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DATE: April 17, 2001

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
FISCAL POLICY & RESOURCES
TRUST FUND RE-CREATION ANALYSIS**

BILL #: CS/HB 1893 (PCB UTCO 01-01)
RELATING TO: Creating Local Communications Services Tax Trust Fund
SPONSOR(S): Committee on Fiscal Policy & Resources and the Committee on Utilities and Telecommunications and Representatives Ritter and Barreiro
TIED BILL(S): PCB UTCO 01-02 and PCB UTCO 01-03

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

- (1) UTILITIES AND TELECOMMUNICATIONS YEAS 15 NAYS 0
 - (2) FISCAL POLICY & RESOURCES YEAS 11 NAYS 0
 - (3)
 - (4)
 - (5)
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I. SUMMARY:

This legislation creates the Local Communications Services Tax Trust Fund. The Local Communications Services Tax Trust Fund will be administered within the Department of Revenue. This legislation provides for its sources of moneys and purposes and for annual carryforward of fund balances. It provides that the trust fund is exempt from constitutional termination.

On April 17, 2001, the Committee on Fiscal Policy & Resources adopted an amendment which specifies HB 1889 as the tied bill, and reported the bill as a committee substitute.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 202.18, Florida Statutes.

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

The Local Communications Services Tax Clearing Trust Fund is to be used for distribution of the proceeds to the municipalities and counties. Moneys deposited in the trust fund are exempt from the service charges imposed under s. 215.20. Any balance in the Local Communications Services Tax Clearing Trust Fund at the end of any fiscal year shall remain in the trust fund at the end of the year and shall be available for carrying out the purposes of the trust fund.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Proceeds from the tax levied by municipalities and counties pursuant to section 202.19, Florida Statutes.

B. EFFECT OF PROPOSED CHANGES:

This bill creates the Local Communication Services Tax Clearing Trust Fund to be administered by the Department of Revenue.

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.

IV. COMMENTS:

None.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On April 17, 2001, the Committee on Fiscal Policy & Resources adopted an amendment which specifies HB 1889 as the tied bill, and reported the bill as a committee substitute.

VI. SIGNATURES:

COMMITTEE ON UTILITIES AND TELECOMMUNICATIONS:

Prepared by:

Staff Director:

Patrick L. "Booter" Imhof

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AS REVISED BY THE COMMITTEE ON FISCAL POLICY & RESOURCES:

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