

By Senator Lee

23-1519-99

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Senate Joint Resolution No. ____

A joint resolution proposing amendments to Section 1 of Article VII and Section 21 of Article XII of the State Constitution relating to a limitation on state appropriations.

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

That the amendments to Section 1 of Article VII and Section 21 of Article XII of the State Constitution set forth below are agreed to and shall be submitted to the electors of Florida for approval or rejection at the general election to be held in November 2000:

ARTICLE VII

FINANCE AND TAXATION

SECTION 1. Taxation; appropriations; state expenses; state appropriations ~~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.

1 (e) State appropriations for any fiscal year shall be
2 limited to state appropriations for the prior fiscal year plus
3 an adjustment for growth. For purposes of calculating such
4 state appropriations limitation, "state appropriations" shall
5 not include any portion of state appropriations spent or to be
6 spent from receipt of federal funds and the "adjustment for
7 growth" shall be an amount expressed as a percentage equal to
8 the sum of the average annual rate of growth in median
9 household income in Florida over the most recent five years
10 plus the rate of growth of the population of Florida projected
11 for the fiscal year. Median household income in Florida shall
12 be that established and published by the United States
13 Department of Commerce or its successor, and the population of
14 Florida shall be that estimated by the legislature's Office of
15 Economic and Demographic Research or its successor. State
16 appropriations for the prior fiscal year shall be multiplied
17 by the growth percentage and that product added to the prior
18 fiscal year's state appropriations to establish the state
19 appropriations limitation for the fiscal year. State revenues
20 collected for any fiscal year in excess of the state
21 appropriations limitation shall be transferred to the budget
22 stabilization fund until the fund reaches the maximum balance
23 specified in Section 19(g) of Article III and thereafter shall
24 be refunded to taxpayers as provided by general law. For
25 purposes of this subsection, "state revenues" includes general
26 revenue and trust fund receipts, but does not include federal
27 fund receipts. The state appropriations limitation required
28 by this subsection shall not apply in any fiscal year in which
29 the governor declares a state financial emergency on the order
30 of a war, a natural catastrophe, an economic depression, or
31 any event of similar magnitude. However, the legislature must

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

1 ~~outside state government. However, "state revenues" does not~~
2 ~~include: revenues that are necessary to meet the requirements~~
3 ~~set forth in documents authorizing the issuance of bonds by~~
4 ~~the state; revenues that are used to provide matching funds~~
5 ~~for the federal Medicaid program with the exception of the~~
6 ~~revenues used to support the Public Medical Assistance Trust~~
7 ~~Fund or its successor program and with the exception of state~~
8 ~~matching funds used to fund elective expansions made after~~
9 ~~July 1, 1994; proceeds from the state lottery returned as~~
10 ~~prizes; receipts of the Florida Hurricane Catastrophe Fund;~~
11 ~~balances carried forward from prior fiscal years; taxes,~~
12 ~~licenses, fees, and charges for services imposed by local,~~
13 ~~regional, or school district governing bodies; or revenue from~~
14 ~~taxes, licenses, fees, and charges for services required to be~~
15 ~~imposed by any amendment or revision to this constitution~~
16 ~~after July 1, 1994. An adjustment to the revenue limitation~~
17 ~~shall be made by general law to reflect the fiscal impact of~~
18 ~~transfers of responsibility for the funding of governmental~~
19 ~~functions between the state and other levels of government.~~
20 ~~The legislature shall, by general law, prescribe procedures~~
21 ~~necessary to administer this subsection.~~

22 ARTICLE XII

23 SCHEDULE

24 SECTION 21. State appropriations revenue
25 limitation.--The amendment to Section 1 of Article VII
26 limiting state appropriations, if adopted at the general
27 election in November 2000, revenues shall take effect January
28 1, 2001 ~~1995~~, and shall first be applicable to state fiscal
29 year 2001-2002 ~~1995-1996~~.

30 BE IT FURTHER RESOLVED that in accordance with the
31 requirements of section 101.161, Florida Statutes, the title

1 and substance of the amendments proposed herein shall appear
2 on the ballot as follows:

3 LIMITATION ON STATE APPROPRIATIONS

4 Replaces the state revenue limitation with a state
5 appropriations limitation equal to the prior year's
6 appropriations plus a growth adjustment based on the growth
7 rate of state median household income over the preceding five
8 years plus the growth rate in state population projected for
9 the fiscal year, with excess revenues deposited in the budget
10 stabilization fund until fully funded and then refunded to
11 taxpayers. Provides for suspension of the limitation for
12 financial emergencies. The amendment is effective January 1,
13 2001.

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