

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB SSC 07-04 Operating Trust Fund in the Department of Legal Affairs
SPONSOR(S): Safety & Security Council
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Safety & Security Council		Miller	Havlicak
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

The bill creates the Operating Trust Fund within the Department of Legal Affairs effective July 1, 2007. The fund is established as a depository for funds to be used for supporting the programs and other appropriate purposes of the department. Funds that will be credited to the Operating Trust Fund include fees, revenues, and transfers for the purpose of supporting operations of the Medicaid Fraud Control Unit, the Office of Statewide Prosecution and such other purposes as directed by the Legislature. Funds from the Operating Trust Fund shall be expended only pursuant to legislative appropriations.

The bill creates a new trust fund; therefore, it must pass with a three-fifths vote of the membership of each house of the Legislature.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the house principles.

B. PRESENT SITUATION:

Currently, revenues received through Medicaid Fraud Control Unit and the Office of the Statewide Prosecutor are deposited into the Grants and Donations Trust Fund.

Section 215.32 (2)(a), F.S., generally provides that an operating trust fund should be used as a depository for program revenues that are used to support that program.

Section 19(f), Art. III of the State Constitution governs the creation of trust funds. This constitutional provision prohibits the creation of a trust fund of the state or other public body without a three-fifths vote of the membership of each house of the Legislature. This provision further specifies that a trust fund must be created in a separate bill for that purpose only.

The State Constitution also specifies that trust funds created after November 4, 1992, with certain exceptions, shall terminate not more than 4 years after the effective date of the act authorizing the initial creation of the trust fund, unless the Legislature by law sets a shorter time period.

C. EFFECT OF PROPOSED CHANGES:

The bill creates the Operating Trust Fund within the Department of Legal Affairs. The bill specifies its funding sources to include fees and other revenues to be used by the Medicaid Fraud Control Unit and the Office of the Statewide Prosecutor or such other purposes as determined by the Legislature.

The bill further provides that the Operating Trust Fund shall, unless terminated sooner, be terminated on July 1, 2011 unless recreated prior to that date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

N/A

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES