

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 167 Digital Divide Trust Fund
SPONSOR(S): Rep. Jennings
TIED BILLS: **IDEN./SIM. BILLS:** SB 2178

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Workforce & Economic Development (Sub)</u>	<u>4 Y, 0 N</u>	<u>Winker</u>	<u>Whitfield</u>
2) <u>Commerce</u>	<u>12 Y, 0 N</u>	<u>Winker</u>	<u>Whitfield</u>
3) <u>Education Innovation (Sub)</u>	<u>6 Y, 0 N</u>	<u>Britton</u>	<u>Bohannon</u>
4) <u>Education K-20</u>	<u>25 Y, 0 N</u>	<u>Britton</u>	<u>Bohannon</u>
5) <u>Commerce & Local Affairs Appropriations (Sub)</u>	<u></u>	<u></u>	<u></u>
6) <u>Appropriations</u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

Section 445.049, F.S., provides for the Digital Divide Council. HB 167 creates the Digital Divide Trust Fund within the State Technology Office for the purpose of receiving and disbursing funds to pay part or all of the costs of facilitating design and implementation of one or more programs provided for in s. 445.049, F.S. The trust fund is to be administered by the Digital Divide Council and may receive funding from sources such as, but not limited to, appropriations from the state, gifts, donations, and matching contributions from other public agencies, private persons, and entities. The trust fund will be terminated July 1, 2007, unless terminated at an earlier date, and is to be reviewed by the legislation before its scheduled termination.

This bill creates a new section of Florida Law.

The bill does not have a fiscal impact. Its purpose is to create a dedicated account for the administration of collected funds.

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FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

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

B. EFFECT OF PROPOSED CHANGES:

HB 167 creates the Digital Divide Trust Fund within the State Technology Office for the purpose of receiving and disbursing funds to pay part or all of the costs of facilitating design and implementation of one or more programs provided for by the Digital Divide Council within the State Technology Office. The trust fund is to be administered by the council and may receive funding from sources such as, but no limited to, appropriations from the state and gifts; donations; and matching contributions from other public agencies, private persons, and entities. The trust fund will be terminated July 1, 2007, unless terminated at an earlier date, and is to be reviewed by the Legislature before its scheduled termination.

In 2001, the Legislature enacted s. 445.049, F.S., creating the Digital Divide Council within the State Technology Office. The council consists of 11 voting members including the chief information officer in the State Technology Office; the director of the Office of Tourism, Trade, and Economic Development; the president of Workforce Florida, Inc.; the director of the Agency for Workforce Innovation; the chair of itflorida.com, Inc.; the Commissioner of Education; the executive director of the State Board of Community Colleges; the executive director of the State Board for Career Education; the chair of the Network Access Point of the Americas; two representatives of the information technology industry in this state; and four legislators.

The purpose of the council is to facilitate design and implementation of programs that provide opportunities for more frequent access of information technology to at-risk families living near or below the poverty line. Development of the programs is accomplished by the State Technology Office, which provides administrative and technical support to the council. The council, through the State Technology Office, is to continually monitor, review, and evaluate the progress of performances realized from the implementation of the programs. The State Technology Office reports on each program at each council meeting. The council, through the State Technology Office, reports to the Governor and the Legislature.

C. SECTION DIRECTORY:

Section 1: Creates a new section of Florida Law, to provide for the Digital Divide Trust Fund in the State Technology Office; specifies the fund's purpose; requires the trust fund to be administered by the Digital Divide Council; provides for the trust fund to receive funds from numerous sources.

Section 2: Provides for a termination of the trust fund pursuant to s. 19(2)(f), Art. III of the State Constitution on or before July 1, 2007, upon its review pursuant to s. 215.3206(1) and (2), F.S..

Section 3: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The Digital Divide Trust Fund would be the repository for funds from numerous public and private sources.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Creation of the Digital Divide Trust Fund could encourage donations from the private sector. In addition, moneys from the trust could be used to fund projects which would benefit the private sector.

D. FISCAL COMMENTS:

HB 167 appears to have no additional fiscal impact on state agencies or state funds, or on local governments or local funds. Section 445.049(7)(a), F.S., provides that one of the purposes of the programs developed by the Digital Divide Council is to maximize efficient and productive use of existing funds available from federal, state, and local government agencies and from any private person or entity. Creation of the trust fund provides a dedicated account for the administration of those collected funds.

In 2002, \$175,000 was provided for the State Technology Office to provide administrative and technical support to the Digital Divide Council. \$450,000 was provided for the design and implementation of Digital Divide pilot projects (specific appropriation 2848).

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend or take action requiring the expenditure of funds.

2. Other:

Trust Fund Restrictions: Under s. 19(f), Art.III, of the State Constitution, a trust fund must be created in a separate bill for that purpose only and by a three-fifth (3/5) vote of the membership of each house of the Legislature. Additionally, all newly created trust funds must terminate not more than four years after the effective date of the act creating the trust fund.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES