



Business & Professional Regulation Subcommittee

**Wednesday, November 6, 2013
3:30 PM
12 HOB**

MEETING PACKET

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Business & Professional Regulation Subcommittee

Start Date and Time: Wednesday, November 06, 2013 03:30 pm
End Date and Time: Wednesday, November 06, 2013 05:30 pm
Location: 12 HOB
Duration: 2.00 hrs

Presentation by the Department of Agriculture and Consumer Services on the Implementation of HB 7023 (2013) Department Bill

Presentation by the Department of Business and Professional Regulation on the Implementation of Select Legislation Passed Between 2010-2013

Presentation by the Department of Revenue on the Implementation of the One-Stop Business Registration Portal

NOTICE FINALIZED on 10/30/2013 14:11 by Ellinor.Martha



The Florida House of Representatives

Regulatory Affairs Committee

Business & Professional Regulation Subcommittee

Will Weatherford
Speaker

Debbie Mayfield
Chair

AGENDA

November 6, 2013
12 House Office Building
3:30 PM – 5:30 PM

- I. Call to Order & Roll Call
- II. Welcoming Remarks
- III. Presentations
 - a. Grace P. Lovett, Director, Office of Legislative Affairs, Department of Agriculture and Consumer Services
 - i. Implementation of HB 7023 (2013) Department Bill
 - b. Matilde Miller, Director, Office of Legislative Affairs, Department of Business and Professional Regulation
 - i. Implementation of Select 2013 Legislation
 1. HB 57 – Department of Business and Professional Regulation
 2. HB 347 – Alcoholic Beverages
 3. Real Estate Brokers & Appraisers Related
 - a. SB 1398 – Real Estate Appraisers
 - b. HB 667 – Real Estate Brokers & Appraisers
 - ii. Report on select legislation passed between 2010-2012
 1. Provisions to assist military veterans and the spouses of active duty military personnel.
 2. Changes to provide for more licensure by endorsement as well as professions where further change is needed.

3. The status of the Building Commission workgroup established to address high wind impacts on screen enclosures.
 4. Report on the safety record and general operations of elevators in Florida in recent years and the relation of HB 663 (2010) or other recent legislation to that record.
- c. Marshall Stranburg, Executive Director, Department of Revenue
- i. Status of the Implementation of One-Stop Business Registration Portal

IV. Adjournment

Department of Agriculture and Consumer Services

Implementation of HB 7023

Business and Professional Regulation
Subcommittee Meeting

November 6, 2013



Implementation of HB 7023

Division of Consumer Services

- Motor Fuel Inspection Fee Collection
 - Transfer to Department of Revenue
 - Charitable Organizations
 - Do Not Call
 - Telemarketing
 - Moving Brokers
 - Amusement Rides
 - Weights and Measures



Implementation of HB 7023

Division of Licensing

- Proof of Firearms Training for Certain Licenses
- Penalties for Fraudulent Training Certificates
- Definition of “Possession and Command” for the Recovery Industry



Department of Agriculture and Consumer Services

Questions?

Grace P. Lovett

Director of Legislative Affairs

850.617.7700

Grace.Lovett@freshfromflorida.com


www.freshfromflorida.com



Florida Department of
Business &
Professional
Regulation

License efficiently. Regulate fairly.

Ken Lawson
Secretary



Implementation of 2013 Legislation

House Business & Professional
Regulation Subcommittee

November 6, 2013

Florida Homeowners' Construction Industry Recovery Fund (FHCIRF)

HB 57 Implementation

- The FHCIRF is a fund of last resort available to compensate homeowners who suffered monetary damages due to the financial misconduct or fraud of a construction contractor
- HB 57 permitted the transfer of excess funds from the Florida Building Code Administrators and Inspectors Board (BCAIB) to the FHCIRF when those funds are not necessary for the operation of the BCAIB
- Effective date was October 1, 2013

FY 2013-14

- **Beginning Status**
 - 589 pending claims valued at \$13,153,267 in anticipated recovery payments
- **Annual Appropriation: \$8 Million**
- **Anticipated Claim Payout**
 - 371 claims = \$7,986,624
- **Remaining Claims**
 - 218 claims valued at \$5,166,643 in anticipated recovery payments
- **Claims Rate**
 - Received an average of 333 claims per year during the previous 5 fiscal years

Craft Distilleries

HB 347 Implementation

- The law creates/defines a new type of distillery, craft distilleries, and allows the distillery to sell their product to consumers in face-to-face transactions on retail premises contiguous to the distillery's premises.
- Craft Distillery is defined as a licensed distillery that produces 75,000 or fewer gallons of distilled spirits on it premises.
- Effective date was July 1, 2013.
- The law has been implemented: license type enabled in system and staff trained.

Florida Real Estate Appraisal Board (FREAB)

- Most recent compliance review determined that the FREAB is in substantial compliance with federal regulations
- Additional 3 attorney positions, 3 investigator positions, and 3 administrative assistant positions added to:
 - Ensure continued compliance
 - Allow DBPR to handle increased case loads and reduce or eliminate year old cases

FREAB

SB 1398 Implementation

- SB 1398 authorizes the FREAB to accept distance education courses for qualifying education
- Effective date was July 1, 2013
- The FREAB considered changes to Rule 61J1-4.001, F.A.C., to incorporate standards for distance education courses at its meeting on October 7, 2013

FREAB

HB 667 Implementation

- HB 667 authorizes the FREAB to incorporate the standards of the 2015 Appraiser Qualifications Board (AQB) into the Florida Statutes, effective January 1, 2014
- The official rulemaking process for further changes will commence January 1, 2014
- Rules anticipated to be developed with a specific effective date that will provide notice to appraisers, ensure adequate time to licensees and applicants, and comply with the federal deadline of January 1, 2015

Military and Veterans

HB 887 (2012) Implementation

- Authorized the Department to waive the initial licensing fee, the initial application fee, and the initial unlicensed activity fee for military veterans who apply for a state professional license
- Application must be submitted within 24 months after an honorable discharge from any branch of the United States Armed Forces
- 120 fee waivers issued since implementation in July 2012
 - Total savings of \$15,741 to applicants

Military and Veterans

HB 713 (2010) / HB 7129 (2010) Implementation

- Allowed spouses of active duty members of the Armed Forces of the United States stationed in Florida to receive a temporary license to practice a profession in Florida while obtaining a permanent license
- Applicant must hold a valid license for the profession in another state, District of Columbia, any United States territory or possession, or a foreign jurisdiction
- Issued 22 temporary licenses since implementation in July 2010

Licensure by Endorsement

HB 887 (2012) Implementation - Cosmetology

- Allows cosmetologist applicants the ability to endorse their current license from another state whose requirements include completion of a minimum of 1200 educational hours and passage of a written examination.
- If the Department is able to verify the information by means of another state board's website, the applicant does not need to provide license certification from the endorsing state.
- This expedites the endorsement process and decreases fees paid for out-of-state license verifications.

	Endorsement Applications Received	Endorsement Applications Approved	Percent Approved
10/1/2011 - 9/30/2012	2122	1495	70
10/1/2012 - 9/30/2013	2231	1715	77

Licensure by Endorsement

HB 769 (2012) Implementation

Certified Public Accountants

- Allowed a CPA who had held an active license in good standing for at least 10 years, prior to Florida application, in another jurisdiction to qualify for licensure by evidencing current license and 80 hours of continuing professional education completed in the 24 month period preceding application in Florida.
- Endorsement applications approved
 - FY 2011-12: 518
 - FY 2012-13: 646

Licensure by Endorsement

HB 517 (2012) Implementation - Architects

- Removed the separate educational verification requirement, and now allows an endorsement applicant with National Council of Architectural Registration Boards (NCARB) certification and valid licensure from another state to become licensed in Florida whether or not they hold a degree accredited by the National Architectural Accreditation Board (NAAB).

	Endorsement Applications Received	Endorsement Applications Approved	Percent Approved
7/1/2011 - 6/30/2012	275	231	84
7/1/2012 - 6/30/2013	303	289	95

- Created a new avenue to licensure by endorsement for applicants who did not have the NAAB degree or NCARB certification, but had at least a 4-year degree, had passed the examination, held a valid license from another state, and had continuously lived in Florida for at least 10 years.
 - Approximately 20 individuals were eligible for this provision.
 - Provision expired on March 1, 2013.

Licensure by Endorsement

Real Estate – Mutual Recognition

Florida Real Estate Appraisal Board (FREAB)

- FREAB has for many years allowed mutual recognition with states for many certified appraisers.
- The Dodd-Frank Act mandated that all states must have a mandatory reciprocity program in place by July 1, 2013. Florida is in compliance with this requirement and offers reciprocity through our mutual recognition process.

Florida Real Estate Commission (FREC)

- Since 2009, the number of mutual recognition agreements has been reduced by 3. None of these agreements were terminated by Florida.
- Currently, FREC is considering an agreement with the State of Illinois.

Florida Building Commission Screen Enclosures Workgroup SB 704 (2012) Implementation

- SB 704 (2012) required the Florida Building Commission to develop a rule for providing an alternative design method for screen enclosures.
- The rule was developed and provided a screen enclosure design method allowing for removal of screen sections to accommodate high-wind events.

Elevator Safety

HB 663 (2010) Implementation

- Granted access to buildings containing elevators to Bureau Elevator Safety inspectors
- Provided authority to grant variances
 - Allow elevators to come into compliance without causing hardship on owners
- Highest compliance rate in recent Bureau history as a result of these changes and other Bureau activities
 - 98.81% of licenses current as of 7/29/2013
- Created Fire Fighter Service Phase II exemption
- Allowed the use of lockboxes to comply with Regional Fire Key Requirement

Contact Information

Matilde Miller
Legislative Affairs Director
matilde.miller@myfloridalicense.com
850-717-1580

One-Stop Business Registration Portal

Overview of Vision and Phase I Scope, Functionality, and Costs

I. The Vision	
Ease Government Burden on Business	<ul style="list-style-type: none"> • Streamline the registration, application, licensing and permitting processes • Provide a guided step-by-step registration process • Minimize timeframes required for business interaction with government agencies • Increase business registration compliance
Improve Government Efficiency	<ul style="list-style-type: none"> • Ensure collaboration among government agencies • Reduce redundant data collection and operations • Increase data accuracy and consistency across agencies • Provide a full feature portal that is supportive of business self-service
Create an Environment for Economic Growth	<ul style="list-style-type: none"> • Provide tools for business support • Routinely provide timely information and economic data • Provide faster entry into the marketplace
II. Phase I Scope	
Department	Scope
State	<ul style="list-style-type: none"> • New businesses will be guided through the process of creating one of the following business types: <ul style="list-style-type: none"> ○ Florida Profit Corporation ○ Florida Non Profit Corporation ○ Florida Limited Liability Company ○ Florida Limited Partnership • In 2012, the Department of State received a total of 293,723 business entity filings. The filings that will be integrated into the portal comprise 95% of these filings, and of those filings, 75% were filed electronically. • Phase I will also guide a new business through the process of registering a fictitious name. In calendar year 2012, the Department of State processed 95,950 fictitious name registrations, and of those filings, 89% were filed electronically.

<p>Revenue</p>	<ul style="list-style-type: none"> • The Department of Revenue receives on average 115,000 new electronic registrations per year. New businesses will be guided through the process to register for the following taxes, which comprise 98% of the Department’s total registrations: <ul style="list-style-type: none"> ○ Sales and Use Tax (Businesses) ○ Use Tax (Individuals) ○ Reemployment Tax ○ Corporate Income Tax ○ Communications Services Tax ○ Documentary Stamp on Deeds ○ Documentary Stamp on Notes ○ Rental Car Surcharge ○ Gross Receipts Tax ○ Charter County Transit System Surtax ○ Local Government Infrastructure Surtax ○ Small County Surtax ○ Indigent Care Surtax ○ County Public Hospital Surtax ○ School Capital Outlay Surtax ○ Voter-Approved Indigent Care Surtax ○ Tourist Development Tax ○ Convention Development Tax ○ Tourist Impact Tax ○ Emergency Excise Tax ○ Perchloroethylene Tax ○ Waste Tire Fee ○ Solid Minerals Severance Tax ○ Oil Production Tax ○ Gas and Sulfur Production Tax ○ Gross Receipts Tax on Dry Cleaning ○ Lead-acid Battery Fee ○ Lake Belt Mitigation Fee ○ Lake Belt Water Treatment Plant Upgrade Fee • The Portal will also notify new businesses about reporting requirements for the New Hire Database. Employers are required by state and federal law to report newly hired and re-hired employees in Florida to the New Hire Reporting Center. This program assists the State in its child support enforcement efforts and in preventing fraud.
<p>Business & Professional Regulation</p>	<ul style="list-style-type: none"> • The Department of Business and Professional Regulation oversees the licensing and regulation of a number of professions and businesses in the State of Florida. Phase I will focus on licensure for certain key businesses. Examples of the types of new businesses that will be able to file through the business portal are: <ul style="list-style-type: none"> ○ Restaurants ○ Catering Business ○ Vending Machine Businesses ○ Mobile Food Dispensing Vehicles ○ Theme Park Food Cart ○ Hotels and Motels ○ Bed and Breakfast ○ Apartments ○ Barbershops ○ Cosmetology and Mobile Cosmetology Salons ○ Auction Businesses ○ Asbestos Businesses ○ Certified Public Accountant Firms ○ CPA Ethics Course Providers ○ Architect Businesses ○ Interior Design Businesses ○ Landscape Architect Business ○ Real Estate Corporations and Partnerships ○ Real Estate Schools ○ Geology Businesses ○ Health Care Clinic Establishment Permit ○ Pari-Mutuel Wagering Businesses ○ Slot Machine Businesses ○ Slots Educational Facilities ○ Cardrooms ○ Veterinarian and Limited Veterinarian Establishments ○ Employee Leasing Companies, Company Groups, Group Members, and DeMinimus Registrations

Economic Opportunity	<ul style="list-style-type: none"> Florida's Reemployment Assistance Program is administered by the Department of Economic Opportunity (DEO). This program imposes a tax on wages paid by Florida employers to pay for unemployment benefits received by unemployed individuals. The Department of Revenue provides tax collection services for the DEO. A new business using the One-Stop Business portal will be able to register with the Department of Revenue for this tax. Future phases of the project are anticipated to provide businesses with economic data from DEO.
Financial Services	<ul style="list-style-type: none"> The Department of Financial Services provides businesses with helpful information regarding coverage requirements through its website. The Portal will provide a link to the Division of Workers' Compensation website for the purpose of educating businesses.
Management Services	The Department of Management Services operates the State of Florida's eProcurement system known as MyFloridaMarketPlace. The portal will provide new businesses with the opportunity to become a registered vendor. When a vendor registers with MyFloridaMarketPlace, state agencies are able to conduct business with the vendor for goods and services.
Lottery	<ul style="list-style-type: none"> The Portal will provide referral information to The Florida Lottery for new businesses that wish to become authorized retailers.
III. Phase I Functionality	
Function	Description
Registration Wizard	<ul style="list-style-type: none"> The Registration Wizard will guide a business through the registration and licensure process. It will ask the business a series of questions in order to identify which registrations or licenses are needed and it will capture all of the demographic information of the business such as its name, address, identifiers and telephone number. Once this information is captured, it will eliminate the need to enter this information again when applying for another registration or license. The portal will also include a dashboard which will provide the business with a status of the progress of its registration applications across agencies.
Single Business Identifier	<ul style="list-style-type: none"> The Single Business Identifier will implement a unique business identifier for each business that will be shared across agencies. While the single business identifier is in addition to other identifiers that an agency may use (e.g. the federal employer identification number), it is the one number that will be used to identify a business in all systems.
Payment Gateway	<ul style="list-style-type: none"> The Payment Gateway will provide the mechanism for accepting payments from businesses. Businesses will be able to pay for their registrations and licenses using credit cards, debit cards, and electronic funds transfers.
Fund Accounting	<ul style="list-style-type: none"> The Fund Accounting function will take the payments received through the Payment Gateway and distribute the funds to the appropriate state agencies.
Web Services	<ul style="list-style-type: none"> The Web Services function will provide two-way communication between the Portal and agency systems to ensure the delivery of all transactions.
IV. Budget	
Phase I Costs	<ul style="list-style-type: none"> In FY 2012-2013, the Florida Legislature appropriated \$3 million for the project. An additional \$712,408 was appropriated in 2013-2014; bringing the total appropriation for the project thus far to \$3,712,408. As of October 15, 2013, \$1,595,673 has been spent in development and licensing costs for Phase I, leaving a balance of \$2,116,735. Remaining Phase I costs are estimated to be \$1,274,039.



House of Representatives Business and Professional Regulation Subcommittee

One-Stop Business Registration Portal Update

November 6, 2013

**Presentation by:
Marshall Stranburg
Executive Director
Florida Department of Revenue**

VISION

Ease Government Burden on Business	Improve Government Efficiency	Create an Environment for Economic Growth
Streamline the registration, application, licensing and permitting processes	Ensure collaboration among government agencies	Provide tools for business support
Provide a guided step-by-step registration process	Reduce redundant data collection and operations	Routinely provide timely information and economic data
Minimize timeframes required for business interaction with government agencies	Increase data accuracy and consistency across agencies	Provide faster entry into the marketplace
Increase business registration compliance	Provide a full feature portal that is supportive of business self-service	

Phase I – Benefits to New Businesses

New Businesses will be able to use the Portal to:

- Create a new corporation or other business entity
- Register a fictitious name
- Register to remit certain taxes
- Apply for certain business licenses
- Obtain information about workers' compensation coverage requirements
- Register as a vendor with MyFloridaMarketplace
- Initiate the application process to become an authorized Florida Lottery retailer

Phase I - Cooperating State Agencies

- State
- Revenue
- Economic Opportunity
- Business and Professional Regulation
- Financial Services
- Management Services
- Lottery

State

Registrations:

- Florida Profit Corporation
- Florida Non-Profit Corporation
- Florida Limited Liability Company
- Florida Limited Partnership
- Fictitious Names

Revenue

- New Businesses will be able to register to remit a number of taxes including:
 - Sales and Use tax
 - Reemployment tax
 - Corporate Income tax
 - Documentary Stamp taxes
 - Gross Receipts tax
 - Local Surtaxes and
 - Solid Waste fees

Revenue

- Sales and Use Tax
- Reemployment Tax* (formerly Unemployment Compensation)
- Corporate Income Tax
- Communications Services Tax
- Documentary Stamp on Deeds
- Documentary Stamp on Notes
- Rental Car Surcharge
- Gross Receipts Tax
- Charter County Transit System Surtax
- Local Government Infrastructure Surtax
- Small County Surtax
- Indigent Care Surtax
- County Public Hospital Surtax
- School Capital Outlay Surtax
- Voter-Approved Indigent Care Surtax
- Tourist Development Tax
- Convention Development Tax
- Tourist Impact Tax
- Emergency Excise Tax
- Perchloroethylene Tax
- Waste Tire Fee
- Solid Minerals Severance Tax
- Oil Production Tax
- Gas and Sulfur Production Tax
- Gross Receipts Tax on Dry Cleaning
- Lead-acid Battery Fee
- Lake Belt Mitigation Fee
- Lake Belt Water Treatment Plant Upgrade Fee

* Collected on behalf of the
Department of Economic Opportunity

Revenue

- The Portal will also notify businesses about reporting requirements for the New Hire Database. Employers are required by state and federal law to report newly hired and re-hired employees in Florida to the Florida New Hire Reporting Center. New hire reporting assists the State in its child support enforcement efforts and in preventing fraud.

Economic Opportunity

- Florida's Reemployment Assistance Program is administered by the Department of Economic Opportunity (DEO).
- This program imposes a tax on wages paid by Florida employers to pay for unemployment benefits received by unemployed individuals.
- Department of Revenue provides tax collection services for DEO pursuant to an interagency agreement.
- Future phases of the project are anticipated to provide businesses with economic data from DEO.

Business & Professional Regulation

- Restaurants
- Catering Businesses
- Vending Machine Businesses
- Mobile Food Dispensing Vehicles
- Theme Park Food Carts
- Hotels and Motels
- Bed and Breakfast
- Apartments
- Barbershops
- Cosmetology and Mobile Cosmetology Salons
- Certified Public Accountant Firms
- CPA Ethics Course Providers
- Architect Businesses
- Interior Design Businesses
- Landscape Architect Businesses
- Real Estate Corporations and Partnerships
- Real Estate Schools
- Veterinarian and Limited Veterinarian Establishments
- Employee Leasing Companies, Company Groups, Group Members, and DeMinimus Registrations
- Auction Businesses
- Asbestos Businesses
- Geology Businesses
- Health Care Clinic Establishment Permit
- Pari-Mutuel Wagering Businesses
- Slot Machine Businesses
- Slots Educational Facilities
- Cardrooms

Department of Financial Services

- The Division of Workers' Compensation provides businesses with helpful information regarding workers' compensation coverage requirements through its website.
- The Portal will provide a link to the website for the purpose of educating businesses.

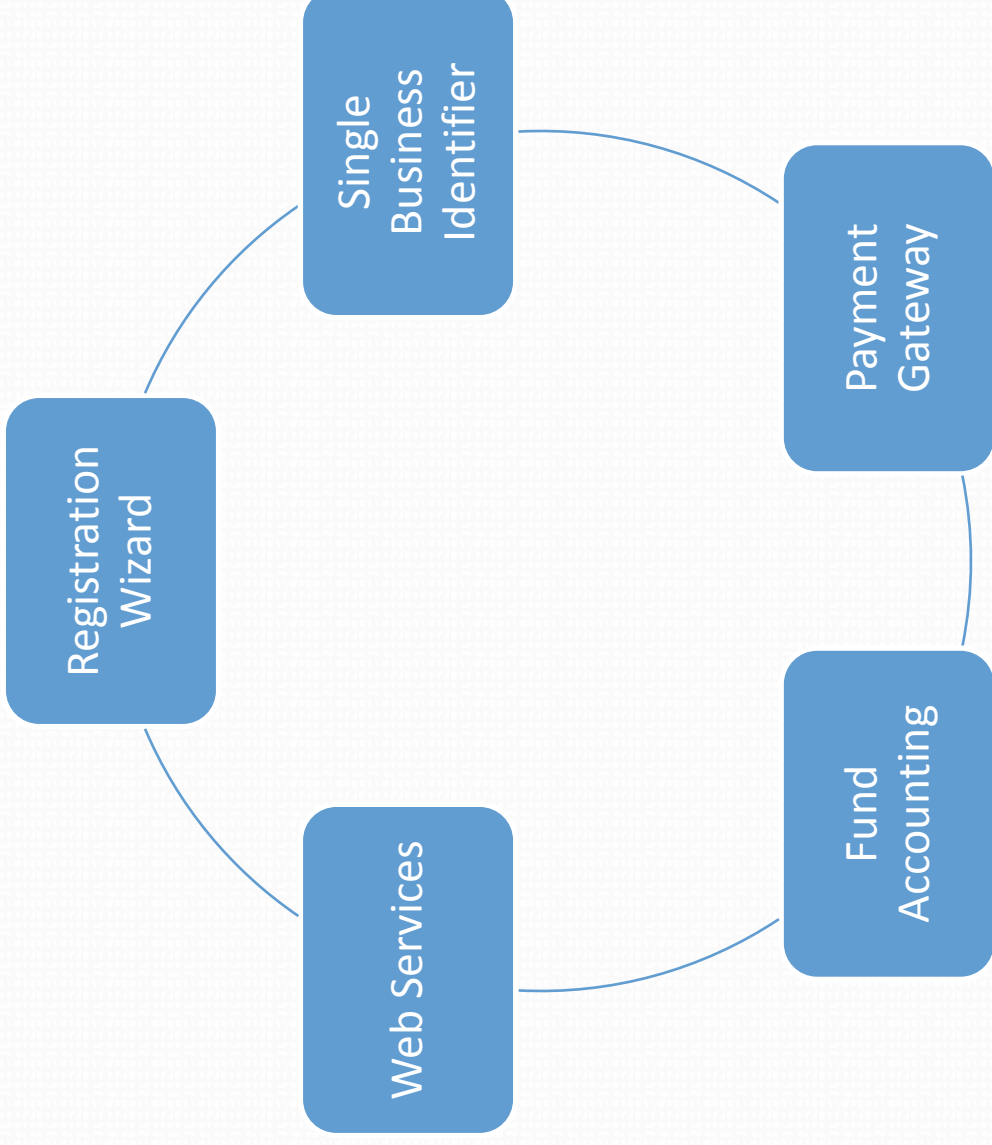
Management Services

- The Portal will provide new businesses with the opportunity to register as a vendor with MyFloridaMarketPlace.

The Florida Lottery

The Portal will provide referral information to The Florida Lottery for new businesses that wish to become authorized retailers.

Phase I - Functionality



Funding

- In FY 2012-2013, the Florida Legislature appropriated \$3 million for the project.
- An additional \$712,408 was appropriated in 2013-2014; bringing the total appropriation for the project thus far to \$3,712,408.
- As of October 15, 2013, \$1,595,673 has been spent in development and licensing costs, leaving a balance of \$2,116,735.
- Remaining Phase I costs are estimated to be \$1,274,039.

QUESTIONS?