

# Legislative Journal

MONDAY, MAY 11, 1981

SESSION OF 1981

165TH OF THE GENERAL ASSEMBLY

No. 29

## SENATE

MONDAY, May 11, 1981.

The Senate met at 2:00 p.m., Eastern Daylight Saving Time.

THE PRESIDENT (Lieutenant Governor William W. Scranton III) in the Chair.

## PRAYER

The Chaplain, the Reverend CAMERON G. DRUM, Administrator of the Presbyterian Apartments, Harrisburg, offered the following prayer:

Let us pray.

During the dark hours of the night just passed, truck drivers sped their cargoes to market, engineers hustled long trains to destinations, police, fire and emergency people waited for calls for help, doctors and nurses wrestled with life and death, farmers rose to till their fields and repair equipment and head their things for market.

As dawn broke alarms rang, piercing signals that a new day was starting for workers in offices, mill hands, laborers and officials, teachers and students. Mothers rose to start off families to prepare them to face a day and frequently followed them to the marketplace. Factory smoke rose from steel chimneys, trucks pumped out pollution and our cars added to that problem. There were aged awakened to see the familiar halls of nursing homes and to welcome white robed helping people.

Each one in all of life's diversity faced an uncertain and uneasy time.

We, Lord, rose to come to this hallowed place to wrestle with equality and inequality, justice and injustice, joy and sorrow, pain and pleasure, security and insecurity of all of our fellow citizens. The diversity is enormous; the complexity multiplied; the challenge as wide as a horizon.

We recognize our dependence upon Thee in the largeness of all these things. Consequently we come to Thee, Thou who art the Creator, Sustainer and Ultimate Resolve of all seeking Your guidance for our feet that clearly cannot find a very simple way and guidance for eyes which are truncated and cannot see as wide as things really are.

So we pray that You will guide us and help us to find the highest good that humans can devise. We pray in Thy Name. Amen.

The PRESIDENT. The Chair thanks the Reverend Drum who is the guest this week of Senator Moore.

## JOURNAL APPROVED

The PRESIDENT. A quorum of the Senate being present, the Clerk will read the Journal of the preceding Session.

The Clerk proceeded to read the Journal of the preceding Session, when, on motion of Senator STAUFFER, further reading was dispensed with, and the Journal was approved.

## SENATOR JUBELIRER TO VOTE FOR SENATOR LOEPER

Senator JUBELIRER. Mr. President, I request a leave of absence for Senator Loeper, who will be meeting with various constituents with the Governor this afternoon. He may be back at a later time but he is in the Governor's office.

The PRESIDENT. The Chair hears no objection and the leave is granted.

## SENATOR SCANLON TO VOTE FOR SENATOR ROMANELLI AND SENATOR O'PAKE

Senator SCANLON. Mr. President, I request a legislative leave for Senator Romanelli and temporary legislative leave for Senator O'Pake who should be on the floor before the day is over.

The PRESIDENT. The Chair hears no objection and the leaves are granted.

## COMMUNICATION FROM THE GOVERNOR

### NOMINATION BY THE GOVERNOR REFERRED TO COMMITTEE

The Secretary to the Governor being introduced, presented communication in writing from His Excellency, the Governor of the Commonwealth, which was read as follows, and referred to the Committee on Rules and Executive Nominations:

### MEMBER OF THE BOARD OF TRUSTEES OF HARRISBURG STATE HOSPITAL

May 6, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Richard H. Maurer, 1106 Country Club Drive, Lancaster 17601, Lancaster County, Thirtieth Senatorial District, for appointment as a member of the Board of Trustees of Harrisburg State Hospital, to serve until the third Tuesday of January, 1987, and until his successor is appointed and qualified, vice W. Russell Faber, Harrisburg, resigned.

DICK THORNBURGH.

## HOUSE MESSAGES

### HOUSE BILLS FOR CONCURRENCE

The Clerk of the House of Representatives being introduced, presented for concurrence **HB 82** and **202** which were referred to the Committee on Finance.

He also presented for concurrence **HB 306**, which was referred to the Committee on Transportation.

### REPORTS FROM COMMITTEES

Senator TILGHMAN, from the Committee on Appropriations, reported, as committed, **SB 792**.

Senator PRICE, from the Committee on Urban Affairs and Housing, reported, as amended, **SB 147** and **719**.

### BILLS INTRODUCED AND REFERRED

Senators MESSINGER, EARLY, LINCOLN, ROMANELLI, MELLOW and STAUFFER presented to the Chair **SB 793**, entitled:

An Act amending the act of October 4, 1978 (P. L. 883, No. 170), entitled "Public Official and Employee Ethics Law," further providing for statement of financial interests required to be filed.

Which was committed to the Committee on STATE GOVERNMENT, May 11, 1981.

Senators STAUFFER, JUBELIRER, MELLOW, PRICE, O'CONNELL, RHOADES, FISHER, ROMANELLI, MESSINGER and REIBMAN presented to the Chair **SB 794**, entitled:

A Joint Resolution proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, further providing for the ratification of proposed amendments to the Constitution of the United States.

Which was committed to the Committee on RULES AND EXECUTIVE NOMINATIONS, May 11, 1981.

Senators FISHER, GEKAS, O'PAKE and SNYDER presented to the Chair **SB 795**, entitled:

An Act amending the act of November 22, 1978 (P. L. 1166, No. 274), entitled "Pennsylvania Commission on Crime and Delinquency Law," revising the membership, quorum, powers and duties of the commission, further providing for advisory committees, further providing for the termination of the commission and making a repeal.

Which was committed to the Committee on JUDICIARY, May 11, 1981.

Senators ZEMPRELLI, SCANLON and ROSS presented to the Chair **SB 796**, entitled:

An Act amending Title 2 (Administrative Law and Procedure) of the Pennsylvania Consolidated Statutes, providing interpreters for deaf persons in administrative proceedings.

Which was committed to the Committee on STATE GOVERNMENT, May 11, 1981.

Senators PRICE, LYNCH, MCKINNEY, HANKINS, LEWIS and LLOYD presented to the Chair **SB 797**, entitled:

An Act amending the act of May 2, 1945 (P. L. 382, No. 164), entitled "Municipality Authorities Act of 1945," further defining "project" and further providing for general purposes.

Which was committed to the Committee on URBAN AFFAIRS AND HOUSING, May 11, 1981.

Senators HANKINS and PECORA presented to the Chair **SB 798**, entitled:

An Act providing for the issuance of temporary licenses for insurance agents.

Which was committed to the Committee on BANKING AND INSURANCE, May 11, 1981.

Senators GREENLEAF and O'PAKE presented to the Chair **SB 799**, entitled:

An Act abolishing the Pennsylvania Commission on Sentencing and making repeals.

Which was committed to the Committee on JUDICIARY, May 11, 1981.

Senators GREENLEAF and HELFRICK presented to the Chair **SB 800**, entitled:

An Act amending the act of June 11, 1947 (P. L. 565, No. 248), entitled "World War II Veterans' Compensation Act," extending the time during which applications may be filed for veterans' compensation and making an appropriation.

Which was committed to the Committee on MILITARY AND VETERANS AFFAIRS, May 11, 1981.

Senator REIBMAN presented to the Chair **SB 801**, entitled:

An Act making an appropriation to the Northampton County Branch of the Pennsylvania Association for the Blind, Inc.

Which was committed to the Committee on APPROPRIATIONS, May 11, 1981.

Senators GEKAS, ROMANELLI, JUBELIRER, MELLOW, STAUFFER, ROSS, MOORE, FISHER, LEWIS, SCANLON, HOPPER, O'PAKE, LLOYD, WILT, SINGEL, LINCOLN, MANBECK, KELLEY, LOEPER, KUSSE, BODACK, STOUT, ZEMPRELLI and HELFRICK presented to the Chair **SB 802**, entitled:

An Act amending the act of December 18, 1980 (No. 228), entitled "A supplement to the act of October 6, 1980 (No. 145), entitled 'An act providing for the capital budget for the fiscal year 1980-1981,' itemizing public improvement and furniture and equipment projects, to be constructed by the Department of General Services and transportation assistance projects to be acquired or constructed by the Pennsylvania Department of Transportation together with their estimated financial cost;....," further providing for a project within the Department of General Services.

Which was committed to the Committee on URBAN AFFAIRS AND HOUSING, May 11, 1981.

## SENATE CONCURRENT RESOLUTION

### RECESS ADJOURNMENT

Senator STAUFFER offered the following resolution, which was read, considered and adopted:

In the Senate, May 11, 1981.

RESOLVED (the House of Representatives concurring), That when the Senate adjourns this week it reconvene on Tuesday, May 26, 1981 unless sooner recalled by the President Pro Tempore; and be it further

RESOLVED, That when the Senate adjourns the week of May 25, 1981 it reconvene on Monday, June 1, 1981; and be it further;

RESOLVED, That when the House of Representatives adjourns this week it reconvene on Monday, June 1, 1981 unless sooner recalled by the Speaker of the House of Representatives.

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

## CALENDAR

### HB 210 CALLED UP OUT OF ORDER

**HB 210 (Pr. No. 1546)**— Without objection, the bill was called up out of order, from page 1 of the Third Consideration Calendar, by Senator JUBELIRER.

### BILL ON THIRD CONSIDERATION AND FINAL PASSAGE

**HB 210 (Pr. No. 1546)** — Considered the third time and agreed to,

And the amendments made thereto having been printed as required by the Constitution,

On the question,

Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

#### YEAS—47

Andrezeski	Holl	Mellow	Scanlon
Bell	Hopper	Messinger	Shaffer
Bodack	Howard	Moore	Singel
Corman	Jubelirer	Murray	Smith
Early	Kelley	O'Connell	Snyder
Fisher	Kusse	O'Pake	Stapleton
Gekas	Lewis	Pecora	Stauffer
Greenleaf	Lincoln	Price	Stout
Hager	Lloyd	Reibman	Tilghman
Hankins	Loeper	Rhoades	Wilt
Helfrick	McKinney	Romanelli	Zemprelli
Hess	Manbeck	Ross	

#### NAYS—0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Clerk return said bill to the House of Representatives with information that the Senate has passed the same with amendments in which concurrence of the House is requested.

## GUESTS OF SENATOR ROBERT J. MELLOW PRESENTED TO SENATE

Senator MELLOW. Mr. President, I would ask that we would extend our warm wishes to Mr. Ralph Lomma who is with us in the gallery today. Ralph Lomma is a very prominent Scranton businessman and a very good friend of mine and I would ask that you would extend our cordial best wishes to Mr. Lomma.

The PRESIDENT. Will Mr. Lomma and his guests please rise so the Senate may give you its traditional warm welcome? (Applause.)

## GUESTS OF SENATOR HENRY C. MESSINGER PRESENTED TO SENATE

Senator MESSINGER. Mr. President, in the gallery with us today are representatives of the Pennsylvania Hairdressers and Cosmetologists Association. They are not here to curl your hair. I will read their names. You may recognize your favorite hairdresser: Jean C. Leayman, Rita A. Johnson, Valerie Meyer, Helen Herbster, Joanne C. Evans, Felicia Bleicher, Joe Carroll, Jean Weaver and Grace Kennedy. I wish you would extend to them our warm welcome.

The PRESIDENT. Will those guests please rise so the Senate may give you its traditional warm welcome? (Applause.)

## RECESS

Senator JUBELIRER. Mr. President, I would ask that the Members of the Committee on Rules and Executive Nominations would report immediately to the Rules Committee room in the rear of the Senate Chamber and that the Republican Members of the Senate immediately following that meeting of the Committee on Rules and Executive Nominations, report to the first floor caucus room for the purpose of a Republican caucus.

Before requesting the recess, I think, Mr. President, that it would be appropriate for this Senate to also recognize one of its more distinguished senior citizens. I note today is the birthday of the gentleman from Allegheny, Senator Zemprelli, and I think we should give him a round of applause as well.

The PRESIDENT. Would Senator Zemprelli please rise so the Senate may give you its traditional warm greetings? (Applause.)

Senator JUBELIRER. Mr. President, I think for a man of seventy-five years, he carries his age extremely well, Mr. President, and his hair is already curled.

Senator ZEMPRELLI. Mr. President, the one thing I think is beautiful about my birthday is the fact I was born on Mother's Day, and that has a great deal of sentimentality with me. I appreciate the fact the gentleman would comment about my birthday. I was able to fell twenty trees yesterday, Mr. President, and I feel like I am seventy-five today, not fifty-six. But thank you very much for your consideration and your thoughtfulness.

Mr. President, at this time, I would request that we have an immediate caucus of the Democratic Members of the Senate for consideration of the Calendar and many other matters.

The PRESIDENT. There will be a meeting of the Committee on Rules and Executive Nominations in the Rules Committee room at the rear of the Chamber to be followed by caucuses of the Republican and Democratic Members. For that purpose, the Chair declares the Senate in recess.

**AFTER RECESS**

The PRESIDENT. The time of recess having elapsed, the Senate will be in order.

**CONSIDERATION OF CALENDAR RESUMED**

**THIRD CONSIDERATION CALENDAR**

**PREFERRED APPROPRIATION BILL  
ON THIRD CONSIDERATION AMENDED**

**HB 686 (Pr. No. 1437)** — Considered the third time,

On the question,

Will the Senate agree to the bill on third consideration?

Senator TILGHMAN, by unanimous consent, offered the following amendments:

Amend Title, page 1, line 14, by inserting after "RESOURCES," the Department of Public Welfare,  
Amend Sec. 1, page 3, by inserting between lines 8 and 9:

To the Department of Public Welfare

For cash assistance grants.....\$43,200,000

On the question,

Will the Senate agree to the amendments?

They were agreed to.

On the question,

Will the Senate agree to the bill on third consideration, as amended?

Senator TILGHMAN, by unanimous consent, offered the following amendments:

Amend Title, page 1, line 12, by inserting after "GOVERNOR," the Attorney General,  
Amend Sec. 1, page 2, by inserting after line 30:

To the Attorney General

For the general government of operations of the Attorney General.....\$260,000

On the question,

Will the Senate agree to the amendments?

They were agreed to.

And the question recurring,

Will the Senate agree to the bill on third consideration, as amended?

Senator LEWIS, by unanimous consent, offered the following amendments:

Amend Title, page 1, line 13, by inserting after "AGENCY," the Department of Education,

Amend Sec. 1, page 3, by inserting between lines 6 and 7:

To the Department of Education

For payments to school districts and intermediate units on account of special education of exceptional children in public schools.....\$27,578,000

On the question,

Will the Senate agree to the amendments?

Senator LEWIS. Mr. President, I am sure all of my colleagues are aware of the controversy that has surrounded the underfunding of our intermediate units with respect to their programs for special education during this past fiscal year. You might recall, although the statute requires and obligates this General Assembly to fund all of the excess costs over and above the basic average instructional subsidy, that would be expense that normally would be incurred by the local school district, that last year a fixed amount of money was provided in the budget that was substantially below the amount needed to meet the statutory requirements.

This has caused a great deal of difficulty and hardship for our intermediate units and for our local school districts for the very simple reason that none of them were able to plan or to anticipate this major change in funding. The matter as we might well expect was taken to court and just a few weeks ago, the court that heard the case handed down the ruling that, in fact, the State was in error, that the funding should be provided. That leaves us with a situation now where we find the needs as expressed in the statute and as affirmed by the court are dramatically below the available dollars that were put forward in the budget last year, therefore, Mr. President, a significantly existing deficiency which is appropriately the subject of this bill. We have attempted to compute the full amount of that deficiency, and, therefore, the amendments reflect the information which we have been able to develop and allocates \$27,578,000 for the shortfall in special education funding for this existing fiscal year.

I should point out, Mr. President, this money through the deficiency calculations will in fact be distributed to most of the intermediate units throughout Pennsylvania.

For example, Mr. President, I should point out the Allegheny County Intermediate Unit, in the district of the gentleman from Allegheny, Senator Pecora, would receive almost \$1.8 million to meet the deficiencies they have experienced.

The Lancaster-Lebanon Intermediate Unit would receive approximately \$147,000.

The Carbon-Lehigh Intermediate Unit would receive almost \$68,000.

In Bucks County, the Intermediate Unit would receive almost \$2.4 million.

Likewise, in Montgomery County, the Intermediate Unit would receive \$2.4 million.

Chester County would receive \$675,000 Delaware County approximately \$237,000, and the list goes on and on.

Mr. President, the bottom line of it very simply is this. By statue adopted by this General Assembly, we undertook the responsibility to fund all of the excess costs for the provision

of the special education services by our intermediate units. We have failed to meet the obligations and the responsibilities we have imposed as a result of those mandates because we have underfunded the costs that are related to the delivery of those services.

Mr. President, House Bill No. 686 will provide the monies to meet the cost obligations that have in fact been incurred with regard to that statutory mandate.

Senator TILGHMAN. Mr. President, for the Members on this side of the aisle, I have just seen these amendments. They are \$27.5 million, for this year as the gentleman from Bucks, Senator Lewis, has just said. I do not know where the gentleman intends to get the money for the remainder of this year. I wonder if it can be spent in the remainder of this year without great waste.

As you will recall, Mr. President, the Secretary of Education changed the special education funding and there was legislation put in to do away with his rule and regulation and that legislation failed. The Governor vetoed the legislation and the override of the veto failed. Even if we came up with this money, there is no authority to spend the money.

Mr. President, I would urge my colleagues to vote against these amendments. If the amendments should pass, we have to take \$27 million away from someplace for the remainder of this year. I do not know where we would do that.

As to the funding for special education next year, we are losing the Federal funds, but we are making that up with State funds. Next year special education will receive an increase of seven per cent in toto and when we pick up the \$45 million State funds plus the additional seven per cent, it works out to an increase in State funds next year of forty-three per cent for special education, not all new money, but nevertheless it is State funds. There is no proposed place to cut these funds in the remainder of this budget. For that reason, Mr. President, I would ask the Members to vote against this increase in funds.

Senator LEWIS. Mr. President, the gentleman from Montgomery, Senator Tilghman, in fact raises two very good questions. The first is how will this money be spent and can it be done efficiently? Well, let me point out that all of the costs have already been incurred with regard to these expenditures. The simple question is, where will the expenses be paid? Are we going to meet our responsibility as a Commonwealth with regard to the mandates which we impose that force these expenditures, or will the costs have to be borne by the local districts, therefore meaning local real estate taxes?

Mr. President, we are not talking about paying for programs that might be delivered some time in the future. We are talking about reimbursing the districts for expenses that they have already incurred this fiscal year because of the obligations imposed upon them by this General Assembly. Certainly the legitimate question is: Where will the money come from?

Mr. President, the money is going to come from the same place that the money was provided for the amendments that the gentleman from Montgomery, Senator Tilghman, just offered and that is from the surpluses and from the revenues

that have been generated this year and as I am certain the gentleman knows full well, the revenue generation so far in the first nine months of this year is substantially ahead of the estimates and anticipations of the Administration—some \$20 million ahead of the estimates—I might point out at this time we have in fact received and are ahead of revenue generation by something in excess of \$80 million. In fact, the gentleman from Montgomery, Senator Tilghman, has now allocated about \$43 million of that with the deficiencies for the cash grants, and even in the Administration's initial anticipations, their maximum guess on the expenditures for surpluses was about \$65 million. So the funds are there. It has been generated from the taxes from the people of this Commonwealth and there is more than sufficient dollars to meet these needs and these expenses which will have to borne locally in large part from real estate taxes if we do not meet our obligations here.

SENATOR JUBELIRER TO VOTE  
FOR SENATOR MANBECK

Senator HAGER. Mr. President, a few moments ago I was asked by Senator Jubelirer who was leaving the floor to ask for legislative leave for Senator Manbeck, if he were not back. I see he is back but he has forgotten. Senator Manbeck is on legislative business, Senator Jubelirer will be voting him.

The PRESIDENT. The Chair hears no objection and the leave is granted.

And the question recurring,  
Will the Senate agree to the amendments?

The yeas and nays were required by Senator LEWIS and were as follows, viz:

YEAS—22

Andrezeski	Lincoln	O'Pake	Singel
Bodaack	Lloyd	Reibman	Smith
Early	McKinney	Romanelli	Stapleton
Hankins	Mellow	Ross	Stout
Kelley	Messinger	Scanlon	Zemprelli
Lewis	Murray		

NAYS—26

Bell	Hess	Manbeck	Shaffer
Corman	Holl	Moore	Snyder
Fisher	Hopper	O'Connell	Stauffer
Gekas	Howard	Pecora	Street
Greenleaf	Jubelirer	Price	Tilghman
Hager	Kusse	Rhoades	Wilt
Helfrick	Loeper		

Less than a majority of the Senators having voted "aye," the question was determined in the negative.

The PRESIDENT. House Bill No. 686 will go over, as amended.

BILL ON THIRD CONSIDERATION AMENDED

SB 12 (Pr. No. 12) — Considered the third time,

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

Senator HELFRICK, by unanimous consent, offered the following amendments:

Amend Bill, page 3, by inserting between lines 9 and 10:

Section 3. The cost and fees relating to the conveyance shall be borne by the grantee.

Amend Sec. 3, page 3, line 10, by striking out "3." and inserting: 4.

Amend Sec. 3, page 3, lines 10 and 11, by striking out "by the Office of Attorney General" and inserting: as provided by law

Amend Sec. 4, page 3, line 14, by striking out "4." and inserting: 5.

On the question,

Will the Senate agree to the amendments?

They were agreed to.

Without objection, the bill, as amended, was passed over in its order at the request of Senator HELFRICK.

**GUESTS OF SENATOR WILLIAM J. MOORE PRESENTED TO SENATE**

Senator MOORE. Mr. President, this afternoon I have the unique opportunity of introducing to my colleagues in the Senate a group of local government officials who come from that great area between the Susquehanna River and the Conococheague Mountain, Perry County. Mr. President, I would like my colleagues to give our usual warm welcome to the County Commissioners of Perry County and their Chief Clerk.

The PRESIDENT. Would the County Commissioners of Perry County and their Chief Clerk please rise so the Senate may give you its traditional warm welcome?

(Applause.)

**THIRD CONSIDERATION CALENDAR RESUMED**

BILL OVER IN ORDER

**SB 277** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

BILL ON THIRD CONSIDERATION AND FINAL PASSAGE

**SB 306 (Pr. No. 308)** — Considered the third time and agreed to,

On the question,

Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—48

Andrezeski	Holl	Mellow	Scanlon
Bell	Hopper	Messinger	Shaffer
Bodack	Howard	Moore	Singel
Corman	Jubelirer	Murray	Smith
Early	Kelley	O'Connell	Snyder
Fisher	Kusse	O'Pake	Stapleton
Gekas	Lewis	Pecora	Stauffer
Greenleaf	Lincoln	Price	Stout
Hager	Lloyd	Reibman	Street
Hankins	Loeper	Rhoades	Tilghman
Helfrick	McKinney	Romanelli	Wilt
Hess	Manbeck	Ross	Zemprelli

NAYS—0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Clerk present said bill to the House of Representatives for concurrence.

BILL OVER IN ORDER

**HB 376** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

BILL ON THIRD CONSIDERATION AND FINAL PASSAGE

**SB 433 (Pr. No. 838)** — Considered the third time and agreed to,

And the amendments made thereto having been printed as required by the Constitution,

On the question,

Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—33

Andrezeski	Holl	McKinney	Ross
Bodack	Hopper	Mellow	Scanlon
Early	Jubelirer	Messinger	Shaffer
Fisher	Kelley	Moore	Singel
Greenleaf	Lewis	Murray	Smith
Hager	Lincoln	O'Pake	Stout
Hankins	Lloyd	Pecora	Wilt
Helfrick	Loeper	Romanelli	Zemprelli
Hess			

NAYS—15

Bell	Kusse	Reibman	Stauffer
Corman	Manbeck	Rhoades	Street
Gekas	O'Connell	Snyder	Tilghman
Howard	Price	Stapleton	

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Clerk present said bill to the House of Representatives for concurrence.

BILL OVER IN ORDER

**SB 521** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

BILL ON THIRD CONSIDERATION AMENDED

**HB 523 (Pr. No. 550)** — Considered the third time,

On the question,

Will the Senate agree to the bill on third consideration?

Senator JUBELIRER, by unanimous consent, offered the following amendments:

Amend Title, page 1, line 23 by removing the period after "wives" and inserting: and prohibiting a tax on construction.

Amend Sec. 1, page 1, line 28 by inserting after "amended": and a clause is added

Amend Bill, page 4, by inserting between lines 16 and 17:

(11) To levy, assess or collect a tax on the construction of or improvement to residential dwellings or upon the application for or issuance of permits for the construction of or improvements to residential dwellings.

On the question,  
Will the Senate agree to the amendments?

The yeas and nays were required by Senator JUBELIRER and were as follows, viz:

YEAS—47

Andrezeski	Hopper	Messinger	Shaffer
Bell	Howard	Moore	Singel
Bodack	Jubelirer	Murray	Smith
Corman	Kelley	O'Connell	Snyder
Early	Kusse	O'Pake	Stapleton
Fisher	Lewis	Pecora	Stauffer
Gekas	Lincoln	Price	Stout
Greenleaf	Lloyd	Reibman	Street
Hager	Loeper	Rhoades	Tilghman
Hankins	McKinney	Romanelli	Wilt
Helfrick	Manbeck	Ross	Zemprelli
Holl	Mellow	Scanlon	

NAYS—1

Hess

A majority of the Senators having voted "aye," the question was determined in the affirmative.

On the question,  
Will the Senate agree to the bill on third consideration, as amended?

Senator EARLY, by unanimous consent, offered the following amendments:

Amend Title, page 1, line 23, by removing the period after "wives" and inserting: ; granting political subdivisions additional powers to tax the income of individuals; increasing the limitation on the amount of income tax levied and authorizing an optional school district personal income tax equivalent with certain limitations and restrictions.

Amend Bill, page 4, by inserting between lines 16 and 17:

Section 2. Section 8 of the act, amended December 27, 1967 (P.L.894, No.404), is amended to read:

Section 8. Limitations on Rates of Specific Taxes.—(a) No taxes levied under the provisions of this act shall be levied by any political subdivision on the following subjects exceeding the rates specified in this section:

(1) Per capita, poll or other similar head taxes, ten dollars (\$10).

(2) On each dollar of the whole volume of business transacted by wholesale dealers in goods, wares and merchandise, one mill, by retail dealers in goods, wares and merchandise and by proprietors of restaurants or other places where food, drink and refreshments are served, one and one-half mills; except in cities of the second class, where rates shall not exceed one mill on wholesale dealers and two mills on retail dealers and proprietors. No such 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.

(3) [On] (i) Except as hereinafter provided, on wages, salaries, commissions and other earned income of individuals, one percent; one-half percent for school districts and one-half of one percent for other political subdivisions when a school district declines to use the optional income tax provisions.

(ii) When a school district utilizes the optional tax provisions of section 13.1, all income of individuals shall be taxable; one-half of one percent for other political subdivisions and no rate limitation to be imposed on any school district which utilizes such optional tax provisions.

(4) On retail sales involving the transfer of title or possession of tangible personal property, two percent.

(5) On the transfer of real property, one percent.

(6) On admissions to places of amusement, athletic events and the like, and on motion picture theatres in cities of the second class, ten percent.

(7) Flat rate occupation taxes not using a millage or percentage as a basis, ten dollars (\$10).

(8) Occupational privilege taxes, ten dollars (\$10).

(b) Except as otherwise provided in this act and except when a school district imposes the optional income tax set forth in section 13.1, at any time two political subdivisions shall impose any one of the above taxes on the same person, subject, business, transaction or privilege, located within both such political subdivisions, during the same year or part of the same year, under the authority of this act then the tax levied by a political subdivision under the authority of this act shall, during the time such duplication of the tax exists, except as hereinafter otherwise provided, be one-half of the rate, as above limited, and such one-half rate shall become effective by virtue of the requirements of this act from the day such duplication becomes effective without any action on the part of the political subdivision imposing the tax under the authority of this act. When any one of the above taxes has been levied under the provisions of this act by one political subdivision and a subsequent levy is made either for the first time or is revived after a lapse of time by another political subdivision on the same person, subject, business, transaction or privilege at a rate that would make the combined levies exceed the limit allowed by this subdivision, the tax of the second political subdivision shall not become effective until the end of the fiscal year for which the prior tax was levied, unless:

(1) Notice indicating its intention to make such levy is given to the first taxing body by the second taxing body as follows: (i) when the notice is given to a school district it shall be given at least forty-five days prior to the last day fixed by law for the levy of its school taxes; (ii) when given to any other political subdivision it shall be prior to the first day of January immediately preceding, or if a last day for the adoption of the budget is fixed by law, at least forty-five days prior to such last day; or

(2) Unless the first taxing body shall indicate by appropriate resolution its desire to waive notice requirements in which case the levy of the second taxing body shall become effective on such date as may be agreed upon by the two taxing bodies.

(c) It is the intent and purpose of this provision to limit rates of taxes referred to in this section so that the entire burden of one tax on a person, subject, business, transaction or privilege shall not exceed the limitations prescribed in this section: Provided, however, That any two political subdivisions which impose any one of the above taxes, on the same person, subject, business, transaction or privilege during the same year or part of the same year may agree among themselves that, instead of limiting their respective rates to one-half of the maximum rate herein provided, they will impose respectively different rates, the total of which shall not exceed the maximum rate as above permitted.

(d) Notwithstanding the provisions of this section, any city of the second class A may enact a tax upon wages, salaries, commissions and other earned income of individuals resident therein, not exceeding one percent, even though a school district levies a similar tax on the same person provided that the aggregate of both taxes does not exceed two percent.

Section 3. Subsection (b) of section 10, sections 11 and 12 of the act are amended to read:

Section 10. Collection of Taxes.—\* \* \*

(b) Single Collector for [Earned] Income Taxes When Certain School Districts Impose Such Taxes.—Whenever a school district of the second, third or fourth class shall be established pursuant to section 296, act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949," added August 8, 1963 (P.L. 564, No.299), and such school district shall levy, assess and

collect or provide for the levying, assessment and collection of [a] any tax upon [earned] income, such school district and all cities, boroughs, towns and townships within its geographical limits which levy, assess and collect or provide for the levying, assessment and collection of [a] any tax upon [earned] income, may on January 1, 1967, or as soon thereafter as the school district shall provide for the levying, assessment and collection of any taxes upon [earned] income, select one person or agency to collect the said taxes upon [earned] income imposed by all such political subdivisions. In selecting such person or agency, each political subdivision shall share in the selection upon a basis agreed upon by each political subdivision, or in the absence of any agreement on the basis of voting according to the proportion that the population of each bears to the entire population of the combined collection district, according to the latest official Federal census, and the majority of such votes cast shall determine the person or agency selected to collect the taxes. The provisions of this paragraph shall not prohibit school districts and other political subdivisions which levy, assess and collect or provide for the levying, assessment and collection of any taxes upon [earned] income, under authority of this act, from selecting the same person or agency to collect such tax upon [earned] income in an area larger than the geographical limits of a school district established pursuant to section 296 of the "Public School Code of 1949."

Section 11. Audits of [Earned] Income Taxes.—Except in cities of the second class, the governing body of each political subdivision which levies, assesses and collects or provides for the levying, assessment and collection of [a] any tax upon [earned] income, shall provide for not less than one examination each year of the books, accounts and records of the income tax collector, by a certified public accountant, a firm of certified public accountants, a competent independent public accountant, or a firm of independent public accountants appointed by the governing body. Whenever one person or agency is selected to collect [earned] any income taxes for more than one political subdivision, the books, accounts and records of such person or agency shall be examined as provided above in the case of a tax collector for each political subdivision, except that the accountant shall be selected in the manner provided for selection of one person or agency to collect [earned] any income taxes for the school district established under section 296 of the "Public School Code of 1949," and the cities, boroughs, towns and townships within the geographical limits of such school district. The reports of the audit shall be sent to the governing body or bodies of the political subdivision or political subdivisions employing the accountant. No further or additional audit shall be performed by elected or appointed auditors.

Section 12. Audits of Taxes Other Than [Earned] Income Taxes.—The books, accounts and records of persons collecting taxes pursuant to this act, other than taxes levied, assessed and collected upon [earned] income, shall be audited, adjusted and settled in the manner prescribed by law for the auditing, adjusting and settling of accounts of persons receiving or expending funds of the political subdivision which has levied, assessed and collected the taxes pursuant to this act, other than taxes levied, assessed and collected upon [earned] income.

Section 4. The introductory paragraph, divisions I and II and subdivision B of division III of section 13 of the act, the definition of "domicile" in division I amended October 4, 1978 (P.L.930, No.177), are amended to read:

Section 13. [Earned] Income Taxes.—On and after the effective date of this act the remaining provisions of this section shall be included in or construed to be a part of each tax levied and assessed upon [earned] any portion of income by any political subdivision levying and assessing such tax pursuant to this act. The definitions contained in this section shall be exclusive for any tax upon [earned] any portion of income and net profits levied and assessed pursuant to this act, and shall not be altered or changed by any political subdivision levying and assessing such tax.

#### I. Definitions

"Association." A partnership, limited partnership, or any other unincorporated group of two or more persons.

"Business." An enterprise, activity, profession or any other undertaking of an unincorporated nature conducted for profit or ordinarily conducted for profit whether by a person, partnership, association, or any other entity.

"Corporation." A corporation or joint stock association organized under the laws of the United States, the Commonwealth of Pennsylvania, or any other state, territory, foreign country or dependency.

"Current year." The calendar year for which the tax is levied.

"Domicile." The place where one lives and has his permanent home and to which he has the intention of returning whenever he is absent. Actual residence is not necessarily domicile, for domicile is the fixed place of abode which, in the intention of the taxpayer, is permanent rather than transitory. Domicile is the voluntarily fixed place of habitation of a person, not for a mere special or limited purpose, but with the present intention of making a permanent home, until some event occurs to induce him to adopt some other permanent home. In the case of businesses, or associations, the domicile is that place considered as the center of business affairs and the place where its functions are discharged.

"Earned income." Salaries, wages, commissions, bonuses, incentive payments, fees, tips and other compensation received by a person or his personal representative for services rendered, whether directly or through an agent, and whether in cash or in property; not including, however, wages or compensation paid to persons on active military service, periodic payments for sickness and disability other than regular wages received during a period of sickness, disability or retirement or payments arising under workmen's compensation acts, occupational disease acts and similar legislation, or payments commonly recognized as old age benefits, retirement pay or pensions paid to persons retired from service after reaching a specific age or after a stated period of employment or payments commonly known as public assistance, or unemployment compensation payments made by any governmental agency or payments to reimburse expenses or payments made by employers or labor unions for wage and salary supplemental programs, including, but not limited to, programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, strike benefits, social security and retirement.

"Income." (a) The following classifications shall constitute income for purposes of this act:

(1) Compensation. All salaries, wages, commissions, bonuses and incentive payments whether based on profits or otherwise, fees, tips and similar remuneration received for services rendered whether directly or through an agent and whether in cash or in property except income derived from the United States Government for active duty outside the Commonwealth of Pennsylvania as a member of its armed forces.

(2) Net profits. The net income from the operation of a business, profession, or other activity, except corporations, after provision for all costs and expenses incurred in the conduct thereof, determined either on a cash or accrual basis in accordance with accepted accounting principles and practices but without deduction of taxes based on income.

(3) (i) Net gains or income from disposition of property. Net gains or net income, less net losses, derived from the sale, exchange or other disposition of property, including real or personal, whether tangible or intangible as determined in accordance with accepted accounting principles and practices. For the purpose of this act, for the determination of the basis of any property, real and personal, if acquired prior to June 1, 1971, the date of acquisition shall be adjusted to June 1, 1971 as if the property had been acquired on that date. If the property was acquired after June 1, 1971, the actual date of acquisition shall be used in determination of the basis.



(ii) The term "net gains or income" shall not include gains or income derived from obligations which are statutorily free from State or local taxation under any other act of the General Assembly of the Commonwealth of Pennsylvania or under the laws of the United States. The term "sale, exchange or other disposition" shall not include the exchange of stock or securities in a corporation a party to a reorganization in pursuance of a plan of reorganization, solely for stock or securities in such corporation or in another corporation a party to the reorganization and the transfer of property to a corporation by one or more persons solely in exchange for stock or securities in such corporation if immediately after the exchange such person or persons are in control of the corporation. For purposes of this clause, stock or securities issued for services shall not be considered as issued in return for property.

(4) Net gains or income derived from or in the form of rents, royalties, patents and copyrights.

(5) Dividends.

(6) Interest derived from obligations which are not statutorily free from State or local taxation under any other act of the General Assembly of the Commonwealth of Pennsylvania or under the laws of the United States.

(7) Gambling and lottery winnings.

(8) Net gains or income derived through estates or trusts.

(b) To the extent that income or gain is subject to tax under one of the classes of income enumerated in this definition such income or gain shall not be subject to tax under another of such enumerated classes.

(c) The term "income" shall not mean or include: (i) periodic payments for sickness and disability other than regular wages received during a period of sickness or disability; or (ii) disability, retirement or other payments arising under workmen's compensation acts, occupational disease acts and similar legislation by any government; or (iii) payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of employment; or (iv) payments commonly known as public assistance, or unemployment compensation payments by any governmental agency; or (v) payments to reimburse actual expenses; or (vi) payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, strike benefits, social security and retirement; or (vii) any compensation received by United States servicemen serving in a combat zone.

"Income tax officer or officer." Person, public employe or private agency designated by governing body to collect and administer the tax on [earned] income and net profits.

"Employer." A person, partnership, association, corporation, institution, governmental body or unit or agency, or any other entity employing one or more persons for a salary, wage, commission or other compensation.

"Net profits." The net income from the operation of a business, profession, or other activity, except corporations, after provision for all costs and expenses incurred in the conduct thereof, determined either on a cash or accrual basis in accordance with the accounting system used in such business, profession, or other activity, but without deduction of taxes based on income.

"Nonresident." A person, partnership, association or other entity domiciled outside the taxing district.

"Person or individual." A natural person.

"Preceding year." The calendar year before the current year.

"Resident." A person, partnership, association or other entity domiciled in the taxing district.

"Succeeding year." The calendar year following the current year.

"Taxpayer." A person, partnership, association, or any other entity, required hereunder to file a return of [earned] any income or net profits, or to pay a tax thereon.

