

# 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.)

BILL: CS/SB 1684

SPONSOR: Commerce and Economic Opportunities Committee and Senator Kirkpatrick

SUBJECT: Trust Funds

DATE: April 19, 2000 REVISED: \_\_\_\_\_

|    | ANALYST   | STAFF DIRECTOR | REFERENCE | ACTION       |
|----|-----------|----------------|-----------|--------------|
| 1. | Schmeling | Maclure        | CM        | Favorable/CS |
| 2. |           |                | FP        |              |
| 3. |           |                |           |              |
| 4. |           |                |           |              |
| 5. |           |                |           |              |

## I. Summary:

This committee substitute creates the Digital Media Education Infrastructure Fund to be administered by the Office of Tourism, Trade, and Economic Development. The fund may be used only to support upgrading the quality of media labs associated with university programs, community college programs, and other educational resources in order to assist in meeting current and future workforce-training needs for the digital media industry.

## II. Present Situation:

### Digital Television and Education Task Force

Chapter 99-251, L.O.F., provided for the formation of a 12-member task force to be called the "21st Century Digital Television and Education Task Force." The task force, established within the Office of Tourism, Trade, and Economic Development, was directed to: devise a plan to recruit digital industries to locate in Florida; recommend economic incentives to assist in the recruitment of certain digital industries to Florida; devise a plan to create and maintain higher education opportunities for students interested in the digital television field; recommend methods to hasten the conversion of existing commercial television studios and sound stages from analog to digital technology; investigate means of assisting public broadcast stations in their conversion from analog to digital technology; and issue a report to the Legislature prior to February 1, 2000.

On February 1, 2000, the task force released the *21st Century Digital Television and Education Task Force Final Report*, which included recommendations designed to enhance the digital media industry in Florida. One recommendation included the creation by the Legislature of a Digital Media Education Infrastructure Fund, with an initial General Revenue investment of \$6 million over two years to upgrade the quality of media labs associated with university programs, community college programs, and other educational resources. As many as five media labs will be created and upgraded, with \$1 million of the fund expended the first year for design costs, and the remaining \$5 million expended in year two for implementation. Such funds should be

spent according to the priorities established by an industry sector group and should be matched with industry contributions. (*The 21st Century Digital Television and Education Task Force Final Report*, pages 5 & 6.)

### **Trust Funds**

In 1992, the electors of the State of Florida voted to adopt s. 19 of Art. III of the State Constitution, which relates to the state budgeting, planning, and appropriations processes and which, among other requirements, applies restrictions on the creation of new trust funds, the continuation of existing trust funds, and the duration of all trust funds not specifically exempted from that duration restriction.

Section 19(f)(1) of Art. III of the State Constitution specifies that a trust fund may only be created in a separate bill, which must be limited to that purpose only and must pass by a three-fifths vote of the membership of each house of the Legislature. Section 215.3207, F.S., establishes criteria, based on the constitutional requirements, for the contents of a bill creating a trust fund, including that such legislation specify at least the following:

- (1) The name of the trust fund;
- (2) The agency or branch of state government responsible for administering the trust fund;
- (3) The requirements or purposes that the trust fund is established to meet; and
- (4) The sources of moneys to be credited to the trust fund or specific sources of receipts to be deposited in the trust fund.

Section 19(f)(2) of Art. III of the State Constitution requires that each trust fund in existence before the effective date of that provision (November 4, 1992) shall terminate not more than four years after that effective date. It also requires that subsequently created trust funds shall terminate not more than four years after the effective date of the act authorizing the creation of the trust fund. Section 19(f)(3) of Art. III of the State Constitution provides that certain trust funds are exempt from the termination requirements of s. 19(f)(2) of Art. III of the State Constitution.

### **III. Effect of Proposed Changes:**

This committee substitute creates the Digital Media Education Infrastructure Fund (fund) to be administered by the Office of Tourism, Trade, and Economic Development. The fund may be used only to support upgrading the quality of media labs associated with university programs, community college programs, and other educational resources in order to assist in meeting current and future workforce-training needs for the digital media industry.

In accordance with s. 19(f)(2) Art. III of the State Constitution, the fund shall, unless terminated sooner, be terminated on July 1, 2004. Before its scheduled termination, the fund must be reviewed as provided in s. 215.3206(1) and (2), F.S.

This act takes effect July 1, 2000, but does not take effect unless it is enacted by a three-fifths vote of the membership of each house of the Legislature.

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

This bill specifies that the trust fund shall take effect July 1, 2000, but it shall not take effect unless it is enacted by a three-fifths vote of the membership of each house of the Legislature. Therefore this bill appears to comply with the provisions of Section 19(f)(1) of Article III of the State Constitution regarding creation of trust funds.

In accordance with s. 19(f)(2) of Art. III of the State Constitution, the Digital Media Education Infrastructure Fund shall, unless terminated sooner, be terminated on July 1, 2004. Before its scheduled termination, the trust fund shall be reviewed as provided in s. 215.3206(1) and (2), F.S.

**V. Economic Impact and Fiscal Note:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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

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