

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: HB 5009 PCB HCC 08-03 Trust Funds/Re-creation/Tobacco Settlement Trust Fund/APD
SPONSOR(S): Healthcare Council and Bean
TIED BILLS: **IDEN./SIM. BILLS:** SB 2106

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
<u>Orig. Comm.: Healthcare Council</u>	<u>16 Y, 0 N</u>	<u>Pridgeon/Massengale</u>	<u>Gormley</u>
<u>1) Policy & Budget Council</u>	<u>27 Y, 0 N</u>	<u>Leznoff</u>	<u>Hansen</u>
<u>2)</u>	<u></u>	<u></u>	<u></u>
<u>3)</u>	<u></u>	<u></u>	<u></u>
<u>4)</u>	<u></u>	<u></u>	<u></u>
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I. SUMMARY

This bill re-creates the Tobacco Settlement Trust Fund, without modification, effective July 1, 2008. The Tobacco Settlement Trust Fund, FLAIR number 67-2-122, is administered by the Agency for Persons with Disabilities. This fund was created effective July 1, 2005, by chapter 2005-142, Laws of Florida. The bill revises the date for the reversion of encumbered balances remaining undisbursed in the Tobacco Settlement Trust Fund from December 31 to September 30 in accordance with chapter 216, Florida Statutes, and repeals the provision for the scheduled termination of the trust fund.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that every trust fund be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating that trust fund. The Constitution also provides that all newly created trust funds terminate not more than four years after the initial creation unless re-created. The Tobacco Settlement Trust Fund was created effective July 1, 2005, by chapter 2005-142, Laws of Florida in section 20.1971, Florida Statutes.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

This trust fund is used for transfers of revenue from the Department of Financial Services Tobacco Settlement Clearing Trust Fund.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The major source of revenue for this fund is transfers from the Department of Financial Services Tobacco Settlement Clearing Trust Fund.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

Total Receipts into this fund in Fiscal Year 2006-07 were \$22,609,461. Fiscal Year 2007-08 appropriations from the fund total \$9,281,380.

B. EFFECT OF PROPOSED CHANGES:

The bill re-creates the trust fund without modification, revises the date for the reversion of encumbered balances remaining undisbursed in the Tobacco Settlement Trust Fund from December 31 to September 30 in accordance with chapter 216, Florida Statutes, and repeals the schedule termination of the trust fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

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.

IV. COMMENTS

V. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES