

COMMONWEALTH OF PENNSYLVANIA  
**Legislative Journal**

WEDNESDAY, APRIL 30, 2014

SESSION OF 2014 198TH OF THE GENERAL ASSEMBLY

No. 25

**SENATE**

WEDNESDAY, April 30, 2014

The Senate met at 11 a.m., Eastern Daylight Saving Time.

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

**PRAYER**

The Chaplain, Reverend DARYL JEFFERS, Pastor of Calvary Baptist Church, Clymer, offered the following prayer:

Shall we pray.

Father, we thank You that we are able to be here today. We recognize that this is the day that You have made, help us to rejoice and be glad in it. We thank You also for Your grace that You extend to us. Without that, none of us would be here today. We also recognize, Lord, that maybe there are some deliberations and things that need to be discussed and taken care of, that they need wisdom to deal with. We ask that You might give that today as well. Perhaps it is that someone has trouble knowing what is the right thing to do to help our State and this great Commonwealth. We ask, Lord, that they would pray the prayer like Jehoshaphat did when faced with that formidable foe. He said, Lord, we do not know what to do but our eyes are upon You.

We especially pray for those today in this Assembly who might be going through some difficult times. Perhaps there are financial needs, known only to You. Perhaps there are family needs and situations that are very difficult to handle and they need Your wisdom, and maybe it is that there is some infirmity that they are dealing with. We ask, O Lord, that they might put their trust and faith in You that You might guide and direct and help them to resolve these situations. We ask Your blessing on everything that is said and done here today, and I pray this in Jesus' name. Amen.

The PRESIDENT. The Chair thanks Pastor Jeffers, who is the guest today of Senator White.

**PLEDGE OF ALLEGIANCE**

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

**BILLS INTRODUCED AND REFERRED**

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

April 30, 2014

Senators CORMAN, EICHELBERGER, GORDNER, STACK, SOLOBAY, BRUBAKER, SCHWANK, ALLOWAY, WHITE and VULAKOVICH presented to the Chair **SB 1356**, entitled:

An Act amending the act of July 22, 1974 (P.L.589, No.205), known as the Unfair Insurance Practices Act, further providing for definitions.

Which was committed to the Committee on BANKING AND INSURANCE, April 30, 2014.

Senators CORMAN, SCARNATI, EICHELBERGER, GORDNER, ALLOWAY, SOLOBAY and BRUBAKER presented to the Chair **SB 1357**, 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 definitions.

Which was committed to the Committee on BANKING AND INSURANCE, April 30, 2014.

Senators RAFFERTY, PILEGGI, GREENLEAF, MENSCH, ERICKSON, EICHELBERGER, VULAKOVICH, ALLOWAY, FERLO, STACK, FARNESE, BLAKE, YUDICHAK and SOLOBAY presented to the Chair **SB 1358**, entitled:

An Act amending the act of June 12, 1931 (P.L.575, No.200), entitled "An act providing for joint action by Pennsylvania and New Jersey in the development of the ports on the lower Delaware River, and the improvement of the facilities for transportation across the river; authorizing the Governor, for these purposes, to enter into an agreement with New Jersey; creating The Delaware River Joint Commission and specifying the powers and duties thereof, including the power to finance projects by the issuance of revenue bonds; transferring to the new commission all the powers of the Delaware River Bridge Joint Commission; and making an appropriation," further providing for the Delaware River Joint Commission, for composition, for employees, for financing and for executive sessions; providing for majority approval and contract procedures; further providing for report; providing for conflicts of interest, for master plan and creating the Port Authority Transit Corporation Commuter's Council; further providing for definitions; authorizing the Governor to apply for approval; prohibiting the entrance into a compact until passage of a similar act; and making editorial changes.

Which was committed to the Committee on TRANSPORTATION, April 30, 2014.

Senators FERLO, WASHINGTON, SCHWANK, HUGHES, FARNESE, STACK and LEACH presented to the Chair **SB 1359**, entitled:

An Act amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated Statutes, further providing for well permits, for well location restrictions, for protection of water supplies, for notification to public drinking water systems, for well reporting requirements, for hydraulic fracturing chemical disclosure, for bonding and for penalties; providing for local ordinances and moratorium; repealing provisions relating to

local ordinances relating to oil and gas operations; further providing for declaration of policy and for prohibition; and providing for a natural gas severance tax.

Which was committed to the Committee on ENVIRONMENTAL RESOURCES AND ENERGY, April 30, 2014.

GENERAL COMMUNICATION

STATE ETHICS COMMISSION RULINGS

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

COMMONWEALTH OF PENNSYLVANIA
State Ethics Commission
P.O. Box 11470
Harrisburg, PA 17108

TO: Director or Administrator
FROM: Robert Caruso, Executive Director
State Ethics Commission
DATE: April 17, 2014
RE: Distribution of State Ethics Commission Rulings

On June 26, 1989, the revised Public Official and Employee Ethics Law was enacted which re-authorized the State Ethics Commission. The State Ethics Commission is responsible for issuing various types of rulings on matters within its mandated jurisdiction. Pursuant to the law, the Commission is mandated to forward, quarterly, a copy of every Opinion, Advice of Counsel, and Order issued to one law library in each county, one public library in each county, the State Library, the State Senate Library, each authority appointing a Commission member, the Pennsylvania Association of County Commissioners, the Pennsylvania Association of Boroughs, the Pennsylvania State Association of Township Supervisors, the Pennsylvania State Association of Township Commissioners, the Pennsylvania State School Boards Association, and the Pennsylvania League of Cities. Your agency is either specifically identified in the above requirement or has been selected as a library to which this mailing will be made pursuant to the above authority. As such, enclosed please find decisions of the State Ethics Commission from January 1, 2014 to March 31, 2014. Due to budgetary restraints, a CD containing said rulings will replace paper copies that were previously sent.

For your information, the Commission generally issues these types of decisions as follows:

Commission Opinions - Opinions are advisory rulings issued by the State Ethics Commission regarding the duties and responsibilities of public officials and employees under the Public Official and Employee Ethics Law. Opinions are cataloged by year of issuance followed by the sequential number of the opinion during that year. As such, opinions relating to 2014 will begin with the number 14-001 and proceed there from as decisions are rendered.

Advice of Counsel - The Commission's Chief Counsel is authorized to issue similar advisory letters. Such letters are issued generally when there is prior precedent for counsel to rely upon in issuing a decision or when the provisions of the State Ethics Act directly provide the answer to the question posed. Advice of Counsel letters are numbered with the year and a 500 series number that progresses in order therefrom as rulings are issued. If more than 100 such letters are issued, a 600 series number will then be used.

Orders - Commission orders are issued at the end of an investigation and are determinations as to whether or not there has been a violation of the State Ethics Act. Commission orders are categorized numerically from the date of the first Order in 1979. That is, the first Order issued was Order No. 1. All orders proceed there from.

It is recommended that Opinions, Advices of Counsel and Orders be maintained separately (in numerical order) so as to afford better retrievability.

The enclosed items are being forwarded for retention, cataloging and for the purpose of being publicly available for review by citizens of the Commonwealth of Pennsylvania who may have an interest therein. Additional mailings will be made on a quarterly basis henceforth. If you

have any questions in relation to your receipt of these documents and future distribution, please contact me at 717-783-1610 or 800-932-0936. For your information, all Commission rulings are available on-line at www.ethics.state.pa.us.

The PRESIDENT. This report will be filed in the Library.

LEGISLATIVE LEAVES

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

Senator COSTA. Mr. President, I request temporary Capitol leaves for Senator Dinniman and Senator Hughes, and legislative leaves for Senator Stack and Senator Tartaglione.

The PRESIDENT. Senator Pileggi requests a legislative leave for Senator Smucker.

Senator Costa requests temporary Capitol leaves for Senator Dinniman and Senator Hughes, and legislative leaves for Senator Stack and Senator Tartaglione.

Without objection, the leaves will be granted.

LEAVES OF ABSENCE

Senator PILEGGI asked and obtained a leave of absence for Senator ALLOWAY, for today's Session, for personal reasons.

Senator COSTA asked and obtained leaves of absence for Senator LEACH, Senator WASHINGTON, and Senator WILLIAMS, for today's Session, for personal reasons.

JOURNALS APPROVED

The PRESIDENT. The Journals of the Sessions of March 19, 2014, and March 31, 2014, are now in print.

The Clerk proceeded to read the Journals of the Sessions of March 19, 2014, and March 31, 2014.

Senator PILEGGI. Mr. President, I move that further reading of the Journals be dispensed with and that the Journals 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-46

Table with 4 columns listing names: Argall, Baker, Blake, Boscola, Brewster, Browne, Brubaker, Corman, Costa, Dinniman, Eichelberger, Erickson, Farnese, Ferlo, Folmer, Fontana, Gordner, Greenleaf, Hughes, Hutchinson, Kasunic, Kitchen, McIlhinney, Mensch, Pileggi, Rafferty, Robbins, Scarnati, Schwank, Smith, Smucker, Solobay, Stack, Tartaglione, Teplitz, Tomlinson, Vance, Vogel, Vulakovich, Wagner, Ward, White, Wiley, Wozniak, Yaw, Yudichak

NAY-0

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

The PRESIDENT. The Journals are approved.

**LEGISLATIVE LEAVE CANCELLED**

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

**GUESTS OF SENATOR STEWART GREENLEAF PRESENTED TO THE SENATE**

The PRESIDENT. The Chair recognizes the gentleman from Montgomery, Senator Greenleaf.

Senator GREENLEAF. Mr. President, I rise to introduce to the Senate the Central Bucks South Hockey Team, a school district in my senatorial district in Warrington. This team won the Class AA Ice Hockey State Championship recently, and the Titans also captured the 2014 Flyers Cup Class AA Ice Hockey Championship. This is the first time that they have done this. They are under the guidance of head coach Tom Coyne and assistant coaches Shawn McGinty, Jim Calista, and Jason Kilcoyne. They are in the Senate Chamber here today, and I would appreciate the Senate recognizing them for their accomplishments.

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

(Applause.)

**CALENDAR**

**THIRD CONSIDERATION CALENDAR**

**BILL OVER IN ORDER**

**SB 428** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

**BILL ON THIRD CONSIDERATION AND FINAL PASSAGE**

**HB 434 (Pr. No. 3438)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 23 (Domestic Relations) of the Pennsylvania Consolidated Statutes, in child protective services, further providing for definitions, for establishment of Statewide database, for disposition of founded and indicated reports, for expunction of information of perpetrator under the age of 18, for amendment or expunction of information, for information relating to prospective child-care personnel, for information relating to family day-care home residents, for information relating to other persons having contact with children, for cooperation of other agencies and for reports to Governor and General Assembly; repealing provisions relating to students in public and private schools and for background checks for employment in schools; and making a related repeal.

Considered the third time and agreed to,  
And the amendments made thereto having been printed as required by the Constitution,

On the question,  
Shall the bill pass finally?

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

**YEA-46**

Argall	Farnese	Pileggi	Vance
Baker	Ferlo	Rafferty	Vogel
Blake	Folmer	Robbins	Vulakovich
Boscola	Fontana	Scarnati	Wagner
Brewster	Gordner	Schwank	Ward
Browne	Greenleaf	Smith	White
Brubaker	Hughes	Smucker	Wiley
Corman	Hutchinson	Solobay	Wozniak
Costa	Kasunic	Stack	Yaw
Dinniman	Kitchen	Tartaglione	Yudichak
Eichelberger	McIlhinney	Teplitz	
Erickson	Mensch	Tomlinson	

**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 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

**BILL OVER IN ORDER**

**SB 1085** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

**BILL ON THIRD CONSIDERATION AND FINAL PASSAGE**

**SB 1194 (Pr. No. 1982)** -- 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, in grounds and buildings, further providing for sale of unused and unnecessary lands and buildings and for school police officers; and, in safe schools, further providing for Office for Safe Schools.

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. The Chair recognizes the gentleman from Indiana, Senator White.

Senator WHITE. Mr. President, I was remiss in not being up here to speak before passage of the bill. I do think it is important and this legislation gives the school districts greater flexibility in determining how to best secure their own school buildings and protecting our more precious resource, which is our children.

When I introduced Senate Bill No. 1194 on November 22, 2013, I did so with the hope that this legislation would be just one more way for schools to enhance their security measures to further deter any school's tragedy from occurring. Little could I know, or even imagine at that time, that the next tragedy would occur so close to home. Franklin Regional School District is

located in my senatorial district. The terrible act of violence that occurred there just 3 weeks ago is forever engraved in my mind. Governor Corbett and I visited the crime scene and it is something I will never forget. As I stand here today, my thoughts are with the entire community of Murrysville, especially their victims and families, the first responders, and the school staff, as well as the young man at the heart of this tragedy and his family.

However, through this tragedy comes a strengthened community and a recognition that the staff of Franklin Regional and the first responders who assisted at the scene did their job with utmost thoroughness, professionalism, and certainly saved lives. I appreciate and am thankful for their service. To be clear, if Senate Bill No. 1194 had been enacted prior to this tragedy, it certainly would not have prevented it. Senate Bill No. 1194 will provide no benefit to the Franklin Regional School District, since it is already very capably protected by a full-time municipal police force. However, many of our 500 school districts and Pennsylvania private schools do not have such a service. My bill would allow school districts to rely solely on State Police for protection and emergency response to enter into service agreements with the municipal police forces in adjacent municipalities. Essentially, we are providing school districts with something they often yearn for - more local control. In this case, more local control to enhance the safety of their students.

As a specific example, I have three school districts in Indiana County which have school buildings less than a mile from a municipality with full-time police coverage. They currently cannot directly designate them to patrol their facilities or serve as first responders in the event of an incident. The provisions of Senate Bill No. 1194 would give those districts that option and dramatically decrease response times and improve safety in the event of an emergency. We all know our State Police provide a service second to none, but we also know they are stretched way too thin to provide an ever-present deterrent in every school building in the Commonwealth. Mr. President, Senate Bill No. 1194 will allow services to become more visible within our schools, enhance response time, and, hopefully, prevent the next school tragedy from occurring. I thank you for your affirmative 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-46

Argall	Farnese	Pileggi	Vance
Baker	Ferlo	Rafferty	Vogel
Blake	Folmer	Robbins	Vulakovich
Boscola	Fontana	Scarnati	Wagner
Brewster	Gordner	Schwank	Ward
Browne	Greenleaf	Smith	White
Brubaker	Hughes	Smucker	Wiley
Corman	Hutchinson	Solobay	Wozniak
Costa	Kasunic	Stack	Yaw
Dinniman	Kitchen	Tartaglione	Yudichak
Eichelberger	McIlhinney	Teplitz	
Erickson	Mensch	Tomlinson	

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

**HB 1214, SB 1219, SB 1220 and SB 1225** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL LAID ON THE TABLE

**SB 1261 (Pr. No. 1783)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending the act of December 7, 1982 (P.L.784, No.225), known as the Dog Law, further providing for dogs used for law enforcement.

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

SB 1261 TAKEN FROM THE TABLE

Senator PILEGGI. Mr. President, I move that Senate Bill No. 1261, Printer's No. 1783, be taken from the table and placed on the Calendar.

The motion was agreed to by voice vote.

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

BILL OVER IN ORDER

**SB 1316** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

BILL ON THIRD CONSIDERATION AND FINAL PASSAGE

**SB 1325 (Pr. No. 1920)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 61 (Prisons and Parole) of the Pennsylvania Consolidated Statutes, in county correctional institutions, further providing for board meetings.

Considered the third time and agreed to,

On the question,  
Shall the bill pass finally?

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

YEA-46

Argall	Farnese	Pileggi	Vance
Baker	Ferlo	Rafferty	Vogel
Blake	Folmer	Robbins	Vulakovich
Boscola	Fontana	Scarnati	Wagner
Brewster	Gordner	Schwank	Ward
Browne	Greenleaf	Smith	White
Brubaker	Hughes	Smucker	Wiley
Corman	Hutchinson	Solobay	Wozniak

Costa	Kasunic	Stack	Yaw
Dinniman	Kitchen	Tartaglione	Yudichak
Eichelberger	McIlhinney	Teplitz	
Erickson	Mensch	Tomlinson	

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

**HB 1431** and **HB 2019** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

SECOND CONSIDERATION CALENDAR

BILL ON SECOND CONSIDERATION

**SB 705 (Pr. No. 710)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 61 (Prisons and Parole) of the Pennsylvania Consolidated Statutes, further providing for establishment.

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

BILLS OVER IN ORDER

**SB 979**, **SB 1078** and **SB 1129** -- Without objection, the bills were passed over in their order at the request of Senator PILEGGI.

BILL ON SECOND CONSIDERATION

**HB 1164 (Pr. No. 1605)** -- The Senate proceeded to consideration of the bill, entitled:

An Act providing for veteran students to receive a course scheduling preference at public institutions of higher education.

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

BILL OVER IN ORDER

**SB 1169** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

BILLS ON SECOND CONSIDERATION

**SB 1180 (Pr. No. 1981)** -- The Senate proceeded to consideration of the bill, entitled:

An Act providing for prescription drug monitoring; creating the ABC-MAP Board; establishing the Achieving Better Care by Monitoring All Prescriptions Program; and providing for unlawful acts and penalties.

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

**SB 1224 (Pr. No. 1950)** -- The Senate proceeded to consideration of the bill, entitled:

An Act amending Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes, in long-term care patient access to pharmaceuticals, further providing for assisted living residence and personal care home.

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

BILL OVER IN ORDER

**HB 1246** -- Without objection, the bill was passed over in its order at the request of Senator PILEGGI.

BILL RECOMMITTED

**SB 1329 (Pr. No. 1925)** -- 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, extensively revising provisions on life and health insurance guaranty associations; and making editorial changes.

Upon motion of Senator PILEGGI, and agreed to by voice vote, the bill was recommitted to the Committee on Banking and Insurance.

SENATE RESOLUTION No. 340, ADOPTED

Senator PILEGGI, without objection, called up from page 5 of the Calendar, **Senate Resolution No. 340**, entitled:

A Resolution urging the Congress of the United States to reauthorize Federally provided terrorism reinsurance for insurers.

On the question,  
Will the Senate adopt the resolution?  
A voice vote having been taken, the question was determined in the affirmative.

SENATE RESOLUTIONS ADOPTED

Senators GREENLEAF, WASHINGTON, DINNIMAN, FERLO, ERICKSON, BREWSTER, EICHELBERGER, STACK, WOZNAK, TEPLITZ, FONTANA, KASUNIC, FARNESE, VULAKOVICH, MENSCH, WHITE, PILEGGI, SMITH, BROWNE, YUDICHAK, ALLOWAY, RAFFERTY, HUTCHINSON, SCHWANK, COSTA, SOLOBAY and HUGHES, by unanimous consent, offered **Senate Resolution No. 369**, entitled:

A Resolution designating the month of May 2014 as "Crohn's Disease and Ulcerative Colitis Awareness Month" in Pennsylvania.

On the question,  
Will the Senate adopt the resolution?

The PRESIDENT. The Chair recognizes the gentleman from Montgomery, Senator Greenleaf.

Senator GREENLEAF. Mr. President, I offer this resolution which designates May of this year as "Crohn's Disease and Ulcerative Colitis Awareness Month" in Pennsylvania. It is a disease that impacts children and adults, and is an issue that we need to be aware of and to have a concern for those who suffer with it. I ask that this resolution be adopted.

And the question recurring,  
Will the Senate adopt the resolution?

A voice vote having been taken, the question was determined in the affirmative.

Senators GREENLEAF, WASHINGTON, WILEY, ERICKSON, FERLO, SCHWANK, ARGALL, WOZNIAK, BAKER, STACK, BROWNE, DINNIMAN, FARNESE, FONTANA, SMITH, BREWSTER, YAW, ALLOWAY, RAFFERTY, WHITE, GORDNER, PILEGGI, COSTA, SOLOBAY and VULAKOVICH, by unanimous consent, offered **Senate Resolution No. 370**, entitled:

A Resolution designating the month of May 2014 as "Lyme Disease Awareness Month" in Pennsylvania.

On the question,  
Will the Senate adopt the resolution?

The PRESIDENT. The Chair recognizes the gentleman from Montgomery, Senator Greenleaf.

Senator GREENLEAF. Mr. President, I rise to offer a resolution designating May of this year as "Lyme Disease Awareness Month" in Pennsylvania. It is important for us to realize that according to the CDC, it is reported that preliminary estimates indicate that approximately 300,000 Americans are diagnosed with Lyme disease each year. This is approximately 10 times higher than the number of cases previously reported to the CDC every year. Pennsylvania, unfortunately, ranks the highest in the nation for this disease. It is a disease that is underreported, underdiagnosed, and undertreated.

I do have legislation that is now pending in the House of Representatives. We did pass it here in the Senate and it would provide for some awareness of how to protect yourself from this disease, which is usually transmitted by the bite of a tick and is a chronic disease. There is dispute about that in the medical community, but I think the facts are clear that this is a chronic disease that needs treatment over a long period of time in many cases if it is not caught. Many times there is a test for Lyme disease, but it is not always 100 percent accurate. Sometimes when you get bitten by a tick, where that bite occurred there are two or more concentric red circles that go around that bite. That is an indication that you have been bitten by a tick and that tick was infected with Lyme disease. It can result in tremendous debilitating handicaps for individuals who do not get immediate attention. It can easily be treated with antibiotics, but without being treated, it can result in very chronic problems that will develop. It is important

for us to recognize this, to advocate for, and to make people aware of this so they can protect themselves. I ask that the Senate adopt the resolution.

And the question recurring,  
Will the Senate adopt the resolution?

A voice vote having been taken, the question was determined in the affirmative.

Senators BROWNE, BAKER, SCARNATI, PILEGGI, ERICKSON, ALLOWAY, VULAKOVICH, GREENLEAF, WASHINGTON, DINNIMAN, FARNESE, TEPLITZ, KASUNIC, STACK, FONTANA, RAFFERTY, BOSCOLA, HUGHES, SMITH, BREWSTER, COSTA and SOLOBAY, by unanimous consent, offered **Senate Resolution No. 371**, entitled:

A Resolution designating the month of April 2014 as "The Month of the Young Child" in Pennsylvania.

Which was read, considered, and adopted by voice vote.

### 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 Samuel Kramer, Jr., and to Tom Schaeffer's RV Super Store by Senator Argall.

Congratulations of the Senate were extended to Matthew Patrick Riccio and to Matthew Alexander Kelly by Senator Baker.

Congratulations of the Senate were extended to Sister Margaret Gannon, Ph.D., Monica O'Malley, Sara Skoritowski, Felicia Janine Martin and to the Carbondale Public Library by Senator Blake.

Congratulations of the Senate were extended to Wyatt J. Evans Gartley by Senator Boscola.

Congratulations of the Senate were extended to Walter J. Miller, Emil Margine and to Joseph J. Johnson by Senator Browne.

Congratulations of the Senate were extended to Dr. Barnaby Ruhe, Robert H. Hemhauser, Trudi Quinn Denlinger, Suzie Farley, Scott Stoneback, Sharon Lee Glassman, Gretchen Klinedinst Furst, William Allen High School Chorale, Saint Thomas More Summer Theatre Magic, Allentown School District Foundation and to the East Stroudsburg Savings Association Bank and Trust Foundation by Senators Browne and Boscola.

Congratulations of the Senate were extended to Kathleen M. Graham by Senator Corman.

Congratulations of the Senate were extended to Stone Town Gallery, LLC, U.S. Silica, N. E. Reihart & Sons, Inc., and to Huntingdon Fiberglass Products, LLC, by Senators Corman and Eichelberger.

Congratulations of the Senate were extended to Dr. Kathryn E. Carroll, Phil Axelrod, Eli Friedman, Carl E. Parker and to Mark Rubenstein by Senator Costa.

Congratulations of the Senate were extended to Robert Karcher, Connor Andrew Johnston, Andrew Robert Dillon, Sean Michael Mehr, Joshua M. Gliva and to the members of the West Chester B. Reed Henderson High School Boys' Track and Field Team by Senator Dinniman.

Congratulations of the Senate were extended to Fred LeClair by Senators Dinniman and Rafferty.

Congratulations of the Senate were extended to Catherine Blain and to Carolyn Gledhill by Senators Dinniman, Brubaker and Rafferty.

Congratulations of the Senate were extended to Kristin Thompson and to William Walters by Senator Folmer.

Congratulations of the Senate were extended to Austin S. Giger, Michael Liam Dyer, Robert Ditchey, Braydon T. Chyko and to Daniel Dent by Senator Gordner.

Congratulations of the Senate were extended to James Karchner by Senators Gordner and Baker.

Congratulations of the Senate were extended to Joshua Stearsman, Diane Hediger, Michael Thomas, Brian Focht and to Maximilian Adam Crandall by Senator Greenleaf.

Congratulations of the Senate were extended to Broc Carl Schoeppner by Senator Hutchinson.

Congratulations of the Senate were extended to Jack Love and to Connellsville Area Community Ministries by Senator Kasunic.

Congratulations of the Senate were extended to Dr. Toni Damon by Senator Kitchen.

Congratulations of the Senate were extended to Royal Bank America by Senator Leach.

Congratulations of the Senate were extended to Isabella Lin, Stephen Kessler, Robert Steven Schmauk, Jr., Point Pleasant Fire Company No. 1, Silverdale Volunteer Fire Company and to Bucks County Playhouse by Senator McIlhinney.

Congratulations of the Senate were extended to Roger C. Collins by Senator McIlhinney and others.

Congratulations of the Senate were extended to Beatrice Gillette, Mary R. Basilio, Anita DiRenzo, Linvilla Orchards and to the Council of United Polish Societies of Chester by Senator Pileggi.

Congratulations of the Senate were extended to Cardinal O'Hara High School Track and Field Team by Senators Pileggi and Erickson.

Congratulations of the Senate were extended to Kathryn Foore, Luke Tipping, Starn Tool and Manufacturing Company and to the Women, Infants and Children Program in Meadville by Senator Robbins.

Congratulations of the Senate were extended to Peter Winklbauer, Susan Roboski, Mary Lewis and to John W. Peterson by Senator Scarnati.

Congratulations of the Senate were extended to Dr. Lenora Sammons, Mary Ann Zerkowski, Jacob C. Hartz, Jarrett M. Korn, Carl D. Herbein and to Berks County Chapter of the American Red Cross by Senator Schwank.

Congratulations of the Senate were extended to Jonathon Muise, Jack Brownfield, Christian Smetana, Sean McClaine, Michael Lederman, Zachary Bahm, Joshua Glicksman, Ben Marks, Brady Schaer, Molly Shure, Sydney Miggantz, Alyssa Lebowitz, Sydney Briner, Sierra Neft, Lynnsey Ohm, Fort Couch Middle School and to Boyce Middle School by Senator Smith.

Congratulations of the Senate were extended to Patrick John Speitel, Michael David Cloonan and to SouthEast Lancaster Health Services by Senator Smucker.

Congratulations of the Senate were extended to Corporal Mark A. Schmelzlen by Senator Solobay.

Congratulations of the Senate were extended to Mr. and Mrs. Joseph J. Quirk by Senator Stack.

Congratulations of the Senate were extended to Andrew McErlain, Joe Goodwin, Joan Rudzinski, Timothy Taylor and to Philip Scratchard by Senator Tartaglione.

Congratulations of the Senate were extended to Saint Mary Rehabilitation Hospital of Langhorne by Senator Tomlinson.

Congratulations of the Senate were extended to Captain Steven R. Junkin, Mary E. Leo, Megan Kelly and to Austin Andrus Wright by Senator Vance.

Congratulations of the Senate were extended to Major General Randall R. Marchi by Senators Vance and Teplitz.

Congratulations of the Senate were extended to Kristian Skogsholm by Senator Vogel.

Congratulations of the Senate were extended to Matthew Carnprobst by Senator Vulakovich.

Congratulations of the Senate were extended to Evan Holt Stem and to James M. Sergent by Senator Wagner.

Congratulations of the Senate were extended to Marcia Shepherd Baker by Senator Washington.

Congratulations of the Senate were extended to Mr. and Mrs. John Haigis by Senator Williams.

Congratulations of the Senate were extended to Troop 137 of the Boy Scouts of America and to Pennsylvania State Police of Mill Hall by Senator Wozniak.

Congratulations of the Senate were extended to Andrew Cross, Donna Palermo and to Carbon Lodge No. 242 of the Free and Accepted Masons by Senator Yudichak.

Congratulations of the Senate were extended to The Luzerne Foundation by Senators Yudichak and Baker.

## 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 Ruth A. Kramer by Senators Baker and Yudichak.

Condolences of the Senate were extended to the family of the late Tony Charles Gojeski, Jr., and to the family of the late William Lloyd III by Senator McIlhinney.

Condolences of the Senate were extended to the family of the late Steve J. Vasko, to the family of the late Fred Warren Smith, Sr., to the family of the late William John Corfont and to the family of the late Fred Puchany by Senator Solobay.

Condolences of the Senate were extended to the family of the late Stephen J. Klucaric, Jr., by Senator Tomlinson.

## ANNOUNCEMENTS BY THE SECRETARY

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

### SENATE OF PENNSYLVANIA

#### COMMITTEE MEETINGS

MONDAY, MAY 5, 2014

Off the Floor	APPROPRIATIONS (to consider Senate Bill No. 803; and House Bills No. 198 and 1460)	Rules Cmte. Conf. Rm.
Off the Floor	FINANCE (to consider House Bill No. 128; and a public hearing on the nominations of David R. Kraus, Esq., and R. Scott Shearer, Esq., to the Board of Finance and Revenue)	Rules Cmte. Conf. Rm.

Off the Floor	LABOR AND INDUSTRY (to consider House Bill No. 2081; and the nomination of Albert Mezzaroba, Esq., to the Labor Relations Board)	Rules Cmte. Conf. Rm.
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TUESDAY, MAY 6, 2014

9:30 A.M.	TRANSPORTATION (to consider Senate Bills No. 1210 and 1314; and House Bills No. 1646, 1831, 1938 and 1939)	Room 8E-B East Wing
10:00 A.M.	BANKING AND INSURANCE (public hearing on Senate Bill No. 594)	Hrg. Rm. 1 North Off.
11:30 A.M.	JUDICIARY (to consider Senate Bills No. 621 and 1341; House Bill No. 112; and to receive a report from the Civil Legal Justice Coalition)	Room 8E-B East Wing
12:30 P.M.	STATE GOVERNMENT (to consider Senate Bills No. 1001 and 1253; and House Bills No. 201, 744, 1271, 1672, 1873 and 1945)	Room 8E-B East Wing
Off the Floor	RULES AND EXECUTIVE NOMINATIONS (to consider Senate Bills No. 31 and 1037; and certain Executive Nominations)	Rules Cmte. Conf. Rm.

WEDNESDAY, MAY 7, 2014

9:30 A.M.	CONSUMER PROTECTION AND PROFESSIONAL LICENSURE (to consider House Bills No. 43, 272, 336, 939 and 1188)	Senate Maj. Caucus Rm.
9:30 A.M.	PUBLIC HEALTH AND WELFARE (to consider Senate Bill No. 1243; and House Bills No. 1420 and 2003)	Room 461 Main Capitol
9:30 A.M.	STATE GOVERNMENT (public hearing on Senate Bill No. 1070)	Hrg. Rm. 1 North Off.

### PETITIONS AND REMONSTRANCES

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

Senator COSTA. Mr. President, I want to talk a little bit today about some of the concerning information that we are now gleaning from our State fiscal condition as it relates to our revenues in the Commonwealth. As my colleagues in this room certainly know, and the public is becoming more and more aware of the significant shortfall in revenue that we are seeing in the month of April, and more importantly what we have seen over the course of the 10 months or so that we now have in place and what is likely to be at the end of June, what our numbers might look like. As our Members know, I think, at this point in time, as we stand here today, we are about \$477 million short for the month of April--one of our largest collection months--and with one day of collections left, it does not appear that we are going to do very well as we go forward for the rest of this month, and it also gives us a glimpse of what our revenue projection might be for our next significant month, that being June.

Mr. President, Senate Democrats have continually talked about the issue and the concern that we have raised over the course of the past several months about our revenue picture. In fact, if you recall, back in January I believe it was, Senate Democrats came out with what we thought might need to be a revenue-generating and budget-saving plan to the tune of about \$1.1

billion. I wanted to take a few moments to discuss that again and refresh the memory of our Members and also add a couple of other things that we think are critically important in this conversation.

Mr. President, one of the things that this Caucus has talked about for 2 years now is Medicaid expansion, and we believe that Medicaid expansion is one of the ways we can reduce our spending of \$29.4 billion to a level that is appropriate. The Governor has put together a plan called Healthy PA, a plan that provides for the private market to be able to provide healthcare insurance along those lines to individuals who are eligible. But at the end of the day, Mr. President, we continue to believe that the most appropriate way to do that would be to provide for the Medicaid expansion through the traditional managed care organization network that we have in Pennsylvania. It is more efficient, it is less costly, and it provides a service to so many Pennsylvanians that they deserve. I want to remind folks, we are talking about working individuals, men and women who get up every day and go to work and make nominal wages that do not provide them, or work in places that do not provide them with healthcare coverage. Those are the folks we are talking about. That is the face of the people when we talk about Medicaid expansion, working individuals, and we think that is important for folks to recognize.

But even if we would get on a path where we would accept the Governor's proposal for Healthy PA and it would be accepted by the Federal government, the Governor has projected a January 1 date to provide for the implementation. As it relates to revenue savings, our view is that we should at least work with the administration in Washington to figure out the best way possible to get Healthy PA adopted. We need to modify it, there is no question, and I understand that steps have been taken to ratchet back on some of the early parts of the proposal. But at the end of the day, the plan, as initially presented, is not going to make it, and we need to continue to evolve through that process. We believe that if we get to a point in time where the Medicaid expansion can be adopted, as related to what the Governor has talked about and modified, as we said, if we would just change the implementation date from January 1, 2015, to October 1, 2014, that in and of itself would generate an additional \$200 million in savings to our budget. The Governor, I believe, projected about \$125 million in savings. We can add \$200 million to that number to reduce the spending number initially from \$29.4 million to \$29.2 million.

We can go further, Mr. President, in the area of managed care, along the lines of our Medicaid managed care for long-term care. We should have a conversation about how we deal with long-term care in this Commonwealth. We believe that, in some discussions taking place, I understand that, but we need to bring that to closure as it relates to how we deal with that. Again, a model that works well in this Commonwealth, that would generate about \$50 million in savings if we just do one or two pilot programs. We have to get on that path. That is the next thing in line as it relates to where we need to go along those lines. Those are two of the things that Senate Democrats raised earlier.

A couple of other areas that we have talked about that would generate some revenue for the Commonwealth, not on the subtraction side but on the addition side in terms of revenue, would be the elimination of vendor sales tax discount. We have talked about it for a number of years. We have to do it. We are in a position now where we are looking at not only do we have a budget of \$29-plus billion that incorporates about \$1.2 billion in



what I call, and we call, one-time gimmicks or transfers that are problematic as it relates to our budget, structural problems and holes that we have in our budget that need to be resolved. When you look at the budget shortfall, which we believe would be about \$500 million this year, and extrapolate it out to \$1 billion shortfall next year, folks, for this budget. So, even if we accepted every single thing that has been laid out by the administration as it relates to this particular budget, everything that was done, every "I" dotted and every "T" crossed, we still would have a hole, or likely have a hole, of about \$1 billion. We have to get serious about a conversation about how we address that. These things that we talked about are an important part of that.

On the revenue side, what we talked about a couple of months ago were the following: We enhance the State and local governments' ability to collect debt, \$55 million in additional revenue making its way to the Commonwealth. We authorize our State Treasurer to process multi-State SSI claims, another \$75 million. Mr. President, we have been talking for a couple of years, and have done it in the past, we have looked at the unclaimed property program, the escheat program, in Pennsylvania. We need to continue to make modifications to that program to be able to turn those resources around in a quicker fashion to generate more revenue for the Commonwealth. We believe that generates about \$150 million in revenue.

The Capital Stock and Franchise Tax, Mr. President, when we have a fiscal crisis like we are experiencing for the upcoming budget, we froze the Capital Stock and Franchise Tax phaseout. We need to do it again. We made modifications a few years ago when the administration first came here, but since that time we have made additional changes to our business tax climate, but now it is an opportunity for us look at making a freeze for one more year. We are on the last piece of that, 0.67 mills remain, freeze that for 1 year, and then revisit it in the 2016-17 budget as we go forward.

Mr. President, modernization of the Wine & Spirits stores. Senate Democrats have been talking for many months, my friend and colleague from Allegheny County, Senator Ferlo, has proposed Senate Bill No. 800, a modernization plan for our Wine & Spirits stores. We recognize that the public wants certain conveniences and it wants certain efficiencies in terms of how we deal with wine and spirits in this Commonwealth. We have a plan. Senator Ferlo has a plan that does a lot of those things: direct shipping of wine, expanded hours, a whole host of things that we think the public wants, would generate about \$150 million in revenue for the Commonwealth. We think that is something that we need to explore.

Mr. President, as you well know, this month the Commonwealth received its apportionment of the tobacco settlement proceeds. This year we received \$233 million, earlier this month. Historically, we would receive about \$330-plus million. We experienced a \$100-million shortfall directly related to our inability to properly monitor tobacco sales in this Commonwealth. In 2003 and those early years, we did not have the mechanisms in place to address that. We do now. Those were implemented in 2005 and 2006, and we are in a better place today along those lines. But also where we failed, we failed to tax an area that I think, when folks look at the Commonwealth in the future years, when they look at the predictability and the sustainability of the revenue coming in through the tobacco tax, we need to have a conversation about how we deal with smokeless tobacco and

other tobacco products. Again, this year it needs to be on the table, we need to have that conversation, not so much for the revenue, but to be able to sustain the programming dollars that we have in place as we go forward in future years.

Mr. President, I think that is an important point to note, because when you look at the revenue that is coming from the tobacco settlement money, we do not want to be in the position as a result of what we did in 2004, 2005, and 2006 in those arbitrations that we stand to lose \$100-plus million in years going forward. Because those are the dollars, Mr. President, that make their way into smoking-cessation programs. Those are the dollars that go into our research. As you know, Pennsylvania is a great State as it relates to research and the money we attract, both from the Federal government but also what we do with State dollars, how we multiply those dollars that we provide. And when you look at the uncompensated care parts of the program, those resources, those dollars we get through the master settlement agreement are significant, they are huge and are very, very important. We need to be doing everything we can to make sure that we provide the proper structure and sustainability and predictability about those revenues. We have done some things. This is a year we have to do more.

Finally, Mr. President, I want to talk about an issue that I think continues to garner tremendous support in this Capitol building and across this Commonwealth, and that relates to the extraction tax. A number of colleagues on this floor, candidates on both sides of the aisle, candidates running for Governor and other places have talked about the need for an extraction tax. Senate Democrats, a few weeks ago, laid out a bold plan that essentially said that we should be looking at a minimum of a 5-percent extraction tax, layered on top of the impact fee. We take those resources, approximately \$720 million that then allows us the opportunity then to make those investments in education, make those investments in the environment, make those investments in our State budget as it relates to the economic development programs. Those are some of the areas that we think we can drive that. But the time has come, given our fiscal situation, our fiscal condition, that we should do some of the things that I think if you polled people, Mr. President, colleagues on this floor would find out that folks want a severance tax and they do not believe that the industry is paying their fair share. We have some work to do along that line and we think it is important that we do that.

So, Mr. President, given our revenue numbers that we have talked about, that I referenced for this particular month and this year and what we ultimately may end up at, I thought it was essential that I share with my colleagues the concern that we have about those numbers, and more importantly, how we resolve a budget that gets us home by June 30. We obviously think it is an important thing that needs to be done and the investments that have been laid out—we applaud the Governor's investment in education, but at the end of the day, if we do not have the revenue to support that, it becomes a problem. So, I am asking my colleagues to really start to dig deep and think hard about how we move forward, and Senate Democrats stand ready and willing and able to join our colleagues in the process that allows us to get to a point in time that we could have revenue to sustain a budget to implement not only revenue and savings but also begin to have a conversation about how we move Pennsylvania forward, how we reverse this trend of declining revenues. What do

we do to continue to grow jobs in Pennsylvania? What programs are we going to invest in? Not only in education and particularly early learning, but what type of economic development programs are we going to invest in? We need to make those thoughtful investments in programs that work and those programs that do not work, either modify them or take those resources and plug them into programs that do work.

So, we have a twofold approach: budget and savings on one hand, but on the other hand, investments in programs that work and smart investments in this Commonwealth. That is what we want to strive for, and we stand ready to work with our colleagues along those lines. So, Mr. President, thank you very much for the opportunity to provide some remarks.

#### LEGISLATIVE LEAVE CANCELLED

The PRESIDENT. Senator Hughes has returned, and his temporary Capitol leave is cancelled.

### PETITIONS AND REMONSTRANCES Continued

The PRESIDENT. The Chair recognizes the gentleman from Centre, Senator Corman.

Senator CORMAN. Mr. President, as budget chairman, as I listened carefully to my learned colleague, Leader of the Democratic Caucus, their approach reminds me of a quote from Margaret Thatcher, that sooner or later, the problem with this approach is that you run out of other people's money. He certainly listed a variety of ways that we can raise revenue, and revenue that taxes someone else certainly is popular. Why not? I am happy to tax someone else. The problem is, under our current budget structure, we will eventually get around to you, the taxpayers here in Pennsylvania, everybody. Our budget issues really pertain to a couple of significant items, items which this Governor has put forward to try to reform. If you look at our State budget this year and you flat-funded everything--let me back up, if you take the 2013-14 budget that is in play, which spends about \$28.5 billion, if you flat-fund everything and then layer in the cost carryforward items, you would have a \$30.2 billion budget. That is \$1.7 billion in automatic costs in this State budget. What drives that? Well, two items in particular drive it. One being pensions, public pensions; and two being Medicaid long-term care. As an aging State, our population of long-term care has grown tremendously.

Now, the Governor has put forward ideas on both of these issues to try to rein in that increase. Public pension has been fought in this Chamber and in these halls to not do anything. If we do not do anything, the taxpayers are in for about a \$500-million to \$600-million increase per year for the next few years. Now, if we do not do anything on Medicaid, the Governor has put forward a plan, it is now in front of the Federal government, the Obama administration, HHS, that if approved, when it is fully implemented, would save the State of Pennsylvania about \$400 million per year. If we do not do those two things, Mr. President, and we sign up for current law and continue to have to pay these large growth items, at a \$1.7 billion increase, if you just put marginal increases in other things like basic education, higher education, economic development, you are talking about a \$2-billion

increase per year. So, in the next 4 to 5 years, you are talking about going from a \$28.5 billion budget, to close to a \$40 billion budget.

Now, let me tell you something. There is no extraction tax, there is no smokeless tax, there is no phaseout of the capital stock and franchise tax that is going to pay for a \$40 billion budget. The only way you are going to pay for a \$40 billion budget in the next few years is a personal income tax increase. So, if you are not for reforming pensions, if you are not for reforming Medicaid--everyone in this building should be calling the HHS Secretary in the Obama administration and begging them to approve the Governor's Healthy PA initiative, because not only does it expand Medicaid, as many people want, but it also reforms the current program, which is the most expensive Medicaid program in the country. If we do nothing, do not expand, do nothing, our increases are dramatic and are almost impossible to pay for.

So, those are the areas of the budget that we need to deal with. And then once we rein in growth, maybe we can go to the taxpayers and say, you know what, to fund education, to fund this, we still need a little more, and that is fine. The taxpayers may understand that. Maybe we will not. Maybe by reining in that growth we will not need to go to the taxpayers for more money. The last time I checked with my constituents, none of them were saying they were under-taxed. None of them were saying, you know what, Senator, I would like to give you a little more. Now sure, you could do a poll, they are popular, again, they would be happy to tax other people, an extraction tax taxes someone else, it does not tax them; if you do not smoke, a smokeless tobacco tax taxes someone else. You can always find those things, but again, none of that adds up to even near the amount of money that is going to be needed to pay for State government if we do not rein in the growth of government. That is a fact. There is no arguing that. And I know my colleagues have a pension plan proposal out there and we are going to meet soon, hopefully, to try to deal with and come up with something, but there are a lot of forces in this building that do not want us to do anything. They want us to just pay the bill. Okay, pay the bill, and in the next 3-plus years it will probably be \$1.5 billion.

So, if we are going to go from a \$28.5 billion budget this year, to a \$35 billion to \$40 billion budget in the next few years with this unchecked growth, then everyone sign up for a personal income tax increase, because that is the only way to get it, and that is taxing everybody in the State.

So, as we go down this budgetary process, and clearly we are having issues, we are seeing the impact of the Federal government's tax increases on our annual PIT payments. Every State around the nation is feeling it. You see other States in the Northeast - New York, New Jersey, Connecticut, Pennsylvania, Massachusetts - all having major shortfalls. Why? Because everyone either cashed out last year to avoid the high tax or did not cash out this year because they do not want to pay the high tax. So, the high tax increase on growth, capital gains has shortened up revenue in this Commonwealth and other States around the nation, so it provides us with yet another challenge that we have to deal with from our Federal government.

The Federal government gives us this illusion that you can have something for nothing. You can pass Medicare Part D and not pay for it. You can pass No Child Left Behind and not pay for it. You can pass the Affordable Care Act and not pay for it,

because they run up deficits. We just have trillion-dollar deficits. So, you really do not need to increase taxes on the Federal level for the average individual because we just run up a deficit. The States do not have that luxury. The States do not have the luxury of passing it on, to go into debt, and we should not, thank goodness. I can only imagine where we would be if we could. So, we have to make hard decisions, and at the end of the day, our revenues have to match our expenditures. By constitutional provision, our revenues must match our expenditures. Our expenditures are growing at a rapid rate, \$1.7 billion this year alone in costs carried forward.

My friends on the other side of the aisle who are running for Governor all talk about how they are going to fund education, they are going to do this or do that all with the extraction tax, it does not add up. It does not add up. So, either they are misinformed or they are under an illusion that somehow this is the greatest tax in the world. It seems to fund everything. I know other States have it, and maybe we should, and that is an argument we can continue to have, but understand it does not solve the problem. We have an opportunity this year, before we go and ask the taxpayers for one more dime, to deal with these cost carryforward items, to deal with public pensions, to get our friends in Washington, D.C., to approve our Healthy PA initiative so that we can rein in the growth of these programs, because I do not think anyone in this Chamber, Republican or Democrat, rural, suburban, urban, wants to have a \$40 billion budget in the next 5 years, but that is where we are going.

