

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB GOAS 11-05 Florida Drug, Device, and Cosmetic Trust Fund/DBPR

SPONSOR(S): Government Operations Appropriations Subcommittee

TIED BILLS: **IDEN./SIM. BILLS:** SB 1040

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

SUMMARY ANALYSIS

This 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.

The bill is effective July 1, 2011.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED 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 has 31.00 full-time employees.

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.

B. SECTION DIRECTORY:

Section 1. Amends section 455.116, Florida Statutes, to include the Florida Drug, Device and Cosmetic Trust Fund among the trust funds within the Department of Business and Professional Regulation.

Section 2. Creates the Florida Drug, Device and Cosmetic Trust Fund within the Department of Business and Professional Regulation.

Section 3. Provides for an effective date of 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.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

3. Other:

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.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES