

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 8E

SPONSOR: Senator Clary

SUBJECT: Workers' Compensation Administration Trust Fund in the Department of Business and Professional Regulation

DATE: May 1, 2002 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Fabricant	Revell	AP	Favorable
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill creates the Workers' Compensation Administration Trust Fund within the Department of Business and Professional Regulation. The Workers' Compensation Administration Trust Fund will be used to pay program expenses of the child labor program.

II. Present Situation:

Currently, the Workers' Compensation Administration Trust Fund is administered by the Division of Workers' Compensation of the Department of Labor and Employment Security pursuant to s. 440.50, F.S. The Trust Fund provides for the payment of all expenses with respect to administration of chapter 440, F.S., including the vocational rehabilitation of injured employees as provided in s. 440.49, F.S., the payments due under s. 440.15(1)(f), F.S., the funding of the fixed administrative expenses of the plan, and the funding of the Bureau of Workers' Compensation Fraud within the Department of Insurance.

Pursuant to s. 440.50, F.S., the Division of Workers' Compensation of the Department of Labor and Employment Security is authorized to transfer an amount not in excess of \$250,000 as a loan to the Special Disability Trust Fund established by s. 440.49(9), F.S. Such loan shall be repaid to the Workers' Compensation Administration Trust Fund in annual payments equal to not less than 10% of moneys received for the Special Disability Trust Fund.

Pursuant to s. 440.50, F.S., the Treasurer is required to deposit moneys paid into the Workers' Compensation Administration Trust Fund into depository banks that the Division of Workers' Compensation of the Department of Labor and Employment Security may designate and is authorized to invest any portion of the said moneys which is not needed for current requirements

in the same manner and subject to all the provisions of law with respect to the deposits of state funds by the Treasurer. All interest accruing to the Workers' Compensation Administration Trust Fund is collected by the Treasurer and credited to the Trust Fund.

Also, the Workers' Compensation Administration Trust Fund exists in the Department of Labor and Employment Security. House Bill 1643 dissolves the Department of Labor and Employment Security. The proposed Senate General Appropriations Act reflects the transfer of Workers' Compensation Programs to other entities, which would require the creation of the Workers' Compensation Administration Trust Fund in the receiving entities.

III. Effect of Proposed Changes:

This bill creates the Workers' Compensation Administration Trust Fund in the Department of Business and Professional Regulation. The Department of Business and Professional Regulation Workers' Compensation Trust Fund would be the source for the payment of all expenses with respect to the administration of the child labor program.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Pursuant to the provisions of s. 19(f)(2), Art. III of the State Constitution, the trust fund shall, unless terminated sooner, be terminated on July 1, 2006.

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.

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