

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Community Affairs Committee

**BILL:** CS/SB 480

**INTRODUCER:** Community Affairs Committee and Senator Wise

**SUBJECT:** Florida Endowment for Vocational Rehabilitation

**DATE:** February 21, 2011      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wolfgang	Yeatman	CA	Fav/CS
2.	_____	_____	HE	_____
3.	_____	_____	GO	_____
4.	_____	_____	BC	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

**Please see Section VIII. for Additional Information:**

A. COMMITTEE SUBSTITUTE.....  Statement of Substantial Changes

B. AMENDMENTS.....  Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

**I. Summary:**

The bill removes the State Board of Administration’s (SBA) requirement to invest and reinvest moneys in the endowment fund of the Florida Endowment for Vocational Rehabilitation. The bill also removes the requirement for transmitting moneys in the endowment fund for deposit in the foundation’s operating account. The bill removes the threshold in law for the endowment fund principal.

The bill provides for remitting the following to the Department of Revenue (DOR) for deposit in the endowment fund:

- Two percent of the remainder of all civil penalties received by a county court pursuant to Chapter 318, F.S.;

For additional fines levied under s. 318.18(3)(f), F.S., for injury to a pedestrian or property:<sup>1</sup>

- 60% of the additional fine related to assisting mobility-impaired persons; and
- 40% must be distributed pursuant to s. 318.21(1) and (2), F.S.

<sup>1</sup> Note that this is the same distribution scheme in current law under s. 318.21(5), F.S.

This bill substantially amends section 413.615 of the Florida Statutes.

## II. Present Situation:

### Federal law

The federal Rehabilitation Services Administration (RSA) provides leadership and fiscal resources to assist state and other agencies to provide vocational rehabilitation (VR), independent living, and other services to individuals with disabilities.<sup>2</sup> To be eligible to participate in the federal VR program and other rehabilitation services, states must submit to the RSA a state plan for VR services to be administered by a designated state agency.<sup>3</sup> In Florida, the Department of Education (DOE) is the designated state agency.<sup>4</sup>

### The Florida Endowment for Vocational Rehabilitation

Created by the Florida Legislature in 1990,<sup>5</sup> the Florida Endowment Foundation for Vocational Rehabilitation, parent organization of The Able Trust, is a non-profit public/private partnership with a goal of assisting Floridians with disabilities in achieving employment. The Trust receives its funding from a perpetual endowment, grants, gifts and support from the public and corporate sectors. The Trust supports non-profit vocational rehabilitation programs throughout Florida with fund-raising, grant-making and public awareness of disability issues. The Able Trust supports a diversity of projects, including on-the-job coaching, supported employment, job skills-training, job development, employer outreach, Americans with Disabilities Act facility compliance, skills evaluation and programs leading to employment. The positive impact of The Able Trust's grant awards has been felt by non-profit agencies serving people with various disabilities, community colleges and individuals with documented disabilities.<sup>6</sup>

### Civil Penalties for Traffic Infractions

Civil penalties imposed under Chapter 318, F.S., for traffic infractions are collected by the clerk of the court and distributed pursuant to s. 318.21, F.S. Section 318.21(1) and (2), F.S., specifies that the following amounts of all civil penalties imposed under Chapter 318, F.S., and collected by the clerk of court are to be remitted monthly to the Department of Revenue for deposit as follows:

- \$1 from every civil penalty goes to the Child Welfare Training Trust Fund.
- \$1 from every civil penalty goes to the Juvenile Justice Training Trust Fund.
- Of the remaining civil penalties:
  - 20.6 percent goes to general revenue, except that the first \$300,000 shall be deposited into the Grants and Donations Trust Fund in the Justice Administrative Commission;
  - 7.2 percent goes to the Emergency Medical Services Trust Fund;

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<sup>2</sup> Office of Special Education and Related Services, U.S. Department of Education. *See* <http://www2.ed.gov/about/offices/list/osers/rsa/index.html>.

<sup>3</sup> 29 U.S.C. § 721.

<sup>4</sup> s. 413.201, F.S.

<sup>5</sup> Section 413.615, F.S.

<sup>6</sup> *See* The Able Trust, About the Able Trust, *available at* <http://www.abletrust.org/about/>.

- 5.1 percent goes to the Additional Court Cost Clearing Trust Fund;
- 8.2 percent goes to the Brain and Spinal Cord Injury Rehabilitation Trust Fund;
- 2 percent goes to the endowment fund of the Florida Endowment Foundation for Vocational Rehabilitation.

