

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

Prepared By: General Government Appropriations Committee

BILL: CS/SB 1320

INTRODUCER: General Government Appropriations Committee and Senator Alexander

SUBJECT: Trust Funds/DOR/DFS

DATE: March 9, 2007

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Blizzard/Kynoch/ Toth	DeLoach	GA	Fav/CS
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill makes changes to certain trust funds pursuant to section 215.3206, Florida Statutes, which requires a legislative review of each of the trust funds in an agency subject to the four year review cycle. The bill provides for termination or modification of specified trust funds within the Department of Revenue (DOR) and the Department of Financial Services (DFS).

This bill terminates three trust funds within the DOR and renames one trust fund within the DFS.

This bill takes effect on July 1, 2007, except where otherwise noted.

This bill substantially amends the following sections of the Florida Statutes: 17.43, 215.20, 538.09, 538.25, 626.9893, and 932.7055.

II. Present Situation:

Review of trust funds is required by s. 215.3208, F.S., and s. 19(f), Art. III of the State Constitution. The Legislature, through the legislative budget instructions, has placed agencies on a review cycle to facilitate the review and recreation of trust funds.

An analysis of the trust funds under the jurisdiction of the Senate General Government Appropriations Committee resulted in the following findings.

Department of Revenue

The Apalachicola Bay Oyster Surcharge Clearing Trust Fund was used for recording and accounting of the \$.50 surcharge collection on each 60 pound bag of oysters, paid by wholesale dealers. Chapter 2006-185, L.O.F., abolished the surcharge. The DOR has requested termination of this fund, as it is no longer needed.

The Secondhand Dealer and Secondary Metals Recycler Trust Fund is used for the accounting of fingerprinting and registration fees of secondhand dealer and metals recyclers pending transfer to the Florida Department of Law Enforcement (FDLE). Currently, these fees are deposited into the Secondhand Dealer and Secondary Metals Recycler Trust Fund, then transferred to the Administrative Trust Fund, and finally transferred to the FDLE. The DOR has requested to deposit these fees directly into the Operations Trust Fund, effective July 1, 2008. Termination of the Secondhand Dealer and Secondary Metals Recycler Trust Fund will streamline the process and allow for the deposit of fees directly into the Operations Trust Fund for transfer to the FDLE. The fees pay for the processing of fingerprints by the FDLE.

The Fuel Tax Refund Payments Trust Fund was historically used for the accounting of fuel tax refunds earmarked to taxpayers and has been inactive in recent years. Currently, fuel tax refunds are processed directly from the Gas Tax Trust Fund. The Fuel Tax Refund Payments Trust Fund is inactive, and the DOR has requested termination of this trust fund.

Department of Financial Services

The Federal Equitable Sharing Trust Fund is used as a depository for revenues received as a result of federal criminal, administrative, or civil forfeiture proceedings, and for receipts and revenues received from federal asset-sharing programs. The FDLE and the Department of Highway Safety and Motor Vehicles each have a Federal Law Enforcement Trust Fund that serves the same purpose. To ensure consistency across state agencies, this bill renames the Federal Equitable Sharing Trust Fund to the Federal Law Enforcement Trust Fund in the DFS.

III. Effect of Proposed Changes:

Section 1 terminates the following trust funds within the DOR, which are obsolete.

Apalachicola Bay Oyster Surcharge Clearing Trust Fund, FLAIR number 73-2-028

All current balances remaining in the Apalachicola Bay Oyster Surcharge Clearing Trust Fund, FLAIR number 73-2-028, are transferred to the General Inspection Trust Fund, FLAIR number 42-2-321, within the Department of Agriculture and Consumer Services.

Secondhand Dealers and Secondary Metals Recycler Trust Fund, FLAIR number 73-2-617

All current balances remaining in the Secondhand Dealers and Secondary Metals Recycler Trust Fund, FLAIR number 73-2-617, are transferred to the Operations Trust Fund within the DOR, FLAIR number 73-2-021.

Fuel Tax Refund Payments Clearing Trust Fund, FLAIR number 73-2-317

No current balances remain in the Fuel Tax Refund Payments Clearing Trust Fund, FLAIR number 73-2-317.

Section 2 renames the Federal Equitable Sharing Trust Fund, FLAIR number 43-2-719, within the DFS, to the Federal Law Enforcement Trust Fund, effective July 1, 2007.

Section 3 amends s. 215.20(4), F.S., to remove references to the Apalachicola Bay Oyster Surcharge Clearing Trust Fund, the Land Reclamation Trust Fund, and the Secondhand Dealers and Secondary Metals Recycler Trust Fund within the DOR, and adds a reference to the newly created Operations Trust Fund, effective July 1, 2008.

Section 4 amends s. 538.09(1), F.S., to redirect future deposits from the Secondhand Dealers and Metals Recycler Trust Fund to the Operations Trust Fund within the DOR, effective July 1, 2008.

Section 5 amends s. 538.25(1), F.S., to remove references to the Secondhand Dealers and Metals Recycler Trust Fund and to redirect fees into the Operations Trust Fund within the DOR, effective July 1, 2008.

Section 6 amends s. 626.9893(1), F.S., to remove references to the Federal Equitable Sharing Trust Fund within the DFS and renames it the Federal Law Enforcement Trust Fund.

Section 7 amends s. 932.7055(6), F.S., to remove references to the Federal Equitable Sharing Trust Fund within the DFS and to redirect fees to the Federal Law Enforcement Trust Fund.

Section 8 provides that the bill shall take effect July 1, 2007, except where otherwise noted.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The termination or renaming of the specific trust funds will not affect state operations. These changes will provide more consistency across state agencies and improve compliance with the Governmental Accounting Standards Board Statement 34 and improve management efficiency.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

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

VIII. Summary of Amendments:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
