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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 764 Session of  
2019

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INTRODUCED BY GLEIM, ZIMMERMAN, DIAMOND, KAUFFMAN, ROTHMAN,  
RYAN, BERNSTINE, MILLARD, KEEFER AND GROVE, MARCH 8, 2019

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REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 8, 2019

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A JOINT RESOLUTION

1 Proposing integrated amendments to the Constitution of the  
2 Commonwealth of Pennsylvania, changing the Commonwealth's  
3 fiscal period from one year to two years.

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

6 Section 1. The following integrated amendments to the  
7 Constitution of Pennsylvania are proposed in accordance with  
8 Article XI:

9 (1) That section 7(a)(2) and (4) of Article VIII be amended  
10 to read:

11 § 7. Commonwealth indebtedness.

12 (a) No debt shall be incurred by or on behalf of the  
13 Commonwealth except by law and in accordance with the provisions  
14 of this section.

15 \* \* \*

16 (2) The Governor, State Treasurer and Auditor General,  
17 acting jointly, may (i) issue tax anticipation notes having a  
18 maturity within the fiscal [year] period of issue and payable

1 exclusively from revenues received in the same fiscal [year]  
2 period, and (ii) incur debt for the purpose of refunding other  
3 debt, if such refunding debt matures within the term of the  
4 original debt.

5 \* \* \*

6 (4) Debt may be incurred without the approval of the  
7 electors for capital projects specifically itemized in a capital  
8 budget, if such debt will not cause the amount of all net debt  
9 outstanding to exceed one and three-quarters times the average  
10 of the annual tax revenues deposited in the previous five fiscal  
11 [years] periods as certified by the Auditor General. For the  
12 purposes of this subsection, debt outstanding shall not include  
13 debt incurred under clauses (1) and (2) (i), or debt incurred  
14 under clause (2) (ii) if the original debt would not be so  
15 considered, or debt incurred under subsection (3) unless the  
16 General Assembly shall so provide in the law authorizing such  
17 debt.

18 \* \* \*

19 (2) That section 11(a) of Article VIII be amended to read:

20 § 11. Gasoline taxes and motor license fees restricted.

21 1. (a) All proceeds from gasoline and other motor fuel excise  
22 taxes, motor vehicle registration fees and license taxes,  
23 operators' license fees and other excise taxes imposed on  
24 products used in motor transportation after providing  
25 therefrom for (a) cost of administration and collection,  
26 (b) payment of obligations incurred in the construction and  
27 reconstruction of public highways and bridges shall be  
28 appropriated by the General Assembly to agencies of the  
29 State or political subdivisions thereof; and used solely  
30 for construction, reconstruction, maintenance and repair of

1 and safety on public highways and bridges and costs and  
2 expenses incident thereto, and for the payment of  
3 obligations incurred for such purposes, and shall not be  
4 diverted by transfer or otherwise to any other purpose,  
5 except that loans may be made by the State from the  
6 proceeds of such taxes and fees for a single period not  
7 exceeding eight months, but no such loan shall be made  
8 within the period of one year from any preceding loan, and  
9 every loan made [in any fiscal year] before July 1 shall be  
10 repayable [within one month after the beginning] by July 31  
11 of the next fiscal year.

12 \* \* \*

13 (3) That section 12 of Article VIII be amended to read:

14 § 12. Governor's budgets and financial plan.

15 [Annually, at] At the times set by law, the Governor shall  
16 submit to the General Assembly:

17 (a) A balanced operating budget for the ensuing fiscal

18 [year] period, consisting of two years, setting forth in detail

19 (i) proposed expenditures classified by department or agency and  
20 by program and (ii) estimated revenues from all sources. If  
21 estimated revenues and available surplus are less than proposed  
22 expenditures, the Governor shall recommend specific additional  
23 sources of revenue sufficient to pay the deficiency and the  
24 estimated revenue to be derived from each source;

25 (b) A capital budget for the ensuing fiscal [year] period,  
26 consisting of two years, setting forth in detail proposed

27 expenditures to be financed from the proceeds of obligations of  
28 the Commonwealth or of its agencies or authorities or from  
29 operating funds; and

30 (c) A financial plan for not less than the next succeeding

1 five fiscal periods, each consisting of two years, which plan  
2 shall include for each such fiscal [year] period:

3 (i) Projected operating expenditures classified by  
4 department or agency and by program, in reasonable detail, and  
5 estimated revenues, by major categories, from existing and  
6 additional sources, and

7 (ii) Projected expenditures for capital projects  
8 specifically itemized by purpose, and the proposed sources of  
9 financing each.

10 (4) That section 13 of Article VIII be amended to read:

11 § 13. Appropriations.

12 (a) Operating budget appropriations made by the General  
13 Assembly shall not exceed the actual and estimated revenues and  
14 surplus available in the same fiscal [year] period.

15 (b) The General Assembly shall adopt a capital budget for  
16 the ensuing fiscal [year] period.

17 (5) That section 14 of Article VIII be amended to read:

18 § 14. Surplus.

19 All surplus of operating funds at the end of the fiscal  
20 [year] period shall be appropriated during the ensuing fiscal  
21 [year] period by the General Assembly.

22 Section 2. (a) Upon the first passage by the General  
23 Assembly of these proposed constitutional amendments, the  
24 Secretary of the Commonwealth shall proceed immediately to  
25 comply with the advertising requirements of section 1 of Article  
26 XI of the Constitution of Pennsylvania and shall transmit the  
27 required advertisements to two newspapers in every county in  
28 which such newspapers are published in sufficient time after  
29 passage of these proposed constitutional amendments.

30 (b) Upon the second passage by the General Assembly of these

1 proposed constitutional amendments, the Secretary of the  
2 Commonwealth shall proceed immediately to comply with the  
3 advertising requirements of section 1 of Article XI of the  
4 Constitution of Pennsylvania and shall transmit the required  
5 advertisements to two newspapers in every county in which such  
6 newspapers are published in sufficient time after passage of  
7 these proposed constitutional amendments. The Secretary of the  
8 Commonwealth shall submit the proposed constitutional amendments  
9 under section 1 to the qualified electors of this Commonwealth  
10 as a single ballot question at the first primary, general or  
11 municipal election which meets the requirements of and is in  
12 conformance with section 1 of Article XI of the Constitution of  
13 Pennsylvania and which occurs at least three months after the  
14 proposed constitutional amendments are passed by the General  
15 Assembly.