

REVENUE ESTIMATING CONFERENCE

Revenue Source: Trust Funds

Issue: Utility Relocation Reimbursement Grant Program

Bill Number(s): CS/HB 703

☐ **Entire Bill**

☒ **Partial Bill:** Section 1

Sponsor(s): Representative Robinson

Month/Year Impact Begins: October 1st, 2025

Date(s) Conference Reviewed: April 25th, 2025 as [CS/CS/CS/SB 818 – Section 1](#); July 10th, 2025; final revision on August 13th, 2025

[Note: The July 10th, 2025 analysis referred to Communication Services Tax as the Revenue Source. The revision on August 13th revised the Revenue Source to State Trust Funds and added a new note in Section 5.]

Section 1: Narrative

- a. Current Law:** In a fiscal year, the greater of \$500M minus 4.6% of the proceeds of the taxes collected or the 5.2% of all other taxes collected pursuant to s.202.18(1)(b) and (2)(b) shall be deposited into the General Revenue fund in monthly installments. Following this distribution, 8.9744% of taxes remitted by sales tax dealers in participating counties shall be transferred into the Local Government Half-Cent Sales Tax Clearing Trust Fund and the amount to be transferred is to be reduced by 0.1% for distribution to the Public Employee Relations Commission Trust Fund and distributed accordingly.
- b. Proposed Change:** The 8.9744% of taxes remitted by sales tax dealers are to be transferred in two parts: (1) A total \$50M of CST proceeds shall be transferred to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund for the Utility Relocation Reimbursement Grant Program. The remainder shall be transferred to the Local Government Half-Cent Sales Tax Clearing Trust Fund and the amount to be transferred shall be reduced by 0.1018% beginning October 1, 2025 and is to be distributed to the Public Employee Relations Commission Trust Fund.

Section 2: Description of Data and Sources

DOR Sales Tax Collection Report

March 2025 General Revenue Estimating Conference

Section 3: Methodology (Include Assumptions and Attach Details)

The DOR Sales Tax Collections report was used to tabulate communication service tax collections and distributions. As per the language, \$50M from the collections were allotted to the new Grants and Donations Trust Fund, with the remainder being disbursed to the Half-Cent distribution. An annual deduction of 0.1018% was taken from the Half-Cent distributions for the Public Employee Relations Commission Trust Fund.

This language alters revenue distributions, but not revenue collection; thus, the total revenue impact of this bill is \$0.

Section 4: Proposed Revenue Impact

Distribution to Half Cent

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			\$(50.0 M)	\$(50.0 M)		
2026-27			\$(50.0 M)	\$(50.0 M)		
2027-28			\$(50.0 M)	\$(50.0 M)		
2028-29			\$(50.0 M)	\$(50.0 M)		
2029-30			\$(50.0 M)	\$(50.0 M)		

Distribution to Grants and Donations TF

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			\$50.0 M	\$50.0 M		
2026-27			\$50.0 M	\$50.0 M		
2027-28			\$50.0 M	\$50.0 M		
2028-29			\$50.0 M	\$50.0 M		
2029-30			\$50.0 M	\$50.0 M		

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Distribution to Public Employee Relations Commission TF

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			0.0	0.0		
2026-27			0.0	0.0		
2027-28			0.0	0.0		
2028-29			0.0	0.0		
2029-30			0.0	0.0		

Distribution to GR

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26			0.0	0.0		
2026-27			0.0	0.0		
2027-28			0.0	0.0		
2028-29			0.0	0.0		
2029-30			0.0	0.0		

Revenue Distribution: State Trust Funds

Section 5: Consensus Estimate (Adopted: 08/13/2025) The Conference adopted the proposed impact, but notes that the bill directly results in an equal, offsetting impact to two state trust funds (positive to the Grants and Donations Trust Fund within the Department of Commerce and negative to the Local Government Half-cent Sales Tax Clearing Trust Fund). However, to reflect the reduction in funds that will ultimately be distributed to local governments out of the Local Government Half-cent Sales Tax Clearing Trust Fund as a result of the bill, the Conference adopted a positive impact to state trust funds and a negative impact to Local Governments.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2025-26	0.0	0.0	50.0	50.0	(50.0)	(50.0)	0.0	0.0
2026-27	0.0	0.0	50.0	50.0	(50.0)	(50.0)	0.0	0.0
2027-28	0.0	0.0	50.0	50.0	(50.0)	(50.0)	0.0	0.0
2028-29	0.0	0.0	50.0	50.0	(50.0)	(50.0)	0.0	0.0
2029-30	0.0	0.0	50.0	50.0	(50.0)	(50.0)	0.0	0.0

	A	B	C	D	E	F	G
1		Yes/No	Set To Be...				
2	(A) Enable Distribution to Grants and Donations TF	Yes	50,000,000				
3	(B) Modify Public Employee Relations Commission TF	Yes	0.1018%				
4							
5	Total	IN-STATE	OUT-OF-STATE	TOTAL		CURRENT	DIFFERENCE
6		COLLECTIONS	COLLECTIONS	COLLECTIONS		LAW	
7							
8	ESTIMATED COLLECTIONS			46,404,198,198			
9	LOCAL GOVERNMENT DISCRETIONARY SHARE			(4,218,450,979)			
10	INDIGENT CARE SURTAX SHARE			(553,725,230)			
11	CHARTER COUNTY TRANSPORTATION SHARE			(872,541,444)			
12	LOCAL OPTION TOURIST DEVELOPMENT SHARE			(14,761,666)			
13	DIESEL FUEL			(21,127,825)			
14	2.6% GROSS RECEIPTS TAX			(203,987,017)			
15	ESTIMATED RETURNED ITEMS			(139,286,852)			
16	ESTIMATED REFUNDS			(93,754,461)			
17	TRANSFERS			(8,236,725)			
18	SUT COLLECTION ALLOW DONATION FOR EDUC			(1,328,709)			
19							
20							
21	HOPE SCHOLARSHIP (MOTOR VEHICLES)	72,599,921	16,590				
22	SALES TAX CREDIT SCHOLARSHIP (COMM RENT)	575,429	-				
23	DIRECT PAY SCHOLARSHIP	4,872,434	-				
24	NEW WORLDS READING INITIATIVE	14,976,529	-				
25	STRONG FAMILIES TAX CREDIT	1,000,000	-				
26							
27							
28	NET SALES TAX COLLECTIONS (ADJUSTED)	33,237,434,964	7,039,562,325	40,276,997,289			
29	TRANSFERS	-	-	-			
30	AUDIT ASSESSMENTS (DEPOSITED DIRECTLY INTO GR)	-	(145,293,280)	(145,293,280)			
31	SAP AUDIT ASSESSMENTS	157,169,937	38,311,397	195,481,334			
32	AUDITED ADJUSTMENT - February 2024	26,493,283	(45,398,380)	(18,905,098)			
33	AUDITED ADJUSTMENT	-	-	-			
34	ADJUSTMENT-FY 22/23	-	-	-			
35	TRANSFER FROM CST	578,651,171	-	578,651,171			
36	SATELLITE STATE PORTION	47,392,638	-	47,392,638			
37	TOTAL COLLECTIONS	34,047,141,992	6,887,182,062	40,934,324,054			
38							
39							
40	STATE INFRASTRUCTURE FUND:						
41	TOTAL COLLECTIONS	34,047,141,992	6,887,182,062	40,934,324,054			
42	SIF SHARE	0.052	0.052	0.052			
43	TOTAL SIF DISTRIBUTION (REMAINS IN GR)	1,770,451,384	358,133,467	2,128,584,851			
44							
45							
46	HALF-CENT SALES TAX DISTRIBUTION:						
47	TOTAL COLLECTIONS	34,047,141,992		40,934,324,054			
48	LESS IN-STATE SIF	1,770,451,384					
49	PLUS SALES TAX SCHOLARSHIPS	89,135,049	15,727				
50	NET COLLECTIONS	32,365,825,658					
51	HALF-CENT & PUBLIC EMP SHARE	0.089744					
52	HALF-CENT & PUBLIC EMP DISTRIBUTIONS	2,904,638,658					
53	Grants and Donations Trust Fund	50,000,000		50,000,000			
54	NEW Half-Cent Base	2,854,638,658					
55	PUBLIC EMPLOYEES RELATIONS SHARE	0.001018					
56	AVAILABLE FOR PUBLIC EMPLOYEES RELATIONS	2,906,022					
57	NET HALF-CENT DISTRIBUTION TO JURISDICTIONS	2,851,732,636	-	2,851,732,636		2,901,734,019	(50,001,383)
58	BALANCE OF UN-DISTRIBUTED SALES	29,461,187,000	6,529,064,322				-
59	EMERGENCY/SUPPL SHARE	28,459,507	6,307,076				-
60	PUBLIC EMPLOYEES EMERGENCY/SUPPL SHARE	60,000					-
61	PUBLIC EMPLOYEES RELATIONS DISTRIBUTION			2,846,022		2,844,639	1,383
62	TOTAL EMERGENCY/SUPPL DISTRIBUTION	28,519,507	6,307,076	34,826,583		34,826,583	-
63	BALANCE OF UN-DISTRIBUTED SALES	29,432,727,494	6,522,757,246				-
64	REVENUE SHARING TO MUNICIPALITIES	401,845,028	89,055,205	490,900,233		490,900,233	-
65	REVENUE SHARING TO COUNTIES	612,495,059	135,738,578	748,233,637		748,233,637	-
66	PRO-SPORTS FRANCHISE DISTRIBUTION		25,833,373	25,833,373		25,833,373	-
67	PARI-MUTUEL DISTRIBUTION		29,915,500	29,915,500		29,915,500	-
68	STATE TRANSPORTATION TRUST FUND DISTRIBUTION		183,996	183,996		183,996	-
69	COMMERCE TRANSFER TO UCTF			900,000,000		900,000,000	-
70	DEPT OF AGRICULTURE & CONSUMER SERVICES TRANSFER			27,500,000		27,500,000	-
71	REMAINDER TO GENERAL REVENUE			35,772,352,074		35,772,352,074	-
72							

