

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 Committee on Appropriations

BILL: CS/SB 426

INTRODUCER: Appropriations Committee and Senator Gaetz

SUBJECT: Building Fee Trust Fund/State University System

DATE: February 13, 2015 REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Sikes	Kynoch	AP	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 426 terminates five obsolete trust funds within the Department of Education or Board of Governors of the State University System: the Building Fee Trust Fund, the Replacement Trust Fund, the University Concurrency Trust Fund, the Law Enforcement Trust Fund, and the Uniform Payroll Trust Fund. The bill also clarifies the administration of the Capital Improvement Fee Trust Fund by statutorily placing it under the Board of Governors, where it currently resides in practice, and directs state universities to deposit proceeds accrued pursuant to the provisions of the Florida Contraband Forfeiture Act into the appropriate local account.

The bill is effective July 1, 2015, and has no fiscal impact on state or local funds.

II. Present Situation:

Section 215.3208, F.S., requires legislative review of each trust fund at least once every four years. The review schedule is included in the legislative budget instructions developed in accordance with s. 216.023, F.S. The legislative budget instructions for legislative budget requests for Fiscal Year 2015-2016 included the State University System's trust funds.

The review indicated that several trust funds were obsolete. The Building Fee Trust Fund is obsolete because the building fee was repealed by section 22 of Chapter 2012-134, L.O.F. The University Concurrency Trust Fund is obsolete because the statutory authority for the fund was repealed by section 25 of Chapter 2011-177, L.O.F. The Replacement Trust Fund, Law Enforcement Trust Fund, and Uniform Payroll Trust Fund are obsolete because of the devolution

of the state university system from the State Treasury and dissolution of trust funds in accordance with s.1011.4106, F.S.

In addition, the Capital Improvement Fee Trust Fund is inappropriately placed under the administration of the State Board of Education, which has no authority over state universities, rather than the Board of Governors, which has authority over the State University System. The proceeds accrued pursuant to the provisions of the Florida Contraband Forfeiture Act are currently directed into each state university's law enforcement trust fund.

The Building Fee Trust Fund was originally used for debt service payments, reserve requirements, child development educational research centers, and projects appropriated by the Legislature. The University Concurrency Trust Fund was used for funding university offsite improvements required to meet concurrency standards. The Replacement Trust Fund was used for the deposit of casualty insurance claim proceeds from the Department of Insurance. The Uniform Payroll Trust Fund was a facilitator account for all budget functions related to university payroll processing. These trust funds have no cash balances and no future receipts are anticipated.

The Capital Improvement Fee Trust Fund was created in s. 1010.86, F.S., and is used for debt service payments, reserve requirements, child development educational research centers, and projects appropriated by the Legislature. Revenue sources for The Capital Improvement Trust Fund consist of receipts from capital improvement student fee assessments, interest earnings, and subsidy grants.

III. Effect of Proposed Changes:

The Building Fee Trust Fund, Replacement Trust Fund, University Concurrency Trust Fund, Law Enforcement Trust Fund, and Uniform Payroll Trust Fund, within the Department of Education or Board of Governors of the State University System are terminated.

Additionally, the bill amends s. 1010.86, F.S., to place the administration of the Capital Improvement Fee Trust Fund under the Board of Governors, where the trust fund currently resides in practice since the Board of Governors has authority over the State University System. The bill also amends s.932.7055 (6)(g), F.S., to direct the deposit of proceeds accrued pursuant to the provisions of the Florida Contraband Forfeiture Act into the state university's appropriate local account, rather than the university's law enforcement trust fund.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This bill has no fiscal impact on state agencies or state funds, on local governments as a whole, or on the private sector. It simply terminates existing state trust funds that are currently inactive.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 932.7055 and 1010.86.

IX. Additional Information:

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

CS by Appropriations on February 11, 2015:

The committee substitute:

- Terminates the following trust funds:
 - o Replacement Trust Fund;
 - o University Concurrency Trust Fund;
 - o Law Enforcement Trust Fund; and
 - o Uniform Payroll Trust Fund.
- Amends s. 932.7055 (6)(g), F.S., to direct state universities to deposit proceeds accrued pursuant to the provisions of the Florida Contraband Forfeiture Act into the appropriate local account.

B. Amendments:

None.

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