

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB TEDAS 11-01 Federal Grants Trust Fund/DHSMV
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:** SB 7044

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee	15 Y, 0 N	Rayman	Davis

I. SUMMARY

Section 19(f), Article III of the Florida Constitution governs the creation of trust funds. It provides that no trust fund of the state or other public body may be created without a three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only. The Florida Constitution also specifies that state trust funds shall terminate not more than four years after the effective date of the act authorizing the initial creation of the trust fund, unless the Legislature by law sets forth a shorter time period.

The Federal Grants Trust Fund within the Department of Highway Safety and Motor Vehicles will terminate on July 1, 2012. This bill re-creates the trust fund without modification, and repeals the provisions that would have terminated the trust fund. The bill recreates a trust fund; therefore it must pass with a three-fifths vote of the membership of each house of the Legislature.

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.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 20.241(1) of the Florida Statutes, created the trust fund within the Department of Highway Safety and Motor Vehicles.

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

The trust fund is established for use as a depository for funds to be used for allowable grant activities funded by restricted program revenues from federal sources used by the Department of Highway Safety and Motor Vehicles.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Revenue to be credited to the trust fund shall 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:

The projected revenue for the Federal Grants Trust Fund for the current year is \$6,187,473 and current year appropriation is \$6,730,162.

B. EFFECT OF PROPOSED CHANGES:

The bill re-creates the trust fund without modification.

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