

Senate Resolution 335

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 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.

27 Many people in Georgia who desire to pursue business opportunities are constrained by the
28 need to remain in particular employment to retain health coverage;

29 (6) Currently, PeachCare for Kids and other publicly funded and subsidized programs
30 provide coverage for many, but not all, Georgia children;

31 (7) Building on PeachCare for Kids and other publicly funded and subsidized programs,
32 it is possible for Georgia to provide health care coverage for all Georgia children;

33 (8) An investment to extend these existing programs to achieve health care coverage for
34 all Georgia children can facilitate this; and

35 (9) Because it is in the best interests of the health of the citizens of this state and of the
36 future of the state, ensuring access to quality, affordable health care and providing health
37 care coverage for all Georgia children shall be the public policy of this state.

38 **SECTION 2.**

39 Article VII of the Constitution is amended by adding a new section to read as follows:

40 **SECTION IIIA.**

41 **STATE TAXATION FOR THE PENNY FOR THE KIDS TRUST FUND**

42 Paragraph I. *State taxation for the Penny for the Kids Trust Fund.* (a) On January 1,
43 2011, there is imposed effective on that date and thereafter a state sales and use tax at the
44 rate of 1 percent. The sales and use tax imposed by this subparagraph shall correspond to
45 the state sales and use tax imposed by the revenue laws of this state, as now or hereafter
46 amended, except as otherwise provided in this Paragraph. The tax imposed by this
47 subparagraph shall be levied and collected in the same manner as the other state sales and
48 use tax is levied and collected. The total proceeds derived by this state from the sales and
49 use tax imposed by this subparagraph shall be deposited in the Penny for the Kids Trust
50 Fund and used exclusively for funding health care coverage, programs, and benefits for all
51 children in this state.

52 (b) There is created the Penny for the Kids Trust Fund. Any person or entity is
53 authorized to contribute or transfer moneys to the fund. Moneys in the fund shall be
54 exclusively used for funding health care coverage, programs, and benefits for all the
55 children of this state. Any other appropriation from the Penny for the Kids Trust Fund
56 shall be void. Funds collected and expended in accordance with this subparagraph shall
57 be used to supplement, not supplant, other appropriations or funding sources for health care
58 coverage, programs, and benefits for children of this state. Moneys deposited into the fund
59 shall not lapse and shall not be subject to the limitations of Article III, Section IX,
60 Paragraph VI(a). Voluntary contributions to the fund which are not appropriated as

61 required by this subparagraph shall be refunded pro rata to the contributors thereof, as
62 provided by the General Assembly."

63 **SECTION 3.**

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

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

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