

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1879 State Purchase of Agriculture Equipment
SPONSOR(S): Appropriations and Baker
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Appropriations	28 Y, 0 N	Dixon	Baker
2)			
3)			
4)			
5)			

SUMMARY ANALYSIS

HB 1879 repeals s. 570.195, Florida Statutes, which established a program through which the Department of Agriculture and Consumer Services purchased farming equipment used for the production of tobacco between April 1 and October 1, 2000, from persons or entities that signed a letter of intent to halt tobacco production. Activity under the program has ceased and the bill directs that the balances remaining in the General Inspection Trust Fund of the Department, attributable to the program, shall revert and be deposited into the General Revenue Fund.

The sum that would revert to General Revenue under this bill is \$1,105,425.

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 checked="" type="checkbox"/> |

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

B. EFFECT OF PROPOSED CHANGES:

In the course of developing a comprehensive approach for the protection of the substantial settlement proceeds from the state's tobacco litigation, a program was enacted to assist tobacco farmers in reducing their encumbered debt on stranded investment in equipment no longer used for tobacco production. § 570.195, Florida Statutes. The sum of \$2.5 million was provided from the Tobacco Settlement Clearing Trust Fund so that the Department of Agriculture and Consumer Services could purchase agricultural equipment used by tobacco farmers or tobacco-producing companies that intended to cease production of tobacco. The Department of Management Services would in turn resell the equipment to anyone other than a person or company who produces tobacco or who holds a quota to produce tobacco in this state, and would deposit the proceeds in the General Inspection Trust Fund of the Department of Agriculture and Consumer Services.

The program was limited to the purchase of equipment in use for production of tobacco between April 1 and October 1, 2000, and its purpose has therefore essentially expired. There is currently deposited in the General Inspection Trust Fund the sum of \$1,105,425 attributable to this program. The bill directs that this amount be reverted and deposited in the General Revenue Fund.

C. SECTION DIRECTORY:

- Section 1. Repeals s. 570.195, Florida Statutes, which established a Tobacco Farmers Assistance Program.
- Section 2. Directs that unspent balances attributable to the tobacco farmers assistance program be reverted and deposited into the General Revenue Fund.
- Section .3 Provides an effective date of July 1, 2004.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
None
2. Expenditures:
None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

This is a conforming bill for the proposed 2004-2005 General Appropriations Act. This bill removes all requirements on funds totaling \$1,105,425 in the General Inspection Trust Fund and provides that the funds be reverted and subsequently deposited into the General Revenue Fund.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES