

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1100 Session of 2009

INTRODUCED BY ROCK, METCALFE, BENNINGHOFF, BARRAR, BEAR, BOYD, COX, CREIGHTON, CUTLER, DENLINGER, EVERETT, FAIRCHILD, FLECK, GABIG, GABLER, GEIST, HICKERNELL, HUTCHINSON, KAUFFMAN, MENSCH, MOUL, MUSTIO, PYLE, RAPP, ROAE, SAYLOR, SWANGER, TURZAI AND VULAKOVICH, APRIL 27, 2009

REFERRED TO COMMITTEE ON STATE GOVERNMENT, APRIL 27, 2009

A JOINT RESOLUTION

1 Proposing separate and distinct amendments to the Constitution
2 of the Commonwealth of Pennsylvania, providing for spending
3 limitations on the Commonwealth and for imposition or levy of
4 taxes or license fee.

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

7 Section 1. The following separate and distinct amendments to
8 the Constitution of Pennsylvania are proposed in accordance with
9 the provisions of Article XI:

10 That Article VIII be amended by adding sections to read:

11 \$ 18. Spending limitations.

12 (a) Total spending by the Commonwealth shall not exceed the
13 spending limit in any fiscal year. The spending limit for any
14 fiscal year shall be equal to the spending during the
15 immediately prior fiscal year, adjusted by the lower percentage
16 of the following:

17 (i) The change in the Consumer Price Index for All Urban

Consumers from the immediately prior fiscal year, if expressed as a positive number; or

(ii) The change in the rate of population growth in this Commonwealth from the immediately prior fiscal year, if expressed as a positive number.

The percentage of the rate of change used in any fiscal year to adjust the limit may be increased for that year, but not to a percentage in excess of 120% of clause (i) or (ii), whichever is lower, by the affirmative vote of three-fourths of the members elected to each House of the General Assembly. The Commonwealth's spending limit as provided in this subsection may be changed by the procedure outlined in Article XI, section 1(a).

(b) The spending limit of the Commonwealth may be exceeded in any fiscal year for a presidentially declared emergency or major disaster. The spending limit may also be exceeded for other declared emergencies if the Governor so requests and the General Assembly approves by the affirmative vote of three-fourths of the members elected to each House of the General Assembly. The excess spending authorized by exceeding the limit in this manner shall not be included in the computation base of the spending limit for any subsequent fiscal year.

(c) Total spending by the Commonwealth means all appropriations and authorizations from the General Fund, the Public Transportation Assistance Fund and the Motor License Fund and funds created after the effective date of this subsection, and shall exclude refunds, servicing of bonded indebtedness incurred prior to the effective date of this subsection and of voter-approved bonded indebtedness, expenditures for funding the unfunded pension liabilities existing on the effective date of

1 this subsection and the spending of Federal funds, gifts or
2 receipts restricted by laws in effect as of January 1, 2009.
3 This section shall not be circumvented by creating additional
4 spending programs in the General Fund or Motor License Fund, or
5 transferring spending from the General Fund or Motor License
6 Fund to existing special funds or restricted receipt accounts.
7 § 19. Imposition or levy of taxes or license fee.

8 (a) Except as provided in subsection (c), no tax or license
9 fee may be imposed or levied except under an act of the General
10 Assembly adopted with the concurrence of three-fourths of all
11 members of each House.

12 (b) Except as provided in subsection (c), the effective rate
13 of any tax levied or license fee imposed may not be increased
14 except under an act of the General Assembly adopted with the
15 concurrence of three-fourths of all members of each House.

16 (c) Prior to the beginning of each fiscal year of the
17 Commonwealth, the General Assembly shall appropriate revenues to
18 pay interest on its debt to which it has pledged its faith and
19 credit and which interest is payable in the year for which the
20 appropriation is made and to pay the principal of the debt,
21 payable in such year, whether at maturity or otherwise. To the
22 extent that insufficient revenues are provided to pay the
23 principal and interest on the debt when due and payable, the
24 first moneys thereafter received by the Commonwealth shall be
25 set aside and applied to the payment of the principal and
26 interest on the debt. To make up for the insufficient revenues,
27 the General Assembly may increase the rate of taxes and fees
28 after failing to pay when due the principal of and interest of
29 the debt.

30 Section 2. (a) Upon the first passage by the General

1 Assembly of these proposed constitutional amendments, the
2 Secretary of the Commonwealth shall proceed immediately to
3 comply with the advertising requirements of section 1 of Article
4 XI of the Constitution of Pennsylvania and shall transmit the
5 required advertisements to two newspapers in every county in
6 which such newspapers are published in sufficient time after
7 passage of these proposed constitutional amendments.

8 (b) Upon the second passage by the General Assembly of these
9 proposed constitutional amendments, the Secretary of the
10 Commonwealth shall proceed immediately to comply with the
11 advertising requirements of section 1 of Article XI of the
12 Constitution of Pennsylvania and shall transmit the required
13 advertisements to two newspapers in every county in which such
14 newspapers are published in sufficient time after passage of
15 these proposed constitutional amendments. The Secretary of the
16 Commonwealth shall submit the proposed constitutional amendments
17 under section 1 to the qualified electors of this Commonwealth
18 as separate ballot questions at the first primary, general or
19 municipal election which meets the requirements of and is in
20 conformance with section 1 of Article XI of the Constitution of
21 Pennsylvania and which occurs at least three months after the
22 proposed constitutional amendments are passed by the General
23 Assembly.

24 Section 3. (a) The addition of section 18(a) of Article
25 VIII of the Constitution of Pennsylvania shall become effective
26 beginning with the first fiscal year commencing more than six
27 months following approval of section 18 by the electorate.

28 (b) The addition of section 19 of Article VIII of the
29 Constitution of Pennsylvania shall not apply to any tax or
30 license fee authorized by an act of the General Assembly which

1 has not taken effect following approval of section 19 by the
2 electorate.