

STORAGE NAME: h1175z.ted
DATE: June 7, 2000

****AS PASSED BY THE LEGISLATURE****
CHAPTER #: 2000-118, Laws of Florida

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
FINAL ANALYSIS**

BILL #: HB 1175 (PCB TED 00-50)

RELATING TO: Termination of Trust Funds in the Department of Community Affairs and the Department of State

SPONSOR(S): Committee on Transportation and Economic Development Appropriations

TIED BILL(S):

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

- (1) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS YEAS 10
NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

Article III, Section 19(f) of the State Constitution terminates most trust funds four years after their effective date. Prior to such termination, the Legislature reviews trust funds to re-create, terminate, or determine them exempt from automatic termination in accordance with provisions of Article III, Section 19(f) of the State Constitution. This bill includes trust funds that are administered by the Department of Community Affairs and the Department of State. This bill also amends statutes in order to conform with the provisions of the bill. This bill terminates four trust funds that have been identified as no longer necessary and lists two trust funds that have been determined exempt.

The House substituted SB 666 for HB 1175 prior to final passage on March 15, 2000.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. 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 and sets forth provisions that exempt certain trust funds from automatic termination.

C. EFFECT OF PROPOSED CHANGES:

This bill terminates two trust funds in the Department of Community Affairs and three trust funds in the Department of State. This bill also exempts two trust funds within the Department of Community Affairs.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Lists the various trust funds to be terminated. Provides for the payment of outstanding debts and obligations of the terminated funds and accounts and for the removal of the terminated funds and accounts from the various state accounting systems. The terminated trust funds are:

A. Within the Department of Community Affairs:

1. The Hurricane Andrew Disaster Relief Trust Fund, FLAIR number 52-2-200
2. The Hurricane Andrew Recovery and Rebuilding Trust Fund, FLAIR number 52-2-205

B. Within the Department of State:

1. The Hurricane Andrew Disaster Relief Trust Fund, FLAIR number 45-2-200
2. The Hurricane Andrew Recovery and Rebuilding Trust Fund, FLAIR number 45-2-205

Section 2. 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 Department of Community Affairs¹:

1. The Florida Preservation 2000 Trust Fund, FLAIR number 52-2-332. This trust fund is exempt according to Article III, Section 19(f)(3), because it accounts for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.
2. The Florida Forever Trust Fund, FLAIR number 52-2-348. This trust fund is exempt according to Article III, Section 19(f)(3), because it accounts for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units.

Section 3. Amends section 189.427, Florida Statutes, to conform with the provisions of this bill by removing a reference to the statute in which the Operating Trust Fund in the Department of Community Affairs was created under.

Section 4. Amends section 252.82(7), Florida Statutes, to conform with the provisions of this bill by removing a reference to the statute in which the Operating Trust Fund in the Department of Community Affairs was created under.

Section 5. Amends section 943.25(1), Florida Statutes, to conform with the provisions of this bill by removing a reference to the statute in which the Operating Trust Fund in the Department of Community Affairs was created under.

Section 6. Amends section 15.09(5)(b), Florida Statutes, to conform with the provisions of this bill by deleting a reference to the 1999-2000 fiscal year and a July 1, 2000 expiration date.

Section 7. Provides an effective date of July 1, 2000.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

¹The reasons given for the exemptions of the funds are not exhaustive. A fund may be exempt for more than one reason.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require municipalities or counties to spend money.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of municipalities or counties to raise revenue.

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

This bill does not reduce the percentage of a state tax shared with municipalities or counties.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

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VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On February 9, 2000, the Committee on Transportation and Economic Development Appropriations adopted an amendment to PCB TED 00-50 which has been engrossed in the bill. This amendment removed the Historic Pensacola Preservation Board Operating Trust Fund from the list of funds to be terminated in the Department of State.

VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS:

Prepared by:

Staff Director:

Sarah E. Spector

Eliza Hawkins

FINAL ANALYSIS PREPARED BY THE COMMITTEE ON TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS:

Prepared by:

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