

FINAL BILL ANALYSIS

BILL #: SB 1034

SPONSOR: Budget Subcommittee on General
Appropriations (Rep. Hooper)

COMPANION BILLS: HB 7045

FINAL HOUSE FLOOR ACTION:

118 Y's 0 N's

GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

SB 1034 passed the House on April 6, 2011. The bill was approved by the Governor on May 2, 2011, chapter 2011-27, Laws of Florida, and becomes effective July 1, 2011.

The 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 Department of Revenue's Federal Grants Trust Fund is utilized primarily by the Child Support Enforcement Program.

This bill repeals section 215.197(3), Florida Statutes, which provided for the trust fund's termination on July 1, 2012.

The bill has no fiscal impact.

I. SUBSTANTIVE INFORMATION

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 215.197, Florida Statutes, creates the Federal Grants Trust Fund within the Department of Revenue.

Article III, s.19(f)(1) of the State Constitution specifies that a trust fund of the State of Florida or other public body may only be created by law in a separate bill. The bill creating or re-creating the trust fund must pass with a three-fifths vote of the membership of each house of the legislature.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

The Federal Grants Trust Fund serves as a depository for funds to be used for allowable grant activities funded by restricted program revenues. The Department of Revenue's Federal Grants Trust Fund is utilized primarily by the Child Support Enforcement Program.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Grants and funding from the federal government, interest earnings, and cash advances from other trust funds.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

Projected Receipts into Federal Grants Trust Fund	\$220,204,842
Fiscal Year 2010-11 Appropriations	\$213,580,917

B. 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.

The Senate passed the bill 40-0 on March 15, 2011, followed by the approval of the House of Representatives on April 6, 2011, by a vote of 118-0.

The bill was approved by the Governor on May 2, 2011, chapter 2011-27, Laws of Florida, and becomes effective July 1, 2011.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation 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.