

HJR 7221

2011

House Joint Resolution

A joint resolution proposing an amendment to Section 1 of Article VII and the creation of Section 19 of Article VII and Section 32 of Article XII of the State Constitution to replace the existing state revenue limitation with a new state revenue limitation based on inflation and population changes, to take effect upon approval by the electors and apply beginning in the 2014-2015 state fiscal year.

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

That the following amendment to Section 1 of Article VII and the creation of Section 19 of Article VII and Section 32 of Article XII of the State Constitution are 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; ~~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

29 | purposes prescribed by law, but shall not be subject to ad  
 30 | valorem taxes.

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

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

36 | ~~(e) Except as provided herein, state revenues collected~~  
 37 | ~~for any fiscal year shall be limited to state revenues allowed~~  
 38 | ~~under this subsection for the prior fiscal year plus an~~  
 39 | ~~adjustment for growth. As used in this subsection, "growth"~~  
 40 | ~~means an amount equal to the average annual rate of growth in~~  
 41 | ~~Florida personal income over the most recent twenty quarters~~  
 42 | ~~times the state revenues allowed under this subsection for the~~  
 43 | ~~prior fiscal year. For the 1995-1996 fiscal year, the state~~  
 44 | ~~revenues allowed under this subsection for the prior fiscal year~~  
 45 | ~~shall equal the state revenues collected for the 1994-1995~~  
 46 | ~~fiscal year. Florida personal income shall be determined by the~~  
 47 | ~~legislature, from information available from the United States~~  
 48 | ~~Department of Commerce or its successor on the first day of~~  
 49 | ~~February prior to the beginning of the fiscal year. State~~  
 50 | ~~revenues collected for any fiscal year in excess of this~~  
 51 | ~~limitation shall be transferred to the budget stabilization fund~~  
 52 | ~~until the fund reaches the maximum balance specified in Section~~  
 53 | ~~19(g) of Article III, and thereafter shall be refunded to~~  
 54 | ~~taxpayers as provided by general law. State revenues allowed~~  
 55 | ~~under this subsection for any fiscal year may be increased by a~~  
 56 | ~~two-thirds vote of the membership of each house of the~~

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57 ~~legislature in a separate bill that contains no other subject~~  
 58 ~~and that sets forth the dollar amount by which the state~~  
 59 ~~revenues allowed will be increased. The vote may not be taken~~  
 60 ~~less than seventy-two hours after the third reading of the bill.~~  
 61 ~~For purposes of this subsection, "state revenues" means taxes,~~  
 62 ~~fees, licenses, and charges for services imposed by the~~  
 63 ~~legislature on individuals, businesses, or agencies outside~~  
 64 ~~state government. However, "state revenues" does not include:~~  
 65 ~~revenues that are necessary to meet the requirements set forth~~  
 66 ~~in documents authorizing the issuance of bonds by the state;~~  
 67 ~~revenues that are used to provide matching funds for the federal~~  
 68 ~~Medicaid program with the exception of the revenues used to~~  
 69 ~~support the Public Medical Assistance Trust Fund or its~~  
 70 ~~successor program and with the exception of state matching funds~~  
 71 ~~used to fund elective expansions made after July 1, 1994;~~  
 72 ~~proceeds from the state lottery returned as prizes; receipts of~~  
 73 ~~the Florida Hurricane Catastrophe Fund; balances carried forward~~  
 74 ~~from prior fiscal years; taxes, licenses, fees, and charges for~~  
 75 ~~services imposed by local, regional, or school district~~  
 76 ~~governing bodies; or revenue from taxes, licenses, fees, and~~  
 77 ~~charges for services required to be imposed by any amendment or~~  
 78 ~~revision to this constitution after July 1, 1994. An adjustment~~  
 79 ~~to the revenue limitation shall be made by general law to~~  
 80 ~~reflect the fiscal impact of transfers of responsibility for the~~  
 81 ~~funding of governmental functions between the state and other~~  
 82 ~~levels of government. The legislature shall, by general law,~~  
 83 ~~prescribe procedures necessary to administer this subsection.~~

84 SECTION 19. State revenue limitation.-

85 (a) STATE REVENUE LIMITATION.—Except as provided in this  
 86 section, state revenues collected in any fiscal year are limited  
 87 as follows:

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

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

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

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

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

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

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

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

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

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

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

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141 the form that will be presented to the governor.

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

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

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

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

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

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169 section.

170 (g) DEFINITIONS.—As used in this section, the term:

171 (1) "Adjustment for growth" means an amount equal to the  
172 average for the previous five years of the product of the  
173 inflation factor and the population factor.

174 (2) "Inflation factor" means an amount equal to one plus  
175 the percent change in the calendar year annual average of the  
176 Consumer Price Index. The term "Consumer Price Index" means the  
177 Consumer Price Index for All Urban Consumers, U.S. city average  
178 (not seasonally adjusted, current base for all items), as  
179 published by the United States Department of Labor. In the event  
180 the index ceases to exist, the legislature shall determine the  
181 successor index by general law.

182 (3) "Population factor" means an amount equal to one plus  
183 the percent change in population of the state as of April 1  
184 compared to April 1 of the prior year. For purposes of  
185 calculating the annual rate of change in population, the state's  
186 official population estimates shall be used.

187 (4) "State revenues" means taxes, fees, licenses, fines,  
188 and charges for services imposed by the legislature on  
189 individuals, businesses, or agencies outside state government.  
190 However, the term "state revenues" does not include: revenues  
191 that are necessary to meet the requirements set forth in  
192 documents authorizing the issuance of bonds by the state for  
193 bonds issued before July 1, 2012; revenues that are used to  
194 provide matching funds for the federal Medicaid program with the  
195 exception of the revenues used to support the Public Medical  
196 Assistance Trust Fund or its successor program and with the

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

207 ARTICLE XII

208 SCHEDULE

209 SECTION 32. State revenue limitation.—The amendment to  
 210 Section 1 and the creation of Section 19 of Article VII,  
 211 revising the state revenue limitation, and this section take  
 212 effect upon approval by the electors and apply beginning in the  
 213 2014-2015 state fiscal year.

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

216 ARTICLE VII, SECTIONS 1 and 19

217 ARTICLE XII, SECTION 32

218 CONSTITUTIONAL AMENDMENT

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



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