

Senate Resolution 1176

By: Senator Thompson of the 5th

## A RESOLUTION

1 Proposing an amendment to the Constitution so as to provide for the imposition of a state  
2 sales and use tax at the rate of 1 percent, the proceeds of which shall be used exclusively to  
3 build on the PeachCare for Kids program to provide health care coverage for all Georgia  
4 children; to provide for the creation and operation of the Penny for the Kids Trust Fund; to  
5 provide for legislative findings; to provide for the submission of this amendment for  
6 ratification or rejection; and for other purposes.

7 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

### 8 SECTION 1.

9 The General Assembly finds and declares:

10 (1) All Georgia children should have access to quality, affordable health care in order to  
11 achieve maximum physical and mental health, to benefit fully from their educational  
12 opportunities, and to mature into the productive citizens of tomorrow;  
13 (2) It is the right of every Georgia child to have such health care;  
14 (3) Lack of health insurance is associated with low utilization of appropriate health  
15 services, poorer health, poorer school achievement, lower lifetime earnings, and diminished  
16 public revenues;  
17 (4) The United States spends more per person on health care than any other country, yet  
18 a far higher proportion of our citizens are uninsured than in any other economically  
19 developed country; we receive fewer doctor visits than citizens of the nations that are our  
20 economic competitors, and we have poorer health outcomes and life expectancy. Because  
21 health care coverage is ensured by the public sector in other major nations but not in the  
22 United States, Georgia businesses are at a competitive disadvantage in the emerging global  
23 economy;  
24 (5) Employment based insurance has declined in Georgia and in the rest of the United  
25 States as the burden of uncontrolled and unpredictable health spending has led many  
26 businesses to end or reduce coverage and others to close their doors or move offshore.

1 Many people in Georgia who desire to pursue business opportunities are constrained by the  
2 need to remain in particular employment to retain health coverage;  
3 (6) Currently, PeachCare for Kids and other publicly funded and subsidized programs  
4 provide coverage for many, but not all Georgia children;  
5 (7) Building on PeachCare and other publicly funded and subsidized programs, it is  
6 possible for Georgia to provide health care coverage for all Georgia children;  
7 (8) An investment to extend these existing programs to achieve health care coverage for  
8 all Georgia children can facilitate this; and  
9 (9) Because it is in the best interests of the health of the citizens of this state and of the  
10 future of the state, ensuring access to quality, affordable health care and providing health  
11 care coverage for all Georgia children shall be the public policy of this state.

## 12 SECTION 2.

13 Article VII of the Constitution is amended by adding a new section immediately following  
14 Section III, to be designated Section IIIA, to read as follows:

### 15 "SECTION IIIA.

#### 16 STATE TAXATION FOR THE PENNY FOR THE KIDS TRUST FUND

17 Paragraph I. *State taxation for the Penny for the Kids Trust Fund.* (a) On January 1,  
18 2007, there is imposed effective on that date and thereafter a state sales and use tax at the  
19 rate of 1 percent. The sales and use tax imposed by this subparagraph shall correspond to  
20 the state sales and use tax imposed by the revenue laws of this state, as now or hereafter  
21 amended, except as otherwise provided in this Paragraph. The tax imposed by this  
22 subparagraph shall be levied and collected in the same manner as the other state sales and  
23 use tax is levied and collected. The total proceeds derived by the state from the sales and  
24 use tax imposed by this subparagraph shall be deposited in the Penny for the Kids Trust  
25 Fund and used exclusively for funding health care coverage for all children in this state.  
26 (b) There is created the Penny for the Kids Trust Fund. Any person or entity is authorized  
27 to contribute or transfer moneys to the fund. Moneys in the fund shall be exclusively used  
28 for funding health care coverage, programs, and benefits for all the children of this state.  
29 Any other appropriation from the Penny for the Kids Trust Fund shall be void. Funds  
30 collected and expended in accordance with this subparagraph shall be used to supplement,  
31 not supplant, other appropriations or funding sources for health care programs and benefits  
32 for children of this state. Moneys deposited into the fund shall not lapse and shall not be  
33 subject to the limitations of Article III, Section IX, Paragraph VI(a). Voluntary

1 contributions to the fund which are not appropriated as required by this subparagraph shall  
2 be refunded pro rata to the contributors thereof, as provided by the General Assembly."

3 **SECTION 3.**

4 The above proposed amendment to the Constitution of Georgia shall be published and  
5 submitted as provided in Article X, Section I, Paragraph II of the Constitution. The ballot  
6 submitting the above proposed amendment shall have written or printed thereon the  
7 following:

8 "( ) YES Shall the Constitution of Georgia be amended so as to create the Penny for  
9 the Kids Trust Fund to make an investment in building on the PeachCare for  
10 ( ) NO Kids program to provide health care coverage for all Georgia children by  
11 establishing a dedicated revenue source with a state sales and use tax at the  
12 rate of 1 percent?"

13 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."  
14 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If  
15 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall  
16 become a part of the Constitution of this state.