

HOUSE OF REPRESENTATIVES TRUST FUND CREATION STAFF ANALYSIS

BILL #: HB 1765 PCB FC 05-32 Parole Commission Federal Grants Trust Fund

SPONSOR(S): Fiscal Council

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

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
<u>Orig. Comm.: Fiscal Council</u>	<u>22 Y, 0 N</u>	<u>Jensen-Friedman</u>	<u>Kelly</u>
1) _____	_____	_____	_____
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

I. SUMMARY

The bill creates the Federal Grant Trust Fund within the Parole Commission effective July 1, 2005. Funds to be credited to the Federal Grant Trust Fund shall consist of receipts from federal grants and shall be used for various purposes for which the federal funds were intended.

This bill creates section 947.045, Florida Statutes.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

Article III, Section 19(f) of the Florida Constitution requires that trust funds pass with a 3/5 vote in each house and be in a separate bill for the sole purpose of creating that trust fund. The constitution also requires that all agency trust funds terminate every four years unless recreated.

In order to meet accounting standards established by the Government Accounting Standards Board (GASB), section 215.32, F.S., was amended last session to require that agencies use certain trust funds for day-to-day operations. One of the trust funds is a federal grants trust fund to be used as a depository for funds to be used for allowable grant activities funded by restricted program revenues from federal sources. The Parole Commission currently does not have a federal grants trust fund, but recently secured a federal grant for victims' assistance.

B. EFFECT OF PROPOSED CHANGES:

The bill creates the Federal Grants Trust Fund within the Parole Commission. Funds to be credited to the trust fund shall consist of receipts from federal grants and shall be used for the various purposes for which the federal funds were intended.

Notwithstanding the provisions of s. 216.301, F.S., and pursuant to s. 216.351, F.S., any balance in the trust fund at the end of any fiscal year shall remain in the trust fund at the end of the year and shall be available for carrying out the purpose of the trust fund.

In accordance with s. 19(f) (2) of Art. III of the State Constitution, the Federal Grants Trust Fund shall be terminated on July 1, 2009, unless terminated sooner. Before its scheduled termination, the trust fund shall be reviewed as provided in s. 215.3206 (1) and (2), F.S.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES