

FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: [HJR 5019](#)

TITLE: Budget Stabilization Fund

SPONSOR(S): McClure

COMPANION BILL: None

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Budget](#)
23 Y, 4 N

SUMMARY

Effect of the Bill:

HJR 5019 proposes an amendment to the Florida Constitution to increase the amount of funds that may be retained in the budget stabilization fund, require an annual transfer to the budget stabilization fund unless there is a revenue shortfall, and allow the budget stabilization fund to be accessed periodically for critical state needs.

Fiscal or Economic Impact:

None

[JUMP TO](#)

[SUMMARY](#)

[ANALYSIS](#)

[RELEVANT INFORMATION](#)

[BILL HISTORY](#)

ANALYSIS

EFFECT OF THE BILL:

The House Joint Resolution (HJR) proposes an amendment to the Florida Constitution to increase the amount of funds that may be retained in the [budget stabilization fund](#) from 10 percent to 25 percent of net general revenue collections. The amendment also requires an annual transfer to the budget stabilization fund equal to \$750 million or the amount required to reach the 25 percent maximum, whichever is less, unless there is a revenue shortfall. Finally, if the principal balance of the fund exceeds 20 percent of net general revenue collections, the amendment would allow the Legislature to withdraw up to 5 percent of the principal balance to meet a critical state need. Such a withdrawal must be approved by a two-thirds vote of each house of the Legislature and may not occur more than once every three years.

Because the joint resolution proposes a [state constitutional amendment](#), it requires a three-fifths vote of the membership of each house of the Legislature to appear on the next general election ballot. If the HJR is placed on the ballot, it must be approved by at least 60 percent of the electors voting on the measure for passage. If approved, the amendment would take effect on January 12, 2027. The joint resolution is not subject to the Governor's veto powers.

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The State Constitution requires publication of a proposed amendment in a newspaper of general circulation in each county.¹ The Division of Elections within the Department of State must advertise the full text of the amendment twice in a newspaper of general circulation in each county where the amendment will appear on the ballot. The division must also provide each supervisor of elections with either booklets or posters displaying the full text of each proposed amendment.²

The fiscal impact on the state is indeterminate at this time but likely insignificant.

¹ [Art. XI, s. 5\(d\), FLA. CONST.](#)

² [S. 101.171, F.S.](#)

STORAGE NAME: h5019a.BUC

DATE: 6/5/2025

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Budget Stabilization Fund](#)

The Budget Stabilization Fund (BSF) was created in 1992 by a constitutional amendment proposed by the Taxation and Budget Reform Commission.³ Pursuant to [article III, section 19\(g\) of the Florida Constitution](#):

- The BSF must retain an amount equal to at least 5 percent of the last completed fiscal year’s net revenue collections for the General Revenue Fund.
- The principal balance of the BSF may not exceed an amount equal to 10 percent of the last completed fiscal year’s net revenue collections for the General Revenue Fund.
- Funds may only be withdrawn from the BSF to cover revenue shortfalls of the General Revenue Fund or to provide funding for an emergency, as defined by general law.
- General law must provide for the restoration of the BSF.
- BSF funds may not be otherwise obligated or committed for any purpose.

[Section 215.32\(2\)\(c\), F.S.](#), specifies that principal balance of the BSF must be maintained between 5 and 10 percent of the net revenue collections for the General Revenue Fund during the last completed fiscal year.⁴

By September 15 of each year, the amount needed for the balance of the BSF to equal the minimum 5 percent requirement must be transferred pursuant to appropriations made by law. The Legislature can appropriate the transfer from the General Revenue Fund or certain trust funds. Typically, the appropriation is made from the General Revenue Fund and is included in the General Appropriations Act.

[Section 216.222, F.S.](#), provides that money in the BSF can be transferred to the General Revenue Fund to:

- Offset a deficit in the General Revenue Fund.⁵
 - Transfers are made pursuant to an appropriation by law or can be made by the Chief Financial Officer under certain conditions and after consultation with the Governor and Chair and Vice Chair of the Legislative Budget Commission. Funds withdrawn by the Chief Financial Officer must be repaid at the beginning of the next fiscal year, from the General Revenue Fund balance forward.⁶
- Provide funding for an emergency⁷ declared by law or by the Governor pursuant to [s. 252.36, F.S.](#)
- Provide temporary transfers to the General Revenue Fund.⁸
 - The BSF may be used as a revolving fund to meet temporary deficiencies. Any interest earned must be deposited in the General Revenue Fund.
 - Transfers must be repaid by the end of the fiscal year unless the funds were transferred for the purpose of offsetting a deficit.

Expenditures from the BSF must be restored pursuant to a restoration schedule that provides for making five equal annual transfers from the General Revenue Fund, beginning in the third fiscal year following that in which the expenditure was made.⁹

³ Florida Constitution Revision Commission; Amendments, Election of 11-3-92. <https://library.law.fsu.edu/Digital-Collections/CRC/CRC-1998/conhist/1992amen.html>

⁴ The term “last completed fiscal year” means the most recently completed fiscal year prior to the regular legislative session at which the Legislature considers the General Appropriations Act for the year in which the transfer to the BSF must be made.

⁵ A deficit is deemed to occur when the official estimate of funds available in the General Revenue Fund for a fiscal year falls below the total amount appropriated from the General Revenue Fund for that fiscal year. Section [216.222\(1\)\(a\)1, F.S.](#)

⁶ S. [216.221, F.S.](#)

⁷ Section [252.34\(4\), F.S.](#), defines “Emergency” as “any occurrence, or threat thereof, whether natural, technological, or manmade, in war or in peace, which results or may result in substantial injury or harm to the population or substantial damage to or loss of property.”

⁸ See [ss. 216.222\(1\)\(c\), F.S., 215.32\(2\)\(c\)4., F.S.](#)

⁹ S. [215.32\(2\)\(c\), F.S.](#)

The following table shows the history of payments, withdrawals, and fund balances of the BSF:

Fiscal Year	Revenue Base Year	Revenue Base for Calculation	Minimum Fund Balance	Maximum Fund Balance	Net Deposits & Withdrawals	Fund Balance	Fund Balance as % of Revenue
1994-95	1992-93	12,059.0	120.6	1,205.9	120.6	120.6	1.0%
1995-96	1993-94	13,037.3	260.7	1,303.7	140.1	260.7	2.0%
1996-97	1994-95	13,647.0	409.4	1,364.7	148.7	409.4	3.0%
1997-98	1995-96	14,648.8	586.0	1,464.9	176.6	586.0	4.0%
1998-99	1996-97	15,738.4	786.9	1,573.8	200.9	786.9	5.0%
1999-00	1997-98	16,939.4	847.0	1,693.9	60.1	847.0	5.0%
2000-01	1998-99	17,879.4	894.0	1,787.9	47.0	894.0	5.0%
2001-02	1999-00	18,817.1	940.9	1,881.7	46.9	940.9	5.0%
2002-03	2000-01	19,178.1	958.9	1,917.8	18.0	958.9	5.0%
2003-04	2001-02	19,328.5	966.4	1,932.9	7.5	966.4	5.0%
2004-05	2002-03	19,984.2	999.2	1,998.4	29.4	995.8	5.0%
2005-06	2003-04	21,823.9	1,091.2	2,182.4	82.2	1,078.0	4.9%
2006-07	2004-05	24,969.4	1,248.5	2,496.9	158.8	1,236.8	5.0%
2007-08	2005-06	27,074.8	1,353.7	2,707.5	108.0	1,344.8	5.0%
2008-09	2006-07	26,400.3	1,320.0	2,640.0	-1,070.9	273.9	1.0%
2009-10	2007-08	24,138.8	1,206.9	2,413.9	1.0	274.9	1.1%
2010-11	2008-09	21,036.4	1,051.8	2,103.6	4.3	279.2	1.3%
2011-12	2009-10	21,535.5	1,076.8	2,153.6	214.6	493.8	2.3%
2012-13	2010-11	22,574.0	1,128.7	2,257.4	215.0	708.8	3.1%
2013-14	2011-12	23,623.0	1,181.2	2,362.3	215.9	924.7	3.9%
2014-15	2012-13	25,343.6	1,267.2	2,534.4	214.5	1,139.2	4.5%
2015-16	2013-14	26,217.8	1,310.9	2,621.8	214.5	1,353.7	5.2%
2016-17	2014-15	27,687.4	1,384.4	2,768.7	30.7	1,384.4	5.0%
2017-18	2015-16	28,329.0	1,416.5	2,832.9	32.1	1,416.5	5.0%
2018-19	2016-17	29,660.7	1,483.0	2,966.1	66.5	1,483.0	5.0%
2019-20	2017-18	31,483.4	1,574.2	3,148.3	91.2	1,574.2	5.0%
2020-21	2018-19	33,484.6	1,674.2	3,348.5	100.0	1,674.2	5.0%
2021-22	2019-20	31,512.5	1,575.6	3,151.3	1,056.0	2,730.2	8.7%
2022-23	2020-21	36,275.4	1,813.8	3,627.5	410.0	3,140.2	8.7%
2023-24	2021-22	44,027.7	2,201.4	4,402.8	1,000.2	4,140.4	9.4%
2024-25	2022-23	47,512.8	2,375.6	4,751.3	300.0	4,440.4	9.3%

[State Constitutional Amendment](#)

A joint resolution that proposes to amend the Florida Constitution must pass by a three-fifths vote of the membership of both houses.¹⁰ If a joint resolution is approved, it must be submitted to the voters at the next general election.¹¹ The State Constitution requires the proposed amendment to be published¹² twice in newspapers

¹⁰ [Art. XI, s. 1, FLA. CONST.](#)

¹¹ [Art. XI, s. 5\(a\), FLA. CONST.](#); *see also* [s. 97.021\(17\), F.S.](#)

¹² Such publication must also include notice of the date of the general election in which the proposed amendment or revision will be submitted to the electors. *See* [Art. XI, s. 5\(d\), FLA. CONST.](#)

of general circulation in each county in which a newspaper is published, once in the tenth week preceding the election and once in the sixth week, to notify the electors of the measure.¹³

If at least 60 percent of the electors voting on the measure approve it, the measure passes and becomes part of the State Constitution.¹⁴ An approved amendment takes effect on the first Tuesday after the first Monday in January following the election, unless otherwise specified.¹⁵

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Budget Committee	23 Y, 4 N		Pridgeon	Willson

¹³ *Id.*

¹⁴ [Art. XI, s. 5\(e\), FLA. CONST.](#)

¹⁵ *Id.*