

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, GILLEN, METCALFE, DUSH AND PHILLIPS-HILL, JANUARY 23, 2017

AS REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, DECEMBER 5, 2017

A JOINT RESOLUTION

1 Proposing an amendment to the Constitution of the Commonwealth
2 of Pennsylvania, in taxation and finance, providing for
3 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 § 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 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

1 ~~(ii) The percentage change in population in this~~
2 ~~Commonwealth during the immediately prior fiscal year, if~~
3 ~~expressed as a positive number.~~

4 ~~The percentage of the rate of change used in any fiscal year to~~

5 (I) THE AVERAGE PERCENTAGE INCREASE IN THE CONSUMER PRICE <--
6 INDEX FOR ALL URBAN CONSUMERS OVER THE IMMEDIATELY PRECEDING
7 THREE CALENDAR YEARS; AND

8 (II) THE AVERAGE PERCENTAGE INCREASE IN POPULATION IN THIS
9 COMMONWEALTH DURING THE IMMEDIATELY PRECEDING THREE CALENDAR
10 YEARS.

11 (B) THE PERCENTAGE OF THE RATE OF CHANGE CALCULATED UNDER
12 SUBSECTION (A) USED IN ANY FISCAL YEAR TO adjust the SPENDING <--
13 limit may be increased for that FISCAL year, but not to a <--
14 percentage in excess of 120% of the sum established under this
15 subsection, by the affirmative vote of three-fourths of the
16 members elected to each House of the General Assembly. The
17 Commonwealth's spending limit as provided in this subsection <--
18 CALCULATED UNDER SUBSECTION (A) may be changed by the procedure <--
19 outlined in section 1(a) of Article XI.

20 ~~(b) The spending limit may be exceeded for a declared~~ <--
21 ~~emergency if the Governor so requests and the General Assembly~~
22 ~~approves by the affirmative vote of three fourths of the members~~
23 ~~elected to each House of the General Assembly. The excess~~
24 ~~spending authorized by exceeding the limit in this manner shall~~
25 ~~not be included in the computation base of the spending limit~~
26 ~~for any subsequent fiscal year.~~

27 ~~(c) The spending limit may be exceeded for the purpose of~~
28 ~~funding pension obligations if the Governor so requests and the~~
29 ~~General Assembly approves by the affirmative vote of three~~
30 ~~fourths of the members elected to each House of the General~~

1 ~~Assembly. The excess spending authorized by exceeding the limit~~
2 ~~in this manner shall not be included in the computation base of~~
3 ~~the spending limit for any subsequent fiscal year.~~

4 ~~(d) (C) Total spending by the Commonwealth means all~~ <--
5 ~~appropriations and authorizations from the General Fund, the~~ <--
6 ~~Public Transportation Assistance Fund and the Motor License Fund~~
7 ~~and funds created after the effective date of this subsection,~~
8 ~~and shall exclude refunds and the spending of Federal funds,~~
9 ~~gifts or receipts restricted by laws in effect as of January 1,~~ <--
10 ~~2017 OF THE YEAR WHEN THIS SECTION IS RATIFIED AND APPROVED BY~~ <--
11 ~~THE QUALIFIED ELECTORS OF THIS COMMONWEALTH. This section shall~~
12 ~~not be circumvented by creating additional spending programs in~~ <--
13 ~~the General Fund or Motor License Fund or transferring spending~~
14 ~~from the General Fund or Motor License Fund to existing special~~ <--
15 ~~funds or restricted receipt accounts.~~

16 Section 2. (a) Upon the first passage by the General
17 Assembly of this proposed constitutional amendment, the
18 Secretary of the Commonwealth shall proceed immediately to
19 comply with the advertising requirements of section 1 of Article
20 XI of the Constitution of Pennsylvania and shall transmit the
21 required advertisements to two newspapers in every county in
22 which such newspapers are published in sufficient time after
23 passage of this proposed constitutional amendment.

24 (b) Upon the second passage by the General Assembly of this
25 proposed constitutional amendment, the Secretary of the
26 Commonwealth shall proceed immediately to comply with the
27 advertising requirements of section 1 of Article XI of the
28 Constitution of Pennsylvania and shall transmit the required
29 advertisements to two newspapers in every county in which such
30 newspapers are published in sufficient time after passage of

1 this proposed constitutional amendment. The Secretary of the
2 Commonwealth shall submit this proposed constitutional amendment
3 to the qualified electors of this Commonwealth at the first
4 primary, general or municipal election which meets the
5 requirements of and is in conformance with section 1 of Article
6 XI of the Constitution of Pennsylvania and which occurs at least
7 three months after the proposed constitutional amendment is
8 passed by the General Assembly.

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