

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

The documentary stamp tax levied under Chapter 201, F.S., provides revenue to the General Revenue Fund and various trust funds. Section 201.15, F.S., provides the distribution of the documentary stamp taxes.

Currently, the WPSPTF in the Department of Environmental Protection receives \$100 million each fiscal year from documentary stamp tax. The \$100 million is distributed as follows:

- Sixty percent to the Department of Environmental Protection for the implementation of an alternative water supply program.
- Twenty percent for the implementation of best management practices and capital expenditures necessary for the implementation of the goals of the total maximum daily loads program.
- Ten percent for surface water improvement and management activities.
- Ten percent for the Disadvantaged Small Community Wastewater Grant Program.

Section 403.890, F.S., provides that prior to the end of the 2008 Regular Session, the Legislature must review the distribution of funds under the Water Protection and Sustainability Program to determine if revisions to the funding formula are required and present recommendations to the Legislature proposing necessary changes, if any.

Effect of Proposed Change

This bill provides that effective July 1, 2007, the amounts distributed from documentary stamp tax collections to the WPSPTF in the Department of Environmental Protection may not exceed \$70 million in each fiscal year.

The \$70 million will be distributed pursuant to the following:

- Thirty million dollars to the Department of Environmental Protection for the implementation of an alternative water supply program.
- Twenty million dollars for the implementation of best management practices and capital expenditures necessary for the implementation of the goals of the total maximum daily loads program
- Ten million dollars for surface water improvement and management activities.
- Ten million dollars for the Disadvantaged Small Community Wastewater Grant Program.

The bill will reduce funds to the WPSPTF by \$30 million and increase General Revenue by the same amount.

C. SECTION DIRECTORY:

Section 1. Amends s. 201.15 (1)(d)2., F.S., to limit the distributions to the WPSPTF.

Section 2. Amends s. 403.890 (1)(a), (b), (c), and (d), F.S., relating to the distribution of funds.

Section 3. Provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

	Current law <u>FY 06-07</u>	Change <u>FY 07-08</u>
WPSPTF:	\$100 million	\$70 million

2. Expenditures:

Expenditures from the recipient trust fund will be capped at \$70 million.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

As a result of decreasing the WPSPTF revenue by \$30 million, local governments may have a reduction of funds available for the purposes in s. 403.890, F.S.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill will reduce funds to the WPSPTF by \$30 million and increase General Revenue by the same amount.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

N/A

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

None