SB 581 April 25, 1980

To the Honorable, the Senate of the Commonwealth of Pennsylvania

I return herewith, without my approval, Senate Bill 581, Printer's No. 1672, entitled, "An act amending the act of June 13, 1967 (P.L.31, No.21), entitled 'An act to consolidate, editorially revise, and codify the public welfare laws of the Commonwealth,' requiring all checks for assistance to contain the recipient's social security number, providing for the maintenance of services at certain State institutions and further providing for registration for employment, training and manpower service."

This bill makes two minor changes to the Public Welfare Code to which I have no objections. It mandates the Department of Public Welfare, beginning on July 1, 1980, to print on each assistance check the recipient's social security number. It also reduces from ten to three days the time period in which newly eligible public assistance recipients must register for the Pennsylvania Employables Program.

My objections to the bill arise because of the new provisions it adds to the Public Welfare Code limiting the ability to reorganize the State institution network. The bill provides that the Department of Public Welfare may not "close, sell, lease or otherwise transfer the ownership or operational control of" or "materially reduce services" at State general hospitals, nursing schools, mental hospitals, mental retardation centers, and "other similar institutions funded by the General Assembly", without 30 days notice, a public hearing in the affected area, and the submission of a plan to the General Assembly. If either chamber of the General Assembly disapproves of this plan within the greater of five legislative days or 30 calendar days, "such action shall not take effect". A "material reduction in services" means a five percent decrease in bed complement or staff of an institution, and includes reduction in chaplaincy services and farm services.

Because we attempt to maintain an institutional network much larger than our needs and our resources, some of our institutions have become outmoded, poorly situated and ill-equipped to provide vital services. This is not a compassionate use of our public resources. To make dollars available for crucial social welfare needs, we must reorganize this institutional network.

Unfortunately, any institutional closing is painful in the short term for those who are affected. But, I believe that both those who pay for and those who are served by our institutional network demand leadership for the long term. I propose to provide this leadership and ask your support.

I recently announced a plan to reduce excess capacity in State institutions, and to close expensive, outmoded, and unnecessary facilities. My goal is the same as my other welfare reform proposals — to reorder priorities in order to provide a decent level of support and services to the most needy citizens of Pennsylvania without tax increases. We live in a time of economic scarcity and must recognize that to do more with less demands reevaluation of our commitments to all existing endeavors. Any attempts to tie the hands of State Government in reorganizing our institutional network is a tragic mistake which can cause higher taxes for many citizens and poorer services for infirm, mentally retarded, and mentally ill citizens.

While I am returning this bill to you without my approval, I do recognize the many legitimate concerns which motivate some provisions in this bill. Economic support and assistance is vital to communities experiencing institutional cutbacks. We will make every effort to quickly place those few employes who must be furloughed in other public and private sector jobs and the Economic Development Committee of the Cabinet will give top priority to job generating projects and policies for affected communities.

I also recognize the legitimate concern of the General Assembly to exercise oversight of executive actions. You and your colleagues in the House have made the laws and appropriated the level of funds under which executive agencies operate, and you carefully review the implementation of those laws. Where you feel laws no longer serve the public interest, or are being implemented contrary to your intent, you properly amend and revise the laws under which the executive branch functions. I pledge to support you in these efforts.

I cannot, however, support the oversight provisions of Senate Bill 581 which exceed constitutional permissible bounds. It is the function of both Houses of the General Assembly, subject to the veto power of the Governor, to make laws governing the conduct of executive agencies and the duty of the Governor to implement these laws.

The bill which I am returning to you today would shortcircuit the constitutional procedure for making laws. It would allow a single chamber of the General Assembly to impose its will, without the opportunity for approval or disapproval by the other chamber, and by the Governor.

Keeping the budget of this State under control, while meeting our obligation to care for those citizens who cannot adequately care for themselves, demands reorganization of our institutional network. Because Senate Bill 581, Printer's No. 1672 seriously limits the ability to do so, I must disapprove the bill.

HB 2261

June 22, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I return herewith without my approval, House Bill 2261, Printer's No.2901, entitled "An act providing for official visitations of jails and prisons by certain officials".

This bill in its present form would permit so-called "official visitors" to visit any prison, jail, State or regional correctional institution on any day, at any time, and to visit privately with any prisoner during such visits.

The definition of "official visitor" includes the members of the Pennsylvania General Assembly, all judges and justices of the peace, members of the Pennsylvania Prison Society, and a number of Executive Branch officials. The total number of persons thus eligible for such visits in the prisons exceeds 1,400.

I have vetoed this bill after consultation with and upon the recommendations of the Attorney General and the Chairman of the Pennsylvania Commission on Crime and Delinquency.

I believe that it is important to insure humane conditions in our correctional institutions and programs which will reduce the rate of recidivism. Attorney General Bartle has already undertaken steps to achieve this, and other measures are under consideration. At the same time, however, I cannot be unmindful of the need to preserve security and discipline in our correctional institutions.

Based upon the advice I received from the Attorney General, the Chairman of the Pennsylvania Commission on Crime and Delinquency and others in the system, I am not satisfied that in operation this bill would not pose potential breaches of discipline and security, disruption and problems of protection for the visitors themselves.

This, in turn, could impose an undue burden on our State correctional officers and could even lead to a risk of hostage-taking.

Present law permits for personal prison visits by family, friends, attorneys and others authorized by the wardens during daylight hours five days a week. Without provisions which more adequately define the scope of the visits encompassed by this bill and which provide for measures to address the disruption and security problems that many in the system foresee, I feel I have no choice but to veto H.B.2261.

HB 1111

July 11, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I return herewith, without my approval, House Bill 1111, Printer's No. 3052, entitled "An act amending the act of March 10, 1949 (P.L.30, No.14), entitled 'An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," providing for division and organization of certain school districts."

My objection to this legislation derives from my perception that it seeks to reverse a 15-year positive trend towards school consolidation in Pennsylvania. In 1963, when efforts by the State Board of Education to unify school districts began, Pennsylvania had 2,200 separate districts. Today we have successfully reduced the number of districts to 505. These efforts have substantially improved the quality of education by allowing the specialization of educational programs and facilities, and increasing the efficiency of administration and operations.

This effort towards school consolidation, while serving the common good, has been accompanied by extraordinary amounts of local strife. At times this controversy has been sufficiently bitter and severe to damage educational programs and polarize community attitudes. Fortunately, after 15 years of intensive State and local efforts, most of this controversy is behind us. We are now able to focus our attention and resources towards our real goal — the progress of public education.

The legislation before me today, unfortunately, offers the potential of reopening old wounds and dragging us backwards into yesterday's conflicts and controversies. It establishes procedures, initially applicable only to 12 districts, which can lead to school deconsolidation. In today's environment of decreasing class size, school closings, and severe resource constraints, Pennsylvania taxpayers simply cannot afford the potential proliferation of smaller and more numerous school districts.

I recognize, however, that within any school district there may be profound and good faith disagreements on educational philosophy. The best way to accommodate these differing perspectives is through local coordination and compromise. Within any school district, and even within a single school building, there is the potential for considerable diversity. Arrangements can be worked out for considerable community autonomy, as well as for interdistrict cooperation and

program coordination. The path to achieving educational diversity, however, is through cooperation and compromise within existing governmental units.

My action on this bill is further supported by the Secretary of Education and the unanimous vote of the State Board of Education.

For all of these reasons, I must disapprove this bill.

SB 985

July 12, 1980

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

I return herewith, without my approval, Senate Bill 985, Printer's No. 1973, entitled "An act amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," further providing for the disposition of certain unused and unnecessary lands, further providing for review and approval of certain budget and providing for certain payments and reimbursements to community colleges."

This legislation has three parts, only one of which I must vigorously oppose and necessitates my veto. First, I do not oppose the amendment to the Public School Code which permits the reconveyance of unimproved agricultural lands at acquisition price for 12 years. However, it is unnecessary to approve this amendment to the Public School Code because I have approved and signed into law Senate Bill 986, Printer's No. 1974, which amends the Eminent Domain Code to achieve the same purpose. This amendment to the Eminent Domain Code established a uniform and mandatory procedure for all government entities including school districts, governing the disposition of unused condemned agricultural lands.

Second, I support the amendment in this legislation providing for increases in operating subsidies for community colleges to \$1,800 per student in 1980-81. Indeed, I requested such an increase in my budget proposal to the General Assembly for 1980-81 on February 5, 1980. I urge the General Assembly to return this proposal to my desk for my signature as soon as possible in a separate bill.

My objections to this legislation arise entirely out of amendments made to Section 2509.1 of the Public School Code relating to the method and guidelines utilized by the Department of Education to review and approve certain budget submissions. The proposed amendments to Section 2509.1 would reverse an administrative ruling by the Education Department that special education budgets will not be approved in excess of available appropriations.

Currently, the Commonwealth subsidizes 100% of the "excess cost" of approved special education programs. Excess cost is the amount expended by school districts and intermediate units above basic tuition rates. Budgets are approved prior to the start of the school year, and the subsidy is paid in advance of provisions of the actual instruction.

Since the subsidies are limited to the greater of either the approved budget or actual expenditures, accounts are audited in April following the school year and adjustments for overpayments are made in subsequent subsidies. In the past, significant revenues were generated by these adjustments, and the revenues were used to allow increases in program funding. Budgets were, therefore, approved prior to the start of the year in excess of available funds in order to allow the expenditure of these extra revenues. Advance subsidy payments, however, were based on an allocation of available funds which prorated budgets down to amounts conforming to available appropriations.

Due to increases in program costs and limitations in appropriations, we can no longer follow this procedure. Next April funds will be unavailable to finance budgets in excess of allocations. The amount allocated and the amount budgeted must be in conformity. Otherwise, school districts and intermediate units will expect a deficiency appropriation from the General Assembly.

The Department of Education currently estimates that if we follow the procedure demanded by this legislation, a \$41 million deficiency appropriation would be required next spring. Funds for an appropriation of this magnitude are simply unavailable now and given current economic conditions, the outlook for next spring is even less encouraging. School districts and intermediate units must recognize this fact and adjust their spending plans accordingly.

Therefore, for reasons of controlling costs and living within the means of our taxpayers and at the urging of the Secretary of Education, I must disapprove this bill.

SB 1345

October 5, 1980

To the Honorable, the Senate of the Commonwealth of Pennsylvania

I return herewith, without my approval, Senate Bill 1345, entitled "An act amending the act of August 9, 1955 (P.L.323, No.130), entitled 'An act relating to counties of the third, fourth, fifth, sixth, seventh and eighth classes; amending, revising, consolidating and changing the laws relating thereto,' prohibiting fee sharing among county officers, employes and consultants or persons contracting for personal services with the county".

I am not returning this legislation because of disagreements with the intent of the bill. The legislation seeks the very desirable goal of eliminating kickbacks in personal service contracts entered into by county governments. In fact, I have previously signed into law Act 34 of 1980, making similar amendments to the Borough Code, and today have signed Senate Bill 1346, Printer's Number 1704, and Senate Bill 1347, Printer's Number 1705, making similar amendments to the Second and First Class Township Laws.

My objections to this bill arise out of an inadvertent drafting error in Section 2. The identical sections of Act 34 of 1980, and the other bills I have signed today, prohibit engineers and architects from engaging in fee splitting except with full disclosure and prior approval by the governing board of the political subdivision involved, and permit fee splitting only for work actually performed. This bill erroneously amends a section of the County Code, which prohibits county officers from purchasing directly or indirectly any property sold at a tax or municipal claim sale. The bill as currently drafted appears to allow county officers to purchase property at such sales. This type of activity, of course, is wholly inappropriate and is obviously not intended by the sponsors of this legislation.

I am returning this bill with the expectation that the General Assembly will correct this technical error and send substitute legislation to my desk as soon as practical.

HB 606

December 19, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I hereby publicly proclaim, and file with the Secretary of the Commonwealth, my disapproval of House Bill 606, Printer's No. 4001, entitled, "An act amending the act of March 4, 1971 (P.L.6, No.2), entitled 'An act relating to tax reform and State taxation by codifying and enumerating certain subjects of taxation and imposing taxes thereon; providing procedures for the payment, collection, administration and enforcement thereof; providing for tax credits in certain cases; conferring powers and imposing duties upon the Department of Revenue, certain employers, fiduciaries, individuals, persons, corporations and other entities; prescribing crimes, offenses and penalties,' further providing for exclusions from sales tax."

This bill amends the Tax Reform Code to provide exclusions from sales tax for firewood used to heat residential dwellings, woodburning or coalburning circulating heaters, woodburning or coalburning cookstoves, furnaces using wood or coal either exclusively or in combination with gas, electricity, or oil, the cost of solar conversion for residential or commercial buildings, windmills, and the sale of supplies and materials to tourist promotion agencies. Circulating heaters, cookstoves and furnaces are tax exempt only if manufactured in the United States. In addition, furnaces are only tax exempt if used as a central heating system. Excluding the tourist promotion agency tax credit, which I approved in a separate bill, this legislation will cost about \$3 million for the 1981-82 fiscal year and will grow in future fiscal years.

I disapprove the bill because at this time the Commonwealth cannot afford to allocate \$3 million for the numerous tax exclusions contained in this legislation. In my legislative message of October 2, 1979, I proposed sales tax exemptions for solar equipment and woodstoves. A narrowly drafted sales tax credit for fuel efficient woodstoves and solar energy equipment would cost the State less than \$1 million annually. Escalating the cost of my original proposal by 300 percent is unwise and improper in these times of public and private sector austerity.

In the next session of the General Assembly, I urge the Legislature to carefully re-evaluate the relationship between energy conservation and State tax policy. Any new legislation proposed in this area should seek to achieve these basic goals. First, incentives should be granted only for certifiably energy efficient equipment. Broadly exempting all

purchases of a vague group of items will affect purchases that are mainly decorative and are energy inefficient. Second, incentives should be granted only in areas where a demonstrable and significant increase in energy conservation investment will occur because the incentive is granted. We simply cannot afford the luxury of subsidizing activities which would occur regardless of whether tax relief is granted. Finally, whatever tax incentives are devised, they should be subject to a definite Sunset Review in five years to determine if the tax policies are efficiently and effectively achieving their desired results.

In separate actions today, I have vetoed appropriations for child welfare, emergency telephone services, area agencies for the aging, and tax relief for the horse racing industry. These are difficult times in which the State must scrutinize every dollar spent. I feel that House Bill 606, Printer's No. 4001, fails to make a sufficiently valuable contribution to energy conservation in Pennsylvania to justify the cost it entails.

For these reasons, I disapprove House Bill 606, Printer's No. 4001.

HB 763

December 19, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I hereby publicly proclaim, and file with the Secretary of the Commonwealth, my disapproval of House Bill 763, Printer's No. 4015, entitled "An act amending the act of July 7, 1947 (P.L.1368, No.542), entitled 'An act amending, revising and consolidating the laws relating to delinquent county, city, except of the first and second class and second class A, borough, town, township, school district, except of the first class and school districts within cities of the second class A, and institution district taxes, providing when, how and upon what property, and to what extent liens shall be allowed for such taxes, the return and entering of claims therefor; the collection and adjudication of such claims, sales of real property, including seated and unseated lands, subject to the lien of such tax claims; the disposition of the proceeds thereof, including State taxes and municipal claims recovered and the redemption of property; providing for the discharge and divestiture by certain tax sales of all estates in property and of mortgages and liens on such property, and the proceedings therefor; creating a Tax Claim Bureau in each county, except a county of the first class, to act as agent for taxing districts; defining its powers and duties, including sales of property, the management of property taken in sequestration, and the management, sale and disposition of property heretofore sold to the county commissioners, taxing districts and trustees at tax sales; providing a method for the service of process and notices; imposing duties on taxing districts and their officers and on tax collectors, and certain expenses on counties and for their reimbursement by taxing districts; and repealing existing laws,' exempting second class counties from the requirement to establish tax claim bureaus and further providing for returns by tax collectors."

