

# HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

**BILL #:** HB 7041      PCB GOAS 14-01      Trust Funds/Re-creation/Federal Grants Trust Fund/DBPR  
**SPONSOR(S):** Government Operations Appropriations Subcommittee, Ingram  
**TIED BILLS:**            **IDEN./SIM. BILLS:** SB 680

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Government Operations Appropriations Subcommittee	13 Y, 0 N	Topp	Topp
1) Appropriations Committee	26 Y, 0 N	Topp	Leznoff

## I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Federal Grants Trust Fund was created in the Department of Business and Professional Regulation (DBPR) effective July 1, 2011 in Ch. 2011-60, Laws of Florida, and is scheduled to terminate on July 1, 2015.

This legislation re-creates the Federal Grants Trust Fund in the Department of Business and Professional Regulation without modification, effective July 1, 2014, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

## II. SUBSTANTIVE ANALYSIS

### A. PRESENT SITUATION:

#### 1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Federal Grants Trust Fund was created within the Department of Business and Professional Regulation effective July 1, 2011 by chapter 2011-60, Laws of Florida, in s. 455.1165, F.S., and is scheduled to terminate on July 1, 2015.

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

The trust fund was established for use as a depository for funds to be used for allowable grant activities funded by restricted program revenues from federal sources.

#### 3. MAJOR SOURCES OF REVENUE FOR THE FUND:

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.

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

In the 2012-2013, fiscal year, receipts into the Federal Grants Trust Fund were \$285,212 and expenditures totaled \$250,532. In the current fiscal year, DBPR has no active federal grant funding; therefore, there are no projected receipts or appropriations for the Federal Grants Trust Fund.

### B. EFFECT OF PROPOSED CHANGES:

The bill re-creates the Federal Grants Trust Fund within the Department of Business and Professional Regulation without modification, effective July 1, 2014 and repeals the scheduled termination of the trust fund.

## III. 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.

## IV. COMMENTS

## V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES