

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7047 PCB TTA 20-01 Trust Funds/Re-creation/Triumph Gulf Coast Trust Fund/DEO
SPONSOR(S): Transportation & Tourism Appropriations Subcommittee, Trumbull
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Tourism Appropriations Subcommittee	10 Y, 0 N	Cobb	Davis
1) Appropriations Committee	24 Y, 0 N	Cobb	Pridgeon

SUMMARY ANALYSIS

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 requires that a 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 created or recreating that trust fund. The Triumph Gulf Coast Trust Fund was created in the Department of Economic Opportunity effective July 1, 2017, and is scheduled to terminate on July 1, 2021.

This bill re-creates the Triumph Gulf Coast Trust Fund in the Department of Economic Opportunity, FLAIR number 40-2-043, effective July 1, 2020, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

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 requires that a 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 created or recreating that trust fund. The Triumph Gulf Coast Trust Fund was created in the Department of Economic Opportunity effective July 1, 2017, by chapter 2017-64 Laws of Florida, in s. 288.80125, F.S., and is scheduled to terminate on July 1, 2021.

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

The trust fund is used to transfer settlement payment funds to Triumph Gulf Coast, Inc., a nonprofit corporation organized to make awards for projects or programs within the counties disproportionately affected by the Deep Horizon oil spill.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The trust fund is established for use as a depository for funds received from the settlement between the five gulf states and the BP entities as a result of the Deepwater Horizon oil spill. Seventy-five percent of all payments Florida receives pursuant to the settlement agreement are immediately transferred from the General Revenue Fund to the trust fund.

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

Total projected receipts into the trust fund are \$80 million. Pursuant to Florida Statutes, settlement funds transferred to the trust fund are subsequently released to the corporation within 30 days after such transfer.¹ Interest earned on these funds while held by the corporation are deposited monthly into the Triumph Gulf Coast Trust Fund.² Interest earnings in the current year are projected to total \$9,312,482.

B. SECTION DIRECTORY:

The bill re-creates the trust fund without modification.

II. 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.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

¹ Section 288.8013(2), Florida Statutes

² Section 288.8013(3), Florida Statutes

1. Applicability of Municipality/County Mandates Provision:

2. Other:

B. RULE-MAKING AUTHORITY:

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES