

HOUSE BILL 768

B1, P5

9lr1522

By: **Delegates George, Bates, Elliott, Frank, King, Krebs, Norman, Schuh, Sossi, and Stocksdale**

Introduced and read first time: February 11, 2009

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Spending Affordability Process – Forecasted Deficit – Spending Limits**

3 FOR the purpose of requiring the Spending Affordability Committee to limit the
4 recommended level of State spending to a certain amount under certain
5 circumstances; requiring the Department of Legislative Services to submit a
6 certain report to the Legislative Policy Committee by a certain date; and
7 generally relating to the Spending Affordability Committee.

8 BY repealing and reenacting, with amendments,
9 Article – State Government
10 Section 2–1005 and 2–1008
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2008 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – State Government**

16 2–1005.

17 (a) On or before December 1 of each year, the Committee shall submit,
18 subject to § 2–1246 of this title, to the Legislative Policy Committee and the Governor
19 a report with recommendations on fiscal goals for the State budget to be considered at
20 the next regular session of the General Assembly, including:

21 (1) a recommended level of State spending;

22 (2) a recommended level of new debt authorization;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (3) a recommended level of State personnel;
- 2 (4) a recommended use of any anticipated surplus; and
- 3 (5) other findings or recommendations that the Committee considers
4 appropriate.

5 (b) (1) If the report recommends expenditures in excess of the annual
6 increase in personal income, gross State product, or other data that the Committee
7 used to measure the growth of the State's economy, the Committee shall provide the
8 Senate and the House with an analysis as to the extent the recommendation exceeds
9 those economic indicators.

10 (2) **IF THE DEPARTMENT OF LEGISLATIVE SERVICES DECLARES**
11 **A FORECASTED DEFICIT UNDER § 2-1008(B) OF THIS SUBTITLE, THE**
12 **RECOMMENDED LEVEL OF STATE SPENDING MAY NOT EXCEED THE CURRENT**
13 **FISCAL YEAR GENERAL FUND APPROPRIATIONS BY MORE THAN 3%.**

14 2-1008.

15 (A) On or before June 1 of each year, the Department of Legislative Services
16 shall report, subject to § 2-1246 of this title, to the Legislative Policy Committee the
17 extent to which the State budget as enacted by the General Assembly conformed to the
18 recommendations of the Spending Affordability Committee.

19 (B) (1) **ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, BEGINNING IN**
20 **CALENDAR YEAR 2009, THE DEPARTMENT OF LEGISLATIVE SERVICES SHALL**
21 **SUBMIT A REPORT, SUBJECT TO § 2-1246 OF THIS TITLE, TO THE LEGISLATIVE**
22 **POLICY COMMITTEE THAT COMPARES ONGOING GENERAL FUND**
23 **APPROPRIATIONS WITH ONGOING GENERAL FUND REVENUES FOR THE**
24 **CURRENT FISCAL YEAR AND 5 SUBSEQUENT FISCAL YEARS. ONGOING GENERAL**
25 **FUND APPROPRIATIONS AND ONGOING GENERAL FUND REVENUES SHALL BE**
26 **DEFINED BY THE DEPARTMENT OF LEGISLATIVE SERVICES.**

27 (2) **IF THE FORECAST FOR ANY SUBSEQUENT FISCAL YEAR**
28 **INDICATES THAT ONGOING GENERAL FUND APPROPRIATIONS EXCEED**
29 **ONGOING GENERAL FUND REVENUES BY MORE THAN 5% OF ONGOING**
30 **GENERAL FUND REVENUES, THE DEPARTMENT OF LEGISLATIVE SERVICES**
31 **SHALL DECLARE A FORECASTED DEFICIT.**

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 July 1, 2009.