

The gentleman, Mr. Schuler.  
 Mr. SCHULER. Thank you, Mr. Speaker.  
 On HR 381 I was not recorded. I would wish to be recorded in the affirmative. Thank you.  
 The SPEAKER. The remarks of the gentleman will be spread upon the record.

**SUPPLEMENTAL CALENDAR A**

**RESOLUTION PURSUANT TO RULE 35**

Mr. B. SMITH called up **HR 379, PN 3602**, entitled:

A Resolution commemorating the week of May 18 through 24, 1996, as "National Safe Boating Week."

On the question,  
 Will the House adopt the resolution ?

The following roll call was recorded:

**YEAS-199**

- |              |            |           |               |
|--------------|------------|-----------|---------------|
| Adolph       | Egolf      | Lucyk     | Sather        |
| Allen        | Evans      | Lynch     | Saylor        |
| Argall       | Fairchild  | Maitland  | Schroder      |
| Armstrong    | Fajt       | Major     | Schuler       |
| Baker        | Fargo      | Manderino | Scrimanti     |
| Bard         | Feese      | Markosek  | Semmel        |
| Barley       | Fichter    | Marsico   | Serafini      |
| Battisto     | Fleagle    | Masland   | Shaner        |
| Bebko-Jones  | Flick      | Mayernik  | Sheehan       |
| Belardi      | Gamble     | McCall    | Smith, B.     |
| Belfanti     | Gannon     | McGeehan  | Smith, S. H.  |
| Birmelin     | Geist      | McGilli   | Snyder, D. W. |
| Bishop       | George     | Melio     | Staback       |
| Blaum        | Gigliotti  | Merry     | Stairs        |
| Boscola      | Gladeck    | Michlovic | Steelman      |
| Boyes        | Godshall   | Micozzie  | Steil         |
| Brown        | Gordner    | Mihalich  | Stern         |
| Browne       | Gruitza    | Miller    | Stetler       |
| Bunt         | Gruppo     | Mundy     | Stish         |
| Butkovitz    | Habay      | Myers     | Strittmatter  |
| Buxton       | Haluska    | Nailor    | Sturla        |
| Caltagirone  | Hanna      | Nickol    | Surra         |
| Cappabianca  | Harhart    | Nyce      | Tangretti     |
| Carn         | Hasay      | O'Brien   | Taylor, J.    |
| Carone       | Haste      | Olasz     | Thomas        |
| Cawley       | Hennessey  | Oliver    | Tigue         |
| Chadwick     | Herman     | Perzel    | Travaglio     |
| Civera       | Hershey    | Pesci     | Trello        |
| Clark        | Hess       | Petrarca  | Trich         |
| Clymer       | Horshey    | Petrone   | True          |
| Cohen, L. I. | Hutchinson | Pettit    | Tulli         |
| Cohen, M.    | Itkin      | Phillips  | Vance         |
| Colaella     | Jadlowiec  | Pistella  | Van Horne     |
| Colaizzo     | James      | Pitts     | Veon          |
| Conti        | Jarolin    | Platts    | Vitali        |
| Cornell      | Josephs    | Preston   | Walko         |
| Corpora      | Kaiser     | Ramos     | Washington    |
| Corrigan     | Keller     | Raymond   | Waugh         |
| Cowell       | Kenney     | Readshaw  | Williams      |
| Coy          | King       | Reber     | Wogan         |
| Curry        | Kirkland   | Reinard   | Wozniak       |
| Daley        | Krebs      | Rieger    | Wright, D. R. |
| DeLuca       | Kukovich   | Roberts   | Wright, M. N. |
| Dempsey      | Laughlin   | Robinson  | Yewcic        |
| Dent         | Lawless    | Roebuck   | Youngblood    |

- |            |           |         |           |
|------------|-----------|---------|-----------|
| Dermody    | Lederer   | Rooney  | Zimmerman |
| DeWeese    | Leh       | Rubley  | Zug       |
| DiGirolamo | Lescovitz | Rudy    |           |
| Donatucci  | Levdansky | Sainato | Ryan,     |
| Druce      | Lloyd     | Santoni | Speaker   |
| Durham     |           |         |           |

NAYS-0

NOT VOTING-0

EXCUSED-4

- |        |          |        |               |
|--------|----------|--------|---------------|
| Farmer | LaGrotta | Rohrer | Taylor, E. Z. |
|--------|----------|--------|---------------|

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

**ANNOUNCEMENT BY SPEAKER**

The SPEAKER. The Chair is pleased to advise that a proud grandfather just handed me a note that there is a new one in the west, Zachary Lawrence DeLuca, the 11-pound-4-ounce grandson of Representative Tony DeLuca. He advises that a new basketball player is born. At 11 pounds 4 ounces, I suspect he is a football player.

**VOTE CORRECTION**

The SPEAKER. The gentleman, Mr. McGeehan.  
 Mr. McGEEHAN. Thank you, Mr. Speaker.  
 Is it an appropriate time to correct the record ?  
 The SPEAKER. Yes.  
 Mr. McGEEHAN. Thank you, Mr. Speaker.  
 On amendment 2101 to HB 2257, I was recorded as not voting.  
 I would like to be recorded in the affirmative.  
 The SPEAKER. The remarks of the gentleman will be spread upon the record.

**CALENDAR CONTINUED**

**BILLS ON THIRD CONSIDERATION**

The House proceeded to third consideration of **SB 284, PN 1998**, entitled:

A Joint Resolution proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, authorizing an exclusion from taxation of a portion of the assessed value of homestead property.

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

Mr. DeLUCA offered the following amendment No. A2726:

Amend Title, page 1, line 1, by striking out "an amendment" and inserting

amendments

Amend Title, page 1, line 4, by removing the period after "property" and inserting

; and authorizing special tax provisions to abate an increase in tax on owner-occupied residential real property when improvements or additions are made to the property.

Amend Sec. 1, page 1, line 7, by striking out "amendment" and inserting

amendments

Amend Sec. 1, page 1, line 8, by striking out "is" and inserting are

Amend Sec. 1, page 1, lines 9 and 10, by striking out "a clause" and inserting

clauses

Amend Sec. 1 (Sec. 2), page 2, by inserting between lines 7 and 8 (vii) Make special tax provisions abating an increase in tax on owner-occupied residential real property by reason of improvements or additions to the property which increase its value, thereby encouraging owner-occupied residential real property owners to make such improvements or additions. The special tax provisions shall place a monetary limit on the improvements or additions for which an increase in tax is abated and shall limit the abatement to a period not to exceed five years.

Amend Sec. 2, page 2, line 10, by striking out "this" and inserting these

Amend Sec. 2, page 2, line 10, by striking out "amendment" and inserting

amendments

Amend Sec. 2, page 2, line 16, by striking out "this" and inserting these

Amend Sec. 2, page 2, line 16, by striking out "amendment" and inserting

amendments

Amend Sec. 2, page 2, line 17, by striking out "this" and inserting these

Amend Sec. 2, page 2, line 18, by striking out "amendment" and inserting

amendments

Amend Sec. 2, page 2, line 24, by striking out "this" and inserting these

Amend Sec. 2, page 2, line 24, by striking out "amendment" and inserting

amendments

Amend Sec. 2, page 2, line 25, by striking out "this" and inserting these

Amend Sec. 2, page 2, line 25, by striking out "amendment" and inserting

amendments as separate questions

Amend Sec. 2, page 2, line 28, by striking out "amendment is" and inserting

amendments are

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

The SPEAKER. On the question, the Chair recognizes the gentleman, Mr. DeLuca.

Mr. DeLUCA. Thank you, Mr. Speaker.

Mr. Speaker, amendment 2726 is an additional amendment to the Constitution authorizing the General Assembly to make special tax provisions allowing up to 5 years' abatement of real estate tax increases on owner-occupied residential property resulting from improvements or additions to that property. What we have done in the past is we have penalized property owners who fix up their property, or because of economic conditions, they are afraid to fix up their property or add additions on.

This amendment would create a couple things. First of all, it would entice people to keep their property up. Secondly, it would create economic development throughout our Commonwealth, because people, right now, might be in a situation where they could not afford the increase in taxes if they put an addition on, so they would delay, but knowingly, if they would know that they were going to have an abatement up to 5 years, they might do it because their circumstances would change.

This would certainly go a long way in stimulating some economic development in our Commonwealth. The realtors today are trying to promote this already, and I would hope that the House would see fit to adopt this so that we could provide some relief for our property owners out there who are trying to do a good job on keeping their property up.

Thank you, Mr. Speaker.

The SPEAKER. The Chair thanks the gentleman.

On the question of the adoption of the DeLuca amendment, the gentleman, Mr. Saylor.

Mr. SAYLOR. Mr. Speaker, will the maker of the amendment stand for interrogation?

The SPEAKER. He will. You may begin.

Mr. SAYLOR. Mr. Speaker, is it your intent with this amendment to create a second question on the ballot or just one question?

Mr. DeLUCA. No. This would be a second question, Mr. Speaker. It would stand on its own. It would not jeopardize the other question that we are voting on.

Mr. SAYLOR. Thank you, Mr. Speaker.

Mr. Speaker, if I may comment.

The SPEAKER. The gentleman, Mr. Saylor.

Mr. SAYLOR. Mr. Speaker, I have no problems with Mr. DeLuca's amendment and support his amendment as he has proposed.

The SPEAKER. The gentleman, Mr. Godshall.

Mr. GODSHALL. I would like to interrogate the maker of the amendment, Mr. Speaker.

The SPEAKER. You may begin. He has indicated he will stand for interrogation.

Mr. GODSHALL. Mr. Speaker, this amendment talks about making "improvements or additions" to property. An addition can be doubling the size; it can be tripling the size. An addition can mean anything. Is there someplace in here a definition of what you mean by "improvements or additions"?

Mr. DeLUCA. That would be enabling legislation that we would have to develop, Mr. Speaker.

Secondly, if they are going to add on to that residential property a big addition, it is not going to cost the governing body any money because of the fact that they are still going to be able to get their taxes on the property that they already have. This is to try to give somebody the ability to do that work without being

penalized right off the bat. As soon as you do that type of work, you know, your assessment goes up, your taxes go up. So this would be a benefit. In the 5 years, if we give them up to 5 years, the taxes would revert back onto the rolls, where the county would get more money. If they do not do anything, we get no tax dollars. We do not stimulate the economy; we put nobody to work.

Mr. GODSHALL. Mr. Speaker, and to further the interrogation on this, say, if I buy a property and I buy it today; I have every intention of buying it to either improve it substantially and/or expand this property. You know, I am buying it, I am doing it, I am buying it as it is. That freezes then, I would believe under this, what the tax would be on that property, and then I immediately start, you know, my addition, improvements or whatever. You know, I would still feel more comfortable with this if, I guess, I knew exactly what you meant by how substantial improvements would be and/or additions.

Mr. DeLUCA. Mr. Speaker, that would have to be — let me stress — that would have to be addressed with the enabling legislation. This only permits us to amend the Constitution to allow us to do that. That has to come back to us to adopt the enabling legislation to answer some of your questions. That is where we would answer those questions, Mr. Speaker, with the enabling legislation. This only permits us to amend the Constitution to distinguish between residential owner property and commercial property, and this would be, I think, an add-on and it would be beneficial to the bill we are going to pass, on the homestead exemption.

Mr. GODSHALL. Thank you, Mr. Speaker.

That concludes my interrogation. I would just like to make a brief comment.

The SPEAKER. The gentleman is in order.

Mr. GODSHALL. Mr. Speaker, I agree with the philosophy on this, and I believe you said that the enabling legislation would be put together by this body. So with that in mind, I will support the legislation, but I think we should look at it very closely, when and if it comes back, to just exactly what is in that enabling legislation.

The SPEAKER. The gentleman, Mr. Sturla.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, will the gentleman rise for a brief interrogation?

