

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 7019      PCB SSC 07-05      Federal Grants Trust Fund in the Department of Legal Affairs

**SPONSOR(S):** Safety & Security Council

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

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Safety & Security Council	13 Y, 0 N	Miller	Havlicak
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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**SUMMARY ANALYSIS**

The bill creates the Federal Grants Trust Fund within the Department of Legal Affairs effective July 1, 2007. The fund is established as a depository for federal funds to be used for allowable grant activities. Funds that will be credited to the Federal Grants Trust Fund will consist of grants and other funding from the Federal Government.

The bill creates a new trust fund; therefore, it must pass with a three-fifths vote of the membership of each house of the Legislature.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the house principles.

#### B. PRESENT SITUATION:

Currently, federal grants are accounted for in several trust funds. Section 215.32, F.S., specifies that most federal grants should be deposited into a federal grants trust fund.

Section 19(f), Art. III of the State Constitution governs the creation of trust funds. This constitutional provision prohibits the creation of a trust fund of the state or other public body without a three-fifths vote of the membership of each house of the Legislature. This provision further specifies that a trust fund must be created in a separate bill for that purpose only.

The State Constitution also specifies that trust funds created after November 4, 1992, with certain exceptions, shall terminate not more than 4 years after the effective date of the act authorizing the initial creation of the trust fund unless the Legislature by law sets a shorter time period.

#### C. EFFECT OF PROPOSED CHANGES:

The bill creates the Federal Grants Trust Fund within the Department of Legal Affairs. The bill specifies that revenues to be credited to the fund include grants from the federal government and uses of the trust fund are to be allowable activities associated with the grant.

The bill further provides that the Federal Grants Trust Fund shall, unless terminated sooner, be terminated on July 1, 2011 unless recreated prior to this 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:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

N/A

**IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**