

FINAL BILL ANALYSIS

BILL #: SB 1040

FINAL HOUSE FLOOR ACTION:

116 Y's 0 N's

SPONSOR: Budget Subcommittee on General
General Government Operations (Rep. Hooper)

GOVERNOR'S ACTION: Approved

COMPANION BILLS: HB 7051

SUMMARY ANALYSIS

SB 1040 passed the House on April 6, 2011. The bill was approved by the Governor on May 2, 2011, chapter 2011-30, Laws of Florida, and becomes effective July 1, 2011.

The bill creates the Florida Drug, Device and Cosmetic Trust Fund within the Department of Business and Professional Regulation. The trust fund is established to provide for the deposit of revenues and the recording of expenditures related to the regulation and administration of the Florida Drug, Device and Cosmetic Act authorized in chapter 499, Florida Statutes.

Section 27 of chapter 210-161, Laws of Florida, transferred the administration of chapter 499, Florida Statutes, from the Department of Health to the Department of Business and Professional Regulation, effective October 1, 2011.

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:

Present Situation

Section 27 of chapter 210-161, Laws of Florida, transferred the administration of chapter 499, Florida Statutes, from the Department of Health to the Department of Business and Professional Regulation, effective October 1, 2011.

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.

The Department of Health will transfer \$2.9 million in annual appropriation to the Department of Business and Professional Regulation for the Florida Drug, Device and Cosmetics Program. Annual revenues for the program are estimated at \$3.3 million. The program was appropriated 33.00 full-time employees for FY 2011-12.

Effect of Proposed Changes

This bill creates the Florida Drug, Device and Cosmetic Trust Fund within the Department of Business and Professional Regulation. This trust fund will be utilized for activities related to the regulation and administration of the Florida Drug, Device and Cosmetic Act as authorized in chapter 499, F.S. The revenues to be deposited into the trust fund will consist of license fees, fines and interest earnings.

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 Senate passed the bill 39-0 on March 15, 2011, followed by approval of the House of Representatives on April 6, 2011, by a vote of 116-0.

The bill was approved by the Governor on May 2, 2011, chapter 2011-30, 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:

The creation of the Florida Drug, Device and Cosmetic Trust Fund within the Department of Business and Professional Regulation will allow for the deposit of revenues and the recording of expenditures related to the regulation and administration of the Florida Drug, Device and Cosmetic Act, authorized in chapter 499, Florida Statutes.