By Senator Crist

20-1163-98 See HJR

Senate Joint Resolution No. _____

A joint resolution proposing an amendment to

Section 1 of Article VII of the State
Constitution relating to the limitation on
state revenues.

Be It Resolved by the Legislature of the State of Florida:

That the amendment to Section 1 of Article VII of the State Constitution set forth below is agreed to and shall be submitted to the electors of Florida for approval or rejection at the general election to be held in November 1998:

SECTION 1. Taxation; appropriations; state expenses; state revenue limitation.--

- (a) No tax shall be levied except in pursuance of law. No state ad valorem taxes shall be levied upon real estate or tangible personal property. All other forms of taxation shall be preempted to the state except as provided by general law.
- (b) Motor vehicles, boats, airplanes, trailers, trailer coaches and mobile homes, as defined by law, shall be subject to a license tax for their operation in the amounts and for the purposes prescribed by law, but shall not be subject to ad valorem taxes.
- (c) No money shall be drawn from the treasury except in pursuance of appropriation made by law.
- (d) Provision shall be made by law for raising sufficient revenue to defray the expenses of the state for each fiscal period.
- (e) Except as provided herein, state revenues collected for any fiscal year shall be limited to state revenues allowed under this subsection for the prior fiscal

year plus an adjustment for growth. As used in this subsection, "growth" means an amount equal to the average 3 annual rate of growth in Florida median household personal 4 income over the most recent twenty quarters times the state 5 revenues allowed under this subsection for the prior fiscal 6 year. For the 1995-1996 fiscal year, the state revenues 7 allowed under this subsection for the prior fiscal year shall equal the state revenues collected for the 1994-1995 fiscal 8 9 year. Florida median household personal income shall be 10 determined by the legislature, from information available from 11 the United States Department of Commerce or its successor on the first day of February prior to the beginning of the fiscal 12 13 year. State revenues collected for any fiscal year in excess of this limitation shall be transferred to the budget 14 stabilization fund until the fund reaches the maximum balance 15 specified in Section 19(g) of Article III, and thereafter 16 17 shall be refunded to taxpayers as provided by general law. State revenues allowed under this subsection for any fiscal 18 19 year may be increased by a two-thirds vote of the membership of each house of the legislature in a separate bill that 20 contains no other subject and that sets forth the dollar 21 amount by which the state revenues allowed will be increased. 22 The vote may not be taken less than seventy-two hours after 23 24 the third reading of the bill. For purposes of this 25 subsection, "state revenues" means taxes, fees, licenses, and charges for services imposed by the legislature on 26 individuals, businesses, or agencies outside state government. 27 28 However, "state revenues" does not include: revenues that are 29 necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the state; revenues that 30 31 are used to provide matching funds for the federal Medicaid

2

3

4 5

6

7

8

9

10

11

12 13

14

15

16 17

18 19

20

21

22

2324

25

26

2728

29

30

31

program with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of state matching funds used to fund elective expansions made after July 1, 1994; proceeds from the state lottery returned as prizes; receipts of the Florida Hurricane Catastrophe Fund; balances carried forward from prior fiscal years; taxes, licenses, fees, and charges for services imposed by local, regional, or school district governing bodies; or revenue from taxes, licenses, fees, and charges for services required to be imposed by any amendment or revision to this constitution after July 1, 1994. An adjustment to the revenue limitation shall be made by general law to reflect the fiscal impact of transfers of responsibility for the funding of governmental functions between the state and other levels of government. legislature shall, by general law, prescribe procedures necessary to administer this subsection.

BE IT FURTHER RESOLVED that in accordance with the requirements of section 101.161, Florida Statutes, the title and substance of the amendment proposed herein shall appear on the ballot as follows:

REVISION OF GROWTH ADJUSTMENT

TO LIMITATION ON STATE REVENUE COLLECTIONS

Proposing an amendment to Section 1 of Article VII of the State Constitution to provide that Florida median household income, rather than Florida personal income, and state revenues, rather than state revenues allowed, for the prior fiscal year shall be the bases for the calculation of the growth adjustment to the constitutional limitation on state revenue collections.