

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 4

PRINTER NO. 168

AMOUNT

\$1,000,000 - \$1,500,000
In FY 2014-15

FUND

General Fund

DATE INTRODUCED

January 20, 2015

PRIME SPONSOR

Senator Aument

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 4 amends Article VII, §2 (b) of the Constitution of the Commonwealth of Pennsylvania to allow the General Assembly, by law, to establish uniform standards and qualifications which shall be the criteria to determine qualification as institutions of purely public charity to be exempt from taxation under Article VIII, §2 (a)(v).

In order to amend the Constitution of the Commonwealth of Pennsylvania, the bill proposing the amendment must be passed by the General Assembly in two consecutive legislative sessions, be advertised per Article XI, §1 of the Constitution, and finally be approved by the electorate.

The effective date of this bill is dependent on the time needed to comply with Constitutional requirements stated in the preceding paragraph. This proposal was introduced as Senate Bill 4 in the 2013-2014 legislative session and passed in both chambers of the General Assembly.

FISCAL IMPACT:

Under Article XI, §1 of the Constitution of the Commonwealth of Pennsylvania, the Secretary of the Commonwealth is required to have the proposed amendment published in two newspapers in every county throughout the Commonwealth, upon first and second passage of the bill by the General Assembly. In addition, the Secretary is required to submit the proposed amendment to the qualified electors of the Commonwealth upon second passage.

According to the Department of State, it is estimated to cost approximately \$1,000,000 to \$1,500,000 each session for the proper advertisement of the passage of a Constitutional amendment. Therefore, total costs for advertising upon passage in two consecutive legislative sessions would cost between \$2,000,000 and \$3,000,000. This fiscal note assumes advertising of the second passage of the amendment would occur in fiscal year 2014-15.