

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: CS for SB 854

SPONSOR: Appropriations Subcommittee on General Government and Senator Clary

SUBJECT: Securities Guaranty Fund

DATE: February 9, 2004 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kynoch</u>	<u>Hayes</u>	<u>AGG</u>	<u>Fav/CS</u>
2.	_____	_____	<u>AP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This committee substitute re-creates the Securities Guaranty Fund without modification. The Securities Guaranty Fund, FLAIR #43-2-626, is administered by the Office of Financial Regulation of the Financial Services Commission, which is administratively housed in the Department of Financial Services. This fund was last re-created effective November 4, 2000, by Chapter 99-81, Laws of Florida.

II. Present Situation:

Section 517.131(1)(a), F.S., creates the Securities Guaranty Fund. This fund provides restitution to person(s) adjudged by a court of competent jurisdiction to have suffered monetary damages as a result of violations of ss. 517.07 and 517.301, F.S. Sections 517.12(10), 517.12(11), 517.1201, F.S., provide revenue sources for the fund. These sources are a percentage of fees assessed on the securities industry. According to LAS/PBS data, receipts to this fund for FY 2002-2003 were \$2.6 million.

III. Effect of Proposed Changes:

This committee substitute re-creates the trust fund without modification.

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 legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.