Section 318.18(3)(f), F.S., imposes an additional fine of up to \$250 if a violation of a traffic regulation to assist mobility-impaired persons<sup>7</sup> results in an injury to the pedestrian or damage to the property of the pedestrian. Section 318.21(5), F.S., requires the additional fine to be distributed as follows:

- 60 percent is remitted to the Department of Revenue for deposit in the Florida Endowment Foundation for Vocational Rehabilitation.
- 40 percent is distributed as provided in ss. 318.21(1) and (2), F.S.

### **The State Board of Administration**

The State Board of Administration (SBA or the Board) is composed of the Governor as chair, the Chief Financial Officer, and the Attorney General. The board must invest all the funds in the System Trust Fund, as defined in a specified provision,<sup>8</sup> and all other funds specifically required by law to be invested by the Board pursuant to the specified statutory provisions to the fullest extent that is consistent with the cash requirements, trust agreement, and investment objectives of the fund.<sup>9</sup> The SBA is currently charged with investing and reinvesting moneys of the endowment fund in accordance with the provisions of ss. 215.44 and 215.53, F.S. Moneys in the endowment in excess of the endowment fund principal, or such lesser amount as may be requested in writing by the foundation, shall be annually transmitted to the foundation and are deposited in the foundation's operating account. The board shall use the moneys in the operating account, by whatever means, to provide for:

- Planning, research, and policy development for issues related to the employment and training of disabled citizens, and publication and dissemination of such information as may serve the objectives of this section.
- Promotion of initiatives for disabled citizens.
- Funding of programs which engage in, contract for, foster, finance, or aid in job training and counseling for disabled citizens or research, education, demonstration, or other activities related thereto.
- Funding of programs which engage in, contract for, foster, finance, or aid in activities designed to advance better public understanding and appreciation of the field of vocational rehabilitation.
- Funding of programs, property, or facilities which aid, strengthen, and extend in any proper and useful manner the objectives, work, services, and physical facilities of the division, in accordance with the purposes of this section.

Under current law, the endowment fund principal must be \$1 million for the 2000-2001 fiscal year and must be increased by five percent in each subsequent fiscal year.<sup>10</sup>

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<sup>7</sup> Section 316.1303, F.S.

<sup>8</sup> Section 215.444(2), F.S.

<sup>9</sup> Section 768.28, F.S.

<sup>10</sup> Section 413.615(4), F.S.

### III. Effect of Proposed Changes:

**Section 1** amends s. 413.615, F.S., to remove the SBA's requirement to invest and reinvest moneys in the foundation's endowment fund. The bill would also remove the requirement for transmitting moneys in the endowment fund in excess of the endowment fund principal, or a lesser amount as requested by the foundation, for deposit in the foundation's operating account. The bill removes the threshold in law for the endowment fund principal.

The bill provides that 2% of the remainder of all civil penalties collected under provisions of Chapter 318, F.S., are to be remitted to the Department of Revenue for distribution to the Florida Endowment Foundation for Vocational Rehabilitation. The bill further provides that additional fines collected for violation of traffic regulations to assist mobility-impaired persons<sup>11</sup> due to pedestrian injury or property damage<sup>12</sup> are to be remitted to the Department of Revenue for distribution as follows:

- 60% to the Florida Endowment Foundation for Vocational Rehabilitation; and
- 40% as provided in subsection 318.21(1) and (2), F.S.<sup>13</sup>

**Section 2** provides an effective date.

### IV. Constitutional Issues:

#### A. Municipality/County Mandates Restrictions:

None.

#### B. Public Records/Open Meetings Issues:

None.

#### C. Trust Funds Restrictions:

None.

### V. Fiscal Impact Statement:

#### A. Tax/Fee Issues:

None.

#### B. Private Sector Impact:

None.

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<sup>11</sup> Section 316.1303, F.S.

<sup>12</sup> Section 318.18(3)(f), F.S.

<sup>13</sup> Note that this is the same distribution scheme in current law under s. 318.21(5), F.S.

C. **Government Sector Impact:**

The bill allows the board of the foundation to consolidate all of its investments under its own investment committee. The fiscal impact of terminating the SBA's role in investing and reinvesting the funds for the Florida Endowment for Vocational Rehabilitation is indeterminate.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Additional Information:**

A. **Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Community Affairs on February 21, 2011:**

Fixes a technical amendment to clarify what “remainder of the funds” means.

B. **Amendments:**

None.