

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB JUAS 11-07 Federal Grants Trust Fund/DLA

SPONSOR(S): Justice Appropriations Subcommittee

TIED BILLS: **IDEN./SIM. BILLS:** SB 1020

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|--------|---------|--|
| Orig. Comm.: Justice Appropriations Subcommittee | | Toms | Jones Darity |

I. SUMMARY

The Federal Grants Trust Fund, FLAIR number 41-2-261, is administered by the Department of Legal Affairs. This fund was created effective July 1, 2008, by chapter 2007-11, Laws of Florida. This legislation re-creates the Federal Grants Trust Fund without modification, effective July 1, 2011, provided that it is enacted by three-fifths of the membership of both houses of the Legislature. This bill also repeals the provision for the scheduled termination of the trust fund.

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 every trust fund 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 that trust fund. The Constitution also provides that all newly created trust funds terminate not more than four years after the initial creation unless re-created. The Federal Grants Trust Fund was created in the Department of Legal Affairs effective July 1, 2008, by chapter 2007-11, Laws of Florida, in section 20.112, Florida Statutes and is scheduled to terminate on July 1, 2012.

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

The trust fund is used 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:

Sources include federal grant funds, which are currently obtained directly from the Department of Justice and the Department of Health and Human Services.

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

The total projected receipts into this fund for the current year are \$50.7 million and current year appropriations from the fund are \$52.6 million.

B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Federal Grants Trust Fund within the Department of Legal Affairs without modification, effective July 1, 2011, provided that it is enacted by three-fifths of the membership of both houses of the Legislature. This bill also repeals the provision for 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

None.

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES