
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 601 Session of
2025

INTRODUCED BY GLEIM, HAMM, GREINER, KAUFFMAN, GROVE, STAMBAUGH,
SMITH, ZIMMERMAN, GILLEN AND KUTZ, FEBRUARY 12, 2025

REFERRED TO COMMITTEE ON APPROPRIATIONS, FEBRUARY 12, 2025

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

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

* * *

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

* * *

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

(a) All proceeds from gasoline and other motor fuel excise
taxes, motor vehicle registration fees and license taxes,
operators' license fees and other excise taxes imposed on
products used in motor transportation after providing therefrom
for (a) cost of administration and collection, (b) payment of
obligations incurred in the construction and reconstruction of
public highways and bridges shall be appropriated by the General
Assembly to agencies of the State or political subdivisions
thereof; and used solely for construction, reconstruction,
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] by July 31 of the next fiscal year.

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:

(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. The following procedure applies to the proposed constitutional amendments in this joint resolution:

(1) Upon the first passage by the General Assembly of the 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.

(2) Upon the second passage by the General Assembly of the amendments, the Secretary of the Commonwealth shall proceed immediately to comply with the advertising requirements of section 1 of Article XI of the Constitution

1 of Pennsylvania. The Secretary of the Commonwealth shall
2 submit the amendments to the qualified electors of this
3 Commonwealth as a single ballot question at the first general
4 or municipal election which meets the requirements of section
5 1 of Article XI of the Constitution of Pennsylvania.