## II. Imposition of Tax

The tax levied under this act shall be applicable to [earned] any portion of income received and to net profits earned in the period beginning January 1, of the current year, and ending December 31, of the current year or for taxpayer fiscal years beginning in the current year, except that taxes imposed for the first time shall become effective from the date specified in the ordinance or resolution, and the tax shall continue in force on a calendar year or taxpayer fiscal year basis, without annual reenactment, unless the rate of the tax is subsequently changed. Changes in rate shall become effective on the date specified in the ordinance.

### III. Declaration and Payment of Tax

\* \* \*

#### B. [Earned] Income.

##### Annual [Earned] Income Tax Return.

At the election of the governing body every taxpayer shall, on or before April 15, of the succeeding year, make and file with the officer on a form prescribed or approved by the officer a final return showing the amount of [earned] any portion of income received during the period beginning January 1, of the current year, and ending December 31, of the current year, the total amount of tax due thereon, the amount of tax paid thereon, the amount of tax thereon that has been withheld pursuant to the provisions relating to the collection at source and the balance of tax due. At the time of filing the final return, the taxpayer shall pay the balance of the tax due or shall make demand for refund or credit in the case of overpayment.

##### [Earned] Income Not Subject to Withholding.

Every taxpayer who is employed for a salary, wage, commission, or other compensation and who received any [earned] portion of income not subject to the provisions relating to collection at source, shall as the governing body elects:

(1) Make and file with the officer on a form prescribed or approved by the officer, an annual return setting forth the aggregate amount of [earned] such income not subject to withholding from him during the period beginning January 1, and ending December 31, of the current year, and such other information as the officer may require, and pay to the officer the amount of tax shown as due thereon on or before April 15, of the succeeding year, or

(2) Make and file with the officer on a form prescribed or approved by the officer, a quarterly return on or before April 30, of the current year, July 31, of the current year, October 31, of the current year, and January 31, of the succeeding year, setting forth the aggregate amount of [earned] income not subject to withholding by him during the three-month periods ending March 31, of the current year, June 30, of the current year, September 30, of the current year, and December 31, of the current year, respectively, and subject to the tax, together with such other information as the officer may require. Every taxpayer making such return shall, at the time of filing thereof, pay to the officer the amount of tax shown as due thereon.

\* \* \*

Section 5. The act is amended by adding a section to read:

Section 13.1. Optional Personal Income Tax Equivalent Authorization for School Districts.—(a) Subject to the limitations set forth in subsection (c), a school district in addition to any other taxes authorized by law, may provide by ordinance or resolution for a residential property tax equivalency levied upon the personal income of the residents of its district. The school district shall first determine the necessary uniform real property tax levy to meet their budget needs for the fiscal year. The portion of any residential property tax necessary to meet this requirement would be satisfied by the equivalent amount of personal income tax levy. Each year the Department of Education shall calculate the personal income tax equivalent of each mill of residential property tax. The secretary shall use the assessed value of residential property located within each school district as certified to him by the State Tax Equalization Board and the personal income

reported of the residents of each school district as certified to him by the Secretary of Revenue in this calculation.

(b) The tax imposed in subsection (a) shall be subject to the provisions of section 13 relating to the collection of, reporting of, withholding of and the payment and penalties for late payments of an earned income tax.

(c) Every school district which imposes the equivalency tax authorized in subsection (a) shall not impose or collect any real property tax on real estate classified and assessed as residential real property, but shall continue to impose and collect a real property tax on any real estate classified and assessed as commercial property, industrial property or agricultural property.

(d) Whenever a school district initially imposes the tax authorized in subsection (a), such school district shall retain that tax structure for a period of at least two years. Thereafter whenever such school district desires to change its tax structure by utilizing the options available in this act, such change as the school district effects shall be continued for a period of at least six years.

(e) Any school district which does not choose to impose the tax set forth in subsection (a) shall be limited to imposing any income tax provided in this act only upon the earned income of the residential taxpayer.

(f) Within thirty days after receipt of his school real property tax bill, a landlord whose property is classified residential by the assessing authority shall disclose in writing to each tenant who has occupied a rental unit for more than forty-five days, the reduction in real property taxes, if any, under this amendatory act which is attributable to the tenant's unit. The amount of tax reduction attributable to each unit shall be based upon allocated square footage occupied or other reasonable criterion.

Amend Sec. 2, page 4, line 17, by striking out "2. This" and inserting: 6. Section 1 of this

Amend Sec. 2, page 4, line 17, by removing the period after "days" and inserting: and the remainder of this act shall take effect immediately and apply to the tax year beginning January 1, 1981.

On the question,

Will the Senate agree to the amendments?

Senator EARLY. Mr. President, these amendments are probably the most important amendments dealing with the most important subject we will discuss this year, property tax. I do not believe there is one Senator in this room who does not want to reform it, modify it or even abolish it. Property tax by far is the most unfair tax that is levied. The Governor promised to rectify it and even took issue with his own task force when they did not recommend it be changed.

Mr. President, these amendments are not something that I put together over the weekend but amendments that have materialized after trial and error year after year. Many public meetings were held where hundreds of individuals heard and commented on the legislation. I have had meetings with school boards, businessmen, school teachers, senior citizens, and a cross-section of the entire community.

Let me explain what I do with these amendments. I permit school boards to eliminate residential school property tax and I permit them to impose an income tax. Mr. President, I must emphasize I do not mandate but give an option to the school board.

Mr. President, this is how I do it: On your desk you will see a chart that specifically mentions Early Property Tax Reform. I give you an example; school district "A" needs \$10 million through the local effort. I have decided, Mr. President, to

make it easy and show that this particular school district "A," which could be any school district, has a situation where fifty per cent of the property is either commercial, industrial or agricultural and the other fifty per cent is residential. This could be 80-20, 90-10, 60-40 or whatever. To make it easy to illustrate it, I have decided that school district "A" needs \$10 million and it will be divided fifty-fifty. School district "A" after the accounting will assess the property as they are currently doing. As determined, they will need fifty mills on the assessment to produce the \$10 million they need to generate on the local level. Fifty mills on the commercial, the industrial and the agricultural would produce \$5 million and fifty mills on the residential will also produce \$5 million.

I want to emphasize, Mr. President, because many have said this is unconstitutional and this is anything but unconstitutional, I have stayed within the Constitution throughout these amendments. I have told you so far, Mr. President, I do not change one thing from existing law. Everything I have said to this point is exactly what we have under Act 511. What I have done, Mr. President, I have gone one step further and I have said that a school district may—and let me emphasize "may"—collect from the residents an equivalent income tax. I use the word "equivalent" because I want to stay within the uniformity of the Constitution. The equivalent income tax, Mr. President, will be uniformly taxed throughout all individuals who will pay the income tax.

Mr. President, the Members of the Senate are perhaps wondering what their school district will have to impose if they opt to take my particular plan. If the Members will notice on their desks they have a chart marked Roman numeral I. At the far righthand corner it will tell them what their school district would have had to impose—now I say would have had to impose. The date of this is January, 1979. As recently as today I received an updated copy which I marked Roman numeral II. Roman numeral II is the actual amount that your school district will have to impose. On chart Roman numeral I the overall Statewide average is 1.8; because of inflation the new rate is 1.31.

Mr. President, this is the beauty of it. Many people have said the school boards will continue to increase the percentage and because of inflation the percentage will actually come down. Since 1979 the overall Statewide average was 1.83 which is what they had to pay and I am giving them an average and their individual district is listed in front of them. The overall Statewide average was 1.83; as of today it is 1.31. The Members can tell their constituents under this proposal their income tax will probably decrease. As you know, Mr. President, under the State income tax which we passed in 1971 even though we have not increased it, in fact we decreased it, we almost received twice as much money as we did when we first passed it in 1971 because of inflation. Mr. President, if a school district would receive additional money, which they will, because of inflation they immediately have to vote to decrease their millage or they would have a situation where the residents through an income tax will be paying more than the commercial.

Mr. President, I have put in great time, pain and effort to make sure that neither side will have an unfair advantage. For one reason, I do not think they should have an unfair advantage and, two, if that would happen the bill would be unconstitutional. The way it is drafted if a school board was receiving more money at the same percentage and they needed that money they then would have to vote an increase in their millage so the commercial property would pay again their fair share. I emphasize their fair share.

Mr. President, with these amendments we have a solution to a very serious problem. Business does not want to pay an income tax; under my plan they will not. The senior citizens do not want to pay a property tax; under my plan they will not. The school boards do not want to charge a tax that some people cannot afford; under my plan they will not. Everyone will pay according to his ability to pay. The tax will be identical to the State income tax which no one can say is unfair. No tax will be collected on Social Security, pensions, unemployment or insurance benefits. The percentage that will be needed is on the sheet that I gave the Members. Keep in mind, Mr. President, school boards will lose no money in the exchange.

Also, Mr. President, they will gain no money. If they need more money to run their schools, they would have to vote an increase. Business is also protected under these amendments. They would not have to pay more than their fair share.

Mr. President, I met with the Chamber of Commerce. Their comment was: Where is the kicker? They are very concerned about an unfair burden being placed on business.

Mr. President, I met with PSEA. They will not endorse it not because they do not like it, but because they want this to run with assessment reform and fifty per cent funding. I am sure everyone agrees it will be a long time before that happens.

Mr. President, I met with senior citizens and believe me, they cannot wait for these amendments to pass.

Mr. President, perhaps you are saying, well, who is against these particular amendments? One, an individual with low or no property tax and a high income. He may be against them. I have talked to many individuals who will pay more under this plan and many have said I agree with you, Senator, because it is fair.

If an individual makes \$100,000 and his district needs two per cent, he will pay \$2,000. If someone else makes \$10,000, he will pay \$200. Mr. President, that is fair. Let us assume a senior citizen makes \$8,000 and his property tax is \$800. He will pay ten per cent of his income while another individual who makes \$80,000 and also pays \$800 in property tax, he pays only one per cent of his income. That, Mr. President, is unfair. I want to emphasize that. I want to repeat that. An individual making \$100,000 paying a property tax of \$800 is paying one per cent while a senior citizen making \$8,000, and he is paying \$800 in property tax, is paying ten per cent. We talk about uniformity. There is nothing uniform about that. I do not think it is constitutional and it is damn right well totally unfair when we ask someone to pay ten per cent of their income and someone else to pay one per cent.

Under my proposal, Mr. President, everyone will pay the same. Many have said my amendments are unconstitutional. As I indicated, Mr. President, a senior citizen can pay ten per cent and someone else can pay one per cent.

Mr. President, I have here with me a copy of the Constitution. Let me state, "All taxes shall be uniform upon the same class of subjects, within territorial limits of the authority levying the tax, and shall be levied and collected under the general laws." It says "under the same class," and Mr. President, there is no way in the world you can say I am not treating everyone within the class equally. Business will all pay according to the property. Everyone will pay according to the assessments. Everyone will pay according to the millage as they are doing at the present time.

I have added one paragraph which states the equivalency. Mr. President, that equivalency is the key, the kicker and the point that makes it fair and equitable, the equivalent. Everyone, Mr. President, will pay the same amount.

Mr. President, I researched a few cases concerning the constitutionality of it. I discovered under the Second Class City Code and the Third Class City Code, each authorizes the city to "classify real estate so as to distinguish between the buildings on the land and the land exclusive of the building." This is known as incentive taxation. The taxing of improvements at a lower rate to provide an incentive for growth. Mr. President, I do not disagree with that. It is existing law. It has never been challenged. It is certainly digressing from the Uniformity Clause which I indicate I do not.

We also had a case in 1971, Mr. President. I think many of us remember it very vividly, *Amidon v. Kane*. The court decision which found the 1971 income tax unconstitutional states: "The Uniformity Clause means that the classification must be reasonable and the tax must be applied with uniformity upon similar kinds..."—this is the court decision—"...of business or property and with substantial equality of the tax burden to all members of the same class." That is what the court case indicated when it was challenged. Mr. President, I do not deviate in any way, shape or form and I stay within the Uniformity Clause of the Constitution and within the case that was decided in 1971.

It further states, "While taxation is not a matter of exact science and perfect uniformity and absolute equality in taxation can rarely ever be attained, the imposition of taxes which are to a substantial degree unequal in the operation or effect upon similar kinds of business or property or upon persons in the same..." I am going to repeat this, "...in the same classification, persons in the same classification is prohibited."

Mr. President, nothing I have said or done digresses from either the Constitution or that particular court case as well.

This case found the income tax void because of exemptions in the tax structure. The language in these amendments I just presented does not fall into this category because it is applied to a broad class and treats it basically as they have described above in this particular case.

We had another case, *Jermyn v. Scranton City*, 1905. Relating to uniformity, this decision agrees with the need to conform but it says, "...classification and methods of collec-

tion to be provided are purely legislative. The power to classify being given, all that is then required by the Constitution is that taxes shall be uniform upon Members..." and everytime it comes up, Mr. President, "...upon Members of a class, and it is the uniformity of taxation, according to the classification made (by the Legislature) which is the matter to be determined by the courts."

The court also said in that same decision, "Unless there is a different rate or levy on several classes of property, why should properties be classified at all?" I agree with that, Mr. President. We talk about the individual classifications of property, yet we say they must be uniform. I agree with that.

Mr. President, there was another case, 1909, Delaware, Lackawanna and Western Railroad. This decision affirmed that coal lands assessed at higher levels than other property was a violation of the uniformity provision. Mr. President, again I fall within that because the assessment I am asking is identical to the assessment that is being done at the present time. I do not even ask you to change that.

McKnight Shopping Center v. Board of Property Assessment, 1965. This decision found that certain assessments for shopping centers were not uniform: "...all real estate is a class entitled to uniform treatment..." which I have done. "...the ratio of assessed value to market value adopted by the taxing authority...must be applied equally to all real estate within the jurisdiction of such authority." If you go back to my chart, Mr. President, you will find the school district must put the millage on all classifications. They must stay uniform.

Mr. President, I have researched case after case after case none of which determines in my mind that anything I have done violates the uniformity clause in the Constitution, by no stretch of the imagination.

Mr. President, I am certain these amendments are going to pass. I have no doubt in my mind these amendments will pass. They may not pass today, Mr. President, but they will pass because no one in this room can no longer sit still while senior citizens are forced out of their homes because of the inequality we have in our existing system.

Mr. President, I am sure everyone in this room has heard story after story of senior citizens who have had to sell their home and on weekends they go and visit that home by parking their car across the street and they reminisce about the time they planted that tree. They reminisce about the time their son or their daughter played on that swing. Because of the demands of tax that is needed to run our schools, we have said to those individuals, "You no longer can live there because we are taxing you out of that even though you built that home, even though you lived in that home, you raised your family in that home." We are saying to them, "Get the hell out of that home."

Mr. President, a "no" vote on these amendments means we are saying, "Get the hell out of that home. You have no right to live there."

Mr. President, I am totally convinced these amendments will definitely pass. I hate to think some individuals will vote against these amendments because of their dislike for me or they dislike the fact that a Democrat offered these amend-

ments. I implore the Members, do not, and I emphasize "do not," play politics with something as important as this. It is unfair and it is just not right.

Mr. President, I ask for an affirmative vote.

Senator FISHER. Mr. President, first of all, let me congratulate the gentleman from Allegheny, Senator Early, on all the work he has done in not only preparing these amendments, but also preparing a bill which he introduced a few months ago which basically contains what is in these amendments today. I think the work the gentleman has done is exemplary. The statistics he has compiled are going to be very helpful in any resolution of the property tax debate controversy.

Secondly, Mr. President, let me mention by way of an aside, I agree with the gentleman from Allegheny, Senator Early, on the question of the constitutionality of this approach. Some have doubted the constitutionality in informal discussion. I think the proposal which is before us does pass the constitutional muster. Of course, the final arbiter of whether or not any legislation we pass is the Pennsylvania Supreme Court and perhaps it is unfortunate next week when we have a very important election which will determine the future composition of the Pennsylvania Supreme Court, such candidates cannot be questioned on their stands on issues such as this. I think this is unfortunate because the voters have a right to know what their particular views are, at least in my outlook, that the same judicial canons that apply to judges apply to those candidates and consequently we do not know how they might rule on language such as this.

The bill before us, not the amendments, House Bill No. 523, although in the totality of the legislative scheme is no way as important as is resolving the property tax controversy that perplexes many of the people of the Commonwealth but it in and of itself is an important bill. It is an important bill in its original intent. It will complete part of the work of the divorce code which will allow that transactions between divorced husbands and wives will not be subject to the one per cent Local Tax Enabling Act. I think if we try to resolve the property tax controversy in House Bill No. 523, we may be making a grave mistake. The amendments offered by the gentleman from Blair, Senator Jubelirer, are also important to another segment of the population, the building industry. I think that is an important change.

Mr. President, if it were not for the fact that tomorrow before the Committee on Finance of this Senate a property tax bill will finally be considered, and that is Senate Bill No. 530, I believe I would be joining the gentleman from Allegheny, Senator Early, here today. I am not joining the gentleman from Allegheny, Senator Early, here today because the gentleman from Bucks, Senator Howard, has indicated that bill will be considered. The gentleman has indicated amendments to the bill will be considered and accepted and reviewed by the committee. I think the consideration of a property tax reform is more germane before a property tax bill than before this bill that is here tonight.

Also there are two other reasons why I am not going to support the amendments of the gentleman from Allegheny,

Senator Early, which are presently before the Senate. I have spoken to the sponsor of the amendments about these two issues. I think they are two very grave issues that are contained and they are defects in the gentleman's amendments.

First of all, Mr. President, in the amendments residential real estate will not only be the homes which many of us live in, which many of the senior citizens which those of us who are concerned with property tax are hoping to allow them to keep, but it also includes apartment buildings. That will be residential real estate. Under the amendments, although the landlord, the owner of that apartment building will get the same rebate on the real estate taxes that a homeowner will, there is no requirement that rebate be passed on through to the tenant. I think that is a significant defect, a defect I hope we can remedy by offering amendments similar to this with corrections and changes to Senate Bill No. 530 when and if it comes before this Senate or at least tomorrow before the Committee on Finance.

Secondly, another important point I think is overlooked in these amendments. We have before us the breakdowns in taxation and what it will mean to all our districts. I indicated to the gentleman from Allegheny, Senator Early, that my research on House Bill No. 523 tells me the amendments will not apply to perhaps the two largest municipalities in the State. Although neither the gentleman from Allegheny, Senator Early, nor I represent the City of Pittsburgh or the City of Philadelphia, I think the people of the City of Pittsburgh and the City of Philadelphia should have the same opportunity to have their school boards determine whether or not they are going to move away from a property tax on residential property to a local personal income tax. The Local Tax Enabling Act does not apply to school districts of the First Class, it does not apply to school districts of the First Class A, which is the City of Pittsburgh, and consequently the amendments before us would not apply to those two large jurisdictions.

Mr. President, I would hope through an amendment with those two changes in it that we would be able to offer that as an alternative to the bill which has been variously referred to as the "Stauffer proposal."

I agree the proposal of the gentleman from Allegheny, Senator Early, which is before us in generalities is preferable for reforming the property tax system and that is the way I eventually intend to cast my vote.

Tonight, Mr. President, for the reasons I have offered, I think a vote for these amendments this evening is not proper and accordingly I am casting a negative vote and would ask my colleagues also to cast a negative vote and wait until we get a property tax bill which I think will be very soon before this Senate to resolve which way we will go on property tax reform.

Senator MOORE. Mr. President, I desire to interrogate the gentleman from Allegheny, Senator Early.

The PRESIDENT. Will the gentleman from Allegheny, Senator Early, permit himself to be interrogated?

Senator EARLY. I will, Mr. President.

Senator MOORE. Mr. President, does the gentleman believe most residential property in Pennsylvania is owned by senior citizens?

Senator EARLY. No, Mr. President.

Senator MOORE. I am sure, Mr. President, the gentleman is aware of the present benefits available to senior citizens in the form of property tax rebates, is that correct?

Senator EARLY. Mr. President, as meager as it is, I am aware of it.

Senator MOORE. Mr. President, if we change the present law to permit the collection of an equivalent income tax in lieu of the present residential property tax, where is the benefit to the residential property owner?

Senator EARLY. Mr. President, this is the beauty of it and this is the reason it is constitutional. Even though as a class, individual senior citizens will benefit greatly but not strictly senior citizens. We have individuals who are constituents of ours who have large families who need a large home, who unfortunately have a low income. These individuals are trying to strive, they are trying to make a living, they are trying to keep their family intact, they want to live like a normal person would live, but because they have a small income, they are charged a tremendous property tax. Mr. President, the beauty of my bill even though it is a tremendous help to the senior citizen, it is not exclusively to the senior citizen. It is fair and equitable to everyone.

Senator MOORE. Mr. President, then I would assume the gentleman is saying the property owner, the average property owner, if there is such a thing in Pennsylvania, if he is to be assessed on his income would pay less than if he is assessed on the basis of the market value of his property, is that correct?

Senator EARLY. Mr. President, to give you a ball park figure, generally speaking someone making over \$40,000 will probably pay more. This again, Mr. President, determines on the property tax he is paying. Figure a ball park figure of \$800 in property tax and a ball park figure of \$40,000 in an income he receives two per cent of that and I indicated to you the Statewide average. A ball park figure is about \$40,000. What I am saying, Mr. President, is someone making over \$40,000 will probably pay more under my proposal and someone making under \$40,000 will probably pay less, but the property tax he pays will be a factor in there.

Senator MOORE. Mr. President, it is these ball park figures that concern me. Would not the same people who would receive the benefits from not having to pay a real estate tax and instead be paying, in lieu thereof, a tax on their income, be obligated to pay all of the other taxes that are levied for school purposes?

Senator EARLY. Mr. President, for school purposes?

Senator MOORE. And for all purposes, Mr. President.

Senator EARLY. For all purposes, yes, he would, Mr. President, the same as everyone else would. I am not eliminating a property tax on a township, a borough, a city, a county. I would say if we do this and we find it successful, there is no reason why we cannot come back in a couple years and amend that to go even farther than we are going. Mr.

President, I can also tell you this: I see a correlation between the property tax you pay to your county, to your borough and your township because the services they provide are basically for police and roads and there is a correlation between that and the home you own. But, you would have to convince me of a correlation between the property you own and the school district tax you pay. I see no correlation there.

To answer the gentleman's question, Mr. President, yes, you will still pay the property tax to your borough, your township, your county, but also, the gentleman is well aware that the property tax you pay to your local municipality is much lower, much lower than the property tax you pay to your school district.

Senator MOORE. Mr. President, I am sure the gentleman is very sincere in his effort. I am well aware he has spent a great deal of time in amassing statistics to enforce his argument. I am sure there is merit to parts of the gentleman's proposal, but on the grounds I am not convinced of the validity of his statistics, I would ask my colleagues to turn down the gentleman's amendments at this time and study the bill in another form.

Senator O'CONNELL. Mr. President, I desire to interrogate the gentleman from Allegheny, Senator Early.

The PRESIDENT. Will the gentleman from Allegheny, Senator Early, permit himself to be interrogated?

Senator EARLY. I will, Mr. President.

Senator O'CONNELL. Mr. President, I think I understood in the gentleman's delivery that he indicated the taxes must be uniform upon the class?

Senator EARLY. Mr. President, that is correct.

Senator O'CONNELL. Mr. President, if that be the case is it not true then that multi-family owners, large industrial plants and shopping centers would be given a substantial reduction in their tax rate?

Senator EARLY. It could not be further from the truth, Mr. President, absolutely not.

Senator O'CONNELL. Absolutely not, Mr. President?

Senator EARLY. No way, shape or form, Mr. President.

Senator O'CONNELL. Mr. President, it would be an area I would like to discuss or debate with the gentleman but it is my judgment that that being true, it would be a substantial benefit to those people who owned those kinds of facilities. If the gentleman can explain to me otherwise I would appreciate it.

Senator EARLY. Mr. President, if I explain it to the gentleman from Luzerne, Senator O'Connell, would he give me an affirmative vote?

Senator O'CONNELL. Mr. President, I am sorry I did not hear that.

Senator EARLY. Mr. President, I said if I explain to the gentleman satisfactorily, would he give me an affirmative vote?

Senator O'CONNELL. Mr. President, well the gentleman will have to have a lot more answers or he would have to convince me on a wide range of—

Senator EARLY. Mr. President, all right, would the gentleman be kind enough to get the sheet that indicates

school board "A"? Does the gentleman have that in front of him?

Senator O'CONNELL. Mr. President, I have that, yes.

Senator EARLY. Mr. President, will the gentleman give me a name of a school district?

Senator O'CONNELL. Any one of them, Mr. President?

Senator EARLY. I do not know which ones they are, Mr. President. Let us take a school district in the gentleman's district. This indicates the gentleman's school district needs \$10 million on the local level. This chart indicates that the gentleman's particular district has a ratio that fifty per cent of his district is agricultural, industrial and commercial and fifty per cent is residential.

Mr. President, I do not know specifically what it is but we are just making this up, it could be 80-20, 70-30 or whatever. The gentleman's county will assess his entire county including his school district. The gentleman's school district knows that because of the assessment that they need \$10 million. Knowing they need \$10 million and knowing the assessment of all property, they know then they have to tax fifty mills. That is what they must do, get fifty mills. So they get fifty mills and if the gentleman will notice on the chart they will receive \$5 million from the business and then they receive \$5 million from the residents. That, Mr. President, has to stay and if I deviate from that then I am having a constitutional problem, but I do not deviate from that. Everything I have said so far is existing law. Does the gentleman see where it says Equivalent Income Tax? Where I say Equivalent Income Tax, the residents must produce the \$5 million so that is their fair share but they produce it with the equivalency of an income tax.

So therefore, Mr. President, the commercial, the industrial and the agriculture do not get a break but they also do not have to be burdened with an additional share of it. That I think should convince the gentleman.

Senator O'CONNELL. Mr. President, I do not understand the logic because if I had a home assessed at \$10,000 and I also owned a plant assessed at \$50,000 and under any circumstances would there be an adjustment in the assessed valuation of my home and my place with the plant?

