THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2506 Session of 2022

INTRODUCED BY WARNER, ARMANINI, BERNSTINE, BOROWICZ, COOK, COX, DAVANZO, T. DAVIS, DAY, DeLUCA, DIAMOND, DOWLING, GLEIM, HAMM, HERSHEY, IRVIN, KAUFFMAN, KEEFER, R. MACKENZIE, MAJOR, MERCURI, METCALFE, METZGAR, NEILSON, OWLETT, ROTHMAN, ROZZI, SANKEY, SMITH, SNYDER AND STURLA, APRIL 11, 2022

REFERRED TO COMMITTEE ON TRANSPORTATION, APRIL 11, 2022

AN ACT

- 1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
- Statutes, in liquid fuels and fuels tax, further providing for definitions; providing for consumer gas prices relief;
- 4 making appropriations; and providing for Commonwealth
- 5 indebtedness.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. The definition of "average wholesale price" in
- 9 section 9002 of Title 75 of the Pennsylvania Consolidated
- 10 Statutes is amended to read:
- 11 § 9002. Definitions.
- 12 The following words and phrases when used in this chapter
- 13 shall have the meanings given to them in this section unless the
- 14 context clearly indicates otherwise:
- 15 * * *
- 16 "Average wholesale price." The average wholesale price of
- 17 all taxable liquid fuels and fuels, excluding the Federal excise
- 18 tax and all liquid fuels taxes, shall be as follows:

- 1 (1) After December 31, 2013, and before January 1, 2015,
- 2 the average wholesale price shall be \$1.87 per gallon.
- 3 (2) After December 31, 2014, and before January 1, 2017,
- 4 the average wholesale price shall be \$2.49 per gallon.
- 5 (3) After December 31, 2016, the average wholesale price
- 6 shall be as determined by the Department of Revenue for the
- 7 12-month period ending on the September 30 immediately prior
- 8 to January 1 of the year for which the rate is to be set[.
- 9 In], subject to the following limitations:
- 10 (i) Except as provided in subparagraph (ii), in no
- case shall the average wholesale price be less than \$2.99
- 12 per gallon.
- (ii) After December 31, 2022, and before January 1,
- 14 2024, the average wholesale price shall be no more than
- 15 \$2.99 per gallon.
- 16 * * *
- 17 Section 2. Title 75 is amended by adding a chapter to read:
- 18 CHAPTER 90A
- 19 CONSUMER GAS PRICES RELIEF
- 20 Sec.
- 21 90A01. (Reserved).
- 22 <u>90A02</u>. <u>Definitions</u>.
- 23 90A03. Consumer gas prices relief.
- 24 90A04. Appropriation.
- 25 90A05. Commonwealth indebtedness.
- 26 § 90A01. (Reserved).
- 27 § 90A02. Definitions.
- The following words and phrases when used in this chapter
- 29 shall have the meanings given to them in this section unless the
- 30 context clearly indicates otherwise:

- 1 "Capital Facilities Debt Enabling Act." The act of February
- 2 9, 1999 (P.L.1, No.1), known as the Capital Facilities Debt
- 3 Enabling Act.
- 4 "Capital project." A capital project that:
- 5 (1) is specifically itemized in accordance with the
- 6 <u>Capital Facilities Debt Enabling Act pursuant to section 7(a)</u>
- 7 (4) of Article VIII of the Constitution of Pennsylvania; and
- 8 (2) is an infrastructure project for highway or bridge
- 9 <u>maintenance or construction.</u>
- 10 § 90A03. Consumer gas prices relief.
- 11 (a) Reduction. -- Notwithstanding any other provision of law,
- 12 <u>including Chapters 90 (relating to liquid fuels and fuels tax)</u>
- 13 and 95 (relating to taxes for highway maintenance and
- 14 construction), the tax imposed under section 9004(b) and (d)
- 15 <u>(relating to imposition of tax, exemptions and deductions) shall</u>
- 16 be reduced by 33 1/3% from the rate of the tax imposed on the
- 17 effective date of this section.
- (b) Applicability. -- The reduction under subsection (a) shall
- 19 apply from the effective date of this section until January 1,
- 20 2023.
- 21 § 90A04. Appropriation.
- The amount of \$500,000,000 is appropriated on a continuing
- 23 <u>basis from the COVID-19 Response Restricted Account to the</u>
- 24 Pennsylvania State Police for the purpose of Pennsylvania State
- 25 Police operations for fiscal year 2022-2023.
- 26 § 90A05. Commonwealth indebtedness.
- The maximum principal amount of additional debt to be
- 28 incurred under this section shall be \$650,000,000. Debt shall be
- 29 incurred in accordance with the Capital Facilities Debt Enabling
- 30 Act, and the Motor License Fund shall be charged with the

- 1 repayment of the debt. The net proceeds from the sale of
- 2 <u>obligations authorized in this section are appropriated to the</u>
- 3 department to be used exclusively to defray financial costs of
- 4 <u>capital projects during the period under section 90A03(b)</u>
- 5 (relating to consumer gas prices relief). The money necessary to
- 6 pay debt service or to pay arbitrage rebates required under
- 7 section 148 of the Internal Revenue Code of 1986 (Public Law 99-
- 8 514, 26 U.S.C. § 148) due on the obligations under this section
- 9 <u>is appropriated to the State Treasurer from the Motor License</u>
- 10 Fund.
- 11 Section 3. This act shall take effect immediately.