Representative Truitt with respect to his interrogation of the maker of the amendment, we would appreciate it.

Could all members please take their seats. If members could please take their seats. If there are any conversations, if you could take them to the outside of the chamber, we would greatly appreciate it. Please, members, take your seats.

Representative Truitt, the floor is yours.

Mr. TRUITT. Thank you, Mr. Speaker.

I apologize if some of these questions may seem a little bit redundant, but obviously, things have changed very rapidly today with this bill, and we have a lot of complex amendments that we are considering. I just want to make sure I fully understand them.

My first question is, of course we are increasing the PIT to reduce property taxes. Is it fair to say that the PIT is being increased evenly across everyone in the Commonwealth?

Mr. EVANKOVICH. That is correct. Under the amended HB 504 language, my understanding is that the PIT would be paid as a percentage evenly across all taxpayers.

Mr. TRUITT. And it does not vary from what school district you live in or legislative district you live in or county you live in?

Mr. EVANKOVICH. Correct.

Mr. TRUITT. And the same is true for the increase in the sales and use tax. Is that correct?

Mr. EVANKOVICH. That is correct.

Mr. TRUITT. Okay. Without your amendment, it does seem like we are moving money from one part of the State to another. You are trying to balance this out and ensure that the money

that is raised in the district goes back to the district where it comes from. Is that organized regionally by school district, by legislative district, by county? What are the geographic boundaries of the area to which you are trying to get the money back into?

Mr. EVANKOVICH. Thank you, Mr. Speaker.

The amendment as drafted would return all income tax and sales tax back to the originating school district for that one-to-one property tax reduction so that we are not redistributing wealth from one area to another. And I would just note that in accordance with the information that we have from our Appropriations staff, under the existing language for HB 504, the city of Philadelphia's school district would pay an additional \$103 million and get back, would pay an additional \$103 million from what it would receive back. Under my amendment, the city of Philadelphia's school district would retain that money, just like every other taxing jurisdiction fairly would retain that money.

Mr. TRUITT. Okay. And then the last question, and I apologize if this is not something that you would necessarily know, but we are expecting some kind of a report from a school funding commission in the near future. Do you know when that report is expected?

Mr. EVANKOVICH. June 10.

Mr. TRUITT. June 10.

Thank you, Mr. Speaker. On the bill, or on the amendment.

The SPEAKER. Yes, sir. On the amendment, Representative Truitt.

Mr. TRUITT. Thank you, Mr. Speaker.

Just briefly, it seems kind of strange to me that we are talking about increasing the property tax and the sales and use tax to take the money and use it for property tax relief in a manner that shifts money from one school district to another when we are just literally weeks away from getting a report from the School Funding Commission that is going to make recommendations on how we should be properly funding schools.

If we are insistent on moving ahead now with a property tax reform bill, I think that we ought to at least keep it neutral in terms of how the dollars shift from district to district. So I encourage my colleagues to vote in favor of the Evankovich amendment. I think it is a good idea to keep the money where it is, at least until we see that report.

Thank you, Mr. Speaker.

The SPEAKER. Representative Briggs from Montgomery County.

Mr. BRIGGS. Thank you, Mr. Speaker.

I was hoping to ask brief interrogation of the maker.

The SPEAKER. The gentleman has indicated he will stand for interrogation. Sir, you may proceed.

Mr. BRIGGS. Terrific.

You seem to have some information about sales tax and income tax based on various districts. I was hoping you could give me the information for the Upper Merion School District regarding the sales tax.

Mr. EVANKOVICH. Yes. Thank you, Mr. Speaker.

Based on the information that I have, the Upper Merion School District would pay approximately \$4.8 million in new sales and use tax.

Mr. BRIGGS. So based on your formula, that is what is, within the Upper Merion School District, the sales tax that it collects?

Mr. EVANKOVICH. It would be the additional sales tax that the residents, the estimated sales tax that the residents of that school district would pay, irregardless of where it is collected. So what my distribution formula does is approximates sales tax paid as a derivative of income. Whenever you have more income, the assumption is that you are paying more in sales tax because you are buying more.

Mr. BRIGGS. So the King of Prussia Mall located in Upper Merion Township does not have any connection of what your formula—

Mr. EVANKOVICH. Correct. It would be based on the income tax in a school district, irregardless of where that tax is collected.

Mr. BRIGGS. And then also in the Lower Merion School District, could you share the income tax?

Mr. EVANKOVICH. Lower or Upper, sir?

Mr. BRIGGS. Lower Merion, in Montgomery County.

Mr. EVANKOVICH. The new income tax paid would be approximately \$59 million.

Mr. BRIGGS. Thank you very much.

And that \$59 million would stay in Lower Merion?

Mr. EVANKOVICH. Correct. One to one.

The SPEAKER. Representative Grove.

Mr. GROVE. Thank you, Mr. Speaker.

I appreciate what my colleague is trying to do to return money back to where it originates from. Unfortunately, there are areas of the State that have high commercial properties, collect a lot of sales tax, and that money would be redistributed back to high-income areas without any commercial property. So while the theory at flesh value sounds solid, it still redistributes money in a different way that is not, you know, dollar for dollar back to where it originated from.

And again, I do appreciate my colleague trying to drive money back to his own school district from where it originates, but in order to do that you need a different funding formula for the sales tax portion. The way this is drafted is, PIT is derived back to the income tax of the individual school districts, and then sales tax follows that amount of money predicated on income tax collections versus actual sales tax collections where it is from.

I think the underlying bill is a fair funding formula and redistributes money where, you know, property taxes are higher and people are calling for property tax relief, Mr. Speaker.

At this point, I would ask for a "no" vote on amendment A00840.

Thank you, Mr. Speaker.

The SPEAKER. Members, at this time I am going to turn it over to the majority leader and then to the prime sponsor. Does anybody else wish to be recognized?

Representative Maher.

Members—

Mr. MAHER. Bueller.

The SPEAKER. Representative Maher, the floor is yours.

Mr. MAHER. Bueller.

Are you kidding me? This whole dollar-for-dollar thing? Do you mean dollar for dollar or do you mean your neighbor's dollar is your dollar? This is the truth test. Dollar for dollar or your neighbor's dollar is now your dollar? This is the question that Eli asks us to answer, and I agree with Eli.

Thank you very much.

The SPEAKER. Members, there will be only two more speakers, the majority leader, Representative Reed, followed by the prime sponsor, Representative Evankovich, and then we will take the vote.

Representative Reed.

Mr. REED. Well, Mr. Speaker, I think I am going to go with everything he just said, except for vote "no," please. Thank you.

The SPEAKER. Representative Evankovich, on the amendment, please.

Mr. EVANKOVICH. Thank you, Mr. Speaker.

Mr. Speaker, I appreciate the debate. I appreciate the candor in the analysis of my colleagues on my amendment. Mr. Speaker, to address one point that was brought up about commercial properties that collect sales tax versus areas with no commercial properties. The simple reality is that persons pay sales tax. Businesses, regardless of where they are located, do not pay that sales tax. So if you get in your car and you drive from your home in Berks County into Montgomery County and the King of Prussia Mall, you are still the one in Berks County paying that sales tax, and that is your income that you already paid income tax on. That money as it comes back for property tax relief should come back to your home school district, not to any other area of the State.

Mr. Speaker, the funding formula – we can talk about the funding formula contained in the amended House Bill 504, but the simple reality, the simple reality is that it is another arbitrary formula that we have devised in this Capitol, the same type of arbitrary formula that got us into this exact mess we are in today with property taxes. So I would argue, Mr. Speaker, that if we want to avoid, if we want to avoid creating another dichotomous system by which we will back here to address again at some future time, we should do the right thing. We should allow the money that is taxed out of an area to go back to that area.

I urge a "yes" vote. Thank you.

On the question recurring,

Will the House agree to the amendment?

The following roll call was recorded:

#### YEAS—34

Barrar	Godshall	Metcalf	Roae
Bloom	Harris, J.	Metzgar	Sankey
Delozier	Irvin	Moul	Truitt
Dunbar	James	Mustio	Vitali
Dush	Kauffman	O'Neill	Warner
English	Keller, F.	Petri	White
Evankovich	Krieger	Quinn	
Gabler	Maher	Rapp	Turzai,
Gingrich	McGinnis	Reese	Speaker

#### NAYS—159

Acosta	Driscoll	Kinsey	Ravenstahl
Adolph	Ellis	Kirkland	Readshaw
Baker	Emrick	Klunk	Reed
Barbin	Evans	Knowles	Regan
Benninghoff	Everett	Kortz	Roebuck
Bishop	Fabrizio	Kotik	Ross
Bizzarro	Farina	Lawrence	Rozzi
Boback	Farry	Lewis	Saccone
Boyle	Fee	Longietti	Sainato
Bradford	Flynn	Mackenzie	Samuelson



Briggs	Frankel	Mahoney	Santarsiero
Brown, R.	Freeman	Major	Santora
Brown, V.	Gainey	Maloney	Saylor
Brownlee	Galloway	Markosek	Schemel
Burns	Gergely	Marshall	Schlossberg
Caltagirone	Gibbons	Masser	Schreiber
Carroll	Gillen	Matzie	Schweyer
Causser	Gillespie	McCarter	Simmons
Christiana	Goodman	McNeill	Sims
Cohen	Greiner	Mentzer	Snyder
Conklin	Grove	Miccarelli	Sonney
Corbin	Hahn	Millard	Staats
Costa, D.	Hanna	Miller, B.	Stephens
Costa, P.	Harhai	Miller, D.	Sturla
Cox	Harhart	Milne	Tallman
Culver	Harkins	Murt	Taylor
Cutler	Harper	Nesbit	Thomas
Daley, M.	Harris, A.	Neuman	Tobash
Daley, P.	Heffley	O'Brien	Toepel
Davidson	Helm	Oberlander	Toohil
Davis	Hennessey	Ortitay	Topper
Dawkins	Hickernell	Parker, C.	Verbe
Day	Hill	Parker, D.	Ward
Dean	Jozwiak	Pashinski	Waters
Deasy	Kampf	Payne	Wentling
DeLissio	Kaufer	Peifer	Wheatley
Dermody	Kavulich	Petrarca	Wheeland
Diamond	Keller, M.K.	Pickett	Youngblood
DiGirolamo	Keller, W.	Quigley	Zimmerman
Donatucci	Kim	Rader	

NOT VOTING—0

EXCUSED—8

Cruz	Killion	Mullery	Sabatina
DeLuca	Marsico	Pyle	Watson

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?

