
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 211 Session of
1997

INTRODUCED BY ZUG, HENNESSEY, SEMMEL, GODSHALL, FICHTER AND
WOJNAROSKI, FEBRUARY 4, 1997

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, FEBRUARY 4, 1997

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, further providing for limitations on
3 incurring certain types of debt.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 8022(a) and (b) of Title 53 of the
7 Pennsylvania Consolidated Statutes, added December 19, 1996
8 (P.L. , No.177), are amended to read:

9 § 8022. Limitations on incurring of other debt.

10 (a) Nonelectoral debt.--Except as provided in subsections
11 (c), (d) and (e) and as otherwise specifically provided in this
12 subpart, a local government unit shall not incur any new
13 nonelectoral debt if the aggregate net principal amount of the
14 new nonelectoral debt, together with all other net nonelectoral
15 debt outstanding, would cause the total net nonelectoral debt of
16 the local government unit to exceed any of the following:

17 (1) One hundred percent of its borrowing base in the
18 case of a school district of the first class.

1 (1.1) Fifty percent of its borrowing base in the case of
2 a school district of the second through fourth classes.

3 (2) Three hundred percent of its borrowing base in the
4 case of a county.

5 (3) Two hundred fifty percent of its borrowing base in
6 the case of any other local government unit.

7 (b) Nonelectoral debt plus lease rental debt.--Except as
8 provided in subsections (c), (d) and (e) or as otherwise
9 specifically provided in this subpart, in the exercise of
10 legislative control over the budgets and expenditures of local
11 government units and of the purposes for which tax moneys and
12 general revenues of local government units may be expended, a
13 local government unit shall not incur any new lease rental debt
14 or nonelectoral debt if the aggregate net principal amount of
15 the new debt, together with any other net nonelectoral debt and
16 net lease rental debt then outstanding, would cause the
17 outstanding total of net nonelectoral debt plus net lease rental
18 debt of the local government unit to exceed any of the
19 following:

20 (1) Two hundred percent of the borrowing base in the
21 case of a school district of the first class.

22 (1.1) Fifty percent of its borrowing base in the case of
23 a school district of the second through fourth classes.

24 (2) Four hundred percent of its borrowing base in the
25 case of a county.

26 (3) Three hundred fifty percent of its borrowing base in
27 the case of all other local government units.

28 * * *

29 Section 2. This act shall take effect in 60 days.