Senator EARLY. No, none whatsoever, Mr. President. I do not change assessments one iota. I do not touch assessments.

Senator O'CONNELL. Mr. President, then if the gentleman does not touch the assessment, then he does not really approach the problem in a very equitable way because the assessments across this Commonwealth are horrendous and they vary substantially from county to county.

Senator EARLY. Mr. President, I cannot disagree with the gentleman that the assessment problem is a real problem and we have tried to address that issue here in this Senate many times. Unfortunately, it never has passed. If the gentleman would like to reform the assessments I would be happy to join him. These particular amendments do not deal with the assessment and too, we do not have to wait for the assessment to get equality in our property tax.

Senator O'CONNELL. Mr. President, it seems to me there are two very important steps that have to be taken if we are

going to put equity into the taxing situation. A, we should suggest a constitutional amendment so all of the classes could be dealt with in a different manner. B, we should have 100 per cent of assessment across this Commonwealth. They are two very important steps if we are going to put equity into the property tax under any circumstances. That being what it may, I have another problem.

Senator EARLY. Mr. President, may I answer that please?

The PRESIDENT. Is the gentleman still interrogating the gentleman from Allegheny?

Senator O'CONNELL. Yes, Mr. President.

Senator EARLY. Mr. President, I would like to answer that. What the gentleman is suggesting is a constitutional amendment which I think would be a very serious mistake because if he tries that he will have a situation where school boards, knowing the commercial property in their particular district does not cast a vote— now keep that in mind. They will probably then, if he introduces that constitutional amendment and if that constitutional amendment passes, we will have a situation where a school board will say J & L Steel or U. S. Steel or whatever, they cannot vote. Let us put an unfair burden on them and give the residents a break because they in turn will vote for us. I think what the gentleman from Luzerne, Senator O'Connell, is suggesting is very dangerous.

Senator O'CONNELL. Mr. President, I understand it is dangerous and it is a concern and I am genuinely aware of that. It is also a factor if we are going to put equity into property taxes and we will have to deal with some of those very dangerous situations if we are going to accomplish what I believe to be fair and equitable.

Mr. President, I have another area of concern. I represent a substantial area where there are second homes, absentee property owners, people who use them for vacation homes. It would seem to me that they would benefit here, yet would not be able to benefit to participate in a fair share of the income tax.

Senator EARLY. Mr. President, what the gentleman is indicating here is a situation where maybe, and I say maybe, your school board would say because we have absentee landlords we do not want this particular proposal. I do not know what the ratio is between absentee landlords and those who are not absentee landlords.

This is why, Mr. President, I put in there a "may" provision, because if your school board decides it is not the best way to go, they do not do it.

Senator O'CONNELL. Mr. President, the gentleman from Allegheny, Senator Early, has me at a disadvantage because first of all, I do not have a copy of the amendments that the gentleman is proposing and, secondly, I am not as familiar with all of the aspects of the bill the gentleman has introduced. I can show the gentleman from his own printout what the impact and effect is on several of my districts. It would put the level of income tax up to 4.5 per cent and in one instance five per cent on top of the additional one half per cent they are paying now. I think in that area alone there is not equity, it is an adverse impact upon those people in that district.

The PRESIDENT. Is the gentleman from Luzerne still interrogating the gentleman from Allegheny?

Senator EARLY. Mr. President, I could answer that.

The PRESIDENT. Is the gentleman from Luzerne still interrogating the gentleman from Allegheny?

Senator O'CONNELL. Mr. President, no I cannot hear you, I am sorry.

Senator EARLY. Mr. President, I would like to answer the question.

The PRESIDENT. The Chair recognizes Senator Bell. We will come back to the gentleman from Allegheny as soon as Senator Bell is recognized.

Senator BELL. Mr. President, I have listened to an awful lot of speeches here and unfortunately we are dealing with amendments, and these amendments are dated April 21, 1981. That is why my colleague does not know what is in it. I am going to suggest to the Senate that instead of trying to punch this idea through the Senate at 7:00 at night when there is a full committee meeting tomorrow to go into the full subject matter of bringing real estate tax relief to many of our citizens who need the real estate tax relief. Since this matter just did not come up out of the wind a couple months ago, I know the gentleman from Bucks, Senator Lewis, had public hearings on this because I was present and sat through them about three years ago. I know also the gentleman from Chester, Senator Stauffer, has been working on this subject. I think we should restrict our remarks to these specific amendments.

Mr. President, the gentleman from Allegheny, Senator Early, quoted the Constitution, Article VIII, Section 1, but he forgot to turn the page to read Section 5. It says, "All laws exempting property from taxation, other than the property above enumerated shall be void." In these amendments which I do have a hold of because there is one copy arrived at this side, I read on page 8, Section 13.1(c), "Every school district which imposes the equivalency tax authorized in subsection (a) shall not impose or collect any real property tax on real estate classified and assessed as residential real property..." So here in the gentleman's amendments, Mr. President, he is exempting, I do not care what you call it, a certain class of residential property and it is prohibited by Article VIII, Section 5 of the Constitution. These are the things properly that should be considered by a committee. We sat in a meeting of the Committee on State Government this morning. Amendments were submitted, we discussed them, we listened to the pros and cons.

Mr. President, I am going to tell you the danger of punching through something that is not completely purified. In the County of Delaware, there is a school district called Interboro School District and by court order, they had certain of their taxes invalidated for certain years in the past. As a net result, this year that school district has to go out and tax all the people of that district to make up for those illegal taxes in the past. Mr. President, the gentleman mentioned a few curse words. I will tell you another one. All hell is breaking loose in that district. There is almost a citizen's revolt because they are trying to make up three or four years taxes in one.

Mr. President, we have to pass constitutional laws. This is not in my opinion, I have been around and worked in constitutional law for a long time. When we exempt all residential real estate from any real property tax and tax everybody else with real property tax, that is an exemption and it is prohibited by Article VIII, Section 5 of the Constitution.

Senator EARLY. Mr. President, in reference to the question of the gentleman from Luzerne, Senator O'Connell, the fact that in his district some districts had to pay a five per cent tax. I am not denying it, because I gave the gentleman the chart which indicates that, I did not know some of them went as high as five per cent.

Mr. President, let me tell the gentleman from Luzerne, Senator O'Connell, why his district would have to go to five per cent. They would have to go to five per cent because his district right now has an exorbitantly high property tax. All I am giving the gentleman is the figures to offset the property tax he currently has. What that means is the gentleman's constituents have a tremendously high property tax if he has a high income tax to offset it. This is only offsetting it.

Very briefly, Mr. President, while I am on that same subject, I would like to call something to the attention of the gentleman from Perry, Senator Moore. The gentleman had a question on that. In checking the figures, he will find, I believe, he represents Perry County. Perry County, the gentleman's district, would have to pay .59, .71, .64 and .33 per cent. The gentleman's constituents would be elated, absolutely elated if that is all they had to pay to do away with the property tax. How could the gentleman not know his district is one different than the district of the gentleman from Luzerne, Senator O'Connell, his district has a bonanza there? The gentleman will have a situation where his senior citizens will pay nothing if all they are getting is Social Security and a pension and the other residents have to pay such a low amount. I do not know how the gentleman could possibly vote "no" knowing those figures.

Senator CORMAN. Mr. President, I desire to interrogate the gentleman from Allegheny, Senator Early.

The PRESIDENT. Will the gentleman from Allegheny, Senator Early, permit himself to be interrogated?

Senator EARLY. I will, Mr. President.

Senator CORMAN. Mr. President, I have in front of me two documents the gentleman gave us, one with a Roman numeral I on and the other has a Roman numeral II. They have similar information. In one of the righthand columns on II, it says "school district per income," I assume that may be per capita income, I am not sure. Could the gentleman inform me if that is what that means?

Senator EARLY. Is the gentleman saying school district, Mr. President? The first one is "residential assessed property," does the gentleman understand that? "Total assessed property," the gentleman understands that; "residential percentage, real estate collected estimated residential tax," is that what the gentleman is asking?

Senator CORMAN. The next column, Mr. President.

Senator EARLY. "School district total income," Mr. President. That is the total of the individuals who live in that particular school district.

Senator CORMAN. That is my question, Mr. President. It says, "school district total income." It seems to me that might reflect more than just personal income. Is that just definitely personal income?

Senator EARLY. Yes, Mr. President. It is total personal income collected in the gentleman's particular school district.

Senator CORMAN. Mr. President, how does that compare to the next one entitled, Roman numeral II, where it says, "School district per income" on the same column?

Senator EARLY. Roman numeral II is an update, Mr. President. This is what I just received today from the Education Department. That reflects May of 1981. What that means, Mr. President, is, let us just take the first one, Adams County, the school district's total income under Roman numeral I was \$27,620,601. That was in January of 1979. Because of inflation, that district now has a total income of \$40,958,544. They would decrease their percentage from January of 1979 to May of 1981 from 1.05 to .93. That is a decrease in percentage they would have to charge.

Senator O'CONNELL. Mr. President, I do have a school district that impacts at 5.64 per cent. I would disagree. I just have two other concerns. I cannot quite understand how this would affect the school subsidy and what impact that would have on it. The other thing that appears to me is this would create a situation in this Commonwealth putting one area at an advantage or a disadvantage over the other area for future development. I think this needs a lot of consideration and a lot of study.

For that purpose and for that reason, Mr. President, I intend to vote against these amendments.

Senator STAUFFER. Mr. President, there has been a lot of debate on House Bill No. 523, and I will not prolong it to any great length of time. I just want to make a couple brief statements. As the Members of this Senate know, I have put a lot of work into the issue of the real estate tax and the need for reform as far as its use is concerned for financing our public educational system.

What we have before us, Mr. President, are amendments that are clearly unconstitutional because they propose the use of a classified property tax. The gentleman from Allegheny, Senator Early, attempted to recite the uniformity clause of the Constitution and apply it in the case of these amendments. Unfortunately what I am afraid the gentleman has done is to apply it exactly backwards from what the situation really should be. Any Member who has any question in his mind regarding the Constitution and what the Supreme Court of this Commonwealth has ruled with regard to classifying property, I would direct them to look at what is known as the Madway decision. The Madway decision has been the prevailing property tax decision of the Supreme Court of Pennsylvania and it clearly indicates that you cannot classify property. What the gentleman from Allegheny, Senator Early, is doing here is trying to say that by turning to income for individuals, he is going into a different class, into a different base. The truth is, under our Constitution and our Uniformity Clause, the gentleman would be classifying real estate through the use of a person's income and that is what



makes it purely unconstitutional. I think the shame would be, as much as I desperately want to see property tax reform and I hope we are very quickly going to move in that direction, to see something pass that was stricken down because we did not do our homework and did not do it right. I hope tomorrow we can offer to this Senate a proposal that has been carefully thought out and will not have these kind of problems.

For that reason, Mr. President, I would suggest a negative vote on these amendments.

Senator EARLY. Mr. President, very briefly, I want to call again to the attention of the gentleman from Perry, Senator Moore, the fact his particular district would have an extremely low income tax to offset the property tax. I want the gentleman to be aware of the fact that the highest in his particular county is .71 per cent.

Mr. President, I would like to call attention to the gentleman from Allegheny, Senator Fisher, when he got up on the floor and said that he wants to do it through another bill. He also said, and I could not help but remember it, he said, "When and if a bill gets to the floor." I think that is very important. Those were his exact words. I must caution the gentleman from Allegheny, Senator Fisher, when he admits there is an excellent possibly a bill will not get to the floor—that when and if. Mr. President, the gentleman can tell his senior citizens that when and if a bill gets to the floor, he will try to rectify it.

Mr. President, I heard on the floor "school subsidy," and this has absolutely nothing to do with school subsidy. I do not change the school subsidy formula one iota.

#### POINT OF ORDER

Senator STREET. Mr. President, I rise to a point of order.

The PRESIDENT. The gentleman from Philadelphia, Senator Street, will state it.

Senator STREET. Mr. President, do our Rules not indicate that we are only supposed to speak on the same issue twice? This is the third time the Senator has spoken and he is going on and on and on and I would respectfully request we apply the Rules.

The PRESIDENT. The Senate will be at ease. Will the Majority and Minority Leaders approach the rostrum?

(The Senate was at ease.)

The PRESIDENT. On the point of order, if the gentleman has the leave of the Senate, he may continue with his remarks.

Senator EARLY. Mr. President, another statement was made that I am attempting to punch it through. I am not attempting to punch it through. I offered this in the form of a bill on February 24th. I discussed this with the gentleman from Chester, Senator Stauffer, personally many times. I attempted to compromise with the gentleman, I attempted to do everything I possibly could to come up with a compromise piece of legislation. Unfortunately I was not successful.

I want to close by saying this, Mr. President. Yes, the gentleman from Chester, Senator Stauffer, does have a bill. I caution the Members on that bill. Many of the Members, after seeing it, may find themselves in a position where they cannot support it.

#### POINT OF INFORMATION

Senator JUBELIRER. Mr. President, I rise to a point of information.

The PRESIDENT. The gentleman from Blair, Senator Jubelirer, will state it.

Senator JUBELIRER. Mr. President, is the gentleman not out of order when he argues a bill that is not even before us? Should he not confine his remarks to the amendments at hand which are his amendments which is Senate Bill No. 401 but the gentleman is offering it as amendments?

The PRESIDENT. The gentleman will confine his remarks to the amendments.

Senator EARLY. Mr. President, I will do that, but as I recall, during the interrogation, someone had mentioned that to me. I will not specifically mention a particular bill.

Let me say this, Mr. President: If the Members cannot support this, what is their alternative? They have two alternatives. One is to support nothing and do nothing. That is one alternative, do nothing and continue the same unfair property tax we have. That is the one alternative.

The second alternative will be to support another piece of legislation I will not mention, but they will support another piece of legislation and if they find they cannot do that, then I tell you, Mr. President this is an excellent piece of legislation all the Members can support, they are not mandating anything and they will be doing their senior citizens one heck of a favor.

Senator STREET. Mr. President, one brief comment. We cannot under any circumstances support amendments that do not apply to cities of the first class where we have the same tax problems there as they have all over the State of Pennsylvania. So with that I would urge we vote "no" on these amendments.

Senator ZEMPRELLI. Mr. President, I listened to the debate with a great deal of interest and I heard a lot of things said and many of them bear merit. If we relate to the last gentleman's remarks about not passing legislation unless it also includes first class cities and second class cities, there is always a place to start and there is no reason why direct legislation could not be introduced to accomplish the same purpose and should be introduced to accomplish the same purpose. We simply do not put something aside because it does not embrace everybody. That is like saying nobody is entitled to anything.

Secondly, I listened with a great deal of interest to my friend and colleague, the gentleman from Allegheny County, Senator Fisher, and I was impressed with the fact that he thought the bill before us had a great deal of merit, because it does have a great deal of merit. In the shakedown of importance and priority of consideration for us there is nothing more that can come before us, Mr. President, that would enjoy the high degree of care as tax reform. This is tax reform in its highest state.

Mr. President, why do I say that? I will be brief. We have a proposed budget before us that if passed will result in the increase of nine per cent at the local level for funding our schools. That is an analysis that has been regarded as being

accurate by others who would share an interest in this situation as it is proposed before us. The simple question that has to be asked is, are we going to continue to resort to the real estate tax of regression to finance our schools or are we going to endeavor to be somewhat innovative or compromise the situation to allow the burden to fall upon those who are best able to pay? That is the sum and substance of what the gentleman from Allegheny, Senator Early, was suggesting to us in his amendments with the demographics that he gave us. That is the only issue before us in these amendments. If we talk about the politics of it and if we had some assurance that his bill would be given the light of day, we would not be involved with this debacle at 7:30 in the evening on my birthday but we are. Of all the reasons that have been suggested for not voting for these amendments, Mr. President, let me suggest to the gentleman from Allegheny, Senator Fisher, tax reform is a hell of a lot more important than whether a divorcee gets a deed stamped remission. A tax reform is an awful lot more important, Mr. President, if the city of Philadelphia does not enjoy it today because it should enjoy it tomorrow.

Mr. President, this is a starting place of many reforms that are needed and it should see the sign of day and the light of day and I certainly hope that each and every one of us would join in the amendments from the gentleman from Allegheny, Senator Early.

And the question recurring,  
Will the Senate agree to the amendments?

The yeas and nays were required by Senator EARLY and were as follows, viz:

YEAS—23

Andrezeski	Lincoln	Murray	Singel
Bodack	Lloyd	O'Pake	Smith
Early	Loeper	Reibman	Stapleton
Hankins	McKinney	Romanelli	Stout
Kelley	Mellow	Ross	Zemprelli
Lewis	Messinger	Scanlon	

NAYS—25

Bell	Hess	Manbeck	Shaffer
Corman	Holl	Moore	Snyder
Fisher	Hopper	O'Connell	Stauffer
Gekas	Howard	Pecora	Street
Greenleaf	Jubelirer	Price	Tilghman
Hager	Kusse	Rhoades	Wilt
Helfrick			

Less than a majority of the Senators having voted "aye," the question was determined in the negative.

The PRESIDENT. House Bill No. 523 will go over, as amended.

BILL ON THIRD CONSIDERATION  
AND FINAL PASSAGE

**SB 608 (Pr. No. 625)** — Considered the third time and agreed to,

On the question,  
Shall the bill pass finally?

The yeas and nays were taken agreeably to the provisions of the Constitution and were as follows, viz:

YEAS—48

Andrezeski	Holl	Mellow	Scanlon
Bell	Hopper	Messinger	Shaffer
Bodack	Howard	Moore	Singel
Corman	Jubelirer	Murray	Smith
Early	Kelley	O'Connell	Snyder
Fisher	Kusse	O'Pake	Stapleton
Gekas	Lewis	Pecora	Stauffer
Greenleaf	Lincoln	Price	Street
Hager	Lloyd	Reibman	Tilghman
Hankins	Loeper	Rhoades	Tilghman
Helfrick	McKinney	Romanelli	Wilt
Hess	Manbeck	Ross	Zemprelli

NAYS—0

A constitutional majority of all the Senators having voted "aye," the question was determined in the affirmative.

Ordered, That the Clerk present said bill to the House of Representatives for concurrence.

SECOND CONSIDERATION CALENDAR

PREFERRED APPROPRIATION BILL  
OVER IN ORDER

**SB 681** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

BILL ON SECOND CONSIDERATION  
AND REREFERRED

**SB 1 (Pr. No. 825)** — Considered the second time and agreed to,

Ordered, To be transcribed for a third consideration.

Upon motion of Senator JUBELIRER, and agreed to, the bill was rereferred to the Committee on Appropriations.

BILL OVER IN ORDER

**SB 18** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

BILL REREFERRED

**SB 33 (Pr. No. 33)** — Upon motion of Senator JUBELIRER, and agreed to, the bill was rereferred to the Committee on Appropriations.

BILL ON SECOND CONSIDERATION

**HB 164 (Pr. No. 1523)** — Considered the second time and agreed to,

Ordered, To be transcribed for a third consideration.

BILL RECOMMITTED

**SB 330 (Pr. No. 693)** — Upon motion of Senator JUBELIRER, and agreed to, the bill was recommitted to the Committee on State Government.

BILL OVER IN ORDER

**SB 361** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

## BILL REREFERRED

**SB 389 (Pr. No. 767)** — Upon motion of Senator JUBELIRER, and agreed to, the bill was rereferred to the Committee on Appropriations.

## BILL OVER IN ORDER

**SB 409** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

## BILLS REREFERRED

**SB 429 (Pr. No. 435)** and **SB 430 (Pr. No. 436)** — Upon motion of Senator JUBELIRER, and agreed to, the bills were rereferred to the Committee on Appropriations.

## BILLS OVER IN ORDER

**SB 455, 496, 529** and **532** — Without objection, the bills were passed over in their order at the request of Senator JUBELIRER.

## BILL REREFERRED

**SB 572 (Pr. No. 584)** — Upon motion of Senator JUBELIRER, and agreed to, the bill was rereferred to the Committee on Appropriations.

## BILL OVER IN ORDER

**SB 601** — Without objection, the bill was passed over in its order at the request of Senator JUBELIRER.

## BILLS ON SECOND CONSIDERATION

**SB 618 (Pr. No. 635)** and **SB 671 (Pr. No. 698)** — Considered the second time and agreed to,

Ordered, To be transcribed for a third consideration.

## BILLS OVER IN ORDER

**SB 710, 711, 712** and **725** — Without objection, the bills were passed over in their order at the request of Senator JUBELIRER.

## UNFINISHED BUSINESS

## REPORTS FROM COMMITTEE

Senator O'CONNELL, from the Committee on State Government, rereported, as committed, **HB 227**; reported, as committed, **SB 622, HB 534** and **702**.

REPORT FROM COMMITTEE ON  
RULES AND EXECUTIVE NOMINATIONS

Senator LOEPER, by unanimous consent, from the Committee on Rules and Executive Nominations, reported the following nominations, made by His Excellency, the Governor, which were read by the Clerk as follows:

CORONER IN AND FOR THE  
COUNTY OF BRADFORD

April 23, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate John J. McCloskey, 108 Chestnut Street, Towanda 18848, Bradford County, Twentieth Senatorial District, for appointment as Coroner in and for the County of Bradford, to serve until the first Monday of January, 1984, vice Gordon Farr, deceased.

DICK THORNBURGH.

MEMBER OF THE BOARD OF TRUSTEES  
OF HAVERFORD STATE HOSPITAL

March 16, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate John E. Martin, V.M.D., 131 Wildwood Avenue, East Lansdowne 19050, Delaware County, Twenty-sixth Senatorial District, for appointment as a member of the Board of Trustees of Haverford State Hospital, to serve until the third Tuesday of January, 1987, and until his successor is appointed and qualified, vice Mrs. Fay Hocky, Broomall, resigned.

DICK THORNBURGH.

MEMBER OF THE BOARD OF TRUSTEES  
OF HAVERFORD STATE HOSPITAL

March 13, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Frank J. Williams, 830 Joeck Circle, West Chester 19380, Chester County, Nineteenth Senatorial District, for appointment as a member of the Board of Trustees of Haverford State Hospital, to serve until the third Tuesday of January, 1983, and until his successor is appointed and qualified, vice Edward S. Lawhorne, Esquire, Moylan, resigned.

DICK THORNBURGH.

MEMBER OF THE PENNSYLVANIA  
INDUSTRIAL DEVELOPMENT AUTHORITY

March 16, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Tom Milhollan, 1718 Hassam Road, Coraopolis 15108, Allegheny County, Forty-second Senatorial District, for appointment as a member of The Pennsylvania Industrial Development Authority, to serve until December 1, 1984, and until his successor shall be duly appointed and qualified, vice The Honorable J. Dean Polen, Washington, resigned.

DICK THORNBURGH.

MEMBER OF THE STATE BOARD  
OF MOTOR VEHICLE MANUFACTURERS,  
DEALERS AND SALESMEN

March 16, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Paul Tripp (Public Member), 1422 Cooper Circle, West Chester 19380, Chester County, Nineteenth Senatorial District, for appointment as a member of the State Board of Motor Vehicle Manufacturers, Dealers and Salesmen, to serve until February 3, 1984, and until his successor is appointed and qualified, vice James M. Robb, Camp Hill, whose term expired.

DICK THORNBURGH.

MEMBER OF THE STATE BOARD  
OF MOTOR VEHICLE MANUFACTURERS,  
DEALERS AND SALESMEN

March 11, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Sam Weinberg (Public Member), 2213 Rittenhouse Square, Philadelphia 19103, Philadelphia County, Second Senatorial District, for appointment as a member of the State Board of Motor Vehicle Manufacturers, Dealers and Salesmen, to serve until February 3, 1983, and until his successor is appointed and qualified, vice Bertram Levy, Philadelphia, whose term expired.

DICK THORNBURGH.

MEMBER OF THE STATE BOARD  
OF PHARMACY

March 16, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Jerome E. Block (Pharmacist), 226 Susan Drive, Elkins Park 19118, Montgomery County, Twelfth Senatorial District, for appointment as a member of the State Board of Pharmacy, to serve for a term of six years, or until his successor is appointed and qualified, vice Joseph Cantor, Philadelphia, whose term expired.

DICK THORNBURGH.

MEMBER OF THE ALLEGHENY COUNTY  
BOARD OF ASSISTANCE

April 6, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Alfred D. Reid, Jr. (Republican), 6412 Howe Street, Pittsburgh 15206, Allegheny County, Thirty-eighth Senatorial District, for appointment as a member of the Allegheny County Board of Assistance, to serve until December 31, 1983, and until his successor is duly appointed and qualified, to fill a new position.

DICK THORNBURGH.

MEMBER OF THE CLARION COUNTY  
BOARD OF ASSISTANCE

February 20, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Samuel B. Montana (Republican), 537 Main Street, Clarion 16214, Clarion County, Forty-first Senatorial District, for appointment as a member of the Clarion County Board of Assistance, to serve until December 31, 1982, and until his successor is duly appointed and qualified, vice Lloyd B. Stewart, Parker, whose term expired.

DICK THORNBURGH.

MEMBER OF THE SCHUYLKILL COUNTY  
BOARD OF ASSISTANCE

March 2, 1981.

To the Honorable, the Senate of the Commonwealth of Pennsylvania:

In conformity with law, I have the honor hereby to nominate for the advice and consent of the Senate Jane C. Deibert (Republican), 8 Centre Avenue, Schuylkill Haven 17972, Schuylkill County, Twenty-ninth Senatorial District, for appointment as a member of the Schuylkill County Board of Assistance, to serve until December 31, 1982, and until her successor is duly appointed and qualified, vice A. Joseph Lopez, Pottsville, resigned.

DICK THORNBURGH.

