## **HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

BILL #: HB 7061 PCB ENRC 07-10 Ecosystem Management and Restoration Trust Fund

**SPONSOR(S):** Environment & Natural Resources Council TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Environment & Natural Resources Council	10 Y, 4 N	Smith	Hamby
1)			
2)			
3)			
4)			
5)			

# **SUMMARY ANALYSIS**

This bill amends section 212.20, F.S., to eliminate the transfer of .2 percent sales tax to the Ecosystem Management and Restoration Trust Fund, administered by the Department of Environmental Protection and used for water quality improvement and water restoration projects.

The bill will reduce funds to the Ecosystem Management and Restoration Trust Fund by \$45.9 million and increase General Revenue by the same amount.

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DATE: 3/21/2007

#### **FULL ANALYSIS**

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

#### B. EFFECT OF PROPOSED CHANGES:

### **Present Situation**

Section 403.1651, F.S., creates and provides the purposes for the Ecosystem Management and Restoration Trust Fund. Sections 161.054, 201.15, 212.20, 215.555, 373.129, 373.430, 380.0558, 403.0615, 403.121, and 403.885, F.S., provide revenue sources for the fund. Sections 161.091, 161.05301, and 373.459, F.S., provide for the use of the fund. The trust fund provides for planning and implementing programs for the management and restoration of ecosystems, such as beach restoration, solid waste management and water quality. The major sources of revenue for the fund include penalties and judgments for actions violating Chapter 373, F.S., a \$30 million distribution from documentary stamp taxes, and .2 percent sales tax collections. According to LAS/PBS data, anticipated revenue to this fund for FY 2007-2008 is estimated to be \$87.9 million.

# Effect of Proposed Changes

This bill amends section 212.20, F.S., to eliminate the transfer of .2 percent sales tax to the Ecosystem Management and Restoration Trust Fund, administered by the Department of Environmental Protection. This fund is used for water quality improvement and water restoration projects.

The bill will reduce funds to the Ecosystem Management and Restoration Trust Fund by \$45.9 million and increase General Revenue by the same amount in FY 2007-2008.

# C. SECTION DIRECTORY:

Section 1. Amends s. 212.20(6)(d), F.S., to eliminate the transfer of .2 percent sales tax to the Ecosystem Management and Restoration Trust Fund.

Section 2. Provides an effective date of July 1, 2007.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

## A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

FY 07-08 FY 08-09

Ecosystem Management and Restoration TF: (\$45.9 million) (\$49.0 million)

General Revenue: \$45.9 million \$49.0 million

2. Expenditures:

None

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B.	FIS	SCAL IMPACT ON LOCAL GOVERNMENTS:			
	1.	Revenues: None			
	2.	Expenditures: None			
C.	DIF No	RECT ECONOMIC IMPACT ON PRIVATE SECTOR: one			
D.	Th Ec	SCAL COMMENTS:  e Department of Environmental Protection will have approximately \$45.9 million less for the osystem Management and Restoration Trust Fund for water quality improvement and water storation projects.			
	III. COMMENTS				
A.	CC	INSTITUTIONAL ISSUES:			
		Applicability of Municipality/County Mandates Provision: N/A			
		Other: None			
B.		ILE-MAKING AUTHORITY: one.			
C.	DR No	RAFTING ISSUES OR OTHER COMMENTS:			
D.		ATEMENT OF THE SPONSOR statement submitted			

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IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

None