

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: April 15, 1998 Revised: \_\_\_\_\_

Subject: The Historic Pensacola Preservation Board of Trustees

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Rhea</u>	<u>Wilson</u>	<u>GO</u>	<u>Favorable/CS</u>
2.	<u>Cooper</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable</u>
3.	_____	_____	<u>WM</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

**I. Summary:**

This committee substitute clarifies that the Division of Historical Resources of the Department of State may fix and collect charges for the rental of facilities and properties managed by the division. Further, it deletes a requirement that moneys received from admissions and rentals of facilities and properties managed by the Historic Pensacola Preservation Board of Trustees be deposited into the Historic Pensacola Preservation Board Operating Trust Fund. Funds instead will be deposited into an account of the direct-support organization of the board.

This committee substitute amends sections 266.0018 and 267.17, Florida Statutes, and repeals section 266.0015(2), Florida Statutes.

**II. Present Situation:**

The Department of State is created in statute with seven divisions, including the Division of Historical Resources. The division is responsible for promoting and encouraging knowledge and appreciation of Florida history throughout the state.<sup>1</sup> The division is authorized to engage in the collection, research, exhibition, preservation, and interpretation of historical materials; to encourage the teaching of Florida history; and to operate museums, including the Museum of Florida History.

Section 267.072(1)(b), F.S., provides that the division shall:

Support the establishment and operation of a nonprofit organization or association to promote and encourage knowledge and appreciation of Florida history and the programs of

<sup>1</sup>Section 267.071, F.S.

the Museum of Florida History and to cooperate with historical societies and other organizations to provide funding and promotional support for the programs of the museum. Such organization or association may, with the consent of the division, operate the museum store or conduct special events and programs in the museum. All proceeds must be used to support the programs of the Museum of Florida History.

The Florida History Associates, Inc., a nonprofit corporation organized pursuant to chapter 617, F.S., was created in 1983 to accomplish this purpose.

Section 267.17, F.S., permits the division to permit, without charge, appropriate use of property and facilities of the division by a citizen support organization. The use must be directly in keeping with the approved purposes of the citizen-support organization and may not be made at times or places that would unreasonably interfere with opportunities for the general public to use such facilities for established purposes.

The Historic Pensacola Preservation Board of Trustees is created in s. 266.011, F.S. The board consists of seven members appointed by the Governor and confirmed by the Senate. Members are appointed to 4-year terms. Board members must possess an active interest in the historical aspects of Pensacola and Escambia County. The purposes and functions of the board are:

- (1) To restore, preserve, maintain, reconstruct, reproduce, and operate for the use, benefit, education, recreation, enjoyment, and general welfare of the people certain ancient or historic landmarks, sites, cemeteries, graves, military works, monuments, locations, remains, buildings, and other objects of historical or antiquarian interest in the City of Pensacola and Escambia County;
- (2) To research, prepare, publish, and procure for the use and benefit of the general public, books, reports, articles, pamphlets, brochures, documents, maps, photographs, films, sound recordings, and other products of a similar nature in furtherance of the protection and preservation of and the dissemination of information about historic sites and properties, as well as persons, places, events, conditions, objects, patterns, behaviors, records, and times pertaining to Florida history, which products may be used by the board or may be available for use by or distributed by the board to any person or entity, public or private, with or without charge or profit.

Section 266.0015, F.S., provides that the Treasurer is the ex officio treasurer of the board and has the custody of all its funds, which must be kept in a special account. All receipts and disbursements of the board must be handled subject to the same laws and rules as other state funds are handled.

All moneys received from admissions to and rentals of facilities and properties managed by the board must be deposited by the board into the Historic Pensacola Preservation Board Operating Trust Fund and are subject to annual appropriation by the Legislature for the benefit of the board.

All interest earned by the trust fund must be deposited into the trust fund. Monies deposited into the trust fund are subject to the 7 percent surcharge.

### **III. Effect of Proposed Changes:**

The committee substitute amends s. 267.17, F.S., to clarify that the division may fix and collect charges for the rental of facilities and properties managed by the division. The committee substitute provides that moneys received may be held in the operating trust fund of the division or in a separate depository account in the name of the citizen support organization.

The committee substitute repeals s. 266.0015(2), F.S., which requires that all moneys received from admissions to and rentals of facilities and properties managed by the board be deposited by the board into the Historic Pensacola Preservation Board Operating Trust Fund. Receipts for admissions and rentals of facilities and properties managed by the board no longer would be subject to annual appropriation by the Legislature or the surcharge on trust funds. Further, interest earned on these receipts could remain in the separate depository account held by the direct-support organization for the benefit of the board. This change would permit funds generated by the board and the direct-support organization to be treated in the same fashion as funds generated from other activities of the board.

Additionally, the committee substitute amends s. 266.0018, F.S., which relates to the direct-support organization of the Historic Pensacola Preservation Board. The committee substitute would add a provision to the section which authorizes the deposit of lease income, and admissions income into a depository account of the direct-support organization.

The committee substitute has an effective date upon becoming a law.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

The committee substitute does not create a trust fund but instead redirects monies that formerly were deposited in the Historic Pensacola Preservation Board Operating Trust Fund to a separate depository account held by the board's direct-support organization.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

According to the Department of State, the total recurring costs are indeterminable. There would be a loss to General Revenue of up to \$10,500 because of a loss in the surcharge payment for the state handling the funds held in the Historic Pensacola Preservation Board Operating Trust Fund.

The board will benefit from the change because it will not have to pay the surcharge and, as a result, will have about \$10,500 in additional funds available. As well, approximately \$3,000 to \$5,000 in additional interest income is expected to be generated for the board because receipts can begin generating interest when deposited in the direct-support organizations depository account.

The Department of State indicates that there will be some savings to the department because it will no longer be required to process invoices for transfer of the funds received from admissions and rentals from the state to the board.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

In a review of the operations of the Florida History Associates, Inc. (FHA), by the Auditor General dated February 20, 1998, an issue was raised regarding FHA's authority to lease state-owned facilities to private parties. The Auditor General suggested that the Department of State seek the Attorney General's guidance on the issue. In a letter dated March 10, 1998, the Attorney General indicated that the department is authorized to lease these properties, but advised that the statutory authority is not as clear as it could be and suggested that the department seek clear legislative guidance on the issue.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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