

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB GOAS 11-01 Operations Trust Fund/DOR
SPONSOR(S): Government Operations Appropriations Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:** SB 1036

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Government Operations Appropriations Subcommittee	12 Y, 0 N	Fox	Topp

I. SUMMARY

This bill re-creates and renames the Operations Trust Fund, FLAIR number 73-2-510, within the Department of Revenue. This trust fund serves as a depository for funds to be used for program operations funded by program revenues. The Operations Trust Fund is renamed the Operating Trust Fund to be consistent and similarly titled as other trust funds in other agencies across state government. In addition, the name change will reflect the fund name in the legislative budgeting system.

Article III, s.19(f)(1) of the State Constitution specifies that a trust fund of the State of Florida or other public body may only be created by law in a separate bill. The bill creating or re-creating the trust fund must pass with a three-fifths vote of the membership of each house of the legislature. Thus this bill requires a three-fifths vote for passage.

This bill repeals section 215.198(3), Florida Statutes, which provided for the termination of this trust fund on July 1, 2012.

The bill has no fiscal impact.

The bill is effective July 1, 2011.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 215.198, Florida Statutes, creates the Operations Trust Fund within the Department of Revenue.

Article III, s.19(f)(1) of the State Constitution specifies that a trust fund of the State of Florida or other public body may only be created by law in a separate bill. The bill creating or re-creating the trust fund must pass with a three-fifths vote of the membership of each house of the legislature. Thus this bill requires a three-fifths vote for passage.

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

The Operating Trust Fund serves as a depository for funds to be used for the Department of Revenue operations funded by program revenues.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Documentary Stamp Tax, Motor Fuel/Gas Tax Collections, Discretionary Sales Surtax, Communications Services Tax and non-compliant taxpayer fees.

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

Projected Receipts into Operating Trust Fund \$77,387,164 (includes fund balance of \$14,904,983 on July 1, 2010)

Fiscal Year 2010-11 Appropriations \$72,087,175

B. EFFECT OF PROPOSED CHANGES:

The Operations Trust Fund within the Department of Revenue is re-created and renamed the Operating Trust Fund prior to the scheduled termination date of July 1, 2012. This bill re-creates and renames the trust fund to be consistent and similarly titled as other trust funds in other agencies across state government. In addition, the name change will reflect the fund name in the legislative budgeting system. The purpose of the fund is not modified.

III. 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.

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES