## THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 110 Session of 2017

INTRODUCED BY WARNER, METZGAR, BARRAR, EMRICK, CUTLER, DUNBAR, KAUFFMAN, BLOOM, GROVE, MILLARD, SANKEY, SIMMONS, RADER, GABLER AND GILLEN, JANUARY 23, 2017

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JANUARY 23, 2017

## A JOINT RESOLUTION

1 2 3	Proposing an amendment to the Constitution of the Commonwealth of Pennsylvania, in taxation and finance, providing for spending limitations on the Commonwealth.
4	The General Assembly of the Commonwealth of Pennsylvania
5	hereby resolves as follows:
6	Section 1. The following amendment to the Constitution of
7	Pennsylvania is proposed in accordance with Article XI:
8	That Article VIII be amended by adding a section to read:
9	<u>§ 18. Spending limitations.</u>
10	(a) Total spending by the Commonwealth shall not exceed the
11	spending limit in any fiscal year. The spending limit for any
12	fiscal year shall be equal to the spending during the
13	immediately prior fiscal year, adjusted by the sum of:
14	(i) The percentage change in the Consumer Price Index for
15	All Urban Consumers from the immediately prior fiscal year, if
16	expressed as a positive number; and
17	(ii) The percentage change in population in this

1	Commonwealth during the immediately prior fiscal year, if	
2	expressed as a positive number.	
3	The percentage of the rate of change used in any fiscal year to	
4	adjust the limit may be increased for that year, but not to a	
5	percentage in excess of 120% of this clause or clause (i),	
6	whichever is lower, by the affirmative vote of three-fourths of	
7	the members elected to each House of the General Assembly. The	
8	Commonwealth's spending limit as provided in this subsection may	
9	be changed by the procedure outlined in section 1(a) of Article	
10	XI.	
11	(b) The spending limit may be exceeded for a declared	
12	emergency if the Governor so requests and the General Assembly	
13	approves by the affirmative vote of three-fourths of the members	
14	elected to each House of the General Assembly. The excess	
15	spending authorized by exceeding the limit in this manner shall	
16	not be included in the computation base of the spending limit	
17	for any subsequent fiscal year.	
18	(c) The spending limit may be exceeded for the purpose of	
19	funding pension obligations if the Governor so requests and the	
20	General Assembly approves by the affirmative vote of three-	
21	fourths of the members elected to each House of the General	
22	Assembly. The excess spending authorized by exceeding the limit	
23	in this manner shall not be included in the computation base of	
24	the spending limit for any subsequent fiscal year.	
25	(d) Total spending by the Commonwealth means all	
26	appropriations and authorizations from the General Fund, the	
27	Public Transportation Assistance Fund and the Motor License Fund	
28	and funds created after the effective date of this subsection,	
29	and shall exclude refunds and the spending of Federal funds,	
30	gifts or receipts restricted by laws in effect as of January 1,	
201	20170HB0110PN0087 - 2 -	

<u>2014. This section shall not be circumvented by creating</u>
<u>additional spending programs in the General Fund or Motor</u>
<u>License Fund or transferring spending from the General Fund or</u>
<u>Motor License Fund to existing special funds or restricted</u>

6 Upon the first passage by the General Section 2. (a) 7 Assembly of this proposed constitutional amendment, the 8 Secretary of the Commonwealth shall proceed immediately to 9 comply with the advertising requirements of section 1 of Article XI of the Constitution of Pennsylvania and shall transmit the 10 required advertisements to two newspapers in every county in 11 which such newspapers are published in sufficient time after 12 13 passage of this proposed constitutional amendment.

14 Upon the second passage by the General Assembly of this (b) 15 proposed constitutional amendment, the Secretary of the 16 Commonwealth shall proceed immediately to comply with the advertising requirements of section 1 of Article XI of the 17 18 Constitution of Pennsylvania and shall transmit the required advertisements to two newspapers in every county in which such 19 20 newspapers are published in sufficient time after passage of 21 this proposed constitutional amendment. The Secretary of the 22 Commonwealth shall submit this proposed constitutional amendment to the qualified electors of this Commonwealth at the first 23 24 primary, general or municipal election which meets the requirements of and is in conformance with section 1 of Article 25 26 XI of the Constitution of Pennsylvania and which occurs at least 27 three months after the proposed constitutional amendment is 28 passed by the General Assembly.

29 Section 3. The addition of section 18(a) of Article VIII of 30 the Constitution of Pennsylvania shall become effective

20170HB0110PN0087

receipt accounts.

5

- 3 -

- 1 beginning with the first fiscal year commencing more than six
- 2 months following approval of section 18 by the electorate.