

HOUSE OF REPRESENTATIVES TRUST FUND CREATION STAFF ANALYSIS

BILL #: HB 1777 PCB FC 05-25 Federal Grants Trust Fund
SPONSOR(S): Fiscal Council
TIED BILLS: **IDEN./SIM. BILLS:** SB 1400

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Fiscal Council	22 Y, 0 N	Jensen-Friedman	Kelly
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

I. SUMMARY

PCB FC 05-25 creates the Federal Grants Trust Fund within the Fish and Wildlife Conservation Commission effective July 1, 2005. This trust fund is established to be used for allowable grant activities funded by restricted program revenues. Funds that will be credited to the Federal Grants Trust Fund will consist of grants and funding from the Federal Government, interest earnings, and cash advances from other trust funds.

This bill creates section 372.102, Florida Statutes.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

Article III, Section 19(f) of the Florida Constitution requires that trust funds pass with a 3/5 vote in each house and be in a separate bill for the sole purpose of creating that trust fund. The constitution also requires that all agency trust funds terminate every four years unless recreated.

Florida Statutes 215.3208 (1) provides that, in order to implement Article III, Section 19(f) of the Florida Constitution, a schedule for review of trust funds be included in the legislative budget instructions developed pursuant to Florida Statutes 216.023. The trust funds in Florida Fish and Wildlife Conservation Commission (FWCC) are scheduled for review this year.

In order to meet accounting standards established by the Government Accounting Standards Board (GASB), section 215.32, F.S., was amended last session to require that agencies have certain trust funds for day-to-day operations. One of the required trust funds is a federal grants trust fund. FWCC currently does not have a federal grants trust fund. With its scheduled review of trust funds, the agency has requested and the Governor has recommended the creation of this trust fund to comply with section 215.32, F.S.

B. EFFECT OF PROPOSED CHANGES:

The creation of this trust fund will provide the FWCC will a specific depository to receive funds from grants and funding from the federal government, interest earnings, and cash advances from other trust funds. The FWCC will use this trust fund as a depository for funds to be used for allowable grant activities funded by restricted program revenues.

The trust fund will terminate in four years, on July 1, 2009, pursuant to Article III, Section 19(f)(2).

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES