

# 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.)

BILL: SB 1976

SPONSOR: Senator Diaz-Balart

SUBJECT: Department of State

DATE: March 18, 1999

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Rhea</u>	<u>Wilson</u>	<u>GO</u>	<u>Favorable</u>
2.	_____	_____	<u>FP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

## I. Summary:

The bill clarifies that moneys received from the sale of publications by the Division of Historical Resources of the Department of State may be deposited in the operating trust fund of the division or in a separate depository account of its citizen-support organization. The use of the separate depository account is subject to a letter of agreement between the division and the citizen-support organization.

This bill amends section 267.081(4) of the Florida Statutes.

## II. Present Situation:

The Division of Historical Resources of the Department of State is required by s. 267.081, F.S., to:

- ▶ Promote and encourage the writing of Florida history.
- ▶ Collect, edit, publish, and print pamphlets, papers, manuscripts, documents, books, monographs, and other materials relating to Florida history.
- ▶ Cooperate with and coordinate research and publication activities of other agencies, organizations, historical commissions and societies, corporations, and individuals, which relate to historical matters.

The division currently has three publications: *Black Heritage Trail*, *Cuban Heritage*, and *Florida Heritage*.

Annual costs for these publications is about \$210,000 per year. The division is authorized by s. 267.081(2), F.S., to charge for subscriptions to these publications and does so. Additionally,

funds are raised from the sale of advertisements in the publications and from the sale of back copies. According to the division, revenues total approximately \$139,000 per year.

Section 267.17, F.S., authorizes the division to support the establishment of a citizen support organization (CSO) to provide assistance, funding, and promotional support for the archaeology, museum, folklife, and historic preservation programs of the division. One of the responsibilities of the CSO is to make expenditures to, or for, the direct or indirect benefit of the division or its programs. In order to operate for the benefit of the division or a division program, the CSO must be approved by the division in a letter of agreement by the division.

The Florida Trust for Historic Preservation was founded in May 1978 to promote the recognition and protection of historically significant Florida properties. The mission of the Florida Trust includes stewardship of property, educational programs for historic preservation, and advocacy for preservation issues. The organization has served as a citizen support organization for the division since 1992. The division and the Florida Trust work on a number of projects jointly.

Revenues from the division's publications are deposited by the Florida Trust into an account out of which magazine and publication expenses are paid. The Florida Trust manages the account, pays publication expenses out of the account, and pays for the cost of an annual audit. The Florida Trust also provides monthly, quarterly, and annual financial reports. According to the division, the benefits of this partnership between the division and the Florida Trust include:

- ▶ Provision of accounting and auditing services by an outside entity, thereby relieving the burden from state budgeting and financial personnel;
- ▶ Reducing turnaround time and numbers of personnel involved in processing deposits and payments (ex: printing orders are processed in two or three days versus two to three weeks);
- ▶ Elimination of surcharge for deposits in the Operating Trust Fund;
- ▶ Providing greater opportunity to take advantage of quick-payment discounts offered by printers which range from 10 to 20 percent for payment within five days; and
- ▶ Avoiding administrative or bank charges since there are none with this partnership.

Upon the renewal of the annual agreement between the division and the CSO, the office of the Inspector General and the Division of Administrative Services of the Department of State recommended the inclusion in law of authority for the division's customary deposit of checks into an account held by the Florida Trust for Historical Preservation. Although there are other statutory provisions as indicated above that authorize the division's actions, clearer statutory authorization of the practice would remove any audit questions that might arise.

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

The bill provides clear statutory authority for the deposit of revenues from the sale of publications of the Division of Historical Resources in either the operating trust fund of the division or in a separate depository account of a statutorily approved CSO under s. 267.17, F.S. The use of the

separate depository account is subject to a letter of agreement between the division and the CSO. All other administrative procedures concerning the sale of publications remain the same.

The bill codifies existing practice.

**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:

The bill codifies current practice.

C. Government Sector Impact:

The bill codifies current practice.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

