

Senate Resolution 361

By: Senators Thompson of the 5th, Brown of the 26th, Stoner of the 6th, Ramsey, Sr. of the 43rd, Tate of the 38th and others

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 decreased 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 nations that are our
 20 economic competitors, and we have poorer health outcomes and life expectancies. 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 for Kids and other publicly funded and subsidized programs,
 6 it is 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 to read as follows:

14 "SECTION IIIA.

15 STATE TAXATION FOR THE PENNY FOR THE KIDS TRUST FUND

16 Paragraph I. *State taxation for the Penny for the Kids Trust Fund.* (a) On January 1,
 17 2009, there is imposed effective on that date and thereafter a state sales and use tax at the
 18 rate of 1 percent. The sales and use tax imposed by this subparagraph shall correspond to
 19 the state sales and use tax imposed by the revenue laws of this state, as now or hereafter
 20 amended, except as otherwise provided in this Paragraph. The tax imposed by this
 21 subparagraph shall be levied and collected in the same manner as the other state sales and
 22 use tax is levied and collected. The total proceeds derived by this state from the sales and
 23 use tax imposed by this subparagraph shall be deposited in the Penny for the Kids Trust
 24 Fund and used exclusively for funding health care coverage, programs, and benefits for all
 25 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 coverage, programs,
 32 and benefits for children of this state. Moneys deposited into the fund shall not lapse and
 33 shall not be 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.