

**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.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SB 678

INTRODUCER: Senator Hays

SUBJECT: Trust Funds within the Department of Agriculture and Consumer Services

DATE: February 20, 2014      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Blizzard	Kynoch	AP	<b>Favorable</b>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____

**I. Summary:**

SB 678: (1) terminates three trust funds within the Department of Agriculture and Consumer Services (department): the Agricultural Law Enforcement Trust Fund, the Market Trade Show Trust Fund, and the Relocation and Construction Trust Fund; (2) codifies in chapter 570, Florida Statutes, the Administrative Trust Fund, the Federal Grants Trust Fund, the Florida Saltwater Products Promotion Trust Fund, the Plant Industry Trust Fund, the Pest Control Trust Fund, the Citrus Inspection Trust Fund, and the Incidental Trust Fund in the department; and (3) makes conforming changes to sections 253.025, 571.24, and 932.7055, Florida Statutes. The bill is effective July 1, 2014, and has no fiscal impact on state or local funds.

**II. Present Situation:**

Section 215.3208, F.S., requires legislative review of each trust fund at least once every four years. The review schedule is included in the legislative budget instructions developed in accordance with s. 216.023, F.S. The review indicated three trust funds within the department are no longer necessary and where other trust funds within the department could be utilized.

The Agricultural Law Enforcement Trust Fund was originally created as a depository for revenues received as a result of state or federal criminal or forfeiture proceedings. For Fiscal Year 2013-2014, the Legislature appropriated \$23,035 from the trust fund.

The Market Trade Show Trust Fund was originally created to offset costs in promoting and marketing Florida's agricultural products. Revenue is derived from the collection of rental receipts for industry promotions. For Fiscal Year 2013-2014, the Legislature appropriated \$176,601 from the trust fund.

The Relocation and Construction Trust Fund was created for the purpose of achieving the orderly relocation of the forestry fire towers and work centers. The source of revenue for the trust fund is the sale or lease of forestry facilities. For Fiscal Year 2013-2014, the Legislature appropriated \$50,000 from the trust fund.

All of the department's trust funds are established in ch. 570, F.S., except for the Administrative Trust Fund, the Federal Grants Trust Fund, the Florida Saltwater Products Promotion Trust Fund, the Plant Industry Trust Fund, the Pest Control Trust Fund, the Citrus Inspection Trust Fund, and the Incidental Trust Fund. These trust funds were previously created and re-created pursuant to the Florida Constitution, but have never been codified in Florida Statute.

The Administrative Trust Fund was previously re-created in ch. 2004-113, L.O.F. The fund is used as a depository for revenue from other department trust funds to be used for administrative activities that are departmental in nature. For Fiscal Year 2013-2014, the Legislature appropriated \$8.5 million from the trust fund.

The Contracts and Grants Trust Fund was renamed the Federal Grants Trust Fund in ch. 2006-79, L.O.F. The fund was established as a depository for allowable grant activities funded by restricted program revenues from federal sources. For Fiscal Year 2013-2014, the Legislature appropriated \$50.3 million from the trust fund.

The Florida Saltwater Products Promotion Trust Fund was previously re-created in ch. 2004-128, L.O.F. The purpose of the fund is to promote all fish and saltwater products produced in this state. Revenues are derived from wholesale and retail saltwater products dealer licensure fees. For Fiscal Year 2013-2014, the Legislature appropriated \$1.2 million from the trust fund.

The Plant Industry Trust Fund was previously re-created in ch. 2004-124, L.O.F. The fund was established for the regulation of nurseries, plant and apiary inspections, and eradication of insects and diseases for the agricultural industry. The major sources of revenue is inspection and certification fees. For Fiscal Year 2013-2014, the Legislature appropriated \$5.2 million from the trust fund.

The Pest Control Trust Fund was previously re-created in ch. 2004-125, L.O.F., to carry out the provisions of s. 482, F.S., for the licensing of pest control businesses, examinations for operator's certificates, and educational activities of the pest control industry. Revenues sources consist of pest control licensure and examination fees. For Fiscal Year 2013-2014, the Legislature appropriated \$3.5 million from the trust fund.

The Citrus Inspection Trust Fund was previously re-created in ch. 2004-115, L.O.F., for the purpose of regulating and certifying citrus fruit and processed citrus products. Revenues are derived from marketing order assessments, citrus dealer licensure and inspection fees. For Fiscal Year 2013-2014, the Legislature appropriated \$15.9 million from the trust fund.

The Incidental Trust Fund was previously re-created in ch. 2004-121, L.O.F., to promote and encourage proper forest management, including fire protection, stewardship, and management of public lands. The major source of revenue is from the sale of forestry products. For Fiscal Year 2013-2014, the Legislature appropriated \$13.7 million from the trust fund.

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

The Agricultural Law Enforcement Trust Fund, the Market Trade Show Trust Fund, and the Relocation and Construction Trust Fund, within the department, are terminated.

The bill terminates the Agricultural Law Enforcement Trust Fund, effective July 1, 2014, and transfers all cash balances and revenues to the General Inspection Trust Fund within the department. As of December 31, 2013, the total cash balance in the Agricultural Law Enforcement Trust Fund was \$256,384.

The bill terminates the Market Trade Show Trust Fund, effective July 1, 2014, and transfers all cash balances and revenues to the Florida Agricultural Promotional Campaign Trust Fund within the department. As of December 31, 2013, the total cash balance in the Market Trade Show Trust Fund was \$1,080,413.

The bill terminates the Relocation and Construction Trust Fund, effective July 1, 2014, and transfers all cash balances to the Incidental Trust Fund within the department. As of December 31, 2013, the total cash balance in the Relocation and Construction Trust Fund was \$433,421.

To be consistent with the other trust funds within the department, the bill codifies, in ch. 570, F.S., the Administrative Trust Fund, the Federal Grants Trust Fund, the Florida Saltwater Products Promotion Trust Fund, the Plant Industry Trust Fund, the Pest Control Trust Fund, the Citrus Inspection Trust Fund, and the Incidental Trust Fund.

Additionally, the bill amends s. 571.24, F.S., relating to the Florida Agricultural Promotion Campaign, to include the collection of rental receipts for industry promotions to the list of duties of the department. Previously, these receipts were deposited into the Market Trade Show Trust Fund.

The bill amends s. 253.025, F.S., providing for revenues from the sale or lease of forestry facilities to be deposited into the Incidental Trust Fund within the department. Previously, these revenues were deposited into the Relocation and Construction Trust Fund.

Finally, the bill amends s. 932.7055, F.S., redirecting proceeds accrued pursuant to the Florida Contraband Forfeiture Act from the Agricultural Law Enforcement Trust Fund to the General Inspection Trust Fund.

The bill takes effect on 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:**

This bill has no fiscal impact on state agencies or state funds, on local governments as a whole, or on the private sector. The bill terminates three existing state trust funds that have limited use and where other funds within the department may be utilized. All remaining cash balances will be transferred to other trust funds within the department. Additionally, the bill codifies seven trust funds into Florida Statutes for consistency purposes. All seven trust funds have been previously created and re-created pursuant to Article III, section 19(f), of the State Constitution.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill amends the following sections of the Florida Statutes: 253.025, 571.24, and 932.7055.

This bill creates the following sections of the Florida Statutes: 570.192, 570.193, 570.194, 570.321, 570.441, 570.482, and 570.5481.

**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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