

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Transportation and Economic Development Appropriations Committee

BILL: CS/SB 1634

INTRODUCER: Transportation and Economic Development Appropriations Committee and Senator Fasano

SUBJECT: Transportation Governmental Bond Trust Fund/DOT

DATE: March 3, 2010 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Carey	Noble	TA	Fav/CS
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

This bill creates the Transportation Governmental Bond Trust Fund within the Florida Department of Transportation (FDOT) for the deposit of funds received by FDOT from the proceeds or issuance of revenue bonds secured by state and federal revenues and credited to the trust fund.

II. Present Situation:

Article III, section 19(f)(1) of the Florida Constitution requires a trust fund be created in a separate bill passed by a three-fifths vote of the membership of each house of the Legislature. The FDOT is authorized in sections 215.616 and 215.615, Florida Statutes to issue both Grant Anticipation Revenue Vehicles (GARVEE) Bonds and Fixed Guideway Bonds. Bond covenants require that bond proceeds be segregated from other funds and FDOT does not currently have an established trust fund for the proceeds from these bond issues. The FDOT tentative work program anticipates GARVEE bond sales of \$100 million in Fiscal Year 2010-11.

III. Effect of Proposed Changes:

The creation of the Transportation Governmental Bond Trust Fund will provide for the proper placement and segregation of applicable bond proceeds and satisfy the requirement of the bond covenants. The FDOT will use sub-funds for each individual bond issuance for GARVEE, Fixed Guideway and bonds types that may qualify in the future. This governmental fund structure will facilitate bond proceeds segregation and proper accounting for, and reporting on, the specific bond proceeds separately from other transportation funds.

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

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Article III, section 19(f)(1), of the Florida Constitution, provides no trust fund of the state or other public body may be created without three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Transportation and Economic Development Appropriations on March 3, 2009:

The committee substitute makes a technical correction deleting a reference to “governmental-fund-type” bonds.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill’s introducer or the Florida Senate.
