

Amendment No. 2

Commissioner Hogan offered the following:

Substitute Amendment to Amendment (1) (with ballot statement and title amendments)

Remove lines 9-271 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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(d) Provision shall be made by law for raising sufficient revenue to defray the expenses of the state for each fiscal period.

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

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

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

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

92 (b) As used in this section:

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

99 (2) "State revenues" means taxes, fees, licenses, fines,
100 and charges for services imposed by the legislature on
101 individuals, businesses, or agencies outside state government.
102 However, the term "state revenues" does not include: revenues
103 necessary to meet the requirements set forth in documents
104 authorizing the issuance of bonds by the state prior to July 1,
105 2008; proceeds from the state lottery returned as prizes;
106 receipts of the Florida Hurricane Catastrophe Fund and Citizens
107 Property Insurance Corporation or their successor entities;
108 balances carried forward from prior fiscal years; taxes,
109 licenses, fees, and charges for services imposed by local,
110 regional, or school district governing bodies; revenues of a

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government-owned enterprise that receives less than ten percent of its revenues from the state or a local government; or revenue from taxes, licenses, fees, and charges for services required to be imposed by any amendment or revision to this constitution after July 1, 2008.

(3) "Local government revenues" means taxes, fees, assessments, licenses, fines, and charges for services imposed by a local government on individuals, businesses, or another local government. However, the term "local government revenues" does not include: revenues necessary to meet the requirements set forth in documents authorizing the issuance of bonds issued by each local government prior to July 1, 2008; ad valorem taxes approved for periods not longer than 2 years by vote of the electors pursuant to Section 9(b) of this article or ad valorem taxes levied for purposes provided in Section 12 of this article; non-ad valorem taxes levied pursuant to voter approval required by this constitution or by general law; revenues that are used to pay for the direct cost of providing electric, water, wastewater, gas, or other utility services; revenues of any other government-owned enterprise that receives less than ten percent of its revenues from the state or a local government; balances carried forward from prior fiscal years; or revenue from taxes, licenses, fees, and charges for services required to be imposed by any amendment or revision to this constitution after July 1, 2008.

(4) "Growth" means an amount equal to a government's revenues allowed under this subsection for the prior fiscal year multiplied by the sum of one percentage point plus the combined

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139 rate of inflation and rate of population change. For school
140 districts, enrollment shall be used in lieu of population.

141 (5) "Rate of inflation" means the percentage change in the
142 Consumer Price Index for all urban consumers, U.S. City Average,
143 all items 1982-1984=100, or successor reports for the preceding
144 calendar year as initially reported by the United States
145 Department of Labor, Bureau of Labor Statistics. The percentage
146 change shall be determined by the legislature from information
147 available from the United States Department of Labor or its
148 successor on the first day of February prior to the beginning of
149 the fiscal year and shall be based on a comparison of the
150 average of the Consumer Price Index during the most recent two
151 consecutive twelve-month periods.

152 (6) "Rate of population change" means the percentage
153 change in population within the respective government's
154 boundaries. The percentage change shall be determined by the
155 legislature from information available on the first day of
156 February prior to the beginning of the fiscal year and shall
157 compare estimates of population as of April 1 of the most recent
158 two consecutive years. If population estimates are not available
159 for a local government, the percentage change in the local
160 government's property tax base attributable to new construction,
161 annexations, additions, and deletions in the prior calendar year
162 shall be used as a substitute for the rate of population change.

163 (7) "Rate of enrollment change" means the percentage
164 change in each school district's student enrollment. The
165 percentage change shall be determined by the legislature from
166 information available on the first day of February prior to the

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

(d) A government's revenue limitation may be increased for a period not to exceed ten years upon approval by a vote of the electors of the respective government. A ballot measure to authorize an increase in a revenue limit must specify the amount of the increase to be authorized; the source of revenues, changes in tax rates or the creation of new revenue sources, if applicable; and the specific items or programs for which the revenues in excess of the limit will be used stated in neutral terms.

(e)(1) Revenues collected by a municipality or independent special district in existence for less than five fiscal years are not subject to the provisions of this section. In the fifth fiscal year of the existence of a municipality or an independent

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195 special district, this section shall apply to the municipality's
196 or independent special district's revenues. In the fifth fiscal
197 year the revenues allowed under this section for the prior
198 fiscal year shall be the actual revenues collected in the fourth
199 fiscal year of the municipality's or independent special
200 district's existence.

201 (2) Revenues collected prior to the fifth year after an
202 independent special district's governing board is elected for an
203 independent special district initially established by the
204 landowners of the real property included in the district and
205 authorized by law to provide for the delivery of urban community
206 services are not subject to the provisions of this section. In
207 the fifth year after the governing board is elected, the
208 revenues authorized under this section for the prior fiscal year
209 shall be the actual revenues collected in the fourth fiscal year
210 after the governing board was elected.

211 (f) An adjustment to the revenue limit shall be made to
212 reflect the fiscal impact of transfers of responsibility for the
213 funding of governmental functions among local governments or
214 between local governments and the state.

215 (g) An adjustment to a local government's revenue limit
216 shall be made to reflect the revenues from the first full fiscal
217 year of implementation of a new tax or fee adopted by the local
218 government prior to March 1, 2008.

219 (h) The provisions of this section do not apply to
220 revenues collected from tuition and fees charged to students by
221 public universities and community colleges.

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

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

Remove lines 274-284 and insert:

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTIONS 1 AND 19

VOTER APPROVAL OF NEW TAXES AND FEES; LIMITATIONS ON STATE
AND LOCAL GOVERNMENT REVENUES.--Proposing an amendment to the
State Constitution to require voter approval of new taxes or
fees, impose revised limitations on state revenues and local
government revenues; provide for disposition of excess revenues;
authorize increases in revenue limitations by vote of electors;
temporarily exempt newly established municipalities or
independent special districts; adjust revenue limitations to
reflect the fiscal impact of intergovernmental transfers of
funding responsibilities; and exclude application to higher
education tuition and fees.

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

Remove lines 2-5 and insert:

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 vote of

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250 electors; provide a temporary exemption from the revenue
251 limitation for newly-established municipalities or independent
252 special districts; provide for adjusting revenue limitations to
253 reflect fiscal impact of intergovernmental transfers of funding
254 responsibilities; exclude application to revenues from certain
255 tuition and fees; and require the Legislature to provide
256 implementing procedures by general law.