

STORAGE NAME: h2097.gg
DATE: April 18, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GENERAL GOVERNMENT APPROPRIATIONS
TRUST FUND RE-CREATION BILL RESEARCH**

BILL #: HB 2097 (PCB GG 97-28)

RELATING TO: Trust Funds Exempt from Termination

SPONSOR(S): General Government Appropriations Committee

STATUTE(S) AFFECTED: N/A

COMPANION BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) GENERAL GOVERNMENT APPROPRIATIONS YEAS 9 NAYS 0

(2)

(3)

(4)

(5)

I. SUMMARY:

This bill list those 15 trust funds that have been determined to be exempt from the automatic termination provisions of Article III, Section 19 (f) of the State Constitution. It includes only trust funds administered by the departments and entities whose trust funds are reviewed in the 1997 regular legislative session.

II. SUBSTANTIVE RESEARCHES:

A. PRESENT SITUATION:

Article III, Section 19(f) of the State Constitution, adopted and effective on November 4, 1992, provides that no trust fund may have a life span of more than 4 years. During the 1993, 1994, 1995, and 1996 legislative sessions, all state trust funds were reviewed and re-created, terminated, or determined to be exempt. All re-created trust funds will be subject to automatic termination again on November 4, 2000. The 1997-98 Budget Instructions require the Governor to submit his recommendations for trust funds within the Department of the Lottery, the Department of Military Affairs, the Department of Management Services, and the Game and Fresh Water Fish Commission.

B. EFFECT OF PROPOSED CHANGES:

This bill identifies 9 of the trust funds reviewed for the 1997 session as exempt from the automatic termination provisions of Article III, Section 19(f) of the State Constitution.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No

(3) any entitlement to a government service or benefit?

No

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

None

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No

b. Does the bill require or authorize an increase in any fees?

No

c. Does the bill reduce total taxes, both rates and revenues?

No

d. Does the bill reduce total fees, both rates and revenues?

No

e. Does the bill authorize any fee or tax increase by any local government?

No

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. SECTION-BY-SECTION RESEARCH:

Section 1. The Legislature identifies those trust funds that are exempt from the automatic termination provisions of Article III, Section 19(f) of the State Constitution. Specifically the Legislature identifies the following trust funds within the listed agencies:

(a) Within the Game and Fresh Water Fish Commission:

Article
public

1. Florida Preservation 2000 Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds established for bond covenants, indentures, or resolutions, whose revenues are legally pledged by the state or body to meet debt service or other financial requirements of any debt obligations of the state or any public body.

(b) Within the Department of Management Services:

1. State Employees Disability Insurance Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.

2. Public Facilities Financing Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds established for bond covenants, indentures, or resolutions, whose revenues are legally pledged by the state or public body to meet debt service or other financial requirements of any debt obligations of the state or any public body.

3. Institute of Food and Agricultural Sciences Supplemental Retirement Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.

4. Florida Facilities Pool Clearing Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that serve as clearing funds or accounts for the comptroller or state agencies.

5. Florida Retirement System Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting the Florida retirement trust fund.
6. State Employees Savings Bonds Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
7. Florida Facilities Pool Working Capital Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds established for bond covenants, indentures, or resolutions, whose revenues are legally pledged by the state or public body to meet debt service or other financial requirements of any debt obligations of the state or any public body.
8. Retiree Health Insurance Subsidy Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
9. Optional Retirement Program Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
10. Social Security Contribution Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that serve as clearing funds or accounts for the comptroller or state agencies.
11. State Employees Life Insurance Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
12. Senior Management Service Optional Annuity Program Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
13. State Employees Health Insurance Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
14. The Police and Firefighters Premium Tax Trust Fund. This trust fund is exempt under the Article III, Section 19(f)(3) provision exempting trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.

Note that the specific exemption for each trust fund is not provided in the bill. The exemptions are listed here for reference. The exemptions listed are the ones that most clearly apply; for any fund, one or more other exemptions may also apply.

Section 2. Provides that this bill is effective upon becoming a law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

STORAGE NAME: h2097.gg

DATE: April 18, 1997

PAGE 8

1. Direct Private Sector Costs:

None

2. Direct Private Sector Benefits:

None

3. Effects on Competition, Private Enterprise and Employment Markets:

None

D. FISCAL COMMENTS:

None

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

None

B. REDUCTION OF REVENUE RAISING AUTHORITY:

None

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

None

V. COMMENTS:

None

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VII. SIGNATURES:

COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS:

Prepared by:

Legislative Research Director:

Sarah L. Mendonça

Cynthia P. Kelly

STORAGE NAME: h2097.gg

DATE: April 18, 1997

PAGE 9