

Meeting Minutes  
Planning and Budgetary Processes Committee  
Taxation and Budget Reform Commission  
Senate Office Building, Room 37  
Tallahassee, Florida  
Friday, January 11, 2008  
12:30 p.m. - 3:30 p.m.

*Committee members: Carlos Lacasa, Chair; Mark Bostick, Sandy D'Alemberte, Mike Hogan, Jacinta Mathis, Bob McKee, Les Miller, Jade Moore, Nancy Riley, Darryl Rouson, Greg Turbeville*

Committee Members Present:

Mark Bostick (by phone)  
Mike Hogan  
Jacinta Mathis  
Bob McKee  
Les Miller  
Nancy Riley  
Darryl Rouson  
Greg Turbeville  
Carlos Lacasa, Chair

Members Excused:

Sandy D'Alemberte  
Jade Moore

Chair Lacasa called the meeting to order at 12:35 p.m. Staff called the roll and announced the presence of a quorum.

In his opening remarks, Chair Lacasa indicated that the presentation by the Department of Financial Services, Alex Sink and Jim Cassady, was postponed.

Chair Lacasa recognized Commissioner Rouson to present CP0022 - a resolution proposing the creation of Section 28 of Article X and a new section in Article XII of the State Constitution to create the State Affordable Housing Trust Fund and the Local Government Affordable Housing Trust Fund and provide for the deposit and appropriation of funds related to the trust funds.

Commissioner Rouson presented his proposal and indicated that the intent of the proposal is to eliminate the cap on the affordable housing trust funds. He commented that presenting the proposal as a constitutional amendment takes the politics out of the process. His explanation included his intent that the documentary stamp taxes be distributed to the affordable housing trust funds prior to any other distributions. He

interjected that creating the two new trust funds for affordable housing in the State Constitution prohibits the opportunity for politics to allow the funds to be used for means other than affordable housing.

The Committee members had a further discussion of additional issues which included the cap on the documentary stamp taxes distributed to the State Housing and Local Government Housing trust funds, the dedicated funds for the trust funds, and the authority of the Legislature to cap a fund with a dedicated funding source.

Trey Price, representing the Florida Association of Realtors, made a brief presentation in support of the proposal and provided an explanation of the Sadowski Affordable Housing Act, the relationship of the Sadowski Act to the State Housing Trust Fund and the Local Government Housing Trust Fund, and the intent of the proposal to remove the current statutory cap on the documentary stamp taxes distributed to the two affordable housing trust funds. He also explained the proposal's intent to require the Legislature to annually appropriate all funds in the trust funds.

In response to the discussion regarding the change in the distribution of funds to the affordable housing trust funds, Chair Lacasa asked if the Sadowski Act had been amended to change the funding for the trust funds. Commissioner Turbeville responded to the Chair's question and indicated that the cap has only been active for the last four years. He explained that when real estate sales were high, the revenues for the trust fund were higher than anticipated, therefore, the policy makers made a decision to shift the funds from the two affordable housing trust funds.

Commissioner Lacasa indicated that, in an appropriation context, placing the trust funds in the Constitution was not related to the formula. However, Commissioner Turbeville interjected that the percentages, if placed in the State Constitution, would become a permanent component of the formula for distributing documentary stamp taxes. Commissioner Turbeville commented that he supports affordable housing as a philosophical issue; however, placing the distribution funds to the two trust funds in the State Constitution affects the ability of the Legislature to change revenues and spending patterns to address the will of the people. Commissioner Mathis agreed that the issue should be addressed by the Legislature, in lieu of a constitutional amendment.

Commissioner Mathis questioned the creation of the new trust funds since trust funds may only be created or re-created by three-fifths vote of each house of the Legislature and terminated within four years of the authorization of the trust fund unless re-created by the Legislature. Tom Cibula, General Counsel, indicated that the proposal created an exception to the requirements for the legislative vote to create or re-create a trust fund. Commissioner Mathis requested that the comment be added to the analysis.

Commissioner Les Miller made the motion to move the proposal and Commissioner Riley seconded the motion. The Chair called for a roll call vote and CP0022 passed favorably out of the Planning and Budgetary Processes Committee unanimously.

The Chair announced that the Committee would not meet on January 17, 2008 and there being no further business, the meeting was adjourned at 12:50 p.m.

Any presentation documents and audio recordings of the meeting are posted on the commission website at [www.floridatbrc.org](http://www.floridatbrc.org) for further review.