The SPEAKER. Mr. DeLuca?

Mr. STURLA. Yes.

The SPEAKER. Mr. DeLuca indicates he will stand for interrogation. You may begin.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, I understand from what you have said that we would still need to do enabling legislation on this, so perhaps this is putting the cart before the horse. But would it be your intention or do you know, is there any way we can frame this when we do get enabling legislation such that— Well, my concern here lies in saying that it is just the differentiation between owner-occupied and nonowner-occupied. If I have a house that I make an improvement to and I turn around and sell it tomorrow, would that restriction on the increased taxes apply to the next owner for that next 5 years or would it only apply if I am the person that owns the house? And I guess my concern here is that if it applies to me as the homeowner, then that is one thing. If it applies to the next owner also, then I think we can get into a situation where people start speculating and saying we have locked in the rates on your

house for the next 5 years because we did an improvement. Can we constitutionally do that in the enabling legislation?

Mr. DeLUCA. Let me say this to you, Mr. Speaker: You are putting the cart before the horse because of the fact that that would take enabling legislation that we would have to specify what we intend to do. And remember, this is only the maximum for a 5-year tax abatement. It does not go on forever. So with that, your question is a valid question and certainly would be addressed with our enabling legislation that this House would adopt in the committee process.

Mr. STURLA. Okay.

If I could make a comment, Mr. Speaker?

The SPEAKER. The gentleman is in order. You may proceed.

Mr. STURLA. Thank you, Mr. Speaker.

Mr. Speaker, I believe that the concept of what Representative DeLuca is trying to do here is appropriate. I would just caution that we do need to look at some of those issues, and I appreciate his willingness to hear about them as we talk about this today. Thank you.

The SPEAKER. On the question, the gentleman, Mr. Cappabianca.

Mr. CAPPABIANCA. Thank you, Mr. Speaker.

Would the gentleman, Mr. DeLuca, consent to further interrogation?

The SPEAKER. He does. You may begin.

Mr. CAPPABIANCA. Thank you, Mr. Speaker.

Mr. Speaker, what effect would this have on enterprise zones? For example, in the city of Erie, we have designated enterprise zones who now receive tax abatements when they add an addition or remodel their home.

Mr. DeLUCA. It does not affect them at all, Mr. Speaker; to my knowledge, it does not affect them at all.

Mr. CAPPABIANCA. It would not affect—

Mr. DeLUCA. To my knowledge, it would not affect them at all, Mr. Speaker, and I just checked with—

Mr. CAPPABIANCA. So in reality, this would actually only affect then for tax abatement those areas in Erie that are outside the enterprise zone?

Mr. DeLUCA. That is what I perceive, Mr. Speaker.

Mr. CAPPABIANCA. Thank you, Mr. Speaker.

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

The following roll call was recorded:

YEAS—187

Adolph	Donatucci	Lescovitz	Rudy
Allen	Druce	Lucyk	Sainato
Argall	Durham	Lynch	Santoni
Armstrong	Egolf	Maitland	Saylor
Baker	Evans	Majors	Schroder
Bard	Fairchild	Manderino	Schuler
Barley	Fajt	Markosek	Scrimenti
Battisto	Fargo	Marsico	Semmel
Bebko-Jones	Feese	Masland	Serafini
Belardi	Fichter	Mayernik	Shaner
Belfanti	Fleagle	McCall	Sheehan
Birmelin	Flick	McGeehan	Smith, B.
Bishop	Gamble	McGill	Smith, S. H.
Blaum	Gannon	Melio	Snyder, D. W.

Boscola	Geist	Merry	Staback
Boyes	George	Michlovic	Stairs
Brown	Gigliotti	Micozzie	Steelman
Browne	Gladeck	Mihalich	Steil
Bunt	Godshall	Miller	Stetler
Butkovitz	Gordner	Mundy	Stish
Buxton	Gruitza	Myers	Strittmatter
Caltagirone	Gruppo	Nickol	Sturla
Cappabianca	Habay	Nyce	Surra
Carn	Haluska	O'Brien	Tangretti
Carone	Harhart	Olasz	Taylor, J.
Cawley	Hasay	Oliver	Thomas
Chadwick	Hennessey	Perzel	Travaglio
Civera	Herman	Pesci	Trello
Clark	Hershey	Petrarca	Trich
Clymer	Hess	Petrone	True
Cohen, L. I.	Horsey	Pettit	Tulli
Cohen, M.	Hutchinson	Phillips	Van Horne
Colaella	Itkin	Pistella	Veon
Colaizzo	Jadlowiec	Pitts	Walko
Conti	James	Platts	Washington
Cornell	Jarolin	Preston	Waugh
Corpora	Josephs	Ramos	Williams
Corrigan	Kaiser	Raymond	Wogan
Cowell	Keller	Readshaw	Wozniak
Coy	Kenney	Reber	Wright, D. R.
Curry	King	Reinard	Wright, M. N.
Daley	Kirkland	Rieger	Yewcic
DeLuca	Kukovich	Roberts	Youngblood
Dempsey	Laughlin	Robinson	Zimmerman
Dent	Lawless	Roebuck	
Dermody	Lederer	Rooney	Ryan,
DeWeese	Leh	Rubley	Speaker
DiGirolamo			

NAYS-11

Hanna	Lloyd	Stern	Vitali
Haste	Nailor	Tigue	Zug
Krebs	Sather	Vance	

NOT VOTING-1

Levdansky

EXCUSED-4

Farmer	LaGrotta	Rohrer	Taylor, E. Z.
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The majority having voted in the affirmative, the question was determined in the affirmative and the amendment was agreed to.

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

Mr. STETLER offered the following amendment No. A2983:

Amend Title, page 1, lines 2 through 4, by striking out "an exclusion from taxation of" in line 2, all of lines 3 and 4 and inserting the General Assembly to enact legislation providing for homestead exemptions.

Amend Sec. 1 (Sec. 2), page 1, lines 15 and 16; page 2, lines 1 through 7, by striking out all of said lines on said pages and inserting

(vi) Establish separate classes of real property as subjects of taxation exclusively for one or more of the following purposes:

(A) providing for a dollar value or a percentage exemption from the assessed value of real property used as a homestead;

(B) providing for a dollar value or a percentage exemption from the actual real estate taxes levied on real property used as a homestead;

(C) providing for tax credits based on a dollar value or a percentage of the real estate taxes levied on real property used as a homestead; or

(D) providing for credits or other special tax provisions for persons who rent their homesteads to permit them to take advantage of real estate tax reductions achieved through exemption or credit.

The procedures established by the General Assembly shall include a restriction that a local taxing jurisdiction shall not increase the assessed value of real property or millage of its tax on real estate for the purpose of offsetting revenue losses resulting from the exemption or credit.

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

The SPEAKER. The gentleman, Mr. Boyes. For what purpose does the gentleman rise?

Mr. BOYES. If the gentleman would yield on consideration of the timing of the amendments, we would like to have Representative Rubley, with the gentleman's permission, recognized for her amendment first.

The SPEAKER. Does the gentleman, Mr. Stetler, agree to that?

Mr. STETLER. Yes, Mr. Speaker.

AMENDMENT WITHDRAWN TEMPORARILY

The SPEAKER. The gentleman, Mr. Stetler, withdraws his amendment temporarily.

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

The SPEAKER. The lady, Mrs. Rubley, offers an amendment which the clerk will now read.

Mrs. RUBLEY. Thank you, Mr. Speaker.

The SPEAKER. Will the lady yield.

RULES SUSPENDED

The SPEAKER. It will be necessary, Mrs. Rubley, for you to suspend the rules to offer this amendment.

Mrs. RUBLEY. That is right.

I was just going to request your permission to suspend the rules to offer this amendment.

Basically, this amendment has the exact same intent as—

The SPEAKER. Will the lady yield.

The lady, Mrs. Rubley, moves that this House do suspend its rules to permit her to offer amendment A3035 to SB 284, PN 1998.

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