
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 720 Session of
2021

INTRODUCED BY GLEIM, GREINER, STAMBAUGH, KEEFER, RYAN, KAUFFMAN,
MILLARD, TOOHL, ZIMMERMAN, GAYDOS, MOUL, ROWE AND GILLEN,
MARCH 1, 2021

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 1, 2021

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

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

9 § 7. Commonwealth indebtedness.

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

13 * * *

14 (2) The Governor, State Treasurer and Auditor General,
15 acting jointly, may (i) issue tax anticipation notes having a
16 maturity within the fiscal [year] period of issue and payable
17 exclusively from revenues received in the same fiscal [year]

1 period, and (ii) incur debt for the purpose of refunding other
2 debt, if such refunding debt matures within the term of the
3 original debt.

4 * * *

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

17 * * *

18 (2) That section 11(a) of Article VIII be amended to read:
19 § 11. Gasoline taxes and motor license fees restricted.

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

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

9 * * *

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

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

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

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

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

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

22 (b) A capital budget for the ensuing fiscal [year] period,

23 consisting of two years, setting forth in detail proposed

24 expenditures to be financed from the proceeds of obligations of
25 the Commonwealth or of its agencies or authorities or from
26 operating funds; and

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

30 (i) Projected operating expenditures classified by

1 department or agency and by program, in reasonable detail, and
2 estimated revenues, by major categories, from existing and
3 additional sources, and

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

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

8 § 13. Appropriations.

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

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

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

15 § 14. Surplus.

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

19 Section 2. (a) Upon passage by the General Assembly of
20 these proposed constitutional amendments, the Secretary of the
21 Commonwealth shall proceed immediately to comply with the
22 advertising requirements of section 1 of Article XI of the
23 Constitution of Pennsylvania and shall transmit the required
24 advertisements to two newspapers in every county in which such
25 newspapers are published in sufficient time after passage of
26 these proposed constitutional amendments to permit publication
27 at least three months before the next general election. (b) Upon
28 the second passage of these proposed constitutional amendments
29 by the General Assembly, the Secretary of the Commonwealth shall
30 proceed immediately to comply with the advertising requirements

1 of section 1 of Article XI of the Constitution of Pennsylvania
2 and shall transmit the required advertisements to two newspapers
3 in every county in which such newspapers are published in
4 sufficient time after passage of these proposed constitutional
5 amendments to permit publication at least three months before
6 the next general election. The Secretary of the Commonwealth
7 shall submit these proposed constitutional amendments to the
8 qualified electors of this Commonwealth at the first primary,
9 general or municipal election occurring at least three months
10 after the proposed constitutional amendments are passed by the
11 General Assembly and conforming to section 1 of Article XI of
12 the Constitution of Pennsylvania.