

1 House Joint Resolution

2 A joint resolution proposing an amendment to Section 1 of  
 3 Article VII and the creation of Section 19 of Article VII  
 4 and Section 32 of Article XII of the State Constitution to  
 5 replace the existing state revenue limitation with a new  
 6 state revenue limitation based on inflation and population  
 7 changes.

8  
 9 Be It Resolved by the Legislature of the State of Florida:

10  
 11 That the following amendment to Section 1 of Article VII  
 12 and the creation of Section 19 of Article VII and Section 32 of  
 13 Article XII of the State Constitution is agreed to and shall be  
 14 submitted to the electors of this state for approval or  
 15 rejection at the next general election or at an earlier special  
 16 election specifically authorized by law for that purpose:

17 ARTICLE VII

18 FINANCE AND TAXATION

19 SECTION 1. Taxation; appropriations; state expenses; ~~state~~  
 20 ~~revenue limitation.~~

21 (a) No tax shall be levied except in pursuance of law. No  
 22 state ad valorem taxes shall be levied upon real estate or  
 23 tangible personal property. All other forms of taxation shall be  
 24 preempted to the state except as provided by general law.

25 (b) Motor vehicles, boats, airplanes, trailers, trailer  
 26 coaches and mobile homes, as defined by law, shall be subject to  
 27 a license tax for their operation in the amounts and for the  
 28 purposes prescribed by law, but shall not be subject to ad

29 | valorem taxes.

30 | (c) No money shall be drawn from the treasury except in  
31 | pursuance of appropriation made by law.

32 | (d) Provision shall be made by law for raising sufficient  
33 | revenue to defray the expenses of the state for each fiscal  
34 | period.

35 | ~~(e) Except as provided herein, state revenues collected~~  
36 | ~~for any fiscal year shall be limited to state revenues allowed~~  
37 | ~~under this subsection for the prior fiscal year plus an~~  
38 | ~~adjustment for growth. As used in this subsection, "growth"~~  
39 | ~~means an amount equal to the average annual rate of growth in~~  
40 | ~~Florida personal income over the most recent twenty quarters~~  
41 | ~~times the state revenues allowed under this subsection for the~~  
42 | ~~prior fiscal year. For the 1995-1996 fiscal year, the state~~  
43 | ~~revenues allowed under this subsection for the prior fiscal year~~  
44 | ~~shall equal the state revenues collected for the 1994-1995~~  
45 | ~~fiscal year. Florida personal income shall be determined by the~~  
46 | ~~legislature, from information available from the United States~~  
47 | ~~Department of Commerce or its successor on the first day of~~  
48 | ~~February prior to the beginning of the fiscal year. State~~  
49 | ~~revenues collected for any fiscal year in excess of this~~  
50 | ~~limitation shall be transferred to the budget stabilization fund~~  
51 | ~~until the fund reaches the maximum balance specified in Section~~  
52 | ~~19(g) of Article III, and thereafter shall be refunded to~~  
53 | ~~taxpayers as provided by general law. State revenues allowed~~  
54 | ~~under this subsection for any fiscal year may be increased by a~~  
55 | ~~two-thirds vote of the membership of each house of the~~  
56 | ~~legislature in a separate bill that contains no other subject~~

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

83 SECTION 19. State revenue limitation.-

84 (a) STATE REVENUE LIMITATION.-Except as provided in this

85 section, state revenues collected in any fiscal year are limited  
 86 as follows:

87 (1) For the 2014-2015 fiscal year, state revenues are  
 88 limited to an amount equal to the state revenues collected  
 89 during the 2013-2014 fiscal year multiplied by the sum of the  
 90 adjustment for growth plus four one-hundredths.

91 (2) For the 2015-2016 fiscal year, state revenues are  
 92 limited to an amount equal to the state revenue limitation for  
 93 fiscal year 2014-2015 multiplied by the sum of the adjustment  
 94 for growth plus three one-hundredths.

95 (3) For the 2016-2017 fiscal year, state revenues are  
 96 limited to an amount equal to the state revenue limitation for  
 97 fiscal year 2015-2016 multiplied by the sum of the adjustment  
 98 for growth plus two one-hundredths.

99 (4) For the 2017-2018 fiscal year, state revenues are  
 100 limited to an amount equal to the state revenue limitation for  
 101 fiscal year 2016-2017 multiplied by the sum of the adjustment  
 102 for growth plus one one-hundredth.

103 (5) For the 2018-2019 fiscal year and thereafter, state  
 104 revenues are limited to an amount equal to the state revenue  
 105 limitation for the previous fiscal year multiplied by the  
 106 adjustment for growth.

107 (6) The adjustment for growth for a fiscal year shall be  
 108 determined by March 1 preceding the fiscal year using the latest  
 109 information available. Once the adjustment for growth is  
 110 determined for a fiscal year, it may not be changed based on  
 111 revisions to the information used to make the determination.

112 (b) REVENUES IN EXCESS OF THE LIMITATION.—State revenues

113 collected in any fiscal year in excess of the revenue limitation  
 114 shall be transferred to the budget stabilization fund until the  
 115 fund reaches the maximum balance specified in Section 19(g) of  
 116 Article III, and thereafter shall be used for the support and  
 117 maintenance of public schools by reducing the minimum financial  
 118 effort required from school districts for participation in a  
 119 state-funded education finance program, or, if the minimum  
 120 financial effort is no longer required, returned to taxpayers as  
 121 provided by general law.

122 (c) AUTHORITY OF THE LEGISLATURE TO INCREASE THE REVENUE  
 123 LIMITATION.—

124 (1) The state revenue limitation for any fiscal year may  
 125 be increased by a two-thirds vote of the membership of each  
 126 house of the legislature. Unless otherwise provided by the bill  
 127 increasing the revenue limitation, the increased revenue  
 128 limitation enacted under this paragraph shall be used to  
 129 determine the revenue limitation for future fiscal years.

130 (2) The state revenue limitation for any one fiscal year  
 131 may be increased by a three-fifths vote of the membership of  
 132 each house of the legislature. Increases to the revenue  
 133 limitation enacted under this paragraph must be disregarded when  
 134 determining the revenue limitation in subsequent fiscal years.

135 (3) A bill increasing the revenue limitation may not  
 136 contain any other subject and must set forth the dollar amount  
 137 by which the state revenue limitation will be increased. The  
 138 vote may not be taken less than seventy-two hours after the  
 139 third reading in either house of the legislature of the bill in  
 140 the form that will be presented to the governor.

141 (d) AUTHORITY OF THE ELECTORS TO INCREASE THE REVENUE  
 142 LIMITATION.—The legislature may propose an increase in the state  
 143 revenue limitation pursuant to a concurrent resolution enacted  
 144 by a three-fifths vote of the membership of each house. The  
 145 proposed increase shall be submitted to the electors at the next  
 146 general election held more than ninety days after the resolution  
 147 is filed with the custodian of state records. However, the  
 148 legislature may submit the proposed increase at an earlier  
 149 special election held more than ninety days after it is filed  
 150 with the custodian of state records pursuant to a law enacted by  
 151 the affirmative vote of three-fourths of the membership of each  
 152 house of the legislature. The resolution must set forth the  
 153 dollar amount by which the state revenue limitation will be  
 154 increased. Unless otherwise provided in the resolution, the  
 155 increased revenue limitation shall be used to determine the  
 156 revenue limitation for future fiscal years. The proposed  
 157 increase shall take effect if it is approved by a vote of at  
 158 least 60 percent of the electors voting on the matter.

159 (e) REVENUE LIMIT ADJUSTMENT BY THE LEGISLATURE.—The  
 160 legislature shall provide by general law for adjustments to the  
 161 state revenue limitation to reflect:

162 (1) The fiscal impact of transfers of responsibility for  
 163 the funding of governmental functions between the state and  
 164 other levels of government occurring after May 6, 2011; or

165 (2) The fiscal impact of a new federal mandate.

166 (f) GENERAL LAW IMPLEMENTATION.—The legislature shall, by  
 167 general law, prescribe procedures necessary to administer this  
 168 section.

169        (g) DEFINITIONS.—As used in this section, the term:  
 170        (1) "Adjustment for growth" means an amount equal to the  
 171 average for the previous five years of the product of the  
 172 inflation factor and the population factor.  
 173        (2) "Inflation factor" means an amount equal to one plus  
 174 the percent change in the calendar year annual average of the  
 175 Consumer Price Index. The term "Consumer Price Index" means the  
 176 Consumer Price Index for All Urban Consumers, U.S. city average  
 177 (not seasonally adjusted, current base for all items), as  
 178 published by the United States Department of Labor. In the event  
 179 the index ceases to exist, the legislature shall determine the  
 180 successor index by general law.  
 181        (3) "Population factor" means an amount equal to one plus  
 182 the percent change in population of the state as of April 1  
 183 compared to April 1 of the prior year. For purposes of  
 184 calculating the annual rate of change in population, the state's  
 185 official population estimates shall be used.  
 186        (4) "State revenues" means taxes, fees, licenses, fines,  
 187 and charges for services imposed by the legislature on  
 188 individuals, businesses, or agencies outside state government.  
 189 However, the term "state revenues" does not include: revenues  
 190 that are necessary to meet the requirements set forth in  
 191 documents authorizing the issuance of bonds by the state for  
 192 bonds issued before July 1, 2012; revenues that are used to  
 193 provide matching funds for the federal Medicaid program with the  
 194 exception of the revenues used to support the Public Medical  
 195 Assistance Trust Fund or its successor program and with the  
 196 exception of state matching funds used to fund optional

197 expansions made after July 1, 1994; proceeds from the state  
 198 lottery returned as prizes; receipts of the Florida Hurricane  
 199 Catastrophe Fund and Citizens Property Insurance Corporation;  
 200 receipts of public universities and colleges; balances carried  
 201 forward from prior fiscal years; taxes, fees, licenses, fines,  
 202 and charges for services imposed by local, regional, or school  
 203 district governing bodies; or revenue from taxes, fees,  
 204 licenses, fines, and charges for services authorized by any  
 205 amendment or revision to this constitution after May 6, 2011.

206 ARTICLE XII

207 SCHEDULE

208 SECTION 32. State revenue limitation.—The amendment to  
 209 Section 1 and the creation of Section 19 of Article VII,  
 210 revising the state revenue limitation, and this section take  
 211 effect upon approval by the electors and apply beginning in the  
 212 2014-2015 state fiscal year.

213 BE IT FURTHER RESOLVED that the following statement be  
 214 placed on the ballot:

215 ARTICLE VII, SECTIONS 1 and 19

216 ARTICLE XII, SECTION 32

217 CONSTITUTIONAL AMENDMENT

218 STATE GOVERNMENT REVENUE LIMITATION.—This proposed  
 219 amendment to the State Constitution replaces the existing state  
 220 revenue limitation based on Florida personal income growth with  
 221 a new state revenue limitation based on inflation and population  
 222 changes. Under the amendment, state revenues, as defined in the  
 223 amendment, collected in excess of the revenue limitation must be  
 224 deposited into the budget stabilization fund until the fund



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225 reaches its maximum balance, and thereafter shall be used for  
226 the support and maintenance of public schools by reducing the  
227 minimum financial effort required from school districts for  
228 participation in a state-funded education finance program, or,  
229 if the minimum financial effort is no longer required, returned  
230 to the taxpayers. The Legislature may increase the state revenue  
231 limitation through a bill approved by a super majority vote of  
232 each house of the Legislature. The Legislature may also submit a  
233 proposed increase in the state revenue limitation to the voters.  
234 The Legislature must implement this proposed amendment by  
235 general law. The amendment will take effect upon approval by the  
236 electors and will first apply to the 2014-2015 state fiscal  
237 year.