CS/CS/SB 84 by **GO, CA, Diaz de la Portilla**; (Similar to CS/H 0085) Public-private Partnerships

CS/SB 444 by **CA, Diaz de la Portilla**; (Similar to CS/CS/H 0707) Domestic Wastewater Discharged Through Ocean Outfalls

CS/SB 448 by **EP, Dean (CO-INTRODUCERS) Simpson**; (Similar to CS/CS/H 0333) Fish and Wildlife Conservation Commission

153142	D	S		RCS	AGG, Dean	Delete everything after	03/19 07:12 PM

CS/SB 842 by **RI, Stargel**; (Similar to CS/H 0795) Premises Inspections

CS/SB 1040 by **CM, Stargel**; (Similar to CS/H 7023) Department of Agriculture and Consumer Services

290262	A	S	L	RCS	AGG, Stargel	btw L.1371 - 1372:	03/19 07:27 PM

SB 1762 by **GO**; State Technology

637722	A	S	L	WD	AGG, Bradley	btw L.496 - 497:	03/19 07:29 PM
238408	A	S	L	RCS	AGG, Bradley	Delete L.497:	03/19 07:29 PM
567076	A	S	L	WD	AGG, Bradley	Delete L.444 - 447:	03/19 07:29 PM
340266	A	S	L	RCS	AGG, Bradley	Delete L.681 - 686:	03/19 07:29 PM
568826	A	S	L	RCS	AGG, Bradley	Delete L.433 - 449:	03/19 07:29 PM

SB 1770 by **BI**; (Compare to H 0107) Property Insurance

551320	A	S		RCS	AGG, Latvala	btw L.1908 - 1909:	03/19 07:33 PM
687188	A	S		RCS	AGG, Latvala	btw L.2172 - 2173:	03/19 07:33 PM
893998	A	S	L	WD	AGG, Hays	btw L.341 - 342:	03/19 07:33 PM
558938	A	S	L	WD	AGG, Hays	Delete L.938 - 943:	03/19 07:33 PM
899444	A	S	L	RCS	AGG, Detert	Delete L.1104 - 1153:	03/19 07:33 PM
883928	A	S	L	RCS	AGG, Hays	Delete L.2425 - 2570:	03/19 07:33 PM
637628	A	S	L	RCS	AGG, Hays	Delete L.336 - 341:	03/19 07:33 PM
810324	A	S	L	RCS	AGG, Hays	btw L.2570 - 2571:	03/19 07:33 PM

The Florida Senate

COMMITTEE MEETING EXPANDED AGENDA

APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT
Senator Hays, Chair
Senator Thompson, Vice Chair

MEETING DATE: Tuesday, March 19, 2013
TIME: 4:00 —6:00 p.m.
PLACE: *Toni Jennings Committee Room,* 110 Senate Office Building

MEMBERS: Senator Hays, Chair; Senator Thompson, Vice Chair; Senators Bradley, Braynon, Bullard, Dean, Detert, Joyner, Latvala, Legg, Simpson, Soto, and Stargel

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	**CS/CS/SB 84** Governmental Oversight and Accountability / Community Affairs / Diaz de la Portilla (Similar CS/H 85, Compare S 238) **(If Received)**	Public-private Partnerships; Providing legislative findings and intent relating to the construction or improvement by private entities of facilities used predominantly for a public purpose; creating the Partnership for Public Facilities and Infrastructure Act Guidelines Task Force to establish specified guidelines; providing for interim and comprehensive agreements between a public and a private entity; authorizing counties to enter into public-private partnership agreements for construction, operation, ownership, and financing of transportation facilities, etc. CA 01/23/2013 Fav/CS GO 03/14/2013 Fav/CS TR AP	Not Received
2	**CS/SB 444** Community Affairs / Diaz de la Portilla (Similar CS/H 707)	Domestic Wastewater Discharged Through Ocean Outfalls; Revising the measurement standard for the wastewater flow; revising the requirements for installation of a functioning reuse system by a utility that had a permit for a domestic wastewater facility on a specified date to discharge through ocean outfall; revising plan requirements for the elimination of ocean outfalls; requiring that the Department of Environmental Protection approve certain apportionment of reuse if a facility contracts with another facility to install a functioning reuse system, etc. EP 03/07/2013 Favorable CA 03/14/2013 Fav/CS AGG 03/19/2013 Favorable AP	Favorable Yeas 12 Nays 0

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
3	**CS/SB 448** Environmental Preservation and Conservation / Dean (Similar CS/CS/H 333)	Fish and Wildlife Conservation Commission; Revising the definition of the terms “navigation rules” for purposes of provisions relating to vessels, “resident” or “resident of Florida” for purposes of provisions relating to recreational and nonrecreational activity licenses, “resident alien” to remove a county residency requirement; exempting individuals participating in certain outdoor recreational events from requirements for a hunting or fishing license or permit; revising the number of days the commission may designate as free fishing days each year; revising requirements for a restricted species endorsement on a saltwater products license, etc. EP 03/07/2013 Fav/CS AGG 03/19/2013 Fav/CS AP	Fav/CS Yeas 12 Nays 0
4	**CS/SB 842** Regulated Industries / Stargel (Similar CS/H 795)	Premises Inspections; Requiring the Division of Hotels and Restaurants of the Department of Business and Professional Regulation to adopt rules for a risk-based inspection frequency for licensed public food service establishments, etc. RI 03/14/2013 Fav/CS AGG 03/19/2013 Favorable AP	Favorable Yeas 12 Nays 0
5	**CS/SB 1040** Commerce and Tourism / Stargel (Similar CS/H 7023, Compare H 1189, S 720)	Department of Agriculture and Consumer Services; Transferring the collection of the motor fuel inspection fee from the Department of Agriculture and Consumer Services to the Department of Revenue; providing additional grounds for disciplinary action against firearm licensees; revising procedures and requirements with respect to the submission and processing of registration statements and renewal statements by charitable organizations and sponsors; repealing a provision relating to mandatory filings and disclosure of advertisement identification numbers by sellers of business opportunities, etc. CM 03/11/2013 Fav/CS AGG 03/19/2013 Fav/CS AP	Fav/CS Yeas 12 Nays 0

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
6	**SB 1762** Governmental Oversight and Accountability (Compare S 908)	State Technology; Creating the Department of State Technology; establishing the Fletcher Shared Resource Center within the Department of Financial Services to provide enterprise information technology services to the department, co-location services to the Department of Legal Services and the Department of Agriculture and Consumer Services, and host the Legislative Appropriations System/Planning and Budgeting Subsystem; transferring the personnel, functions, and funds of the Agency for Enterprise Information Technology to the Department of State Technology, etc. AGG 03/19/2013 Fav/CS AP	Fav/CS Yeas 11 Nays 1
7	**SB 1770** Banking and Insurance (Compare H 107, CS/CS/H 335, CS/H 835, H 1055, H 1099, H 1107, H 1247, H 7093, H 7095, S 96, S 468, S 724, S 1248, S 1262, S 1606, S 1622)	Property Insurance; Changing the name of the Florida Hurricane Catastrophe Fund Finance Corporation to the State Board of Administration Finance Corporation; creating the Florida Catastrophe Risk Capital Access Facility to increase the access of small domestic insurers to risk-capital markets; providing that Citizens Property Insurance Corporation is an insurer subject to civil actions as an agent of the state covered by sovereign immunity; reducing the value of residential structures that can be covered by the corporation, etc. AGG 03/19/2013 Fav/CS AP	Fav/CS Yeas 8 Nays 4
8	Review and Discussion of Fiscal Year 2013-14 Budget Issues: Dept. of Agriculture and Consumer Services Dept. of Business and Professional Regulation Dept. of Citrus Dept. of Environmental Protection Dept. of Financial Services Office of Financial Regulation Office of Insurance Regulation Dept. of Lottery Dept. of Management Services Division of Administrative Hearings Human Relations Commission Northwood Shared Resource Center Public Employees Relations Commission Southwood Shared Resource Center Public Service Commission Fish and Wildlife Conservation Dept. of Revenue		Presented

Other Related Meeting Documents

By the Committees on Governmental Oversight and Accountability; and Community Affairs; and Senator Diaz de la Portilla

585-02420-13 201384c2

A bill to be entitled

An act relating to public-private partnerships; creating s. 287.05712, F.S.; providing definitions; providing legislative findings and intent relating to the construction or improvement by private entities of facilities used predominantly for a public purpose; creating a task force to establish specified guidelines; providing procurement procedures; providing requirements for project approval; providing project qualifications and process; providing for notice to affected local jurisdictions; providing for interim and comprehensive agreements between a public and a private entity; providing for use fees; providing for financing sources for certain projects by a private entity; providing powers and duties of private entities; providing for expiration or termination of agreements; providing for the applicability of sovereign immunity for public entities with respect to qualified projects; providing for construction of the act; creating s. 336.71, F.S.; authorizing counties to enter into public-private partnership agreements for construction, operation, ownership, and financing of transportation facilities; providing requirements and limitations for such agreements; providing procurement procedures; requiring a fee for certain proposals; providing an effective date.

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

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585-02420-13 201384c2

Section 1. Section 287.05712, Florida Statutes, is created to read:

287.05712 Public-private partnerships.—

(1) DEFINITIONS.—As used in this section, the term:

(a) "Affected local jurisdiction" means a county, municipality, or special district in which all or a portion of a qualifying project is located.

(b) "Develop" means to plan, design, finance, lease, acquire, install, construct, or expand.

(c) "Fees" means charges imposed by the private entity of a qualifying project for use of all or a portion of such qualifying project pursuant to a comprehensive agreement.

(d) "Lease payment" means any form of payment, including a land lease, by a public entity to the private entity of a qualifying project for the use of the project.

(e) "Material default" means a nonperformance of its duties by the private entity of a qualifying project which jeopardizes adequate service to the public from the project.

(f) "Operate" means to finance, maintain, improve, equip, modify, or repair.

(g) "Private entity" means any natural person, corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public-benefit corporation, nonprofit entity, or other private business entity.

(h) "Proposal" means a plan for a qualifying project with detail beyond a conceptual level for which terms such as fixing costs, payment schedules, financing, deliverables, and project schedule are defined.

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59 (i) "Qualifying project" means:
60 1. A facility or project that serves a public purpose,
61 including, but not limited to, any ferry or mass transit
62 facility, vehicle parking facility, airport or seaport facility,
63 rail facility or project, fuel supply facility, oil or gas
64 pipeline, medical or nursing care facility, recreational
65 facility, sporting or cultural facility, or educational facility
66 or other building or facility that is used or will be used by a
67 public educational institution, or any other public facility or
68 infrastructure that is used or will be used by the public at
69 large or in support of an accepted public purpose or activity;
70 2. An improvement, including equipment, of a building that
71 will be principally used by a public entity or the public at
72 large or that supports a service delivery system in the public
73 sector; or
74 3. A water, wastewater, or surface water management
75 facility or other related infrastructure.
76 (j) "Responsible public entity" means a county,
77 municipality, school board, or university, or any other
78 political subdivision of the state; a public body corporate and
79 politic; or a regional entity that serves a public purpose and
80 is authorized to develop or operate a qualifying project.
81 (k) "Revenues" means the income, earnings, user fees, lease
82 payments, or other service payments relating to the development
83 or operation of a qualifying project, including, but not limited
84 to, money received as grants or otherwise from the Federal
85 Government, a public entity, or an agency or instrumentality
86 thereof in aid of the qualifying project.
87 (l) "Service contract" means a contract between a public

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88 entity and the private entity which defines the terms of the
89 services to be provided with respect to a qualifying project.
90 (2) LEGISLATIVE FINDINGS AND INTENT.—The Legislature finds
91 that there is a public need for the construction or upgrade of
92 facilities that are used predominantly for public purposes and
93 that it is in the public's interest to provide for the
94 construction or upgrade of such facilities.
95 (a) The Legislature also finds that:
96 1. There is a public need for timely and cost-effective
97 acquisition, design, construction, improvement, renovation,
98 expansion, equipping, maintenance, operation, implementation, or
99 installation of projects serving a public purpose, including
100 educational facilities, transportation facilities, water or
101 wastewater management facilities and infrastructure, technology
102 infrastructure, roads, highways, bridges, and other public
103 infrastructure and government facilities within the state which
104 serve a public need and purpose, and that such public need may
105 not be wholly satisfied by existing procurement methods.
106 2. There are inadequate resources to develop new
107 educational facilities, transportation facilities, water or
108 wastewater management facilities and infrastructure, technology
109 infrastructure, roads, highways, bridges, and other public
110 infrastructure and government facilities for the benefit of
111 residents of this state, and that a public-private partnership
112 has demonstrated that it can meet the needs by improving the
113 schedule for delivery, lowering the cost, and providing other
114 benefits to the public.
115 3. There may be state and federal tax incentives that
116 promote partnerships between public and private entities to

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117 develop and operate qualifying projects.
118 4. A procurement under this section serves the public
119 purpose of this section if such procurement facilitates the
120 timely development or operation of a qualifying project.
121 (b) It is the intent of the Legislature to encourage
122 investment in the state by private entities; to facilitate
123 various bond financing mechanisms, private capital, and other
124 funding sources for the development and operation of qualifying
125 projects, including expansion and acceleration of such financing
126 to meet the public need; and to provide the greatest possible
127 flexibility to public and private entities contracting for the
128 provision of public services.
129 (3) PUBLIC-PRIVATE PARTNERSHIP GUIDELINES TASK FORCE.-
130 (a) The Partnership for Public Facilities and
131 Infrastructure Act Guidelines Task Force is created to establish
132 guidelines for public entities on the types of factors public
133 entities should review and consider when processing requests for
134 public-private partnership projects pursuant to this section,
135 including consistent requirements for private entities seeking
136 to participate in the construction or development of a
137 qualifying project throughout the state.
138 (b) The task force shall consist of nine members, as
139 follows:
140 1. One member of the Senate, appointed by the President of
141 the Senate.
142 2. One member of the House of Representatives, appointed by
143 the Speaker of the House of Representatives.
144 3. The Secretary of Management Services or his or her
145 designee.

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146 4. Six members appointed by the Governor, as follows:
147 a. One county government official.
148 b. One municipal government official.
149 c. One district school board member.
150 d. Three representatives of the business community.
151 (c) Task force members shall serve for a term of 2 years
152 each and shall elect a chair and a vice chair. The task force
153 shall meet as necessary. Administrative and technical support
154 shall be provided by the department. Task force members shall
155 serve without compensation, but are entitled to reimbursement
156 for per diem and travel expenses pursuant to s. 112.061. The
157 task force shall terminate on July 1, 2015.
158 (d) The task force shall provide guidelines to public
159 entities no later than July 1, 2014. The guidelines shall
160 include:
161 1. Opportunities for competition through public notice and
162 the availability of representatives of the responsible public
163 entity to meet with private entities considering a proposal.
164 2. Reasonable criteria for choosing among competing
165 proposals.
166 3. Suggested timelines for selecting proposals and
167 negotiating an interim or comprehensive agreement.
168 4. Authorization for accelerated selection and review and
169 documentation timelines for proposals involving a qualifying
170 project that the responsible public entity deems a priority.
171 5. Procedures for financial review and analysis which, at a
172 minimum, include a cost-benefit analysis, an assessment of
173 opportunity cost, and consideration of the results of all
174 studies and analyses related to the proposed qualifying project.

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175 6. Consideration of the nonfinancial benefits of a proposed
176 qualifying project.
177 7. A mechanism for the appropriating body to review a
178 proposed comprehensive agreement before execution.
179 8. Analysis of the adequacy of the information released
180 when seeking competing proposals, and providing for the
181 enhancement of that information, if deemed necessary, to
182 encourage competition, as well as establishing standards to
183 maintain the confidentiality of financial and proprietary terms
184 of an unsolicited proposal, which shall be disclosed only in
185 accordance with the bidding procedures of competing proposals.
186 9. Authority for the responsible public entity to engage
187 the services of qualified professionals, which may include a
188 Florida-registered professional or a certified public
189 accountant, not otherwise employed by the responsible public
190 entity, to provide an independent analysis regarding the
191 specifics, advantages, disadvantages, and long-term and short-
192 term costs of a request by a private entity for approval of a
193 qualifying project, unless the governing body of the public
194 entity determines that such analysis should be performed by
195 employees of the public entity. Professional services as defined
196 in s. 287.055 must be engaged pursuant to s. 287.055.
197 (e) The establishment of guidelines pursuant to this
198 section by the task force or the adoption of such guidelines by
199 a public entity is not required for the public entity to request
200 or receive proposals for a qualifying project or to enter into a
201 comprehensive agreement for a qualifying project. A public
202 entity may adopt guidelines before the establishment of
203 guidelines by the task force, which may remain in effect as long

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204 as such guidelines are not inconsistent with the guidelines
205 established by the task force. A guideline that is inconsistent
206 with the guidelines of the task force must be amended as
207 necessary to maintain consistency with the task force
208 guidelines.
209 (4) PROCUREMENT PROCEDURES.—A responsible public entity may
210 receive unsolicited proposals or may solicit proposals for
211 qualifying projects and may thereafter enter into an agreement
212 with a private entity, or a consortium of private entities, for
213 the building, upgrading, operating, ownership, or financing of
214 facilities.
215 (a) The responsible public entity may establish a
216 reasonable application fee for the submission of an unsolicited
217 proposal under this section. The fee must be sufficient to pay
218 the costs of evaluating the proposal. The responsible public
219 entity may engage the services of a private consultant to assist
220 in the evaluation.
221 (b) The responsible public entity may request a proposal
222 from private entities for a public-private project or, if the
223 public entity receives an unsolicited proposal, the public
224 entity shall publish notice in the Florida Administrative
225 Register and a newspaper of general circulation at least once a
226 week for 2 weeks stating that the public entity has received a
227 proposal and will accept other proposals for the same project.
228 The timeframe within which the public entity may accept other
229 proposals shall be determined by the public entity on a project-
230 by-project basis based upon the complexity of the project and
231 the public benefit to be gained by allowing a longer or shorter
232 period of time within which other proposals may be received;

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233 however, the timeframe for allowing other proposals must be at
234 least 21 days, but no more than 120 days, after the initial date
235 of publication. A copy of the notice must be mailed to each
236 local government in the affected area. The scope of the proposal
237 may be publicized for the purpose of soliciting competing
238 proposals; however, the financial terms of the proposal may not
239 be disclosed until the terms of all competing bids are
240 simultaneously disclosed in accordance with the applicable law
241 governing procurement procedures for the qualifying project.
242 (c) A responsible public entity that is a school board may
243 enter into a comprehensive agreement only with the approval of
244 the local governing body.
245 (d) Before approval, the responsible public entity must
246 determine that the proposed project:
247 1. Is in the public's best interest.
248 2. Is for a facility that is owned by the responsible
249 public entity or for a facility for which ownership will be
250 conveyed to the responsible public entity.
251 3. Has adequate safeguards in place to ensure that
252 additional costs or service disruptions are not imposed on the
253 public in the event of material default or cancellation of the
254 agreement by the responsible public entity.
255 4. Has adequate safeguards in place to ensure that the
256 responsible public entity or the private entity has the
257 opportunity to add capacity to the proposed project or other
258 facilities serving similar predominantly public purposes.
259 5. Will be owned by the responsible public entity upon
260 completion or termination of the agreement and upon payment of
261 the amounts financed.

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262 (e) Before signing a comprehensive agreement, the
263 responsible public entity must consider a reasonable finance
264 plan that is consistent with subsection (11), the project cost,
265 revenues by source, available financing, major assumptions,
266 internal rate of return on private investments, if governmental
267 funds are assumed in order to deliver a cost-feasible project,
268 and a total cash-flow analysis beginning with the implementation
269 of the project and extending for the term of the agreement.
270 (f) In considering an unsolicited proposal, the responsible
271 public entity may require from the private entity a technical
272 study prepared by a nationally recognized expert with experience
273 in preparing analysis for bond rating agencies. In evaluating
274 the technical study, the responsible public entity may rely upon
275 internal staff reports prepared by personnel familiar with the
276 operation of similar facilities or the advice of external
277 advisors or consultants who have relevant experience.
278 (5) PROJECT APPROVAL REQUIREMENTS.—An unsolicited proposal
279 from a private entity for approval of a qualifying project must
280 be accompanied by the following material and information, unless
281 waived by the responsible public entity:
282 (a) A description of the qualifying project, including the
283 conceptual design of the facilities or a conceptual plan for the
284 provision of services, and a schedule for the initiation and
285 completion of the qualifying project.
286 (b) A description of the method by which the private entity
287 proposes to secure the necessary property interests that are
288 required for the qualifying project.
289 (c) A description of the private entity's general plans for
290 financing the qualifying project, including the sources of the

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291 private entity's funds and the identity of any dedicated revenue
292 source or proposed debt or equity investment on behalf of the
293 private entity.
294 (d) The name and address of a person who may be contacted
295 for additional information concerning the proposal.
296 (e) The proposed user fees, lease payments, or other
297 service payments over the term of a comprehensive agreement, and
298 the methodology for and circumstances that would allow changes
299 to the user fees, lease payments, and other service payments
300 over time.
301 (f) Additional material or information that the responsible
302 public entity reasonably requests.
303 (6) PROJECT QUALIFICATION AND PROCESS.—
304 (a) The private entity must meet the minimum standards
305 contained in the responsible public entity's guidelines for
306 qualifying professional services and contracts for traditional
307 procurement projects.
308 (b) The responsible public entity must:
309 1. Ensure that provision is made for the private entity's
310 performance and payment of subcontractors, including, but not
311 limited to, surety bonds, letters of credit, parent company
312 guarantees, and lender and equity partner guarantees. For the
313 components of the qualifying project which involve construction
314 performance and payment, bonds are required and are subject to
315 the recordation, notice, suit limitation, and other requirements
316 of s. 255.05.
317 2. Ensure the most efficient pricing of the security
318 package that provides for the performance and payment of
319 subcontractors.

