A RESOLUTION

Urging the Congress of the United States to pass legislation to amend the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.) to permit each individual with a flexible spending account to carry over the entirety of any remaining balance in the flexible spending account at the end of one year to the next year for the duration of the COVID-19 pandemic.

WHEREAS, Flexible spending accounts (FSAs) provide individuals with the opportunity to plan ahead for certain expenses while decreasing their taxable income by having a set amount of money from every paycheck withheld and placed into the FSAs; and

WHEREAS, Many individuals rely on FSAs to help pay for health care, dependent care, medical premiums and adoption expenses; and

WHEREAS, The COVID-19 pandemic has required stay-at-home orders, remote learning for students, teleworking policies, closure of child care centers and summer camps and other changes to our day-to-day lives; and

WHEREAS, The unanticipated impact of the COVID-19 pandemic
will cause some individuals to have additional funds in FSAs by
the end of the year that they will be unable to carryover into
the next year; and

WHEREAS, Families across this country and throughout this
Commonwealth are experiencing varying degrees of financial
insecurity as a result of the COVID-19 pandemic; and

WHEREAS, Consequently, the United States Internal Revenue
Service (IRS) has increased the carryover limit for health FSAs
to $550 and authorized mid-year changes to contribution amounts
for health FSAs; and

WHEREAS, While the IRS changes are a step in the right
direction, removing the cap on the amount of funds in FSAs that
can be carried over from year-to-year would provide families
with more financial flexibility and the peace of mind they need
in these uncertain times; therefore be it

RESOLVED, That the House of Representatives of the
Commonwealth of Pennsylvania urge the Congress of the United
States to pass legislation to amend the Internal Revenue Code of
1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.) to permit each
individual with a flexible spending account to carryover the
entirety of any remaining balance in the flexible spending
account at the end of one year to the next year for the duration
of the COVID-19 pandemic; and be it further

RESOLVED, That a copy of this resolution be transmitted to
the presiding officers of each house of Congress and to each
member of Congress from Pennsylvania.