Ms. **HARPER** offered the following amendment No. **A01241**:

Amend Bill, page 1, lines 1 through 35; pages 2 through 21, lines 1 through 51; page 22, lines 1 through 43 (A01564), by striking out all of said lines on said pages and inserting

Amend Bill, page 1, line 11, by removing the period after "timbering" and inserting

; establishing the Senior Citizen Property Tax Rent Rebate Act; and repealing provisions relating to the Taxpayer Relief Act.

Amend Bill, page 7, line 10, by striking out all of said line and inserting

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

ARTICLE XVI

SENIOR CITIZEN PROPERTY TAX RENT REBATE

PART I

PRELIMINARY PROVISIONS

Section 1601. Short title of article.

This article shall be known and may be cited as the Senior Citizen Property Tax Rent Rebate Act.

Section 1602. 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:

"Board." The Board of Finance and Revenue of the Commonwealth.

"Claimant." A person who files a claim for property tax rebate or rent rebate in lieu of property taxes and:

(1) was at least 65 years of age or whose spouse, if a member of the household, was at least 65 years of age during a calendar year in which real property taxes or rent were due and payable;

(2) was a widow or widower and was at least 50 years of age during a calendar year or part thereof in which real property taxes or rent were due and payable; or

(3) was a person with permanent disabilities 18 years of age or older during a calendar year or part thereof in which the real property taxes or rent were due and payable.

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

"Homestead." A dwelling, whether owned or rented, and so much of the land surrounding it as is reasonably necessary for the use of the dwelling as a home which is occupied by a claimant. The term includes, but is not limited to:

(1) Premises occupied by reason of ownership or lease in a cooperative housing corporation.

(2) Mobile homes which are assessed as realty for local property tax purposes and the land, if owned or rented by the claimant, upon which the mobile home is situated, and other similar living accommodations.

(3) A part of a multidwelling or multipurpose building and a part of the land upon which it is built.

(4) Premises occupied by reason of the claimant's ownership or rental of a dwelling located on land owned by a nonprofit incorporated association, of which the claimant is a member, if the claimant is required to pay a pro rata share of the property taxes levied against the association's land.

(5) Premises occupied by a claimant if the claimant is required by law to pay a property tax by reason of the claimant's ownership or rental, including a possessory interest, in the dwelling, the land or both. An owner includes a person in possession under a contract of sale, deed of trust, life estate, joint tenancy or tenancy in common or by reason of statutes of descent and distribution.

"Household income." All income received by a claimant and the claimant's spouse while residing in the homestead during the calendar year for which a rebate is claimed.

"Income." All income from any source, including, but not limited to:

(1) Salaries, wages, bonuses, commissions, income from self-employment, alimony, support money, cash public assistance and relief.

(2) The gross amount of any pensions or annuities, including railroad retirement benefits for calendar years prior to 1999 and 50% of railroad retirement benefits for calendar years 1999 and thereafter.

(3) (i) All benefits received under the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.), except Medicare benefits, for calendar years prior to 1999, and 50% of all benefits received under the Social Security Act, except Medicare benefits, for calendar years 1999 and thereafter.

(ii) Notwithstanding any other provision of this article to the contrary, persons who, as of December 31, 2012, are eligible for the property tax or rent rebate shall remain eligible if the household income limit is exceeded due solely to a Social Security cost-of-living adjustment.

(iii) Eligibility in the property tax and rent rebate program pursuant to subparagraph (ii) shall expire on December 31, 2016.

(4) All benefits received under State unemployment insurance laws and veterans' disability payments.

(5) All interest received from the Federal or any state government or any instrumentality or political subdivision thereof.

(6) Realized capital gains and rentals.

(7) Workers' compensation.

(8) The gross amount of loss of time insurance benefits, life insurance benefits and proceeds, except the first \$5,000 of the total of death benefit payments.

(9) Gifts of cash or property, other than transfers by gift between members of a household, in excess of a total value of \$300.

The term does not include surplus food or other relief in kind supplied by a governmental agency, property tax or rent rebate or inflation dividend.

"Person with permanent disabilities." A person who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to continue indefinitely, except as provided in section 1621(b)(3) and (c).

"Real property taxes." All taxes on a homestead, exclusive of municipal assessments, delinquent charges and interest, due and payable during a calendar year.

"Rent rebate in lieu of property taxes." Twenty percent of the gross amount actually paid in cash or its equivalent in any calendar year to a landlord in connection with the occupancy of a homestead by a claimant, irrespective of whether such amount constitutes payment solely for the right of occupancy or otherwise.

"Secretary." The Secretary of Revenue of the Commonwealth.

"Taxpayer Relief Act." The act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act.

"Widow" or "widower." The surviving wife or the surviving husband, as the case may be, of a deceased individual and who has not remarried except as provided in section 1621(b)(3) and (c).

Section 1603. Senior Citizen Property Tax Rebate Fund.

(a) Establishment.—The Senior Citizen Property Tax Rebate Fund is established as a special fund in the State Treasury. The fund shall not lapse.

(b) Purpose.—Money in the fund shall be utilized for senior citizen property tax rebates as established in Part III.

(c) Deposits into the fund.—Funds generated by the tax under section 1602 shall be deposited into the fund.

**PART II**

**ADDITIONAL SALES AND USE TAX**

Section 1611. Additional sales and use tax imposed.

(a) Additional taxation.—The tax imposed by this section shall be in addition to any tax imposed under Article II or II-B, section 503 of the act of June 5, 1991 (P.L.9, No.6), known as the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class, or section 3152-B of the act of July 28, 1953 (P.L.73, No.230), known as the Second Class County Code. The provisions of Article II shall apply to the tax imposed by this section.

(b) Sales tax.—Beginning January 1, 2016, there is imposed a tax upon each separate sale at retail of tangible personal property or services. The tax under this subsection shall be imposed upon the purchase price. The tax shall be collected by the vendor from the purchaser and shall be paid over to the Commonwealth in the same manner as provided in Article II.

(c) Use tax.—Beginning January 1, 2016, there is imposed a tax upon the use of tangible personal property purchased at retail and on services purchased at retail. The tax under this subsection shall be imposed upon the purchase price. The tax shall be paid over to the Commonwealth by the person who makes such use. The tax imposed under this subsection shall not be paid over to the Commonwealth by any person who has paid the tax imposed under subsection (b) or has paid the tax imposed under this subsection to the vendor with respect to such use.

(d) Hotel tax.—Beginning January 1, 2016, there is imposed an excise tax on the rent upon every occupancy of a room or rooms in a hotel, as defined in Article II. The tax shall be collected by the operator

or owner from the occupant and paid over to the Commonwealth.

(e) Rate.—The tax imposed by subsections (b), (c) and (d) shall be at a rate of 0.5%.

(f) Tax computation.—The tax imposed under subsections (b), (c) and (d) shall be computed as follows:

(1) If the purchase price is 50¢ or less, no tax shall be collected.

(2) If the purchase price is 51¢ or more but less than \$1.51, 1¢ shall be collected.

(3) If the purchase price is \$1.51 or more but less than \$2.51, 2¢ shall be collected.

(4) If the purchase price is \$2.51 or more but less than \$3.51, 3¢ shall be collected.

(5) If the purchase price is \$3.51 or more but less than \$4.51, 4¢ shall be collected.

(6) If the purchase price is \$4.51 or more but less than \$5.51, 5¢ shall be collected.

(7) If the purchase price is \$5.51 or more but less than \$6.51, 6¢ shall be collected.

(8) If the purchase price is \$6.51 or more but less than \$7.51, 7¢ shall be collected.

(9) If the purchase price is \$7.51 or more but less than \$8.51, 8¢ shall be collected.

(10) If the purchase price is \$8.51 or more but less than \$9.51, 9¢ shall be collected.

(11) If the purchase price is \$9.51 or more but less than \$10.01, 10¢ shall be collected.

(12) If the purchase price is more than \$10, 0.5% of each \$10 purchase price plus the above bracket charges upon any fractional part of a \$10 increment shall be collected.

(g) Deposit of tax proceeds.—The department shall deposit taxes collected under this section in the Senior Citizen Property Tax Rebate Fund. The amount shall be the sum of taxes collected under this section and Article II multiplied by a fraction equal to the rate of tax imposed under this section divided by the sum of the rate of the tax imposed under this section and the rate of tax imposed under Article II.

(h) Rules and regulations.—The rules and regulations of the department which are promulgated under Article II or any other act, shall be applicable to the tax imposed by this section to the extent that they are applicable to the tax imposed under Article II.

(i) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Purchase price." As defined in Article II.

"Sale at retail." As defined in Article II.

"Tangible personal property." As defined in Article II.

**PART III**

**SENIOR CITIZENS PROPERTY TAX**

**AND RENT REBATE ASSISTANCE**

Section 1621. Property tax and rent rebate.

(a) Schedule of rebates.—

(1) The amount of any claim for property tax rebate or rent rebate in lieu of property taxes for real property taxes or rent due and payable during calendar years 1985 through 2005 shall be determined in accordance with the following schedule:

<u>Household Income</u>	<u>Percentage of Real Property Taxes or Rent Rebate in Lieu of Property Taxes Allowed as Rebate</u>
<u>\$ 0 - \$ 4,999</u>	<u>100%</u>
<u>5,000 - 5,499</u>	<u>100</u>
<u>5,500 - 5,999</u>	<u>90</u>
<u>6,000 - 6,499</u>	<u>80</u>
<u>6,500 - 6,999</u>	<u>70</u>

<u>7,000 - 7,499</u>	<u>60</u>
<u>7,500 - 7,999</u>	<u>50</u>
<u>8,000 - 8,499</u>	<u>40</u>
<u>8,500 - 8,999</u>	<u>35</u>
<u>9,000 - 9,999</u>	<u>25</u>
<u>10,000 - 11,999</u>	<u>20</u>
<u>12,000 - 12,999</u>	<u>15</u>
<u>13,000 - 15,000</u>	<u>10</u>

(2) The following apply:

(i) The base amount of any claim for property tax rebate for real property taxes due and payable during calendar year 2006 through 2016 shall be determined in accordance with the following schedule:

<u>Household Income</u>	<u>Amount of Real Property Taxes Allowed as Rebate</u>
<u>\$ 0 - \$ 8,000</u>	<u>\$650</u>
<u>8,001 - 15,000</u>	<u>500</u>
<u>15,001 - 18,000</u>	<u>300</u>
<u>18,001 - 35,000</u>	<u>250</u>

(ii) The supplemental amount for a claimant with a household income equal to or less than \$30,000 and an eligible claim for property tax rebate for real property taxes due and payable during the calendar year preceding the first year in which a payment under section 1625(b) of the Taxpayer Relief Act is made and each year thereafter and whose real property taxes exceed 15% of the claimant's household income shall be equal to 50% of the base amount determined under subparagraph (i). A claimant who is a resident of a city of the first class, a city of the second class A or a school district of the first class A shall be ineligible for the supplemental amount under this subparagraph.

(3) The amount of any claim for rent rebate in lieu of property taxes for rent due and payable during calendar year 2006 and thereafter shall be determined in accordance with the following:

<u>Household Income</u>	<u>Amount of Rent Rebate in Lieu of Property Taxes Allowed as Rebate</u>
<u>\$ 0 - \$ 8,000</u>	<u>\$650</u>
<u>8,001 - 15,000</u>	<u>500</u>

(4) The following apply:

(i) The base amount of any claim for property tax rebate for real property taxes due and payable during the calendar year 2017 and thereafter shall be determined in accordance with the following schedule:

<u>Household Income</u>	<u>Amount of Real Property Taxes Allowed as Rebate</u>
<u>\$ 0 - \$ 8,000</u>	<u>\$1,700</u>
<u>8,001 - 15,000</u>	<u>1,600</u>
<u>15,001 - 18,000</u>	<u>1,500</u>
<u>18,001 - 35,000</u>	<u>1,400</u>
<u>35,001 - 40,000</u>	<u>1,300</u>
<u>40,001 - 50,000</u>	<u>1,200</u>

(b) Limitations on claims.—

(1) No claim through calendar year 2005 shall be allowed if the amount of property tax or rent rebate computed in accordance with this section is less than \$10, and the maximum amount of property tax or rent rebate payable shall not exceed

\$500.

(2) For calendar year 2006 and thereafter, the maximum amount of property tax or rent rebate in lieu of property taxes payable shall not exceed the lesser of:

(i) the amount of a claim under subsection (a)(2)

or (3);

(ii) the amount of real property taxes actually paid; or

(iii) twenty percent of gross rent actually paid.

(3) No claim shall be allowed if the claimant is a tenant of an owner of real property exempt from real property taxes. (c) Apportionment and public assistance.—

(1) The department shall apportion the real property taxes or rent in accordance with the period or degree of ownership or leasehold or eligibility of the claimant in determining the amount of rebate for which a claimant is eligible if any of the following exist relating to a claim:

(i) a homestead is owned or rented and occupied for only a portion of a year or is owned or rented in part by a person who does not meet the qualifications for a claimant, exclusive of any interest owned or leased by a claimant's spouse;

(ii) the claimant is a widow or widower who remarries; or

(iii) the claimant is a formerly disabled person who is no longer disabled.

(2) A claimant who receives public assistance from the Department of Human Services shall not be eligible for rent rebate in lieu of property taxes during those months within which the claimant receives public assistance.

(d) Government subsidies.—Rent shall not include subsidies provided by or through a governmental agency.

Section 1622. Filing of claim.

(a) General rule.—Except as otherwise provided in subsection (b), a claim for property tax or rent rebate shall be filed with the department on or before the 30th day of June of the year next succeeding the end of the calendar year in which real property taxes or rent was due and payable.

(b) Exception.—A claim filed after the June 30 deadline until December 31 of such calendar year shall be accepted by the secretary as long as money is available to pay the benefits to the late filing claimant.

(c) Payments from State Lottery Fund.—No reimbursement on a claim shall be made from the State Lottery Fund earlier than the day following the 30th day of June provided in this part on which that claim may be filed with the department.

(d) Eligibility of claimants.—

(1) Only one claimant from a homestead each year shall be entitled to the property tax or rent rebate.

(2) If two or more persons are able to meet the qualifications for a claimant, they may determine who the claimant shall be.

(3) If they are unable to agree, the department shall determine to whom the rebate is to be paid.

Section 1623. Proof of claim.

(a) Contents.—Each claim shall include:

(1) Reasonable proof of household income.

(2) The size and nature of the property claimed as a homestead.

(3) The rent, tax receipt or other proof that the real property taxes on the homestead have been paid or rent in connection with the occupancy of a homestead has been paid.

(4) If the claimant is a widow or widower, a declaration of such status in such manner as prescribed by the secretary.

(b) Proof of disability.—

(1) Proof that a claimant is eligible to receive disability benefits under the Social Security Act (49 Stat. 620, 42 U.S.C. § 301 et seq.) shall constitute proof of disability under this part.

(2) No person who has been found not to be disabled by the Social Security Administration shall be granted a rebate under this part.

(3) A claimant not covered under the Social Security Act shall be examined by a physician designated by the department and such status determined using the same standards used by the Social Security Administration.

