



## SPENDING CAP DEFINITIONS

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### CONSTITUTIONAL SPENDING CAP

The constitutional spending cap bars the legislature from authorizing an increase in general budget expenditures for any fiscal year that exceeds the greater of the percentage increase in personal income or inflation, unless (1) the governor declares an emergency or the existence of extraordinary circumstances and (2) at least three-fifths of each house approves the extra expenditure for those purposes. It requires the legislature to define "increase in personal income," "increase in inflation," and "general budget expenditures" by a three-fifths majority (Conn. Const., art. III, § 18(b)). The legislature has not defined these terms to date.

### ISSUE

Summarize legislative proposals that define the spending cap's terms.

### SUMMARY

The constitutional spending cap, approved by voters in November 1992, requires the legislature to define three terms necessary for its implementation: "increase in personal income," "increase in inflation," and "general budget expenditures." The same terms apply under the statutory spending cap in effect since 1991 ([CGS § 2-33a](#)). We identified at least 74 proposed or raised bills (including two resolutions) since 1993 that define these terms for purposes of the constitutional or statutory cap, and an additional 34 bills that exclude certain expenditures from under the cap.

Attachment 1 lists the 74 bills, by bill number and year; for each one it provides the proposed definitions. Although the definitions vary significantly, the following were proposed most frequently:

1. **increase in personal income:** the average annual increase in personal income for the preceding five years, based on U.S. Bureau of Economic Analysis (BEA) data;



2. **increase in inflation:** the increase in the consumer price index for urban consumers (CPI-U) during the two calendar years preceding the fiscal year; and
3. **general budget expenditures:** expenditures from appropriated funds authorized by public or special act, excluding (a) debt payments and (b) statutorily required transfers of surplus funds.

At least 34 other bills proposed excluding other types of expenditures from the cap. In general, the proposed exclusions fall into five categories: education, federal funds, municipal aid, pension and retiree health obligations, and other miscellaneous expenditures. The most frequent proposal was to exclude expenditures of federal funds or reimbursements (15), followed by proposals to exclude payments to fund the state employee and teachers' retirement systems (7), municipal aid (5), and education expenditures (4).

### **INCREASE IN PERSONAL INCOME**

Among the 74 bills we identified, 36 of them proposed definitions for "increase in personal income." Table 1 lists the six different definitions included in these 36 bills and the number of times each one was proposed.

**Table 1: Proposed Definitions for "Increase in Personal Income"**

<i>Increase in Personal Income</i>	<i>Number of Proposals</i>
Average annual increase in personal income for the preceding five years, based on BEA data ( <a href="#">CGS § 2-33a</a> )	24
Average annual increase in personal income for the preceding five calendar years, based on BEA data	7
Increase in state personal income, as calculated by U.S. Department of Commerce	2
Average annual increase in personal income for preceding three years	1
Increase in personal income since FY 92	1
In first year, average annual increase in personal income for the preceding five years, based on BEA data	1
In second year, average annual increase in personal income for the first four years, based on BEA data, and according to an estimate of state personal income from a nationally recognized forecasting firm for the fifth year	

As the table shows, most of the bills we identified define the term as it is currently defined under the statutory spending cap. Specifically, under [CGS § 2-33a](#), increase in personal income is the state's average annual increase in personal income for each of the preceding five years, based on BEA data.

Seven of the bills require that this five-year average be calculated on a calendar year basis, rather than the fiscal year basis generally used by the Office of Policy and Management (OPM) and Office of Fiscal Analysis (OFA). ([PA 15-244 \(§ 35\)](#) requires the calculation to be on a calendar year basis for FYs 15 through 17.)

One bill specifies a different calculation in the first and second year of each biennium, which is consistent with OPM and OFA practice. In the first year, the five-year average is based on BEA data. In the second year, the first four fiscal years are based on BEA data and the fifth fiscal year is based on an estimate of personal income from a nationally recognized forecasting firm.

## INCREASE IN INFLATION

We identified 66 bills that proposed definitions for “increase in inflation,” summarized in Table 2.

**Table 2: Proposed Definitions for “Increase in Inflation”**

<i>Increase in Inflation</i>	<i>Number of Proposals</i>
Increase in CPI-U during the two calendar years preceding the fiscal year	45
Increase in CPI-U for the preceding 12 months ( <a href="#">CGS § 2-33a</a> )	10
Increase in CPI-U for the preceding calendar year	6
Increase in CPI-U for the three years preceding the fiscal year	1
Increase in inflation calculated on growth since FY 92	1
Increase in CPI for the preceding 12 months according to the U.S. Department of Labor	1
Increase in CPI as calculated by the U.S. Department of Labor	1
In first year, average increase in CPI-U for the preceding fiscal year	1
In second year, average increase in CPI-U for current FY based on an estimate from a nationally recognized forecasting firm	

Fifty-two of the proposals define increase in inflation as the increase in consumer price index for urban consumers (CPI-U) on a calendar year basis for one (6), two (45), or three (1) calendar years. (Under existing practice, OPM and OFA calculate CPI-U growth on a calendar year basis.) Only 10 of the bills define it as it is defined under the statutory cap (i.e., the increase in CPI-U for the preceding 12 months).

Two proposals define it as the increase in CPI as calculated by the U.S. Department of Labor. One requires it be calculated based on growth since FY 92 but does not specify an inflation measure. The remaining proposal requires it be calculated based on CPI-U, for the first year of each biennium, and an estimate from a nationally recognized forecasting firm for the second year, which conforms to existing OPM and OFA practice.

## **GENERAL BUDGET EXPENDITURES**

### ***Funds Included Under the Cap***

All but three of the 74 bills define “general budget expenditures” as expenditures from all appropriated funds, subject to certain exclusions. Two define it as expenditures from the General Fund and any dedicated fund (presumably funds such as the Banking or Insurance Funds). One defines it as all expenditures from the General Fund, Special Transportation Fund, and any other statutory fund.

In addition to these 74 bills, we also identified two bills that require the calculation of general budget expenditures to include both the state and federal portion of Medicaid funding ([HB 5074 \(2014\)](#) and [HB 5130 \(2015\)](#)) and two that require federal funds received in a fiscal year to be deemed appropriated in that year for determining the following fiscal year’s general budget expenditures ([HB 5035 \(2002\)](#) and [HB 5309 \(2009\)](#)).

### ***Exclusions***

We identified 72 bills that specified types of expenditures excluded from the definition of general budget expenditures. Although the exclusions vary, they generally parallel those specified under the constitutional and statutory cap. Under the constitutional cap, general budget expenditures exclude payments on bonds, notes, or other evidences of indebtedness. Under the statutory cap, they exclude:

1. payment of principal and interest on bonds, notes, or other evidences of indebtedness;
2. statutorily required transfers of unappropriated General Fund surpluses to the Rainy Day Fund and once the fund reaches the maximum, to fund the State Employees Retirement Fund's unfunded liability and other outstanding state debt;
3. statutory grants to distressed municipalities, if the grants were in effect on July 1, 1991; and
4. payments to implement federal mandates or court orders for the first fiscal year in which the spending is authorized (federal mandates are the programs or services in which the state must (a) participate, or participated in on July 1, 1991, and (b) meet federal entitlement and eligibility criteria in order to receive reimbursement, excluding any optional program or service components).

**Debt Payments and Surplus Fund Transfers.** All but one of the 72 bills exclude debt payments and 58 exclude statutorily required transfers of surplus funds.

**Grants to Distressed Municipalities.** Most of the bills (51) do not exclude municipal grants from the definition of general budget expenditures. Eight exclude statutory grants to distressed municipalities in effect on July 1, 1991, while 10 exclude all current or increased expenditures for all statutory grants to distressed municipalities. Three exclude all statutory municipal grants.

**Federal Mandates and Court Orders.** Most of the bills (51) do not exclude any payments to implement federal mandates or court orders.

About one-third (21) exclude payments to implement federal mandates or court orders for the first year. Of these, 10 include expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree unless the legislature votes to exclude them by a supermajority vote of each house (2/3 majority in nine bills and 3/5 majority in one).

**Other Proposed Exclusions.** We identified an additional 34 bills that propose excluding other types of expenditures from the cap. The proposed exclusions fall into the following five categories: education, federal funds, municipal aid, pension and retiree health obligations, or other miscellaneous expenditures. Table 3 lists the proposed exclusions by category.

**Table 3: Proposed Spending Cap Exclusions**

<b>Category of Expenditure</b>	<b>Exclusion</b>	<b>Bill No. (Year)</b>
<b>Education</b>	Expenditures necessary to provide an equal educational opportunity to public school children	<a href="#">SB 1016</a> (2001)
	Education-related appropriations	<a href="#">SB 196</a> (2001)
	Programs required to comply with <i>Sheff v. O'Neill</i>	<a href="#">SB 455</a> (2001)
	Special education expenditures from a proposed Special Education Municipal Aid Fund	<a href="#">SB 458</a> (2001)
<b>Federal Funds</b>	Federal reimbursements for state spending	<a href="#">SB 190</a> (1994) <a href="#">HB 5338</a> (1994)
	Federal reimbursements (requires an adjustment to the base to reflect this change)	<a href="#">HB 5339</a> (1994)
	Expenditures for which the state receives federal reimbursement only to the extent that the state expenditure exceeds the reimbursement	<a href="#">SB 398</a> (1994)

Table 3 (continued)

<b>Category of Expenditure</b>	<b>Exclusion</b>	<b>Bill No. (Year)</b>
<b>Federal Funds (cont)</b>	Federal fund expenditures	<a href="#">HB 6308</a> (1995) <a href="#">HB 6368</a> (1995) <a href="#">SB 289</a> (2002) <a href="#">SJR 3</a> (2002) <a href="#">SB 1441</a> (2007)
	New federal revenue received from expanding current programs or creating new ones	<a href="#">SB 279</a> (2002)
	Expenditures of new federal revenue for the first five years	<a href="#">SB 285</a> (2002)
	New or increased federal funds for the first fiscal year in which they are appropriated	<a href="#">SB 287</a> (2002)
	Medicaid and Medicare expenditures	<a href="#">HB 5806</a> (2007)
	Federal Medicaid funds expenditures	<a href="#">SB 1122</a> (2009)
	Expenditures to implement federal programs that are fully funded by the federal government in the first year they are authorized	<a href="#">HB 6352</a> (2013)
<b>Municipal Aid</b>	State aid to municipalities and spending for new and expanded mandates on municipalities	<a href="#">SB 697</a> (1993) <a href="#">SB 189</a> (1994)
	Property tax relief expenditures	<a href="#">SB 189</a> (1994)
	State aid to municipalities	<a href="#">SB 190</a> (1994)
	Payments in lieu of taxes (PILOTs) to municipalities	<a href="#">HB 6124</a> (2001)
	Proposed municipal property tax relief grants	<a href="#">SB 41</a> (2004)
<b>Pension and Retiree Health Obligations</b>	Funding for the teachers' retirement system	<a href="#">SJR 3</a> (2004) <a href="#">SJR 3</a> (2006) <a href="#">SJR 4</a> (2007) <a href="#">HB 5545</a> (2007)
	Expenditures that exceed the required annual contribution to the state employee or teachers' retirement systems	<a href="#">SB 21</a> (2012) <a href="#">HB 5032</a> (2014)
	Expenditures that exceed the current annual cost for retiree health benefits to reduce the unfunded liability for Other Post Employment Benefits	<a href="#">SB 21</a> (2012)
	Annual required contribution for the unfunded accrued liability in the state employee and teacher pension systems	<a href="#">HB 6352</a> (2013)
<b>Other</b>	Expenditures from a proposed End Child Poverty Social Investment Fund	<a href="#">HB 5853</a> (2000)
	Proposed nursing facility security account expenditures	<a href="#">SB 707</a> (2005)
	Insurance Fund expenditures	<a href="#">SB 9</a> (2007) <a href="#">SB 461</a> (2009) <a href="#">SB 19</a> (2010)
	Annual deferred charge required to implement GAAP (generally accepted accounting principles)	<a href="#">SB 21</a> (2012)

**Attachment 1: Comparison of Legislative Proposals to Define Spending Cap Terms**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 6616</a> (1993)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">HB 6805</a> (1993)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the two calendar years preceding the fiscal year	Excluded	Excluded	Excluded	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 3/5 vote of each house
<a href="#">SB 784</a> (1993)	Average of preceding three years, according to BEA data	Increase in CPI-U for the three years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	Requires a 3/5 vote of the legislature for any act establishing a separate account or special fund
<a href="#">SB 1033</a> (1993)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">HB 5161</a> (1994)	In the first year of biennium, average of preceding five years, according to BEA data  In second year, first four FYs according to BEA data and fifth FY according to an estimate of state personal income from a nationally recognized forecasting firm	In first year of biennium, average increase in CPI-U for the preceding fiscal year  In second year, average increase in CPI-U for current FY based on an estimate from a nationally recognized forecasting firm	Excluded	Excluded	Excludes all statutory grants to all municipalities	Excluded	None
<a href="#">HB 5705</a> (1994)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excludes all statutory grants to all municipalities	Excluded	None

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 5714</a> (1994)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excludes all statutory grants to all municipalities	Excluded	None
<a href="#">HB 5763</a> (1994)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">HB 5929</a> (1995)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 6365</a> (1995)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">HB 6370</a> (1995)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">SB 245</a> (1995)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">SB 705</a> (1995)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the preceding calendar year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 714</a> (1995)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">SB 1180</a> (1995)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">HB 5097</a> (1996)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order are included unless the legislature excludes them by a 2/3 vote of each house



**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 5098</a> (1996)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the preceding calendar year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5099</a> (1996)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">SB 123</a> (1996)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the preceding calendar year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 198</a> (1996)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the preceding calendar year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 544</a> (1996)	Average of preceding five years, according to BEA data	Increase in CPI-U for the preceding 12 months	Excluded	Excluded	Excluded	Excluded	None
<a href="#">HB 5442</a> (1997)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HB 5443</a> (1997)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">SB 854</a> (1997)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the preceding calendar year	Excluded	Not excluded	Not excluded	Not excluded	Includes expenditures from the General Fund and any dedicated funds
<a href="#">HB 5377</a> (1998)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">SB 207</a> (1998)	Average of preceding five calendar years, according to BEA data	Increase in CPI-U for the preceding calendar year	Excluded	Not excluded	Not excluded	Not excluded	Includes expenditures from the General Fund and any dedicated funds

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 6338</a> (1999)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">SB 334</a> (2000)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">SB 980</a> (2001)	N/A	N/A	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">HB 5034</a> (2002)	Calculated based on growth since FY 92	Calculated based on growth since FY 92	N/A	N/A	N/A	N/A	None
<a href="#">HB 5386</a> (2002)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HB 5988</a> (2003)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HB 5254</a> (2004)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 5120</a> (2005)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HJR 16</a> (2006)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HJR 19</a> (2006)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HB 6716</a> (2007)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 6717</a> (2007)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 6720</a> (2007)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HB 5058</a> (2008)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">HB 5059</a> (2008)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Excludes current or increased expenditures for all statutory grants to distressed municipalities	Excluded	Expenditures to implement a federal or state court order pursuant to an agreement, settlement, stipulation or consent decree are included unless the legislature excludes them by a 2/3 vote of each house
<a href="#">HB 5096</a> (2009)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5098</a> (2009)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5305</a> (2009)	Average of preceding five years, according to BEA data	Increase in CPI during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 156</a> (2009)	Increase in state personal income as calculated by the U.S. Department of Commerce	Increase in CPI as calculated by the U.S. Department of Labor	N/A	N/A	N/A	N/A	Includes all funds expended from the General Fund, Special Transportation Fund, and any other statutory fund

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">SB 172</a> (2009)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5073</a> (2010)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 3</a> (2010)	Increase in state personal income as calculated by the U.S. Department of Commerce	Increase in CPI for the preceding 12 months according to the U.S. Department of Labor	Not excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">HB 5002</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5059</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5148</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5149</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5151</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 5649</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5651</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5654</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5658</a> (2011)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5810</a> (2011)	Average of preceding five years, according to BEA data	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5003</a> (2012)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 161</a> (2012)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	If the spending cap is exceeded, the amount over the cap is excluded from general budget expenditures for purposes of calculating the cap in future years
<a href="#">HB 5003</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">HB 5008</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5012</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5136</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">HB 5189</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 211</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 310</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	If the spending cap is exceeded, the amount over the cap is excluded from general budget expenditures for purposes of calculating the cap in future years
<a href="#">SB 525</a> (2013)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 147</a> (2014)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	If the spending cap is exceeded, the amount over the cap is excluded from general budget expenditures for purposes of calculating the cap in future years

**Attachment 1 (continued)**

BILL NO. (YEAR)	INCREASE IN PERSONAL INCOME	INCREASE IN INFLATION	GENERAL BUDGET EXPENDITURES				
			Debt Payments	Required Transfers of Surplus Funds	Statutory Grants to Distressed Municipalities in Effect on July 1, 1991	First Year of Payments for Federal Mandates and Court Orders	Additional Exclusions or Requirements
<a href="#">SB 165</a> (2014)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">HB 5003</a> (2015)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None
<a href="#">SB 128</a> (2015)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	If the spending cap is exceeded, the amount over the cap is excluded from general budget expenditures for purposes of calculating the cap in future years
<a href="#">SB 718</a> (2015)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Not excluded	Not excluded	Not excluded	None
<a href="#">HB 5086</a> (2016)	N/A	Increase in CPI-U during the two calendar years preceding the fiscal year	Excluded	Excluded	Not excluded	Not excluded	None

RP/CM:bs