

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

H.B. 709  
Apr 27, 2021  
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10342-MCxfy-176

Short Title: Taxpayer Protection Act. (Public)

Sponsors: Representative Riddell.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROTECT THE TAXPAYERS OF NORTH CAROLINA WITH  
3 CONSTITUTIONAL LIMITS ON THE GROWTH OF STATE SPENDING.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The North Carolina Constitution is amended by adding a new Article  
6 to read:

7 "ARTICLE XV  
8 "TAXPAYERS' PROTECTION ACT

9 "**Section 1. Definitions.**

10 The following definitions apply in this Article:

- 11 (a) Fiscal year. – Any accounting period consisting of 12 consecutive months.  
12 (b) Fiscal year spending. – The total amount of monies appropriated by the State,  
13 not including the following:  
14 1. Appropriations funded by monies received from the federal  
15 government.  
16 2. Principal and interest on bonded indebtedness.  
17 3. Appropriations funded by unemployment and disability insurance  
18 funds.  
19 4. Appropriations funded by discretionary user charges to the extent that  
20 the charges do not exceed the cost of the goods or services and their  
21 purchase by the user is discretionary.  
22 5. Appropriations funded from permanent endowments, trust funds, or  
23 pension funds.  
24 6. Proceeds of gifts or bequests made for purposes specified by the donor.  
25 7. Monies appropriated for tax relief.  
26 (c) Inflation. – The percentage change in the Consumer Price Index for the United  
27 States for each calendar year as published by the Federal Bureau of Labor  
28 Statistics.  
29 (d) Population. – The number of people residing in the State, excluding Armed  
30 Forces stationed overseas, as determined by the United States Census Bureau  
31 based on decennial census figures or as estimated annually by the United  
32 States Census Bureau.

33 "**Sec. 2. Spending limits.**

- 34 (1) Fiscal year spending limit. – The maximum annual percentage change in State fiscal  
35 year spending equals inflation plus the percentage change in State population in the prior calendar  
36 year.



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