

STORAGE NAME: h2395z.ga
DATE: May 22, 2000

****FAILED TO PASS THE LEGISLATURE****

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GENERAL APPROPRIATIONS
FINAL ANALYSIS**

BILL #: HB 2395 (PCB GA 00-29)

RELATING TO: Creating the Public Employee Optional Retirement Trust Fund

SPONSOR(S): Committee on General Appropriations and Representative Pruitt

TIED BILL(S): PCB GA 00-16

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

- (1) GENERAL APPROPRIATIONS YEAS 19 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

This bill creates the Public Employee Optional Retirement Program Trust Fund to be administered by the State Board of Administration.

On May 5, 2000, HB 2395 died in the Senate Committee on Governmental Oversight and Productivity.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

This bill creates a trust fund in the State Treasury.

B. PRESENT SITUATION:

At this point in time there is no trust fund in existence for the Public Employee Optional Retirement Program should PCB GA 00-16 or similar legislation be passed during the 2000-2001 Legislative session.

C. EFFECT OF PROPOSED CHANGES:

This bill creates the Public Employee Optional Retirement Program Trust Fund to be administered by the State Board of Administration.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Creates the Public Employee Optional Retirement Program Trust Fund to be administered by the State Board of Administration. Exempts the fund from service charges imposed by s. 215.20, F.S. Provides that any balance remaining at the end of the fiscal year shall remain in the trust fund in order to carry out the purposes of the fund. States that the fund shall be terminated on July 1, 2004, unless terminated sooner, and prior to termination, shall be subject to the trust fund review process.

Section 2. Provides an effective date of July 1, 2000, contingent on PCB GA 00-16 or similar legislation being adopted in the same legislative session or an extension thereof and becoming law.

III. 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.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require municipalities or counties to spend money.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of municipalities or counties to raise revenue.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with municipalities or counties.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

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C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VII. SIGNATURES:

COMMITTEE ON GENERAL APPROPRIATIONS:

Prepared by:

Staff Director:

Pat Neil

David K. Coburn

FINAL ANALYSIS PREPARED BY THE COMMITTEE ON GENERAL APPROPRIATIONS:

Prepared by:

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David K. Coburn