If we want to fund education at a level that I think we would agree needs to be funded, we want to fund higher education at a level we agree needs to be done—I mean, we are at a 1996 level of higher education. That is a multi-administration bipartisan failure. The reason? Because we have a crowding-out effect. We are putting money in these other programs that we have to pay for and we are not investing properly in the future. Higher ed used to be 15 percent of the budget, it is now 6 percent of the budget. So, we can continue to find other people's money, we can continue to try to find ways to pay for it, but mark my words, we are coming to you eventually. We are coming to you, the average citizen, with a personal income tax increase because there is no other way to pay for it.

Mr. President, I hope that we can avoid that by dealing with these cost issues, by dealing with what drives the spending in this budget, and then get back to, as my colleagues said earlier, getting our revenues to match our expenditures so we can have money to invest. I believe in investment, Mr. President. I believe that government has a role to invest in our future. But we cannot invest if we do not have it, and we are not going to have it if we are going to allow these two particular items to continue to grow at the level they are growing because they are unsustainable. So, I look forward to working with my colleagues on the other side in the future. Again, I am not saying that revenues are something that should not be part of the picture, but they cannot be the sole part of the picture, reining in the growth of government has to be a big part of the picture as well.

Thank you, Mr. President.

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

Senator COSTA. Mr. President, I want to certainly thank my colleague for his comments relative to the plight that we find ourselves in this particular budget year. As I laid out in my re-

marks, I talked about a couple of things. I talked most significantly about budget savings, and I think that is significant, and also basically budget reform, reform in terms of some of the areas of precisely what he talked about. But let me be clear, we stand ready to work with our colleagues, but by no means are we advocating or looking to do anything along the lines of a personal income increase that the gentleman believes may be necessary in the out-years. We do not believe that to be the case, and we are not advocating for that, and we will not be advocating for that at that point in time.

I will say, Mr. President, as it relates to the \$1.7 billion in cost drivers that were referenced in the two areas, the pension system and pension costs, also the managed care costs, Senate Democrats, as was mentioned by the gentleman, have put forth a proposal that works within the confines of Act 120 from 2010, stays within that same structure. As we know at this point in time, the Governor has made a proposal that lowers the collars from 4.5 percent to 2.25 percent that results in savings, there is no question, but it pushes the problem down the road, so that all we do is kick the can down the road. We are not about that. We are talking about addressing significant changes to the pension system in terms of how we pay it. We propose a plan that does it in a way that is thoughtful, is responsible, and does not put us in a position that we are at risk down the road in future years as we go forward.

So we recognize that we need to make changes to pension in terms of how the payments are made and when we make those payments, but we do not kick the can down the road and we do it within the confines of Act 120 of 2010. The plan that Senate Democrats have put forth reduces the unfunded liability by \$23 billion. So when you ask us to put forth measures and concepts that deal with the problem going forward in the out-years, our plan does exactly that. It extracts \$23 billion from the unfunded liability, about \$15 billion in PSERS, and about \$7 billion in the reserves from the unfunded liability for SERS. We believe that is a thoughtful plan.

We also go further, we say that we have to be careful, we have to be disciplined as an administration and as legislators to make certain that we do not take steps that jeopardize future revenue, or I should say, future expenditures that put us in a position that we have concerns about it. So we are disciplined and thoughtful in terms of how we drive those resources out. We recognize we need to take a look at that. We put forth a proposal that builds upon what we did collectively on Act 120 in 2010. That was a great start. We made significant changes to benefit plans for new members going forward. I will share with you that Senate Democrats will not stand for any type of change to a benefit plan that impacts current employees or retirees. We do not think we need to get on that path, and we are standing hard and fast on that. I am not sure what the other side wants to do along those lines, but that is where we stand. So I think our pension plan is something that is thoughtful, meaningful, comprehensive, and helps save resources for the Commonwealth.

The second piece was on the managed care conversation as related to Medicaid. As I said earlier, we believe that the best way to do it is the traditional way that we do it. Again, it takes and saves money. The managed care MCO organizations across this Commonwealth are more efficient and they do a better job, quite frankly, than what we know would be coming down the road. But let us stop and let us say we are not going to do that

because the Governor has proposed another way, and I agree, and we stand ready to try to force the administration in Washington to adopt a Healthy PA plan that is right for Pennsylvania and that falls within the confines of the Affordable Care Act and is responsible to be done in a Commonwealth like Pennsylvania, in a State like Pennsylvania. Just simply because we filed it, we do not believe they should accept it as filed. There needs to be give and take, and we know the administration has been backpedaling on a number of the issues that they put forth. There needs to be consensus, there needs to be an agreement, and we believe that is where we need to be. At the end of the day, the Governor said there is \$125 million in savings this year and going forward, we think we can pick up \$200 million this year alone if we simply change the implementation date to October 1. And we can do that. The sooner they make that decision and we do what we need to do in Pennsylvania, we will get there.

At the end of the day, we believe that the two cost drivers are the issues that Senate Democrats have laid out for months and months and months. I will go back to the area of long-term care that was referenced by my friend, Senator Corman. We have been talking about long-term care for several years on our side of the aisle. If you go back and look at our budget initiatives and our Caucus initiatives for the last 4 years, you will see that Senate Democrats have been pushing to do something in the area of long-term managed care. We should do it. Steps are taking place right now, groups are talking about the issue, but you know what, folks, we need to move forward on it. We stand ready to do that. So the reforms that we have talked about are all geared and all driving us toward a place where we lower our expenditures, our rate of expenditures is reduced by doing some of the things that we have done over the course of time.

As relates to the pension, I know that we are in that 5-year or so period from 2010 where we made a commitment to have the collars, but once we get out, I think it is 2017 or 2017-18 fiscal year, that is when the pension costs plateau. We are not going to be looking at \$400 million or \$500 million increases year in and year out in perpetuity. They plateau in a number of years with much, much smaller increases along those lines. Again, the things that we did in 2010 will have an impact even on those out-years about how our unfunded liability moves forward. But we recognize we have to do those type of things, we stand ready to do those things, and we want to be able to work side by side in a meaningful way to bring consensus and closure to some of these issues that allow us to help frame a State budget expenditure conversation that does not require, as recommended by the other side of the aisle, a personal income tax increase.

Thank you, Mr. President.

### RECESS

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

Senator PILEGGI. Mr. President, I move that the Senate do now recess until Monday, May 5, 2014, at 1 p.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 12:05 p.m., Eastern Daylight Saving Time.