

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: The Revenue Estimating Conference has not met on this issue. Following are preliminary estimates:

| | <u>FY 07-08</u> | <u>FY 08-09</u> |
|------------------------------------------|------------------|------------------|
| Ecosystem Management and Restoration TF: | (\$45.9 million) | (\$49.0 million) |
| General Revenue: | \$45.9 million | \$48.9 million |

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference has not met on this issue. Preliminary estimates are that there is a recurring increase to the Emergency ½ Cent Sales Tax distribution of \$0.1 million beginning in Fiscal Year 2008-09.

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

The Department of Environmental Protection will have approximately \$45.9 million less for the Ecosystem Management and Restoration Trust Fund for water quality improvement and water restoration projects.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

N/A

2. Other:

None

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

No statement submitted

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

None