

Amendment No. 1

Commissioner Hogan offered the following:

Amendment (with ballot statement and title amendments)

Remove line(s) 23-243 and insert:

That the following amendment to Section 1 of Article VII and the creation of Section 19 of Article VII of the State Constitution is agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 1. Taxation; appropriations; state expenses; voter approval of new taxes and fees ~~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.

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26 (d) Provision shall be made by law for raising sufficient
27 revenue to defray the expenses of the state for each fiscal
28 period.

29 (e) A new tax or fee may not be imposed by the state, a
30 county, a municipality, or a school district unless the
31 imposition is approved by a vote of the electors of the
32 respective government. Except as provided herein, state revenues
33 collected for any fiscal year shall be limited to state revenues
34 allowed under this subsection for the prior fiscal year plus an
35 adjustment for growth. As used in this subsection, "growth"
36 means an amount equal to the average annual rate of growth in
37 Florida personal income over the most recent twenty quarters
38 times the state revenues allowed under this subsection for the
39 prior fiscal year. For the 1995-1996 fiscal year, the state
40 revenues allowed under this subsection for the prior fiscal year
41 shall equal the state revenues collected for the 1994-1995
42 fiscal year. Florida personal income shall be determined by the
43 legislature, from information available from the United States
44 Department of Commerce or its successor on the first day of
45 February prior to the beginning of the fiscal year. State
46 revenues collected for any fiscal year in excess of this
47 limitation shall be transferred to the budget stabilization fund
48 until the fund reaches the maximum balance specified in Section
49 19(g) of Article III, and thereafter shall be refunded to
50 taxpayers as provided by general law. State revenues allowed
51 under this subsection for any fiscal year may be increased by a
52 two-thirds vote of the membership of each house of the
53 legislature in a separate bill that contains no other subject

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54 ~~and that sets forth the dollar amount by which the state~~
55 ~~revenues allowed will be increased. The vote may not be taken~~
56 ~~less than seventy-two hours after the third reading of the bill.~~
57 ~~For purposes of this subsection, "state revenues" means taxes,~~
58 ~~fees, licenses, and charges for services imposed by the~~
59 ~~legislature on individuals, businesses, or agencies outside~~
60 ~~state government. However, "state revenues" does not include:~~
61 ~~revenues that are necessary to meet the requirements set forth~~
62 ~~in documents authorizing the issuance of bonds by the state;~~
63 ~~revenues that are used to provide matching funds for the federal~~
64 ~~Medicaid program with the exception of the revenues used to~~
65 ~~support the Public Medical Assistance Trust Fund or its~~
66 ~~successor program and with the exception of state matching funds~~
67 ~~used to fund elective expansions made after July 1, 1994;~~
68 ~~proceeds from the state lottery returned as prizes; receipts of~~
69 ~~the Florida Hurricane Catastrophe Fund; balances carried forward~~
70 ~~from prior fiscal years; taxes, licenses, fees, and charges for~~
71 ~~services imposed by local, regional, or school district~~
72 ~~governing bodies; or revenue from taxes, licenses, fees, and~~
73 ~~charges for services required to be imposed by any amendment or~~
74 ~~revision to this constitution after July 1, 1994. An adjustment~~
75 ~~to the revenue limitation shall be made by general law to~~
76 ~~reflect the fiscal impact of transfers of responsibility for the~~
77 ~~funding of governmental functions between the state and other~~
78 ~~levels of government. The legislature shall, by general law,~~
79 ~~prescribe procedures necessary to administer this subsection.~~

80 SECTION 19. State and local government revenue
81 limitations.--

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82 (a) Except as provided herein, revenues collected by the
83 state, and revenues collected by each local government for any
84 fiscal year shall be limited to revenues authorized under this
85 section for the prior fiscal year plus an adjustment for growth.
86 For the 2009-2010 fiscal year, revenues allowed under this
87 section for the prior fiscal year shall equal each government's
88 revenues collected in the 2007-2008 fiscal year plus the
89 adjustment for growth for the 2008-2009 fiscal year.

90 (b) As used in this section:

91 (1) "Local government" means a county, municipality, or
92 school district. Any municipal service taxing or benefit unit of
93 a county and any special district dependent to a county shall be
94 included in that county government. Any special district
95 dependent to a municipality shall be included in that
96 municipality.

97 (2) "State revenues" means taxes, fees, licenses, fines,
98 and charges for services imposed by the legislature on
99 individuals, businesses, or agencies outside state government.
100 However, the term "state revenues" does not include: revenues
101 necessary to meet the requirements set forth in documents
102 authorizing the issuance of bonds by the state prior to July 1,
103 2008; proceeds from the state lottery returned as prizes;
104 balances carried forward from prior fiscal years; taxes,
105 licenses, fees, and charges for services imposed by local,
106 regional, or school district governing bodies; or revenue from
107 taxes, licenses, fees, and charges for services required to be
108 imposed by any amendment or revision to this constitution after
109 July 1, 2008.

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110 (3) "Local government revenues" means taxes, fees,
111 assessments, licenses, fines, and charges for services imposed
112 by a local government on individuals, businesses, or another
113 local government. However, the term "local government revenues"
114 does not include: revenues necessary to meet the requirements
115 set forth in documents authorizing the issuance of bonds issued
116 by each local government prior to July 1, 2008; ad valorem taxes
117 approved for periods not longer than 2 years by vote of the
118 electors pursuant to Section 9(b) of this article or ad valorem
119 taxes levied for purposes provided in Section 12 of this
120 article; non-ad valorem taxes levied pursuant to voter approval
121 required by this constitution or by general law; balances
122 carried forward from prior fiscal years; revenues from taxes
123 imposed by a county on the lease or rental of living quarters or
124 accommodations for the promotion of tourism and related
125 activities authorized by law; or revenue from taxes, licenses,
126 fees, and charges for services required to be imposed by any
127 amendment or revision to this constitution after July 1, 2008.

128 (4) "Growth" means an amount equal to a government's
129 revenues allowed under this subsection for the prior fiscal year
130 multiplied by the sum of one percentage point plus the combined
131 rate of inflation and rate of population change. For school
132 districts, enrollment shall be used in lieu of population.

133 (5) "Rate of inflation" means the percentage change in the
134 Consumer Price Index for all urban consumers, U.S. City Average,
135 all items 1982-1984=100, or successor reports for the preceding
136 calendar year as initially reported by the United States
137 Department of Labor, Bureau of Labor Statistics. The percentage

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change shall be determined by the legislature from information available from the United States Department of Labor or its successor on the first day of February prior to the beginning of the fiscal year and shall be based on a comparison of the average of the Consumer Price Index during the most recent two consecutive twelve-month periods.

(6) "Rate of population change" means the percentage change in population within the respective government's boundaries. The percentage change shall be determined by the legislature from information available on the first day of February prior to the beginning of the fiscal year and shall compare estimates of population as of April 1 of the most recent two consecutive years.

(7) "Rate of enrollment change" means the percentage change in each school district's student enrollment. The percentage change shall be determined by the legislature from information available on the first day of February prior to the beginning of the fiscal year and shall compare the enrollment of the most recent two consecutive years.

(8) "Fiscal year" means the applicable fiscal year for the respective government.

(c)(1) State revenues collected in any fiscal year in excess of the revenue limit imposed under this section shall be returned to taxpayers as provided by general law or transferred to the budget stabilization fund until the fund reaches the maximum balance specified in Section 19(g) of Article III.

(2) Local government revenues collected in any fiscal year in excess of the revenue limit imposed by this section shall be

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166 transferred to a budget reserve fund or returned to taxpayers as
167 provided by general law. The legislature shall provide by
168 general law for the establishment of local government reserve
169 funds and for the uses of revenues deposited in the funds.

170 (d) A government's revenue limitation may be increased for
171 a period not to exceed ten years upon approval by a two-thirds
172 vote of the membership of the governing board of a local
173 government or a two-thirds vote of the membership of each house
174 of the legislature.

175 (e) A government may not increase a fee except upon
176 approval by a two-thirds vote of the membership of the governing
177 board of a local government or a two-thirds vote of the
178 membership of each house of the legislature.

179 (f) Revenues collected by a municipality in existence for
180 less than five fiscal years are not subject to the provisions of
181 this section. In the fifth fiscal year of the existence of a
182 municipality, this section shall apply to the municipality's
183 revenues. In the fifth fiscal year, the revenues allowed under
184 this section for the prior fiscal year shall be the actual
185 revenues collected in the fourth fiscal year of the
186 municipality's existence.

187 (g) An adjustment to the revenue limit shall be made to
188 reflect the fiscal impact of transfers of responsibility for the
189 funding of governmental functions among local governments or
190 between local governments and the state.

191 (h) An adjustment to a local government's revenue limit
192 shall be made to reflect the revenues from the first full fiscal

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year of implementation of a new tax or fee adopted by the local government prior to March 1, 2008.

(i) The provisions of this section do not apply to revenues of the following to the extent that the revenues do not subsidize other components of a state or local government:

(1) the Florida Hurricane Catastrophe Fund and Citizens Property Insurance Corporation or their successors in function;

(2) government-owned airports and seaports;

(3) government owned electric, water, wastewater, gas, or other utility services;

(4) public universities and community colleges;

(5) the Florida Prepaid College Board or its successor in function; and

(6) government-owned enterprises.

Such entities also shall be exempt from subsection 1(e) of this article.

(j)(1) The legislature shall establish criteria and a process by law to certify fiscally responsible counties and municipalities. For such counties and municipalities revenues collected for any fiscal year shall be limited to the revenues allowed under this section for the prior fiscal year plus an adjustment for growth. As used in this subsection, "growth" means the greater of an amount equal to:

a. the average annual rate of growth in Florida personal income over the most recent twenty quarters times the revenues allowed under this section for the prior fiscal year, as determined by the legislature; or

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221 b. an amount equal to a government's revenues allowed
222 under this section for the prior fiscal year multiplied by the
223 sum of 2.5 percentage points plus the combined rate of inflation
224 and rate of population change.

225 (2) The revenue limit for a county or municipality that
226 loses its certification as a fiscally responsible county or
227 municipality shall be based on its revenues in the last fiscal
228 year that it was a certified fiscally responsible county or
229 municipality.

230 (k)(1) The revenue limits in this section shall be
231 suspended for each local government within a disaster area
232 declared by the Governor or the President. The suspension shall
233 terminate at the end of the next fiscal year after the fiscal
234 year in which the disaster declaration expires.

235 (2) The state revenue limit shall be suspended if the
236 Governor or the President declares ten percent or more of the
237 counties of this state or areas containing more than fifteen
238 percent of the population of the state as disaster areas. The
239 suspension shall terminate at the end of the next fiscal year
240 after the fiscal year in which the disaster declaration expires.

241 (1) The legislature shall, by general law, prescribe
242 procedures necessary to administer this section.

243
244 == B A L L O T S T A T E M E N T A M E N D M E N T ==

245 Remove line(s) 247-259 and insert:

246 CONSTITUTIONAL AMENDMENT

247 ARTICLE VII, SECTIONS 1 AND 19

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VOTER APPROVAL OF NEW TAXES AND FEES; LIMITATIONS ON STATE
AND LOCAL GOVERNMENT REVENUES.--With some exceptions, this
amendment: requires voter approval of new taxes or fees;
imposes revised revenue limits on state and local governments,
including school districts, based on inflation and population or
enrollment growth; provides for disposition of excess revenues;
authorizes increases in revenue limits by supermajority vote of
the legislature and local governing boards; temporarily exempts
new municipalities; and adjusts revenue limits to reflect the
fiscal impact of intergovernmental transfers of funding
responsibilities.

===== T I T L E A M E N D M E N T =====

Remove line(s) 1-19 and insert:

Resolution of the Taxation and Budget Reform Commission
A resolution proposing an amendment to Section 1 of
Article VII and the creation of Section 19 of Article VII
of the State Constitution to require voter approval of new
taxes and fees; replace a yearly limitation on state
revenues with a yearly limitation on state revenues and
local government revenues; provide for disposition of
excess revenues collected; authorize an increase in a
government's revenue limitation by a supermajority vote of
the governing board of a local government or a
supermajority vote of the Legislature; provide a temporary
exemption from the revenue limitation for newly-
established municipalities; provide for adjusting revenue
limitations to reflect the fiscal impact of

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276 intergovernmental transfers of funding responsibilities;
277 exclude application to certain entities; and require the
278 Legislature to provide implementing procedures by general
279 law.
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