

**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.)

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Prepared By: The Professional Staff of the Committee on Military Affairs, Space, and Domestic Security

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BILL: SB 640

INTRODUCER: Senators Richter and Dean

SUBJECT: State Funds

DATE: March 5, 2013

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Ryon	Ryon	MS	<b>Pre-meeting</b>
2.	_____	_____	AHS	_____
3.	_____	_____	AP	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

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**I. Summary:**

SB 640 exempts the State Homes for Veterans Trust Fund and the Grants and Donations Trust Fund within the Department of Veterans’ Affairs from the provision authorizing the Legislature to transfer unappropriated cash balances in the trust funds to the Budget Stabilization Fund or the General Revenue Fund in the General Appropriations Act.

The bill substantially amends section 215.32 of the Florida Statutes.

**II. Present Situation:**

**Trust Funds Administered by the FDVA**

The Florida Department of Veterans’ Affairs (FDVA) operates the State Veterans’ Homes program to provide comprehensive, high-quality health care services on a cost-effective basis to eligible Florida veterans who are in need of assisted living or long-term nursing home care. The FDVA operates six skilled nursing homes and one assisted living facility throughout the state. Care is provided to veterans with qualifying war or peacetime service, who are residents of Florida for one year immediately preceding admission, and who require skilled care as certified by the United States Department of Veterans Affairs.<sup>1</sup>

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<sup>1</sup> Sections 296.06 and 296.36, F.S.

The FDVA administers the following trust funds under the State Veterans' Homes Program:

Grants and Donations Trust Fund

Gifts, grants, and endowments made in the name of a home are deposited into the Grants and Donations Trust Fund. In addition, a portion of the proceeds from the sale of specialty license plates in s. 320.089, F.S., are also deposited into the Grants and Donations Trust Fund. Moneys in this fund must be expended for the common benefit of the residents of the home, such as improved facilities, recreational equipment, recreational supplies, and goods and services offered or available to all residents.<sup>2</sup>

Operations and Maintenance Trust Fund

Moneys which a home receives for care of residents from the United States Department of Veterans Affairs and from residents are deposited into the Operations and Maintenance Trust Fund. All such moneys must be expended for the purpose of operating and maintaining the home.<sup>3</sup>

State Homes for Veterans Trust Fund

Additional proceeds from the sale of specialty license plates in s. 320.089, F.S., and the Florida Salutes Veterans license plate in s. 320.08058, F.S., are credited to the State Homes for Veterans Trust Fund to be used to construct, operate, and maintain assisted living facilities and nursing homes for veterans.

**The Legislature's Authority to Transfer Unappropriated Trust Fund Balances**

Section 215.32(2)(b)4.a., F.S., specifically grants authority to the Legislature to transfer unappropriated cash balances of state trust funds to either the General Revenue Fund or the Budget Stabilization Fund in the General Appropriations Act. The Budget Stabilization Fund is required by the State Constitution and must be maintained at not less than 5 percent of the previous year's General Revenue collections. Moneys in the fund may only be used to cover revenue shortfalls in the General Revenue Fund and for emergencies as defined in s. 252.32, F.S., which is part of the State Emergency Management Act.

Currently, the funds listed below are exempt from the trust fund transfer provision in s. 215.32, F.S.:

- Trust funds required by federal programs or mandates;
- Trust funds established for bond covenants, indentures, or resolutions whose revenues are legally pledged by the state or public body to meet debt service or other financial requirements of any debt obligations of the state or any public body;
- The Division of Licensing Trust Fund in the Department of Agriculture and Consumer Services;
- The State Transportation Trust Fund;
- The trust fund containing the net annual proceeds from the Florida Education Lotteries;
- The Florida Retirement System Trust Fund;

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<sup>2</sup> Section 296.11(2), F.S.

<sup>3</sup> Section 296.11(1), F.S.

- Trust funds under the management of the State Board of Education or the State University System where such trust funds are for auxiliary enterprises, self-insurance and contracts, grants, and donations, as those terms are defined by general law;
- Trust funds that serve as the clearing funds or accounts for the Chief Financial Officer or state agencies;
- Trust funds that account for assets held by the state in a trustee capacity as an agent or fiduciary for individuals, private organizations, or other governmental units; and
- Other trust funds authorized by the State Constitution.<sup>4</sup>

### III. Effect of Proposed Changes:

**Section 1** amends s. 215.32, F.S., to exempt the State Homes for Veterans Trust Fund and the Grants and Donations Trust Fund administered by the Florida Department of Veterans' Affairs from a provision authorizing the Legislature to transfer unappropriated cash balances in the funds to the Budget Stabilization Fund or the General Revenue Fund.

**Section 2** provides that this act shall take effect on July 1, 2013.

### IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

### V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

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<sup>4</sup> Section 215.32(2)(b)4b, F.S.

**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.

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

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