

By Senator Lee

10-1677A-04

1 A bill to be entitled
2 An act relating to the investment of state
3 trust funds; amending s. 17.61, F.S.; limiting
4 the authority of state agencies to authorize
5 the Chief Financial Officer to invest moneys in
6 trust funds with interest earnings accruing to
7 such funds; providing for interest earnings to
8 be deposited into the General Revenue Fund;
9 repealing ss. 211.31(3) and 633.445(3), F.S.,
10 and amending ss. 445.0325, 1011.94, and
11 1013.79, F.S., relating to the investment of
12 moneys in various state trust funds and the use
13 of accrued interest earnings; conforming
14 provisions to changes made by the act;
15 providing an effective date.

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17 Be It Enacted by the Legislature of the State of Florida:

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19 Section 1. Subsection (3) of section 17.61, Florida
20 Statutes, is amended to read:

21 17.61 Chief Financial Officer; powers and duties in
22 the investment of certain funds.--

23 (3)(a) ~~Except As otherwise~~ provided in this section
24 ~~subsection, it is the duty of~~ each state agency, ~~and of the~~
25 judicial branch, now or hereafter charged with the
26 administration of the funds referred to in subsection (1), may
27 ~~to~~ make such moneys available for investment as fully as is
28 consistent with the cash requirements of the particular fund
29 and may ~~to~~ authorize investment of such moneys by the Chief
30 Financial Officer.

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1 (b) Monthly, and more often as circumstances require,
2 such agency or judicial branch shall notify the Chief
3 Financial Officer of the amount available for investment; and
4 the moneys shall be invested by the Chief Financial Officer.
5 Such notification shall include the name and number of the
6 fund for which the investments are to be made and the life of
7 the investment if the principal sum is to be required for
8 meeting obligations. This subsection, however, shall not be
9 construed to make available for investment any funds other
10 than those provided in this section ~~referred to in subsection~~
11 ~~(1)~~.

12 (c) ~~Except as provided in this paragraph and~~ Except
13 for moneys described in paragraph (d), an agency may ~~the~~
14 ~~following agencies shall~~ not invest trust fund moneys as
15 provided in this section, but shall retain such moneys in
16 their respective trust funds for investment, with interest
17 appropriated to the General Revenue Fund, pursuant to s.
18 17.57.⁺

19 1. ~~The Agency for Health Care Administration, except~~
20 ~~for the Tobacco Settlement Trust Fund.~~

21 2. ~~The Department of Children and Family Services,~~
22 ~~except for:~~

23 a. ~~The Alcohol, Drug Abuse, and Mental Health Trust~~
24 ~~Fund.~~

25 b. ~~The Community Resources Development Trust Fund.~~

26 c. ~~The Refugee Assistance Trust Fund.~~

27 d. ~~The Social Services Block Grant Trust Fund.~~

28 e. ~~The Tobacco Settlement Trust Fund.~~

29 f. ~~The Working Capital Trust Fund.~~

30 3. ~~The Department of Community Affairs, only for the~~
31 ~~Operating Trust Fund.~~

- 1 ~~4. The Department of Corrections.~~
2 ~~5. The Department of Elderly Affairs, except for:~~
3 ~~a. The Federal Grants Trust Fund.~~
4 ~~b. The Tobacco Settlement Trust Fund.~~
5 ~~6. The Department of Health, except for:~~
6 ~~a. The Federal Grants Trust Fund.~~
7 ~~b. The Grants and Donations Trust Fund.~~
8 ~~c. The Maternal and Child Health Block Grant Trust~~
9 ~~Fund.~~
10 ~~d. The Tobacco Settlement Trust Fund.~~
11 ~~7. The Department of Highway Safety and Motor~~
12 ~~Vehicles, only for:~~
13 ~~a. The DUI Programs Coordination Trust Fund.~~
14 ~~b. The Security Deposits Trust Fund.~~
15 ~~8. The Department of Juvenile Justice.~~
16 ~~9. The Department of Law Enforcement.~~
17 ~~10. The Department of Legal Affairs.~~
18 ~~11. The Department of State, only for:~~
19 ~~a. The Grants and Donations Trust Fund.~~
20 ~~b. The Records Management Trust Fund.~~
21 ~~12. The Executive Office of the Governor, only for:~~
22 ~~a. The Economic Development Transportation Trust Fund.~~
23 ~~b. The Economic Development Trust Fund.~~
24 ~~13. The Florida Public Service Commission, only for~~
25 ~~the Florida Public Service Regulatory Trust Fund.~~
26 ~~14. The Justice Administrative Commission.~~
27 ~~15. The state courts system.~~
28 (d) Moneys in any trust funds of an agency the
29 ~~agencies in paragraph (c)~~ may be invested pursuant to the
30 provisions of this section if:
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1 1. Investment of such moneys and the retention of
2 interest is required by federal programs or mandates;

3 2. Investment of such moneys and the retention of
4 interest is required by bond covenants, indentures, or
5 resolutions;

6 3. Such moneys are held by the state in a trustee
7 capacity as an agent or fiduciary for individuals, private
8 organizations, or other governmental units; or

9 4. The Executive Office of the Governor determines,
10 after consultation with the Legislature pursuant to the
11 procedures of s. 216.177, that federal matching funds or
12 contributions or private grants to any trust fund would be
13 lost to the state.

