

STORAGE NAME: h0037a.go

DATE: March 23, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GOVERNMENTAL OPERATIONS
ANALYSIS**

BILL #: HB 37

RELATING TO: Exceptional Projects TF/Banking

SPONSOR(S): Representative Merchant and others

TIED BILL(S): HB 27

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

- (1) GOVERNMENTAL OPERATIONS YEAS 5 NAYS 0
 - (2) FINANCIAL SERVICES
 - (3) GENERAL APPROPRIATIONS
 - (4) RULES & CALENDAR
 - (5)
-

I. SUMMARY:

This bill creates the Exceptional Projects Trust Fund within the Department of Banking and Finance to be used exclusively to fund certain legislative projects (member projects) which do not meet the statutory requirements created by the tied bill (HB 27), but that are determined to be essential by the Legislature. The total amount of funds in the trust fund shall not exceed 0.1% of the total state budget for any fiscal year.

The trust fund is subject to Art. III, sec. 19(f)(2), Fla. Const., and will terminate on July 1, 2005, unless reenacted by the Legislature.

Pursuant to Art. III, sec. 19(f)(1), Fla. Const., this bill must be passed by a three-fifths vote of the membership of the House of Representatives and the Senate to take effect.

The effective date of this bill is July 1, 2001, contingent upon passage of the tied bill, HB 27, or similar legislation.

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, sec. 19(f)(1), Fla. Const., provides:

No trust fund of the State of Florida or other public body may be created by law without a three-fifths (3/5) vote of the membership of each house of the legislature in a separate bill for that purpose only.

Section 215.3207, F.S., relating to trust funds, enacts this requirement into law and requires that each trust fund must be created by statutory language that specifies at least the following:

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

The tied bill, HB 27, substantially changes the process by which the Legislature appropriates money for member projects. It provides that any member project that is not recommended by an agency or the Governor must have a public hearing in both chambers and must meet four of eight criteria in order to be funded by the Legislature. The eight criteria are: (1) overall public benefit, (2) overall statewide benefit, (3) overall fiscal benefit, (4) objective evaluation, (5) competition, (6) partnership, (7) performance, and (8) consistent treatment of beneficiaries. Projects which do not meet these criteria may be funded as an exceptional project under the provisions of this bill, which creates a trust fund for exceptional projects.

C. EFFECT OF PROPOSED CHANGES:

This bill creates the Exceptional Projects Trust Fund within the Department of Banking and Finance to be used exclusively to fund certain legislative projects (member projects) which do not meet the statutory requirements created by the tied bill (HB 27), but that are determined to be essential by the Legislature. The total amount of funds in the trust fund shall not exceed 0.1% of the total state budget for any fiscal year.

The trust fund is subject to Art. III, sec. 19(f)(2), Fla. Const., and will terminate on July 1, 2005, unless reenacted by the Legislature.

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D. SECTION-BY-SECTION ANALYSIS:

N/A

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

N/A

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

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require a city or county to expend funds or to take any action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that cities or counties have to raise revenues in the aggregate.

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

The bill does not reduce the percentage of a state tax shared with counties or cities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON GOVERNMENTAL OPERATIONS:

Prepared by:

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