

## A JOINT RESOLUTION

Proposing an amendment to article nine, section four of the Constitution of the Commonwealth of Pennsylvania, providing for and regulating Commonwealth debt for capital improvements and certain other purposes and prohibiting debts and obligations inconsistent therewith.

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

**Section 1.** The following amendment to the Constitution of the Commonwealth of Pennsylvania is proposed in accordance with the provisions of the eighteenth article thereof:

That article nine, section four of the Constitution of the Commonwealth of Pennsylvania be amended to read:

**Section 4.** (a) No debt shall be created by or on behalf of this Commonwealth unless (1) the debt has been authorized by statute, (2) the debt is for capital improvements separately specified in the statute, (3) the debt has been submitted to the qualified electors of the Commonwealth at a general, municipal, primary or special election and has been approved by a majority vote of those voting on the question, and (4) the debt is evidenced by general obligation bonds of this Commonwealth. Except as herein provided, no debt or other obligation shall hereafter be created by or on behalf of this Commonwealth or by any authority or other agency the repayment of which will be made, either directly or indirectly, from Commonwealth revenues whether by direct payment or through leases or other contractual obligations. The foregoing provisions do not apply (1) to debts payable solely from the revenues from designated projects and not payable out of any other revenues of the Commonwealth, (2) to the debts created in a manner provided by law by the issuance and sale of tax anticipation notes payable in the fiscal period in which they are issued from revenues already provided, (3) to loans authorized by section eighteen of this article, and (4) to leases and contractual obligations entered into in the course of the ordinary conduct of government and not for the purpose of financing capital improvements by making payments through rentals or otherwise to liquidate debts created by authorities or other agencies without the approval of the qualified electors. Nor do the foregoing provisions apply to debt created to repel invasion, suppress insurrection or defend the Commonwealth in war or to rehabilitate areas affected by disaster. No debt to supply casual deficiencies of revenue shall be created exceeding one million dollars in the aggregate at any one time.

(b) All bonds issued shall be serial bonds repayable in equal annual installments over a period of time which shall be provided by law. The first payment of principal shall be not more than two years after the date of the bond.

(c) The General Assembly may authorize, by statute, the issuance of general obligation bonds for the purpose of assuming any debt heretofore incurred by any authority and which is currently payable from Commonwealth revenues under leases to this Commonwealth. The General Assembly may, from time to time, authorize by law the issuance of refunding bonds to pay any bonded debt of the Commonwealth existing at the time.

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No. 11

A JOINT RESOLUTION

Proposing an amendment to article four, section twenty-one of the Constitution of the Commonwealth of Pennsylvania, changing the time at which the Auditor General, the State Treasurer and the Secretary of Internal Affairs take office and permitting the Auditor General and State Treasurer to succeed themselves for one additional term.

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

Section 1. The following amendment to the Constitution of the Commonwealth of Pennsylvania is proposed in accordance with the provisions of the eighteenth article thereof:

That section twenty-one, article four of the Constitution of the Commonwealth of Pennsylvania be amended to read:

Section 21-A. The terms of the Secretary of Internal Affairs, the Auditor General and the State Treasurer shall each be four years, and shall begin on the third Tuesday of January next following their election, and they shall be chosen by the qualified electors of the State at general elections.

Section 21-B. Except for the Auditor General and State Treasurer who may be in office when this amendment is adopted, they shall be eligible to succeed themselves for one additional term. The Secretary of Internal Affairs may succeed himself for any number of terms.

Schedule.

That no inconvenience may arise from the change in the Constitution of the Commonwealth and in order to carry it into complete operation, it is declared that:

The Auditor General, the State Treasurer and the Secretary of Internal Affairs, who may be in office when this amendment is adopted, shall serve until the end of their respective terms for which elected. The term of the Auditor General, the State Treasurer and the Secretary of Internal Affairs first elected after this amendment is adopted,