

# HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

**BILL #:** PCB TEDAS 13-03 Transportation Governmental Bond Trust Fund/DOT

**SPONSOR(S):** Transportation & Economic Development Appropriations Subcommittee

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 202

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky	Davis

## I. SUMMARY

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 Transportation Governmental Bond Trust Fund was created in the Department of Transportation effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This legislation re-creates the Transportation Governmental Bond Trust Fund within the Department of Transportation without modification, effective July 1, 2013, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

## II. SUBSTANTIVE ANALYSIS

### A. PRESENT SITUATION:

#### 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 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 Transportation Governmental Bond Trust Fund was created in the Department of Transportation effective July 1, 2010, by chapter 2010-15, Laws of Florida, in section 339.0816, Florida Statutes and is scheduled to terminate on July 1, 2014.

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

The purpose of the trust fund is for deposit and management of bond proceeds, separate from other funds and in compliance with bond covenants and Florida statutes.

#### 3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The trust fund serves as a depository for bond proceeds upon issuance of Fixed Guideway and Grant Anticipation Revenue Vehicle (GARVEE) bonds authorized in ss. 215.615 and 215.616, F.S., and interest earned on investments of those bond proceeds.

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

Total projected receipts into this fund are based upon bond proceeds received, and there are no current year appropriations from the fund.

### B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Transportation Governmental Bond Trust Fund within the Department of Transportation without modification, effective July 1, 2013, and repeals the scheduled termination of the trust fund.

## 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