

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7023 PCB SLC 07-10 State University System Concurrency Trust Fund
SPONSOR(S): Schools & Learning Council and Representative Pickens
TIED BILLS: _____ **IDEN./SIM. BILLS:** _____

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Schools & Learning Council	14 Y, 0 N	Trexler	Cobb
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

The bill re-creates the University Concurrency Trust Fund, FLAIR number 48-2-682, within the Department of Education. The re-creation is effective July 1, 2007, which is the current termination date of the fund as specified in s. 1013.63(4), F.S. The fund was created with this FLAIR number effective July 1, 2003, by Chapter 2003-178, L.O.F.

The bill repeals s. 1013.63(4), F.S.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

Section 1013.63, F.S., creates the University Concurrency Trust Fund, the purpose of which is to fund state university offsite improvements required to meet concurrency standards adopted under Part II of Chapter 163, F.S. Moneys in the trust fund may also be used to defray costs incurred in updating campus master plans pursuant to s. 1013.30, F.S.

Prior to July 1, 2006, the major source of revenue for the trust fund was the general revenue service charge deducted pursuant to s. 215.20, F.S., on revenues raised by any local option motor fuel tax levied pursuant to s. 336.025(1)(b), F.S. Section 215.211(3)(b), F.S., eliminates the service charge on proceeds of the local option fuel tax, effective July 1, 2006.

As a result, the current major source of revenue for the trust fund is the interest earnings on the fund balance. The earnings from July 1, 2006, to March 7, 2007, are \$2.3 million. As of March 7, 2007, there is a cash balance of approximately \$64.7 million in the trust fund. The Department of Education Legislative Budget Request includes a request for an appropriation of \$58.3 million from the trust fund to pay for concurrency requirements in FY 2007-08.

B. EFFECT OF PROPOSED CHANGES:

The bill re-creates the trust fund without modification.

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 legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to require cities or counties to spend funds or take actions requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

None.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES