

By Representative Bitner

1 A bill to be entitled
2 An act relating to the Long-Term Care Trust
3 Fund; amending s. 24.121, F.S.; specifying
4 deposit and allocation of certain additional
5 lottery revenues; providing definitions;
6 allocating specified portions of certain
7 additional lottery revenues to the Educational
8 Enhancement Trust Fund and the Long-Term Care
9 Trust Fund; creating s. 400.901, F.S.; creating
10 the Long-Term Care Trust Fund; providing for
11 administration by the Department of Elderly
12 Affairs; specifying uses of the fund; requiring
13 the department to adopt rules providing for
14 grants from the fund to counties for certain
15 purposes; providing for procedures and criteria
16 for award of such grants; providing for future
17 review and termination or re-creation of the
18 trust fund; providing an effective date.

19

20 Be It Enacted by the Legislature of the State of Florida:

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22 Section 1. Subsections (2) and (3) of section 24.121,
23 Florida Statutes, 1998 Supplement, are amended to read:24 24.121 Allocation of revenues and expenditure of funds
25 for public education.--26 (2)(a) Each fiscal year, at least 38 percent of the
27 gross revenue from the sale of lottery tickets and other
28 earned revenue, excluding application processing fees, shall
29 be deposited in the Educational Enhancement Trust Fund, which
30 is hereby created in the State Treasury to be administered by
31 the Department of Education, except that current online game

1 additional gross revenue shall be deposited as provided in
2 paragraph (b). The Department of the Lottery shall transfer
3 moneys to the Educational Enhancement Trust Fund at least once
4 each quarter. Funds in the Educational Enhancement Trust Fund
5 shall be used to the benefit of public education in accordance
6 with the provisions of this act. Notwithstanding any other
7 provision of law, a maximum of \$180 million of lottery
8 revenues transferred to the Educational Enhancement Trust Fund
9 in fiscal year 1997-1998 and for 30 years thereafter shall be
10 reserved as needed and used to meet the requirements of the
11 documents authorizing the bonds issued by the state pursuant
12 to s. 235.187 or s. 235.2195 or distributed to school
13 districts for the Classrooms First Program as provided in s.
14 235.187. Such lottery revenues are hereby pledged to the
15 payment of debt service on bonds issued by the state pursuant
16 to s. 235.187 or s. 235.2195. Debt service payable on bonds
17 issued by the state pursuant to s. 235.187 or s. 235.2195
18 shall be payable from the first lottery revenues transferred
19 to the Educational Enhancement Trust Fund in each fiscal year.
20 Amounts distributable to school districts that request the
21 issuance of bonds pursuant to s. 235.187(3) are hereby pledged
22 to such bonds pursuant to s. 11(d), Art. VII of the State
23 Constitution. The amounts distributed through the Classrooms
24 First Program shall equal \$145 million in each fiscal year.
25 These funds are intended to provide up to \$2.5 billion for
26 public school facilities.

27 (b)1. The Legislature finds and declares that
28 projected increases in online lottery sales attributable to
29 the introduction of a multistate game represent a windfall to
30 the state, and that a portion of the windfall should be used
31 to address the needs of Florida's elderly.

1 2. As used in this subsection:
2 a. "Base year online game gross revenue" means the
3 total amount of gross revenues for the fiscal year ending June
4 30, 1998, from the sale of lottery tickets for online games.

5 b. "Current online game additional gross revenue"
6 means, for any fiscal year, any gross revenues from the sale
7 of lottery tickets for online games in excess of the base year
8 online game gross revenue.

9 3. Each fiscal year, 19 percent of the current online
10 game additional gross revenue shall be deposited in the
11 Long-Term Care Trust Fund and at least 19 percent of the
12 current online game additional gross revenue shall be
13 deposited in the Educational Enhancement Trust Fund pursuant
14 to paragraph (a).

15 (3) The funds remaining in the Administrative Trust
16 Fund after transfers to the Educational Enhancement Trust Fund
17 and the Long-Term Care Trust Fund shall be used for the
18 payment of administrative expenses of the department. These
19 expenses shall include all costs incurred in the operation and
20 administration of the lottery and all costs resulting from any
21 contracts entered into for the purchase or lease of goods or
22 services required by the lottery, including, but not limited
23 to:

- 24 (a) The compensation paid to retailers;
25 (b) The costs of supplies, materials, tickets,
26 independent audit services, independent studies, data
27 transmission, advertising, promotion, incentives, public
28 relations, communications, security, bonding for retailers,
29 printing, distribution of tickets, and reimbursing other
30 governmental entities for services provided to the lottery;
31 and

1 (c) The costs of any other goods and services
2 necessary for effectuating the purposes of this act.

3 Section 2. Section 400.901, Florida Statutes, is
4 created to read:

5 400.901 Long-Term Care Trust Fund.--

6 (1) The Long-Term Care Trust Fund is hereby created
7 and shall be administered by the Department of Elderly
8 Affairs.

9 (2) Moneys in the trust fund shall be used to fund
10 grants from the department, pursuant to legislative
11 appropriation, to support local programs to improve access,
12 availability, or affordability of long-term care facilities
13 regulated under this chapter, including, but not limited to,
14 skilled nursing facilities, nursing facilities, assisted
15 living facilities, adult family-care homes, board and care
16 facilities, and any other similar adult care centers.

17 (3) The department shall adopt rules establishing a
18 process under which a county government may apply for a grant
19 under subsection (2) and specifying criteria for the award of
20 grants consistent with the legislative intent to improve
21 access, availability, and affordability of long-term care
22 facilities.

23 Section 3. (1) Pursuant to the provisions of Section
24 19(f)(2), Article III of the State Constitution, the Long-Term
25 Care Trust Fund shall, unless terminated sooner, be terminated
26 on July 1, 2003.

27 (2) Prior to the regular legislative session
28 immediately preceding the date on which the trust fund is
29 scheduled to be terminated, the Department of Elderly Affairs
30 and the Governor shall recommend to the President of the
31 Senate and the Speaker of the House of Representatives whether

1 the trust fund should be allowed to terminate or should be
2 re-created. These recommendations shall be based on a review
3 of the purpose and use of the trust fund and a determination
4 of whether the trust fund will continue to be necessary. A
5 recommendation to re-create the trust fund may include
6 suggested modifications to the purposes, sources of receipts,
7 and allowable expenditures for the trust fund. The
8 department's recommendation shall be made as a part of its
9 legislative budget request to the Legislature pursuant to
10 section 216.023, Florida Statutes. The Governor's
11 recommendation shall be made as a part of the recommended
12 budget presented to the Legislature pursuant to section
13 216.162, Florida Statutes.

14 (3) If the trust fund is terminated, the Department of
15 Elderly Affairs shall pay any outstanding debts or obligations
16 of the trust fund as soon as practicable and the Comptroller
17 shall close out and remove the trust fund from the various
18 state accounting systems, using generally accepted accounting
19 practices concerning warrants outstanding, assets, and
20 liabilities and shall deposit any revenues remaining in the
21 trust fund into the Education Enhancement Trust Fund.

22 Section 4. This act shall take effect July 1, 1999.
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HOUSE SUMMARY

Provides for deposit and allocation of additional gross revenues from lottery online games resulting from introduction of a multistate game between the Educational Enhancement Trust Fund and the Long-Term Care Trust Fund. Creates the Long-Term Care Trust Fund, to be administered by the Department of Elderly Affairs. Specifies moneys in the fund to be used to fund grants to support local programs to improve access, availability, and affordability of long-term care facilities. Requires the Department of Elderly Affairs to adopt rules providing for such grants. Provides for future review and termination or re-creation of the trust fund.