

STORAGE NAME: h1959.it.doc
DATE: April 18, 2001

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
INFORMATION TECHNOLOGY
ANALYSIS**

BILL #: HB 1959 (Formerly PCB IT 01-07)
RELATING TO: Technology Enterprise Operating Trust Fund
SPONSOR(S): Committee on Information Technology and Representative Hart

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) INFORMATION TECHNOLOGY
 - (2)
 - (3)
 - (4)
 - (5)
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I. SUMMARY:

HB 1959, as amended, would create the Technology Operating Trust Fund in the State Technology Office, express the purpose for creating said Trust Fund, terminate the Communications Working Capital Trust Fund effective July 1, 2001, transfer the funds in said Trust Fund that were not expended or obligated during Fiscal Year 2000-2001 to the Technology Enterprise Operating Trust Fund, terminate the Working Capital Trust Funds created by s. 216.272 in the state agencies that transfer positions and appropriations for performance of information technology activities to the State Technology Office on the date such transfers occur, transfer to the Technology Enterprise Operating Trust Fund the funds in said Working Capital Trust Funds that were not expended or obligated before the date such transfers occur, provide for review and termination of the Technology Enterprise Operating Trust Fund, amend s. 215.22 to substitute the phrase "Technology Enterprise Operating Trust Fund" for the phrase "Communications Working Capital Trust Fund", and provide an effective date.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

s. 216.272, s. 215.22

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

There are two kinds of trust funds created to support the information technology activities the State Technology Office is responsible for administering: the Communications Working Capital Trust Fund and Working Capital Trust Funds created in s. 216.272. The Communications Working Capital Trust Fund is funded by fees paid by users of the statewide communications system authorized by s. 282.103 and the revenues available in that Trust Fund pay the costs the State Technology Office incurs in providing communications equipment, systems and services to user agencies. Pursuant to s. 216.272, a Working Capital Trust Fund exists in each state agency that operates a data processing center and each such Trust Fund is funded by the fees paid by the state

agencies that are served by the data processing center operated by the agency in which the Trust Fund exists. In substance, the revenues deposited in these two kinds of trust funds pay the costs of providing state agencies with data processing services, and voice and video services.

Examples of communications network services include: (1) the metropolitan area network which is a SUNCOM services offering fiber Distributed Data Interface (FDDI) capabilities for intra-agency communication in and around Tallahassee, (2) remote dial-up, (3) router transport service (a multi-protocol fully route data communications service) and (4) SOFIA which is the Internet access for the state.

Examples of data processing services include: (1) use of equipment at the data processing center and (2) use of applications at the data processing center.

These two types of services (communications network and data processing) co-mingle in applications/projects that use network and data processing services. Consider, for example: (1) time-direct. This application is run and housed on equipment at the data processing center in the State Technology Office. The application relies heavily on the Internet but also requires the availability and use of communications network services. (2) MyFlorida.com. This application is housed at the data processing center in the State Technology Office and requires both data processing services and communications network services because it relies on the web for its viability.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The Communications Working Capital Trust Fund is funded by fees paid by users of the statewide communications system authorized by s. 282.103. Each agency that maintains a data processing center, pursuant to s. 216.272, has Working Capital Trust Fund. Each agency Working Capital Trust Fund is funded by the fees paid by the state agencies.

B. EFFECT OF PROPOSED CHANGES:

The bill, as amended, would create the Technology Enterprise Operating Trust Fund to replace the Communications Working Capital Trust Fund and the Working Capital Trust Funds in state agencies that operate data processing centers and transfer to the State Technology Office the positions and appropriations in the agency that are dedicated to performance of information activities. The funds in those trust funds that were not expended or obligated before they were terminated would be transferred to the Technology Enterprise Operating Trust Fund, and all payments thereafter payable to the Communications Working Capital Trust Fund and to the Working Capital Trust Funds would be payable to the Technology Enterprise Operating Trust Fund. This consolidation would create one funding source to pay the costs the State Technology Office incurs for providing all network and data processing services. By "packaging" the communications network and data processing services available from the State Technology Office, customers would be able to purchase and receive the services they desire through a single transaction and receive a consolidated bill.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

As amended, HB 1959 would consolidate several trust funds into a single trust fund to receive and disburse revenues to pay the operating costs the State Technology Office incurs in designing, engineering, implementing, operating and maintaining a statewide communications system and a data center to serve all the state agencies from which the Office receives transferred personnel and appropriations for performance of information technology activities. Such a consolidation would provide the means to simplify the process of accounting for the funding of such activities and

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facilitate the realization of greater efficiency and economy in the operations of the State Technology Office. Therefore, passage of the bill, as amended, would not result in any adverse fiscal impacts to any of the agencies and other entities that use the statewide communications system, to any state agency being served by the data processing center operated by the State Technology Office, to the State Technology Office, or to any other agency of the State of Florida.

IV. COMMENTS:

N/A

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON INFORMATION TECHNOLOGY:

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