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TUESDAY, JUNE 5, 2012

SESSION OF 2012 196TH OF THE GENERAL ASSEMBLY

No. 34

SENATE

TUESDAY, June 5, 2012

The Senate met at 1 p.m., Eastern Daylight Saving Time.

The PRESIDENT (Lieutenant Governor Jim Cawley) in the Chair.

PRAYER

The Chaplain, Reverend FRED CRAWFORD, Pastor of Christ Lutheran Church, Mahanoy City, offered the following prayer:

Let us pray.

Almighty God, we lift before You all who govern this Commonwealth, especially those who gather in this Chamber, and those who advise and support them in their work and deliberations, not just here in Session, but back home in the cities and towns and rural areas of our richly diverse Commonwealth. May all who serve in public office be informed by a spirit of wisdom and justice. May they serve faithfully and promote our common life. Drive from us all cynicism and despair. May the rigors and fatigue of legislative responsibility be eased by the embrace of family and friends.

Lord of the nations, You have given us this good land as our heritage. Make us always remember Your generosity and to constantly do Your will. Bless our Commonwealth and this nation with honesty in the workplace, dedication in education, and honor in daily life. Save us from violence, discord, and confusion, from pride and arrogance, and from every evil course of action. When times are prosperous, let our hearts be thankful, and in troubled times, do not let our trust in You fail. We offer this prayer in our Creator's name. Amen.

The PRESIDENT. The Chair thanks Pastor Crawford, who is the guest today of Senator Argall.

PLEDGE OF ALLEGIANCE

(The Pledge of Allegiance was recited by those assembled.)

HOUSE MESSAGES

**HOUSE CONCURS IN SENATE AMENDMENTS
TO HOUSE BILLS**

The Clerk of the House of Representatives informed the Senate that the House has concurred in amendments made by the Senate to **HB 165** and **HB 804**.

BILLS SIGNED

The PRESIDENT (Lieutenant Governor Jim Cawley) in the presence of the Senate signed the following bills:

HB 165, HB 804 and HB 1237.

BILL INTRODUCED AND REFERRED

The PRESIDENT laid before the Senate the following Senate Bill numbered, entitled, and referred as follows, which was read by the Clerk:

June 5, 2012

Senators GREENLEAF, McILHINNEY and TOMLINSON presented to the Chair **SB 1551**, entitled:

An Act amending Title 74 (Transportation) of the Pennsylvania Consolidated Statutes, in scenic byways, providing for the designation of the 8.6 mile U.S. Route 202 Parkway between State Route 63 (Welsh Road) and State Route 611 in Montgomery and Bucks Counties as a scenic byway.

Which was committed to the Committee on TRANSPORTATION, June 5, 2012.

BILLS REPORTED FROM COMMITTEES

Senator VANCE, from the Committee on Public Health and Welfare, reported the following bill:

HB 1261 (Pr. No. 3646) (Amended)

An Act amending the act of June 13, 1967 (P.L.31, No.21), known as the Public Welfare Code, in public assistance, further providing for determination of eligibility; in children and youth, further providing for definitions; and in kinship care, further providing for definitions and for Kinship Care Program, providing for Subsidized Permanent Legal Custodianship Program and for permanent legal custodianship subsidy and reimbursement.

Senator BAKER, from the Committee on Veterans Affairs and Emergency Preparedness, reported the following bills:

SB 1442 (Pr. No. 2019)

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, repealing and adding sections related to military justice; and establishing the State Military Justice Fund.

SB 1488 (Pr. No. 2115)

An Act amending the act of December 16, 1998 (P.L.980, No.129), known as the Police Officer, Firefighter, Correction Employee and

National Guard Member Child Beneficiary Education Act, further providing for Postsecondary Educational Gratuity Program.

SB 1489 (Pr. No. 2116)

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, further providing for tuition waiver for children and spouses of deceased soldiers.

SB 1531 (Pr. No. 2218)

An Act amending Titles 51 (Military Affairs) and 75 (Vehicles) of the Pennsylvania Consolidated Statutes, in State Veterans' Commission and Deputy Adjutant General for Veterans' Affairs, establishing the Pennsylvania Veterans Trust Fund; and, in registration of vehicles, further providing for special plates for veterans.

Senator GREENLEAF, from the Committee on Judiciary, reported the following bills:

SB 1535 (Pr. No. 2221)

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, in rules of evidence, further providing for subpoena of records.

HB 75 (Pr. No. 3651) (Amended)

An Act amending Titles 18 (Crimes and Offenses) and 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, making changes necessary for the administration and implementation of the act of December 20, 2011 (P.L.446, No.111), entitled "An Act amending Titles 18 (Crimes and Offenses), 23 (Domestic Relations), 42 (Judiciary and Judicial Procedure), 44 (Law and Justice) and 61 (Prisons and Parole) of the Pennsylvania Consolidated Statutes, extensively revising provisions relating to registration of sexual offenders pursuant to Federal mandate; and making editorial changes," in the areas of perjury and falsification in official matters, dissemination of criminal history record information, disposition of children generally, court-ordered involuntary treatment of certain sexually violent persons and registration of sexual offenders.

Senator ALLOWAY, from the Committee on Game and Fisheries, reported the following bills:

SB 1402 (Pr. No. 2241) (Amended)

An Act amending Title 30 (Fish) of the Pennsylvania Consolidated Statutes, further providing for the definition of "fishing," for organization of commission, for deputy waterways conservation officers and for volunteer program; providing for damage to property; further providing for control of property, for powers and duties of waterways conservation officers and deputies and for enforcement of other laws; providing for unlawful use of computer and for liability for conduct of another and for complicity; further providing for suspension of privileges pending payment of penalties, for misuse of property and waters, for littering, for possession and display of licenses, for lost fishing licenses, for institutional licenses, for exemptions from license requirements, for eel chute licenses, for net permits, for boat and net licenses for boundary lakes, for penalties, for fees, for boating education, for general boating regulations, for chemical testing to determine amount of alcohol or controlled substance and for period of registration; providing for unauthorized operation of boats, for permitting violations and for duties of operators involved in boating accidents; and making editorial changes.

SB 1497 (Pr. No. 2107)

An Act amending Title 34 (Game) of the Pennsylvania Consolidated Statutes, further providing for powers and duties of commission.

HB 2293 (Pr. No. 3327)

An Act amending Title 30 (Fish) of the Pennsylvania Consolidated Statutes, further providing for classification of offenses and penalties and for revocation, suspension or denial of license, permit or registration; and providing for serious poaching incidents and for taking or possessing by illegal methods.

Senator TOMLINSON, from the Committee on Consumer Protection and Professional Licensure, reported the following bills:

SB 922 (Pr. No. 2240) (Amended)

An Act amending the act of July 9, 1987 (P.L.220, No.39), known as the Social Workers, Marriage and Family Therapists and Professional Counselors Act, further providing for definitions, for State Board of Social Workers, Marriage and Family Therapists and Professional Counselors, for powers and functions of board, for qualifications for license, for procedures for licensing, for reciprocity and for reinstatement of license; providing for restrictions on the use of title "Licensed Bachelor Social Worker"; further providing for penalties, for license renewal, records and fees and for unlawful practice.

SB 1528 (Pr. No. 2213)

An Act amending the act of June 15, 1982 (P.L.502, No.140), known as the Occupational Therapy Practice Act, further providing for definitions, for creation of board, for requirements for licensure, for practice and referral, for renewal of license and for refusal, suspension or revocation of license; and providing for impaired professionals program.

RESOLUTION REPORTED FROM COMMITTEE

Senator VANCE, from the Committee on Public Health and Welfare, reported the following resolution:

SR 322 (Pr. No. 2231)

A Resolution directing the Legislative Budget and Finance Committee to study the Department of Public Welfare's usage of electronic benefit transfer cards as a means of conveying benefits and to analyze whether biometric smart cards containing a photograph and other identifying information would generate State savings, deter fraudulent activities and more efficiently transfer the payment to the recipient.

The PRESIDENT. The resolution will be placed on the Calendar.

LEGISLATIVE LEAVE

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a legislative leave for Senator Smucker.

The PRESIDENT. Senator Pileggi requests a legislative leave for Senator Smucker. Without objection, the leave will be granted.

LEAVE OF ABSENCE

Senator PILEGGI asked and obtained a military leave of absence, pursuant to Senate Rule XX.2(c), for Senator PIPPY.

JOURNAL APPROVED

The PRESIDENT. The Journal of the Session of April 2, 2012, is now in print.

The Clerk proceeded to read the Journal of the Session of April 2, 2012.

Senator PILEGGI. Mr. President, I move that further reading of the Journal be dispensed with and that the Journal be approved.

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

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

YEA-48

Alloway	Eichelberger	McIlhinney	Tomlinson
Argall	Erickson	Mensch	Vance
Baker	Farnese	Piccola	Vogel
Blake	Ferlo	Pileggi	Ward
Boscola	Folmer	Rafferty	Washington
Brewster	Fontana	Robbins	Waugh
Browne	Gordner	Scarnati	White Donald
Brubaker	Greenleaf	Schwank	White Mary Jo
Corman	Hughes	Smucker	Williams
Costa	Kasunic	Solobay	Wozniak
Dinniman	Kitchen	Stack	Yaw
Earll	Leach	Tartaglione	Yudichak

NAY-0

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

The PRESIDENT. The Journal is approved.

**SPECIAL ORDER OF BUSINESS
SENATE RESOLUTION ADOPTED**

**COMMITTEE APPOINTED TO ATTEND
THE FUNERAL SERVICES OF FORMER
SENATOR CHARLES D. LEMMOND, JR.**

Senators PILEGGI and COSTA, by unanimous consent, offered the following resolution, which was read, considered, and adopted by voice vote:

In the Senate, June 5, 2012

RESOLVED, that the President pro tempore of the Senate appoint a committee of Senators to attend the funeral services of former senator, Charles D. Lemmond, Jr., on Wednesday, June 6, 2012.

**SPECIAL ORDER OF BUSINESS
GUESTS OF SENATOR DOMINIC F. PILEGGI
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, it is my pleasure this afternoon to introduce John Camero III, and his son, Johnny Camero

IV, who are visiting Harrisburg for the day. John is a supervisor in Bethel Township, Delaware County. His son, Johnny, is an honor student at Garnet Valley High School, and is interested in learning more about State government and the legislative process. Johnny will attend the University of Tampa this fall, majoring in political science. Mr. President, I ask that we extend our traditional warm welcome to our visitors who are seated in the gallery this afternoon.

Thank you, Mr. President.

The PRESIDENT. Would the guests of Senator Pileggi please rise so that the Senate may give you its usual warm welcome.

(Applause.)

**GUESTS OF SENATOR CHARLES McILHINNEY
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Bucks, Senator McIlhinney.

Senator McILHINNEY. Mr. President, it is my pleasure to introduce John and Veronica Higgins of Levittown. John is a carpenter, and his wife, Veronica, is a registered nurse specializing in dialysis. John and Veronica have been married for 42 years and have four children. Please join me in giving John and Veronica a warm Senate welcome.

The PRESIDENT. Would the guests of Senator McIlhinney please rise so that the Senate may give you its usual warm welcome.

(Applause.)

**GUESTS OF SENATOR ANDREW E. DINNIMAN
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Chester, Senator Dinniman.

Senator DINNIMAN. Mr. President, I have six guests here today, and I would like us to give a warm welcome to Gail Pippin, Amy and John O'Grady, Suzanna O'Grady, Susan Baldwin, and Crystal Lowery. They are here today because of an auction and their contributions to charity. We all deeply appreciate them helping the Coatesville Community Education Foundation.

Thank you, Mr. President.

The PRESIDENT. Would the guests of Senator Dinniman please rise so that the Senate may give you its usual warm welcome.

(Applause.)

**GUEST OF SENATOR LEANNA WASHINGTON
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentlewoman from Philadelphia, Senator Washington.

Senator WASHINGTON. Mr. President, it is with honor and delight that I have the opportunity to introduce to my Senate colleagues my elementary school girlfriend, who is visiting with us today. She is actually shadowing me. Her name is Francine Crawford Savage, and she is sitting in the gallery. I ask my colleagues to give her a warm welcome.

The PRESIDENT. Would the guest of Senator Washington please rise so that the Senate may give you its usual warm welcome.

(Applause.)

**GUEST OF SENATOR ROBERT M. TOMLINSON
PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Bucks, Senator Tomlinson.

Senator TOMLINSON. Mr. President, I would like to welcome my summer intern, June Carfagno, who is working in my Langhorne district office. June attended Penn State University, where she earned her B.A. degree in English, and she is entering her second year in law school at Villanova University. She anticipates her Juris Doctorate degree in May 2014. But more importantly, her fiance is a graduate of West Chester University, and her brother is entering West Chester for pre-med. That really makes her even more of a special person to me. Please, Mr. President, and fellow Members of the Senate, welcome June to Harrisburg today.

The PRESIDENT. Would the guest of Senator Tomlinson please rise so that the Senate may give you its usual warm welcome.

(Applause.)

LEGISLATIVE LEAVE

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a legislative leave for Senator Brubaker.

The PRESIDENT. Senator Pileggi requests a legislative leave for Senator Brubaker. Without objection, the leave will be granted.

CALENDAR

**BILL ON CONCURRENCE IN HOUSE
AMENDMENTS AS AMENDED**

**SENATE CONCURS IN HOUSE AMENDMENTS
AS AMENDED**

SB 1310 (Pr. No. 2234) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law, further providing for definitions, for determination of contribution rate and experience rating and for contributions by employees; providing for additional contribution for debt service; further providing for trigger determination, for trigger rate redeterminations, for reports by employers and assessments, for contributions to be liens and entry and enforcement thereof, for collection of contributions and interest and injunctions, for dishonored checks, for qualifications required to secure compensation, for rate and amount of compensation and for Unemployment Compensation Fund; providing for Debt Service Fund and for Reemployment Fund; further providing for State Treasurer as custodian and for recovery and recoupment of compensation; providing for unemployment compensation bonds and for unemployment compensation amnesty program; and making a related repeal.

On the question,

Will the Senate concur in the amendments made by the House, as further amended by the Senate, to Senate Bill No. 1310?

Senator PILEGGI. Mr. President, I move that the Senate do concur in the amendments made by the House, as further amended by the Senate, to Senate Bill No. 1310.

On the question,

Will the Senate agree to the motion?

The PRESIDENT. The Chair recognizes the gentleman from Columbia, Senator Gordner.

Senator GORDNER. Mr. President, it is June and we are dealing with a lot of big issues. We have the budget that we need to get done by the end of the month. There are other issues out there that continue to loom around us, whether pension issues or transportation funding issues. Today we tackle a \$4 billion issue and provide both a short-term and a long-term solution to the insolvency of the Pennsylvania Unemployment Compensation Trust Fund.

Over the past 4 years, there has been a lot of work on this issue. I was looking back through my file, and in February of 2009, I went to a meeting with Secretary Vito, during the Rendell administration, along with fellow chair Senator Tartaglione, and we started to discuss this issue and tried to come to a solution. But during those 2 years, the Rendell administration left and a solution was not able to be found. And then Governor Corbett came in, and again we started with this issue. When he nominated Secretary Hearshway for the position of Secretary of Labor and Industry, and she came in to meet with me, she knew right away that this was going to be the number-one issue that she would have to face during her tenure, to come up with a solution.

There are basically two issues dealing with the Unemployment Compensation Trust Fund. One, is the \$3.9 billion that has been borrowed from the Federal trust fund, \$3.9 billion that has been borrowed from the Federal fund because of the insolvency. The second issue is, in fact, the solvency of the Pennsylvania Unemployment Compensation Fund, because it provides a lifeline for hundreds of thousands of unemployed workers.

So let us talk about our unemployment comp system. It is generous in regard to benefits and eligibility. Pennsylvania is currently third, and I want to emphasize third. We were second. Up until this year, we were second in the country in the amount of benefits that we paid out to unemployed workers. We are second only to California. But, for good or for bad news, New York has now pushed ahead of us because they have consistently had an unemployment rate above the national average. So we are now third out of 50 States in the amount of benefits paid out, trailing only California and New York. Yet, Pennsylvania is the sixth most populous State, and our State unemployment rate has been below the Federal unemployment rate for more than 60 consecutive months. For more than 60-plus months, our rate has been below the national average. We are the sixth most populous State, and yet we are third in the amount of benefits that we pay out. And why is that? Because we are generous in regard to the benefits we pay out, and we are generous in regard to the eligibility for the system.

Opponents during this debate will say employers do not pay enough. Employers do not pay enough. The solution to the problem is to have employers pay more. Well, we are not second or third now in benefits because employers do not pay enough. We are third because the benefits and the eligibility are extremely generous. In 2011, \$2.7 billion was put into the Unemployment Compensation Fund. Out of that \$2.7 billion, employers paid \$2.5 billion, and employees paid \$200 million. Employers in 2011 paid \$2.5 billion that could be used toward other purposes, toward creating jobs, into the UC Fund. You cannot say that

employers do not pay enough. On top of that, the numbers I gave were from 2011. Beginning on January 1 of this year, all employers saw their unemployment compensation bills go up - small employers, medium-sized employers, large employers. If you are an employer that had 10 employees last year and 10 this year, your UC bill went up. If you are an employer that had 200 employees last year and 200 this year, your UC bill went up.

Why did it go up? It went up for two reasons. When we borrow money from the Federal fund, there is an interest charge. The Federal Trust Fund charges an interest charge, and that kicked in in January, to the tune of \$244 million that our employers are paying this year that they did not pay last year. That \$244 million is not going into the State fund, it is just going to pay interest on the money borrowed from the Feds.

The second thing, and this is a little more complicated, but prior to January, our employers took advantage of a FUTA tax credit. Well, if our State owes a dollar to the Federal fund, we start to lose, our employers start to lose a .3-percent tax credit each and every year that we owe at least a dollar to the Federal fund. How much is that? Well, this year it is \$110 million. Next year, it will be \$220 million. The year after that, it will be \$330 million.

So let me just go back, because employers do not pay enough, you are going to hear. This year alone, starting in January, employers have had an additional amount on their UC bill of \$354 million. That is \$354 million that could have gone to jobs, it could have gone to salary increases, and it could have gone to benefit increases. But instead, it is going to the Federal government because of this problem. Employers do not pay enough? They pay \$2.5 billion into our State fund, and now they will pay \$355 million more this year. Our employers pay more than enough.

So what does Senate Bill No. 1310 do? It provides a short-term solution, and more importantly, it provides a long-term solution to this problem. We need to pay off the Federal Trust Fund debt, the nearly \$4 billion that is owed to the Federal Trust Fund. How do we do that? Well, you have seen before in Senate Bill No. 1310 what happens. We considered this bill late last year, and the base of the bill is paying off the fund through a bond effort. This would allow a bond of up to \$4.5 billion to pay off the Federal debt. Why would we want to do that? That is because there are better rates through bonding than there is being charged by the Federal government through interest.

So if we do a bond issue, we end up saving our employers money. Has anyone else done this? Yes, Michigan just recently did a \$3 billion bond to pay off the debt that they owe to the Federal Trust Fund. They did it successfully. So this is not anything new, but it is something that we should take advantage of in order to lower our overall costs to our employers.

The second thing that Senate Bill No. 1310 does is makes changes to the system. We have a short-term problem, but folks, we also have a long-term problem. What a lot of us are here for is to solve these long-term problems, not push them off for another day, another year, another month. Act 6 of what we did last year was a great start. We came in on a Friday in June of last year in order to pass it and take advantage of some extended benefits from the Federal government, and in order to make some modernization of our State UC Fund. As a result of what we did with Act 6, there was about \$110 million in annual savings.

One of the things that was in that, by the way, was a work search requirement. We were the only State in the nation that did not have an enforceable work search requirement. I do not know if you have talked to any of your CareerLinks, but that one provision has done wonders in getting people in the door to CareerLinks and getting them hooked up with programs and training in order to get a job. My local CareerLink out of Berwick saw close to a 50-percent increase in January, and they have been very successful in matching folks out of work with job opportunities.

In Act 6, we continued the maximum weekly benefit freeze until solvency. These are other things that we are doing in regard to this current bill that is before you. We are continuing the maximum weekly benefit freeze until solvency. We are not reducing the maximum weekly benefit, we are just freezing what the rate is until we get to solvency around 2019. We are putting in place a variable plan rate in 2013 instead of 2015, which will provide some savings.

We are instituting a two step down rule instead of a three step down rule. Now, when I had to explain this in caucus, it was interesting. I had to use gestures and motions in order to talk about a three step down rule going down to a two step down rule. But again, in talking about the generosity of our system, if you do not make as much as you need to make, we actually have a provision in our law that lets you step down a couple of places to still get benefits. That is how generous our system is. We currently have a three step down rule that says if you are making this but you do not meet this category, you can step down a couple of places in order to still get benefits. We are going from a three step down rule to a two step down rule to still allow opportunities for folks who do not quite meet those categories.

The biggest change in the system and the thing that a number of folks have heard about is the change in regard to the high quarter and the three quarters. Right now, you look back to four of your past five quarters, and you are allowed to make 63 percent of your wages in one quarter, in a high quarter. You are allowed to make 63 percent in one quarter, as long as you make 37 percent in the other three quarters combined. This is very generous in regard to eligibility. What this bill says is that you can now make 50.5 percent in your high quarter, and we are giving you the other three quarters to make almost the other 50 percent. I do not think that is an outrageous requirement at all, and 90 percent of the claimants who currently are eligible for unemployment will not be affected by this proposal.

The job categories that are affected, are affected evenly, just so we do not hear about construction or something like that is affected more than others. When you look at how the current folks who are eligible, how this would affect them, it is even across the industry, as it should be. The other thing you should know, this is very important for the folks who are voting for this, this does not go into effect until January 1, 2013. January 1, 2013. It does not go into effect July 1, it does not go into effect September 1. So for those folks who are out there, it gives them 6 months in order to make sure that they get those qualifying wages, if they need to seek employment. January 1 of 2013. So plan ahead. Think about it. You have 50 percent in one quarter, you need to get about 50 percent in the other three quarters.

Before I close, I need to thank a number of folks. I said before, we have tremendous staff around here. I have to thank Josh Funk, who was in my office and now is in the Leader's office,

who has spent 4 years on this and knows it in and out; Todd Roup, executive director of my committee; Kathy Eakin and Loralee Taylor, from the Majority Leader's office and from the Appropriations office respectively. I want to thank Secretary Hearthway. She went out of her way over the past 6 months to go around this State and meet with folks in order to explain the issue, to hear them, in order to craft a bill that could get the passage of the Senate today, the House, and the Governor's approval. I want to thank Gwen Dando, and I want to thank Andrew Ritter. I also want to thank Chairman Ron Miller from the House, as well as his executive director, Bruce Hanson. And I also want to thank the Democratic chairs and their staff - Senator Tartaglione and Kathy Benton, Bill Keller and his staff - because for 4 years, we have worked on this issue. We have talked about this issue, we have discussed this issue, and we have had a dialogue on this issue, and it has been helpful to have their input into the procedure and process as well.

So, in summary, what are we doing with Senate Bill No. 1310, and why should you vote "yes" today for its passage? Number one, we are eliminating a nearly \$4 billion debt to the Federal UC Trust Fund that our employers are sending money to and getting no benefit back in return. Number two, we are realizing around a \$350 million annual savings in our own PA UC Trust Fund. What does that do? Number three, it reaches solvency in the Pennsylvania UC Fund by 2019. Most importantly, four, it is the reason why I come here, the reason why I like to be chair of a committee, it provides long-term, decades long-term solvency in this fund. We will not need to revisit this issue next year or in 10 years or in 20 years.

Mr. President, I thank you for paying attention, and to the Members, I thank you for having an open mind with regard to this process. Today is a big day in regard to resolving the \$4 billion issue, providing that safety net for the hundreds of thousands of folks who need to take advantage of the unemployment fund, but also making sure that we provide a system that is fair and predictable to our employers so that they can create the jobs that, ultimately, all of us want.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentlewoman from Philadelphia, Senator Tartaglione.

Senator TARTAGLIONE. Mr. President, when Senate Bill No. 1310 was before us in November, I stood here and expressed my concerns because it cut benefits to individuals while doing nothing to address solvency. This time, as we consider this legislation, it does not attempt to address the solvency of the Unemployment Trust Fund. Mr. President, I was very grateful that the Majority chairman of the committee, Senator Gordner, and his staff, as well as Kathy Benton from my staff, and the two other chairs in the House of Representatives met, expressed dialogue, and expressed our concerns. Some of our concerns were compromised on the issue, and it was a true example of how government can and should work. Secretary Hearthway, we have had a number of meetings with her.

Unfortunately for me, there were not enough changes made. In an economy that may just be beginning to recover from a devastating recession, I have genuine concerns about reducing eligibility. Counting last year's legislation, we are close to \$500 million in benefits cost reductions. Let me repeat, counting last year's legislation, we are close to \$500 million in benefits cost reductions.

Right now, approximately 186,000 Pennsylvanians have been unemployed for more than 26 weeks. Last month alone, 20,000 people in Pennsylvania exhausted all available UC benefits without finding work. In fact, Labor and Industry predicts that by the end of next month, a quarter of a million Pennsylvania workers will have exhausted their benefits since January 2010.

Again, Mr. President, I appreciate the work and cooperation of all who worked on this legislation, but I cannot, in good faith, support it in its current form. The growth of the economy does not come from business alone. Business would not succeed in Pennsylvania without Pennsylvania's families supporting them through the purchase and use of their services. When jobs have been lost at no fault of the employee, I feel we do the Commonwealth and the economy a disservice. Therefore, Mr. President, I ask for a "no" vote on this legislation.

Thank you, Mr. President.

LEGISLATIVE LEAVE CANCELLED

The PRESIDENT. Senator Smucker has returned, and his legislative leave is cancelled.

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

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, I rise to echo some of the comments of my colleague, the gentlewoman from Philadelphia, Senator Tartaglione, and initially offer some remarks for the record with my opposition to Senate Bill No. 1310, for many of the reasons that were articulated by the previous speaker. I view this as two separate and distinct issues. One, as we discussed, was the borrowing that was done with respect to the Federal government, and if that were the only thing we were voting on here today, my guess is that you would have strong support to join those other States like Michigan and others that opted to utilize the bonding process in order to address the Federal loan and relieve our employers of the burden of the loss of the credit that required them to pay more over the course of the next several years.

The other side of the equation, however, in this legislation deals with the benefits as discussed by Senator Tartaglione and the cumulative effect of changes that we have made here in this General Assembly, as she indicated, now approaching \$500 million in terms of the value of the benefits. As we look to the details of this legislation that were articulated by our colleague, Senator Gordner, the chairman of Committee on Labor and Industry, there are changes that are made to this process over the course of the next several years with a desire to lead to solvency. The issue, to me, is the balance that we have with respect to whether or not we achieve the appropriate balance. It was articulated that there is a significant savings, I believe it was \$350 million this year in savings to the employers, avoiding having to pay a considerable amount of money going forward.

The bottom line to me, which I expressed to my colleagues, is that we need to recognize that the way this legislation is structured, it is a significant advantage to the business community and industry as we go forward, to the detriment and, quite frankly, on the backs of those individuals who work here in this Common-

wealth who are seeking, through no fault of their own, unemployment benefits, insurance benefits, I might add, that allow them the opportunity to receive resources along those lines.

Mr. President, as I stated earlier, I believe it is 48,000 individuals today who will be significantly impacted by the loss of benefits, or the eligibility with respect to these benefits, that are largely addressed in various segments of employment in this Commonwealth. That is just one example of the balance that is not appropriate; that is the inappropriate balance, as we talked about, weighted far more heavily to the business community and at the expense of our workers in this Commonwealth. We recognize that we need to address solvency, and we want to work toward that end, and in the many, many meetings that Senator Tartaglione had with my colleagues on the other side of the aisle, and also with the administration, other folks of interest and the Secretary, it was clear that we thought that is where we wanted to try to get to, to get the appropriate balance. That does not exist here, and we are very much concerned about that.

Mr. President, yesterday, in the Committee on Rules and Executive Nominations, we tried to offer a number of amendments. Because of our rules, we are precluded from offering those amendments here today on the floor. But for the rest of our Members who are not Members of the Committee on Rules and Executive Nominations, I thought it would be important that we share some of the amendments, two of them in particular, which I think are significant, and I think are very, very important. As we talk about, particularly this week, decisions that are made, whether they be here in this General Assembly, or ultimately or subsequently by this current administration, we believe that there needs to be a far greater degree of openness and transparency with respect to some of the things we do. Also, as it relates to a \$4 billion bond issue, as we mentioned earlier, it is one of the biggest, I think, that we have ever done in this Commonwealth, one that is very significant, and most importantly, one that is unlike the traditional debt service or bond issues that we do in this Commonwealth.

The amendment that we offered yesterday, which was defeated, would have added the Auditor General and the Treasurer to the mix of individuals who would need to approve the bond issue. It is important to note, as I mentioned earlier, this is not a general obligation bond, but rather a revenue bond. It would not need the approval of these two entities. We thought it was extremely important for a variety of reasons - openness, transparency - to make certain that other folks who sign off on bonds today do the same thing in this particular fashion. That is not the case. That amendment was not adopted. We think that is a blow to transparency and accountability, something that we think needs to be part of this conversation.

The other one was a report on the UC bond issuance, and as I mentioned earlier, this is one of the largest public debts that we have ever taken in this Commonwealth's history. We thought it would be important that, and our amendment would have allowed for, a complete financial analysis of the issuance of the bonds and also subject to the analysis for review, again, by the State Treasurer and also by the Attorney General, as well as our own Committee on Appropriations and Committee on Labor and Industry, both here and in the House, and most importantly, to be subjected to, in many respects, the Right-to-Know law. We think this allows for, as I said earlier, providing a complete understanding of the financial transaction, particularly a large transac-

tion of \$4 billion, but also allows the residents of this Commonwealth to understand the magnitude of some of the things that are taking place along those lines. We think, most importantly, that these types of decisions need to be vetted in a variety of different ways, as outlined in the amendment process. Unfortunately, we could not offer the amendments for the ability of all of you to vote on these amendments. But when it comes to the issue of transparency, accountability, and openness, we think this is something that is missing from this legislation and wish that we had a chance to do that here today.

I know that to offer these amendments, it would require suspension of the rules, and I know we are not going to be able to achieve that, but I wanted to make sure that we had those particular issues on the record, along with the remarks that I submitted. I ask my colleagues for a negative vote on this bill. I want to recognize that there has been a tremendous amount of work that went into this, and this is a very, very complex issue. But at the end of the day, it does not go far enough to protect the workers in this Commonwealth and provides to the business community another significant benefit that is far outweighed by the detriment to the employees and workers in this Commonwealth. I ask for a negative vote.

Thank you, Mr. President.

The PRESIDENT. Without objection, the remarks will be spread upon the record.

(The following prepared remarks were made part of the record at the request of the gentleman from Allegheny, Senator COSTA:)

Mr. President, I rise today to speak in opposition to Senate Bill No. 1310. While there has been plenty of well-intentioned work put into trying to come to grips with the UC Trust Fund deficit over the last couple of Sessions, this is not a step in the right direction.

The proposal before us attempts to finally fix a problem with the UC Trust Fund and our recurring debt to the Federal government, but it comes up well short. Currently, 27 other States have been borrowing from the Federal government. Pennsylvania owes approximately \$3.9 billion in Federal loan advancements, which is the third-highest debt in the nation. The bill enables bonds to be issued to pay off the UC debt and makes other substantial changes that impact workers and employers. Several States are using bonding as a means to repay their Federal debt, including States with Republican governors such as Indiana, Michigan, and Texas.

It would be one thing if this plan could solve the problem once and for all, but it will not. It kicks the problem down the road. We need to face up to the real problem with the UC Trust Fund. We need a plan that is fair, equitable, and not balanced on the backs of workers. The test we need to apply here is whether this plan is fair and whether it will resolve the problem without putting our workers or businesses at further risk.

The plan under Senate Bill No. 1310 would effectively cut 48,000 unemployed workers from UC eligibility. The plan would shift more of the cost onto workers and lessen the burden on businesses. The UC program is built on shared costs between workers and the employers. According to one source, by 2019, workers will be contributing more than \$3.4 billion toward resolving the UC problem while employers will pay \$120 million less. Increasing the State's taxable wage base and lowering the adjustment factor does not balance out, because the change would reduce employers' contributions by millions.

There have been wide-ranging estimates of costs of this plan. The building trades estimate that the cost of reducing the benefits and eligibility would be over \$300 million per year. This plan also calls for increasing the amount of wages that must fall outside the high quarter, which means that many low-wage or seasonal workers will no longer qualify for UC benefits. The recalculation of wages applicable outside the high quarter would significantly hurt building trades workers, since

their work is seasonal and subject to the business cycle. That is inequitable and unfair.

Substantial changes that impacted workers were made to the UC program last year when Act 6 was signed into law. Senate Bill No. 1310 is an additional attack on workers and should be discarded. What is really needed is an adjustment to the solvency triggers and benefit changes that help workers get back on their feet. That would be real reform that workers and businesses could put their arms around. Therefore, I ask for a negative vote on Senate Bill No. 1310.

Thank you, Mr. President.

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, briefly, I ask for an affirmative vote. This is a very complex bill, one of the more complex that we deal with here in the General Assembly. It is a bill that has taken longer than almost any other bill to reach this point of a final vote. There have been 4 years, as Senator Gordner said in his remarks, of discussions, meetings, and negotiations. The fact remains that, as we stand here today, we have an Unemployment Compensation Trust Fund that is \$4 billion out of balance. The time for negotiating, meeting, and talking about what might be or what might happen has passed. It is time that we solve this problem. I ask for an affirmative vote.

I commend Senator Gordner. He listed a number of people who were involved in this effort bringing us here today, but we would not be at this point with a solution in front of us without the hard work of Senator Gordner, as chair of the Committee on Labor and Industry. He led that effort with great patience and great integrity, and that is why we have a bill in front of us that not only can pass with a majority of the Members of the Senate, but receive a majority of the Members of the House to support the bill and have this bill in law in Pennsylvania and solve this problem finally after 4 years.

Again, I ask for an affirmative vote. Thank you.

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

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

YEA-29

Alloway	Earll	Piccola	Ward
Argall	Eichelberger	Pileggi	Waugh
Baker	Erickson	Rafferty	White Donald
Blake	Folmer	Robbins	White Mary Jo
Boscola	Gordner	Scarnati	Yaw
Browne	Greenleaf	Smucker	
Brubaker	McIlhinney	Tomlinson	
Corman	Mensch	Vance	

NAY-19

Brewster	Fontana	Schwank	Washington
Costa	Hughes	Solobay	Williams
Dinniman	Kasunic	Stack	Wozniak
Farnese	Kitchen	Tartaglione	Yudichak
Ferlo	Leach	Vogel	

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

Ordered, That the Secretary of the Senate inform the House of Representatives accordingly.

RECESS

The PRESIDENT. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a recess of the Senate for purposes of a meeting of the Committee on Education to be held in the Rules room immediately, to be followed by a meeting of the Committee on Intergovernmental Operations also to be held in the Rules room, to be followed by a Republican caucus to be held in the Majority Caucus Room.

The PRESIDENT. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, at the conclusion of the two meetings described, Senate Democrats will meet in the rear of the Chamber for a caucus.

The PRESIDENT. For purposes of a meeting of the Committee on Education, followed by a meeting of the Committee on Intergovernmental Operations, followed by Republican and Democratic caucuses, without objection, the Senate stands in recess.

AFTER RECESS

The PRESIDENT pro tempore (Senator Joseph B. Scarnati III) in the Chair.

The PRESIDENT pro tempore. The time of recess having expired, the Senate will come to order.

LEGISLATIVE LEAVES

The PRESIDENT pro tempore. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, I request a temporary Capitol leave for Senator Mary Jo White, and a legislative leave for Senator Baker.

The PRESIDENT pro tempore. Senator Pileggi requests a temporary Capitol leave for Senator Mary Jo White, and a legislative leave for Senator Baker. Without objection, the leaves will be granted.

CONSIDERATION OF CALENDAR RESUMED

THIRD CONSIDERATION CALENDAR

NONPREFERRED APPROPRIATION BILLS
ON THIRD CONSIDERATION OVER IN ORDER

SB 1467, SB 1468, SB 1469, SB 1470 and SB 1471 -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL ON THIRD CONSIDERATION
AND FINAL PASSAGE

HB 10 (Pr. No. 1957) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of April 6, 1956 (1955 P.L.1414, No.465), known as the Second Class County Port Authority Act, further providing for title, for legislative findings, for definitions, for port authorities, for board, for eminent domain, for conveyance and for inte-

grated operation; providing for exclusive jurisdiction and for report; and making editorial changes.

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 PRESIDENT pro tempore. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, for my colleagues, this is House Bill No. 10, which we discussed in caucus, and I ask for a negative vote on this particular piece of legislation. This is a matter specifically related to Allegheny County and the Port Authority operations there as it relates to the board's ability to provide for private routes that would be conducted by individuals or entities that would seek the ability to operate private routes in Allegheny County for mass transit services.

Mr. President, today as we stand here, that authority is vested with the Port Authority of Allegheny County, and what I can say to you, Mr. President, and my colleagues, is that the authority that is already granted to the Port Authority is simply being transferred to the PUC for what we believe is no apparent reason. There is not an issue with respect to those entities who are denied the opportunity to utilize these services or have the ability to participate in that regard, and I think it is a measure that is unnecessary, and I ask for a negative vote.

LEGISLATIVE LEAVES

The PRESIDENT pro tempore. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, I request a legislative leave for Senator Washington, and a temporary Capitol leave for Senator Hughes.

The PRESIDENT pro tempore. Senator Costa requests a legislative leave for Senator Washington, and a temporary Capitol leave for Senator Hughes. Without objection, the leaves will be granted.

And the question recurring,
Shall the bill pass finally?

The PRESIDENT pro tempore. The Chair recognizes the gentleman from Delaware, Senator Pileggi.

Senator PILEGGI. Mr. President, this bill does a very simple thing, it adds Allegheny County to the other 66 counties in Pennsylvania where mass transit systems have oversight by the Public Utility Commission. I would like to submit for the record a letter signed by all five members of the Public Utility Commission supporting this bill, and I will only read the conclusion, which I think states the intended purpose of the bill. "In conclusion, the PUC supports the provisions of HB 10 that will result in more consistent state-wide regulation of the passenger transportation industry."

Mr. President, I ask for an affirmative vote.

The PRESIDENT pro tempore. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, I appreciate the comments of my colleague. I think as we go forward, we know the outcome of today's vote, but I do think an issue with respect to what my colleagues and I are discussing here is as to whether or not the PUC regulates the private side of that equation and not necessarily the public routes along those lines. And that is what I think the distinction that we would like to draw, which I believe is the case. With that being said, I ask for a negative vote.

And the question recurring,
Shall the bill pass finally?

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

YEA-27

Alloway	Eichelberger	Pileggi	Vogel
Argall	Erickson	Rafferty	Ward
Baker	Folmer	Robbins	Waugh
Browne	Gordner	Scarnati	White Donald
Brubaker	Greenleaf	Smucker	White Mary Jo
Corman	McIlhinney	Tomlinson	Yaw
Earll	Mensch	Vance	

NAY-21

Blake	Ferlo	Piccola	Williams
Boscola	Fontana	Schwank	Wozniak
Brewster	Hughes	Solobay	Yudichak
Costa	Kasunic	Stack	
Dinniman	Kitchen	Tartaglione	
Farnese	Leach	Washington	

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

Ordered, That the Secretary of the Senate 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.

BILLS OVER IN ORDER

SB 155 and **HB 761** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL LAID ON THE TABLE

SB 932 (Pr. No. 1007) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 4, 1996 (P.L.911, No.147), known as the Telemarketer Registration Act, further providing for duration of a listing.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was laid on the table.

SB 932 TAKEN FROM THE TABLE

Senator PILEGGI. Mr. President, I move that Senate Bill No. 932, Printer's No. 1007, be taken from the table and placed on the Calendar.

The motion was agreed to by voice vote.

The PRESIDENT pro tempore. The bill will be placed on the Calendar.

BILLS OVER IN ORDER

SB 1090, SB 1135, SB 1255, HB 1264 and SB 1265 -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILLS ON THIRD CONSIDERATION
AND FINAL PASSAGE

SB 1321 (Pr. No. 2237) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of July 10, 1987 (P.L.246, No.47), known as the Municipalities Financial Recovery Act, further providing for definitions, for contents, for plan not affected by certain collective bargaining agreements or settlements, for filing municipal debt adjustment under Federal law and for collective bargaining agreements, furlough of employees and disputes.

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 PRESIDENT pro tempore. The Chair recognizes the gentleman from Lackawanna, Senator Blake.

Senator BLAKE. Mr. President, I am compelled to rise on Senate Bill No. 1321 because the impetus for the bill was a Supreme Court ruling on a case emanating from the city of Scranton, the largest city in my 22nd Senatorial District. I did not entirely agree with the Supreme Court ruling, and, in fact, actually agreed with some of the points and arguments made by Chief Justice Castille in his dissenting opinion. But that is irrelevant, Mr. President, because the Supreme Court has spoken and directed that the legislature, despite the intent of the legislation, had left some ambiguity in Act 47, and directed the General Assembly to correct that ambiguity.

Senate Bill No. 1321 does serve to correct that ambiguity, and I need to express deep thanks to Senator Earll, who heads up the Committee on Community, Economic and Recreational Development, which presides over all things Act 47. I also need to express deep thanks to the Majority Leader, Senator Pileggi, who involved himself in deep and heavy negotiations with the statewide public safety unions, whose interests were obviously affected in great measure by Senate Bill No. 1321.

Again, Mr. President, Senate Bill No. 1321 achieves some balance, some balance between the interests of local government elected officials and their obligations in presiding over their municipal jurisdictions and their budgets, and the interest of public safety unions who provide such critically important services to the residents of those cities. I would say, Mr. President, that Senate Bill No. 1321 does nothing to address the consequences of the Supreme Court ruling on the city of Scranton, the fiscal consequences of which were actually quite substantial for the city. But we are here, Mr. President, writing another chapter for Act 47, an incremental fix to a flawed or at least inadequate statute. I suggest, Mr. President, that we need not only a comprehensive reform and an update of Act 47, but additional legislation that

can change the fiscal trajectory of cities like Scranton and our third class cities across this State.

I think we can do so, Mr. President, achieving the same balance that was achieved here in Senate Bill No. 1321. I rise to ask for an affirmative vote on Senate Bill No. 1321. I think it is an important correction to Act 47, as directed to this legislature by the court. But I will also say, Mr. President, that we have had sufficient hearings, we know the root of the problems of fiscal distress in our cities, and we need to address those problems in a more substantive way.

So while Senate Bill No. 1321 is an improvement and we are glad to see Senate Bill No. 1321 come to the floor, hopefully we will achieve support here and move it to the Governor's desk for signature, we need to address comprehensive reform of a flawed and inadequate statute, Mr. President, and we need to deal with legislation that will unshackle local government officials and enable them to deal with the 21st century challenges that they have in order to achieve fiscal stability and sustainability, and fiscal health of our third class cities, and for my own city of Scranton in northeastern Pennsylvania.

Thank you, Mr. President.

The PRESIDENT pro tempore. The Chair recognizes the gentlewoman from Berks, Senator Schwank.

Senator SCHWANK. Mr. President, I, too, will join my esteemed colleague, Senator Blake, in thanking Senator Earll and Senator Pileggi for moving forward on this legislation. Actually, it is pretty good that we are able to do this, to fix this correction in Act 47 as quickly as we have been able to. This matters for most of the communities currently in Act 47, particularly the county seat in my district, the city of Reading. But our work is not done, Mr. President, with regard to Act 47 and the Commonwealth's struggling communities, particularly our third class cities.

Cities are significant centers of commerce, governance, arts and culture, parks and recreation, housing, among many other things. They serve vital roles in our society. We all depend upon them, no matter where we live. But our cities are in crisis. They have also become centers of poverty, with an overabundance of obsolete, derelict housing that attracts absentee landlords who in turn market them to low-income residents. With property values in a free fall, cities can no longer afford to provide essential services that help them attract people to live there in the first place, further exacerbating their decline.

Earlier this Session, we held a joint meeting with the House of Representatives to discuss the problems of our urban communities and how Act 47 needs to be updated to accommodate cities in the 21st century environment. We ignore these communities at our peril. There are no 12-foot walls around them, colleagues. Their problems are not confined by political or geographical boundaries. Communities in Act 47 cannot remain in that status forever. City employees expect wage increases at some point. Citizens demand services. Businesses need to begin and thrive in these communities. The structural deficits that these communities face cannot go on forever. There are no easy answers, but we have to begin addressing these issues. As we make this correction, and I believe we will likely pass Senate Bill No. 1321, I hope we have that same commitment as we move into the next Session to truly address these communities for the future of our Commonwealth.

Thank you, Mr. President.

And the question recurring,
Shall the bill pass finally?

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

YEA-47

Alloway	Erickson	Mensch	Vance
Argall	Farnese	Piccola	Vogel
Baker	Ferlo	Pileggi	Ward
Blake	Folmer	Rafferty	Washington
Boscola	Fontana	Robbins	Waugh
Browne	Gordner	Scarnati	White Donald
Brubaker	Greenleaf	Schwank	White Mary Jo
Corman	Hughes	Smucker	Williams
Costa	Kasunic	Solobay	Wozniak
Dinniman	Kitchen	Stack	Yaw
Earll	Leach	Tartaglione	Yudichak
Eichelberger	McIlhinney	Tomlinson	

NAY-1

Brewster

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

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

SB 1464 (Pr. No. 2238) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921, further providing for reinsurance credits, for definitions, for acquisition of control of or merger or consolidation with domestic insurer, for acquisitions involving insurers not otherwise covered, for registration of insurers, for standards and management of an insurer within a holding company system and for examination; providing for supervisory colleges and for group-wide supervision for international insurance groups; and further providing for confidential treatment, for rules and regulations, for injunctions and certain prohibitions and for sanctions.

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 PRESIDENT pro tempore. The Chair recognizes the gentleman from Indiana, Senator Don White.

Senator D. WHITE. Mr. President, I very much appreciate the support I have received with this package of bills dealing with solvency and insolvency potential with insurance companies and making sure that the Department of Insurance is better prepared for whatever circumstances that might arise. I really want to thank Senator Stack. He and his staff were very helpful through this. A lot of this was inside baseball stuff and kind of tedious, and I am very grateful for his support. I also want to wish him a happy birthday. With that, I hope I will get the cooperation of the Senate for its immediate passage.

The PRESIDENT pro tempore. The Chair recognizes the gentleman from Philadelphia, Senator Stack.

Senator STACK. Mr. President, just a word on behalf of the chairman of the Committee on Banking and Insurance, Senator Don White, who does a great job. This is another example of working with him for the people of Pennsylvania. This solvency issue is so important for us to strengthen our ability of oversight, to make sure that these large companies do not go under and bring under other folks and other companies, is so vital. So it has been a pleasure to serve with him as the Minority chair in that committee. Both our staffs work so well together, and I think it is an example of what we should try to do as a body in this Senate in working through the committee process. But I commend him for his great job on this bill, and I also intend to vote "yes," and urge other Members to do the same.

Thank you, Mr. President.

And the question recurring,
Shall the bill pass finally?

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

YEA-48

Alloway	Eichelberger	McIlhinney	Tomlinson
Argall	Erickson	Mensch	Vance
Baker	Farnese	Piccola	Vogel
Blake	Ferlo	Pileggi	Ward
Boscola	Folmer	Rafferty	Washington
Brewster	Fontana	Robbins	Waugh
Browne	Gordner	Scarnati	White Donald
Brubaker	Greenleaf	Schwank	White Mary Jo
Corman	Hughes	Smucker	Williams
Costa	Kasunic	Solobay	Wozniak
Dinniman	Kitchen	Stack	Yaw
Earll	Leach	Tartaglione	Yudichak

NAY-0

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

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

BILLS OVER IN ORDER

SB 1465, SB 1480, HB 1682, HB 1960 and HB 2151 -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

SECOND CONSIDERATION CALENDAR

BILL OVER IN ORDER

HB 3 -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

BILLS ON SECOND CONSIDERATION

SB 8 (Pr. No. 2196) -- The Senate proceeded to consideration of the bill, entitled:

An Act establishing the Pennsylvania eHealth Partnership Authority and the Pennsylvania eHealth Partnership Fund; providing for con-

sent and confidentiality of health information; and establishing civil immunity under certain circumstances.

Considered the second time and agreed to,
Ordered, To be printed on the Calendar for third consideration.

HB 17 (Pr. No. 2466) -- The Senate proceeded to consideration of the bill, entitled:

An Act designating the Pickertown Road Bridge carrying Pickertown Road over the U.S. Route 202 Parkway in Warrington Township, Bucks County, as the Robert V. Cotton Bridge.

Considered the second time and agreed to,
Ordered, To be printed on the Calendar for third consideration.

BILLS REREFERRED

HB 19 (Pr. No. 2964) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of June 24, 1931 (P.L.1206, No.331), known as The First Class Township Code, in contracts, further providing for general regulations concerning contracts.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was rereferred to the Committee on Appropriations.

HB 21 (Pr. No. 2483) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of May 1, 1933 (P.L.103, No.69), known as The Second Class Township Code, in contracts, further providing for letting contracts.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was rereferred to the Committee on Appropriations.

BILLS OVER IN ORDER

HB 156 and **SB 161** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL ON SECOND CONSIDERATION

SB 237 (Pr. No. 722) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, in budget and finance, further providing for Commonwealth portion of fines.

Considered the second time and agreed to,
Ordered, To be printed on the Calendar for third consideration.

BILLS OVER IN ORDER

SB 244, **HB 608**, **SB 632**, **HB 728** and **HB 807** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL ON SECOND CONSIDERATION

SB 866 (Pr. No. 2235) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 35 (Health and Safety) of the Pennsylvania Consolidated Statutes, in grants to volunteer fire companies and volunteer services, further providing for scope of chapter; providing for additional funding; further providing for definitions, for establishment, for award of grants, for allocation of appropriated funds and for expiration of authority; and making editorial changes.

Considered the second time and agreed to,
Ordered, To be printed on the Calendar for third consideration.

BILLS OVER IN ORDER

SB 941, **SB 943** and **SB 946** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILLS REREFERRED

HB 970 (Pr. No. 3493) -- The Senate proceeded to consideration of the bill, entitled:

An Act providing for the validity of electronic documents; authorizing county recorders of deeds to receive electronic documents as a means for recording real property; granting powers and duties to the county recorders of deeds; establishing the Electronic Recording Commission; and prescribing standards of uniformity.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was rereferred to the Committee on Appropriations.

HB 1055 (Pr. No. 3577) -- The Senate proceeded to consideration of the bill, entitled:

An Act providing for professional employer organizations.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was rereferred to the Committee on Appropriations.

BILL LAID ON THE TABLE

SB 1303 (Pr. No. 2137) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949, further providing for distress in school districts of the first class.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was laid on the table.

SB 1303 TAKEN FROM THE TABLE

Senator PILEGGI. Mr. President, I move that Senate Bill No. 1303, Printer's No. 2137, be taken from the table and placed on the Calendar.

The motion was agreed to by voice vote.

The PRESIDENT pro tempore. The bill will be placed on the Calendar.

BILLS OVER IN ORDER

SB 1346, HB 1349, SB 1460, SB 1490 and HB 1548 -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILLS ON SECOND CONSIDERATION

HB 1720 (Pr. No. 2589) -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, providing for uniform adult guardianship and protective proceedings jurisdiction.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

HB 1913 (Pr. No. 3211) -- The Senate proceeded to consideration of the bill, entitled:

An Act authorizing abatement of real estate taxes because of destruction or damage of property by Hurricane Irene or Tropical Storm Lee, or the refund of the amount of such taxes by certain political subdivisions; and authorizing reassessment of properties retroactive to August 1, 2011, and a limited moratorium on the increase of certain real estate taxes.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

HB 1916 (Pr. No. 3634) -- The Senate proceeded to consideration of the bill, entitled:

An Act implementing the provisions of clause (1) of subsection (a) of section 7 of Article VIII of the Constitution of Pennsylvania, authorizing the incurring of debt for the rehabilitation of areas affected by Hurricane Irene and Tropical Storm Lee; imposing duties upon the Governor, the Auditor General and the State Treasurer; prescribing the procedures for the issuance, sale and payment of general obligations bonds, the funding of debt and refunding of bonds; exempting said bonds from State and local taxation; creating the Disaster Relief Fund and the Disaster Relief Redemption Fund; providing for allocation of proceeds; making appropriations; providing for highway projects itemization, public bridge projects itemization, disaster mitigation and assistance projects itemization and disaster railroad assistance projects itemization for flood damages; and stating an estimated use.

Considered the second time and agreed to,

Ordered, To be printed on the Calendar for third consideration.

BILL OVER IN ORDER

HB 1934 -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

UNFINISHED BUSINESS

BILLS REPORTED FROM COMMITTEES

Senator SMUCKER, from the Committee on Intergovernmental Operations, reported the following bills:

SB 1545 (Pr. No. 2232)

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

SB 1546 (Pr. No. 2233)

An Act amending the act of June 27, 1996 (P.L.403, No.58), known as the Community and Economic Development Enhancement Act, codifying the State Tax Equalization Board Law into the act; and making a related repeal.

Senator PICCOLA, from the Committee on Education, reported the following bill:

HB 1343 (Pr. No. 2700)

An Act authorizing State-owned universities and the employees thereof to enter into certain agreements with affiliated entities; providing for doctoral degrees; and repealing the State College Faculty Compensation Law and other related laws.

CONGRATULATORY RESOLUTIONS

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

Congratulations of the Senate were extended to Mr. and Mrs. Harry G. Shaeffer by Senator Brubaker.

Congratulations of the Senate were extended to Paul Penner, Christopher Scott Maguire and to the West Chester University Baseball Team by Senator Dinniman.

Congratulations of the Senate were extended to Alice Mae McGuigan by Senators Dinniman and Rafferty.

Congratulations of the Senate were extended to the Quecreek Mine Rescue Foundation of Somerset by Senator Kasunic.

Congratulations of the Senate were extended to Dr. Frederick A. Simeone and to Dr. Walter P. Lomax, Jr., by Senator Kitchen.

Congratulations of the Senate were extended to Mr. and Mrs. Dexter Baker and to Raymond Federici by Senator Mensch and others.

Congratulations of the Senate were extended to Renee Althaus by Senator Pippy.

Congratulations of the Senate were extended to the Philadelphia Portuguese Heritage Commission by Senator Stack.

Congratulations of the Senate were extended to Erminio Gambone by Senator Tomlinson.

Congratulations of the Senate were extended to James W. Staerk by Senator Washington.

Congratulations of the Senate were extended to Ean Arthur Villemain by Senator D. White.

Congratulations of the Senate were extended to Mr. and Mrs. John D. Peck and to Leadership Lycoming by Senator Yaw.

CONDOLENCE RESOLUTIONS

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

Condolences of the Senate were extended to the family of the late Paula J. Latta Coyne by Senator Dinniman.

Condolences of the Senate were extended to the family of the late Roxana D. Malarkey by Senators Dinniman and Brubaker.

BILLS ON FIRST CONSIDERATION

Senator YAW. 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 by voice vote.
The bills were as follows:

SB 922, SB 1402, SB 1442, SB 1488, SB 1489, SB 1497, SB 1528, SB 1531, SB 1535, SB 1545, SB 1546, HB 75, HB 1261, HB 1343 and HB 2293.

And said bills having been considered for the first time,
Ordered, To be printed on the Calendar for second consideration.

ANNOUNCEMENTS BY THE SECRETARY

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

SENATE OF PENNSYLVANIA

COMMITTEE MEETINGS

THURSDAY, JUNE 7, 2012

1:00 P.M.	LAW AND JUSTICE (joint public hearing with the House Judiciary Committee on State Police complement and funding)	PA. Colg. of Tech., Mtn. Laurel Rm. Prof. Dev. Ctr., 1 Colg. Ave., Williamsport, PA
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FRIDAY, JUNE 8, 2012

2:00 P.M.	LEGISLATIVE REAPPORTIONMENT COMMISSION (Public Administrative Hearing to vote upon the adoption of a Final Plan)	Hrg. Rm. 1 North Off.
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WEDNESDAY, JUNE 13, 2012

9:30 A.M.	COMMUNICATIONS AND TECHNOLOGY (to consider Senate Bill No. 1345)	Room 8E-B East Wing
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WEDNESDAY, JUNE 20, 2012

9:00 A.M.	EDUCATION and VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS (joint public hearing to discuss military-friendly educational programs and policies)	Hrg. Rm. 1 North Off.
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PETITIONS AND REMONSTRANCES

The PRESIDENT pro tempore. The Chair recognizes the gentleman from Philadelphia, Senator Farnese.

Senator FARNESE. Mr. President, over the last several months, actually, over the short time in which I have been privileged enough to serve in this body, on many different occasions, I have stood at this podium and discussed not only the substan-

tive nature of legislation, but equally as important, the process by which that legislation comes to this floor for votes. Today, my intention to rise is of no exception. Specifically at this time, I am rising to speak about Senate Bill No. 273, which may soon be headed to this body for a vote on concurrence. Let me just give you a bit of background on what this legislation is. This is a piece of legislation that was approved by the Pennsylvania House of Representatives Committee on Judiciary earlier this morning, and I am sure the full House will be voting on it very soon and it will be arriving in our Chamber soon thereafter.

Now, if you all remember, the Senate passed Senate Bill No. 273 on March 8 of last year, around the same time that House Bill No. 40 was moving in the House. As you remember at that time, both of those expanded what is known in Pennsylvania as the Castle Doctrine. Now, I hate to take us on this nightmarish stroll down public policy memory lane here, but I feel inclined to do so to give a very accurate and specific background as to the movement of the NRA's national agenda within the State legislature of Pennsylvania. Let me just say that to you one more time. I want to give you the litany, the history of the National Rifle Association's national agenda that is currently moving its way through this legislature here in the Commonwealth of Pennsylvania.

Mr. President, I attempted to amend Senate Bill No. 273 with my Florida loophole closure language from Senate Bill No. 622 in committee. At that time, I was given assurances that my bill would run if, if I withdrew my amendment. That, Mr. President, began my first mistake, agreeing to withdraw that legislation at that time. Let me be clear, the mistake to withdraw was due in no part to the chairman's willingness to work with me. His leadership on this effort has been extraordinary, and I commend him for that. But rather, Mr. President, it was due to what transpired with that certain organization in Pennsylvania known as the NRA. So offices began negotiations on the Florida loophole, and just so that people are clear, the Florida loophole, very simply, is this: it is a ridiculous, ridiculous loophole that now exists where you can actually get denied a gun permit, go to Florida, get one, come become to Pennsylvania, and carry it around. Sound ridiculous? Mr. President, it is.

My legislation began with 6 words which would close the Florida loophole, not 6 pages, not 16 pages, 6 words. Eventually, these words were expanded by the NRA through months of negotiations, and to put a little footnote there, Mr. President, this organization really seems, for some reason, I cannot understand why, they really seem to love the expansion of gun rights. Does that sound like a surprise to anybody in this building? At any event, through their work over the course of months of negotiations, my 6 words turned into 12 pages representing their national agenda. And every good faith attempt we made to be reasonable and listen to this organization's concerns, another piece was added, Mr. President, quote, for their cover, and then another piece and another piece and another piece, until my six words were buried by the entire NRA agenda to expand gun rights, which included, quote, putting the screws to the municipalities that unsuccessfully will challenge their provisions in court.

I could not agree, Mr. President, to these egregious provisions and did not agree to allow my bill to run as suggested by the NRA. Senate Bill No. 273, as amended today, would do exactly what the NRA was attempting to do during our negotiations, if

you can even call them that. It is going to give the NRA and other sportsmen's groups the ability for the first time, Mr. President, for the very first time in the Commonwealth of Pennsylvania, to attack cities and towns for taking action against illegal gun trafficking by creating a special set of rules in Pennsylvania courts, rules that have never been applied to any other organization in the history of this Commonwealth. It is going on right now in this building. Do not kid yourselves.

We are carving out an exception for the NRA which has never existed under law. If you think that is open and transparent, if you think that is what you were sent here to do, you are kidding yourself. But perhaps the worst part of this whole process, the worst part of this entire process, instead of moving a bill that would do that on its own merits--and again, another point that I have consistently emphasized from this podium, we understand what the numbers are in this room. We understand what is going to move and what is not. But if you believe in process, if you believe in doing what the people sent you to do, then put it in a separate bill, give the Members the opportunity to vote "yes" or "no" on it, and let every single issue which is important to them -- if you want to expand gun rights, fine, put a separate bill out there that is going to allow Members who are interested in responsible handgun legislation, let them have an opportunity to cast their vote. More importantly than the vote, let the millions of people whom they represent be heard. That is what the process was supposed to do. Unfortunately, it does not.

