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House of Representatives  
Commonwealth of Pennsylvania  
Harrisburg  
July 11, 2016

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Honorable Tom Wolf  
Governor of Pennsylvania  
Harrisburg, PA 17120

Dear Gov. Wolf,

On June 27<sup>th</sup>, the 2016-2017 fiscal year budget (Senate Bill 1073) was revealed to the members of the General Assembly and was passed three days later. As the budget is currently set to lapse into law without gubernatorial signature at midnight, we would like to know when your administration will certify revenue for this fiscal year?

As enacted into law, the requirement under Section 4105(g) of Title 71 of the Pennsylvania Consolidated Statutes states, "The Governor shall certify that any appropriation bill does not cause total appropriations to exceed revenues plus any unappropriated surplus as provided in section 618 of the Act of April 9, 1929." This revenue certification process applies to the current budget proposal. Under current law, as stated in Section 618 of the Administrative Code, the General Appropriation Bill cannot exceed the revenue amount established by the Secretary of the Budget and the Department of Revenue's final revenue estimate. Should the General Appropriations Bill exceed available revenues, state law requires that "...The Governor shall item veto any part of any appropriation bill that causes total appropriations to exceed the official estimate plus any unappropriated surplus".

Article VIII Section 13 of the Pennsylvania Constitution plainly states "appropriations... shall not exceed the actual or estimated revenues and surplus available in the same fiscal year". Furthermore, also outlined in the constitution, your office is charged with ensuring Pennsylvania "laws are faithfully executed." Additionally, as Article IV Section 15 of the constitution explains, if a bill is enacted without being signed "the same shall be a law in like manner as if he had signed it". As such, Article IV makes it clear that even without a signature Section 4105 and Section 618 apply to the General Appropriations Bill. With this in mind, it is our interpretation that existing law and the constitution itself require the Governor of Pennsylvania to certify available revenues and prevent implementation of a budget which exceeds those revenues.

Should Senate Bill 1073 become law without being balanced, a Pennsylvania Supreme Court ruling from 1932 in *Schander v. Liveright* provides us with precedent. In the ruling, the Court directed the state to reduce spending pro-rata by the same percentage that expenditures exceeded available revenues. Should the budget remain unbalanced, based on this case, which budget lines will you exempt from a mandated reduction and which budget lines will you reduce?

Sincerely,

Seth Love  
196th

David M. Nelson

R. J. [Signature]  
102nd

Krista P. Hill  
93rd

Will Tallman  
193rd

Dan Maul 91st

Steve Sawyer  
94th

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52nd

W. S. [Signature]  
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John McGuire  
79th

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Britt R. Miller  
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Dan Smith  
156th

Brad Roao  
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Jerry Knowler  
124th

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