

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 267 Session of 2011

INTRODUCED BY BRUBAKER, FOLMER, D. WHITE, EICHELBERGER, WAUGH, MENSCH, GREENLEAF, PIPPY, BOSCOLA, ORIE, WARD, TOMLINSON, McILHINNEY AND ALLOWAY, JANUARY 26, 2011

REFERRED TO STATE GOVERNMENT, JANUARY 26, 2011

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 (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 therefrom
25 for (a) cost of administration and collection, (b) payment of
26 obligations incurred in the construction and reconstruction of
27 public highways and bridges shall be appropriated by the General
28 Assembly to agencies of the State or political subdivisions
29 thereof; and used solely for construction, reconstruction,
30 maintenance and repair of and safety on public highways and

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

10 * * *

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

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

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

15 (a) A balanced operating budget for the ensuing fiscal
16 [year] period, consisting of two years, setting forth in detail

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

23 (b) A capital budget for the ensuing fiscal [year] period,
24 consisting of two years, setting forth in detail proposed
25 expenditures to be financed from the proceeds of obligations of
26 the Commonwealth or of its agencies or authorities or from
27 operating funds; and

28 (c) A financial plan for not less than the next succeeding
29 five fiscal periods, each consisting of two years, which plan
30 shall include for each such fiscal [year] period:

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

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

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

§ 13. Appropriations.

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

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

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

§ 14. Surplus.

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

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

(b) Upon the second passage by the General Assembly of these proposed constitutional amendments, the Secretary of the Commonwealth shall proceed immediately to comply with the

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