

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB SCGR 11-04 Federal Grants Trust Fund/EOG/Creation

SPONSOR(S): Select Committee on Government Reorganization; Legg

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

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Select Committee on Government Reorganization	22 Y, 0 N	Creamer	Tinker

SUMMARY ANALYSIS

This legislation creates the Federal Grants Trust Fund within the Executive Office of the Governor (EOG). The need for this new trust fund is related to the government reorganization legislation, PCB SCGR 11-03, which among other provisions, transfers the Division of Emergency Management to the EOG.

This trust fund will be used for allowable grant activities funded by restricted program revenues from federal sources and will serve as a depository of grants and funding from the Federal Government, interest earnings, and cash advances from other trust funds.

The Federal Grants Trust Fund is terminated July 1, 2015, unless reenacted by the Legislature.

This bill has an effective date of July 1, 2011, contingent on PCB SCGR 11-03, or similar legislation becoming law. The bill **requires a three-fifths vote of the membership of each house of the Legislature to take effect.**

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

The Division of Emergency Management, within the Department of Community Affairs, receives grant awards from a variety of federal grants administered by the US Department of Homeland Security, Federal Emergency Management Agency, US Department of Transportation and US Department of Commerce.

Proposed legislation by the Select Committee on Government Reorganization, Government Reorganization, PCB SCGR 11-03, includes, among other provisions, the elimination the Department of Community Affairs and transfers the Division of Emergency Management to the EOG.

The EOG does not currently have a Federal Grants Trust Fund created within the department.

Article III, section 19(f)(1), of the Florida Constitution, provides no trust fund of the state or other public body may be created without three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

Proposed Changes

The bill creates the Federal Grants Trust Fund within the Executive Office of the Governor effective July 1, 2011, contingent on PCB SCGR 11-03, or similar legislation, becoming law.

The Federal Grants Trust Fund will be used to house the Division of Emergency Management's anticipated awards from federal agencies.

This trust fund will be used for allowable grant activities funded by restricted program revenues from federal sources and will serve as a depository of grants and funding from the Federal Government, interest earnings, and cash advances from other trust funds.

The bill terminates the Federal Grants Trust Fund July 1, 2015, unless reenacted by the Legislature.

B. SECTION DIRECTORY:

Section 1. Creates s. 14.235, F.S.; creating the Federal Grants Trust Fund within the Executive Office of the Governor; providing for sources of funds and purposes; providing for annual carryforward of trust fund balances; providing for future review and termination or re-creation of the trust fund.

Section 2. Provides a contingent effective date.

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:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to: require the counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties and municipalities.

2. Other:

Article III, section 19(f)(1), of the Florida Constitution, provides no trust fund of the state or other public body may be created without three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES