THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 786

Session of 2023

INTRODUCED BY WARNER, HAMM, GREINER, STAMBAUGH, ROAE, R. MACKENZIE, KAUFFMAN, BOROWICZ, M. MACKENZIE, JAMES, MIHALEK, OWLETT, ECKER, ARMANINI, ZIMMERMAN, ORTITAY, B. MILLER, M. JONES, ROWE, LEADBETER, LAWRENCE, KEPHART, GILLEN AND SCIALABBA, MARCH 30, 2023

REFERRED TO COMMITTEE ON FINANCE, MARCH 30, 2023

A JOINT RESOLUTION

- 1 Proposing an amendment to the Constitution of the Commonwealth
- of Pennsylvania, providing for spending limitations on the
- 3 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 § 18. Spending limitations.
- 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 <u>immediately prior fiscal year</u>, adjusted by the sum of:
- (i) The average of the percentage change in the annual
- 15 United States Consumer Price Index for All Urban Consumers (CPI-
- 16 U), as reported by the United States Department of Labor, Bureau

- 1 of Labor Statistics, for each of the immediately preceding three
- 2 calendar years.
- 3 (ii) The average of the percentage change in the resident
- 4 population in this Commonwealth, as reported by the United
- 5 States Census Bureau for July 1 of each year, for the
- 6 <u>immediately preceding three calendar years.</u>
- 7 (b) The percentage of the rate of change calculated under
- 8 <u>subsection</u> (a) <u>used in any fiscal year to adjust the spending</u>
- 9 <u>limit may be increased for that fiscal year by the affirmative</u>
- 10 vote of two-thirds of the members elected to each House of the
- 11 General Assembly. The Commonwealth's spending limit calculated
- 12 <u>under subsection (a) may be changed by the procedure outlined in</u>
- 13 <u>section 1(a) of Article XI.</u>
- (c) Total spending by the Commonwealth means all
- 15 appropriations and authorizations from the General Fund and
- 16 shall exclude refunds and the spending of Federal funds, gifts
- 17 or receipts restricted by laws in effect as of January 1 of the
- 18 year when this section is ratified and approved by the qualified
- 19 electors of this Commonwealth. This section shall not be
- 20 circumvented by transferring spending from the General Fund to
- 21 special funds or restricted receipt accounts.
- 22 Section 2. The following procedure applies to the proposed
- 23 constitutional amendment in this joint resolution:
- 24 (1) Upon the first passage by the General Assembly of
- 25 the amendment, the Secretary of the Commonwealth shall
- proceed immediately to comply with the advertising
- 27 requirements of section 1 of Article XI of the Constitution
- 28 of Pennsylvania.
- 29 (2) Upon the second passage by the General Assembly of
- 30 the amendment, the Secretary of the Commonwealth shall

- 1 proceed immediately to comply with the advertising
- 2 requirements of section 1 of Article XI of the Constitution
- of Pennsylvania. The Secretary of the Commonwealth shall
- 4 submit the amendment to the qualified electors of this
- 5 Commonwealth at the first primary, general or municipal
- 6 election which meets the requirements of section 1 of Article
- 7 XI of the Constitution of Pennsylvania.
- 8 Section 3. The addition of section 18(a) of Article VIII of
- 9 the Constitution of Pennsylvania shall become effective
- 10 beginning with the first fiscal year commencing more than six
- 11 months following approval of section 18 of Article VIII by the
- 12 electorate.