

By Mrs. Padula, a petition (accompanied by bill, Senate, No. 1341) of Mary L. Padula and David H. Locke for legislation to make procedural changes in the way the state conducts its finances. Taxation.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety.

AN ACT MAKING PROCEDURAL CHANGES IN THE WAY THE STATE CONDUCTS
ITS FINANCES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Chapter 29 of the General Laws is hereby amended: —
- 2 By adding at the end of the second paragraph of section 5B the
- 3 following sentence: Provided however that the total revenue
- 4 certified as available for the annual budget from any and all
- 5 sources shall not exceed 105% of the ESTIMATED revenue from
- 6 all sources for the preceding year or 110% of the ACTUAL
- 7 revenue for the year before the preceding year, whichever total
- 8 is smaller.
- 9 By adding at the end of the sixth paragraph of section 5B the
- 10 following sentence: In the event the April 15th estimate of total
- 11 revenue available to meet current year appropriations is less than
- 12 the amount certified as available for the annual budget in
- 13 accordance with the second paragraph of this section, as amended,
- 14 the Commissioner with the approval of the Governor shall, no
- 15 later than May first of each year, submit to the Ways and Means
- 16 Committees of the House and Senate for their review, a schedule
- 17 of recommended budgetary reversions, such schedule to add up
- 18 to the difference between the revenue certified, as aforesaid, and
- 19 the said April 15th revised revenue estimate.
- 20 By adding at the end of section 6, the following sentence:
- 21 Notwithstanding the provisions of any state law to the contrary,

22 the growth of spending in any fiscal year shall not exceed 5% of
23 the amount of revenue collected in the previous fiscal year.

24 By adding a new section, Section 6A $\frac{1}{2}$ — Capital Budget:

25 Notwithstanding any general or special law to the contrary,
26 each year the budget director shall furnish the Legislature with
27 a list of all requests and proposals for capital expenditures. The
28 legislature shall establish a ceiling for capital spending and shall
29 allocate capital spending proposals within such ceiling.

30 The legislature shall determine how much additional debt,
31 exclusive of temporary loans in anticipation of revenue, shall be
32 issued each year. The legislature shall review from time to time
33 all debt authorized but not issued, and shall have the power to
34 revoke any and all such unissued debt which has been authorized
35 for a period of five years or more.

36 Bond Authorization Notes may be issued for authorized capital
37 expenditures. Payment shall not be made out of the general fund
38 for purposes authorized by borrowing.