

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HJR 437 Balancing Fiscal Priorities  
**SPONSOR(S):** Representatives Johnson and Littlefield  
**TIED BILLS:** **IDEN./SIM. BILLS:**

---

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Ethics & Elections		Mitchell	Randle
2) Procedures			
3) Finance & Tax			
4) Appropriations			
5)			

---

### SUMMARY ANALYSIS

HJR 437 is a joint resolution that makes optional the Legislative implementation of constitutional amendments proposed by initiative that require the imposition of taxes or that the Legislature determines would adversely affect other state priorities.

The joint resolution proposes to amend section 3, Article XI, Florida Constitution. If approved by three-fifths vote of each house, the proposed amendment will appear on the November 2004 ballot.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h0437.pc.doc  
**DATE:** March 14, 2003

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |  |   |
|--------------------------------------|------------------------------|--|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/>            |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/>            | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain: The joint resolution provides that the Legislature implement citizen initiatives only to the extent that they do not require imposition of new taxes or adversely affect other priorities. Before an amendment is implemented, the Legislature must conduct such an analysis.

#### B. EFFECT OF PROPOSED CHANGES:

Following the 2002 election, a fiscal impact statement must be provided for each amendment that is placed on the ballot.<sup>1</sup> For amendments that appeared on the 2002 ballot such a statement was not required or made available to the voters of Florida. One citizen-initiated amendment in particular was the subject of much controversy because of the possible cost of implementation. Florida's Amendment to Reduce Class Size, amending section 1, Article IX, Florida Constitution, will reportedly cost the taxpayers of Florida several billion dollars to implement by 2010. The Legislature is currently studying the issue and trying to determine how to pay for the cost of implementation, either through an increase in taxes or revenues, or a reduction in other programs.

HJR 437 would permit the Legislature to take into account a possible imposition of taxes or adverse affect on other state priorities when it implements a citizen initiative that has been adopted.

The proposed ballot title and summary read as follows:

#### BALANCING FISCAL PRIORITIES

Proposes an amendment to Section 3 of Article XI of the State Constitution to provide that the Legislature shall only be required to implement a constitutional amendment proposed by initiative or to continue to implement a constitutional amendment previously adopted through the initiative process if the amendment does not require an increase in taxes and the Legislature determines that implementation will not adversely affect the implementation of other state priorities.

HJR 437, if approved by the Legislature, will appear on the 2004 general election ballot.

#### C. SECTION DIRECTORY:

---

<sup>1</sup> HJR 571 requires the Legislature to provide by general law for the provision of an economic impact statement to the public prior to a vote on an amendment of the Florida Constitution proposed by initiative. The Legislature will most likely implement this requirement during the 2003 session.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

2. Expenditures: Section 5, Article XI, Florida Constitution, requires that each proposed amendment to the Constitution be published in a newspaper of general circulation in each county two times prior to the general election. The Division of Elections estimated that the cost of compliance would be approximately \$58,767.<sup>2</sup>

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

#### 2. Expenditures:

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

### D. FISCAL COMMENTS:

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

#### 2. Other:

### B. RULE-MAKING AUTHORITY:

### C. DRAFTING ISSUES OR OTHER COMMENTS:

---

<sup>2</sup> According to the Division of Elections, the exact cost of publication depends on the length of each advertisement. The Division figure is a 2002 estimate – publishing costs may have increased since that estimate was completed.

#### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES