

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: April 21, 1998 Revised: 4/23/98 _____

Subject: Recreating the Working Capital Trust Fund

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	Beggs	Smith	WM	Fav/2 amendments
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This legislation recreates the Working Capital Trust Fund without modification. The Working Capital Trust Fund is administered by Department of Law Enforcement.

II. Present Situation:

The Working Capital Trust Fund was created to provide funding sufficient for the operation of the Department of Law Enforcement.

III. Effect of Proposed Changes:

This bill recreates the trust fund without modification.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

#1 by Ways and Means Committee:

This amendment provides that each person who holds a homestead exemption as of July 1, 1997, on property with a just value of \$150,000 or less, or is a registered owner of a mobile home licensed under s. 320.08(11), F.S., is entitled to a "tax rebate" of \$50. If the property is jointly owned by "one or more persons" the joint owners are treated as one person. The rebate is to be sent to qualified persons as soon as practical by U.S. Mail, first class presort. (WITH TITLE AMENDMENT)

There were 3.6 million parcels of homesteaded property on January 1, 1997. It is estimated that 3.2 million of these were valued at \$150,000 or less. In addition, there are estimated to have been 350,000 mobile homes in the state that did not qualify for homestead exemption. Based on these estimates, granting a \$50 rebate to homesteads valued at \$150,000 or less and all mobile homes would cost \$177.5 million. There would also be additional costs of administration.

#2 by Ways and Means Committee:

The amendment provides that each Florida resident with active residential electric utility service on May 1, 1998 would be provided a \$50 credit toward their electric service. Eligible recipients

would be based on records of electric providers regulated by the Public Service Commission. Prior to July 1, 1998, the Comptroller is directed to distribute to the electric utilities involved funds necessary to provide the credit. The electric companies must provide the credit for the service period ending on or before August 30, 1998. (WITH TITLE AMENDMENT)

There are estimated to be 6,900,000 residential electric utility service connections in Florida as of May 1, 1998. Only about three-fourths of these, however, are through providers regulated by the PSC. The cost of providing the \$50 credit to all residential connections would be \$345.0 million.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