The way this is going to work, Mr. President, is instead of allowing the Senator from here, Senator Alloway's bill, Senate Bill No. 1438, or a Representative's bill in the House, House Bill No. 1523, to come over and move on their own in an open way, Senate Bill No. 273 is now going to come over to the Senate on concurrence. What does that mean? The only way this bill can now be amended is in the Committee on Rules and Executive Nominations. That is the problem with this process. It can only be amended in that room, not this one. It can only be amended behind those doors, not out here. Is that the process we were sent here to do? Is that what you believe in, in doing the people's work? I do not, and I know there are a lot of people on both sides of this aisle, Republican and Democrat, who believe the exact same thing.

I am going to tell you what else is really troubling, Mr. President, that another piece of legislation was amended to this bill, not by a Democrat, but by a Republican. It was the exact same piece of legislation that I introduced, an amendment, a stand-alone bill, actually, which would address the straw purchase sentencing problem. It really brings something to the front of this argument, that when a Democrat puts out sensible legislation, handgun legislation, it is looked at as over the top, far-reaching. Yet, when someone from the other party puts out the same exact language, it is lauded as reform, it is praised, and incorporated within the bill.

Again, Mr. President, that is not the process that we were sent here to do, Republican, Democrat, Independent, whoever. If it is good legislation for the people of Pennsylvania, then it should be allowed an opportunity to be debated on and subsequently voted upon. When I think about this, when I think about a piece of legislation that was introduced in this body, it will now be an amendment to a bill that is going to hurt municipalities around the State. It is going to be put in, packaged up, sent over here, and it will allow us to be put in a situation where there is no good

result. That happens, Mr. President, time after time after time. Putting a Megan's Law amendment in a Castle Doctrine bill, putting an amendment designed to help children in a bill that expands gun rights, that is not the process. Nothing, Mr. President, comes out of that kind of legislation, and certainly nothing which is good for the people of Pennsylvania.

Mr. President, as a Senator who represent parts of the city of Philadelphia, unfortunately, I understand the dangers of gun violence. It is not just me, Mr. President, it is my fellow Senators from Philadelphia, and from every single municipality and county in this building, on both sides. These are problems that are not just specific to one group of folks or one city or one town. These are problems that are faced by each and every one of us in one way, shape, or form around this great Commonwealth.

Right now, Mr. President, 48 municipalities, including Philadelphia, Pittsburgh, Harrisburg, Allentown, Reading, Lancaster, and Erie currently have local gun laws and resolutions on the books regarding the reporting of lost or stolen guns. Let me say that again, 48 municipalities. If that bill is passed by this body and signed into law by the Governor, then these laws and others like them, which were created to keep communities safe, created to keep our children safe, would immediately be challenged by the NRA. In fact, Mr. President, they cannot wait to get to the courthouse. Believe me, they are already preparing their way. Once the ink is dry, they are on their way to the courthouse, despite the fact, Mr. President, that the Brady Center to Prevent Gun Violence released data showing that Pennsylvania ranks number one in the nation for having the most guns to go missing from dealers. Mr. President, is that the type of statistic we want to be first in, number-one ranking for having the most guns that go missing from dealers, when we already have on the books a ridiculous loophole that allows people to go and get a license from Florida and come back here, those people who have been denied? Is that the kind of stat that we want to make sure that we continue to strengthen and support?

In fact, Mr. President, between 2008 and 2009, more than 6,000 firearms somehow disappeared from licensed Pennsylvania gun shops. Six thousand just happened to disappear. Simply put, Mr. President, we need to be making our laws stronger, not weaker, when it comes to illegal gun traffickers. Let me say that again, because this in no way, Mr. President, affects one's lawful right to carry, use, or own a firearm. The people we are talking about, the people who have taken this podium numerous times before me, for years and years and years, they are talking about illegal gun traffickers and lost or stolen guns. We need to preserve the ability of elected officials throughout the Commonwealth to make and pass laws that they feel are best for their communities to keep the citizenry safe.

How many times in this building, in this room, do we hear Members get up and talk about hands off of government? Too much government is not good for the people. Too much control is not good for the people. Let the municipalities, let the counties take care of it. It is their problem, let them handle it. Because, Mr. President, what do I hear in this room so much? They are best equipped to know those they represent. Not now. Not in this case, because the NRA says they want it this way. Unfortunately, the way they want it seems to be the way that they get it.

Why, Mr. President, are we wasting our time, precious little time that we have left, to make it harder for communities to keep

their people safe? Let me say that again. Why, in this time of the year, do we seem so consumed with making people's lives worse, instead of making them better? I have only been here for 4 years, but every single spring, it is some other group. Last year, it was women's reproductive services. Every single year, we have to go after those people who cannot protect themselves. This year, it seems, before we leave here, we are going to make it that much more difficult, if not impossible, for these communities to govern themselves and protect the people who live there. We are going to unbelievably allow the NRA to go to court like no other organization can, to give them standing in a trial court in this Commonwealth, to do what no one else has been able to do before, similarly situated, to take their case and challenge what laws have been set to protect the people in those communities.

I have said it before, and I think everyone should be given the voice to discuss and work on language for bills that they believe can be made better or are different in each and every one of our own views. Every issue in this body, every issue in this building is important for debate. But the problem right now is that because of this process, the way that this bill will come back here and prevent us from having debate on it, to be able to change it and amend it here in this room, the people's room, where we do the people's business--wow, you know, sometimes I hear people say, the people's business. If you are truly doing the people's business, then do not use the process to prevent the people from having their say, because unfortunately, that is what is done here too many times. The process is used to keep the people from having their say.

This process, by amending that bill in the Committee on Rules and Executive Nominations and not on the floor of the Senate, is the reason why millions of people, Mr. President, will not be heard. An important and critical debate, a debate that is essential to the protection of communities around the Commonwealth of Pennsylvania, will not be heard. And from a legal standpoint, a debate over a new issue of standing, conferred upon as a litigant, which has never occurred before, will not get an opportunity to be debated, questioned, and amended on this floor. It will be done behind those doors. That is not the process we signed up for.

I have said it before, and let me close with it, many times in this building, we have a priority problem. To rush this through in the last weeks before we do a budget, to me, sends a very clear message of where this administration's priorities are. At least one of them is designed to take away a municipality's ability to govern itself, and more importantly, Mr. President, an essential job of government, and that is to protect those whom you serve. This will be happening very shortly, I suspect. The question is, what will we do when we are presented with this process? Will we allow it to just go forward, or will we have the political will to stand up and say no? I guess I am naive, because every time I take to this podium, I leave with the thought that maybe we will. I hope that maybe this is the time that we will, because if ever we needed it, we need it right now.

Thank you, Mr. President.

The PRESIDING OFFICER (Senator Michael L. Waugh) in the Chair.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Philadelphia, Senator Kitchen.

Senator KITCHEN. Mr. President, last week, a report was released discussing the waste, fraud, and abuse in the welfare system. Mr. President, once again, I have to say that I am disappointed in the Secretary. Although the department directly under him did not do the report, he is certainly over the department.

Once again, facts were told that are true, but the way that they were told I take exception to. No one has ever denied that fraud, abuse, or waste does not take place and that it should not be rooted out, because it should. No one should take something that they do not deserve or do not need, whichever is the case, and it causes people who really need assistance to not be able to receive it. But the report discusses the waste, fraud, and abuse, which is 0.16 percent of the entire caseload in the State of Pennsylvania. What the report did was discuss the waste, fraud, and abuse itself, and we all acknowledge that, yes, we still should police it. No one should say that we should not continue to oversee the program. But it still does not change the fact that food was taken off the table of senior citizens who needed it and that we turned our backs on people who are down on their luck, whose unemployment ran out and cannot find another job. But just because these two groups had assets which they had worked for, we still turned our backs on them, not to mention the almost 100,000 children who we took off of Medical Assistance, and by admission, those people were probably eligible, but they had not completed the paperwork.

Can we not put a system in place to know who is eligible and who should be eligible? To just blatantly wipe out General Assistance without consideration to the orphans who receive it and the disabled who receive it, Mr. President, we are talking about abuse of power. The fact is that Secretary Alexander has at his disposal all that he needs to produce all of the reports that he wants. Though they might be true, Mr. President, I think he should give a fair and balanced account. I know that we all try to make our point, but it still does not change the fact that people have begun to suffer needlessly in this Commonwealth, seniors who have worked all of their lives, and because of certain assets in place, this is all that they will ever make. They are not wealthy. We are not talking about assets that are considered luxury items. We are talking about a mere \$9,000 in the bank, and a heating system or a plumbing system could be \$5,000 or \$6,000. This is the result of the work of someone who has labored their entire life.

So it does not matter what report is published, what report is done. It does not mention the fact that we have turned our backs on the neediest of people in Pennsylvania, while we continue to take care of business way beyond what is reasonable. The unemployment rate really should be lower. Are we getting reports on what jobs are produced with all of the tax breaks? Because we certainly know about the suffering of women, seniors, the disabled, orphans, and people now who do not have Medical Assistance in this State who historically had it.

Thank you very much, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Allegheny, Senator Costa.

Senator COSTA. Mr. President, I first want to echo the very passionate comments of my friend and colleague from the county and city of Philadelphia. I think it was very clear in her remarks, and the manner in which she delivered her remarks, the passion that she feels for those individuals who, as were stated, are some of the neediest in our Commonwealth. But more troubling is the

fact that we as a Commonwealth appear to be undertaking a path whereby we are neglecting those individuals, in a common sense, across the board.

Senator Kitchen spoke eloquently about some of the programs that are very important, the meager savings that individuals would have, but a lifetime of savings that would impact what they will be able to do. My colleagues from Philadelphia and I, and others, have talked about one of the initial blows to those working families with respect to health insurance, the inability to maintain a program to which we had become accustomed and was a very moderate and reasonable program that was funded primarily from the Blues and the Tobacco Master Settlement Agreement, the covenant that we had with the people of Pennsylvania back in 2001 to provide a low-cost healthcare program so that people could participate in healthcare benefits. That program was stripped away.

As we look at what is taking place in this budget, while many of us supported the budget process, when we look at the part of the budget that talks about cash assistance, again, a hand up to folks who need our help, that was eliminated from the budget, and we are not likely to be able to do that. That was preceded by the cutting of in excess of \$450 million from the DPW budget and, most troubling, delegating to a Secretary of a department the authority and the ability to make decisions in an expedited manner that have been Draconian, in many respects, to our counties, communities, and, most importantly, to the people who are the recipients of those benefits. That is a very troubling path that we seem to be going down in this Commonwealth, and Senate Democrats, led by the efforts of Senator Kitchen, will continue to be the voice of those individuals in this Commonwealth to make sure that we address a number of those issues as we continue down this path. I want to commend the gentlewoman for the very eloquent and passionate remarks along those lines.

Mr. President, I also rise today to talk a little bit about another subject matter, again, working to help individuals move forward with their lives, and that is the issue dealing with our corrections system and corrections reform that we have talked about. Senate Democrats have worked for a number of years and have worked closely for several years with our former Governor, Ed Rendell, our chairman of the Committee on Judiciary, Senator Greenleaf, and many Members in this Chamber to put together and advance what we believe, and we have championed these smart, responsible corrections policies that need to be addressed. Shortly after Governor Corbett's election, we had the opportunity to meet with the administration and members of the administration to further discuss corrections policies and the role that we felt that corrections policy and reform should take and play as we address our budget shortfalls as we did last year, but also ongoing ways in which we could stem this escalating cost with respect to the Department of Corrections.

From that, Senate Democrats have continued to put forth a number of initiatives which we think are very, very important to address this. Many of them were incorporated into the Pennsylvania Justice Reinvestment and Safety Initiative. The Governor put together a team of individuals who participated in this conversation, along with Chief Justice Castille. Many of those plans and proposals, some that we have advocated in the report, were offered, as I said, by Democratic Members. More recently, again, when we rolled out our budget priorities, they were part and parcel to that. As I mentioned earlier, we have worked with our

colleagues, particularly Senator Greenleaf and others, promoting these smarter corrections policies.

As someone who has served for a number of years as the Democratic chairman of the Committee on Judiciary, and more recently as the chairman of the Committee on Appropriations, but also a longtime 10-year member of the Pennsylvania Commission on Sentencing, I know firsthand the impact of our run-away cost of the Department of Corrections, and I know that incarceration, particularly of our nonviolent offenders, is an area that I think we need to recognize. There is no question that our corrections system is one that needs to be reformed, it needs to be changed, and quite frankly, we are very pleased that Secretary Wetzel has agreed, has aggressively looked at these issues, and is willing to listen to solutions. In fact, one of the bills, Senator Greenleaf's bill, Senate Bill No. 100, that we passed out of here, which we all supported, was amended earlier today in the House and reflected that we would have a \$50 million hole in the proposed budget without action on Senate Bill No. 100. So that vehicle, in and of itself, is a significant cost-saving measure, as well as being the right thing to do.

Collectively, Mr. President, if implemented, the initiative that I mentioned earlier will help turn the tide on the ever-escalating costs associated with incarceration, and provide welcome relief for our taxpayers. The recommendations in the report include helping law enforcement deter crime by funding training and equipment, as well as providing new dollars for problem-oriented policing, and partnering, most importantly, with our local police agencies. The recommendations also call for expanded use of local resources to help reduce recidivism by increasing options outside of prison, including the use of electronic monitoring, day reporting, intensive supervision, and treatment. Let me repeat the last two, intensive supervision and treatment, where we believe we need to be allocating additional resources through this process.

Our plan also builds upon the notion that we have created cost-saving measures by being smart on corrections, and Senate Democrats are very supportive of the many reforms outlined in the initiative and supportive of the efforts that took place earlier today that have become, I believe, a priority of this administration. We have sought a number of these changes for years, and will continue to advocate them through the final process when that vehicle makes its way over to this Chamber. We recognize and realize the cost savings of many of the reforms that were unveiled as part of the initiative and the importance of making the system more efficient.

Mr. President, I think I would be remiss if I did not discuss some of these what I would call half-steps that we have taken over the course of the past several years. While we have collectively made significant advances—I should not say significant, but we have made advances in corrections reform. We have an opportunity now to continue to make changes that are very, very important to the process. It has been very frustrating to us that we have had these half-steps in terms of reform. Now we are poised to be able to do a significant number of other reforms which we think are very, very important in this process.

To summarize, Mr. President, we are very supportive of the efforts that are taking place through this process as it relates to corrections reform. We have had a number of champions on this side of the aisle, along with many Members on the other side of the aisle, that we want to continue to advance. This is one of

those series of issues that Senate Democrats have talked about for a number of years, but more importantly, recently, again, in our budget proposal we rolled out in February, our budget priorities, I should say, encompassed many of these ideas, but we think it is time that we move forward with this and bring it to fruition so that we are in a position to better provide the savings first, resources second, to our communities, policing agencies, and parole folks, and all of those types of things.

We can finally address the sentencing issue with respect to putting into place the parole guidelines that we passed probably 4 years ago in this Chamber and in this building, but have never been properly funded. We will have an opportunity to bring that to closure, as well as taking steps in the intermediate punishment levels to be able to fashion programs with work release and other types of release to allow individuals to be easier integrated back into the community with the proper level of supervision and the proper level of treatment to allow them to become part of our workforce going forward. So I will close on that note and thank my colleagues for hearing me out.

Thank you, Mr. President, for listening to my comments.

The PRESIDING OFFICER. The Chair recognizes the gentleman from Philadelphia, Senator Stack.

Senator STACK. Mr. President, I think I am the last one today. I hope you do not have an appointment. No, I am just kidding, Mr. President.

The PRESIDING OFFICER. Go right ahead, sir.

Senator STACK. Mr. President, once again, Governor Corbett has a short memory. Since his budget announcement back in February, the Governor has said that we have to hold the line on spending. Not only that, he said that this would be a new age of open, transparent government, like never before. He said that we were able to make some significant cuts during the last cycle, but more cuts were going to be needed to get us back on the road to fiscal responsibility.

Interest groups such as college students were told that there was not enough money to appropriately fund their universities or to fund their PHEAA grants. Those with pre-existing health conditions were told there was not any money to continue to fund the adultBasic health insurance program so that they could receive adequate coverage. The disabled and the elderly were told that while their causes may be worthy, there just was not any room at the inn.

Miraculously, however, Mr. President, it appears that money may be found to give Shell Oil Corporation a \$67 million annual tax credit for just a short time, 25 years, Mr. President. Who could use a multibillion dollar tax credit more than Shell Oil? I could think of a few people. You know, we could fund the aforementioned adultBasic insurance program with just one year's tax credit. I cannot say that it would create any new jobs, but I think the 44,000 people who have already been thrown to the curb, if we continued the program, they might be healthy enough or alive to be able to at least work in these jobs.

Much like the proven litigator that he is, the details are being held very close to the vest, and it is not until you peel away the benign-looking Tax Code bill that the devilish details appear. For the next quarter century, Pennsylvania taxpayers, according to the plan, will be giving Shell close to \$1.7 billion in tax credits to bring its ballyhooed ethane cracker plant and the jobs to Pennsylvania. According to the Secretary of the Pennsylvania Department of Community and Economic Development, Alan Walker,

who I like and respect, but according to him, counting the related businesses, the ethane cracker plant may generate over 10,000 jobs. When we say "may," people get nervous. When other people say "may," I get really nervous.

When you break down the whole concept of the 10,000, what it adds up to is roughly \$6,700 per worker at the plant of taxpayer money. Again, this sounds all too familiar, like with the silver-lined Marcellus Shale revelation. Please stop me. Just so people at home understand, while they are worried about their jobs, while they are worried about their kids going to school, get ready, because they are going to pay almost \$7,000 to create jobs -- or may create jobs for Shell. The cherry on top of this business-friendly sundae is that these plants would be located, I love this part, Mr. President, within a Keystone Opportunity Zone. So we cannot even collect taxes on these businesses. It sounds like a sweet deal, if you are Shell, but it may leave a bitter taste in everyone else's mouth.

Let us be clear here. The prospect of 10,000 jobs is not lost on me. I have worked hard in this Chamber on job creation, working with business in the kind of relationships that create a common-sense plan so that the people of the State and business can succeed. I understand it is important to create a strong business climate, and the Commonwealth needs to be as competitive as possible to attract new jobs and new opportunities here in Pennsylvania. I do not feel it should be on the backs of our taxpayers. Now, if I could do my math calculations here, while the tax credit from the KOZ over 25 years, at \$67 million a year, comes out to \$1.675 billion, you slice off that 10-percent discount and the people of Pennsylvania are paying \$1.5 billion in lost corporate taxes to make sure that jobs come here. Sound like a good deal? I do not think so.

Plus, I will believe the jobs are coming when I see them. We had a little shipyard deal in Philadelphia called Kvaerner, where we gave them millions of taxpayer dollars and Kvaerner said thank you very much, and sailed away. So we should not be surprised. This is the same Governor who constantly finds money for his incentives, for his pet projects. He operated under the same veil of secrecy with the Marcellus Shale industry. He was able to find \$100 million to buy the Forum Palace to help the city of Harrisburg get out of a bad lease agreement. Why would this deal with Shell be any different? Why would he include the Republican Majority in his negotiations and dealings? He has not done it all along, let alone the Democratic Minority.

Shell Oil--and I do not think I am making headlines--does not need our help. Last year, they posted \$31 billion in total profit. Not \$31 billion in revenue, Mr. President, but profit, as in after all the salaries were paid out and all the utilities were paid, they still had a profit margin of \$31 billion. And by the way, although we are in tough economic times, business profits in this Commonwealth have never been higher. The whole secret deal smells bad. It is a rare thing that these sweetheart deals, particularly the secret ones, work out for the regular folks. But time and time again, this Governor has made his choice. When it comes down to big business or the regular folks, it is big business 100 percent of the time.

So I think we should fight for things we all benefit from. We can still be business-friendly, but we should still be the kind of State and the kind of government that fights for quality healthcare and working folks and middle-class folks who are denied coverage due to preexisting conditions, through no fault

of their own. We should fight for quality education for all of our students, of all ages. We should be about opportunity, we should fight for our seniors, fight for safe neighborhoods, and look out for the little guy who once in a while needs our assistance so he does not fall through the cracks. Those are my priorities, Mr. President, and apparently the Governor has different ones from mine. I hope I am wrong. I hope this tax break turns into an incredible success, but we have heard that one before.

Thank you, Mr. President.

RECESS

The PRESIDING OFFICER. The Chair recognizes the gentleman from Lehigh, Senator Browne.

Senator BROWNE. Mr. President, I move that the Senate do now recess until Wednesday, June 6, 2012, at 11 a.m., Eastern Daylight Saving Time, unless sooner recalled by the President pro tempore.

The motion was agreed to by voice vote.

The Senate recessed at 4:20 p.m., Eastern Daylight Saving Time.