

**STORAGE NAME:** h2217.ed

**DATE:** April 12, 1999

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
EDUCATION APPROPRIATIONS  
TRUST FUND CREATION ANALYSIS**

**BILL #:** HB 2217 (PCB ED 99-46)

**RELATING TO:** Lottery Capital Outlay and Debt Service Trust Fund

**SPONSOR(S):** Education Appropriation

**COMPANION BILL(S):**

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

(1) EDUCATION APPROPRIATION YEAS 13 NAYS 0

(2)

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I. SUMMARY:

This legislation creates the Lottery Capital Outlay and Debt Service Trust Fund to be administered by the Department of Education. In the November 1997 Special Session, the Legislature established the Lottery Capital Outlay Bond Program to fund the construction of classrooms for K-12 public school students. Chapter 97-384, Laws of Florida, amended Section 24.121, Florida Statutes to provide that lottery funds pledged for the payment of debt service on any bonds issued pursuant to this program shall be payable from the first lotted revenues transferred to the Educational Enhancement Trust Fund. The Lottery Capital Outlay and Debt Service Trust Fund is needed to maintain and account for lottery funds appropriated for fixed capital and debt service separately from lottery funds in the Educational Enhancement Trust Fund appropriated for other purposes.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Lottery funds appropriated for current operations and appropriations for fixed capital outlay and debt service are combined in the same fund. Appropriations for the payment of pledged debt service on outstanding bonds and fixed capital outlay need to be maintained and accounted for in a fund separate from funds in the Educational Enhancement Trust Fund appropriated to be expended for other purposes.

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Sections 24.121, 235.187, 235.2195, and 235.4355 F.S. and Section 11 (d), Article VII of the State Constitution

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

The purpose and use of this fund is to receive, disburse, maintain, and account for Legislative appropriations for the payment of pledged debt service on outstanding Lottery bonds, for fixed capital outlay and interest accrued on monies in the fund.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The major sources of revenues in this fund will be Legislative appropriations of lottery funds for fixed capital outlay and debt service, and any interest earned on these monies prior to being disbursed.

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A. EFFECT OF PROPOSED CHANGES:

The effect of this change will be that lottery funds appropriated for fixed capital outlay and bonded debt service will be kept in a fund separate from funds appropriated for current operations.

B. STATUTE(S) AFFECTED:

Creates Section 235.21955, Florida Statutes and implements s. 216.351, F.S.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

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 creates a state trust fund to receive, maintain and disburse legislative appropriations of lottery funds for fixed capital outlay and debt service which need to be accounted for separately from lottery funds appropriated for other purposes.

IV. COMMENTS:

On April 9, 1999 the Education Appropriations Committee considered PCB ED 99-46 and passed it unanimously.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON EDUCATION APPROPRIATIONS:

Prepared by:

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