

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Budget Committee

BILL: SB 1034

INTRODUCER: Budget Subcommittee on General Government Appropriations

SUBJECT: Federal Grants Trust Fund/Department of Revenue

DATE: March 11, 2011

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Blizzard	Meyer, C.	BC	Favorable
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill re-creates the Federal Grants Trust Fund, FLAIR number 73-2-261, within the Department of Revenue without modification. The trust fund was established to be used for allowable grant activities funded by restricted program revenues. Funds credited to the Federal Grants Trust Fund consist of grants and funding from the federal government, interest earnings, and cash advances from other trust funds. The re-creation of this fund is effective beginning July 1, 2011.

This bill repeals section 215.197(3), Florida Statutes.

II. Present Situation:

Section 19(f), Art. III of the State Constitution requires the termination of all state trust funds no later than four years after their initial creation unless re-created or exempted from termination by the State Constitution or operation of law. Section 215.197, F.S., creates the Federal Grants Trust Fund within the Department of Revenue. The Federal Grants Trust Fund serves as a depository for funds to be used for allowable grant activities funded by restricted program revenues from federal sources. Funds credited to the Federal Grants Trust Fund consist of grants and funding from the federal government, interest earnings, and cash advances from other trust funds.

The Federal Grants Trust Fund will terminate on July 1, 2012, if no action is taken by the legislature to re-create the fund. Re-creation requires a three-fifths vote of the membership of each house of the legislature.

III. Effect of Proposed Changes:

This bill re-creates the Federal Grants Trust Fund within the Department of Revenue without modification prior to the scheduled termination date of July 1, 2012.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Pursuant to s. 19(f)(1), Article III of the Florida Constitution, re-creation of the Federal Grants Trust Fund must pass by a three-fifths vote of the membership of each house of the Legislature.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This bill has no fiscal impact on state agencies or state funds, on local governments as a whole, or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
