

**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 Rules

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BILL: SB 604

INTRODUCER: Senator Ring

SUBJECT: Florida State Employees' Charitable Campaign

DATE: February 11, 2014

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>McVaney/Jones</u>	<u>McVaney</u>	<u>GO</u>	<b>Favorable</b>
2.	<u>McVaney/Jones</u>	<u>Phelps</u>	<u>RC</u>	<b>Pre-meeting</b>

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**I. Summary:**

SB 604 allows state officers and employees to donate to the Florida State Employees' Charitable Campaign (FSECC) at agency fundraising events without designating specific organizations to receive the funds. The bill provides that the FSECC's fiscal agent must distribute these "undesigned" funds to participating charitable organizations in direct proportion to the percentage of designated funds or pledges received by the organization.

The bill removes the statutory requirement to establish local steering committees in each fiscal agent area.

**II. Present Situation:**

The FSECC, maintained by the Department of Management Services (DMS), is the annual charitable fundraising drive directed toward state employees.<sup>1</sup> State officers and employees may voluntarily donate moneys, including payroll deductions, to nonprofit charitable organizations participating in the FSECC.<sup>2</sup>

**The FSECC Prior to 2012**

Prior to 2012, state law did not require state officers and employees who contribute to the FSECC to designate a specific participating charitable organization to receive the donation. The method to distribute undesigned funds to participating charities required a separate application process. Local steering committees were established to direct the allocation of funds that were not otherwise designated to a specific charitable organization. According to the DMS, this method for distributing "undesigned" funds was administratively complex and inefficient.<sup>3</sup>

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<sup>1</sup> Section 110.181(1)(a), F.S.

<sup>2</sup> Section 110.181(1)(b), F.S.

<sup>3</sup> Department of Management Services, *Senate Bill 604 Agency Analysis* (Jan. 21, 2014) (on file with the Senate Committee on Governmental Oversight and Accountability).

### **The FSECC Presently**

Section 110.181, F.S., was amended in 2012 to eliminate the ability of state officers and employees to contribute funds without designating a specific organization as the recipient. Current law, effective July 1, 2012, requires state officers and employees to designate a specific participating charitable organization to receive such contributions.<sup>4</sup> No funds should be contributed unless the recipient organization has been designated. As a result, the process to distribute “undesigned” funds is no longer necessary.<sup>5</sup>

Requiring state officers and employees to designate a specific charitable organization as the recipient was expected to reduce litigation and state staff time involved in the process used to allocate “undesigned” funds.<sup>6</sup> However, the DMS now believes that many of the efficiencies gained by this “designation” requirement have been offset by the need to develop new processes to collect designated funds at agency FSECC fundraising events. At FSECC fundraising events, employees must designate a specific charitable organization as the recipient by filling out a separate form with a minimum donation of five dollars in order to minimize administrative costs of processing the donation.<sup>7</sup> Since many agency FSECC fundraising events are intended to accommodate the collection of small, one-time contributions, the DMS has determined it is not cost effective to individually track and process these designations.<sup>8</sup>

Current law also requires the creation of local steering committees composed of state employees in each fiscal agent area to assist in conducting the campaign.<sup>9</sup> While the original role of the local steering committee was to determine how “undesigned” funds raised for the FSECC were distributed, the current statutory role is limited to assist the fiscal agent in conducting the campaign.<sup>10</sup>

### **III. Effect of Proposed Changes:**

This bill allows state officers and employees to contribute undesigned funds to the FSECC at agency fundraising events. The bill amends section 110.181(2)(d), F.S., to provide a method to distribute undesigned funds to charitable organizations. It requires the FSECC’s fiscal agent to distribute the undesigned funds to each participating charitable organization in direct proportion to the percentage of designated funds or pledges received by the organization. For example, if a charitable organization receives 15 percent of the designated funds to the FSECC, that charity will receive 15 percent of the undesigned funds.

This bill deletes the requirement that local steering committees be created to assist the fiscal agent in conducting the FSECC.

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<sup>4</sup> *Id.*

<sup>5</sup> See Chapter 2012-215, s. 9, Laws of Fla.

<sup>6</sup> Florida House of Representatives, *CS/CS/CS/CS/HB 1261 Final Bill Analysis* (May 11, 2012).

<sup>7</sup> Rule 60L-39.009, F.A.C.

<sup>8</sup> DMS Analysis, *supra* note 4.

<sup>9</sup> Section 110.181(2)(d), F.S.

<sup>10</sup> DMS Analysis, *supra* note 4.

The effective date of the bill is July 1, 2014.

**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.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 110.181 of the Florida Statutes.

**IX. Additional Information:**

A. Committee Substitute – Statement of 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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