

SENATE JOINT RESOLUTION 40
By Jackson

A RESOLUTION to propose an amendment to Article II, Section 24, of the Constitution of the State of Tennessee, relative to the growth of state government.

BE IT RESOLVED BY THE SENATE OF THE ONE-HUNDRED FOURTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE HOUSE OF REPRESENTATIVES CONCURRING, That a majority of all the members of each house concurring, as shown by the yeas and nays entered on their journals, that it is proposed that Article II, Section 24, of the Constitution of Tennessee be amended by deleting the following paragraph:

In no year shall the rate of growth of appropriations from state tax revenues exceed the estimated rate of growth of the state's economy as determined by law. No appropriation in excess of this limitation shall be made unless the General Assembly shall, by law containing no other subject matter, set forth the dollar amount and the rate by which the limit will be exceeded.

and by substituting instead the following paragraphs:

Unless approved by a majority of voters in a statewide referendum authorized by law or unless a temporary state emergency is declared as authorized herein, the rate of growth in state tax revenue collections or expenditures, for any fiscal year, shall not exceed the following formula:

The rate of household-consumer inflation, as defined pursuant to law, plus the net percentage increase in state population occurring during the prior calendar

year, appropriately adjusted to reflect any state tax revenue increases previously approved by voters.

In the absence of voter approval or a declared temporary state emergency, any state tax revenue collections in excess of such limitation shall, within two years of the close of the fiscal year, be returned to taxpayers via refund, temporary rate reduction or other appropriate means, as defined by law. If approved by two-thirds of all members to which each House of the General Assembly is entitled, then a temporary state emergency may be declared for purposes of this paragraph.

No new state tax shall be imposed nor shall the rate or rates of any existing state tax be increased unless approved by a majority of voters in a statewide referendum authorized by law,.

No debt obligation, guaranteed by the full faith and credit of the state, shall be authorized nor incurred for any fiscal year, except as shall be repaid within the fiscal year, unless approved by a majority of voters in a statewide referendum authorized by law.

BE IT FURTHER RESOLVED, That the foregoing amendment be referred to the One Hundred Fifth General Assembly and that this resolution proposing such amendment be published by the Secretary of State in accordance with Article XI, Section 3, of the Constitution of the State of Tennessee.

BE IT FURTHER RESOLVED, That the clerk of the senate is directed to deliver a copy of this resolution to the Secretary of State.