By Commissioner Solari

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Section 18 of Article VII of the State Constitution to revise and specify certain conditions required to be met before the Legislature may enact a law requiring a county or a municipality to spend funds, reducing the authority of a county or a municipality to raise revenue, or reducing the amount of state tax revenue that may be received by a county or a municipality.

A proposal to amend

Be It Proposed by the Constitution Revision Commission of Florida:

Section 18 of Article VII of the State Constitution is amended to read:

ARTICLE VII

FINANCE AND TAXATION

SECTION 18. Laws requiring counties or municipalities to spend funds or limiting their ability to raise revenue or receive state tax revenue.—

(a) No county or municipality shall be bound by any general law that includes an unfunded state mandate, unless such law is enacted in accordance with the requirements in paragraph (1).

For purposes of this section, an unfunded state mandate is a law which requires a requiring such county or municipality to spend funds or to take an action requiring the expenditure of funds; to accept the transfer of a responsibility or function performed by the state; or to accept an increase in a responsibility or function performed by the state. An unfunded state mandate does not include a law for which funds are appropriated by the legislature at the time of enactment and annually thereafter to

fund county or municipal expenditures that are required by law

or a law that is required in order to comply with a federal

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requirement or to be eligible for a federal entitlement, which requirement specifically contemplates actions by counties or municipalities for compliance.

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- (1) The legislature may not enact a law constituting an unfunded state mandate unless the law contains only a single subject; is enacted only after a public hearing has been held, with at least twenty-four hours' notice before the hearing that legislation containing an unfunded state mandate will be considered; is accompanied by a fiscal analysis prepared by the legislature and made available at the time of the public hearing; and, in addition to complying with all other requirements for the enactment of laws, is passed by a three-fourths vote of the membership of each house of the legislature.
- (2) A law containing an unfunded state mandate shall be repealed on October 1 in the eighth year after its enactment, unless reenacted by the legislature in accordance with the requirements in paragraph (1) unless the legislature has determined that such law fulfills an important state interest and unless: funds have been appropriated that have been estimated at the time of enactment to be sufficient to fund such expenditure; the legislature authorizes or has authorized a county or municipality to enact a funding source not available for such county or municipality on February 1, 1989, that can be used to generate the amount of funds estimated to be sufficient to fund such expenditure by a simple majority vote of the governing body of such county or municipality; the law requiring such expenditure is approved by two-thirds of the membership in each house of the legislature; the expenditure is required to comply with a law that applies to all persons similarly

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situated, including the state and local governments; or the law is either required to comply with a federal requirement or required for eligibility for a federal entitlement, which federal requirement specifically contemplates actions by counties or municipalities for compliance.

- (b) Except upon approval of each house of the legislature by two-thirds of the membership, The legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the then-existing authority that municipalities or counties have to raise revenues in the aggregate, unless the law contains only a single subject; is enacted only after a public hearing has been held, with at least twenty-four hours' notice before the hearing that legislation containing an unfunded state mandate will be considered; is accompanied by a fiscal analysis prepared by the legislature and made available at the time of the public hearing; and, in addition to complying with all other requirements for the enactment of laws, is passed by a three-fourths vote of the membership of each house of the legislature as such authority exists on February 1, 1989.
- by two-thirds of the membership, The legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the percentage of a state tax in the aggregate shared with counties or and municipalities as an aggregate on February 1, 1989. The provisions of This subsection does shall not apply to enhancements to a state tax source enacted after January 1, 2019 February 1, 1989, to state tax sources, or during a fiscal emergency declared in a written

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joint proclamation issued by the president of the senate and the speaker of the house of representatives, or where the legislature provides additional state-shared revenues which are anticipated to be sufficient to replace the anticipated aggregate loss of state-shared revenues resulting from the reduction of the percentage of the state tax shared with counties or and municipalities, which source of replacement revenues shall be subject to the same requirements for repeal or modification as provided herein for the replaced a state-shared tax source existing on February 1, 1989.

- (d) Laws adopted to require funding of <u>a state-administered</u> retirement system or plan pension benefits existing on <u>January</u> 8, 2019 the effective date of this section, criminal laws, <u>and</u> election laws, the general appropriations act, special appropriations acts, laws reauthorizing but not expanding then-existing statutory authority, laws having insignificant fiscal impact, and laws creating, modifying, or repealing noncriminal infractions, are exempt from the requirements of this section.
- (e) The legislature may enact laws to assist in the implementation and enforcement of this section.