THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

Session of 2021

INTRODUCED BY WARNER, DAVANZO, DIAMOND, DUNBAR, ECKER, GAYDOS, GROVE, HAMM, IRVIN, JAMES, KAUFFMAN, KEEFER, R. MACKENZIE, O'NEAL, ROTHMAN, ROWE, RYAN, SANKEY, TOPPER, WHEELAND, M. MACKENZIE, BERNSTINE AND BOROWICZ, JANUARY 11, 2021

REFERRED TO COMMITTEE ON STATE GOVERNMENT, JANUARY 11, 2021

A JOINT RESOLUTION

- Proposing an amendment to the Constitution of the Commonwealth 1
- of Pennsylvania, in taxation and finance, providing for
- spending limitations on the Commonwealth. 3
- The General Assembly of the Commonwealth of Pennsylvania 4
- 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:
- § 18. Spending limitations.
- 10 (a) Total spending by the Commonwealth shall not exceed the
- spending limit in any fiscal year. The spending limit for any 11
- 12 fiscal year shall be equal to the spending during the
- immediately prior fiscal year, adjusted by the sum of: 13
- 14 (i) The average of the percentage change in the annual
- 15 United States Consumer Price Index for All Urban Consumers (CPI-
- U), as reported by the United States Department of Labor, Bureau 16
- of Labor Statistics, for each of the immediately preceding three 17

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

- 1 Commonwealth shall proceed immediately to comply with the
- 2 advertising requirements of section 1 of Article XI of the
- 3 Constitution of Pennsylvania and shall transmit the required
- 4 advertisements to two newspapers in every county in which such
- 5 newspapers are published in sufficient time after passage of
- 6 this proposed constitutional amendment. The Secretary of the
- 7 Commonwealth shall submit this proposed constitutional amendment
- 8 to the qualified electors of this Commonwealth at the first
- 9 primary, general or municipal election which meets the
- 10 requirements of and is in conformance with section 1 of Article
- 11 XI of the Constitution of Pennsylvania and which occurs at least
- 12 three months after the proposed constitutional amendment is
- 13 passed by the General Assembly.
- 14 Section 3. The addition of section 18(a) of Article VIII of
- 15 the Constitution of Pennsylvania shall become effective
- 16 beginning with the first fiscal year commencing more than six
- 17 months following approval of section 18 of Article VIII by the
- 18 electorate.