This bill originally amended the "Real Estate Tax Sale Law" to change from the first Monday of April to the first Monday of May for returns by tax collectors of a list of tax delinquencies to the County Tax Claim Bureau. On the Senate floor an amendment was inserted into the bill which would permanently exempt Allegheny County from establishing a County Tax Claim Bureau.

The original version of the bill was to correct Act 98 of 1980 which inadvertently changed the due date for the delinquent tax lists from May to April. I approve of this portion of the bill and recommend passage of such a measure by the incoming General Assembly.

However, I do take exception to the provision of the bill which would permanently exempt Allegheny County from establishing a County Tax Claim Bureau. Act 157 of 1974 changed the "Real Estate Tax Sale Law" to require all counties, to establish a Tax Claim Bureau by January 1, 1976. Previous to this act, the use of centralized delinquent tax collection procedures was optional. Allegheny County, through a series of amendments, has been able to postpone the establishment of the bureau until January 1, 1982. This bill would permanently exempt Allegheny County from the law while 65 counties have complied with the law. Philadelphia County, additionally, has always collected delinquent real estate taxes in a centralized and uniform manner.

The political subdivisions within Allegheny County, excluding the City of Pittsburgh, collect their delinquent property tax under a patchwork of legal authority, some dating back to 1857, that is primarily based on the Municipal Lien Act of 1923, as amended. The "Real Estate Tax Sale Law" was enacted to consolidate and modernize the collection process. However, a high rate of collection within the county, the large number of political subdivisions within the county, and a large number of elderly, handicapped, or impoverished property owners are cited to justify Allegheny County's exclusion from the "Real Estate Tax Sale Law." These objections do not withstand scrutiny.

In 1969, a study found that 3% of all property taxes in the State are delinquent. Allegheny County now cites a current delinquency rate of 4%, 33% higher than average. Based on 1976 experience (the latest year for which complete data is available) a 4% delinquency rate for all the jurisdictions in the county, excluding Pittsburgh, represents \$11.4 million in uncollected taxes. If prior years' uncollected taxes are added to this amount, total uncollected taxes may be several times this amount. Actual data on total delinquent taxes are unavailable, however, due to the lack of coordination, control and supervision of the tax collection process.

With 129 tax collectors and one county treasurer handling tax delinquencies (Pittsburgh would be excluded from the Tax Claim Bureau by law), consolidating claims and placing one lien is unquestionably more efficient than the hodgepodge which exists now. If we do not change existing law and the county establishes a bureau, substantial administrative cost reductions are possible and vast improvements in tax collection efficiency are attainable.

Allegheny County's final objection is that forced tax sales will create substantial hardships. Moreover, Act 98 of 1980 established uniform and extensive notification procedures which insure that tax sales will not occur without adequate notice to the taxpayer. Additionally, under current law, taxpayers may settle delinquent tax

accounts by making up to 5 years of installment payments. Once a payment schedule has been agreed upon, the property does not proceed to a tax sale. Finally, actual experience from counties with centralized collection systems, moreover, demonstrates that hardship sales are extremely unusual.

The 66 counties in Pennsylvania which have established Tax Claim Bureaus, or central collection procedures, have shown an increase in collection and a better administered delinquency system. Some other counties voiced the same objections as Allegheny County before establishing the Bureau, but the objections have been resolved. Tax delinquencies and poor tax collection procedures hurt all citizens. Inefficient tax collection forces higher tax rates, undermines incentives to make prompt tax payments, and ultimately destroys respect for and confidence in government. Allegheny County should not persist in uneconomical, fragmented and inefficient tax collection procedures.

For these reasons, I withhold my approval of House Bill 763, Printer's No. 4015.

HB 1786

December 19, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I file herewith, in the Office of the Secretary of the Commonwealth, with my objection, House Bill 1786, Printer's No. 3998, entitled "An act amending the act of June 18, 1980 (No.17A), entitled 'An act to provide for the expenses of the Executive, Legislative and Judicial Departments of the Commonwealth, the public debt and for the public schools for the fiscal period July 1, 1980 to June 30, 1981, and for the payment of bills incurred and remaining unpaid at the close of the fiscal period ending June 30, 1980; to provide supplemental appropriations from the General Fund to the various departments of the Commonwealth for the fiscal period July 1, 1979 to June 30, 1980,' increasing an appropriation to the Department of Aging, adding appropriations to the Department of Health and to the Pennsylvania Historical and Museum Commission, and decreasing certain appropriations to the Department of Public Welfare and adding an appropriation to the Pennsylvania Emergency Management Agency."

House Bill 1786 contains four appropriations for various programs. Although I support all of these programs, I must disapprove the methods employed in this bill to provide these additional funds.

The Blakely Borough appropriation for flood damage was provided in Act 138A of 1980. Therefore, the appropriation is redundant and unnecessary.

Since appropriations to the Franklin Institute are provided through non-preferred appropriation bills, it would be improper for the funding of the book on Pennsylvania's contribution to aviation to be provided in a preferred appropriation bill.

Yesterday, I signed into law House Bill 230, which establishes the Pennsylvania Cancer Registry. This bill contains a \$500,000 appropriation for that program for fiscal year 1980-81. However, the money to fund the Cancer Registry is inappropriately taken from the Medical Assistance Program appropriation. Any further incremental reductions in that appropriation could bode serious consequences. Nonetheless, I remain committed to providing funds for a Cancer Registry in the 1981-82 fiscal year through a more appropriate revenue mechanism.

The additional \$2.3 million appropriation for the Department of Aging was proposed in my 1980-81 Budget. In that budget request, which was submitted to the General Assembly, I recommended a total of \$14,787,000 for these aging programs. I also recommended that

these moneys come from the Lottery Fund which was established specifically to fund senior citizen programs. I made these recommendations based on my desire to provide an acceptable level of services to Pennsylvania's senior citizens and in recognition of the inability of the General Fund to provide sufficient funds to do this. The Lottery Fund was, and is, fiscally capable of accommodating the entire \$14,787,000 recommended appropriation.

During the legislative debate over the budget, the General Assembly rejected the concept of Lottery funding for aging services. The legislature reduced the appropriation to \$12,471,000 and provided the money from the General Fund.

I still believe that the \$2.3 million for aging programs is needed, but it simply is not available at the present time from the General Fund. This bill proposes to reduce Medical Assistance programs by \$2.831 million to provide the General Fund money. At a time when health care costs are rapidly escalating and the utilization of services by recipients is unpredictable, it is unwise and fiscally irresponsible to arbitrarily cut these appropriations. In a very real sense, we would be cutting services to one needy group of citizens in order to provide increased services to another needy group of citizens. I cannot support this and, therefore, must veto this shifting of funds. I would and do support a proposal to provide the additional \$2.3 million from the Lottery Fund.

For these reasons, I must file House Bill 1786 without my approval.

HB 2158

December 19, 1980

1693

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I hereby publicly proclaim and file with the Secretary of the Commonwealth, my disapproval of House Bill 2158, Printer's No. 2745, entitled "An act making an appropriation to the Hugh Moore Park Commission of Northampton County."

The Canal Museum is certainly a worthwhile project and has played an important role in preserving part of Pennsylvania's historic past. However, it is heretofore an unfunded nonpreferred appropriation. In an era of fiscal restraint, I believe it is unwise to begin funding any additional nonpreferred appropriation.

HB 2176

December 19, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I hereby publicly proclaim, and file with the Secretary of the Commonwealth, my disapproval of House Bill 2176, Printer's No. 3652, entitled "An act providing for a Statewide emergency telephone number '911' system, establishing the Office of Telecommunication in the Department of General Services and providing for its powers and duties, and making a repeal."

This bill would provide for the establishment of a Statewide "911" emergency telephone system to be implemented on a county-by-county level with the Commonwealth funding the development, installation and ongoing operational costs of the "911" system. While I endorse the "911" concept, I must disapprove the bill, because of the severe fiscal impact it would have on the Commonwealth's General Fund.

The establishment of a "911" emergency telephone system is long overdue for the Commonwealth. Eleven counties currently have established "911" systems and it has been demonstrated that such a system saves lives, protects property and controls crime.

Whatever the need for such a system, however, the Commonwealth's fiscal integrity must be maintained. This bill inappropriately places the total funding responsibility on the Commonwealth's General Fund without providing either new revenue sources or making program cuts in other areas. In the first year of enactment, this bill will cost the General Fund an estimated \$2.9 million and within five years the cost will escalate to \$11.4 million. Given the current commitments and resources, and an uncertain economic outlook, it would be unwise to assume financial responsibilities of this magnitude without new revenues or offsetting budget cuts.

I have pledged my support of the Statewide "911" concept to the prime sponsor of this bill, Representative June Honaman, and my staff and I will work with her and other interested members of the General Assembly to find an alternative funding mechanism for establishment of a Statewide "911" system, one which does not place placing an excessive burden on the Commonwealth's General Fund.

For this reason, I disapprove of House Bill 2176, Printer's No. 3652.

HB 2327

December 19, 1980

To the Honorable, the House of Representatives of the Commonwealth of Pennsylvania:

I hereby publicly proclaim, and file with the Secretary of the Commonwealth, my disapproval of House Bill 2327. Printer's No. 4045, entitled, "An act amending the act of May 21, 1937 (P.L.774, No.211), entitled 'An act to facilitate vehicular traffic between the eastern and western sections of the Commonwealth by providing for the construction, operation and maintenance of a turnpike from a point at or near Middlesex in Cumberland County to a point at or near Irwin in Westmoreland County; providing for the creation of the Pennsylvania Turnpike Commission, and conferring powers and imposing duties on said commission; authorizing the issuance of turnpike revenue bonds of the Commonwealth, payable solely from tolls, to pay the cost of such turnpike; providing that no debt of the Commonwealth shall be incurred in the exercise of any of the powers granted by this act; providing for the collection of tolls for the payment of such bonds and for the cost of maintenance, operation and repair of the turnpike; making such bonds exempt from taxation; constituting such bonds legal investments in certain instances; prescribing conditions upon which such turnpike shall become free; providing for condemnation; granting certain powers and authority to municipal subdivisions and agencies of the Commonwealth to cooperate with the commission; and authorizing the issuance of turnpike revenue refunding bonds,' further providing for the salaries of commission members, making certain repeals and authorizing and directing the Department of General Services, with the approval of the Department of Public Welfare and the Governor to convey to the Pennsylvania Turnpike Commission 1.68 acres of land, more or less, situate in the Township of Bensalem, Bucks County, Commonwealth of Pennsylvania."

This bill originally authorizes the conveyance of 1.68 acres of land at the Eastern State School and Hospital, Bensalem Township, Bucks County to the Pennsylvania Turnpike Commission. However, in the Senate, an amendment was added to the bill which increases the salaries of the Turnpike Commissioners.

The land conveyance is necessary for the expansion of an exit of the Turnpike. I have no objections to this section of the bill and request the next session of the General Assembly to enact the conveyance in a separate bill. I do take exception to the salary increases for the Turnpike Commissioners. The Pennsylvania Turnpike Commission is a relic of Pennsylvania's past. It was originally created at a time when the Commonwealth government could not constitutionally enter into debt to build the highway. The commission was a mechanism to avoid the Commonwealth's debt ceiling. However, over time the commission has become weak and wasteful in its management practices.

A review of the management practices of the commission has revealed that although the commission is responsible for only about 1% of State road mileage, the Turnpike consumes 12% of total State road revenues.

In comparison with 18 turnpikes in other states, Pennsylvania ranks second highest in the percentage of revenues consumed by operating expenses. The only one higher is the New York Thruway, which is currently undergoing extensive legislative and executive scrutiny.

Finally, with a payroll of 1,900 the commission employs four people for every mile of road while all resurfacing work is done under contract.

Instead of rewarding the commissioners for such poor management practices with a salary increase, I propose to recommend the abolition of the commission and transfer of its functions to the Department of Transportation.

We live in an era of fiscal restraint, and the Commonwealth government must become more effective and efficient with declining resources. The Turnpike Commission is a gla ing example of ineffectiveness and inefficiency in government.

Moreover, even if the Turnpike Commission is to be continued, I certainly cannot justify paying a full time salary for part-time employees spending only a few days a week in Harrisburg.

For these reasons, I disapprove House Bill 2327, Printer's No. 4045.

SB 414

December 19, 1980

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

I hereby publicly proclaim, and file with the Secretary of the Commonwealth, my disapproval of Senate Bill 414, Printer's No. 2191, entitled "An act providing for the regulation of pari-mutuel thoroughbred horse racing and harness racing activities; imposing a State admissions tax and providing for the disposition of funds from pari-mutuel tickets."

This bill substantially rewrites and codifies those laws which govern the horse and harness racing industry within the Commonwealth and contains substantial tax reductions for the horse racing industry which, overall, represent a cost to the State's General Fund of about \$10 million annually.

This administration has over the last two years shown its commitment to improvement of the race horse industry in this Commonwealth. Many of the institutional, financial aid, and promotional aid reforms that this administration has advocated are contained in this legislation and I commend the General Assembly for supporting these reforms.

This administration remains committed to improving this vital industry for the economic well-being of the Commonwealth. The race horse industry creates job opportunities for thousands of Pennsylvanians as well as provides a market to our agricultural community for hay, straw and feed grains. This industry contributes millions of dollars each year to the General Fund to be used to provide essential State services.

However, I cannot approve this legislation at this time. On this day, because of the inability of the General Fund to absorb their fiscal impact, I have disapproved legislation providing funds for child welfare services, funds for services to the elderly, funds to establish emergency telephone services in various counties, and tax exemptions for energy conservation.

This legislation would provide financial aid to the industry which would directly reduce revenue to the General Fund. I am appreciative of the inflationary operational costs incurred in this industry. However, the amount of financial aid encompassed in this legislation is not consistent with the State's current fiscal situation and my commitment to preserve the State's fiscal integrity for the taxpayer.

In addition, the bill also completely omits a no-medication rule for race horses entered to race, provisions for penalties for violations of a no-medication rule, and Equine Drug Control Oversight Committee, and provisions for a race horse testing laboratory that all race tracks in the Commonwealth will use. Essential to the improvement of this industry, is the public's perception of the integrity of each horse race. I find it unacceptable that this proposed reform act does not contain a uniform rule against drugging of race horses and the tools necessary to test for illegal drugs found in race horses.

Finally, the bill contains a technical error in the text of Sections 207 and 307 which provide licenses for State Horse Racing Associations and State Harness Racing Associations. As currently drafted, the bill fails to continue the present licenses of the racing associations. Therefore, if I sign this bill into law, no racing associations will be licensed to conduct pari-mutuel racing unless and until it goes through a further process of license application. This textual error could cost the racing associations, horsemen, and the Commonwealth, thousands of dollars in revenue.

In disapproving this legislation, I do renew a commitment to seeking new legislation which will retain the sound components of this legislation as well as including the additional reforms needed but not contained in this legislation, and financial relief in kind and amount which is consistent with the State's fiscal situation and sound tax policy.