14 Section 2. Subsection (3) of section 211.31, Florida
15 Statutes, is repealed.

16 Section 3. Subsection (4) of section 445.0325, Florida
17 Statutes, is amended to read:

18 445.0325 Welfare Transition Trust Fund.--

19 ~~(4) All funds transferred to and retained in the trust~~
20 ~~fund shall be invested pursuant to s. 17.61. Any interest~~
21 ~~accruing to the trust fund shall be for the benefit of the~~
22 ~~welfare transition program.~~Notwithstanding s. 216.301 and
23 pursuant to s. 216.351, any undisbursed balance remaining in
24 the trust fund and interest accruing to the trust fund not
25 distributed at the end of the fiscal year shall remain in the
26 trust fund and shall increase the total funds available to
27 implement the welfare transition program.

28 Section 4. Subsection (3) of section 633.445, Florida
29 Statutes, is repealed.

30 Section 5. Subsection (1) of section 1011.94, Florida
31 Statutes, is amended to read:

1 1011.94 Trust Fund for University Major Gifts.--
2 (1) There is established a Trust Fund for University
3 Major Gifts. The purpose of the trust fund is to enable each
4 university and New College to provide donors with an incentive
5 in the form of matching grants for donations for the
6 establishment of permanent endowments and sales tax exemption
7 matching funds received pursuant to s. 212.08(5)(j), which
8 must be invested, with the proceeds of the investment used to
9 support libraries and instruction and research programs, as
10 defined by the State Board of Education. All funds
11 appropriated for the challenge grants, new donors, major
12 gifts, sales tax exemption matching funds pursuant to s.
13 212.08(5)(j), or eminent scholars program must be deposited
14 into the trust fund ~~and invested pursuant to s. 17.61~~ until
15 the State Board of Education allocates the funds to
16 universities to match private donations. Notwithstanding s.
17 216.301 and pursuant to s. 216.351, any undisbursed balance
18 remaining in the trust fund and interest income accruing to
19 the portion of the trust fund which is not matched and
20 distributed to universities must remain in the trust fund and
21 be used to increase the total funds available for challenge
22 grants. Funds deposited in the trust fund for the sales tax
23 exemption matching program authorized in s. 212.08(5)(j), and
24 interest earnings thereon, shall be maintained in a separate
25 account within the Trust Fund for University Major Gifts, and
26 may be used only to match qualified sales tax exemptions that
27 a certified business designates for use by state universities
28 and community colleges to support research and development
29 projects requested by the certified business. The State Board
30 of Education may authorize any university to encumber the
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1 state matching portion of a challenge grant from funds
2 available under s. 1011.45.

3 Section 6. Subsection (3) of section 1013.79, Florida
4 Statutes, is amended to read:

5 1013.79 University Facility Enhancement Challenge
6 Grant Program.--

7 (3) There is established the Alec P. Courtelis Capital
8 Facilities Matching Trust Fund for the purpose of providing
9 matching funds from private contributions for the development
10 of high priority instructional and research-related capital
11 facilities, including common areas connecting such facilities,
12 within a university. The Legislature shall appropriate funds
13 to be transferred to the trust fund. The Public Education
14 Capital Outlay and Debt Service Trust Fund, Capital
15 Improvement Trust Fund, Division of Sponsored Research Trust
16 Fund, and Contracts and Grants Trust Fund shall not be used as
17 the source of the state match for private contributions. ~~All~~
18 ~~appropriated funds deposited into the trust fund shall be~~
19 ~~invested pursuant to the provisions of s. 17.61. Interest~~
20 ~~income accruing to that portion of the trust fund shall~~
21 ~~increase the total funds available for the challenge grant~~
22 ~~program.~~Interest income accruing from the private donations
23 shall be returned to the participating foundation upon
24 completion of the project. The State Board of Education shall
25 administer the trust fund and all related construction
26 activities.

27 Section 7. This act shall take effect July 1, 2005.
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SENATE SUMMARY

Deletes provisions authorizing the investment of certain trust fund moneys so that the interest earned accrues to the fund. Provides certain exceptions. Requires that interest earnings be deposited into the General Revenue Fund. (See bill for details.)