

**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 2136 (SPB 7148)

INTRODUCER: Budget Committee

SUBJECT: Federal Grants Trust Fund, Department of Business and Professional Regulation

DATE: April 1, 2011

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Frederick	Meyer, C.		<b>SPB 7148 Favorable</b>
2.				
3.				
4.				
5.				
6.				

---

**I. Summary:**

This bill creates the Federal Grants Trust Fund within the Department of Business and Professional Regulation, effective July 1, 2011. 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, pursuant to s. 215.32 (2) (b), F.S. The trust fund will accommodate the federal revenues that are being transferred with the Florida Building Commission from the Department of Community Affairs, the Underage Drinking Laws Federal Block Grant Program from the Executive Office of the Governor, and the Drugs, Devices, and Cosmetics Program from the Department of Health.

This bill creates section 455.1165, Florida Statutes.

**II. Present Situation:**

Section 19(f), Art. III of the State Constitution requires that every trust fund be created by a three-fifths vote of the membership in each house of the legislature in a separate bill for the sole purpose of creating that trust fund. The Constitution also provides that all newly created trust funds terminate not more than four years after the initial creation unless re-created.

In order to meet accounting standards established by the Government Accounting Standards Board, s. 215.32, F.S., requires that agencies have trust funds for day-to-day operations. One of the required trust funds is a federal grants trust fund. The department currently does not have a federal grants trust fund. The creation of this trust fund complies with s. 215.32, F.S.

**III. Effect of Proposed Changes:**

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

Specifically, the trust fund will accommodate the federal revenues that are being transferred with the Florida Building Commission from the Department of Community Affairs, the Underage Drinking Laws Federal Block Grant Program from the Executive Office of the Governor, and the Drugs, Devices, and Cosmetics Program from the Department of Health.

The creation of this trust fund will align agency account with the requirements of s. 215.32, F.S.

The trust fund will terminate in four years, on July 1, 2015, pursuant to s. 19(f)(2), Art. III of the State Constitution, unless terminated sooner or re-created by the Legislature.

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

None.

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

None.

**C. Trust Funds Restrictions:**

This bill, creating a new trust fund, must pass by a three-fifths vote of the membership of each house of the legislature to become law pursuant to s. 19(f)(2), Art. III of the State Constitution.

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

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

Creation of the Federal Grants Trust Fund within the department will allow for improved segregation of funds and accounting records.

**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.

---