	A	B	C	D	E	F	G
73	Grants and Donations Distribution Only	Current Law	Proposed Change	Impact			
74	Distribution to Half Cent	2,901,734,019	2,851,784,019	(49,950,000)			
75	Distribution to Grants and Donations TF	-	50,000,000	50,000,000			
76	Distribution to Public Employee Relations Commission TF	2,844,639	2,794,639	(50,000)			
77	Distribution to GR	35,772,352,074	35,772,352,074	-			
78							
79	Public Employee Relations Commission Only	Current Law	Proposed Change	Impact			
80	Distribution to Half Cent	2,901,734,019	2,901,681,736	(52,283)			
81	Distribution to Public Employee Relations Commission TF	2,844,639	2,896,922	52,283			
82	Distribution to GR	35,772,352,074	35,772,352,074	-			
83							
84	Both Changes	Current Law	Proposed Change	Impact			
85	Distribution to Half Cent	2,901,734,019	2,851,732,636	(50,001,383)			
86	Distribution to Grants and Donations TF	-	50,000,000	50,000,000			
87	Distribution to Public Employee Relations Commission TF	2,844,639	2,846,022	1,383			
88	Distribution to GR	35,772,352,074	35,772,352,074	-			
89							
90	<i>Distribution to Half Cent</i>						
91	Fiscal Year	Growth Rate	Impact	Total Impact			
92	2025-26	3.03%	(1,069.07)	(50,001,069.07)			
93	2026-27	2.93%	(1,467.20)	(50,001,467.20)			
94	2027-28	2.94%	(1,510.31)	(50,001,510.31)			
95	2028-29	3.04%	(1,556.24)	(50,001,556.24)			
96	2029-30	2.93%	(1,601.86)	(50,001,601.86)			
97							
98	<i>Distribution to Grants and Donations TF</i>						
99	Fiscal Year	Growth Rate	Impact				
100	2025-26	0.00%	50,000,000				
101	2026-27	0.00%	50,000,000				
102	2027-28	0.00%	50,000,000				
103	2028-29	0.00%	50,000,000				
104	2029-30	0.00%	50,000,000				
105							
106	<i>Distribution to Public Employee Relations Commission TF</i>						
107	Fiscal Year	Growth Rate	Impact				
108	2025-26	3.03%	1,069.07				
109	2026-27	2.93%	1,467.20				
110	2027-28	2.94%	1,510.31				
111	2028-29	3.04%	1,556.24				
112	2029-30	2.93%	1,601.86				
113							
114	<i>Distribution to GR</i>						
115	Fiscal Year	Growth Rate	Impact				
116	2025-26	0.00%	-				
117	2026-27	0.00%	-				
118	2027-28	0.00%	-				
119	2028-29	0.00%	-				
120	2029-30	0.00%	-				
121							