

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 51 Session of 2021

INTRODUCED BY O'NEAL, GROVE, KEEFER, LEWIS, STAATS, GREINER, KAUFFMAN, RYAN, HAMM, ROTHMAN, JOZWIAK, OWLETT, WARNER, MOUL, SANKEY, GREGORY AND B. MILLER, JANUARY 11, 2021

AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, JANUARY 13, 2021

A JOINT RESOLUTION

1 Proposing an amendment to the Constitution of the Commonwealth
2 of Pennsylvania, in taxation and finance, further providing
3 for surplus.

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

6 Section 1. The following amendment to the Constitution of
7 Pennsylvania is proposed in accordance with Article XI:

8 That section 14 of Article VIII be amended to read:

9 § 14. [Surplus] Budgetary reserves and surplus funds.

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

13 (a) At the end of each fiscal year, the State Treasurer
14 shall transfer the surplus of all operating funds into the
15 Budget Stabilization Reserve Fund until the amount in the Budget
16 Stabilization Reserve Fund is equal to or exceeds 20% of the <--
17 Commonwealth's total revenue collection. THE VOLATILITY RATE OF <--

1 THE COMMONWEALTH'S TOTAL REVENUE SOURCES. THE DEPARTMENT OF  
2 REVENUE SHALL CERTIFY THE VOLATILITY RATE OF THE COMMONWEALTH'S  
3 TOTAL REVENUES SOURCES ON DECEMBER 16 OF EACH YEAR AND MAKE THE  
4 INFORMATION AVAILABLE TO THE PUBLIC.

5 (b) Surplus operating funds at the end of a fiscal year in  
6 which the Budget Stabilization Reserve Fund balance exceeds 20% <--  
7 THE VOLATILITY RATE of the Commonwealth's total revenue <--  
8 collection SOURCES shall be appropriated during the ensuing <--  
9 fiscal year by the General Assembly.

10 (c) Money transferred into the Budget Stabilization Reserve  
11 Fund under subsection (a) shall be subject to the following  
12 restrictions:

13 (1) The State Treasurer may loan up to 20% of the balance in  
14 the Budget Stabilization Reserve Fund to pay obligations of the  
15 General Fund if the money in the General Fund is insufficient to  
16 pay the obligations of the General Fund. The money shall be  
17 repaid within the fiscal year in which it is loaned.

18 (2) The General Assembly shall not appropriate money in the  
19 Budget Stabilization Reserve Fund unless approved by two-thirds  
20 of the members in the Senate and the House of Representatives.

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

29 (b) Upon the second passage by the General Assembly of this  
30 proposed constitutional amendment, the Secretary of the

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