

HOUSE OF REPRESENTATIVES TRUST FUND CREATION STAFF ANALYSIS

BILL #: HB 1775 (formerly PCB TR 03-03) Transportation Revenue Bond Trust Fund
SPONSOR(S): Transportation
TIED BILLS: HB 1773 **IDEN./SIM. BILLS:** SB 1742(s)

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) TRANSPORTATION SYSTEMS (SUB)	9 Y, 0 N	PUGH	MILLER
2) TRANSPORTATION	21 Y, 0 N	PUGH	MILLER
3)			
4)			
5)			

I. SUMMARY

For such a large agency with a \$5.4 billion budget, the Florida Department of Transportation (FDOT) has only 10 trust funds. The trust fund with the biggest balance is the State Transportation Trust Fund, which is the depository for nearly \$5 billion in state and federal fuel tax revenues, state vehicle registration fees, interest earnings, and transfers.

HB 1775 creates the Transportation Revenue Bond Trust Fund, which will be administered by FDOT for the purpose of receiving proceeds from the sale of revenue bonds for transportation projects funded through what the agency is describing as innovative financing. Monies deposited into the new trust fund will be used to finance projects in selected counties with non-Florida Turnpike toll facilities that have retired their debt service. The substantive changes to these programs are being addressed in the linked bill, HB 1773.

The trust fund will have no deposits until the first revenue bonds are sold, which may be in calendar 2004. It will terminate July 1, 2007, unless the Legislature decides to eliminate it sooner, or to extend it.

HB 1775 will take effect only if HB 1773, or similar legislation, becomes law in the 2003 session.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

The Transportation Revenue Bond Trust Fund is established by HB 1775, which creates s. 215.6175, F.S. In general, the trust fund is controlled by chapter 216, F.S., and section 19, Article III, of the State Constitution.

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

The monies in the Transportation Revenue Bond Trust Fund shall be used to finance a variety of toll-road and other revenue-producing transportation projects.

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3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Revenue bonds issued by the State Division of Bond Finance on behalf of FDOT shall be the source of revenue to be deposited into the trust fund.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

There are no current-year appropriations since this would be a newly created trust fund.

B. EFFECT OF PROPOSED CHANGES:

HB 1775 creates the Transportation Revenue Bond Trust Fund. Deposited into the new trust fund will be the proceeds of various revenue bond issues sold on behalf of FDOT to finance projects in areas with non-Turnpike toll facilities. Pursuant to s. 215.22(1)(j), F.S., the trust fund will be exempt from the General Revenue service charge provided for in s. 215.20, F.S., because its deposits are bond proceeds.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

It is difficult to estimate the amount of receipts to be deposited into the trust fund, since that depends on the amount of bonds sold each year. However, FDOT anticipates that, given legislative approval and favorable market conditions, \$45 million in Beeline-East revenue bonds may be issued in 2004 to help pay for widening State Road 520 in Brevard and Orange counties.

IV. COMMENTS

None.

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES