

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1100 Session of  
2007

INTRODUCED BY ROCK, METCALFE, QUIGLEY, ARGALL, BEAR,  
BENNINGHOFF, BOYD, CAPPELLI, COX, CREIGHTON, CUTLER,  
DENLINGER, EVERETT, FAIRCHILD, GABIG, GINGRICH, HICKERNELL,  
HUTCHINSON, KAUFFMAN, KORTZ, MANTZ, MARSHALL, MENSCH, MOUL,  
MUSTIO, PERRY, PYLE, RAPP, REICHLEY, ROAE, ROHRER, SCHRODER,  
STEIL, STERN, SWANGER, TURZAI, VEREB AND VULAKOVICH,  
MAY 24, 2007

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MAY 24, 2007

## 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 fees.

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:

1     (i) The change in the Consumer Price Index for All Urban  
2 Consumers from the immediately prior fiscal year, if expressed  
3 as a positive number; or

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

7 The percentage of the rate of change used in any fiscal year to  
8 adjust the limit may be increased for that year, but not to a  
9 percentage in excess of 120% of clause (i) or (ii), whichever is  
10 lower, by the affirmative vote of three-fourths of the members  
11 elected to each House of the General Assembly. The  
12 Commonwealth's spending limit as provided in this subsection may  
13 be changed by the procedure outlined in Article XI, section  
14 1(a).

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

24     (c) Total spending by the Commonwealth means all  
25 appropriations and authorizations from the General Fund, the  
26 Public Transportation Assistance Fund and the Motor License Fund  
27 and funds created after the effective date of this subsection,  
28 and shall exclude refunds, servicing of bonded indebtedness  
29 incurred prior to the effective date of this subsection and of  
30 voter-approved bonded indebtedness, expenditures for funding the

unfunded pension liabilities existing on the effective date of this subsection and the spending of Federal funds, gifts or receipts restricted by laws in effect as of January 1, 2007.

This section shall not be circumvented by creating additional spending programs in the General Fund or Motor License Fund, or transferring spending from the General Fund or Motor License Fund to existing special funds or restricted receipt accounts.

§ 19. Imposition or levy of taxes or license fee.

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

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

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

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

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

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

29       (b) The addition of section 19 of Article VIII of the  
30 Constitution of Pennsylvania shall not apply to any tax or

1 license fee authorized by an act of the General Assembly which  
2 has not taken effect following approval of section 19 by the  
3 electorate.