

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 38C

SPONSOR: Senator Cowin

SUBJECT: Article V Trust Fund

DATE: November 27, 2001      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Beck	Revell	AP	Favorable
2.				
3.				
4.				
5.				
6.				

## I. Summary:

This bill amends Section 25.402(1)(b), Florida Statutes regarding the distribution of County Article V Trust Funds and would no longer require the Supreme Court to adopt an allocation and disbursement plan for the operation of the trust fund and the expenditure of moneys deposited in the trust fund **when** the Legislature appropriates Article V Trust Funds to directly support state-funded state court system operations.

This bill also amends Section 25.402(1)(d), Florida Statutes, regarding the allowable purposes for which trust funds may be used by adding Section 25.402(1)(d)(3). This new section of Chapter 25 provides that trust funds may be used for the operation of trial courts.

Finally, this bill also reauthorizes the County Article V Trust Fund, scheduled to expire June 30, 2002, until January 1, 2006.

This bill substantially amends section 25.402, Florida Statutes.

## II. Present Situation:

Section 34.201, Florida Statutes creates the Article V Trust Fund.

Section 25.402(1)(a), Florida Statutes provides that Article V Trust Funds may be used by the Supreme Court to compensate counties for the costs they incur under Article V of the State Constitution in operating the state courts system, including the costs they incur in providing and maintaining court facilities.

Section 25.402(1)(b), Florida Statutes provides that the Supreme court shall adopt an allocation and disbursement plan for the operation of the trust fund and the expenditure of moneys deposited in the trust fund.

Section 25.402(1)(d), Florida Statutes describes the purposes for which trust funds may be used.

### III. Effect of Proposed Changes:

- A. Current language in Section 25.402(1)(a) contains permissive language regarding the use of County Article V trust funds, but s. 25.402(1)(b) *requires* the Supreme Court to adopt an allocation and disbursement plan for the operation of the trust fund and the expenditure of moneys deposited into the trust fund. The allocation and disbursement plan outlined in this section does not contemplate a situation where the Legislature may appropriate Article V Trust Funds to directly support state-funded state court system operations.

This bill amends Section 25.402(1)(b), Florida Statutes, to require the Supreme Court to adopt an allocation and disbursement plan only “when it uses moneys from the trust fund to compensate counties,” and would not require an allocation and disbursement plan *when* the Legislature appropriates Article V Trust Funds to directly support state-funded state court system operations.

- B. Section 25.402(1)(d) is amended to add paragraph 3, which expands the allowable use of trust funds to include a provision that trust funds may also be used for the operations of trial courts.
- C. This bill also amends Section 25.402(2), Florida Statutes, to reauthorize the County Article V Trust Fund, which expires June 30, 2002, until January 1, 2006.

This bill is necessary to implement the budget reductions and General Revenue fund shifts to available trust fund revenues as proposed in SB 2-C.

### IV. Constitutional Issues:

- A. Municipality/County Mandates Restrictions:

None.

- B. Public Records/Open Meetings Issues:

None.

- C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None

**C. Government Sector Impact:**

This bill may affect county governments in FY 2002-03 by reducing Article V Trust Funds available for distribution to compensate counties for the costs they incur under Article V of the State Constitution in operating the state courts system. Should the Legislature elect to continue the FY 2001-02 General Revenue fund shift to Article V Trust Funds, the potential budget reduction to county governments could reach \$25 million.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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