(c) Direct payment of taxes or rent not required.—It shall not be necessary that taxes or rent were paid directly by the claimant if the rent or taxes have been paid when the claim is filed.

(d) Proof of age on first claim.—The first claim filed shall include proof that the claimant or the claimant's spouse was at least 65 years of age, or at least 50 years of age in the case of a widow or widower during the calendar year in which real property taxes or rent were due and payable.

#### Section 1624. Incorrect claim.

Whenever on audit of a claim the department finds the claim to have been incorrectly determined, it shall redetermine the correct amount of the claim and notify the claimant of the reason for the redetermination and the amount of the corrected claim.

#### Section 1625. Funds for payment of claims.

(a) Payment.—Approved claims shall be paid from the State Lottery Fund established by the act of August 26, 1971 (P.L.351, No.91), known as the State Lottery Law.

(b) Transfers.—The Secretary of the Budget shall transfer the following amounts from the Property Tax Relief Fund to the State Lottery:

(1) Notwithstanding any other provision of law, an amount equal to \$100,000,000 of the total slot machine license fees paid by successful applicants for a Category 1 slot machine license under 4 Pa.C.S. § 1209 (relating to slot machine license fee). The transfer under this paragraph shall occur upon deposit in the Property Tax Relief Fund of money derived from the fee from the fourth successful applicant for a Category 1 slot machine license.

(2) Notwithstanding any other provision of law, an amount equal to \$100,000,000 of the total slot machine license fees paid by successful applicants for a Category 2 slot machine license under 4 Pa.C.S. § 1209. The transfer under this paragraph shall occur upon deposit in the Property Tax Relief Fund of money derived from the fee from the third successful applicant for a Category 2 slot machine license.

(3) For fiscal years 2007-2008 and 2008-2009, an amount equal to the sum of approved claims to be paid in each of those fiscal years under section 704 of the Taxpayer Relief Act and section 1621(a)(2)(ii), if any.

(4) For fiscal year 2009-2010 and each fiscal year thereafter, all of the following:

(i) The difference between the sum of the amount of approved claims to be paid in the next fiscal year under section 1621(a)(2)(i) and (3) and the amount of approved claims paid in fiscal year 2006-2007 under section 1621(a)(1).

(ii) The sum of the amount of approved claims to be paid in the next fiscal year under section 704 of the Taxpayer Relief Act and section 1621(a)(2)(ii), if any.

(5) Beginning in fiscal year 2009-2010 and until the difference between the sum of subparagraphs (i) and (ii) and \$200,000,000 is paid, an amount of not less than \$40,000,000 annually or the amount of the difference, whichever is less. All transfers under this paragraph shall be completed no later than four years after the transfer required by paragraph (2).

(i) The difference between the sum of the amount of approved claims to be paid in fiscal year 2007-2008 under section 1621(a)(2)(i) and (3) and the amount of approved claims paid in fiscal year 2006-2007 under section 1621(a)(1).

(ii) The difference between the sum of the

amount of approved claims to be paid in fiscal year 2008-2009 under section 1621(a)(2)(i) and (3) and the amount of approved claims paid in fiscal year 2006-2007 under section 1621(a)(1).

(c) Additional transfers.—Notwithstanding any other provision of law, The Secretary of the Budget shall transfer all money from the Senior Citizen Property Tax Rebate Fund to the State Lottery Fund. Section 1626. Claim forms and rules and regulations.

(a) General rule.—Necessary rules and regulations shall be prescribed by a committee consisting of the Secretary of Aging, the Secretary of Revenue and the Secretary of Community and Economic Development. The Secretary of Aging shall serve as the chairman of the committee. The department shall receive all applications, determine the eligibility of claimants, hear appeals, disburse payments and make available suitable forms for the filing of claims.

(b) Report to General Assembly.—In addition to any rules and regulations prescribed under subsection (a), the department shall collect the following information and issue a report including such information to the chairman and minority chairman of the Appropriations Committee of the Senate and the chairman and minority chairman of the Appropriations Committee of the House of Representatives by September 30, 2006, and September 30 of each year thereafter.

(1) The total number of claims which will be paid in the fiscal year in which the report is issued with the information provided by school district, by county and for each household income level under section 1621(a)(2)(i).

(2) The total amount of rebates paid in the fiscal year in which the report is issued with the information provided by school district, by county and for each household income level under section 1621(a)(2)(i).

#### Section 1627. Fraudulent claims and conveyances to obtain benefits.

(a) Civil penalty.—In any case in which a claim is excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and a penalty of 25% of the amount claimed shall be imposed. The penalty and the amount of the disallowed claim, if the claim has been paid, shall bear interest at the rate of 1.5% per month from the date of the claim until repaid.

(b) Criminal penalty.—The claimant and any person who assisted in the preparation or filing of a fraudulent claim commits a misdemeanor of the third degree and, upon conviction, shall be sentenced to pay a fine of not more than \$1,000 or to imprisonment for not more than one year, or both.

(c) Disallowance for receipt of title.—A claim shall be disallowed if the claimant received title to the homestead primarily for the purpose of receiving property tax rebate.

#### Section 1628. Petition for redetermination.

(a) Right to file.—A claimant whose claim is denied, corrected or otherwise adversely affected by the department may file with the department a petition for redetermination on forms supplied by the department within 90 days after the date of mailing of written notice by the department of such action.

(b) Contents.—The petition shall set forth the grounds upon which the claimant alleges that such departmental action is erroneous or unlawful, in whole or part, and shall contain an affidavit or affirmation that the facts contained in the petition are true and correct.

(c) Extension of time for filing.—

(1) An extension of time for filing the petition may be allowed for cause but may not exceed 120 days.

(2) The department shall hold such hearings as may be necessary for the purpose of redetermination, and each claimant who has duly filed such petition for redetermination shall be notified by the department of the time when and the place where such hearing in the claimant's case will be held.

(d) Time period for decision.—The department shall, within six months after receiving a filed petition for redetermination, dispose of the matters raised by such petition and shall mail notice of the department's decision to the claimant.

Section 1629. Review by Board of Finance and Revenue.

(a) Right to review.—Within 90 days after the date of official receipt by the claimant of notice mailed by the department of its decision on a petition for redetermination filed with it, the claimant who is adversely affected by the decision may by petition request the board to review such action.

(b) Effect of no decision from department.—The failure of the department to officially notify the claimant of a decision within the six-month period provided for by section 1628 shall act as a denial of the petition, and a petition for review may be filed with the board within 120 days after written notice is officially received by the claimant that the department has failed to dispose of the petition within the six-month period.

(c) Contents of petition for redetermination.—A petition for redetermination filed shall state the reasons upon which the claimant relies or shall incorporate by reference the petition for redetermination in which such reasons were stated. The petition shall be supported by affidavit that the facts set forth therein are correct and true.

(d) Time period for decision.—The board shall act in disposition of petitions filed with it within six months after they have been received, and, in the event of failure of the board to dispose of any petition within six months, the action taken by the department upon the petition for redetermination shall be deemed sustained.

(e) Relief authorized by board.—The board may sustain the action taken by the department on the petition for redetermination or it may take such other action as it shall deem necessary and consistent with provisions of this part.

(f) Form of notice.—Notice of the action of the board shall be given by mail to the department and to the claimant.

Section 1630. Appeal.

A claimant aggrieved by a decision of the board may appeal from the decision of the board in the manner provided by law for appeals from decisions of the board in tax cases.

PART IVMiscellaneous ProvisionsSection 1631. Additional provisions.

Any reference to Chapter 13 of the Taxpayer Relief Act shall be deemed a reference to Part III of Article XVI of this act.

Section 3. Repeals are as follows:

(1) The General Assembly declares that the repeal under paragraph (2) is necessary to effectuate the addition of Article XVI of the act.

(2) Chapter 13 of the Taxpayer Relief Act.

Section 4. The addition of Part III of Article XVI of the act is a continuation of Chapter 13 of the Taxpayer Relief Act. Except as otherwise provided in Part III of Article XVI of the act, all activities initiated under Chapter 13 of the Taxpayer Relief Act shall continue and remain in full force and effect and may be completed under Part III of Article XVI of the act. Orders, regulations, rules and decisions which were made under Chapter 13 of the Taxpayer Relief Act and which are in effect on the effective date of this section shall remain in full force and effect until revoked, vacated or modified under Part III of Article XVI of the act. Contracts, obligations and collective bargaining agreements entered into under Chapter 13 of the Taxpayer Relief Act are not affected nor impaired by the repeal of Chapter 13 of the Taxpayer Relief Act.

Section 5. This act shall take effect as follows:

(1) The amendment of section 201(k)(8) and (o)(4)(B) of the act shall take effect in 60 days.

(2) The remainder of this act shall take effect immediately.

On the question,

Will the House agree to the amendment?

The SPEAKER. Representative Harper.

Ms. HARPER. Thank you, Mr. Speaker.

You know, I do not know why it is, but the people in my district generally take a dim view of us raising taxes and sending that money to Harrisburg because they do not trust us out here to send it back. So I voted "no" on the Saylor amendment, and I have an amendment which is a gut and replace.

And what this amendment does is a very modest fix to the people who need it the most. It raises the statewide sales tax but only by half a cent, a half a cent, much more modest than the Saylor amendment, which raised the sales tax to 7 percent and raised the personal income tax to 3.7. My amendment would merely increase the sales tax by a half a cent, but send all of that money to the people who need it the most. All of that money would go towards increasing eligibility and the payment that people get from the property tax and rent rebate program. It would raise the eligibility limits so that household income of up to \$50,000 would qualify. And remember, we do not count all your income, so up to \$50,000 of the income we count, and it would raise the highest rebate to \$1200.

It is easy to understand. It is a tiny tax increase – modest, if you will – and it goes to the people who need it the most. Those of you who care not about the mall and the big properties that are getting property tax relief under the Saylor amendment – at a great cost to your middle class, who will be paying higher sales and income taxes but who do want to help those seniors on fixed incomes who need help with their property taxes – would be well-advised to stay with me on this and vote in favor of a very modest tax increase that goes to the people who need it the most.

I would ask my colleagues to please vote "yes" on the Harper amendment. Thank you.

The SPEAKER. Are there any other members that wish to be recognized on the Harper amendment?

