

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HJR 151 Homestead/Assessed Value/Elderly  
**SPONSOR(S):** Smith  
**TIED BILLS:** None **IDEN./SIM. BILLS:** HB 41, SB 1168, SB 1204

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Local Government &amp; Veterans' Affairs</u>	<u>14 Y, 0 N</u>	<u>Grayson</u>	<u>Cutchins</u>
2) <u>Judiciary</u>	<u></u>	<u>Jaroslav</u>	<u>Havlicak</u>
3) <u>Finance &amp; Tax</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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### SUMMARY ANALYSIS

This Joint Resolution proposes an amendment to Article VII, section 4 of the Florida Constitution, authorizing a county, in the manner prescribed by general law, to adopt an ordinance to prohibit 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, as adjusted in accordance with general law.

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.

A similar joint resolution was referred to the Impact Conference, during the 2003 Session, 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 end of 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:** h0151b.ju.doc  
**DATE:** March 1, 2004

## 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:

The Florida Constitution does not currently authorize counties to prohibit an increase in the assessed value of homestead property for certain elderly persons.

This joint resolution provides authority for a county, by ordinance, in the manner provided by law, to prohibit 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 and 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:

The Florida Constitution requires that a proposed constitutional amendment be published in one newspaper of general circulation in each county in which a newspaper is published, once in the tenth week and once in the sixth week immediately preceding the week in which the election is held.<sup>1</sup> The Division of Elections estimates that the cost of compliance would be approximately \$35,000.<sup>2</sup>

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<sup>1</sup> See Article XI, s. (5)(c), Fla. Const.

<sup>2</sup> Estimate based on 2002 advertising rates.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Impact Conference held during the 2003 Session estimated that if this limitation on assessed value was fully implemented in all counties, the impact to fiscal 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 may lower taxes for those individuals who qualify for this limitation on assessed value.

D. FISCAL COMMENTS:

None.

**III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

By its own terms, Article VII, s. 18, Fla. Const., the local mandates provision of the state constitution, applies only to general laws, not to other constitutional provisions.

2. Other:

**Provision for Amending the Florida Constitution**

Article XI, s. 1, Fla. Const., provides the Legislature the authority to propose constitutional amendments 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:

The language of the present resolution mirrors HJR 737 (2003) as amended by the Committee on Judiciary to clarify the ballot summary.

#### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.