

FINAL BILL ANALYSIS

BILL #: HB 7205

FINAL HOUSE FLOOR ACTION:

81 Y's 38 N's

SPONSOR: Select Committee on
Government Reorganization and Reps. Aubuchon and Hukill

GOVERNOR'S ACTION: Approved

COMPANION BILLS:

SUMMARY ANALYSIS

HB 7205 passed the House on May 7, 2011, and subsequently passed the Senate on May 7, 2011. The bill was approved by the Governor on June 2, 2011, chapter 2011-138, Laws of Florida, and becomes effective July 1, 2011. This bill creates the State Economic Enhancement and Development Trust Fund within the Office of Tourism, Trade, and Economic Development of the Executive Office of the Governor. This trust fund will serve as a depository of documentary stamp tax proceeds and local matching funds.

The SEED Trust Fund will be used to fund strategic transportation investments, affordable housing, and economic development incentives to attract new businesses to the state and retain existing businesses.

The SEED Trust Fund is terminated July 1, 2015, unless reenacted by the Legislature.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

This bill, together with SB 2156, creates the State Economic Enhancement and Development (SEED) Trust Fund to serve as a dedicated recurring funding source to enable Florida to be proactive and better positioned to capitalize on opportunities that will benefit the state from an economic development perspective.

Infrastructure and economic development programs are generally funded from various trust funds and General Revenue annually through the General Appropriations Act. Florida does not currently have a fund or dedicated revenue source that can be readily available to respond to economic opportunities that may arise throughout the fiscal year.

This bill creates the State Economic Enhancement and Development (SEED) Trust Fund¹ to be used to fund infrastructure and job creation opportunities in the following program areas:

- Transportation facilities that meet a strategic and essential state interest with respect to the economic development of the state;
- Affordable housing programs and projects in accordance with chapter 420, F.S.;
- Economic development incentives for job creation and capital investment;
- Workforce training associated with locating a new business or expanding an existing business; and
- Tourism promotion and marketing services, functions, and programs.

Revenue sources for the SEED Trust Fund will include documentary stamp tax proceeds and local matching funds for economic development projects.

The bill terminates the SEED Trust Fund on July 1, 2015, unless reenacted by the Legislature.

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 Article III, section 19(f)(1), of the Florida Constitution, provides that no trust fund of the state or other public body may be created without three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

1. Revenues:

2.

None.

3. Expenditures:

4.

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.