Representative Dermody.

Mr. DERMODY. Thank you, Mr. Speaker.

Mr. Speaker, this is another gut-and-replace amendment that would undo all the good that we accomplished here today with meaningful tax reform for Pennsylvania, the first time we have ever been able to do it in Pennsylvania history. So we need to vote "no" on this amendment to keep this discussion moving forward, to keep us on the path of doing real property tax reform for all of the property tax owners and taxpayers in Pennsylvania.

Thank you, Mr. Speaker.

The SPEAKER. Representative Reed.

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

I appreciate the gentlelady's concern for the property tax and rent rebate program. She has been a die-hard supporter of that program during her entire tenure in the House of Representatives, particularly the impact it has on our seniors, and I know she represents a very aging community and that program is very beneficial for her. Unfortunately, I am going to have to oppose this amendment so we can keep the ball rolling on property tax reform and get to the broader discussion on getting something done with the Senate and the Governor.

So regrettably, although I know the gentlelady's heart is in the right place, I would ask for a "no" vote on this amendment. Thank you.

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

The following roll call was recorded:

**YEAS—26**

Adolph	Freeman	McCarter	Truitt
Baker	Galloway	McGinnis	Vereb
Bloom	Harper	Metcalfe	Vitali
Briggs	Hennessey	Murt	Waters
Causar	James	Pickett	
Evankovich	Keller, F.	Quinn	Turzai,
Everett	Maher	Samuelson	Speaker

**NAYS—167**

Acosta	Emrick	Klunk	Ravenstahl
Barbin	English	Knowles	Readshaw
Barrar	Evans	Kortz	Reed
Benninghoff	Fabrizio	Kotik	Reese
Bishop	Farina	Krieger	Regan
Bizzarro	Farry	Lawrence	Roae
Boback	Fee	Lewis	Roebuck
Boyle	Flynn	Longietti	Ross
Bradford	Frankel	Mackenzie	Rozzi
Brown, R.	Gabler	Mahoney	Saccone
Brown, V.	Gainey	Major	Sainato
Brownlee	Gergely	Maloney	Sankey
Burns	Gibbons	Markosek	Santarsiero
Caltagirone	Gillen	Marshall	Santora
Carroll	Gillespie	Masser	Saylor
Christiana	Gingrich	Matzie	Schemel
Cohen	Godshall	McNeill	Schlossberg
Conklin	Goodman	Mentzer	Schreiber
Corbin	Greiner	Metzgar	Schweyer
Costa, D.	Grove	Miccarelli	Simmons
Costa, P.	Hahn	Millard	Sims
Cox	Hanna	Miller, B.	Snyder
Culver	Harhai	Miller, D.	Sonney
Cutler	Harhart	Milne	Staats
Daley, M.	Harkins	Moul	Stephens
Daley, P.	Harris, A.	Mustio	Sturla
Davidson	Harris, J.	Nesbit	Tallman
Davis	Heffley	Neuman	Taylor
Dawkins	Helm	O'Brien	Thomas
Day	Hickernell	O'Neill	Tobash
Dean	Hill	Oberlander	Toepel
Deasy	Irvin	Ortitay	Toohil
DeLissio	Jozwiak	Parker, C.	Topper
Delozier	Kampf	Parker, D.	Ward
Dermody	Kaufer	Pashinski	Warner
Diamond	Kauffman	Payne	Wentling
DiGirolo	Kavulich	Peifer	Wheatley
Donatucci	Keller, M.K.	Petrarca	Wheeland
Driscoll	Keller, W.	Petri	White
Dunbar	Kim	Quigley	Youngblood
Dush	Kinsey	Rader	Zimmerman
Ellis	Kirkland	Rapp	

**NOT VOTING—0**

**EXCUSED—8**

Cruz	Killion	Mullery	Sabatina
DeLuca	Marsico	Pyle	Watson

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. It is my understanding that all amendments from the Democratic members have been withdrawn. There are no other amendments, I understand, from the Republican members.

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

Bill as amended was agreed to.

The SPEAKER. The bill as amended will be reprinted.

**VOTE CORRECTION**

The SPEAKER. On unanimous consent, Representative Tobash is recognized.

Mr. TOBASH. Thank you, Mr. Speaker.

On amendment 01254, I was marked in the negative. I would like to be marked in the affirmative on that, on that amendment.

The SPEAKER. Yes, sir. That will be noted in the record.

Mr. TOBASH. Thank you, Mr. Speaker.

**BILLS RECOMMENDED**

The SPEAKER. The Chair recognizes the majority leader, who moves that the following bills be recommended to the Committee on Appropriations:

HB 138;  
HB 504;  
HB 613;  
HB 621;  
HB 657;  
HB 833;  
HB 837; and  
HB 982.

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

**BILLS REMOVED FROM TABLE**

The SPEAKER. The Chair recognizes the majority leader, who moves that HB 823 and SB 293 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.

**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. Representative Lawrence moves that the House be adjourned until Wednesday, May 13, 2015, at 11 a.m., e.d.t., unless sooner recalled by the Speaker. Thank you.

On the question,

Will the House agree to the motion?

Motion was agreed to, and at 8:24 p.m., e.d.t., the House adjourned.