NOMINATIONS LAID ON THE TABLE

Senator LOEPER. Mr. President, I request the nominations be laid on the table.

The PRESIDENT. The nominations will be laid on the table.

## SENATE CONCURRENT RESOLUTION

### DIRECTING LOCAL STATE GOVERNMENT COMMISSION STUDY LAWS AND REGULATIONS ON ABILITY OF UNEMPLOYED PERSONS SEEKING EMPLOYMENT TO SECURE ENTRY LEVEL POSITIONS

Senators WILT, GEKAS, STREET and EARLY offered the following resolution (**Serial No. 216**), which was read and referred to the Committee on Rules and Executive Nominations:

In the Senate, May 11, 1981.

Many citizens of the Commonwealth are actively seeking employment in entry level positions but they are frustrated in their efforts because of State laws and departmental regulations that hinder them in securing these positions. These laws and regulations should be reviewed; therefore be it

RESOLVED (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania directs the Local State Government Commission to study the effects of State laws and regulations on the ability of unemployed persons to secure entry level positions; and be it further

RESOLVED, That the Local State Government Commission shall report its findings and recommendations to the General Assembly as soon as possible.

## CONGRATULATORY RESOLUTIONS

The PRESIDENT laid before the Senate the following resolutions, which were read, considered and adopted:

Congratulations of the Senate were extended to Delmer Beatty by Senator Andrezeski.

Congratulations of the Senate were extended to Thomas Cassar by Senator Bell.

Congratulations of the Senate were extended to the Bloomfield-Lawrenceville Lions Club, Mr. and Mrs. Guido Bucci, Sr. and to Anthony B. Gamberi by Senator Bodack.

Congratulations of the Senate were extended to Thomas R. Lloyd by Senator Fisher.

Congratulations of the Senate were extended to Salem Lodge 26 of the International Order of B'nai B'rith, Susquehanna Township Ambulance Association and to Tri-County Council on Addictive Diseases by Senator Gekas.

Congratulations of the Senate were extended to Sergeant George A. Billger and to Cedarbrook Middle School Eighth Grade Team by Senator Greenleaf.

Congratulations of the Senate were extended to Mrs. Emma Mae Rute Dieffenderfer and to Mrs. Helen McGinley Pasanic by Senator Helfrick.

Congratulations of the Senate were extended to Captain Earle R. Sweikert, Jr. and to Richard F. Wehrle by Senator Hopper.

Congratulations of the Senate were extended to Mr. and Mrs. Richard J. Botteicher, Mr. and Mrs. William Burget, Harriet Coulter, Mr. and Mrs. Thomas Gheer, Mr. and Mrs. Clark Harpster, Mrs. Alice Keller, Mr. and Mrs. Ralph W. Kelly, Mr. and Mrs. John Landis, Mr. and Mrs. Harvey Reed, Mrs. Albina Sanders, Mrs. Sara Schandelmeier, Mr. and Mrs. Austin Sneath, Dr. Jack Strassman and to Mrs. Mary Mellott Winck by Senator Jubelirer.

Congratulations of the Senate were extended to Mr. and Mrs. Willard Jacobs and to Elizabeth Moore by Senator Lewis.

Congratulations of the Senate were extended to Jonathan T. Dorney by Senator Loeper.

Congratulations of the Senate were extended to the Laurel Nursing and Retirement Center by Senator Manbeck.

Congratulations of the Senate were extended to the Carbondale Area High School "Chargers" Basketball Team by Senator Mellow.

Congratulations of the Senate were extended to The Church of Saint Gabriel by Senators O'Connell and Murray.

Congratulations of the Senate were extended to Clint Shaw by Senator Pecora.

Congratulations of the Senate were extended to James R. Spirko by Senators Pecora and Fisher.

Congratulations of the Senate were extended to Cardinal Dougherty High School by Senator Price.

Congratulations of the Senate were extended to David P. Einherst and to the Liberty High School Band by Senator Reibman.

Congratulations of the Senate were extended to Gertrude Mohlin Ziegler by Senator Shaffer.

Congratulations of the Senate were extended to Valentina Zajac by Senator Smith.

Congratulations of the Senate were extended to Mr. and Mrs. John Norman Anders, Mr. and Mrs. Alex Guzell, Mr.

and Mrs. Robert Miller, Mr. and Mrs. Guido R. Palli, Rotary Club of Carmichaels and to Mr. and Mrs. DeWalt Wiles by Senator Stout.

Congratulations of the Senate were extended to the Sharpsville High School Blue Darling Basketball Team by Senator Wilt.

Congratulations of the Senate were extended to Ralph F. Spearly by Senator Corman.

Congratulations of the Senate were extended to Mr. and Mrs. Alfonso Cincione, Mr. and Mrs. Edgar C. Gottschalk, Mr. and Mrs. George J. Helfrich and to Mr. and Mrs. Attilio Solari by Senator Early.

### CONDOLENCE RESOLUTIONS

The PRESIDENT laid before the Senate the following resolutions, which were read, considered and adopted:

Condolences of the Senate were extended to the family of the late Frank C. Stagno by Senator Bodack.

Condolences of the Senate were extended to the family of the late Dr. W. LeRoy Eisler by Senator Shaffer.

### BILLS ON FIRST CONSIDERATION

Senator JUBELIRER. Mr. President, I move that the Senate do now proceed to consideration of all bills reported from committees for the first time at today's Session.

The motion was agreed to.

The bills were as follows:

**SB 147, 622, 719, 792, HB 534 and 702.**

And said bills having been considered for the first time, Ordered, To be laid aside for second consideration.

### HOUSE MESSAGE

#### HOUSE CONCURS IN SENATE CONCURRENT RESOLUTION

The Clerk of the House of Representatives being introduced, informed the Senate that the House has concurred in resolution from the Senate, entitled:

Recess Adjournment.

#### HOUSE CONCURS IN SENATE AMENDMENTS TO HOUSE BILLS

He also informed the Senate that the House has concurred in amendments made by the Senate to **HB 32, 34, 35, 36, 37, 38, 39 and 40.**

### BILLS SIGNED

The President (Lieutenant Governor William W. Scranton III) in the presence of the Senate signed the following bills:

**HB 32, 34, 35, 36, 37, 38, 39, 40 and 158.**

## GENERAL COMMUNICATIONS

### RESOLUTION OF THE STATE OF INDIANA

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

A CONCURRENT RESOLUTION requesting the Congress to propose an amendment to the Constitution of the United States to abolish personal income, estate, and gift taxes and prohibit the United States Government from engaging in business in competition with its citizens.

BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF INDIANA:

SECTION 1. The General Assembly of the State of Indiana requests the Congress of the United States to propose the following amendment to the Constitution of the United States:

#### “ARTICLE—

Section 1. The Government of the United States shall not engage in any business, professional, commercial, financial or industrial enterprise except as specified in the Constitution.

Section 2. The constitution or laws of any State or the laws of the United States shall not be subject to the terms of any foreign or domestic agreement which would abrogate this amendment.

Section 3. The activities of the United States Government which violate the intent and purpose of this amendment shall, within a period of three years from the date of the ratification of this amendment, be liquidated and the properties and facilities affected shall be sold.

Section 4. Three years after the ratification of this amendment the sixteenth article of amendments to the Constitution of the United States shall stand repealed and thereafter Congress shall not levy taxes on personal incomes, estates, or gifts.”

SECTION 2. The Secretary of the Senate is instructed to transmit a certified copy of this resolution to the President of the Senate of the Congress of the United States, the Speaker of the House of Representatives of the Congress of the United States, the presiding officer of each chamber of each state legislature in the United States, and each member of the Indiana congressional delegation.

Adopted by voice vote this twenty-third day of April, 1981.

WILLIAM CHARLES DUNBAR  
State Senator  
GENE SNOWDEN  
State Senator  
SANDRA B. CULP  
Secretary of the Senate

### DISCHARGE PETITIONS

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the

nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 17, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Gene Lispi	Motor Vehicle Manufacturers, Dealers and Salesmen
	Edward P. Zemprelli
	Eugene F. Scanlon
	James E. Ross
	Robert J. Mellow
	Francis J. Lynch

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 10, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

William J. Jones	Pennsylvania Board of Probation and Parole
	Edward P. Zemprelli
	Eugene F. Scanlon
	James E. Ross
	Robert J. Mellow
	Francis J. Lynch

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the

nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 5, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Merle E. Tupi	Western Center
	Edward P. Zemprelli
	Eugene F. Scanlon
	James E. Ross
	Robert J. Mellow
	Francis J. Lynch

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 17, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

William J. Moran	State Employees' Retirement Board
	Edward P. Zemprelli
	Eugene F. Scanlon
	James E. Ross
	Robert J. Mellow
	Francis J. Lynch

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomina-

tion must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 20, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Greta L. Keys	Bedford County Board of Assistance
	Edward P. Zemprelli
	Eugene F. Scanlon
	James E. Ross
	Robert J. Mellow
	Francis J. Lynch

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 20, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Nicholas A. DeLallo	Centre County Board of Assistance
	Edward P. Zemprelli
	Eugene F. Scanlon
	James E. Ross
	Robert J. Mellow
	Francis J. Lynch

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomina-

tion must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 20, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Samuel B. Montana	Clarion County Board of Assistance Edward P. Zemprelli Eugene F. Scanlon James E. Ross Robert J. Mellow Francis J. Lynch
-------------------	---

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 20, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Virginia K. Harzinski	Clearfield County Board of Assistance Edward P. Zemprelli Eugene F. Scanlon James E. Ross Robert J. Mellow Francis J. Lynch
-----------------------	--

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomina-

tion must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 5, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Margaret M. Doyle	Philadelphia County Board of Assistance Edward P. Zemprelli Eugene F. Scanlon James E. Ross Robert J. Mellow Francis J. Lynch
-------------------	--

The PRESIDENT laid before the Senate the following communication, which was read by the Clerk as follows:

In the Senate, May 11, 1981.

We, the Senators whose signatures are affixed hereto respectfully request that the Honorable William W. Scranton, III, as presiding officer of the Senate of the Commonwealth of Pennsylvania, place the nomination hereafter set forth before the Senate for a vote pursuant to the provisions of Article IV, Section 8(b) of the Constitution of the Commonwealth of Pennsylvania which provides in part “.... The Senate shall act on each executive nomination within 25 legislative days of its submission. If the Senate has not voted upon a nomination within 15 legislative days following such submission, any five members of the Senate may, in writing, request the presiding officer of the Senate to place the nomination before the entire Senate body whereby the nomination must be voted upon prior to the expiration of five legislative days or 25 legislative days following submission by the Governor, whichever occurs first....”

We respectfully set forth the following facts relative to the nomination hereinafter set forth:

1. The nomination was presented to the Senate on February 5, 1981; and
2. The nomination has been before the Senate for a period of time in excess of 15 legislative days.

The nominee in the position is as follows:

Ada Alexander	Susquehanna County Board of Assistance Edward P. Zemprelli Eugene F. Scanlon James E. Ross Robert J. Mellow Francis J. Lynch
---------------	---

The PRESIDENT. The nominations will be laid on the table.

**ANNOUNCEMENTS BY THE SECRETARY**

The following announcements were read by the Secretary of the Senate:

SENATE OF PENNSYLVANIA

COMMITTEE MEETINGS

TUESDAY, MAY 12, 1981

11:00 A.M. FINANCE (to consider Senate Bills No. 530, 531, 704 and to present an	Room 460, 4th Floor Conference Rm.,
--	-------------------------------------



	informational briefing on Senate Bill No. 725)	North Wing
12:00 Noon	BANKING AND INSURANCE (to consider Senate Bills No. 88, 197, 280; House Bills No. 61, 85, 106 and 519)	Room 459, 4th Floor Conference Rm., North Wing
2:00 P.M.	Special Senate Task Force to investigate Nonprofit Corporations providing for Retirement Homes and Retirement Communities (Public Hearing)	Room 461, 4th Floor Conference Rm., North Wing

WEDNESDAY, MAY 27, 1981

9:00 A.M.	FINANCE (to review to Senate Resolution No. 31)	Senate Majority Caucus Room
4:00 P.M.		

THURSDAY, MAY 28, 1981

9:00 A.M.	FINANCE (to review to Senate Resolution No. 31)	Senate Majority Caucus Room
4:00 P.M.		

TUESDAY, JUNE 2, 1981

10:00 A.M.	AGING AND YOUTH (Public Hearing on Senate Bill No. 275)	Room 461, 4th Floor Conference Rm., North Wing
------------	---	---

THURSDAY, JUNE 4, 1981

9:30 A.M.	JUDICIARY (Public Hearing on Senate Bill No. 194)	Room 461 4th Floor Conference Rm., North Wing
-----------	---	--

**ADJOURNMENT**

Senator JUBELIRER. Mr. President, I move that the Senate do now adjourn until Tuesday, May 12, 1981, at 1:00 p.m., Eastern Daylight Saving Time.

The motion was agreed to.

The Senate adjourned at 7:45 p.m., Eastern Daylight Saving Time.