

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

# SENATE RESOLUTION

No. 101 Session of  
2001

---

INTRODUCED BY ORIE AND ERICKSON, AUGUST 13, 2001

---

REFERRED TO FINANCE, AUGUST 13, 2001

---

## A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to study  
2 the elimination or significant reduction of property taxes as  
3 a source of funding for local school districts; to review the  
4 policies of states and jurisdictions of the United States  
5 which have eliminated property taxes as a source of funding  
6 for local school districts; to determine the consequences of  
7 such an elimination or reduction on local taxing bodies and  
8 on this Commonwealth; and to make recommendations on  
9 alternative financing methods for schools.

10 WHEREAS, Property taxes levied by local school districts have  
11 become a tremendous burden upon homeowners and property owners  
12 in this Commonwealth; and

13 WHEREAS, Senior citizens and individuals on fixed incomes  
14 have been the most detrimentally affected by the property tax  
15 system; and

16 WHEREAS, Problems with fairness in the property tax system  
17 have dated back more than 30 years in parts of this  
18 Commonwealth; and

19 WHEREAS, Several states and jurisdictions including Michigan  
20 have sought to eliminate or significantly reduce reliance on  
21 property taxes as a source of funding for local jurisdictions

1 and found alternative funding sources for counties, school  
2 districts, municipalities and other local jurisdictions;  
3 therefore be it

4       RESOLVED, That the Senate direct the Legislative Budget and  
5 Finance Committee to undertake a study of the property tax  
6 system in this Commonwealth in order to ascertain whether  
7 property taxes can and should be eliminated or significantly  
8 reduced as a source of funding for local school districts and,  
9 if so, to recommend alternative funding sources for those local  
10 school districts which are more fair and equitable to the  
11 citizens of this Commonwealth; and be it further

12       RESOLVED, That the Legislative Budget and Finance Committee  
13 initially review the policies of states and jurisdictions of the  
14 United States which have eliminated property taxes as a source  
15 of funding for local school districts and determine the  
16 consequences that such eliminations or reductions would have on  
17 local taxing bodies and on this Commonwealth; and be it further

18       RESOLVED, That the Legislative Budget and Finance Committee  
19 make recommendations of alternative funding sources for local  
20 school districts which are more fair and equitable, and no less  
21 fair or less equitable, to citizens of this Commonwealth than  
22 the current property tax system; and be it further

23       RESOLVED, That the Legislative Budget and Finance Committee  
24 report its findings and recommendations to the Senate not later  
25 than March 1, 2002.