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Commissioner Hogan offered the following:

# Amendment (with ballot statement and title amendments)

Remove lines 23-120 and insert:

SECTION 18. Laws requiring counties or municipalities to spend funds or limiting their ability to raise revenue or receive state tax revenue. --

(a) No county or municipality shall be bound by any general law that is an unfunded mandate. An unfunded mandate, for purposes of this section, is a general law requiring such county or municipality to spend funds or to take an action requiring the expenditure of funds, to accept the transfer of a responsibility or function performed by the state, or to accept an increase in a responsibility or function performed by the state. However, an unfunded mandate does not include a general law for which funds are appropriated at the time of enactment and annually thereafter to fund the law; or the legislature authorizes or has authorized a county or municipality to enact a funding source not then available for such county or municipality that can be used to generate the amount of funds estimated to be sufficient to fund the law by a simple majority vote of the governing body of such county or municipality. The legislature may not enact a law containing an unfunded mandate, unless the legislature has determined that such law fulfills an important a compelling state interest and unless: funds have been appropriated that have been estimated at the time of enactment to be sufficient to fund such expenditure; the

legislature authorizes or has authorized a county or
municipality to enact a funding source not available for such
county or municipality on February 1, 1989, that can be used to
generate the amount of funds estimated to be sufficient to fund
such expenditure by a simple majority vote of the governing body
of such county or municipality; the law requiring such
expenditure is approved by three-fourths two thirds of the
membership in each house of the legislature; the expenditure is
required to comply with a law also that applies to all persons
similarly situated, including the state and local governments;
<pre>private parties;</pre> or the law is either required to comply with a
federal requirement or required for eligibility for a federal
entitlement, which federal requirement specifically contemplates
actions by counties or municipalities for compliance. Such law
shall state with specificity the state interest sought to be
served by the law and shall be no broader than that necessary to
accomplish the stated interest of the law. Such law may be
enacted only after it is heard at a public legislative hearing
in each house of the legislature, duly noticed to the public no
less than 24 hours before the hearing. Such law shall not be
considered at the public hearing unless an analysis identifying
each unfunded mandate contained in the law and containing an
estimate of the fiscal impact of each unfunded mandate contained
in the law is prepared by the legislature and is available at
the time of the hearing. An unfunded mandate shall stand
repealed October 1 in the eighth fiscal year after its
enactment, unless reenacted by the legislature in accordance
with this section.

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- (b) Except upon approval of each house of the legislature by two thirds of the membership, The legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the then existing authority that municipalities or counties have to raise revenues in the aggregate, as such authority exists on February 1, 1989 unless such law fulfills a compelling state interest and the law is approved by three-fourths of the membership in each house of the legislature. Such law shall state with specificity the state interest sought to be served by the law and shall be no broader than that necessary to accomplish the stated interest of the law. Such law may be enacted only after it is heard at a public legislative hearing in each house of the legislature, and duly noticed to the public no less than 24 hours before the hearing. Such law shall not be considered at the public hearing unless an analysis containing an estimate of the fiscal impact that the law will have on counties and municipalities is prepared by the legislature and is available at the time of the hearing.
- by two thirds of the membership, The legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the percentage of a state tax in the aggregate then shared with counties or and municipalities, as an aggregate on February 1, 1989 unless such law fulfills a compelling state interest and the law is approved by three-fourths of the membership in each house of the legislature. Such law shall state with specificity the state interest sought to be served by the law and shall be no broader than that necessary to

accomplish the stated interest of the law. Such law may be
enacted only after it is heard at a public legislative hearing
in each house of the legislature, duly noticed to the public no
less than 24 hours before the hearing. Such law shall not be
considered at the public hearing unless an analysis containing
an estimate of the fiscal impact the law will have on counties
and municipalities is prepared by the legislature and is
available at the time of the hearing. The provisions of this
subsection shall not apply to enhancements $\underline{\text{to state tax sources}}$
enacted after January 5, 2009, February 1, 1989, to state tax
sources, or during a fiscal emergency declared in a written
joint proclamation issued by the president of the senate and the
speaker of the house of representatives, or where the
legislature provides additional state-shared revenues which are
anticipated to be sufficient to replace the anticipated
aggregate loss of state-shared revenues resulting from the
reduction of the percentage of the state tax shared with
counties $\underline{\text{or}}$ and municipalities, which source of replacement
revenues shall be subject to the same requirements for repeal or
modification as provided herein for $\underline{\text{the replaced}}$ $\underline{\text{a}}$ state-shared
tax source existing on February 1, 1989.

(d) Laws adopted to require funding of pension benefits existing on the effective date of this section, criminal laws, election laws, the general appropriations act, or special appropriations acts, laws reauthorizing but not expanding then existing statutory authority, laws having insignificant fiscal impact, and laws creating, modifying, or repealing noncriminal infractions, are exempt from the requirements of this section.

However, should the legislature, through the general
appropriations act or through a special appropriations act,
reduce an appropriation used to satisfy subsection (a), no
county or municipality shall be bound by the general law that
was the subject of the appropriation.

- (e) No general law shall require a county or municipality to provide a benefit to its employees unless such law equally applies to all private employers. No law shall require binding interest arbitration or its equivalent between a county or a municipality and its employees. A department, agency, or commission of the state charged with the implementation of a law in existence on the effective date of this section that requires a county or municipality to provide a benefit to its employees shall interpret such law on or after the effective date of this section in a manner that is least costly to the counties and municipalities.
- $\underline{\text{(f)}}$  The legislature may enact laws to assist in the implementation and enforcement of this section. This section or laws affected by this section shall not create a private cause of action.
- (g) This section shall apply to the reinterpretation, expansion, reenactment, or application of laws in effect on the date this section takes effect as well as laws enacted on or after the date this section takes effect.

140 == BALLOT STATEMENT AMENDMENT ==

Remove lines 125-134 and insert:

UNFUNDED MANDATES.--This amendment increases the restrictions on the Legislature to: require counties and municipalities to spend funds or take an action requiring the expenditure of funds; reduce the percentage of a state tax shared with counties or municipalities or reduce their authority to raise revenue. The vote to enact laws addressing the foregoing is increased to three-fourths, from two-thirds, of each house of the Legislature. Such laws must serve a compelling state interest.

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

Remove lines 2-12 and insert:

A resolution proposing an amendment to Section 18 of Article VII of the State Constitution to increase the restrictions on the power of the Legislature to impose unfunded mandates on counties and municipalities.