

Office of the Vermont Secretary of State
Vermont State Archives

1995: Proposal 13

Subject: Limitation on Budget Expenditures

PROPOSAL 13

Sec. 1. PURPOSE

This proposal would amend the Vermont Constitution to provide that the General Assembly could not authorize budget expenditures, including expenditures for debt service, in any fiscal year which exceed estimated revenues for that year, and that the General Assembly could not authorize an increase in budget expenditures in any fiscal year by a percentage which exceeds the percentage increase in personal income or inflation for that fiscal year unless an emergency is declared by the governor and three-fourths of the members of each house vote to exceed the limit for the purpose of the emergency.

Sec. 2. Section 77 of Chapter II of the Vermont Constitution is added to read:

§77. [LIMITATION ON BUDGET EXPENDITURES]

The amount of general budget expenditures authorized for any fiscal year shall not exceed the estimated amount of revenue for such fiscal year. The General Assembly shall not authorize an increase in general budget expenditures, including expenditures for debt service, for any fiscal year above the amount of general budget expenditures and expenditures for debt service authorized for the previous fiscal year by a percentage which exceeds the greater of the percentage increase in personal income or the percentage increase in inflation, unless the Governor declares an emergency or the existence of extraordinary circumstances and at least three-fourths of the members of each house of the General Assembly vote to exceed such limit for the purposes of such emergency or extraordinary circumstances.

The General Assembly shall by law define "increase in personal income", and "general budget expenditures" for the purposes of this section and may amend such definitions, from time to time. For the purposes of this section, "increase in inflation" shall be defined by the general assembly with reference to the federal consumer price index. The enactment or amendment of such definitions shall require the vote of three-fourths of the members of each house of the General Assembly.

Any unappropriated surplus shall be used to fund a budget reserve fund or for the reduction of bonded indebtedness; or for any other purpose authorized by at least three-fourths of the members of each house of the General Assembly.