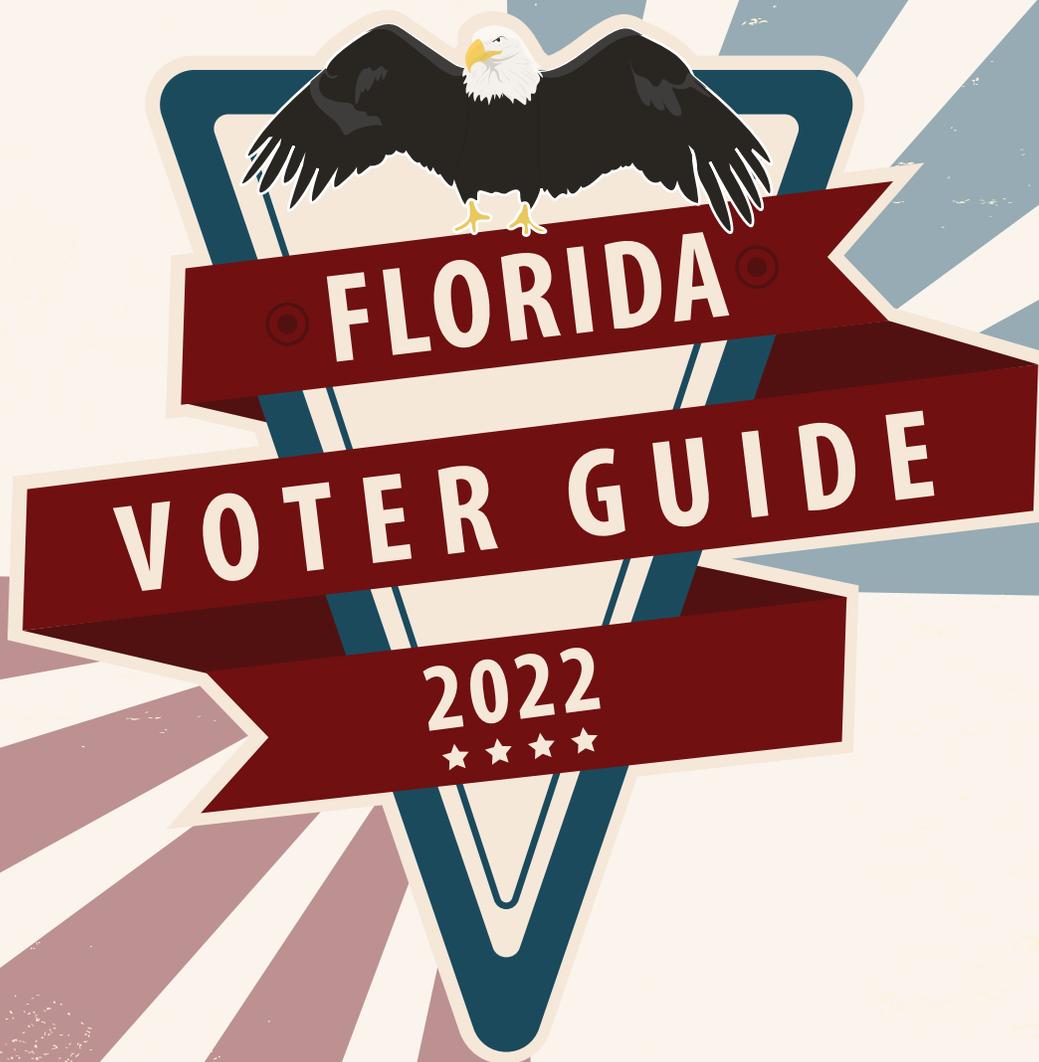


**A COMPREHENSIVE
GUIDE TO FLORIDA'S
2022 CONSTITUTIONAL
AMENDMENTS**



Florida
TaxWatch

SEPTEMBER 2022



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Senator Pat Neal
Chairman of the Board of Trustees

Dominic M. Calabro
President & Chief Executive Officer

Dear Fellow Voter,

I am pleased to present the 2022 Florida TaxWatch Voter Guide to Florida's Constitutional Amendments. Florida TaxWatch is honored to provide this service to the taxpayers of Florida to help educate voters on the issues before them on this year's ballot. The 2022 Voter Guide details the three amendments on the November 8, 2022, ballot; provides a Florida TaxWatch recommendation of which way to vote; and the reasoning for each recommendation.

In deciding which proposed amendments to approve, voters must consider the nature and purpose of a state constitution. A state's constitution is its fundamental law and, as such, it must only be carefully and thoughtfully amended. It is the supreme law of the state, subject to federal preemption and prevails and controls over statutes, laws, ordinances, and administrative rules and regulations. Florida's Constitution should, above all else, clearly define the relationship between government and those that are governed. In so doing, there are certain principles that should be clearly articulated in our constitution, including:

- A description of the branches of government, their powers, and how they work;
- A description of the limitations on the powers of government; and
- A description of the rights of citizens.

We have provided a notes sheet on page 13 of this Guide, where you can jot down anything you want to remember about the amendments and take it with you to the polls. We hope this information is useful to you. Most of all, we hope that you vote and use this resource and other authoritative sources for information to make sound and informed decisions about these proposed amendments to the constitution of Florida.

Sincerely,

Dominic M. Calabro
Dominic M. Calabro
President & CEO



On November 8, 2022, Floridians will vote on three legislatively referred proposed amendments to the Florida Constitution. At least 60 percent of the voters must vote in the affirmative for a proposed amendment to pass. This Florida TaxWatch Voter Guide is designed to provide Florida voters with information about each of the proposed amendments to help them cast well-informed votes.

Proposed constitutional amendment Number 1 would authorize the legislature to prohibit local governments from taking flood resistance improvements into account when calculating a property's assessed value for property tax purposes. Proposed constitutional amendment Number 2 would abolish the Florida Constitutional Revision Commission. Proposed constitutional amendment Number 3 would authorize the legislature to grant an additional homestead exemption of up to \$50,000 for specified critical front-line public employees. All three proposed amendments have been placed on the November ballot by joint resolutions of the Florida Legislature.

For each proposed amendment, this Voter Guide provides the following information:

- The title of the proposed amendment as it will appear on the November 8, 2022 ballot;
- How the proposed amendment came to be placed on the November 8, 2022 ballot;
- The specific section or sections of the Constitution that are being amended;
- A summary of the proposed amendment, including the practical effects of a “yes” vote or a “no” vote;
- A summary of the arguments for and against the proposed amendment;
- A detailed and thorough analysis of the proposed amendment;
- The fiscal impact of the proposed amendment;
- Florida TaxWatch’s conclusion, based upon the analysis and fiscal impacts of the proposed amendment; and
- A recommendation by Florida TaxWatch.

Florida TaxWatch believes the contents of the Florida Constitution should be limited to matters that are essential or fundamental. A proposed amendment may very well be a good idea, but voters must ask themselves “does it belong in the constitution, or should it be adopted as a Florida statute?” The constitution loses much of its significance as the foundation of government when the process of constitutional amendment is used as a substitute for legislation.

Once incorporated, it is extremely difficult to remove what is essentially a statutory provision from the constitution. The only option is to amend the constitution, which requires a 60 percent supermajority approval by Florida voters. The briefer and more concise the constitution, the more likely it is to be read and, more importantly, understood by the taxpayer.



AMENDMENT 1

TITLE

LIMITATION ON THE ASSESSMENT OF REAL PROPERTY USED FOR RESIDENTIAL PURPOSES

PLACED BY

Florida Legislature,
House Joint Resolution 1377

AMENDING

Amends Article VII, Section 4(i);
Creates a new section (Section 42) to
Article XII

BALLOT SUMMARY

“Proposing an amendment to the State Constitution, effective January 1, 2023, to authorize the Legislature, by general law, to prohibit the consideration of any change or improvement made to real property used for residential purposes to improve the property’s resistance to flood damage in determining the assessed value of such property for ad valorem taxation purposes.”

A YES VOTE MEANS

The voter supports authorizing the legislature to prohibit local governments from considering changes or improvements to residential properties to improve the property’s resistance to flood damage when determining the assessed value of such property for ad valorem taxation purposes. It is important to note that approval of the amendment does not automatically prohibit local governments from considering changes or improvements to residential property to improve the property’s resistance to flood damage when assessing the value of the property for ad valorem taxation purposes—the legislature will have to pass a bill that expressly prohibits such consideration.

A NO VOTE MEANS

The voter does not support authorizing the legislature to prohibit local governments from considering changes or improvements to residential properties to improve the property’s resistance to flood damage when determining the assessed value of such property for ad valorem taxation purposes. Flood resistance improvements would continue to be considered when a property’s assessed value is determined. This change can only be made through a constitutional amendment. If the proposed amendment fails, the legislature cannot make this change statutorily.



THE ARGUMENTS

SUPPORTERS

Supporters are quick to point out that this measure received broad bipartisan support in both chambers of the legislature, by a 118-0 vote (2 not voting) in the House and by a 40-0 vote in the Senate. In 2008, Florida voters approved a similar constitutional amendment, authorizing the legislature to prohibit local governments from considering changes or improvements to residential properties to improve the property's resistance to wind damage, and the installation of solar or renewable energy sources, when determining the assessed value of such property for ad valorem taxation purposes. Homeowners who are taking proactive measures to protect their property from flooding should not only be rewarded, they should be incentivized.

Given Florida's susceptibility to flood damage from storms, homeowners can increase an area's resistance to flood damage by installing flood mitigation measures (e.g., elevating structures, waterproofing, etc.). The property tax exemption makes it more likely that homeowners will install improvements that mitigate flood damage. This amendment, if passed, will protect Floridians, their homes, and the businesses that drive the state's growing economy by building a stronger and more resilient Florida.

OPPONENTS

Opponents argue that passage of the proposed amendment could have a negative impact on local revenues while providing minimal savings to the homeowner. Others point out that property tax exemptions can shift the tax savings enjoyed by those who qualify to the other taxpayers in the jurisdiction, since reductions in taxable property value put upward pressure on millage rates.

ANALYSIS

Ad valorem taxes are taxes that are based upon the assessed value of real estate or personal property. The terms "ad valorem tax" and "property tax" are often used interchangeably. The assessed value of property is the result of an annual determination by the county property appraiser of: (a) the just or fair market value of an item or property; (b) the value of property as limited by Article VII of the state constitution; or (c) the value of property in a classified use or at a fractional value if the property is assessed solely on the basis of character or use or at a specified percentage of its value under Article VII of the state constitution.¹

With more than 8,400 miles of coastline and a flat, low-lying coastal topography, Florida is especially vulnerable to the effects of sea level rise and flooding. More than 70 percent of Florida's 22 million residents reside in a coastal county. A 2021 report by Florida TaxWatch on the impact of climate change on Florida's economy found that, by the year 2045, approximately 64,000 existing residential properties (valued at \$26 billion) will be at risk of chronic flooding from sea level rise and more frequent and severe storms. An estimated \$350 million will be removed from local governments' property tax base.

By the end of this century, Florida's property tax risk is expected to increase to nearly \$5.0 billion, and more than 40 percent of the homes at risk in the U.S., and approximately 35 percent of the country's commercial properties, at risk from coastal flooding will be in Florida.²

Increased tidal flooding and more frequent and severe storms will threaten insurable property, lower asset values of mortgage-backed portfolios, and make lenders more reluctant to write long-term (i.e., 30-year) mortgages in high-risk coastal areas.

¹ §192.001(2), Florida Statutes.

² Florida TaxWatch, "A Rising Tide Sinks all Homes – The Effects of Climate Change on Florida's Economy," October 2021.



The vulnerability and relative decline in home prices in high-risk coastal areas could lead to 20 percent fewer home transactions in certain Florida communities.³

One way to better protect Florida's communities from sea level rise and more frequent and severe coastal storms is by taking steps in advance to reduce the risk and limit losses. This includes elevating structures and critical infrastructure above the base flood elevations, waterproofing, levees and seawalls, water storage reservoirs, and other measures that will reduce the risk and limit losses. These are investments with demonstrated returns. The National Institute of Building Sciences reports that every dollar spent on pre-disaster mitigation and preparedness saves six dollars in rebuilding costs after a storm.⁴

If approved by the voters, Amendment 1 stands to make flood-prone Florida communities more resilient to the effects of climate change. Florida residents who implement mitigation measures to make their homes more flood resistant are likely to benefit in a couple of ways. First, the flood-resistant measures are likely to increase the value of the property (with no corresponding property tax increase). Second, homeowners who have implemented measures to make their homes more resilient are more likely to enjoy reduced property insurance premium rates. For example, premium rates for structures with the first-floor elevation above the base flood elevation will, all things being equal, be lower than structures with the first-floor elevation below the base flood elevation.

FISCAL IMPACT

Because the legislature must pass future legislation to implement this amendment, the amendment on its own has no fiscal impact. An official state estimate, however, was made for a 2021 bill (that did not pass) to implement the proposed amendment. According to this estimate, the proposed amendment would result in tax savings and potentially reduced property tax revenue of \$25.1 million (at the millage rates at that time).⁵

CONCLUSION

Climate change poses an existential and generational threat to Florida. The impacts of climate change on every sector of Florida's economy will be catastrophic unless mitigated. Florida's continued growth will increase populations and development in flood-prone areas, which will put still more people and property at risk. Florida TaxWatch considers Amendment 1 to be a "win-win" for Florida taxpayers. Those taxpayers who choose to implement flood resistance improvements to their property stand to see the value of their property go up with no corresponding increase in property taxes and no negative effect on their property insurance premium rates. The impact on services provided by most local governments should be de minimis.

FOR THESE REASONS, FLORIDA TAXWATCH RECOMMENDS A "YES" VOTE ON AMENDMENT 1.

³ Ibid.

⁴ National Institute of Building Sciences, "Natural Hazard Mitigation Saves: 2017 Interim Report."

⁵ Florida Revenue Estimating Conference, "Revenue Impact Estimate for CS/HB 1379 (2021), April 9, 2021.



AMENDMENT 2

TITLE

ABOLISHING THE CONSTITUTION REVISION COMMISSION

PLACED BY

Florida Legislature,
Senate Joint Resolution 204

AMENDING

Amends Article II, Section 5; amends Article XI, Section 5; and repeals Article XI, Section 2

BALLOT SUMMARY

“Proposing an amendment to the State Constitution to abolish the Constitution Revision Commission, which meets at 20-year intervals and is scheduled to next convene in 2037, as a method of submitting proposed amendments or revisions to the State Constitution to electors of the state for approval. This amendment does not affect the ability to revise or amend the State Constitution through citizen initiative, constitutional convention, the Taxation and Budget Reform Commission, or legislative joint resolution.”

A YES VOTE MEANS

The voter supports amending the Florida Constitution to repeal the provision establishing the Constitution Revision Commission. The number of ways proposals to amend the state Constitution can be placed on the ballot would be reduced from five to four.

A NO VOTE MEANS

The voter does not support amending the Florida Constitution to repeal the provision establishing the Constitution Revision Commission.



THE ARGUMENTS

SUPPORTERS

Supporters argue that Florida is the only state that has a Constitution Revision Commission (CRC) that meets every 20 years. If abolished, there would still be four ways to propose amendments to Florida’s Constitution (constitutional convention, joint legislative resolution, citizen petition, and the Taxation and Budget Reform Commission), all of which require voter approval.

The proposed joint resolution of the legislature received broad bipartisan support—not only did the resolution receive approval by both legislative chambers, it received backing from both conservative organizations like the Americans for Prosperity – Florida, as well as from more liberal organizations like the Florida National Organization for Women, Florida AFL-CIO, and the Florida Policy Action Network.

One reason for the broad bipartisan support is the process of “bundling.” Five of the seven ballot measures placed before the voters in 2018 had more than one subject. This “bundling” was unfair to voters, who might support one issue in a ballot proposal and oppose another. The process is convoluted and there is little accountability.

OPPONENTS

Opponents argue that making it harder for citizens to amend the Constitution would concentrate too much power in the Legislature. There has to be an ability for the People to bring issues to the voters that the legislature will not address or when the legislature does not act. The Constitution Revision Commission represents a unique opportunity for Floridians to play a role in shaping their democracy. Despite the bundling of proposals, the 2017-18 CRC did approve measures that proved popular with the voters. Opponents of Amendment 2 view the CRC as worth repairing and saving—for example, requiring future CRCs to abide

by the single subject provision, thereby eliminating the confusion caused by the bundling of unrelated issues into a single proposal.

ANALYSIS

In 1968, Florida voters approved an amendment to the state constitution that required a Constitutional Revision Commission to convene once every 20 years to review the constitution, hold public hearings across the state, and recommend for voter consideration proposed changes to the constitution. Membership on the CRC consists of the Attorney General of Florida, three members appointed by the Chief Justice of the Florida Supreme Court, nine members appointed by the President of the Florida Senate, nine members appointed by the Speaker of the Florida House of Representatives, and 15 members appointed by the Governor of Florida. The 2017-18 CRC marked the first time since the CRC’s inception that the appointing elected officials were from the same political party.

The 2017-2018 CRC began its deliberations in March 2017 and submitted its final recommendations to the Florida Secretary of State on May 10, 2018. The CRC’s final recommendations were placed on the ballot for the November 2018 General Election for consideration by the voters.

Florida is the only state that affords citizens an opportunity to provide input into constitutional amendments through this process. Before the October 6, 2017 deadline for public submittals, a total of 2,013 public proposals were submitted—782 were submitted via the CRC’s website (flcrc.gov)¹ and 1,231 were submitted via e-mail, mail, and other non-website means.² An additional 123 proposals were filed by members of the CRC in advance of its October 31,

¹ Constitution Revision Commission, “Constitution Revision Commission Public Proposals - Website Submissions.”

² Constitution Revision Commission, “Constitution Revision Commission Public Proposals - Non-Website Submissions.”



2017 deadline.³ After much deliberation and a series of public hearings across the state, the CRC reported favorably 25 proposals to the Style and Drafting Committee. The Style and Drafting Committee was responsible for “clarifying, codifying, and arranging the proposals adopted by the CRC into an orderly revision of, or amendment(s) to, an existing Section or Article of the present constitution.”⁴ The Style and Drafting Committee bundled 18 of the proposals into seven proposed groupings.

The Florida Constitution affords the CRC broad powers, which impact the entire state and include very few checks and balances. Article XI, Section 2(c) of the Florida Constitution grants the CRC the following authority:

“Each constitution revision commission shall convene at the call of its chair, adopt its rules of procedure, examine the constitution of the state, hold public hearings, and, not later than one hundred eighty days prior to the next general election, file with the custodian of state records its proposal, if any, of a revision of this constitution or any part of it.”

Conspicuously absent from this charge is any oversight, be it the governor’s veto, approval by the legislature, or review by the courts. The only statewide elected official on the CRC is the Attorney General. This affords 36 appointees who are not elected statewide, not accountable to the voters, and not accountable even to those who appointed them, the opportunity to put measures directly on the ballot.

“The simple truth is, we don’t need it. Other states don’t have it and what it does is deny the people of the state of Florida the opportunity to hold these people accountable, because they’re literally

accountable to no one.”

—Senator Jeff Brandes⁵

The Commissioners themselves do not represent a constituency or their appointing officers, and once appointed, they are virtually autonomous. Moreover, one can reasonably expect that “appointers tend to appoint members who will support the appointers’ agendas” and tend to “protect” their appointing authority’s branch.⁶

Criticisms of the 2017-18 CRC include Commissioners advancing proposals that impact their own interests and ignoring open meeting rules.⁷ To be considered for placement on the November 2018 ballot, the CRC rules required a proposal submitted by the public to be nominated by a Commissioner and receive 10 votes (from the 37 members). Of the more than 2,000 proposals submitted by the public, only six (0.3 percent) went forward. In contrast, the 1997-98 CRC considered 696 public proposals, with 128 (18 percent) receiving the required 10 votes.⁸

There is nothing in Florida’s Constitution that expressly limits the ability of the CRC to propose the deletion of existing provisions. Article X of the Florida Constitution includes 32 “miscellaneous” provisions that have been added to the constitution over years of single-issue amendments that have been advanced by special interests. The seven amendments proposed by the 2018 CRC included five new sections and 21 amended sections of the constitution.

³ Constitution Revision Commission, “Commissioner Proposals,” retrieved from <http://library.law.fsu.edu/Digital-Collections/CRC/CRC-2018/Proposals/Commissioner.html>, July 5, 2022.

⁴ Rule 2.3., Rules of the Constitution Revision Commission 2017-18.

⁵ Brendan Farrington, “Florida Senate Seeks to End Constitution Revision Commission,” AP News, March 25, 2021, retrieved from <https://apnews.com/article/bills-florida-f2c21b92ae47e7a20225ff9de8a5e78b>, June 30, 2022.

⁶ Christopher S. Emmanuel, “Limiting Florida’s Constitution Revision Commission,” Florida State Law Review 733 (2020), Available at SSRN: <https://ssrn.com/abstract=3183989> or <http://dx.doi.org/10.2139/ssrn.3183989>.

⁷ Capitol News Service, “First Amendment Foundation Takes Aim at CRC,” December 13, 2017, retrieved from <https://www.flanews.com/2017/12/13/first-amendment-foundation-takes-aim-at-crc/>, June 30, 2022.

⁸ Ocala Star Banner, “CRC Gives Public Ideas Short Shrift,” October 28, 2017, retrieved from <https://www.ocala.com/story/opinion/editorials/2017/10/28/editorial-crc-gives-public-ideas-short-shrift/17809513007/>, June 30, 2022.



Consider the following examples of miscellaneous single-issue provisions in the current constitution:

Article X, Section 16—limits marine net fishing in Florida waters by prohibiting the use of gill nets or entanglement nets;

Article X, Section 21—limits cruel and inhumane confinement of pigs during pregnancy; and

Article X, Section 32—prohibits the racing of and wagering on greyhounds and other dogs.

The purpose of a constitution as historically conceived is to establish the basic order of government. The constitution loses much of its distinctive significance as the basic and enduring instrument of government when the process of constitutional amendment or revision is used as a substitute for legislation.⁹ The contents of the Florida Constitution should be limited to matters that are essential or fundamental.

Miscellaneous provisions like those in the preceding paragraphs are in no way essential or fundamental and, as such, should be handled through the legislative process and excluded from the constitution. It is unlikely that anyone would seriously argue that the treatment of pigs confined during pregnancy, for example, is a fundamental part of the basic order of Florida government. Given the opportunity to conduct a systematic review and revision of the constitution, the 2017-18 CRC did not propose significant revisions or edits of the Florida Constitution or any of its articles.

Because there is no “single subject” requirement for proposed amendments, five of the seven ballot measures placed before the voters in 2018 had more than one subject. For example, the 2018 CRC bundled together bans on oil drilling and vaping in the workplace. The seven ballot measures included 17 unique policy issues. Critics argued that such bundling was unfair to voters, who might support one issue in a ballot proposal and oppose another.

⁹ Paul G. Kauper, J.D., “The State Constitution: Its Nature and Purpose,” Citizens Research Council of Michigan, October 1961.

Not only has every CRC used this power, but the Florida Supreme Court has said that “the Florida Constitution expressly authorizes bundling.”¹⁰ Florida TaxWatch sees nothing wrong with bundling separate, dependent, and related issues into a single amendment; however, the bundling of separate, independent, and unrelated issues into a single amendment prevents voters from making a simple “yes” or “no” decision on each issue. This bundling has the potential to require voters to accept constitutional changes they may not like in order to get constitutional changes they do like. Florida TaxWatch does not think Florida voters should be required to exercise a right as important as voting under this type of restriction.

“I didn’t have enough bandwidth to propose it, but I would like to see the CRC eliminated... I think what happened last election with some of those bundled amendments was not good.”

—Governor Ron DeSantis¹¹

Even many of those who support the retention of the CRC acknowledge the need to improve it. The editorial board of the South Florida Sun-Sentinel suggested that “[I]nstead of repealing the review commission, the Legislature should be mending it.”¹² The Treasure Coast Newspaper Editorial Board acknowledged that “both the design of the commission and the processes it employed are flawed” and offered several improvements, including subjecting commission members to Florida’s sunshine law; limiting proposals on the ballot to single issues; limiting the number of amendments on the ballot; meeting more often; and diversifying the makeup of the commission.¹³ Several legislators who voted against putting this measure on the November ballot suggested that, rather than

¹⁰ Anstead, 256 So.3d at 823-24.

¹¹ Renzo Downey, “Senate Panel to Consider Amendment Eliminating Constitution Revision Commission,” Florida Politics, January 20, 2021, retrieved from <https://floridapolitics.com/archives/396838-senate-panel-to-consider-amendment-eliminating-constitution-revision-commission/>, March 11, 2022.

¹² South Florida Sun-Sentinel, “In Florida, the Empire Strikes Back Editorial,” February 4, 2021.

¹³ Treasure Coast Newspapers Editorial Board, “Either Fix Constitution Revision Commission or Kill It – Our View,” TC Palm, May 2, 2018.



abolishing the CRC, the legislature should require CRC proposals to be subject to the single subject rule, or put more rules in place about who can serve on the CRC.

The immediate problem with retaining the CRC and letting the legislature make the necessary improvements is that this option is not available to the voters this November. The ballot measure is to abolish the CRC, and the choice before the voters is to keep it in its current form or abolish it altogether.

In addition, Florida TaxWatch does not think the legislature has the authority to make the suggested improvements. Article XI, Section 2(c) of the Florida Constitution grants the authority to adopt the CRC's rules of procedure to the CRC, and not to the legislature. In those instances where there is a conflict between language in the constitution and language in a statute, the language in the constitution prevails and controls.

FISCAL IMPACT

The amendment would have no direct impact on state revenues. Although the CRC could potentially propose future amendments that could affect state or local revenues (or expenditures) up or down, that impact is not known. There would be some state expenditure savings if the amendment is approved, but that would take place only once every 20 years. The 2017 legislature appropriated \$3.1 million for expenses related to the CRC.

CONCLUSION

There is widespread bipartisan support for abolishing the CRC. It is important to note that every member of the 2017-18 CRC appointed by an elected official was appointed by a Republican, yet all 24 Senate Republicans and 75 House Republicans (three did not vote) voted in favor of abolishing the CRC. Even organizations that routinely support measures granting the People the ability to bring issues to the voters that

the legislature will not address, or when the legislature does not act, support abolishing the CRC. During legislative committee meetings on the joint resolution, the Florida National Organization for Women testified that the CRC had strayed from its original mission and become captive to special interests. The AFL-CIO Florida testified that the CRC did a poor job following its own procedural rules.

Abolishing the CRC still leaves Florida taxpayers four ways to place constitutional amendments on the ballot, all of which require approval of Florida voters. For the 19 years the CRC is not meeting, constitutional amendments can still be placed on the ballot, either by the Legislature or citizen initiative.

FOR THESE REASONS, FLORIDA TAXWATCH RECOMMENDS A "YES" VOTE ON AMENDMENT 2.



AMENDMENT 3

TITLE

ADDITIONAL HOMESTEAD PROPERTY TAX EXEMPTION FOR SPECIFIED CRITICAL PUBLIC SERVICES WORKFORCE

PLACED BY

Florida Legislature,
House Joint Resolution 1

AMENDING

Amends Article VII, Section 6;
Creates a new schedule in Article XII

BALLOT SUMMARY

“Proposing an amendment to the State Constitution to authorize the Legislature, by general law, to grant an additional homestead tax exemption for nonschool levies of up to \$50,000 of the assessed value of homestead property owned by classroom teachers, law enforcement officers, correctional officers, firefighters, emergency medical technicians, paramedics, child welfare services professionals, active duty members of the United States Armed Forces, and Florida National Guard members. This amendment shall take effect January 1, 2023.”

A YES VOTE MEANS

The voter supports authorizing the legislature to grant an additional homestead exemption (up to \$50,000) for homestead property owned by classroom teachers, law enforcement officers, correctional officers, firefighters, emergency medical technicians, paramedics, child welfare services professionals, active duty members of the United States Armed Forces, and Florida National Guard members. Unlike Amendment 1, the 2022 legislature has already passed a bill (HB 1563) to implement this amendment, if approved. The Governor signed the bill, so approval of Amendment 3 enacts this new exemption.

A NO VOTE MEANS

The voter opposes authorizing the legislature to grant an additional homestead exemption (up to \$50,000) for homestead property owned by classroom teachers, law enforcement officers, correctional officers, firefighters, emergency medical technicians, paramedics, child welfare services professionals, active duty members of the United States Armed Forces, and Florida National Guard members.



THE ARGUMENTS

SUPPORTERS

Supporters argue that those critical front-line employees included in the “Specified Critical Public Services Workforce” are in lower-income positions and will benefit from the additional homestead exemption. As home values and property taxes continue to increase, Florida’s critical front-line public employees deserve a property tax break.

OPPONENTS

Opponents argue that Amendment 3 represents a “tax shift” and not a “tax cut.” Reducing the taxable value of homestead property for one segment of property owners can increase the property tax burden for all other property owners. This includes owners of all non-homestead properties (e.g., businesses, rental properties, secondary homes, etc.) and homestead property owners who are not included in the “Specified Critical Public Services Workforce.”

If property tax revenue does fall, cities, counties, and special districts may experience difficulty maintaining important government services, such as law enforcement, fire departments, etc., without raising other taxes to make up the reduction. In May 2022, the governor announced a \$100 million “Florida Hometown Heroes Housing Program” to assist “vital” workers among 50 professions with down payment and closing costs, thereby mitigating the need for this amendment.

ANALYSIS

Florida’s housing market reflects the imbalance between the demand for housing and the available supply. The absence of a state income tax, coupled with relatively low property taxes and natural amenities, make Florida an attractive destination for new residents, with an estimated 900 – 1,000 people moving

to Florida each day. In August 2021, the median sales price for single-family homes in Florida was about \$354,000, representing an 18 percent increase from the previous year. If home prices continue to rise at this rate, projections suggest Florida’s average home price may reach \$438,000 by 2030.¹

Rapidly increasing home prices have priced many would-be first-time home buyers out of the market, which has accelerated the demand for rental properties. In response to this increased demand, median rental prices increased from \$1,340 in February 2020 (prior to the COVID-19 pandemic) to just over \$1,760 in February 2022.² Florida’s struggle to provide affordable housing³ is well-documented. Florida only has 28 available and affordable units for every 100 extremely low-income renter households.⁴ The rising cost of housing has negatively impacted many of Florida’s front-line workers.

Florida homeowners already have two homestead exemptions available: The original homestead exemption exempts the first \$25,000 of the home’s appraised value (including taxes levied by the school district). In 2008, Florida voters approved a second \$25,000 homestead exemption that exempts the appraised value between \$50,000 and \$75,000 (this exemption does not apply to taxes levied by the school district). Full property taxes are paid on the appraised value between \$25,000 and \$50,000.

If approved by the voters and authorized by the legislature, members of the designated professions would be eligible for a third homestead exemption worth \$50,000—the appraised value between \$100,000 and \$150,000 would also be exempt (this exemption does not apply to taxes levied by the school district).

1 Florida TaxWatch, “Beyond the Pandemic: Long-Term Changes and Challenges for Housing in Florida,” Economic Commentary, October 2021.
2 Florida TaxWatch, “Too Expensive to Rent: Florida’s Rental Market and Eviction Moratorium,” Economic Commentary, March 2022.
3 The U.S. Department of Housing and Community Development generally considers housing to be “affordable” if it costs no more than 30 percent of a household’s gross income (including utilities).
4 National Low Income Housing Coalition, “The Gap: A Shortage of Affordable Homes,” March 2021.



Full property taxes are paid on the appraised value between \$75,000 and \$100,000, and on the appraised value above \$150,000. Those who qualify for the new exemption and who own a home appraised at \$150,000 or more, would receive \$100,000 in homestead exemptions.

The state of Florida has done much to help Florida's front line and critical workers buy homes. The state's "Hometown Heroes" program will use \$100 million from the State Housing Initiative Partnership (SHIP) program to offer buyers up to five percent (\$25,000 maximum) on first mortgage loans for their down payment and help with the closing costs. Over the past three years, the state has invested more than \$2 billion to raise minimum teacher pay and increase veteran teacher salaries in Florida. In 2020, the average starting salary for a teacher in Florida was \$40,000 (26th in the nation). With this additional investment, the average starting salary for a teacher in Florida is at least \$47,500 (9th in the nation).⁵ For the past two years, Florida first responders employed by local governments have been granted \$1,000 bonuses. State law enforcement officers have received across-the-board pay increases, and the fiscal year 2022-23 state budget includes \$5,000 bonuses to help recruit law-enforcement officers from other states.

FISCAL IMPACT

The Revenue Estimating Conference determined that approval by the voters and authorization by the legislature will reduce local property tax revenue by \$85.9 million annually, beginning in Fiscal Year 2023-2024.⁶

CONCLUSION

Florida TaxWatch acknowledges that another homestead exemption for the "Specified Critical Public Services Workforce" is well-deserved and will help these homeowners keep the costs of home ownership more affordable. A tax shift is not a tax cut and, although that segment of the "Specified Critical Public Services Workforce" who are fortunate enough to own their own homes will benefit, the burden of additional taxes will be borne by everybody else, with higher taxes on lower-income homeowners and small businesses, and increased rents for renters (including those members of the "Specified Critical Public Services Workforce" who rent their homes).

Skyrocketing housing costs have made it difficult for teachers, law enforcement officers, and other members of the "Specified Critical Public Services Workforce" to come to and work in Florida. Despite efforts to increase teacher salaries, the Florida Department of Education projected more than 9,000 teacher vacancies during the 2021-22 school year. The shortage of certified law enforcement officers leads to longer emergency response times and longer criminal investigations. Florida fire departments and emergency medical services agencies are dealing with staff shortages and high call volumes (made worse by the pandemic).

In general, Florida TaxWatch opposes efforts to shift the tax burden from one segment of the population to another. In this instance, however, Florida TaxWatch believes the benefits of Amendment 3 far outweigh the negative consequences of a tax shift.

**FOR THESE REASONS, FLORIDA TAXWATCH
RECOMMENDS A "YES" VOTE ON AMENDMENT 3.**

⁵ Executive Office of the Governor, "Governor Ron DeSantis Announces Pay Raises for Florida Teachers," retrieved from <https://flgov.com/2022/03/21/governor-ron-desantis-announces-pay-raises-for-florida-teachers/>, July 7, 2022.

⁶ Professional Staff of the Florida Senate, "CS/CS/HB 1563 Bill Analysis and Fiscal Impact Statement," February 28, 2022.



TAKE ME WITH YOU!

BALLOT #	TITLE	TAXWATCH REC.	MY VOTE
1	LIMITATION ON THE ASSESSMENT OF REAL PROPERTY USED FOR RESIDENTIAL PURPOSES	YES	
NOTES:			
2	ABOLISHING THE CONSTITUTION REVISION COMMISSION	YES	
NOTES:			
3	ADDITIONAL HOMESTEAD PROPERTY TAX EXEMPTION FOR SPECIFIED CRITICAL PUBLIC SERVICES WORKFORCE	YES	
NOTES:			



**THIS PAGE LEFT BLANK OPPOSITE THE NOTES PAGE.
PLEASE PRINT OUT AND TAKE WITH YOU TO VOTE!**



FULL TEXT OF EACH AMENDMENT

Full text of all amendments can be found at <https://dos.elections.myflorida.com/initiatives/>

AMENDMENT 1

LIMITATION ON THE ASSESSMENT OF REAL PROPERTY USED FOR RESIDENTIAL PURPOSES

ARTICLE VII

SECTION 4(i):

(i) The legislature, by general law and subject to conditions specified therein, may prohibit the consideration of the following in the determination of the assessed value of real property:

(1) Any change or improvement to real property used for residential purposes made to improve the property's resistance to wind damage or to flood damage.

(2) The installation of a solar or renewable energy source device.

ARTICLE XII

SECTION 42:

Limitation on the assessment of real property used for residential purposes.—This section and the amendment to Section 4 of Article VII, authorizing the legislature to prohibit an increase in the assessed value of real property used for residential purposes as a result of any change or improvement made to improve the property's resistance to flood damage, shall take effect January 1, 2023.



AMENDMENT 2

ABOLISHING THE CONSTITUTION REVISION COMMISSION

ARTICLE II

GENERAL PROVISIONS

SECTION 5. Public officers.—

(a) No person holding any office of emolument under any foreign government, or civil office of emolument under the United States or any other state, shall hold any office of honor or of emolument under the government of this state. No person shall hold at the same time more than one office under the government of the state and the counties and municipalities therein, except that a notary public or military officer may hold another office, and any officer may be a member of the ~~a constitution revision commission~~; taxation and budget reform commission, constitutional convention, or a statutory body having only advisory powers.

(b) Each state and county officer, before entering upon the duties of the office, shall give bond as required by law, and shall swear or affirm:

“I do solemnly swear (or affirm) that I will support, protect, and defend the Constitution and Government of the United States and of the State of Florida; that I am duly qualified to hold office under the Constitution of the state; and that I will well and faithfully perform the duties of (title of office) on which I am now about to enter. So help me God.”

and thereafter shall devote personal attention to the duties of the office, and continue in office until a successor qualifies.

(c) The powers, duties, compensation and method of payment of state and county officers shall be fixed by law.

ARTICLE XI

AMENDMENTS

~~SECTION 2. Revision Commission.—~~

~~(a) Within thirty days before the convening of the 2017 regular session of the legislature, and each twentieth year thereafter, there shall be established a constitution revision commission composed of the following thirty-seven members:~~

~~(1) the attorney general of the state;~~

~~(2) fifteen members selected by the governor;~~

~~(3) nine members selected by the speaker of the house of representatives and nine members selected by the president of the senate; and~~

~~(4) three members selected by the chief justice of the supreme court of Florida with the advice of the justices.~~

~~(b) The governor shall designate one member of the commission as its chair. Vacancies in the membership of the commission shall be filled in the same manner as the original appointments.~~

~~(c) Each constitution revision commission shall convene at the call of its chair, adopt its rules of procedure, examine the constitution of the state, hold public hearings, and, not later than one hundred eighty days prior to the next general election, file with the custodian of state records its proposal, if any, of a revision of this constitution or any part of it.~~



SECTION 5. Amendment or revision election. —

(a) A proposed amendment to or revision of this constitution, or any part of it, shall be submitted to the electors at the next general election held more than ninety days after the joint resolution or report of ~~a revision commission~~; constitutional convention or the taxation and budget reform commission proposing it is filed with the custodian of state records, unless, pursuant to law enacted by the affirmative vote of three-fourths of the membership of each house of the legislature and limited to a single amendment or revision, it is submitted at an earlier special election held more than ninety days after such filing.

(b) A proposed amendment or revision of this constitution, or any part of it, by initiative shall be submitted to the electors at the general election provided the initiative petition is filed with the custodian of state records no later than February 1 of the year in which the general election is held.

(c) The legislature shall provide by general law, prior to the holding of an election pursuant to this section, for the provision of a statement to the public regarding the probable financial impact of any amendment proposed by initiative pursuant to section 3.

(d) Once in the tenth week, and once in the sixth week immediately preceding the week in which the election is held, the proposed amendment or revision, with notice of the date of election at which it will be submitted to the electors, shall be published in one newspaper of general circulation in each county in which a newspaper is published.

(e) Unless otherwise specifically provided for elsewhere in this constitution, if the proposed amendment or revision is approved by vote of at least sixty percent of the electors voting on the measure, it shall be effective as an amendment to or revision of the constitution of the state on the first Tuesday after the first Monday in January following the election, or on such other date as may be specified in the amendment or revision.



AMENDMENT 3

ADDITIONAL HOMESTEAD PROPERTY TAX EXEMPTION FOR SPECIFIED CRITICAL PUBLIC SERVICES WORKFORCE

SECTION 6 OF ARTICLE VII

(a) Every person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner, shall be exempt from taxation thereon, except assessments for special benefits, up to the assessed valuation of twenty-five thousand dollars and, for all levies other than school district levies, on the assessed valuation greater than fifty thousand dollars and up to seventy-five thousand dollars, upon establishment of right thereto in the manner prescribed by law. The real estate may be held by legal or equitable title, by the entireties, jointly, in common, as a condominium, or indirectly by stock ownership or membership representing the owner's or member's proprietary interest in a corporation owning a fee or a leasehold initially in excess of ninety-eight years. The exemption shall not apply with respect to any assessment roll until such roll is first determined to be in compliance with the provisions of section 4 by a state agency designated by general law. This exemption is repealed on the effective date of any amendment to this Article which provides for the assessment of homestead property at less than just value.

(b) Not more than one exemption shall be allowed any individual or family unit or with respect to any residential unit. No exemption shall exceed the value of the real estate assessable to the owner or, in case of ownership through stock or membership in a corporation, the value of the proportion which the interest in the corporation bears to the assessed value of the property.

(c) By general law and subject to conditions specified therein, the Legislature may provide to renters, who are permanent residents, ad valorem tax relief on all ad valorem tax levies. Such ad valorem tax relief shall be in the form and amount established by general law.

(d) The legislature may, by general law, allow counties or municipalities, for the purpose of their respective tax levies and subject to the provisions of general law, to grant either or both of the following additional homestead tax exemptions:

(1) An exemption not exceeding fifty thousand dollars to a person who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, and who has attained age sixty-five, and whose household income, as defined by general law, does not exceed twenty thousand dollars; or

(2) An exemption equal to the assessed value of the property to a any person who has the legal or equitable title to real estate with a just value less than two hundred and fifty thousand dollars, as determined in the first tax year that the owner applies and is eligible for the exemption, and who has 74 maintained thereon the permanent residence of the owner for not less than twenty-five years, and who has attained age sixty-five, and whose household income does not exceed the income limitation prescribed in paragraph (1). The general law must allow counties and municipalities to grant these additional exemptions, within the limits prescribed in this subsection, by ordinance adopted in the manner prescribed by general law, and must provide for the periodic adjustment of the income limitation prescribed in this subsection for changes in the cost of living.

The general law must allow counties and municipalities to grant these additional exemptions, within the limits prescribed in this subsection, by ordinance adopted in the manner prescribed by general law, and must provide for the periodic adjustment of the income limitation prescribed in this subsection for changes in the cost of living



(e) Each veteran who is age 65 or older who is partially or totally permanently disabled shall receive a discount from the amount of the ad valorem tax otherwise owed on homestead property the veteran owns and resides in if the disability was combat related and the veteran was honorably discharged upon separation from military service. The discount shall be in a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veterans Affairs. To qualify for the discount granted by this paragraph, an applicant must submit to the county property appraiser, by March 1, an official letter from the United States Department of Veterans Affairs stating the percentage of the veteran's service-connected disability and such evidence that reasonably identifies the disability as combat related, and a copy of the veteran's honorable discharge. If the property appraiser denies the request for a discount, the appraiser must notify the applicant in writing of the reasons for the denial, and the veteran may reapply. The Legislature may, by general law, waive the annual application requirement in subsequent years.

(2) If a veteran who receives the discount described in paragraph (1) predeceases his or her spouse, and if, upon the death of the veteran, the surviving spouse holds the legal or beneficial title to the homestead property and permanently resides thereon, the discount carries over to the surviving spouse until he or she remarries or sells or otherwise disposes of the homestead property. If the surviving spouse sells or otherwise disposes of the property, a discount not to exceed the dollar amount granted from the most recent ad valorem tax roll may be transferred to the surviving spouse's new homestead property, if used as his or her permanent residence and he or she has not remarried.

(3) This subsection is self-executing and does not require implementing legislation.

(f) By general law and subject to conditions and limitations specified therein, the Legislature may provide ad valorem tax relief equal to the total amount or a portion of the ad valorem tax otherwise owed on homestead property to the:

(1) The surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces.

(2) The surviving spouse of a first responder who died in the line of duty.

(3) A first responder who is totally and permanently disabled as a result of an injury or injuries sustained in the line of duty. Causal connection between a disability and service in the line of duty shall not be presumed but must be determined as provided by general law. For purposes of this paragraph, the term "disability" does not include a chronic condition or chronic disease, unless the injury sustained in the line of duty was the sole cause of the chronic condition or chronic disease.

As used in this subsection and as further defined by general law, the term "first responder" means a law enforcement officer, a correctional officer, a firefighter, an emergency medical technician, or a paramedic, and the term "in the line of duty" means arising out of and in the actual performance of duty required by employment as a first responder.

(g) By general law and subject to conditions and limitations specified therein, for all levies other than school district levies, the legislature may provide an additional homestead exemption on the assessed valuation of greater than one hundred thousand dollars and up to one hundred fifty thousand dollars to a classroom teacher, a law enforcement officer, a correctional officer, a firefighter, an emergency medical technician, a paramedic, a child welfare services professional, an active duty member of the United States Armed Forces, or a member of the Florida National Guard who has the legal or equitable title to real estate and maintains thereon the permanent residence of the owner, or another legally or naturally dependent upon the owner.



SCHEDULE IN ARTICLE XII

Additional homestead property tax exemption for specified critical public services workforce.—This section and the amendment to Section 6 of Article VII, authorizing the legislature, for all levies other than school district levies, to grant an additional homestead property tax exemption on \$50,000 of the assessed value of homestead property owned by classroom teachers, law enforcement officers, correctional officers, firefighters, emergency medical technicians, paramedics, child welfare services professionals, active duty members of the United States Armed Forces, and members of the Florida National Guard, shall take effect January 1, 2023.

ABOUT FLORIDA TAXWATCH

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the citizens of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs.

Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on residents and businesses.

Florida TaxWatch is supported by voluntary, tax-deductible memberships and private grants, and does not solicit government appropriations. Membership support provides a solid, lasting foundation that has enabled Florida TaxWatch to bring about a more effective, responsive government that is accountable to the residents it serves since 1979.

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