

HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

BILL #: SB 2136

FINAL HOUSE FLOOR ACTION:
118 Y's 0 N's

SPONSOR: Budget

GOVERNOR'S ACTION: Approved

COMPANION BILLS: N/A

SUMMARY ANALYSIS

SB 2136 passed the House on May 6, 2011. The bill was approved by the Governor on May 26, 2011, chapter 2011-60, Laws of Florida, and becomes effective July 1, 2011.

The bill creates the Federal Grants Trust Fund within the Department of Business and Professional Regulation (DBPR). The trust fund is established to be utilized for allowable federal grant activities funded by restricted program revenues. Pursuant to section 215.32 (2) (b), F.S., funds to 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.

The FY 2011-2012 General Appropriations includes the transfer of the Underage Drinking Laws Federal Block Grant Program from the Executive Office of the Government to the Department of Business and Professional Regulation. The Underage Drinking Laws Federal Block Grant funding of \$439,062 will be deposited into the federal grants trust fund.

Section 19(f), Article III of the Florida Constitution requires that every trust fund be created by a three-fifth vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating a trust fund. In addition, the Florida Constitution provides that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This trust fund will terminate on July 1, 2015, pursuant to s. 19 (f)(2), Article III of the Florida Constitution, unless terminated sooner or re-created by the Legislature.

The bill has no fiscal impact.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Pursuant to section 215.32 (2) (b), F.S., funds to 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.

Section 19(f), Article III of the Florida Constitution requires that every trust fund be created by a three-fifth vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating a trust fund. In addition, the Florida Constitution provides that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This trust fund will terminate on July 1, 2015, pursuant to s. 19 (f) (2), Article III of the Florida Constitution, unless terminated sooner or re-created by the Legislature.

The creation of this trust fund will allow the DBPR to account separately for funds from grants and funding from the federal government, interest earnings and cash advances from other trust funds. The trust fund will specifically be utilized for the Underage Drinking Laws Federal Block Grant Program, which has total funding of \$439,062. The Underage Drinking Laws Federal Block Grant Program was transferred in the FY 2011-2012 General Appropriation Act from the Executive Office of the Governor to the DBPR.

The creation of the DBPR Federal Grants Trust Fund will align the department with the requirements of section 215.32, F.S.

The Senate passed the bill 38-0 on May 6, 2011, followed by approval of the House of Representatives on May 6, 2011, by a vote of 118-0. There was no House companion bill.

The bill was approved by the Governor on May 26, 2011, chapter 2011-60, Laws of Florida, and becomes effective July 1, 2011.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

Creation of the DBPR Federal Grants Trust Fund will assist with the segregation of state and federal funds.