

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	HB 7063	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Government Operations Appropriations Subcommittee and Ingram	115 Y's	0 N's
COMPANION BILLS:	(SB 218)	GOVERNOR'S ACTION:	Approved

SUMMARY ANALYSIS

HB 7063 passed the House on March 22, 2013 as SB 218.

This legislation re-creates the Mortgage Guaranty Trust Fund within the Office of Financial Regulation without modification, effective July 1, 2013.

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds 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 or re-creating that trust fund. The Mortgage Guaranty Trust Fund was created in the Office of Financial Regulation effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This bill has no fiscal impact.

The bill was approved by the Governor on April 10, 2013, ch. 2013-11, L.O.F., and will become effective on July 1, 2013.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

The Mortgage Guaranty Trust Fund is used to compensate borrowers who have filed eligible claims for monetary damages against loan originators, mortgage brokers, and mortgage lenders. This legislation re-creates the Mortgage Guaranty Trust Fund within the Office of Financial Regulation without modification, effective July 1, 2013.

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds 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 or re-creating that trust fund. The Mortgage Guaranty Trust Fund was created in the Office of Financial Regulation effective July 1, 2010, by chapter 2010-135, Laws of Florida, in section 494.00173, Florida Statutes and is scheduled to terminate on July 1, 2014.

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 or local governments. The bill simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.