

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HJR 737 w/CS Freezing Assessed Value of Homestead Property  
**SPONSOR(S):** Smith and Roberson  
**TIED BILLS:** None **IDEN./SIM. BILLS:**

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Local Government &amp; Veterans' Affairs</u>	<u>16 Y 0 N</u>	<u>Grayson</u>	<u>Highsmith-Smith</u>
2) <u>Judiciary</u>	<u>17 Y, 0 N w/CS</u>	<u>Billmeier</u>	<u>Havlicak</u>
3) <u>Finance and Tax</u>	<u>22 Y 0 N</u>	<u>Monroe</u>	<u>Diez-Arguelles</u>
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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### SUMMARY ANALYSIS

HJR 737 amends Art. VII, s. 4, Florida Constitution, to authorize a county to prohibit, by ordinance, an increase in the assessed value of homestead property located in that county which is owned by any person who is age 65 or older and whose household income does not exceed \$20,000.

The joint resolution provides ballot language.

The joint resolution provides that the amendment be submitted to the electors of Florida for approval or rejection at the general election in November 2004.

The joint resolution was referred to the Impact Conference which estimated that if this limitation on assessed value were fully implemented in all counties, the fiscal impact would be -\$4.8 million in the 2006-07 fiscal year, and would grow to -\$16.8 million by the 2010-11 fiscal year.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h0737e.ft.doc  
**DATE:** April 16, 2003

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |   |                             |   |
|--------------------------------------|---|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

This joint resolution provides authority for a county to prohibit, by ordinance, an increase in the assessed value of homestead property located in that county which is owned by any person who has attained age 65 and whose household income, as defined by general law, does not exceed \$20,000 per year, as adjusted in accordance with general law.

The joint resolution provides ballot language. The joint resolution also provides that the amendment shall be submitted to the electors of Florida for approval or rejection at the general election in November 2004.

#### C. SECTION DIRECTORY:

The bill consists of a joint resolution of the Florida Legislature calling for the amendment to s. 4, Art. VII, Fla. Const.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

##### 1. Revenues:

None.

##### 2. Expenditures:

None.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

##### 1. Revenues:

The Impact Conference estimated that if this limitation on assessed value was fully implemented in all counties, the impact to local governments over the first five years would be:

Fiscal Year	Estimated Revenue Loss
2006-07	\$4.8 million
2007-08	\$8.7 million
2008-09	\$11.4 million
2009-10	\$14.5 million
2010-11	\$16.8 million

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This amendment will lower taxes for those individuals who qualify for this limitation on assessed value, and may increase taxes for those who do not qualify.

D. FISCAL COMMENTS:

None.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This joint resolution is exempt from the mandates provisions of the constitution.

2. Other:

**Constitutional Provision for Amending the Constitution**

Article XI, s. 1, Fla. Const., provides the Legislature the authority to propose amendments to the constitution by joint resolution approved by three-fifths of the membership of each house. The amendment must be placed before the electorate at the next general election held after the proposal has been filed with Secretary of State's office or may be placed at a special election held for that purpose.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The Committee on Judiciary adopted an amendment to clarify the ballot summary on April 9, 2003. The joint resolution, as amended, was reported favorably.