

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: SPB 7058

INTRODUCER: Appropriations Committee

SUBJECT: Trust Fund/Administrative Trust Fund/Department of Highway Safety and Motor Vehicles

DATE: February 21, 2019 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wells	Kynoch	_____	AP Submitted as Comm. Bill/Fav

I. Summary:

SPB 7058 creates the Administrative Trust Fund within the Department of Highway Safety and Motor Vehicles (DHSMV) to establish a depository for funds to be used for management activities.

The Florida Constitution requires a bill creating a new trust fund to pass by a three-fifths vote of the membership of each chamber of the Legislature. State trust funds must terminate not more than four years after the initial creation of the fund unless the Legislature sets a shorter time.

In accordance with the Florida Constitution, the trust fund is terminated on July 1, 2024.¹

The bill takes effect July 1, 2020.

II. Present Situation:

Currently the costs for management activities that are departmental in nature are funded by the Highway Safety Operating Trust Fund. Section 215.32(2)(b)2.c., F.S., provides for the creation of an Administrative Fund for such purposes.

The DHSMV began receiving reimbursements from the Federal Motor Safety Administration beginning in 2012 for administrative costs. In Fiscal Year 2017-2018, the DHSMV received approximately \$1.5 million in reimbursements.

¹ Section 19(f), Art. III, of the Florida Constitution.

III. Effect of Proposed Changes:

The bill creates the Administrative Trust Fund to establish a depository for funds to be used for management activities that are departmental in nature and funded by indirect cost earnings and assessments against trust funds.

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

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Section 19(f), Art. III, of the Florida Constitution, requires that a bill that creates a new trust fund must:

- Terminate not more than four years after the effective date of the bill creating the trust fund. The Legislature may set a shorter time period.
- Pass both chambers of the Legislature by a three-fifths vote of the membership of each chamber.

The bill contains a termination date of July 1, 2024, for the created trust fund.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

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. Statutes Affected:

None.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.