320 3. Ensure that provision is made for the transfer of the
321 private entity's obligations if the comprehensive agreement is
322 terminated or a material default occurs.
323 (c) After the public notification period has expired in the
324 case of an unsolicited proposal, the responsible public entity
325 shall rank the proposals received in order of preference. In
326 ranking the proposals, the responsible public entity may
327 consider factors that include, but are not limited to,
328 professional qualifications, general business terms, innovative
329 design techniques or cost-reduction terms, and finance plans. If
330 the responsible public entity is not satisfied with the results
331 of the negotiations, the responsible public entity may terminate
332 negotiations with the proposer and negotiate with the second-
333 ranked or subsequent-ranked firms in the order consistent with
334 this procedure. If only one proposal is received, the
335 responsible public entity may negotiate in good faith, and if
336 the public entity is not satisfied with the results of the
337 negotiations, the public entity may terminate negotiations with
338 the proposer. Notwithstanding this paragraph, the responsible
339 public entity may reject all proposals at any point in the
340 process until a contract with the proposer is executed.
341 (d) The responsible public entity shall perform an
342 independent analysis of the proposed public-private partnership
343 which demonstrates the cost-effectiveness and overall public
344 benefit before the procurement process is initiated or before
345 the contract is awarded.
346 (e) The responsible public entity may approve the
347 development or operation of an educational facility, a
348 transportation facility, a water or wastewater management

349 facility or related infrastructure, a technology infrastructure
350 or other public infrastructure, or a government facility needed
351 by the responsible public entity as a qualifying project, or the
352 design or equipping of a qualifying project that is developed or
353 operated, if:
354 1. There is a public need for or benefit derived from a
355 project of the type that the private entity proposes as the
356 qualifying project.
357 2. The estimated cost of the qualifying project is
358 reasonable in relation to similar facilities.
359 3. The private entity's plans will result in the timely
360 acquisition, design, construction, improvement, renovation,
361 expansion, equipping, maintenance, or operation of the
362 qualifying project.
363 (f) The responsible public entity may charge a reasonable
364 fee to cover the costs of processing, reviewing, and evaluating
365 the request, including, but not limited to, reasonable attorney
366 fees and fees for financial and technical advisors or
367 consultants and for other necessary advisors or consultants.
368 (g) Upon approval of a qualifying project, the responsible
369 public entity shall establish a date for the commencement of
370 activities related to the qualifying project. The responsible
371 public entity may extend the commencement date.
372 (h) Approval of a qualifying project by the responsible
373 public entity is subject to entering into a comprehensive
374 agreement with the private entity.
375 (7) NOTICE TO AFFECTED LOCAL JURISDICTIONS.—
376 (a) The responsible public entity must notify each affected
377 local jurisdiction by furnishing a copy of the proposal to each

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378 affected local jurisdiction when considering a proposal for a
379 qualifying project.
380 (b) Each affected local jurisdiction that is not a
381 responsible public entity for the respective qualifying project
382 may, within 60 days after receiving the notice, submit in
383 writing any comments to the responsible public entity and
384 indicate whether the facility is incompatible with the local
385 comprehensive plan, the local infrastructure development plan,
386 the capital improvements budget, or other governmental spending
387 plan. The responsible public entity shall consider the comments
388 of the affected local jurisdiction before entering into a
389 comprehensive agreement with a private entity. If an affected
390 local jurisdiction fails to respond to the responsible public
391 entity within the time provided in this paragraph, the
392 nonresponse is deemed an acknowledgement by the affected local
393 jurisdiction that the qualifying project is compatible with the
394 local comprehensive plan, the local infrastructure development
395 plan, the capital improvements budget, or other governmental
396 spending plan.
397 (8) INTERIM AGREEMENT.—Before or in connection with the
398 negotiation of a comprehensive agreement, the public entity may
399 enter into an interim agreement with the private entity
400 proposing the development or operation of the qualifying
401 project. An interim agreement does not obligate the responsible
402 public entity to enter into a comprehensive agreement. The
403 interim agreement is discretionary with the parties and is not
404 required on a qualifying project for which the parties may
405 proceed directly to a comprehensive agreement without the need
406 for an interim agreement. An interim agreement must be limited

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407 to provisions that:
408 (a) Authorize the private entity to commence activities for
409 which it may be compensated related to the proposed qualifying
410 project, including, but not limited to, project planning and
411 development, design, environmental analysis and mitigation,
412 survey, other activities concerning any part of the proposed
413 qualifying project, and ascertaining the availability of
414 financing for the proposed facility or facilities.
415 (b) Establish the process and timing of the negotiation of
416 the comprehensive agreement.
417 (c) Contain such other provisions related to an aspect of
418 the development or operation of a qualifying project that the
419 responsible public entity and the private entity deem
420 appropriate.
421 (9) COMPREHENSIVE AGREEMENT.—
422 (a) Before developing or operating the qualifying project,
423 the private entity must enter into a comprehensive agreement
424 with the responsible public entity. The comprehensive agreement
425 must provide for:
426 1. The delivery of performance and payment bonds, letters
427 of credit, or other security acceptable to the responsible
428 public entity in connection with the development or operation of
429 the qualifying project in the form and amount satisfactory to
430 the responsible public entity. For the components of the
431 qualifying project which involve construction, the form and
432 amount of the bonds must comply with s. 255.05.
433 2. The review of the plans and specifications for the
434 qualifying project by the responsible public entity and, if the
435 plans and specifications conform to standards acceptable to the

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436 responsible public entity, the approval of the responsible
437 public entity. This subparagraph does not require the private
438 entity to complete the design of the qualifying project before
439 the execution of the comprehensive agreement.
440 3. The inspection of the qualifying project by the
441 responsible public entity to ensure that the private entity's
442 activities are acceptable to the public entity in accordance
443 with the comprehensive agreement.
444 4. The maintenance of a policy of public liability
445 insurance, a copy of which must be filed with the responsible
446 public entity and accompanied by proofs of coverage, or self-
447 insurance, each in the form and amount satisfactory to the
448 responsible public entity and reasonably sufficient to ensure
449 coverage of tort liability to the public and employees and to
450 enable the continued operation of the qualifying project.
451 5. The monitoring by the responsible public entity of the
452 maintenance practices to be performed by the private entity to
453 ensure that the qualifying project is properly maintained.
454 6. The periodic filing by the private entity of the
455 appropriate financial statements that pertain to the qualifying
456 project.
457 7. The procedures that govern the rights and
458 responsibilities of the responsible public entity and the
459 private entity in the course of the construction and operation
460 of the qualifying project and in the event of the termination of
461 the comprehensive agreement or a material default by the private
462 entity. The procedures must include conditions that govern the
463 assumption of the duties and responsibilities of the private
464 entity by an entity that funded, in whole or part, the

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465 qualifying project or by the responsible public entity, and must
466 provide for the transfer or purchase of property or other
467 interests of the private entity by the responsible public
468 entity.
469 8. In negotiating user fees, the fees must be the same for
470 persons using the facility under like conditions and must not
471 materially discourage use of the qualifying project. The
472 execution of the comprehensive agreement or a subsequent
473 amendment is conclusive evidence that the fees, lease payments,
474 or service payments provided for in the comprehensive agreement
475 comply with this section. Fees or lease payments established in
476 the comprehensive agreement as a source of revenue may be in
477 addition to, or in lieu of, service payments.
478 9. The duties of the private entity, including the terms
479 and conditions that the responsible public entity determines
480 serve the public purpose of this section.
481 (b) The comprehensive agreement may include:
482 1. An agreement by the responsible public entity to make
483 grants or loans to the private entity from amounts received from
484 the federal, state, or local government or an agency or
485 instrumentality thereof.
486 2. A provision under which each entity agrees to provide
487 notice of default and cure rights for the benefit of the other
488 entity, including, but not limited to, a provision regarding
489 unavoidable delays.
490 3. A provision that terminates the authority and duties of
491 the private entity under this section and dedicates the
492 qualifying project to the responsible public entity or, if the
493 qualifying project was initially dedicated by an affected local

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494 jurisdiction, to the affected local jurisdiction for public use.
495 (10) FEES.—An agreement entered into pursuant to this
496 section may authorize the private entity to impose fees to
497 members of the public for the use of the facility. The following
498 provisions apply to the agreement:
499 (a) The responsible public entity may develop new
500 facilities or increase capacity in existing facilities through
501 agreements with public-private partnerships.
502 (b) The public-private partnership agreement must ensure
503 that the facility is properly operated, maintained, or improved
504 in accordance with standards set forth in the comprehensive
505 agreement.
506 (c) The responsible public entity may lease existing fee-
507 for-use facilities through a public-private partnership
508 agreement.
509 (d) Any revenues must be regulated by the responsible
510 public entity pursuant to the comprehensive agreement.
511 (e) A negotiated portion of revenues from fee-generating
512 uses must be returned to the public entity over the life of the
513 agreement.
514 (11) FINANCING.—
515 (a) A private entity may enter into a private-source
516 financing agreement between financing sources and the private
517 entity. A financing agreement and any liens on the property or
518 facility must be paid in full at the applicable closing that
519 transfers ownership or operation of the facility to the
520 responsible public entity at the conclusion of the term of the
521 comprehensive agreement.
522 (b) The responsible public entity may lend funds to private

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523 entities that construct projects containing facilities that are
524 approved under this section.
525 (c) The responsible public entity may use innovative
526 finance techniques associated with a public-private partnership
527 under this section, including, but not limited to, federal loans
528 as provided in Titles 23 and 49 C.F.R., commercial bank loans,
529 and hedges against inflation from commercial banks or other
530 private sources. In addition, the responsible public entity may
531 provide its own capital or operating budget to support a
532 qualifying project. The budget may be from any legally
533 permissible funding sources of the responsible public entity,
534 including the proceeds of debt issuances. A responsible public
535 entity may use the model financing agreement provided in s.
536 489.145(6) for its financing of a facility owned by a
537 responsible public entity. A financing agreement may not require
538 the responsible public entity to indemnify the financing source,
539 subject the responsible public entity's facility to liens in
540 violation of s. 11.066(5), or secure financing by the
541 responsible public entity with a pledge of security interest,
542 and any such provision is void.
543 (d) A responsible public entity shall appropriate on a
544 priority basis as required by the comprehensive agreement a
545 contractual payment obligation, annual or otherwise, from the
546 enterprise or other government fund from which the qualifying
547 projects will be funded. This required payment obligation must
548 be appropriated before other noncontractual obligations payable
549 from the same enterprise or other government fund.
550 (12) POWERS AND DUTIES OF THE PRIVATE ENTITY.—
551 (a) The private entity shall:

552 1. Develop or operate the qualifying project in a manner
553 that is acceptable to the responsible public entity in
554 accordance with the provisions of the comprehensive agreement.
555 2. Maintain, or provide by contract for the maintenance or
556 improvement of, the qualifying project if required by the
557 comprehensive agreement.
558 3. Cooperate with the responsible public entity in making
559 best efforts to establish interconnection between the qualifying
560 project and any other facility or infrastructure as requested by
561 the responsible public entity in accordance with the provisions
562 of the comprehensive agreement.
563 4. Comply with the comprehensive agreement and any lease or
564 service contract.
565 (b) Each private facility that is constructed pursuant to
566 this section must comply with the requirements of federal,
567 state, and local laws; state, regional, and local comprehensive
568 plans; the responsible public entity's rules, procedures, and
569 standards for facilities; and such other conditions that the
570 responsible public entity determines to be in the public's best
571 interest and that are included in the comprehensive agreement.
572 (c) The responsible public entity may provide services to
573 the private entity. An agreement for maintenance and other
574 services entered into pursuant to this section must provide for
575 full reimbursement for services rendered for qualifying
576 projects.
577 (d) A private entity of a qualifying project may provide
578 additional services for the qualifying project to the public or
579 to other private entities if the provision of additional
580 services does not impair the private entity's ability to meet

its commitments to the responsible public entity pursuant to the comprehensive agreement.

(13) EXPIRATION OR TERMINATION OF AGREEMENTS.—Upon the expiration or termination of a comprehensive agreement, the responsible public entity may use revenues from the qualifying project to pay current operation and maintenance costs of the qualifying project. If the private entity materially defaults under the comprehensive agreement, the compensation that is otherwise due to the private entity is payable to satisfy all financial obligations to investors and lenders on the qualifying project in the same way that is provided in the comprehensive agreement or any other agreement involving the qualifying project, if the costs of operating and maintaining the qualifying project are paid in the normal course. Revenues in excess of the costs for operation and maintenance costs may be paid to the investors and lenders to satisfy payment obligations under their respective agreements. A responsible public entity may terminate with cause and without prejudice a comprehensive agreement and may exercise any other rights or remedies that may be available to it in accordance with the provisions of the comprehensive agreement. The full faith and credit of the responsible public entity may not be pledged to secure the financing of the private entity. The assumption of the development or operation of the qualifying project does not obligate the responsible public entity to pay any obligation of the private entity from sources other than revenues from the qualifying project unless stated otherwise in the comprehensive agreement.

(14) SOVEREIGN IMMUNITY.—This section does not waive the

sovereign immunity of a responsible public entity, an affected local jurisdiction, or an officer or employee thereof with respect to participation in, or approval of, any part of a qualifying project or its operation, including, but not limited to, interconnection of the qualifying project with any other infrastructure or project. A county or municipality in which a qualifying project is located possesses sovereign immunity with respect to the project, including, but not limited to, its design, construction, and operation.

(15) CONSTRUCTION.—This section shall be liberally construed to effectuate the purposes of this section.

(a) This section does not limit a state agency or political subdivision of the state in the acquisition, design, or construction of a public project pursuant to other statutory authority.

(b) Except as otherwise provided in this section, this section does not amend existing laws by granting additional powers to, or further restricting, a local governmental entity from regulating and entering into cooperative arrangements with the private sector for the planning, construction, or operation of a facility.

(c) This section does not waive any requirement of s. 287.055.

Section 2. Section 336.71, Florida Statutes, is created to read:

336.71 Public-private transportation facilities.—

(1) A county may receive or solicit proposals and enter into agreements with private entities or consortia thereof to build, operate, own, or finance highways, bridges, multimodal

transportation systems, transit-oriented development nodes, transit stations, and related transportation facilities located solely within the county, including municipalities therein. Before approval, the county must determine that a proposed project:

(a) Is in the best interest of the public.

(b) Would not require county funds to be used unless the project is on the county road system or would provide increased mobility on the county road system.

(c) Would have adequate safeguards to ensure that additional costs or unreasonable service disruptions are not realized by the traveling public and citizens of the state in the event of default or cancellation of the agreement by the county.

(d) Would be owned by the county upon completion or termination of the agreement.

(2) The county shall ensure that all reasonable costs to the county related to transportation facilities that are not part of the county road system are borne by the private entity that develops or operates the facilities. The county shall also ensure that all reasonable costs to the county and substantially affected local governments and utilities related to the private transportation facility are borne by the private entity for transportation facilities that are owned by private entities. For projects on the county road system or that provide increased mobility on the county road system, the county may use county resources to participate in funding and financing the project pursuant to the county's financial policies and ordinances.

(3) The county may request proposals and receive

unsolicited proposals for public-private transportation facilities. Upon a determination by the governing body of the county to issue a request for proposals, the governing body of the county must publish a notice of the request for proposals in a newspaper of general circulation in the county at least once a week for 2 weeks. Upon receipt of an unsolicited proposal, the governing body of the county must publish a notice in a newspaper of general circulation in the county at least once a week for 2 weeks stating that it has received the proposal and will accept, for 60 days after the initial date of publication, other proposals for the same project purpose. A copy of the notice must be mailed to the governing body of each local government in the affected area. After the public notification period has expired, the governing body of the county shall rank the proposals in order of preference. In ranking the proposals, the governing body of the county shall consider professional qualifications, general business terms, innovative engineering or cost-reduction terms, finance plans, and the need for county funds to complete the project. If the governing body of the county is not satisfied with the results of the negotiations, it may terminate negotiations with the proposer. If negotiations are unsuccessful, the governing body of the county may negotiate with the private entity that has the next highest ranked proposal, using the same procedure. If only one proposal is received, the governing body of the county may negotiate in good faith and may, if not satisfied with the results, terminate negotiations with the proposer. The governing body of the county may, at its discretion, reject all proposals at any point in the process up to completion of a contract with the proposer. Any

697 private entity submitting an unsolicited proposal shall submit
698 with the proposal a fee of $25,000 to be used by the governing
699 body of the county for the costs associated with the review and
700 analysis of the proposal, and such entity shall remain liable
701 for any additional costs and expenses incurred by the governing
702 body of the county for such review and analysis.
703 (4) Agreements entered into pursuant to this section may
704 authorize the county or the private project owner, lessee, or
705 operator to impose, collect, and enforce tolls or fares for the
706 use of the transportation facility. However, the amount and use
707 of toll or fare revenue shall be regulated by the county to
708 avoid unreasonable costs to users of the facility.
709 (5) Each public-private transportation facility constructed
710 pursuant to this section shall comply with all requirements of
711 federal, state, and local laws; state, regional, and local
712 comprehensive plans; the county's rules, policies, procedures,
713 and standards for transportation facilities; and any other
714 conditions that the county determines to be in the best interest
715 of the public.
716 (6) The governing body of the county may exercise any of
717 its powers, including eminent domain, to facilitate the
718 development and construction of transportation projects pursuant
719 to this section. The governing body of the county may pay all or
720 part of the cost of operating and maintaining the facility and
721 may provide services to the private entity, for which services
722 it shall receive full or partial reimbursement.
723 (7) Except as otherwise provided in this section, this
724 section is not intended to amend existing law by granting
725 additional powers to or imposing further restrictions on local

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726 governmental entities with regard to regulating and entering
727 into cooperative arrangements with the private sector for the
728 planning, construction, and operation of transportation
729 facilities.
730 (8) Public-private partnership agreements under this
731 section shall be limited to a term not exceeding 75 years.
732 (9) This section does not authorize a county or counties to
733 enter into agreements with private entities or consortia thereof
734 to build, operate, own, or finance a transportation facility
735 that would extend beyond the geographical boundaries of a single
736 county.
737 Section 3. This act shall take effect July 1, 2013.

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By the Committee on Community Affairs; and Senator Diaz de la Portilla

578-02391-13 2013444c1

A bill to be entitled

An act relating to domestic wastewater discharged through ocean outfalls; amending s. 403.086, F.S.; revising the measurement standard for the wastewater flow; revising the requirements for installation of a functioning reuse system by a utility that had a permit for a domestic wastewater facility on a specified date to discharge through ocean outfall; revising the definition of the term "functioning reuse system"; changing the term "facility's actual flow on an annual basis" to "baseline flow"; revising plan requirements for the elimination of ocean outfalls; providing that certain utilities that shared a common ocean outfall on a specified date are individually responsible for meeting the reuse requirement; requiring that the Department of Environmental Protection approve certain apportionment of reuse if a facility contracts with another facility to install a functioning reuse system; requiring a facility that contracts with another facility to provide a copy of the contract to the department; revising provisions authorizing the backup discharge of domestic wastewater through ocean outfalls; requiring a holder of a department permit authorizing the discharge of domestic wastewater through an ocean outfall to submit certain information; deleting an obsolete provision; requiring the Department of Environmental Protection, the South Florida Water Management District, and affected utilities to consider certain information for

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578-02391-13 2013444c1

the purpose of adjusting reuse requirements; requiring the department to submit a report to the Legislature; providing an effective date.

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

Section 1. Subsection (9) of section 403.086, Florida Statutes, is amended to read:

403.086 Sewage disposal facilities; advanced and secondary waste treatment.—

(9) The Legislature finds that the discharge of domestic wastewater through ocean outfalls wastes valuable water supplies that should be reclaimed for beneficial purposes to meet public and natural systems demands. The Legislature also finds that discharge of domestic wastewater through ocean outfalls compromises the coastal environment, quality of life, and local economies that depend on those resources. The Legislature declares that more stringent treatment and management requirements for such domestic wastewater and the subsequent, timely elimination of ocean outfalls as a primary means of domestic wastewater discharge are in the public interest.

(a) The construction of new ocean outfalls for domestic wastewater discharge and the expansion of existing ocean outfalls for this purpose, along with associated pumping and piping systems, are prohibited. Each domestic wastewater ocean outfall shall be limited to the discharge capacity specified in the department permit authorizing the outfall in effect on July 1, 2008, which discharge capacity shall not be increased. Maintenance of existing, department-authorized domestic

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wastewater ocean outfalls and associated pumping and piping systems is allowed, subject to the requirements of this section. The department is directed to work with the United States Environmental Protection Agency to ensure that the requirements of this subsection are implemented consistently for all domestic wastewater facilities in the state ~~Florida~~ which discharge through ocean outfalls.

(b) The discharge of domestic wastewater through ocean outfalls must ~~shall~~ meet advanced wastewater treatment and management requirements by ~~no later than~~ December 31, 2018. For purposes of this subsection, the term "advanced wastewater treatment and management requirements" means the advanced waste treatment requirements set forth in subsection (4), a reduction in outfall baseline loadings of total nitrogen and total phosphorus which is equivalent to that which would be achieved by the advanced waste treatment requirements in subsection (4), or a reduction in cumulative outfall loadings of total nitrogen and total phosphorus occurring between December 31, 2008, and December 31, 2025, which is equivalent to that which would be achieved if the advanced waste treatment requirements in subsection (4) were fully implemented beginning December 31, 2018, and continued through December 31, 2025. The department shall establish the average baseline loadings of total nitrogen and total phosphorus for each outfall using monitoring data available for calendar years 2003 through 2007 and ~~shall~~ establish required loading reductions based on this baseline. The baseline loadings and required loading reductions of total nitrogen and total phosphorus shall be expressed as an average annual daily loading value. The advanced wastewater treatment

and management requirements of this paragraph are ~~shall be~~ deemed ~~to be~~ met for any domestic wastewater facility discharging through an ocean outfall on July 1, 2008, which has installed by ~~no later than~~ December 31, 2018, a fully operational reuse system comprising 100 percent of the facility's baseline flow on an annual basis ~~average daily flow~~ for reuse activities authorized by the department.

(c)1. Each utility that had a permit for a domestic wastewater facility that discharged ~~discharges~~ through an ocean outfall on July 1, 2008, must ~~shall~~ install, or cause to be installed, a functioning reuse system within the utility's service area or, by contract with another utility, within Miami-Dade, Broward, or Palm Beach Counties by ~~no later than~~ December 31, 2025. For purposes of this subsection, a "functioning reuse system" means an environmentally, economically, and technically feasible system that provides a minimum of 60 percent of a ~~the~~ facility's baseline ~~actual~~ flow on an annual basis for irrigation of public access areas, residential properties, or agricultural crops; aquifer recharge; groundwater recharge; industrial cooling; or other acceptable reuse purposes authorized by the department. For purposes of this subsection, the term "baseline flow" ~~"facility's actual flow on an annual basis"~~ means the annual average flow of domestic wastewater discharging through the facility's ocean outfall, as determined by the department, using monitoring data available for calendar years 2003 through 2007.

2. Flows diverted from facilities to other facilities that provide 100 percent reuse of the diverted flows before ~~prior to~~ December 31, 2025, are ~~shall be~~ considered to contribute to

117 meeting the ~~60 percent~~ reuse requirement. For utilities
118 operating more than one outfall, the reuse requirement may ~~can~~
119 be apportioned between the ~~met if the combined actual reuse~~
120 ~~flows from~~ facilities served by the outfalls ~~is at least 60~~
121 ~~percent of the sum of the total actual flows from the~~
122 ~~facilities~~, including flows diverted to other facilities for 100
123 percent reuse before ~~prior to~~ December 31, 2025. Utilities that
124 shared a common ocean outfall for the discharge of domestic
125 wastewater on July 1, 2008, regardless of which utility operates
126 the ocean outfall, are individually responsible for meeting the
127 reuse requirement and may enter into binding agreements to share
128 or transfer such responsibility among the utilities. If ~~In the~~
129 ~~event~~ treatment in addition to the advanced wastewater treatment
130 and management requirements described in paragraph (b) is needed
131 ~~in order~~ to support a functioning reuse system, the ~~such~~
132 treatment must ~~shall~~ be fully operational by ~~no later than~~
133 December 31, 2025.
134 3. If a facility that discharges through an ocean outfall
135 contracts with another utility to install a functioning reuse
136 system, the department must approve any apportionment of the
137 reuse generated from the new or expanded reuse system that is
138 intended to satisfy all or a portion of the reuse requirements
139 pursuant to subparagraph 1. If a contract is between two
140 utilities that have reuse requirements pursuant to subparagraph
141 1., the reuse apportioned to each utility's requirement may not
142 exceed the total reuse generated by the new or expanded reuse
143 system. A utility shall provide the department a copy of any
144 contract with another utility that reflects an agreement between
145 the utilities which is subject to the requirements of this

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146 subparagraph.
147 (d) The discharge of domestic wastewater through ocean
148 outfalls is prohibited after December 31, 2025, except as a
149 backup discharge that is part of a functioning reuse system or
150 other wastewater management system authorized by the department
151 ~~as provided for in paragraph (c)~~. Except as otherwise provided
152 in this subsection, a backup discharge may occur only during
153 periods of reduced demand for reclaimed water in the reuse
154 system, such as periods of wet weather, or as the result of peak
155 flows from other wastewater management systems, and must ~~shall~~
156 comply with the advanced wastewater treatment and management
157 requirements of paragraph (b). Peak flow backup discharges from
158 other wastewater management systems may not cumulatively exceed
159 5 percent of a facility's baseline flow, measured as a 5-year
160 rolling average, and are subject to applicable secondary waste
161 treatment and water-quality-based effluent limitations specified
162 in department rules. If peak flow backup discharges are in
163 compliance with the effluent limitations, the discharges are
164 deemed to meet the advanced wastewater treatment and management
165 requirements of this subsection.
166 (e) The holder of a department permit authorizing the
167 discharge of domestic wastewater through an ocean outfall as of
168 July 1, 2008, shall submit the following to the secretary of the
169 department ~~the following~~:
170 1. A detailed plan to meet the requirements of this
171 subsection, including the identification of the technical,
172 environmental, and economic feasibility of various reuse
173 options; the ~~an~~ identification of each ~~all~~ land acquisition and
174 facility ~~facilities~~ necessary to provide for reuse of the

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175 domestic wastewater; an analysis of the costs to meet the
176 requirements, including the level of treatment necessary to
177 satisfy state water quality requirements and local water quality
178 considerations and a cost comparison of reuse using flows from
179 ocean outfalls and flows from other domestic wastewater sources;
180 and a financing plan for meeting the requirements, including
181 identifying any actions necessary to implement the financing
182 plan, such as bond issuance or other borrowing, assessments,
183 rate increases, fees, other charges, or other financing
184 mechanisms. The plan must evaluate reuse demand in the context
185 of future regional water supply demands, the availability of
186 traditional water supplies, the need for development of
187 alternative water supplies, the degree to which various reuse
188 options offset potable water supplies, and other factors
189 considered in the Lower East Coast Regional Water Supply Plan of
190 the South Florida Water Management District. The plan must ~~shall~~
191 include a detailed schedule for the completion of all necessary
192 actions and ~~shall~~ be accompanied by supporting data and other
193 documentation. The plan must ~~shall~~ be submitted by ~~no later than~~
194 July 1, 2013.
195 2. By ~~No later than~~ July 1, 2016, an update of the plan
196 required in subparagraph 1. documenting any refinements or
197 changes in the costs, actions, or financing necessary to
198 eliminate the ocean outfall discharge in accordance with this
199 subsection or a written statement that the plan is current and
200 accurate.
201 (f) By December 31, 2009, and by December 31 every 5 years
202 thereafter, the holder of a department permit authorizing the
203 discharge of domestic wastewater through an ocean outfall shall

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204 submit to the secretary of the department a report summarizing
205 the actions accomplished to date and the actions remaining and
206 proposed to meet the requirements of this subsection, including
207 progress toward meeting the specific deadlines set forth in
208 paragraphs (b) through (e). The report shall include the
209 detailed schedule for and status of the evaluation of reuse and
210 disposal options, preparation of preliminary design reports,
211 preparation and submittal of permit applications, construction
212 initiation, construction progress milestones, construction
213 completion, initiation of operation, and continuing operation
214 and maintenance.
215 (g) By ~~No later than~~ July 1, 2010, and by July 1 every 5
216 years thereafter, the department shall submit a report to the
217 Governor, the President of the Senate, and the Speaker of the
218 House of Representatives on the implementation of this
219 subsection. In the report, the department shall summarize
220 progress to date, including the increased amount of reclaimed
221 water provided and potable water offsets achieved, and identify
222 any obstacles to continued progress, including all instances of
223 substantial noncompliance.
224 ~~(h) By February 1, 2012, the department shall submit a~~
225 ~~report to the Governor and Legislature detailing the results and~~
226 ~~recommendations from phases 1 through 3 of its ongoing study on~~
227 ~~reclaimed water use.~~
228 (h) ~~(i)~~ The renewal of each permit that authorizes the
229 discharge of domestic wastewater through an ocean outfall as of
230 July 1, 2008, must ~~shall~~ be accompanied by an order in
231 accordance with s. 403.088(2)(e) and (f) which establishes an
232 enforceable compliance schedule consistent with the requirements

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233 of this subsection.
234 (i) ~~(j)~~ An entity that diverts wastewater flow from a
235 receiving facility that discharges domestic wastewater through
236 an ocean outfall must meet the ~~60 percent~~ reuse requirement of
237 paragraph (c). Reuse by the diverting entity of the diverted
238 flows shall be credited to the diverting entity. The diverted
239 flow shall also be correspondingly deducted from the receiving
240 facility's baseline ~~actual~~ flow ~~on an annual basis~~ from which
241 the required reuse is calculated pursuant to paragraph (c), and
242 the receiving facility's reuse requirement shall be recalculated
243 accordingly.
244
245 The department, the South Florida Water Management District, and
246 the affected utilities must consider the information in the
247 detailed plan in paragraph (e) for the purpose of adjusting, as
248 necessary, the reuse requirements of this subsection. The
249 department shall submit a report to the Legislature by February
250 15, 2015, containing recommendations for any changes necessary
251 to the requirements of this subsection.
252 Section 2. This act shall take effect July 1, 2013.

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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 Appropriations Subcommittee on General Government

BILL: CS/SB 444

INTRODUCER: Community Affairs Committee and Senator Diaz de la Portilla

SUBJECT: Domestic Wastewater Discharged Through Ocean Outfalls

DATE: March 15, 2013 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Gudeman	Uchino	EP	**Favorable**
2.	Anderson	Yeatman	CA	**Fav/CS**
3.	Howard	DeLoach	AGG	**Favorable**
4.			AP	
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

CS/SB 444 allows utilities additional flexibility to meet the 60 percent reuse requirement and to continue to discharge peak flows up to five percent of utilities' baseline flows, through ocean outfalls. The bill requires utilities to provide supplemental information on costs and options in their detailed plans in order to meet the requirements of s. 403.086(9), F.S. Finally, the bill requires the utilities, the Department of Environmental Protection (DEP) and the South Florida Water Management District (SFWMD) to evaluate the detailed plans and recommend adjustments to the Legislature, if necessary, to the reuse requirements.

The bill has no fiscal impact on the DEP or the SFWMD. Within the affected counties of Miami-Dade, Broward, and Palm Beach, significant cost reductions for wastewater utilities implementing the 60 percent reuse requirement are anticipated. See Section V.

The effective date of the bill is July 1, 2013.

This bill substantially amends s. 403.086, Florida Statutes.

II. Present Situation:

There are six domestic wastewater facilities in Palm Beach, Broward, and Miami-Dade counties discharging approximately 300 million gallons per day of treated domestic wastewater directly into the Atlantic Ocean through ocean outfalls.[1] The ocean outfall providing service to the cities of Boynton Beach and Delray Beach largely ceased discharges in early 2009.[2] Exceptions for this facility are allowed to handle peak, wet weather flows, during integrity testing of deep well injection and for emergencies.

Chapter 2008-232, Laws of Florida, prohibits construction of new ocean outfalls and requires that all six ocean outfalls in Florida cease discharging wastewater by December 31, 2025. In addition, wastewater facilities that discharged wastewater through an ocean outfall on July 1, 2008, are required to install a reuse system no later than December 31, 2025. The reuse systems must be capable of providing a minimum of 60 percent of the wastewater facilities' actual annual flow for beneficial reuse. The actual annual flow is calculated using the annual average flow through a wastewater facility's ocean outfall from 2003 through 2007.[3]

Wastewater facilities operating ocean outfalls may receive a significant portion of their annual average flow from other wastewater facilities located outside their direct service areas. SB 550, passed during the 2010 Regular Session,[4] addressed the possibility of certain facilities not being able to comply with the 60 percent reuse requirement of s. 403.086(9)(c), F.S. The potential existed that flow received from outside their service areas could be diverted to other wastewater facilities that do not discharge through ocean outfalls, and therefore, diverting facilities would not have to comply with the 60 percent beneficial reuse requirement for ocean outfalls. In addition, current law requires discharges of wastewater through ocean outfalls after December 31, 2018, must meet advanced wastewater treatment (AWT) standards or equivalent processes.[5]

III. Effect of Proposed Changes:

Section 1 amends s. 403.086, F.S., to allow utilities to comply with the 60 percent reuse requirement from their entire service areas or by contract with another utility within Miami-Dade, Broward, or Palm Beach counties rather than just from ocean outfalls by 2025. This provision will allow utilities the flexibility to pursue the most cost-effective method to achieve 60 percent reuse for their service areas. However, it may also reduce the percentage of reuse derived from ocean outfalls. The bill specifies that only facilities which shared a common ocean outfall as of July 1, 2008, are required to meet the 60 percent reuse requirement individually but may contract to share or transfer this responsibility with other utilities. The department must approve the apportionment of the reuse generated from the new or expanded reuse system for facilities that contract with another utility and the reuse apportioned to each utility's requirement

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[1] DEP, *Implementation of Chapter 2008-232, Laws of Florida Domestic Wastewater Ocean Outfalls* (June 2010), *available at* http://www.dep.state.fl.us/water/wastewater/docs/ocean-outfall-2010.pdf (last visited March 8, 2013).
[2] David Fleshler, *Flow of sewage to ocean ending*, Sun Sentinel (April 1, 2009), *available at* http://articles.sun-sentinel.com/2009-04-01/news/0903310461_1_outfall-pipe-treatment-plant (last visited March 8, 2013).
[3] *See* s. 403.086(9)(c), F.S.
[4] *See* ch. 2010-205, s. 38, Laws of Fla.
[5] *See* s. 403.086(9)(b), F.S.

may not exceed the total reuse generated by the new or expanded reuse system. A utility must provide the department a copy of any contract with another utility that reflects an agreement between the utilities regarding the apportionment of reuse.

The bill allows utilities to continue backup discharges through ocean outfalls that are part of a functioning reuse system or other wastewater management system authorized by the DEP. Utilities may make backup discharges that:

- Do not cumulatively exceed five percent of total baseline flows measured as a five-year rolling average;
- Are subject to applicable secondary waste treatment and water-quality-based effluent limitations specified in department rules; and
- Are deemed to meet AWT when in compliance with the effluent limitations.

The bill defines "baseline flow" as "the annual average flow of domestic wastewater discharging through the facility's ocean outfall, as determined by the department, using monitoring data available for calendar years 2003 through 2007."

The bill updates the requirements for the detailed plans that utilities must develop by July 1, 2013. The new information included in the plan must identify:

- The technical, environmental and economic feasibility of various reuse options;
- An analysis of costs necessary for utilities to meet state and local water quality criteria; and
- A comparative cost estimate of achieving reuse requirements from ocean outfalls and other sources.

The plan must evaluate the demand for reuse in the context of future regional water supply demands, the availability of traditional sources of water, the need for alternative water supplies, the offset reuse will have on potable supplies, and other factors contained in the SFWMD's Lower East Coast Regional Water Supply Plan.[6] The plan is due to the department by July 1, 2013, with an update due by July 1, 2016.

Finally, the bill requires the DEP, the SFWMD and affected utilities to evaluate the detailed plans and recommend adjustments to the Legislature, if necessary, to the reuse requirements in this bill. The report is due to the Legislature by February 15, 2015.

Section 2 provides an effective date of July 1, 2013.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

[6] SFWMD, *Lower East Coast Water Supply Plan* (2012), *available at* http://www.sfwmd.gov/portal/page/portal/xweb%20-%20release%203%20water%20supply/lower%20east%20coast%20plan (last visited March 8, 2013).

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:

Water utility customers will benefit from the cost saving provisions in this bill for wastewater utilities. While the savings are indeterminate, they will likely be insignificant on an individual basis when spread over time for customers served by their utilities.

C. Government Sector Impact:

Wastewater utilities may see significant cost reductions in implementing the 60 percent reuse requirements for ocean outfalls by utilizing their entire service areas rather than only flows discharged through ocean outfalls. Allowing utilities to continue backup discharges up to five percent of their peak flows will also save costs. Finally, exempting five percent of utilities' peak flows from AWT standards if those discharges meet statutory requirements and the DEP rules on effluent limitations may also result in significant savings. The City of Hollywood, Broward and Miami-Dade counties have estimated that allowing peak flow discharges of five percent will save capital costs of $150-200 million, $300 million, and $820 million, respectively.[7]

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 March 14, 2013:
The committee substitute requires a utility that contracts with another utility regarding

[7] Information provided by Broward and Miami-Dade Counties, the City of Hollywood and the City of Boca Raton (on file with the Senate Committee on Environmental Preservation and Conservation).

apportionment of reuse to provide a copy of the contract to the Department of Environmental Protection. The CS also deletes an obsolete provision of law.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
	.	
	.	
	.	

Appropriations Subcommittee on General Government (Dean) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Subsection (25) of section 327.02, Florida Statutes, is amended to read:

327.02 Definitions ~~of terms used in this chapter and in chapter 328~~.—As used in this chapter and in chapter 328, unless the context clearly requires a different meaning, the term:

(25) "Navigation rules" means:

(a) For vessels on waters outside of established navigational lines of demarcation as specified in 33 C.F.R. part

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13 80, the International Navigational Rules Act of 1977, 33 U.S.C.
14 ~~appendix following~~ s. 1602, as amended, including the appendix
15 and annexes thereto, through October 1, 2012.
16 (b) For vessels on all waters not outside of such
17 established ~~navigational~~ lines of demarcation, ~~as specified in~~
18 ~~33 C.F.R. part 80 or~~ the Inland Navigational Rules Act of 1980,
19 33 C.F.R. parts 83-90, as amended, through October 1, 2012 ~~33~~
20 ~~U.S.C. ss. 2001 et seq., as amended, including the annexes~~
21 ~~thereto, for vessels on all waters not outside of such lines of~~
22 ~~demarcation~~.
23 Section 2. Paragraph (b) of subsection (1) of section
24 328.72, Florida Statutes, is amended to read:
25 328.72 Classification; registration; fees and charges;
26 surcharge; disposition of fees; fines; marine turtle stickers.—
27 (1) VESSEL REGISTRATION FEE.—
28 (b) In 2015 ~~2013~~ and every 5 years thereafter, vessel
29 registration fees shall be adjusted ~~by the percentage change in~~
30 ~~the Consumer Price Index for All Urban Consumers since the fees~~
31 ~~were last adjusted~~, unless otherwise provided by general law.
32 The vessel registration fees shall be adjusted by being
33 multiplied by a growth factor. The growth factor shall be
34 calculated as the annual average Consumer Price Index for the
35 calendar year preceding the adjustment year, divided by the
36 annual average Consumer Price Index for the calendar year 6
37 years before the adjustment year. For purposes of this
38 calculation, the term “Consumer Price Index” means that version
39 of the Consumer Price Index for All Urban Consumers, U.S. City
40 Average, all items, as initially reported by the United States
41 Department of Labor, Bureau of Labor Statistics, which is not

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42 seasonally adjusted. The fee adjustments shall be rounded to the
43 nearest 50 cents and paragraph (a) shall be updated by the
44 Division of Law Revision and Information to reflect the new
45 amounts. The adjustment applies to the total fee and not the
46 county portion. By February 1 of each year in which an
47 adjustment is scheduled to occur, the Fish and Wildlife
48 Conservation Commission shall submit a report to the President
49 of the Senate and the Speaker of the House of Representatives
50 detailing how the increase in vessel registration fees will be
51 requested for use ~~used~~ within the agency. The vessel
52 registration fee increases shall take effect July 1 of each
53 adjustment year.
54 Section 3. Subsections (30) and (31) of section 379.101,
55 Florida Statutes, are amended to read:
56 379.101 Definitions.—In construing these statutes, where
57 the context does not clearly indicate otherwise, the word,
58 phrase, or term:
59 (30) "Resident" or "resident of Florida" means:
60 (a) For purposes of part VII ~~of this chapter, with the~~
61 ~~exception of ss. 379.363, 379.3635, 379.364, 379.3711, 379.3712,~~
62 ~~379.372, 379.373, 379.374, 379.3751, 379.3752, 379.3761,~~
63 ~~379.3762, and 379.377,~~ and for purposes of s. 379.355, citizens
64 of the United States who have continuously resided in this state
65 for 1 year before applying for a~~, next preceding the making of~~
66 ~~their application for~~ hunting, fishing, or other license~~, for~~
67 ~~the following period of time, to wit: For 1 year in the state~~
68 ~~and 6 months in the county when applied to all fish and game~~
69 ~~laws not related to freshwater fish and game~~. However, for
70 purposes of ss. 379.363, 379.3635, 379.364, 379.3711, 379.3712,

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71 379.372, 379.373, 379.374, 379.3751, 379.3752, 379.3761, and
72 379.3762, the term "resident" or "resident of Florida" means a
73 citizen of the United States who has continuously resided in
74 this state for 6 months before applying for a hunting, fishing,
75 or other license.
76 (b) For purposes of part VI ~~of this chapter~~, except ~~with~~
77 ~~the exception of~~ s. 379.355:~~, and for purposes of ss. 379.363,~~
78 ~~379.3635, 379.364, 379.3711, 379.3712, 379.372, 379.373,~~
79 ~~379.374, 379.3751, 379.3752, 379.3761, 379.3762, and 379.377,~~
80 ~~any person who has continually resided in the state for 6 months~~
81 ~~or~~
82 1. Any member of the United States Armed Forces who is
83 stationed in the state and his or her family members residing
84 with such member; or
85 2. Any person who has declared Florida as his or her only
86 state of residence as evidenced by a valid Florida driver
87 license or identification card with both a Florida address and
88 residency verified by the Department of Highway Safety and Motor
89 Vehicles, or, in the absence thereof, one of the following:
90 a. A current Florida voter information card;
91 b. A sworn statement manifesting and evidencing domicile in
92 Florida in accordance with s. 222.17;
93 c. Proof of a current Florida homestead exemption; or
94 d. For a child younger than 18 years of age, a student
95 identification card from a Florida school, or, when accompanied
96 by his or her parent at the time of purchase, the parent's proof
97 of residency.
98 (31) "Resident alien" means ~~shall mean~~ those persons who
99 have continuously resided in this state for at least 1 year ~~and~~

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100 ~~6 months in the county~~ and can provide documentation from the
101 Bureau of Citizenship and Immigration Services evidencing
102 permanent residency status in the United States. For the
103 purposes of this chapter, a "resident alien" shall be considered
104 a "resident."
105 Section 4. Paragraph (q) is added to subsection (2) of
106 section 379.353, Florida Statutes, to read:
107 379.353 Recreational licenses and permits; exemptions from
108 fees and requirements.—
109 (2) A hunting, freshwater fishing, or saltwater fishing
110 license or permit is not required for:
111 (q) Those persons exempted by commission permit issued
112 under this paragraph. The commission may issue a permit for an
113 outdoor recreational event for which the primary purpose is the
114 rehabilitation or enjoyment of veterans certified by the United
115 States Department of Veterans Affairs or its predecessor or by
116 any branch of the United States Armed Forces to have any
117 service-connected disability percentage rating of zero percent
118 or higher, active duty or reserve duty service members of any
119 branch of the United States Armed Forces, the United States
120 Coast Guard, military reserves, the Florida National Guard, or
121 the United States Coast Guard Reserve. A permit issued under
122 this paragraph shall exempt such veterans, service members,
123 their immediate family members and one additional person
124 designated to assist each veteran certified to be a disabled
125 veteran, from having to possess a hunting, freshwater fishing,
126 or saltwater fishing license for the duration of the event. For
127 purposes of this exemption, the term "immediate family members"
128 means parents, spouses, and children. The commission shall

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129 promulgate rules to implement this paragraph. Factors for the
130 commission to consider in determining to issue a permit under
131 this paragraph include, but are not limited to, hunting and
132 fishing seasons, time frame or duration of the event, species
133 concerns, and the number of such permits granted to the
134 organizer of the event during the calendar year the permit is
135 requested.
136 Section 5. Paragraph (b) of subsection (1) and subsection
137 (15) of section 379.354, Florida Statutes, are amended to read:
138 379.354 Recreational licenses, permits, and authorization
139 numbers; fees established.—
140 (1) LICENSE, PERMIT, OR AUTHORIZATION NUMBER REQUIRED.—
141 (b) In 2015 ~~2013~~ and every 5 years thereafter, license ~~and~~
142 ~~permit~~ fees established in subsections (4) and (5) shall be
143 adjusted ~~by the percentage change in the Consumer Price Index~~
144 ~~for All Urban Consumers since the fees were last adjusted~~,
145 unless otherwise provided by general law. The license fees shall
146 be adjusted by being multiplied by a growth factor. The growth
147 factor shall be calculated as the annual average Consumer Price
148 Index for the calendar year preceding the adjustment year,
149 divided by the annual average Consumer Price Index for the
150 calendar year 6 years before the adjustment year. For purposes
151 of this calculation, the term "Consumer Price Index" means that
152 version of the Consumer Price Index for All Urban Consumers,
153 U.S. City Average, all items, as initially reported by the
154 United States Department of Labor, Bureau of Labor Statistics,
155 which is not seasonally adjusted. The fee adjustments shall be
156 rounded to the nearest 50 cents and updated by the Division of
157 Law Revision and Information in their respective subsections to

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158 reflect the new amounts. By February 1 of each year in which an
159 adjustment is scheduled to occur, the Fish and Wildlife
160 Conservation Commission shall submit a report to the President
161 of the Senate and the Speaker of the House of Representatives
162 detailing how the increase in license ~~and permit~~ fees will be
163 requested for use ~~used~~ within the agency. The license ~~and permit~~
164 fee increases shall take effect July 1 of each adjustment year.
165 (15) FREE FISHING DAYS.—The commission may designate by
166 rule no more than 4 ~~2~~ consecutive or nonconsecutive days in each
167 year as free freshwater fishing days and no more than 4 ~~2~~
168 consecutive or nonconsecutive days in each year as free
169 saltwater fishing days. Notwithstanding any other provision of
170 this chapter, any person may take freshwater fish for
171 noncommercial purposes on a free freshwater fishing day and may
172 take saltwater fish for noncommercial purposes on a free
173 saltwater fishing day, without obtaining or possessing a license
174 or permit or paying a license or permit fee as prescribed in
175 this section. A person who takes freshwater or saltwater fish on
176 a free fishing day must comply with all laws, rules, and
177 regulations governing the holders of a fishing license or permit
178 and all other conditions and limitations regulating the taking
179 of freshwater or saltwater fish as are imposed by law or rule.
180 Section 6. Paragraph (b) of subsection (2) of section
181 379.361, Florida Statutes, is amended to read:
182 379.361 Licenses.—
183 (2) SALTWATER PRODUCTS LICENSE.—
184 (b)1. A restricted species endorsement on the saltwater
185 products license is required to sell to a licensed wholesale
186 dealer those species which the state, by law or rule, has

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187 designated as "restricted species." This endorsement may be
188 issued only to a person who is at least 16 years of age, or to a
189 firm certifying that over 25 percent of its income or $5,000 of
190 its income, whichever is less, is attributable to the sale of
191 saltwater products pursuant to a saltwater products license
192 issued under this paragraph or a similar license from another
193 state. This endorsement may also be issued to a for-profit
194 corporation if it certifies that at least $5,000 of its income
195 is attributable to the sale of saltwater products pursuant to a
196 saltwater products license issued under this paragraph or a
197 similar license from another state. However, if at least 50
198 percent of the annual income of a person, firm, or for-profit
199 corporation is derived from charter fishing, the person, firm,
200 or for-profit corporation must certify that at least $2,500 of
201 the income of the person, firm, or corporation is attributable
202 to the sale of saltwater products pursuant to a saltwater
203 products license issued under this paragraph or a similar
204 license from another state, in order to be issued the
205 endorsement. Such income attribution must apply to at least 1 of
206 the last 3 years. For the purpose of this section, "income"
207 means that income that is attributable to work, employment,
208 entrepreneurship, pensions, retirement benefits, and social
209 security benefits.
210 2. To renew an existing restricted species endorsement, a
211 marine aquaculture producer possessing a valid saltwater
212 products license with a restricted species endorsement may apply
213 income from the sale of marine aquaculture products to licensed
214 wholesale dealers.
215 3. The commission may ~~is authorized to~~ require verification

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216 of such income for all restricted species endorsements issued
217 pursuant to this paragraph. Acceptable proof of income earned
218 from the sale of saltwater products shall be:
219 a. Copies of trip ticket records generated pursuant to this
220 subsection (marine fisheries information system), documenting
221 qualifying sale of saltwater products;
222 b. Copies of sales records from locales other than Florida
223 documenting qualifying sale of saltwater products;
224 c. A copy of the applicable federal income tax return,
225 including Form 1099 attachments, verifying income earned from
226 the sale of saltwater products;
227 d. Crew share statements verifying income earned from the
228 sale of saltwater products; or
229 e. A certified public accountant's notarized statement
230 attesting to qualifying source and amount of income.
231 4. Notwithstanding any other provision of law, any person
232 who owns a retail seafood market or restaurant at a fixed
233 location for at least 3 years, who has had an occupational
234 license for 3 years before ~~prior to~~ January 1, 1990, who
235 harvests saltwater products to supply his or her retail store,
236 and who has had a saltwater products license for 1 of the past 3
237 license years before ~~prior to~~ January 1, 1990, may provide proof
238 of his or her verification of income and sales value at the
239 person's retail seafood market or restaurant and in his or her
240 saltwater products enterprise by affidavit and shall thereupon
241 be issued a restricted species endorsement.
242 5.~~4.~~ Exceptions from income requirements shall be as
243 follows:
244 a. A permanent restricted species endorsement shall be

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245 available to those persons age 62 and older who have qualified
246 for such endorsement for at least 3 of the last 5 years.
247 b. Active military duty time shall be excluded from
248 consideration of time necessary to qualify and shall not be
249 counted against the applicant for purposes of qualifying.
250 c. Upon the sale of a used commercial fishing vessel owned
251 by a person, firm, or corporation possessing or eligible for a
252 restricted species endorsement, the purchaser of such vessel
253 shall be exempted from the qualifying income requirement for the
254 purpose of obtaining a restricted species endorsement for a
255 complete license ~~period of 1~~ year after purchase of the vessel.
256 d. Upon the death or permanent disablement of a person
257 possessing a restricted species endorsement, an immediate family
258 member wishing to carry on the fishing operation shall be
259 exempted from the qualifying income requirement for the purpose
260 of obtaining a restricted species endorsement for a complete
261 license ~~period of 1~~ year after the death or disablement.
262 e. A restricted species endorsement may be issued on an
263 individual saltwater products license to a person age 62 or
264 older who documents that at least $2,500 of such person's income
265 is attributable to the sale of saltwater products.
266 f. A permanent restricted species endorsement may also be
267 issued on an individual saltwater products license to a person
268 age 70 or older who has held a saltwater products license for at
269 least 3 of the last 5 license years.
270 g. Any resident who is certified to be totally and
271 permanently disabled by the Railroad Retirement Board, by the
272 United States Department of Veterans Affairs or its predecessor,
273 or by any branch of the United States Armed Forces, or who holds

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274 a valid identification card issued by the Department of
275 Veterans' Affairs pursuant to s. 295.17, upon proof of the same,
276 or any resident certified to be disabled by the United States
277 Social Security Administration or a licensed physician, upon
278 proof of the same, shall be exempted from the income
279 requirements if he or she also has held a saltwater products
280 license for at least 3 of the last 5 license years before ~~prior~~
281 ~~to~~ the date of the disability. A restricted species endorsement
282 issued under this paragraph may be issued only on an individual
283 saltwater products license.
284 h. An honorably discharged, resident military veteran
285 certified by the United States Department of Veterans Affairs or
286 its predecessor or by any branch of the United States Armed
287 Forces to have a service-connected permanent disability rating
288 of 10 percent or higher, upon providing proof of such disability
289 rating, is not required to provide documentation for the income
290 requirement with his or her initial application for a restricted
291 species endorsement. Documentation for the income requirement is
292 required beginning with the renewal of the restricted species
293 endorsement after such veteran has possessed a valid restricted
294 species endorsement for a complete license year. This exemption
295 applies only to issuance of the endorsement on an individual
296 saltwater products license and is a one-time exemption. In order
297 to renew the restricted species endorsement on an individual
298 saltwater products license, the veteran must document that at
299 least $2,500 of his or her income is attributable to the sale of
300 saltwater products.
301 i. Beginning July 1, 2014, a resident military veteran who
302 applies to the commission within 48 months after receiving an

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303 honorable discharge from any branch of the United States Armed
304 Forces, the United States Coast Guard, the military reserves,
305 the Florida National Guard, or the United States Coast Guard
306 Reserve is not required to provide documentation for the income
307 requirement with his or her initial application for a restricted
308 species endorsement. Documentation for the income requirement is
309 required beginning with the renewal of the restricted species
310 endorsement after such veteran has possessed a valid restricted
311 species endorsement for a complete license year. This exemption
312 applies only to issuance of the endorsement on an individual
313 saltwater products license and may only be applied one time per
314 military enlistment.
315 j. Until June 30, 2014, a resident military veteran who
316 applies to the commission and who received an honorable
317 discharge from any branch of the United States Armed Forces, the
318 United States Coast Guard, the military reserves, the Florida
319 National Guard, or the United States Coast Guard Reserve between
320 September 11, 2001, and June 30, 2014, is not required to
321 provide documentation for the income requirement with his or her
322 initial application for a restricted species endorsement.
323 Documentation for the income requirement is required beginning
324 with the renewal of the restricted species endorsement after
325 such veteran has possessed a valid restricted species
326 endorsement for a complete license year. This exemption applies
327 only to issuance of the endorsement on an individual saltwater
328 products license.
329 Section 7. This act shall take effect July 1, 2013.
330
331 ========== T I T L E A M E N D M E N T ==========

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332 And the title is amended as follows:
333 Delete everything before the enacting clause
334 and insert:
335 A bill to be entitled
336 An act relating to the Fish and Wildlife Conservation
337 Commission; amending s. 327.02, F.S.; revising the
338 definition of the term “navigation rules” for purposes
339 of provisions relating to vessels; amending s. 328.72,
340 F.S.; revising and clarifying provisions relating to
341 the calculation of automatic adjustments to vessel
342 registration fees; amending s. 379.101, F.S.; revising
343 the definition of the term “resident” or “resident of
344 Florida” for purposes of provisions relating to
345 recreational and nonrecreational activity licenses;
346 providing for certain evidence of residence; revising
347 the definition of the term “resident alien” to remove
348 a county residency requirement; amending s. 379.353,
349 F.S.; exempting individuals participating in certain
350 outdoor recreational events from requirements for a
351 hunting or fishing license or permit; amending s.
352 379.354, F.S.; revising and clarifying provisions
353 relating to the calculation of automatic adjustments
354 to recreational hunting and fishing licenses; revising
355 the number of days the commission may designate as
356 free fishing days each year; amending s. 379.361,
357 F.S.; revising requirements for a restricted species
358 endorsement on a saltwater products license; providing
359 an effective date.

By the Committee on Environmental Preservation and Conservation; and Senators Dean and Simpson

592-02032-13 2013448c1

A bill to be entitled

An act relating to the Fish and Wildlife Conservation Commission; amending s. 327.02, F.S.; revising the definition of the term "navigation rules" for purposes of provisions relating to vessels; amending s. 379.101, F.S.; revising the definition of the term "resident" or "resident of Florida" for purposes of provisions relating to recreational and nonrecreational activity licenses; providing for certain evidence of residence; revising the definition of the term "resident alien" to remove a county residency requirement; amending s. 379.353, F.S.; exempting individuals participating in certain outdoor recreational events from requirements for a hunting or fishing license or permit; amending s. 379.354, F.S.; revising the number of days the commission may designate as free fishing days each year; amending s. 379.361, F.S.; revising requirements for a restricted species endorsement on a saltwater products license; providing an effective date.

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

Section 1. Subsection (25) of section 327.02, Florida Statutes, is amended to read:

327.02 Definitions ~~of terms used in this chapter and in chapter 328~~.—As used in this chapter and in chapter 328, unless the context clearly requires a different meaning, the term:

(25) "Navigation rules" means:

592-02032-13 2013448c1

(a) For vessels on waters outside of established navigational lines of demarcation as specified in 33 C.F.R. part 80, the International Navigational Rules Act of 1977, 33 U.S.C. ~~appendix following~~ s. 1602, as amended, including the appendix and annexes thereto, through October 1, 2012.

(b) For vessels on all waters not outside of such established ~~navigational~~ lines of demarcation, ~~as specified in 33 C.F.R. part 80 or~~ the Inland Navigational Rules Act of 1980, 33 C.F.R. parts 83-90, as amended, through October 1, 2012 ~~33 U.S.C. ss. 2001 et seq., as amended, including the annexes thereto, for vessels on all waters not outside of such lines of demarcation~~.

Section 2. Subsections (30) and (31) of section 379.101, Florida Statutes, are amended to read:

379.101 Definitions.—In construing these statutes, where the context does not clearly indicate otherwise, the word, phrase, or term:

(30) "Resident" or "resident of Florida" means:

(a) For purposes of part VII ~~of this chapter, with the exception of ss. 379.363, 379.3635, 379.364, 379.3711, 379.3712, 379.372, 379.373, 379.374, 379.3751, 379.3752, 379.3761, 379.3762, and 379.377,~~ and for purposes of s. 379.355, citizens of the United States who have continuously resided in this state for 1 year before applying for a~~, next preceding the making of their application for~~ hunting, fishing, or other license~~, for the following period of time, to wit: For 1 year in the state and 6 months in the county when applied to all fish and game laws not related to freshwater fish and game~~. However, for purposes of ss. 379.363, 379.3635, 379.364, 379.3711, 379.3712,

379.372, 379.373, 379.374, 379.3751, 379.3752, 379.3761, and 379.3762, the term "resident" or "resident of Florida" means a citizen of the United States who has continuously resided in this state for 6 months before applying for a hunting, fishing, or other license.

(b) For purposes of part VI ~~of this chapter~~, except ~~with the exception of~~ s. 379.355:~~, and for purposes of ss. 379.363, 379.3635, 379.364, 379.3711, 379.3712, 379.372, 379.373, 379.374, 379.3751, 379.3752, 379.3761, 379.3762, and 379.377, any person who has continually resided in the state for 6 months or~~

1. Any member of the United States Armed Forces who is stationed in the state and his or her family members residing with such member; or

2. Any person who has declared Florida as his or her only state of residence as evidenced by a valid Florida driver license or identification card with both a Florida address and residency verified by the Department of Highway Safety and Motor Vehicles, or, in the absence thereof, one of the following:

a. A current Florida voter information card;

b. A sworn statement manifesting and evidencing domicile in Florida in accordance with s. 222.17;

c. Proof of a current Florida homestead exemption; or

d. For a child younger than 18 years of age, a student identification card from a Florida school, or, when accompanied by his or her parent at the time of purchase, the parent's proof of residency.

(31) "Resident alien" means ~~shall mean~~ those persons who have continuously resided in this state for at least 1 year ~~and~~

~~6 months in the county~~ and can provide documentation from the Bureau of Citizenship and Immigration Services evidencing permanent residency status in the United States. For the purposes of this chapter, a "resident alien" shall be considered a "resident."

Section 3. Paragraph (q) is added to subsection (2) of section 379.353, Florida Statutes, to read:

379.353 Recreational licenses and permits; exemptions from fees and requirements.—

(2) A hunting, freshwater fishing, or saltwater fishing license or permit is not required for:

(q) Those persons exempted by commission permit issued under this paragraph. The commission may issue a permit for an outdoor recreational event for which the primary purpose is the rehabilitation or enjoyment of veterans certified by the United States Department of Veterans Affairs or its predecessor or by any branch of the United States Armed Forces to have any service-connected disability percentage rating of zero percent or higher, active duty or reserve duty service members of any branch of the United States Armed Forces, the United States Coast Guard, military reserves, the Florida National Guard, or the United States Coast Guard Reserve. A permit issued under this paragraph shall exempt such veterans, service members, their immediate family members and one additional person designated to assist each veteran certified to be a disabled veteran, from having to possess a hunting, freshwater fishing, or saltwater fishing license for the duration of the event. For purposes of this exemption, the term "immediate family members" means parents, spouses, and children. The commission shall

117 promulgate rules to implement this paragraph. Factors for the
118 commission to consider in determining to issue a permit under
119 this paragraph include, but are not limited to, hunting and
120 fishing seasons, time frame or duration of the event, species
121 concerns, and the number of such permits granted to the
122 organizer of the event during the calendar year the permit is
123 requested.
124 Section 4. Subsection (15) of section 379.354, Florida
125 Statutes, is amended to read:
126 379.354 Recreational licenses, permits, and authorization
127 numbers; fees established.—
128 (15) FREE FISHING DAYS.—The commission may designate by
129 rule no more than 4 ~~2~~ consecutive or nonconsecutive days in each
130 year as free freshwater fishing days and no more than 4 ~~2~~
131 consecutive or nonconsecutive days in each year as free
132 saltwater fishing days. Notwithstanding any other provision of
133 this chapter, any person may take freshwater fish for
134 noncommercial purposes on a free freshwater fishing day and may
135 take saltwater fish for noncommercial purposes on a free
136 saltwater fishing day, without obtaining or possessing a license
137 or permit or paying a license or permit fee as prescribed in
138 this section. A person who takes freshwater or saltwater fish on
139 a free fishing day must comply with all laws, rules, and
140 regulations governing the holders of a fishing license or permit
141 and all other conditions and limitations regulating the taking
142 of freshwater or saltwater fish as are imposed by law or rule.
143 Section 5. Paragraph (b) of subsection (2) of section
144 379.361, Florida Statutes, is amended to read:
145 379.361 Licenses.—

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

146 (2) SALTWATER PRODUCTS LICENSE.—
147 (b)1. A restricted species endorsement on the saltwater
148 products license is required to sell to a licensed wholesale
149 dealer those species which the state, by law or rule, has
150 designated as "restricted species." This endorsement may be
151 issued only to a person who is at least 16 years of age, or to a
152 firm certifying that over 25 percent of its income or $5,000 of
153 its income, whichever is less, is attributable to the sale of
154 saltwater products pursuant to a saltwater products license
155 issued under this paragraph or a similar license from another
156 state. This endorsement may also be issued to a for-profit
157 corporation if it certifies that at least $5,000 of its income
158 is attributable to the sale of saltwater products pursuant to a
159 saltwater products license issued under this paragraph or a
160 similar license from another state. However, if at least 50
161 percent of the annual income of a person, firm, or for-profit
162 corporation is derived from charter fishing, the person, firm,
163 or for-profit corporation must certify that at least $2,500 of
164 the income of the person, firm, or corporation is attributable
165 to the sale of saltwater products pursuant to a saltwater
166 products license issued under this paragraph or a similar
167 license from another state, in order to be issued the
168 endorsement. Such income attribution must apply to at least 1 of
169 the last 3 years. For the purpose of this section, "income"
170 means that income that is attributable to work, employment,
171 entrepreneurship, pensions, retirement benefits, and social
172 security benefits.
173 2. To renew an existing restricted species endorsement, a
174 marine aquaculture producer possessing a valid saltwater

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175 products license with a restricted species endorsement may apply
176 income from the sale of marine aquaculture products to licensed
177 wholesale dealers.
178 3. The commission may ~~is authorized to~~ require verification
179 of such income for all restricted species endorsements issued
180 pursuant to this paragraph. Acceptable proof of income earned
181 from the sale of saltwater products shall be:
182 a. Copies of trip ticket records generated pursuant to this
183 subsection (marine fisheries information system), documenting
184 qualifying sale of saltwater products;
185 b. Copies of sales records from locales other than Florida
186 documenting qualifying sale of saltwater products;
187 c. A copy of the applicable federal income tax return,
188 including Form 1099 attachments, verifying income earned from
189 the sale of saltwater products;
190 d. Crew share statements verifying income earned from the
191 sale of saltwater products; or
192 e. A certified public accountant's notarized statement
193 attesting to qualifying source and amount of income.
194 4. Notwithstanding any other provision of law, any person
195 who owns a retail seafood market or restaurant at a fixed
196 location for at least 3 years, who has had an occupational
197 license for 3 years before ~~prior to~~ January 1, 1990, who
198 harvests saltwater products to supply his or her retail store,
199 and who has had a saltwater products license for 1 of the past 3
200 license years before ~~prior to~~ January 1, 1990, may provide proof
201 of his or her verification of income and sales value at the
202 person's retail seafood market or restaurant and in his or her
203 saltwater products enterprise by affidavit and shall thereupon

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204 be issued a restricted species endorsement.
205 5.~~4.~~ Exceptions from income requirements shall be as
206 follows:
207 a. A permanent restricted species endorsement shall be
208 available to those persons age 62 and older who have qualified
209 for such endorsement for at least 3 of the last 5 years.
210 b. Active military duty time shall be excluded from
211 consideration of time necessary to qualify and shall not be
212 counted against the applicant for purposes of qualifying.
213 c. Upon the sale of a used commercial fishing vessel owned
214 by a person, firm, or corporation possessing or eligible for a
215 restricted species endorsement, the purchaser of such vessel
216 shall be exempted from the qualifying income requirement for the
217 purpose of obtaining a restricted species endorsement for a
218 complete license ~~period of 1~~ year after purchase of the vessel.
219 d. Upon the death or permanent disablement of a person
220 possessing a restricted species endorsement, an immediate family
221 member wishing to carry on the fishing operation shall be
222 exempted from the qualifying income requirement for the purpose
223 of obtaining a restricted species endorsement for a complete
224 license ~~period of 1~~ year after the death or disablement.
225 e. A restricted species endorsement may be issued on an
226 individual saltwater products license to a person age 62 or
227 older who documents that at least $2,500 of such person's income
228 is attributable to the sale of saltwater products.
229 f. A permanent restricted species endorsement may also be
230 issued on an individual saltwater products license to a person
231 age 70 or older who has held a saltwater products license for at
232 least 3 of the last 5 license years.

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233 g. Any resident who is certified to be totally and
234 permanently disabled by the Railroad Retirement Board, by the
235 United States Department of Veterans Affairs or its predecessor,
236 or by any branch of the United States Armed Forces, or who holds
237 a valid identification card issued by the Department of
238 Veterans' Affairs pursuant to s. 295.17, upon proof of the same,
239 or any resident certified to be disabled by the United States
240 Social Security Administration or a licensed physician, upon
241 proof of the same, shall be exempted from the income
242 requirements if he or she also has held a saltwater products
243 license for at least 3 of the last 5 license years before ~~prior~~
244 ~~to~~ the date of the disability. A restricted species endorsement
245 issued under this paragraph may be issued only on an individual
246 saltwater products license.
247 h. An honorably discharged, resident military veteran
248 certified by the United States Department of Veterans Affairs or
249 its predecessor or by any branch of the United States Armed
250 Forces to have a service-connected permanent disability rating
251 of 10 percent or higher, upon providing proof of such disability
252 rating, is not required to provide documentation for the income
253 requirement with his or her initial application for a restricted
254 species endorsement. Documentation for the income requirement is
255 required beginning with the renewal of the restricted species
256 endorsement after such veteran has possessed a valid restricted
257 species endorsement for a complete license year. This exemption
258 applies only to issuance of the endorsement on an individual
259 saltwater products license and is a one-time exemption. In order
260 to renew the restricted species endorsement on an individual
261 saltwater products license, the veteran must document that at

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262 least $2,500 of his or her income is attributable to the sale of
263 saltwater products.
264 i. Beginning July 1, 2014, a resident military veteran who
265 applies to the commission within 48 months after receiving an
266 honorable discharge from any branch of the United States Armed
267 Forces, the United States Coast Guard, the military reserves,
268 the Florida National Guard, or the United States Coast Guard
269 Reserve is not required to provide documentation for the income
270 requirement with his or her initial application for a restricted
271 species endorsement. Documentation for the income requirement is
272 required beginning with the renewal of the restricted species
273 endorsement after such veteran has possessed a valid restricted
274 species endorsement for a complete license year. This exemption
275 applies only to issuance of the endorsement on an individual
276 saltwater products license and may only be applied one time per
277 military enlistment.
278 j. Until June 30, 2014, a resident military veteran who
279 applies to the commission and who received an honorable
280 discharge from any branch of the United States Armed Forces, the
281 United States Coast Guard, the military reserves, the Florida
282 National Guard, or the United States Coast Guard Reserve between
283 September 11, 2001, and June 30, 2014, is not required to
284 provide documentation for the income requirement with his or her
285 initial application for a restricted species endorsement.
286 Documentation for the income requirement is required beginning
287 with the renewal of the restricted species endorsement after
288 such veteran has possessed a valid restricted species
289 endorsement for a complete license year. This exemption applies
290 only to issuance of the endorsement on an individual saltwater

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291 products license.

292 Section 6. This act shall take effect July 1, 2013.

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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 Appropriations Subcommittee on General Government

BILL: CS/CS/SB 448

INTRODUCER: Appropriations Subcommittee on General Government and Environmental Preservation and Conservation Committee and Senator Dean

SUBJECT: Fish and Wildlife Conservation Commission

DATE: March 20, 2013 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hinton	Uchino	EP	**Fav/CS**
2.	Betta	DeLoach	AGG	**Fav/CS**
3.			AP	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

CS/SB 448 amends several provisions related to the Fish and Wildlife Conservation Commission (FWC). The bill provides the following:

- Removes outdated references to federal boating navigation laws and replaces them with the current references.
- Amends recreational hunting and fishing license residency requirements by eliminating the requirement that an individual continuously reside in the state for six months in order to obtain a resident recreational hunting or fishing license. The required proof of Florida residency is provided by means of a valid Florida driver license or other specified document.
- Removes a requirement for resident saltwater fishermen to continuously reside in a Florida county for six months before obtaining a resident saltwater products license. The bill retains the requirement that a commercial fisherman reside in the state continuously for one year.
- Amends the definition of "resident alien" by eliminating the requirement that they continuously reside in a county for six months. To be a "resident alien" an individual still must continuously reside in the state for one year.

- Authorizes an exemption from the requirement to purchase a recreational hunting or fishing license to all persons participating in an FWC-permitted event where the primary purpose of the event is rehabilitation or enjoyment for disabled veterans or for active duty military personnel, military reservists, members of the Florida National Guard, members of the U.S. Coast Guard, and members of the U.S. Coast Guard Reserves.
- Authorizes the FWC to increase the total number of license-free recreational saltwater and freshwater fishing days from two to four, annually.
- Waives restricted species endorsement income requirements for one year to in order to provide assistance to veterans who wish to become commercial fishers.
- Defers the fee increase from 2013 to 2015 relating to vessel registrations and recreational hunting and fishing licenses.
- Changes the calculation methodology for fee increases to base the change on the Consumer Price Index over 5 years.
- Provides that the new fee amounts are automatically updated in the respective sections of Florida Statutes.

The fiscal impact to the state related to the license exemptions is projected by the FWC and the March 16, 2013, Revenue Estimating Impact Conference to be insignificant. The license exemptions included in the bill may decrease revenue; however, the decrease may be offset by individuals who participate in the licenses-exempted events and subsequently purchase hunting and fishing licenses.

The FWC estimated that delaying the fee increases until July 1, 2015, for vessel registration and recreational hunting would result in $6.8 less in revenue collections annually.

The bill substantially amends the following sections of the Florida Statutes: 327.02, 379.101, 379.353, 379.354 and 379.361.

II. Present Situation:

Navigation Rules

There are two sets of navigation rules vessels must follow in the near and off shore waters of the state. Vessels operating inside the lines of demarcation, a line defined in the Code of Federal Regulations (C.F.R.)[1] and marked on most navigation charts, follow the United States Inland Navigation Rules. Vessels operating on the seaward side of the line of demarcation follow the International Navigational Rules, defined in United States Code (U.S.C.).

Pursuant to the International Navigation Rules Act of 1977, the United States adopted the International Regulations for Preventing Collisions at Sea to govern vessel conduct when operating on federal waters.[2] The rules also cover lights, shapes, and sound signals and are used

[1] 33 C.F.R. part 80 provides detailed descriptions of the navigational lines of demarcation. They tend to be close to shore and are sometimes described using physical markers such as the tip of a jetty to the end of a pier.
[2] These regulations, known as COLREGS, are promulgated by the International Maritime Organization, a United Nations organization that has responsibility for the safety and security of shipping and the prevention of marine pollution by ships. http://www.imo.org. (last visited March 6, 2013). The Coast Guard enforces the COLREGS, referred to as the International Navigation Rules, in U.S. waters.

to ascertain fault in boating accidents. Inland navigation rules, for use on the landward side of the line of demarcation, are promulgated by the United States and are almost identical to the International Navigation Rules.

In 1988, Florida established the following definition of "navigational rules", which included both the Inland and International Navigational Rules by reference, as they existed at the time:

> 'Navigation rules' means the International Navigational Rules Act of 1977, in effect on June 1, 1983, for vessels on waters outside of established navigational lines of demarcation as specified in Part 80 of Title 33 of the Code of Federal Regulations or the Inland Navigational Rules Act of 1980, in effect on December 24, 1981, for vessels on all waters not outside of such lines of demarcation.[3]

This was amended in 2000 so that the definition of "navigational rules" in former s. 327.02(23), F.S., meant:

> [T]he International Navigational Rules Act of 1977, 33 U.S.C. appendix following s. 1602, as amended, including the annexes thereto, for vessels on waters outside of established navigational lines of demarcation as specified in 33 C.F.R. part 80 or the Inland Navigational Rules Act of 1980, 33 U.S.C. ss. 2001 et seq., as amended, including the annexes thereto, for vessels on all waters not outside of such lines of demarcation.[4]

Effective May 17, 2010, the Inland Navigation Rules were moved from the U.S.C. to the C.F.R. Consequently, s. 327.02(25), F.S., now refers to a section of the U.S.C. that no longer exists.

Law enforcement officers charge vessel operators operating unlawfully in state waters under s. 327.33, F.S., which references the "navigation rules" defined in s. 327.02(25), F.S. This section needs to be amended to correctly reference the federal rule for inland navigation. The reference to the International Navigational Rules Act, which governs vessel navigation outside the lines of demarcation, still refers to the correct section of the U.S.C.

Hunting and Fishing License Residency Requirements

Part VI of ch. 379, F.S., specifically addresses licenses for recreational activities regulated by the FWC, and part VII addresses non-recreational (or commercial) licenses. Florida offers both resident and nonresident licenses for both recreational and commercial fishing and hunting activities.

[3] Section 327.02(21), F.S., enacted in 1988 by SB 341, ch. 88-133, Laws of Florida.
[4] Former s. 327.02(23), F.S. (2005).

For the purposes of purchasing recreational hunting and fishing licenses, a resident is defined in s. 379.101(30)(b), F.S., as an individual who continuously resides in the state for a period of six months.

For the purposes of ch. 379, F.S., a "resident alien" is considered a "resident" and must provide documentation from the Bureau of Citizenship and Immigration Services to prove permanent residency in the United States.

For the purposes of purchasing commercial hunting and fishing licenses, a resident is defined in s. 379.101(30)(a), F.S., as an individual who continuously resides in the state for a period of one year and also continuously resides in a specific Florida county for six months. There is currently no mechanism for verifying a person's length of county residency.

The state residency requirement is six months for the following non-recreational/commercial licenses:

- Freshwater fish dealers licenses;
- Haul seine and trawl permits;
- Fur and hide dealers licenses;
- Private game preserves and farms licenses;
- Private hunting preserve licenses;
- Licenses for capturing, keeping, possessing, transporting, or exhibiting venomous reptiles, reptiles of concern, conditional reptiles, or prohibited reptiles;
- Licenses for taking and possession of alligators;
- Exhibition or sale of wildlife;
- Personal possession of wildlife; and
- Tag fees for sale of Lake Okeechobee game fish.[5]

According to the FWC, the rationale for requiring license applicants to establish that they have continuously resided in Florida for six months in order to acquire a recreational hunting or fishing license is that it prevents temporary visitors in Florida from getting the benefit of a resident license.

Since Florida implemented changes associated with the Federal REAL ID Act of 2005,[6] beginning in 2010, U.S. citizens wishing to get a Florida driver license or Florida identification card must provide proof of identification, proof of a social security number, and proof of residential address.[7] Primary identification may be proved by providing one of the following:

- Original or certified copy of a United States birth certificate;
- Valid United States Passport or Passport Card;
- Consular Report of Birth Abroad;

[5]Section 379.101(30)(b), F.S. *See* ss. 379.363, 379.3635, 379.364, 379.3711, 379.3712, 379.372, 379.373, 379.374, 379.3751, 379.3752, 379.3761, 379.3762, and 379.377, F.S.
[6] REAL ID Act of 2005, Pub. Law. No. 109-13, 109th Cong. (2005). Implemented in Florida by the Florida Department of Highway Safety and Motor Vehicles.
[7] Section 322.08(2)(a-c), F.S.

- Certificate of Naturalization, Form N-550 or Form N-570; or
- Certificate of Citizenship, Form N-560 or Form N-561.
- When necessary, marriage certificates, court orders, or divorce decrees must be provided to tie the name on the primary identification to the name the customer would like to place on the driver license or identification card.

Non-citizens must prove primary identification by providing one of the following:

- Valid, unexpired Permanent Resident Card (Green card, Form I-551);
- I-551 stamp in passport or on I-94;
- Immigration Judges Order, with the customer's A-number, granting asylum;
- I-797, with the customer's A-number, stating the customer has been granted asylum; or
- I-797 or another form from the Bureau of Citizenship and Immigration Services, with the customer's A-number, stating the customer's application for Refugee status is approved.

Proof of an applicant's social security number may be satisfied by providing one of the following:

- Social Security Card;
- W-2 form;
- Pay check;
- SSA-1099; or
- Any 1099.

If an applicant does not have a social security number, he or she has to provide a letter from the Social Security Administration indicating that a social security number was never issued to the applicant and one proof of identification from a list of acceptable documents.

Finally, applicants must supply two items that provide proof of a Florida residential address. Acceptable documents include a Florida voter registration card, a Florida vehicle registration or title, and a utility bill less than two months old.[8]

Federal agencies will continue to accept valid, unexpired but not yet Federal REAL ID-compliant Florida licenses or identification cards, for official purposes until December 1, 2014, for individuals born after December 1, 1964, and for others until December 1, 2017. After those dates, federal agencies will no longer accept a driver's license or identification card unless it is Real ID compliant.

The FWC's licensing system automatically accesses the Florida Department of Highway Safety and Motor Vehicles' (DHSMV) data when applicants apply for a recreational hunting or fishing license and provide their current customer numbers, their social security numbers, or their driver license numbers, in conjunction with their date of birth.

[8] An exhaustive list of requirements to get a Florida Drivers License or identification card, including a full list of documents considered acceptable to prove ID in lieu of proof of a social security number and documents needed to prove Florida residential address, may be found at: http://www.dmvflorida.org/drivers-license-identification.shtml (last visited Feb. 11, 2013).

Disabled Veterans and Military Recreational Hunting and Fishing License Exemption

Florida residents and visitors wishing to hunt or fish for sport and personal use of harvested fish and wildlife, as opposed to commercial uses, must purchase a recreational hunting, saltwater fishing, or freshwater fishing license[9] unless they qualify for one of the following exemptions:

- Any child under 16 years of age;
- Any person hunting or freshwater fishing on her or his homestead property, or on the homestead property of the person's spouse or minor child; or any minor child hunting or freshwater fishing on the homestead property of her or his parent;
- Any resident who is a member of the United States Armed Forces and not stationed in this state, when home on leave for 30 days or less, upon submission of orders;
- Any resident fishing for recreational purposes only, within her or his county of residence with live or natural bait, using poles or lines not equipped with a fishing line retrieval mechanism. This exemption does not apply to residents fishing in a legally established fish management area;
- Any person freshwater fishing in a fish pond of 20 acres or less that is located entirely within the private property of the fish pond owner;
- Any person freshwater fishing in a fish pond that is licensed in accordance with s. 379.356, F.S.
- Any person fishing who has been accepted as a client for developmental disabilities services by the Department of Children and Family Services, provided the department furnishes proof thereof;
- Any resident saltwater fishing from land or from a structure fixed to the land that has been determined eligible by the Department of Children and Family Services for the food assistance program, temporary cash assistance, or the Medicaid programs. A benefit issuance or program identification card issued by the Department of Children and Family Services or the Florida Medicaid program of the Agency for Health Care Administration shall serve as proof of program eligibility. The client must have in his or her possession the ID card and positive proof of identification when fishing;
- Any person saltwater fishing from a vessel licensed pursuant to s. 379.354(7), F.S.;
- Any person saltwater fishing from a vessel the operator of which is licensed pursuant to s 379.354(7), F.S.;
- Any person saltwater fishing who holds a valid saltwater products license issued under s 379.361(2), F.S.;
- Any person saltwater fishing for recreational purposes from a pier licensed under s. 379.354, F.S.;
- Any resident fishing for mullet in fresh water who has a valid Florida freshwater fishing license;
- Any resident 65 years of age or older who has in her or his possession proof of age and residency. A no-cost license under this paragraph may be obtained from any tax collector's

[9] Recreational hunting and fishing licenses and permit fees may be found at: http://myfwc.com/license/recreational/ (last visited February 11, 2013).

office upon proof of age and residency and must be in the possession of the resident during hunting, freshwater fishing, and saltwater fishing activities;
- Any employee of the commission who takes freshwater fish, saltwater fish, or game as part of employment with the commission, or any other person authorized by commission permit to take freshwater fish, saltwater fish, or game for scientific or educational purposes;
- Any resident recreationally freshwater fishing who holds a valid commercial fishing license issued under s. 379.363(1)(a), F.S.[10]

According to the FWC, there are about 225,000 active duty military personnel who claim Florida as their state of residence.[11] There were roughly 59,000 active duty military personnel and 39,000 military reservists living in Florida as of June 30, 2012. The FWC routinely receives requests from various veteran organizations to waive the requirement that their participants purchase a recreational hunting or fishing license when those participants are recreating or are rehabilitating military or disabled veterans.[12] Currently, the Commission does not have the authority to waive the licensing requirement.

Free Fishing Days

Section 379.354(15), F.S., allows the FWC to designate two saltwater and two freshwater recreational fishing days per year, during which a recreational fishing license requirement is waived. All other laws regulating fishing, such as seasons, bag limits, and size limits, remain in effect for all anglers during the free fishing days.

The FWC cites several benefits to recreational license-free fishing days such as:

- They are an excellent way for Florida's residents and visitors to be introduced to the sport of saltwater and freshwater fishing;
- They create an immediate economic impact on the state by drawing tourists to Florida and by getting residents and visitors out on the water who travel, purchase fuel, stay in hotels, and buy fishing gear;
- Free fishing days create a long-term economic impact by introducing new participants to the sport of fishing, who may later buy fishing gear and boats, as well as encourage repeat visits to the state;
- License-free fishing days are a great way to emphasize the importance of outdoor recreation, conservation, and the economic benefits of recreational fishing in Florida.[13]

The FWC often designates license-free fishing days that fall on holiday weekends or that take place during a time of year where fishing opportunities are high and popular fish are available for harvest. Commission outreach events, as well as national media and public service announcements, are used to promote free fishing dates.[14]

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[10] Section 379.353(2), F.S.
[11] Military personnel stationed in Florida may claim Florida as their state of residency. They can continue to claim Florida residency even when they are subsequently stationed outside of Florida.
[12] FWC, *Senate Bill 448 Legislative Analysis* (2013)(on file with the Senate Committee on Environmental Preservation and Conservation).
[13] *Id.*
[14] *Id.*

Recreational saltwater and freshwater fishing has a combined economic impact on Florida of more than $8.3 billion and nearly 80,000 jobs. Currently, there are an estimated 1,286,000 residential saltwater anglers in the state; 716,000 out-of-state saltwater anglers; 1,155,000 residential freshwater anglers; and 262,000 out-of-state freshwater anglers.[15]

Veterans Exemption from Commercial Fishing License Requirements

In Florida, a saltwater products license (SPL) is required to commercially harvest or sell all saltwater products. Commercial harvest is defined by the FWC as harvest over the recreational bag limit, use of certain gear as authorized by law, or possession of more than 100 pounds per person per day of a species with no established bag limit. Possession of two or fewer fish with no established bag limit is not considered commercial harvest even if over 100 pounds.[16] A saltwater product is defined in statute as any species of saltwater fish, marine plant, or echinoderm, except shells, and salted, cured, canned, or smoked seafood.[17]

Florida offers three types of SPLs:[18]

- An individual SPL authorizes one individual person to engage in commercial fishing activities from the shore or a vessel. The Individual SPL is not tied to any one vessel and is issued in the individual's name.
- A crew SPL is also issued in an individual's name and authorizes the named individual to engage in commercial fishing activities from shore or a vessel. It also authorizes each person who is fishing with the named individual aboard a vessel to engage in such activities. This means the license holder can take a crew out on any vessel to harvest saltwater fish and the SPL covers the crew as well.
- A vessel SPL is issued to a valid commercial vessel registration number and authorizes each person aboard that registered vessel to engage in commercial saltwater fishing activities. Unlike the first two SPLs, the vessel SPL is tied to a vessel rather than a person.

The cost for each license:

SPL Type	Florida Resident	Non-Resident	Alien
Individual	$50.00	$200.00	$300.00
Crew	$150.00	$600.00	$900.00
Vessel	$100.00	$400.00	$600.00

In addition to an SPL, a restricted species endorsement (RS) is required to commercially harvest and sell the following species: amberjack, bluefish, cobia, dolphin, black drum, flounder, golden tilefish, most types of grouper, hogfish (hog snapper), jack, king and Spanish mackerel, mullet,

[15] *Id.*
[16] FWC, *Commercial Saltwater Product Licenses – Introduction*, http://www.myfwc.com/license/saltwater/commercial-fishing/new-applicants/ (last visited Feb. 13, 2013).
[17] Section 379.101(36), F.S.
[18] Section 379.361(2)(e)1.-3., F.S.

permit fish, pompano, red porgy, rudderfish, sea bass, spotted seatrout, sheepshead, most types of snapper, tripletail, wahoo, blue crab, stone crab, spiny lobster, and most types of shrimp.[19]

There is no cost to acquire an RS. In order to receive one, however, licensed commercial fishermen must qualify by showing proof of landings (actual saltwater products harvested and brought to shore) reported under their SPLs that indicate either $5,000 or 25 percent of their total annual income during one of the previous three years was attributable to reported landings and sales of saltwater products to a Florida wholesale dealer. Current exemptions from this rule are:

- A person age 62 or older must provide acceptable proof of $2,500 in sales of saltwater products to a licensed wholesale dealer during any 12 consecutive months in the last 36 months;
- A person age 70 or older will be granted a permanent exemption to the income requirements if the applicant's license records show that the SPL was held three out of the last five years;
- A disabled resident must provide acceptable proof of disability from the Railroad Retirement Board, U.S. Department of Veterans Affairs, U.S. Armed Forces, Social Security Administration, or a licensed physician and must have held the SPL for three of the last five years prior to the date of disability;
- A military veteran must provide acceptable proof of income. However, active duty may be excluded when calculating the previous 36 months and will not be counted for purposes of determining qualifying time.
- Upon the sale of a used commercial fishing vessel owned by a person, firm, or corporation possessing or eligible to possess an RS, the purchaser is exempted from the income requirement for one year;
- If a person possessing an RS dies or becomes permanently disabled, an immediate family member who wishes to carry on the fishing operation is exempted from the income requirement for one year.[20]

During fiscal year 2011-2012, a total of 12,752 SPLs were issued in Florida. Of those, 9,191 had an RS.[21]

According to the Florida Department of Veterans Affairs, there are approximately 1,651,000 veterans residing in Florida. There are approximately 249,000 veterans with some percentage of disability rating from service-connected disabilities in Florida. There are approximately 223,000 Florida veterans of Operation Iraqi Freedom and Operation Enduring Freedom (post-September 11, 2001 missions) who list Florida as their home of record. Approximately 47 percent of Florida's veterans are over age 65.

[19] FWC, *Commercial Food and Bait Species*, http://www.myfwc.com/license/saltwater/commercial-fishing/restricted-species/ (last visited Feb. 13, 2013).
[20] FWC, *Qualifying for the Restricted Species Endorsement (RS)*, http://myfwc.com/license/saltwater/commercial-fishing/qualifying-for-rs/ (last visited Feb. 13, 2013).
[21] FWC, *Senate Bill 448 Legislative Analysis* (2013)(on file with the Senate Committee on Environmental Preservation and Conservation).

Rule 68B-2.006, F.A.C.

On November 11, 2012, the FWC promulgated Rule 68B-2.006, F.A.C. The rule provides assistance to certain military veterans who wish to become commercial fishermen and obtain the RS endorsement issued on an SPL by waiving the income requirement for one year.

The FWC was created by passage of Revision #5 to the Florida Constitution during the November 1998 General Election,[22] as implemented by the 1999 Regular Session of the Legislature. Since the adoption of the constitutional amendment, there has been some uncertainty and debate over how far the FWC's constitutional authority reaches as it pertains to marine species. The Florida Supreme Court has provided some clarity,[23] but it is unclear whether the FWC has the authority under the Florida Constitution to adopt a rule exempting the income requirement for certain veterans, or if the FWC needs the Legislature to grant it the authority in statute in order for the rule to be effective.

Vessel Registration and License Fees Scheduled Increases

In 2008, ss.328.72(1)(b) and 379.354(1)(b), F.S., authorized fee increases on vessel registration and license fees to occur on July 1 every fifth year. The provisions require that, by February 1 of each year in which an adjustment is scheduled to occur, the FWC submit a report to the President of the Senate and the Speaker of the House of Representatives that details how the increase in fees will be used within the agency.

Based on input from the Legislature's Office of Economic and Demographic Research (EDR), the FWC estimated that the following fees would increase effective on July 1, 2013, unless otherwise provided by general law.

Vessel Registration Fees	Current	Last Adjusted	New Fee
Class A-1—Less than 12 feet in length, and all canoes to which propulsion motors have been attached	$5.50	07/01/2008	$6.11
Class A-2—12 feet or more and less than 16 feet in length	$16.25	07/01/2008	$18.04
Class 1—16 feet or more and less than 26 feet in length	$28.75	07/01/2008	$31.92
Class 2—26 feet or more and less than 40 feet in length	$78.25	07/01/2008	$86.88
Class 3—40 feet or more and less than 65 feet in length	$127.75	07/01/2008	$141.85
Class 4—65 feet or more and less than 110 feet in length	$152.75	07/01/2008	$169.61
Class 5—110 feet or more in length	$189.75	07/01/2008	$210.69
Dealer registration certificate	$25.50	07/01/2008	$28.31

[22] *See* FLA. CONST. art. IV, s. 9.
[23] *See Caribbean Conservation Corp. v. Fla. Fish & Wildlife Conservation Comm'n., Inc.,* 838 So.2d 492 (Fla. 2003).

Resident Hunting and Fishing Licenses	Current	Last Adjusted	New Fee
Annual freshwater fishing license	$15.50	10/01/2007	$17.70
Annual saltwater fishing license	$15.50	10/01/2007	$17.70
Annual hunting license to take game	$15.50	10/01/2007	$17.70
Annual combination hunting and freshwater fishing license	$31.00	10/01/2007	$35.40
Annual combination freshwater fishing and saltwater fishing license	$31.00	10/01/2007	$35.40
Annual combination hunting, freshwater fishing, and saltwater fishing license	$46.50	10/01/2007	$53.10
Annual sportsman's license	$79.00	10/01/2007	$90.22
Annual sportsman's license for a resident 64 years of age or older	$12.00	07/01/1998	$17.21
Annual gold sportsman's license	$98.50	10/01/2007	$112.48
Annual military gold sportsman's license	$18.50	05/24/2005	$22.55
Annual license to take fur-bearing animals (also non-resident)	$25.00	07/01/1966	$182.72

Nonresident Hunting and Fishing Licenses	Current	Last Adjusted	New Fee
Freshwater fishing license to take freshwater fish for 3 consecutive days	$15.50	10/01/2007	$17.70
Freshwater fishing license to take freshwater fish for 7 consecutive days	$28.50	10/01/2007	$32.55
Saltwater fishing license to take saltwater fish for 3 consecutive days	$15.50	10/01/2007	$17.70
Saltwater fishing license to take saltwater fish for 7 consecutive days	$28.50	10/01/2007	$32.55
Annual freshwater fishing license	$45.50	10/01/2007	$51.96
Annual saltwater fishing license	$45.50	10/01/2007	$51.96
Hunting license to take game for 10 consecutive days	$45.00	10/01/2007	$51.39
Annual hunting license to take game	$150.00	07/01/1989	$291.91

Projected Revenue Increases

The FWC estimated that state revenues would increase approximately $6.8 million in Fiscal Year 2013-14 if the scheduled fee increases are allowed to go into effect. The projected vessel registration revenue increase is based on the December 7, 2012, EDR revenue estimating conference. The license fee revenue increases are calculated using projected unit sales, modified by a possible consumer reaction to not buy a license after a fee increase (protest effect), and multiplied by the increase in the fee. The protest effect factor is based on a 2006 study which anticipated a more pessimistic outcome than actually occurred in 2007.

Vessel Registration	$2,343,606.00
Hunting Licenses	$659,216.02
Freshwater Fishing Licenses	$1,046,756.83
Saltwater Fishing Licenses	$2,723,651.79
	$6,773,230.64

III. Effect of Proposed Changes:

Section 1 amends s. 327.02, F.S., to remove an outdated reference to federal law and to insert the proper reference. The bill will ensure continued enforceability of the statute by including a reference to the federal law in effect on October 1, 2012. The bill will not change the way any vessels or vessel-related activities are currently being enforced in state waters under the current statute.

Section 2 amends s. 328.72, F.S., to defer the implementation of the automatic fee increases to vessel registration fees from 2013 to 2015 and clarifies that the fees shall be adjusted by being multiplied by a growth factor "calculated as the annual average Consumer Price Index for the calendar year preceding the adjustment year divided by the annual average Consumer Price Index for the calendar year 6 years before the adjustment year".

The bill also identifies the specific source of the adjustment factor to be "the not seasonally adjusted Consumer Price Index for All Urban Consumers, U.S. city average, all items, as initially reported by the United States Department of Labor, Bureau of Labor Statistics." The fee adjustments are rounded to the nearest 50 cents.

Additionally, the Legislature's Division of Law Revision and Information is directed to update the fees in their respective subsections to reflect the new amounts.

The bill clarifies that the vessel registration fee adjustment applies to the total fee and not the county portion.

Section 3 amends s. 379.101, F.S., to allow individuals to purchase a Florida resident recreational hunting or fishing license without having to continuously reside in the state for six months upon submission of a valid Florida driver license or identification card with a Florida address, verified by the Department of Highway Safety and Motor Vehicles. In the absence thereof, the bill lists four other ways to verify Florida residency:

- A current Florida voter information card;
- A sworn statement manifesting and evidencing domicile in Florida in accordance with s. 222.17, F.S.;
- A current Florida homestead exemption; or

- For a child younger than 18, a driver license or identification card, a student identification card from a Florida school, or, when accompanied by his or her parent at the time of purchase, the parent's proof of residency.

The bill alters the definition of resident to eliminate the requirement that those persons applying for a resident commercial saltwater fishing license must reside continuously in a certain Florida county for six months. The requirement to reside continuously in Florida for one year is retained.

For the purposes of ch. 379, F.S., resident aliens are currently treated as residents. The bill eliminates the requirement for a resident alien to continuously reside in a certain Florida county for six months. The requirement that resident aliens must reside in Florida continuously for one year is retained.

Section 4 amends s. 379.353, F.S., to provide an exemption from the requirement to purchase a recreational hunting or fishing license to all persons participating in a Commission-permitted event where the primary purpose of the event is for the rehabilitation or enjoyment of disabled veterans and active duty military personnel, reservists, Florida National Guard, U.S. Coast Guard members, and members of the U.S. Coast Guard Reserves.

The bill provides an exemption from the license requirement for "immediate family members," defined as parents, spouses and children, of active duty military and reservists and disabled veterans who participate in Commission-permitted events where the primary purpose of the event is for the rehabilitation or enjoyment of disabled veterans, active duty military personnel and reservists. The bill also allows an exemption for one additional person designated to assist each veteran certified to be a disabled veteran.

The bill provides a list of factors for the FWC to consider when deciding whether to issue a permit for an event where the primary purpose of the event is for the rehabilitation or enjoyment of disabled veterans, active duty military personnel and reservists. The FWC is authorized to promulgate rules to implement this subsection.

Section 5 amends s. 328.72, F.S., to defer the implementation of the automatic fee increases for recreational hunting and fishing license fees from 2013 to 2015 and clarifies that the fees shall be adjusted by being multiplied by a growth factor "calculated as the annual average Consumer Price Index for the calendar year preceding the adjustment year divided by the annual average Consumer Price Index for the calendar year 6 years before the adjustment year".

The bill also identifies the specific source of the adjustment factor to be "the not seasonally adjusted Consumer Price Index for All Urban Consumers, U.S. city average, all items, as initially reported by the United States Department of Labor, Bureau of Labor Statistics." The fee adjustments are rounded to the nearest 50 cents.

Additionally, the Legislature's Division of Law Revision and Information is directed to update the fees in their respective subsections to reflect the new amounts.

Section 6 amends s. 379.354, F.S., to provide statutory authority for the FWC to offer a total of four license-free recreational saltwater fishing days and four license-free recreational freshwater fishing days to the public.

Section 7 amends s. 379.361, F.S., to clarify the term "1 year" to mean a "complete license year" for the RS income requirement for those purchasing a used commercial fishing vessel, or for an immediate family member carrying on the fishing operation for the family member possessing the RS who has died or has become permanently disabled.

The bill clarifies that upon the sale of a used commercial fishing vessel owned by a person, firm, or corporation possessing or eligible to possess an RS, the purchaser is exempted from the income requirement for a complete license year. The bill clarifies that when a person possessing an RS dies or becomes disabled, an immediate family member wishing to carry on the fishing operation shall be exempted from the income requirement for a complete license year.

The bill waives the income requirement to acquire an RS for one complete license year for any honorably discharged resident military veteran that is certified to have at least a 10 percent service-connected disability by the U.S. Department of Veterans Affairs or any branch of the U.S. Armed Forces. In subsequent years, veterans must document that at least $2,500 (half the current requirement of $5,000) of their income is attributable to the sale of saltwater products in order to renew the RS. The first-year exemption may only be applied one time per military enlistment.

The bill provides a waiver of the income requirement to acquire an RS for a complete license year until June 30, 2014, to all resident military veterans honorably discharged between September 11, 2001, and June 30, 2014, from any branch of the U.S. Armed Forces, the reserves, the Florida National Guard, the U.S. Coast Guard, or the U.S. Coast Guard Reserves. The waiver would be allowed on the RS endorsement on individual or crew SPLs, but not on vessel SPLs. The first year exemption may be applied only one time per military enlistment. After the first year, the veteran with the endorsement would be subject to the normal RS renewal requirements.

The bill provides a waiver of the income requirement to acquire an RS for a complete license year, beginning July 1, 2014, to all resident military veterans who apply for an RS within four years after being honorably discharged from any branch of the U.S. Armed Forces, the reserves, the Florida National Guard, the U.S. Coast Guard, or the U.S. Coast Guard Reserves. The waiver would be allowed on the RS endorsement on individual or crew SPLs, but not on vessel SPLs. The first year exemption may be applied only one time per military enlistment. After the first year, the veteran with the endorsement would be subject to the normal RS renewal requirements.

Section 8 provides an effective date of July 1, 2013.

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:

Section 2 defers the implementation of the automatic fee increase for vessel registration fees from 2013 to 2015.

Section 4: Active-duty military personnel and reservists, members of the Florida National Guard, members of the U.S. Coast Guard and U.S. Coast Guard Reserves, and disabled veterans, as well as immediate family members of those participating in the event and those attending in aid of disabled veterans, are exempted from having to purchase a hunting or fishing license for the FWC-permitted event.

Section 5: Defers the implementation of the automatic fee increases for recreational hunting and fishing license fees from 2013 to 2015.

B. Private Sector Impact:

Section 3: According to the FWC, those wishing to purchase a resident recreational fishing or hunting license but who are not eligible because they have not established their Florida residency for six months or more, will see a positive fiscal impact of the difference between the cost of a resident and nonresident license.

Section 4: According to the FWC, active duty military personnel, reservists, members of the Florida National Guard, the U.S. Coast Guard, the U.S. Coast Guard Reserves and disabled veterans participating in FWC-permitted hunting and fishing events for the enjoyment of active duty personnel disabled veterans, along with immediate family members and a single individual assisting a disabled veteran at the event, will be exempted from having to purchase a license for that specific event.

Section 6: The FWC anticipates that expanding the number of license free fishing days will have a positive but indeterminate economic impact related to the increased number of visitors to Florida.

Section 7: According to the FWC, there could be a positive fiscal impact, in the form of income, on veterans who enter the commercial fishing industry. On the other hand, there is a potential for a negative fiscal impact to income on current commercial fishermen holding an RS due to increased competition this section may create. The effects cannot be determined at this time.

C. Government Sector Impact:

Section 2: The loss of fee revenue to the FWC relating to the deference of vessel registration fee adjustment from 2013 to 2015 are estimated at $2,343,606.

Section 3: The loss of fee revenue to the FWC is indeterminate as an increase in the number of licenses issued may offset the reduction.

Section 5: The loss of fee revenue to the FWC relating to the deference of recreational hunting and fishing fee adjustments from 2013 to 2015 are estimated at $4,429,624.

VI. Technical Deficiencies:

None.

VII. Related Issues:

According to the FWC, when a person applies to the DHSMV to get a driver license or identification card, the DHSMV requires proof of residency in Florida. There may be situations in which a person who is not a valid resident (meaning they cannot provide the necessary proof of residency) would still be issued a driver license or identification card. Though the card itself may not indicate that the individual is not a resident of Florida, the DHSMV's records would. Since FWC's licensing system is linked to the DHSMV's records, the fact that a person is not a resident of Florida would be ascertainable, not from the driver license or identification card provided, but by the DHSMV's records connected with that license or identification card.[24]

There have been discussions between the Joint Administrative Procedures Committee and the FWC concerning the FWC's authority to amend the income requirement by rule. This bill gives the FWC clear legislative authority to adjust such requirements.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommended CS/CS by Appropriations Subcommittee on General Government on March 19, 2013:
The CS/CS defers the implementation of the automatic fee increases for vessel registration fees and recreational hunting and fishing license fees required by ss.328.72(1)(b) and 379.354(1)(b), F.S. from 2013 to 2015.

The CS/CS clarifies that the fees be adjusted by being multiplied by a growth factor "calculated as the annual average Consumer Price Index for the calendar year preceding the adjustment year divided by the annual average Consumer Price Index for the calendar year 6 years before the adjustment year".

[24] FWC, *Senate Bill 448 Legislative Analysis* (2013)(on file with the Senate Committee on Environmental Preservation and Conservation).

The CS/CS identifies the specific source of the adjustment factor to be "the not seasonally adjusted Consumer Price Index for All Urban Consumers, U.S. city average, all items, as initially reported by the United States Department of Labor, Bureau of Labor Statistics."

The CS/CS provides for the fee adjustments to be rounded to the nearest 50 cents and directs the Legislature's Division of Law Revision and Information to update the fees in their respective subsections to reflect the new amounts.

The CS/CS clarifies that the vessel registration fee adjustment applies to the total fee and not the county portion and clarifies that the agency's role in determining the use of the fee increases is that of making a request.

CS by Environmental Preservation and Conservation on March 7, 2013:
The CS makes a Florida driver license or identification card, with both a Florida address and residency verified by the Florida Department of Highway and Motor Vehicles, the primary method of verifying residency. If that is not available, the CS provides four other methods of verifying residency.

The CS adds the National Guard Reserves to the list of military branches whose members are exempted from the requirement to purchase a license for hunting or fishing events permitted by the Commission for the rehabilitation or enjoyment of veterans with service connected disabilities and/or active duty service members.

The CS exempts immediate family members of veterans or active duty personnel, and one additional person to assist each disabled veteran, from having to possess a saltwater or freshwater fishing or a hunting license when attending a Commission-permitted hunting or fishing event for the rehabilitation or enjoyment of veterans with service connected disabilities and/or reservists and active duty service members.

The CS defines "immediate family members" as parents, spouses and children of the active duty member or disabled veteran.

The CS provides several factors for the Commission to consider when deciding whether to issue a permit for a hunting or fishing event for the enjoyment or rehabilitation of reserve or active duty military personnel, reserve or active duty U.S. Coast Guard personnel, and disabled veterans.

The CS adds the National Guard Reserves to the list of military branches whose members are not required to provide documentation for the income requirement with his or her initial application for an RS.

The CS contains conforming language to make it identical to HB 333.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By the Committee on Regulated Industries; and Senator Stargel

A bill to be entitled

An act relating to premises inspections; amending s. 509.032, F.S.; requiring the Division of Hotels and Restaurants of the Department of Business and Professional Regulation to adopt rules for a risk-based inspection frequency for licensed public food service establishments; providing criteria; conforming terminology; providing an effective date.

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

Section 1. Paragraph (a) of subsection (2) of section 509.032, Florida Statutes, is amended to read:

509.032 Duties.—

(2) INSPECTION OF PREMISES.—

(a) The division has ~~responsibility and~~ jurisdiction and is responsible for all inspections required by this chapter. The division is responsible ~~has responsibility~~ for quality assurance. The division shall inspect each licensed public lodging establishment ~~shall be inspected~~ at least biannually, except for transient and nontransient apartments, which shall be inspected at least annually. Each establishment licensed by the division~~, and~~ shall be inspected at such other times as the division determines is necessary to ensure the public's health, safety, and welfare. The division shall by no later than July 1, 2014, adopt by rule a risk-based ~~establish a system to determine~~ inspection frequency for each licensed public food service establishment. The rule must require at least one, but not more than four, routine inspections that must be performed annually,

and may include guidelines that consider the inspection and compliance history of a public food service establishment, the type of food and food preparation, and the type of service. The division shall annually reassess the inspection frequency of all licensed public food service establishments. Public lodging units classified as vacation rentals are not subject to this requirement but shall be made available to the division upon request. If, during the inspection of a public lodging establishment classified for renting to transient or nontransient tenants, an inspector identifies vulnerable adults who appear to be victims of neglect, as defined in s. 415.102, or, in the case of a building that is not equipped with automatic sprinkler systems, tenants or clients who may be unable to self-preserve in an emergency, the division shall convene meetings with the following agencies as appropriate to the individual situation: the Department of Health, the Department of Elderly Affairs, the area agency on aging, the local fire marshal, the landlord and affected tenants and clients, and other relevant organizations, to develop a plan that ~~which~~ improves the prospects for safety of affected residents and, if necessary, identifies alternative living arrangements such as facilities licensed under part II of chapter 400 or under chapter 429.

Section 2. This act shall take effect July 1, 2014.

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 Appropriations Subcommittee on General Government

BILL: CS/SB 842

INTRODUCER: Regulated Industries Committee and Senator Stargel

SUBJECT: Premises Inspections

DATE: March 14, 2013 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Kraemer	Imhof	RI	**Fav/CS**
2.	Davis	DeLoach	AGG	**Favorable**
3.			AP	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

CS/SB 842 modifies the inspection frequency for licensed public food service establishments. Current law requires the Division of Hotels and Restaurants (division) of the Department of Business and Professional Regulation (department) to inspect all licensed public lodging establishments and public food service establishments at least biannually (two times per year), except for certain apartments that may be inspected only once per year. The bill requires the division to adopt a risk-based inspection frequency by rule for each licensed public food service establishment to require at least one, but not more than four, routine inspections during a year.

In addition, the bill specifies that the department's rule may include guidelines that consider a food service establishment's inspection and compliance history, the type of food and food preparation methods, and the type of service being provided. The bill requires that the division annually reassess the inspection frequency of all food service establishments.

According to the department, the changes in inspection frequency specified in the bill can be absorbed within existing resources; therefore, the bill will not have a fiscal impact.

The bill provides a July 1, 2014 effective date.

This bill amends section 509.032, Florida Statutes.

II. Present Situation:

Section 509.032(2), F.S., requires the division to inspect all licensed public lodging establishments and all licensed public food service establishments at least biannually (twice per year), except for certain apartments that may be inspected only once per year. The division must also inspect any licensed establishment as the division determines is necessary to protect the health, safety, and welfare of the public, and establish a system to determine inspection frequency.[1]

A public food service establishment is defined as any building, vehicle, place, or structure, or any room or division in a building, vehicle, place, or structure where food is prepared, served, or sold for immediate consumption on or in the vicinity of the premises; called for or taken out by customers; or prepared prior to being delivered to another location for consumption. [2]According to the department, there are more than 37,000 public lodging establishments and more than 47,000 public food service establishments in the state.[3] The division conducted 108,731 public food service inspections in FY 2011-2012.[4]

According to the department, 98 percent of food service establishments received the minimum required two routine inspections during fiscal year 2011-2012, while 27 percent (nearly 13,000) received more than two inspections related to investigations of complaints or callback inspections to confirm correction of violations.[5] All of the division's inspectors are cross-trained to perform inspections for public lodging establishments and food service establishments.[6]

Effective, January 1, 2013, the division adopted provision of the 2009 Food and Drug Administration (FDA) Food Code, which establishes provisions for reducing risk factors known to cause or contribute to food-borne illness. The new risk designations for Food Code provisions establish a three-tiered system which replaces the designations of "critical" or "non-critical" violations. The new designations include "High Priority," "Intermediate," and "Basic."

III. Effect of Proposed Changes:

The bill creates a distinction between inspections of licensed public lodging establishments and licensed public food service establishments. The bill maintains the current requirement that the division inspect each public lodging establishment at least biannually (twice per year), except for certain apartments that may be inspected only once per year. The bill changes the inspection frequency by rule for food service establishments, by requiring the division adopt a risk-based inspection frequency for each licensed public food service establishment (food service

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[1]Section 509.032(2), F.S.
[2]Section 509.013(5)(a), F.S.
[3]*See 2013 Legislative Analysis for SB 842*, Office of Legislative Affairs, Florida Department of Business and Professional Regulation, February 20, 2013.
[4] Division of Hotels and Restaurants, Annual Report: FY 2011-2012, pg. 11.
[5]*Supra* at n.3, at p. 2.
[6]*Id.*

establishment) to require at least one, but not more than four, routine inspections during a year for each food service establishment.

The bill states guidelines may be established that consider a food service establishment's inspection and compliance history, the type of food and food preparation methods, and the type of service being provided. The bill requires the division annually reassess the inspection frequency of all food service establishments. Such establishment-specific frequency categories and annual reassessment is designed to support the development of data to classify establishments with the correct frequency category each year based upon public health risk.[7]

The division continues to be authorized to perform inspections at such other times as the division determines is necessary to ensure the public's health, safety, and welfare,[8] as well as, to investigate complaints.

The bill provides a July 1, 2014 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:

The bill may increase the inspection burden on a food service establishment operating with a high risk to the public's health, safety, and welfare, based on its inspection and compliance history, the type of food and food preparation methods, and the type of service being provided. Conversely, the bill may reduce the inspection frequency for a food service establishment with a lower risk to the public's health, safety, and welfare, based on those same factors.

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[7] *See 2013 Legislative Analysis for SB 842*, Office of Legislative Affairs, Florida Department of Business and Professional Regulation, February 20, 2013.
[8] Section 509.032(2), F.S.

C. Government Sector Impact:

The division's current resources for conducting inspections are sufficient to accomplish the revision in the inspection frequency specified in the bill for public food service establishments. The division will be able to realign its workload to better use its resources.[9] Accordingly, the bill will not have any fiscal impact on the department.

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 Regulated Industries on March 14, 2013:
The committee substitute amends the title of the bill to conform the bill to its House companion (CS/HB 795).

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

[9] *Supra* at n. 3, at p. 3.

290262

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
	.	
	.	
	.	

Appropriations Subcommittee on General Government (Stargel) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3 Between lines 1371 and 1372
4 insert:
5 Section 32. Present subsections (3) and (4) of section
6 525.16, Florida Statutes, are renumbered as subsections (4) and
7 (5), respectively, and a new subsection (3) is added to that
8 section, to read:
9 525.16 Administrative fine; penalties; prosecution of cases
10 by state attorney.—
11 (3) Entities that sell, offer for sale, distribute, or
12 offer for distribution petroleum or alternative fuels shall

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13 ensure that their activities result in petroleum fuels that meet
14 all requirements and standards adopted under s 525.14. A
15 terminal supplier, wholesaler, or blender licensed under chapter
16 206 is not liable for injuries or damages resulting from the
17 subsequent blending of petroleum or alternative fuels occurring
18 after the transfer of ownership of such fuels from the terminal
19 supplier, wholesaler, or blender if the petroleum or alternative
20 fuels used to make the petroleum fuel at issue met the standards
21 and requirements adopted by rule of the department under s.
22 525.14 while under ownership of the terminal supplier,
23 wholesaler, or blender.
24 Section 33. Present subsection (7) of section 526.141,
25 Florida Statutes, is renumbered as subsection (8), and a new
26 subsection (7) is added to that section, to read:
27 526.141 Self-service gasoline stations; attendants;
28 regulations.—
29 (7) A refiner, terminal supplier, wholesaler, or retailer
30 is not liable for damages caused by the use of incompatible
31 motor fuel dispensed at a retail site if:
32 (a) The incompatible fuel meets the standards adopted under
33 s. 525.14;
34 (b) The incompatible fuel is selected by the purchaser; and
35 (c) The retail dispenser from which the incompatible fuel
36 is dispensed was properly labeled with regard to the
37 incompatible fuel pursuant to labeling requirements adopted
38 under s. 525.14.
39
40 ========== T I T L E A M E N D M E N T ==========
41 And the title is amended as follows:

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42 Delete line 109
43 and insert:
44 conforming provisions; amending s. 525.16, F.S.;
45 requiring entities that sell or distribute certain
46 fuels to meet fuel standards adopted by the
47 department; providing a release of liability for
48 certain entities who supply and blend fuels that meet
49 department standards; amending s. 526.141, F.S.;
50 providing that certain entities are not liable for
51 damages resulting from the incompatible use of motor
52 fuels under certain circumstances; amending s. 527.01,
53 F.S.;

By the Committee on Commerce and Tourism; and Senator Stargel

577-02208-13 20131040c1

A bill to be entitled

An act relating to the Department of Agriculture and Consumer Services; transferring, redesignating, and amending s. 525.09(1), F.S.; transferring the collection of the motor fuel inspection fee from the Department of Agriculture and Consumer Services to the Department of Revenue; amending s. 206.45, F.S.; providing for the collection and distribution of the inspection fee on motor fuel; amending s. 493.6101, F.S.; revising the definition of the term "repossession"; amending s. 493.6113, F.S.; requiring licensees to submit proof of recertification training to the Department of Agriculture and Consumer Services; providing that failure to submit proof of firearm recertification training will result in license suspension and nonrenewal; amending s. 493.6116, F.S.; removing a provision that prohibits firearm licensees from sponsoring certain interns; requiring interns to conduct regulated duties within the state; amending s. 493.6118, F.S.; providing additional grounds for disciplinary action against firearm licensees; providing criminal penalties for providing fraudulent training certifications; conforming a cross-reference; amending s. 493.6120, F.S.; providing an exception to a penalty provision; amending s. 493.6121, F.S.; conforming a cross-reference; amending s. 496.405, F.S.; revising procedures and requirements with respect to the submission and processing of registration statements

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

577-02208-13 20131040c1

and renewal statements by charitable organizations and sponsors; amending s. 496.406, F.S.; providing exemption from registration requirements for certain charitable organizations and sponsors; requiring exempt charitable organizations and sponsors that solicit donations to provide information to the department; providing that the burden of proving an exemption is on the entity claiming the exemption; limiting applicability of the registration exemption; amending s. 496.407, F.S.; providing that a charitable organization or sponsor may submit certain IRS forms and schedules in lieu of a financial report; amending s. 496.409, F.S.; revising procedures and requirements with respect to the submission and processing of registration statements and renewal statements by professional fundraising consultants; amending s. 496.410, F.S.; revising procedures and requirements with respect to the submission and processing of registration statements, renewal statements, and reports by professional solicitors; amending s. 496.411, F.S.; deleting provisions that require registered charitable entities, sponsors, or solicitors to display the percentage retained from contributions; amending s. 496.415, F.S.; providing that it is unlawful to knowingly provide a misleading or inaccurate document relating to a solicitation or charitable promotion; providing criminal penalties; amending s. 496.419, F.S.; providing that certain violations constitute an immediate public threat and

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59 are grounds for suspending solicitation activities;
60 requiring that the department report only
61 substantiated criminal violations to a prosecuting
62 authority; conforming cross-references; amending s.
63 501.016, F.S.; reducing the required security amount
64 for health studios; amending s. 501.059, F.S.;
65 prohibiting a person from making certain outbound
66 telephonic sales calls; amending s. 501.603, F.S.;
67 revising the definitions of the terms "commercial
68 telephone solicitation" and "commercial telephone
69 seller"; amending s. 501.604, F.S.; specifying that
70 exemptions apply to telecommunications businesses and
71 businesses that have operated lawfully; making
72 technical and conforming changes; amending s. 501.607,
73 F.S.; deleting the provision requiring commercial
74 telephone salespersons to provide employment history
75 to the department; amending s. 501.608, F.S.;
76 requiring that commercial telephone sellers provide
77 the department with certain documents to aid in
78 determining eligibility for exemptions; requiring each
79 commercial telephone seller operating under an
80 exemption to display or make certain documents
81 available for inspection; providing that failure to
82 obtain or display certain documents is grounds for
83 action against the commercial telephone seller;
84 amending s. 501.611, F.S.; requiring a commercial
85 telephone seller to maintain an active security bond
86 throughout the period of licensure; amending s.
87 501.615, F.S.; revising the criteria for certain

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88 exempt telephonic sales; requiring a commercial
89 telephone seller engaged in activities regulated by
90 ch. 721 to comply with certain disclosure obligations;
91 amending s. 501.617, F.S.; authorizing the department
92 to conduct regulatory inspections of commercial
93 telephone sellers; amending s. 507.03, F.S.; requiring
94 moving brokers to provide the department with contact
95 information for movers with whom they have contracted
96 for services or are affiliated; amending s. 507.04,
97 F.S.; eliminating the requirement that a moving broker
98 obtain a bond; amending s. 507.07, F.S.; prohibiting
99 movers and moving brokers from entering into certain
100 service contracts with certain unregistered persons;
101 amending s. 525.01, F.S.; revising the definition of
102 the term "alternative fuels" for purposes of
103 inspection requirements; repealing s. 525.09(2)-(4),
104 F.S., relating to the payment and applicability of an
105 inspection fee for testing and analyzing petroleum
106 fuels; amending s. 525.10, F.S.; eliminating the
107 requirement that collected fees be paid into the
108 treasury and distributed into a specified trust fund;
109 conforming provisions; amending s. 527.01, F.S.;
110 providing a definition for the term "license year" as
111 it relates to the sale of petroleum gas; amending s.
112 527.0201, F.S.; revising examination requirements for
113 applicants seeking certain licenses; revising
114 continuing education requirements for specified
115 qualifiers; amending s. 527.03, F.S.; revising the
116 renewal procedure for certain licenses; amending s.

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531.415, F.S.; conforming a cross-reference; amending s. 531.61, F.S.; exempting certain commercial weights and measures devices from permit requirements; conforming a cross-reference; amending chapter 2009-66, Laws of Florida; extending the expiration date of certain statutes related to commercial weights and measures; amending s. 539.001, F.S.; revising fingerprinting requirements for a pawnbroker license application; amending s. 559.802, F.S.; requiring franchisors to provide notice of the franchise sale on a department promulgated form; amending s. 559.803, F.S.; deleting provisions allowing and requiring sellers of business opportunities to file federal disclosure statements with the department; repealing s. 559.805, F.S., relating to mandatory filings and disclosure of advertisement identification numbers by sellers of business opportunities; repealing s. 559.807(2), F.S., relating to bonds or securities for business opportunity sellers; amending s. 559.813, F.S.; deleting a provision authorizing the department to impose specified penalties for certain violations relating to selling business opportunities; abrogating the enforcement and rulemaking authority of the Department of Agriculture and Consumer Services; amending s. 559.815, F.S.; conforming a cross-reference; amending s. 559.9221, F.S.; revising the membership of the Motor Vehicle Repair Advisory Council; amending s. 616.242, F.S.; revising amusement ride insurance coverage requirements; amending s.

721.20, F.S.; requiring specified persons who sell timeshare plans to be licensed as commercial telephone sellers or salespersons under ch. 501, F.S.; providing an effective date.

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

Section 1. Subsection (1) of section 525.09, Florida Statutes, is transferred, redesignated as paragraph (h) of subsection (1) of section 206.41, Florida Statutes, and amended, to read:

206.41 State taxes imposed on motor fuel.—

(1) The following taxes are imposed on motor fuel under the circumstances described in subsection (6):

(h) ~~(1)~~ An additional 0.125 cent per net gallon is levied on all motor fuel for sale or use in this state for the purpose of defraying the expenses incident to inspecting, testing, and analyzing motor fuel ~~petroleum fuels~~ in this state~~, there shall be paid to the department a charge of one eighth cent per gallon on all gasoline, kerosene (except when used as aviation turbine fuel), and #1 fuel oil for sale or use in this state. This inspection fee shall be imposed in the same manner as the motor fuel tax pursuant to s. 206.41. Payment shall be made on or before the 25th day of each month~~.

Section 2. Subsection (4) is added to section 206.45, Florida Statutes, to read:

206.45 Payment of tax into State Treasury.—

(4) The department shall pay all moneys collected pursuant to s. 206.41(1)(h) into the State Treasury for monthly

175 distribution into the General Inspection Trust Fund.
176 Section 3. Subsection (22) of section 493.6101, Florida
177 Statutes, is amended to read:
178 493.6101 Definitions.—
179 (22) "Repossession" means the recovery of a motor vehicle
180 as defined under s. 320.01(1), a mobile home as defined in s.
181 320.01(2), a motorboat as defined under s. 327.02, an aircraft
182 as defined in s. 330.27(1), a personal watercraft as defined in
183 s. 327.02, an all-terrain vehicle as defined in s. 316.2074,
184 farm equipment as defined under s. 686.402, or industrial
185 equipment, by an individual who is authorized by the legal
186 owner, lienholder, or lessor to recover, or to collect money
187 payment in lieu of recovery of, such property that was ~~which has~~
188 ~~been~~ sold or leased under a security agreement that contains a
189 repossession clause. As used in this subsection, the term
190 "industrial equipment" includes, but is not limited to,
191 tractors, road rollers, cranes, forklifts, backhoes, and
192 bulldozers. The term "industrial equipment" also includes other
193 vehicles that are propelled by power other than muscular power
194 and that are used in the manufacture of goods or used in the
195 provision of services. A repossession is complete when a
196 licensed recovery agent is in control, custody, and possession
197 of such repossessed property. Property that is being repossessed
198 is considered to be in the control, custody, and possession of a
199 licensed recovery agent if the vehicle or other equipment being
200 repossessed has been secured in preparation for transport from
201 the site of the recovery by means of having been attached to, or
202 placed on, the towing or other transport vehicle, or if the
203 vehicle or equipment being repossessed is being operated or

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204 about to be operated by a licensed recovery agent.
205 Section 4. Paragraph (b) of subsection (3) of section
206 493.6113, Florida Statutes, is amended to read:
207 493.6113 Renewal application for licensure.—
208 (3) Each licensee is responsible for renewing his or her
209 license on or before its expiration by filing with the
210 department an application for renewal accompanied by payment of
211 the prescribed license fee.
212 (b) Each Class "G" licensee shall additionally submit proof
213 that he or she has received during each year of the license
214 period a minimum of 4 hours of firearms recertification training
215 taught by a Class "K" licensee and has complied with such other
216 health and training requirements which the department may adopt
217 by rule. Proof of completion of recertification training must be
218 submitted to the department upon completion of that training. If
219 the documentation of completion of recertification training is
220 not submitted by the end of the first year of the license
221 period, the individual's license shall be automatically
222 suspended until proof of such training is submitted to the
223 department. If the documentation of completion of
224 recertification training is not submitted by the end of the
225 second year of the license period, the license may not be
226 renewed unless ~~If proof of a minimum of 4 hours of annual~~
227 ~~firearms recertification training cannot be provided,~~ the
228 renewal applicant completes ~~shall complete~~ the minimum number of
229 hours of range and classroom training required at the time of
230 initial licensure. The department may waive the foregoing
231 firearms training requirement if:
232 1. The applicant provides proof that he or she is currently

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233 certified as a law enforcement officer or correctional officer
234 under the Criminal Justice Standards and Training Commission and
235 has completed law enforcement firearms requalification training
236 annually during the previous 2 years of the licensure period.
237 2. The applicant provides proof that he or she is currently
238 certified as a federal law enforcement officer and has received
239 law enforcement firearms training administered by a federal law
240 enforcement agency annually during the previous 2 years of the
241 licensure period.
242 3. The applicant submits a valid firearm certificate among
243 those specified in s. 493.6105(6)(a) and provides proof of
244 having completed requalification training during the previous 2
245 years of the licensure period.
246 Section 5. Subsections (2) through (4) of section 493.6116,
247 Florida Statutes, are amended to read:
248 493.6116 Sponsorship of interns.—
249 (2) An internship may not commence until a licensee submits
250 ~~the sponsor has submitted~~ to the department a ~~the~~ notice of
251 intent to sponsor. Such notice shall be on a form provided by
252 the department.
253 (3) An internship is intended to serve as a period of
254 learning ~~process~~. Licensees who sponsor interns ~~Sponsors~~ shall
255 provide ~~assume a training status by providing~~ direction to and
256 maintain control of interns as part of this learning process.
257 Sponsors may ~~shall only sponsor interns whose place of business~~
258 ~~is within a 50 mile distance of the sponsor's place of business~~
259 ~~and shall~~ not allow interns to operate independently of ~~such~~
260 direction and control, or require interns to perform activities
261 that ~~which~~ do not enhance the intern's qualification for

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262 licensure. Interns shall perform regulated duties within the
263 geographic boundaries of this state during the period of
264 internship.
265 (4) A licensee ~~No sponsor~~ may not sponsor more than six
266 interns at the same time.
267 Section 6. Present subsections (1) and (4) of section
268 493.6118, Florida Statutes, are amended, present subsections (2)
269 through (7) of that section are redesignated as subsections (3)
270 through (8), respectively, and a new subsection (2) is added to
271 that section, to read:
272 493.6118 Grounds for disciplinary action.—
273 (1) The following constitute grounds for which disciplinary
274 action specified in subsection (3) ~~(2)~~ may be taken by the
275 department against a ~~any~~ licensee, agency, or applicant
276 regulated by this chapter, or an ~~any~~ unlicensed person engaged
277 in activities regulated under this chapter.
278 (a) Fraud or willful misrepresentation in applying for or
279 obtaining a license.
280 (b) Use of a ~~any~~ fictitious or assumed name by an agency
281 unless the agency has department approval and qualifies under s.
282 865.09.
283 (c) Being found guilty of or entering a plea of guilty or
284 nolo contendere to, regardless of adjudication, or being
285 convicted of a crime that directly relates to the business for
286 which the license is held or sought. A plea of nolo contendere
287 creates ~~shall create~~ a rebuttable presumption of guilt to the
288 underlying criminal charges, and the department shall allow the
289 individual being disciplined or denied an application for a
290 license to present any mitigating circumstances surrounding his

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291 or her plea.
292 (d) A false statement by the licensee that an ~~any~~
293 individual is or has been in his or her employ.
294 (e) A finding that the licensee or an ~~any~~ employee of the
295 licensee is guilty of willful betrayal of a professional secret
296 or the ~~any~~ unauthorized release of information acquired as a
297 result of activities regulated under this chapter.
298 (f) Proof that the applicant or licensee is guilty of fraud
299 or deceit, or of negligence, incompetency, or misconduct, in the
300 practice of the activities regulated under this chapter.
301 (g) Conducting activities regulated under this chapter
302 without a license or with a revoked or suspended license.
303 (h) Failure of the licensee to maintain in full force and
304 effect the commercial general liability insurance coverage
305 required by s. 493.6110.
306 (i) Impersonating, or permitting or aiding and abetting an
307 employee to impersonate, a law enforcement officer or an
308 employee of the state, the United States, or a ~~any~~ political
309 subdivision thereof by identifying himself or herself as a
310 federal, state, county, or municipal law enforcement officer or
311 official representative, by wearing a uniform or presenting or
312 displaying a badge or credentials that would cause a reasonable
313 person to believe that he or she is a law enforcement officer or
314 that he or she has official authority, by displaying ~~any~~
315 flashing or warning vehicular lights other than amber colored,
316 or by committing an ~~any~~ act that is intended to falsely convey
317 official status.
318 (j) Commission of an act of violence or the use of force on
319 a ~~any~~ person except in the lawful protection of one's self or

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320 another from physical harm.
321 (k) Knowingly violating, advising, encouraging, or
322 assisting the violation of a ~~any~~ statute, court order, capias,
323 warrant, injunction, or cease and desist order, in the course of
324 business regulated under this chapter.
325 (l) Soliciting business for an attorney in return for
326 compensation.
327 (m) Transferring or attempting to transfer a license issued
328 pursuant to this chapter.
329 (n) Employing or contracting with an ~~any~~ unlicensed or
330 improperly licensed person or agency to conduct activities
331 regulated under this chapter, or performing an ~~any~~ act that
332 assists, aids, or abets a person or business entity in engaging
333 in unlicensed activity, when the licensure status was known or
334 could have been ascertained by reasonable inquiry.
335 (o) Failure or refusal to cooperate with or refusal of
336 access to an authorized representative of the department engaged
337 in an official investigation pursuant to this chapter.
338 (p) Failure of a ~~any~~ partner, principal corporate officer,
339 or licensee to have his or her identification card in his or her
340 possession while on duty.
341 (q) Failure of a ~~any~~ licensee to have his or her license in
342 his or her possession while on duty, as specified in s.
343 493.6111(1).
344 (r) Failure or refusal by a sponsor to certify a biannual
345 written report on an intern or to certify completion or
346 termination of an internship to the department within 15 working
347 days.
348 (s) Failure to report to the department a ~~any~~ person whom

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349 the licensee knows to be in violation of this chapter or the
350 rules of the department.
351 (t) Violating any provision of this chapter.
352 (u) For a Class "G" licensee, failing to complete
353 recertification training required to carry a firearm while
354 performing regulated duties.
355 (v) For a Class "K" licensee, failing to maintain active
356 certification as a professional firearms trainer.
357 (w) ~~(u)~~ For a Class "G" or a Class "K" applicant or
358 licensee, being prohibited from purchasing or possessing a
359 firearm by state or federal law.
360 (x) ~~(v)~~ In addition to the grounds for disciplinary action
361 prescribed in paragraphs (a)-(t), Class "R" recovery agencies,
362 Class "E" recovery agents, and Class "EE" recovery agent interns
363 are prohibited from committing the following acts:
364 1. Recovering a motor vehicle, mobile home, motorboat,
365 aircraft, personal watercraft, all-terrain vehicle, farm
366 equipment, or industrial equipment that has been sold under a
367 conditional sales agreement or under the terms of a chattel
368 mortgage before authorization has been received from the legal
369 owner or mortgagee.
370 2. Charging for expenses not actually incurred in
371 connection with the recovery, transportation, storage, or
372 disposal of repossessed property or personal property obtained
373 in a repossession.
374 3. Using ~~any~~ repossessed property or personal property
375 obtained in a repossession for the personal benefit of a
376 licensee or an officer, director, partner, manager, or employee
377 of a licensee.

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378 4. Selling property recovered under the provisions of this
379 chapter, except with written authorization from the legal owner
380 or the mortgagee thereof.
381 5. Failing to notify the police or sheriff's department of
382 the jurisdiction in which the repossessed property is recovered
383 within 2 hours after recovery.
384 6. Failing to remit moneys collected in lieu of recovery of
385 a motor vehicle, mobile home, motorboat, aircraft, personal
386 watercraft, all-terrain vehicle, farm equipment, or industrial
387 equipment to the client within 10 working days.
388 7. Failing to deliver to the client a negotiable instrument
389 that is payable to the client, within 10 working days after
390 receipt of such instrument.
391 8. Falsifying, altering, or failing to maintain ~~any~~
392 required inventory or records regarding disposal of personal
393 property contained in or on repossessed property pursuant to s.
394 493.6404(1).
395 9. Carrying a ~~any~~ weapon or firearm when he or she is on
396 private property and performing duties under his or her license
397 whether or not he or she is licensed pursuant to s. 790.06.
398 10. Soliciting from the legal owner the recovery of
399 property subject to repossession after such property has been
400 seen or located on public or private property if the amount
401 charged or requested for such recovery is more than the amount
402 normally charged for such a recovery.
403 11. Wearing, presenting, or displaying a badge in the
404 course of performing a repossession regulated by this chapter.
405 (2) It is unlawful for a person to knowingly possess,
406 issue, cause to be issued, sell, submit, or offer a fraudulent

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407 training certificate, proficiency form, or other official
408 document that declares an applicant has successfully completed a
409 course of training required for licensure under chapter 493 if
410 that person knows or reasonably should know that the
411 certificate, form, or document is fraudulent. A violation of
412 this section is a felony of the third degree, punishable as
413 provided in s. 775.082, s. 775.083, or s. 775.084.
414 (5) ~~(4)~~ Notwithstanding the provisions of paragraph (1)(c)
415 and subsection (3) ~~(2)~~:
416 (a) If the applicant or licensee has been convicted of a
417 felony, the department shall deny the application or revoke the
418 license unless and until civil rights have been restored by the
419 State of Florida or by a state acceptable to Florida and a
420 period of 10 years has expired since final release from
421 supervision.
422 (b) A Class "G" applicant who has been convicted of a
423 felony must ~~shall~~ also have had the specific right to possess,
424 carry, or use a firearm restored by the State of Florida.
425 (c) If the applicant or licensee has been found guilty of,
426 entered a plea of guilty to, or entered a plea of nolo
427 contendere to a felony and adjudication of guilt is withheld,
428 the department shall deny the application or revoke the license
429 until a period of 3 years has expired since final release from
430 supervision.
431 (d) A plea of nolo contendere creates ~~shall create~~ a
432 rebuttable presumption of guilt to the underlying criminal
433 charges, and the department shall allow the person being
434 disciplined or denied an application for a license to present
435 any mitigating circumstances surrounding his or her plea.

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436 (e) The grounds for discipline or denial cited in this
437 subsection apply ~~shall be applied~~ to a ~~any~~ disqualifying
438 criminal history regardless of the date of commission of the
439 underlying criminal charge. Such provisions are ~~shall be~~ applied
440 retroactively and prospectively.
441 Section 7. Subsection (1) of section 493.6120, Florida
442 Statutes, is amended to read:
443 493.6120 Violations; penalty.—
444 (1) Any person who violates any provision of this chapter
445 except ss. 493.6118(2) and ~~s.~~ 493.6405 commits a misdemeanor of
446 the first degree, punishable as provided in s. 775.082 or s.
447 775.083.
448 Section 8. Subsection (3) of section 493.6121, Florida
449 Statutes, is amended to read:
450 493.6121 Enforcement; investigation.—
451 (3) The department has ~~shall have~~ the authority to
452 investigate a ~~any~~ licensed or unlicensed person, firm, company,
453 partnership, or corporation when such person, firm, company,
454 partnership, or corporation is advertising as providing or is
455 engaged in performing services that ~~which~~ require licensure
456 under this chapter or when a licensee is engaged in activities
457 that ~~which~~ do not comply with or are prohibited by this chapter;
458 and the department has ~~shall have~~ the authority to issue an
459 order to cease and desist the further conduct of such
460 activities, or seek an injunction, or take other appropriate
461 action pursuant to s. 493.6118(3)(a) ~~493.6118(2)(a)~~ or (c).
462 Section 9. Paragraph (b) of subsection (1) and subsections
463 (2) and (7) of section 496.405, Florida Statutes, are amended to
464 read:

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465 496.405 Registration statements by charitable organizations
466 and sponsors.—
467 (1)
468 (b) ~~Any~~ Changes in the information submitted on the initial
469 registration statement or the last renewal statement must be
470 updated annually on a renewal statement provided by the
471 department on or before the date that marks one year after the
472 date the department approved the initial registration statement
473 as provided in this section. The department shall annually
474 provide a renewal statement to each registrant by mail or by
475 electronic mail at least 30 ~~60~~ days before the renewal date.
476 (2) The initial registration statement must be submitted on
477 a form prescribed by the department, signed ~~under oath~~ by an
478 authorized official ~~the treasurer or chief fiscal officer~~ of the
479 charitable organization or sponsor who shall certify that the
480 registration statement is true and correct, and include the
481 following information or material:
482 (a) A copy of the financial report or Internal Revenue
483 Service Form 990 and all attached schedules, ~~Schedule A~~ or
484 Internal Revenue Service Form 990-EZ and Schedule O, required
485 under s. 496.407 for the immediately preceding fiscal year. A
486 newly organized charitable organization or sponsor with no
487 financial history must file a budget for the current fiscal
488 year.
489 (b) The name of the charitable organization or sponsor, the
490 purpose for which it is organized, the name under which it
491 intends to solicit contributions, and the purpose or purposes
492 for which the contributions to be solicited will be used.
493 (c) The name of the individuals or officers who are in

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494 charge of ~~any~~ solicitation activities.
495 (d) A statement of whether:
496 1. The charitable organization or sponsor is authorized by
497 another ~~any other~~ state to solicit contributions;
498 2. The charitable organization or sponsor or any of its
499 officers, directors, trustees, or principal salaried executive
500 personnel have been enjoined in any jurisdiction from soliciting
501 contributions or have been found to have engaged in unlawful
502 practices in the solicitation of contributions or administration
503 of charitable assets;
504 3. The charitable organization or sponsor has had its
505 registration or authority denied, suspended, or revoked by a ~~any~~
506 governmental agency, together with the reasons for such denial,
507 suspension, or revocation; and
508 4. The charitable organization or sponsor has voluntarily
509 entered into an assurance of voluntary compliance in any
510 jurisdiction or agreement similar to that set forth in s.
511 496.420, together with a copy of the ~~that~~ agreement.
512 5. The charitable organization or sponsor or any of its
513 officers, directors, trustees, or employees, regardless of
514 adjudication, has been convicted of, or found guilty of, or pled
515 guilty or nolo contendere to, or has been incarcerated within
516 the last 10 years as a result of having previously been
517 convicted of, or found guilty of, or pled guilty or nolo
518 contendere to:~~,~~
519 a. A ~~Any~~ felony ~~or any crime involving fraud, theft,~~
520 ~~larceny, embezzlement, fraudulent conversion, misappropriation~~
521 ~~of property, or any crime arising from the conduct of a~~
522 ~~solicitation for a charitable organization or sponsor~~ within the

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523 last 10 years and, if so, the name of such person, the nature of
524 the offense, the date of the offense, the court having
525 jurisdiction in the case, the date of conviction or other
526 disposition, and the disposition of the offense.
527 b. A crime involving fraud, theft, larceny, embezzlement,
528 fraudulent conversion, misappropriation of property, or a crime
529 enumerated in this section or resulting from acts committed
530 while involved in the solicitation of contributions within the
531 last 10 years and, if so, the name of such person, the nature of
532 the offense, the date of the offense, the court having
533 jurisdiction in the case, the date of conviction or other
534 disposition, and the disposition of the offense.
535 6. The charitable organization or sponsor or any of its
536 officers, directors, trustees, or employees has been enjoined
537 from violating a ~~any~~ law relating to a charitable solicitation,
538 and, if so, the name of such person, the date of the injunction,
539 and the court issuing the injunction.
540 (e) The names, street addresses, and telephone numbers of a
541 ~~any~~ professional solicitor, professional fundraising consultant,
542 and commercial co-venturer who is acting or has agreed to act on
543 behalf of the charitable organization or sponsor, together with
544 a statement setting forth the specific terms of the arrangements
545 for salaries, bonuses, commissions, expenses, or other
546 remunerations to be paid the fundraising consultant and
547 professional solicitor.
548 (f) With initial registration only, a statement showing
549 when and where the organization was established and the tax-
550 exempt status of the organization together with a copy of the
551 ~~any~~ federal tax exemption determination letter. If the

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552 charitable organization or sponsor has not received a federal
553 tax exemption determination letter at the time of initial
554 registration, a copy of such determination must be filed with
555 the department within 30 days after receipt of the determination
556 by the charitable organization or sponsor. If the organization
557 is subsequently notified by the Internal Revenue Service of a
558 ~~any~~ challenge to its continued entitlement to federal tax
559 exemption, the charitable organization or sponsor shall notify
560 the department of this fact within 30 days after receipt.
561 (g) The following information must be filed with the
562 initial registration statement and must be updated when a ~~any~~
563 change occurs in the information that was previously filed with
564 the initial registration statement:
565 1. The principal street address and telephone number of the
566 organization and the street address and telephone numbers of ~~any~~
567 offices in this state or, if the charitable organization or
568 sponsor does not maintain an office in this state, the name,
569 street address, and telephone number of the person who ~~that~~ has
570 custody of its financial records. The parent organization that
571 files a consolidated registration statement on behalf of its
572 chapters, branches, or affiliates must additionally provide the
573 street addresses and telephone numbers of all such locations in
574 this state.
575 2. The names and street addresses of the officers,
576 directors, trustees, and the principal salaried executive
577 personnel.
578 3. The date when the charitable organization's or sponsor's
579 fiscal year ends.
580 4. A list or description of the major program activities.

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581 5. The names, street addresses, and telephone numbers of
582 the individuals or officers who have final responsibility for
583 the custody of the contributions and who will be responsible for
584 the final distribution of the contributions.
585 (7) The department must examine each initial registration
586 statement or annual renewal statement and the supporting
587 documents filed by a charitable organization or sponsor and
588 shall determine whether the registration requirements are
589 satisfied. Within 15 ~~10~~ working days after its receipt of a
590 statement, the department must examine the statement, notify the
591 applicant of ~~any~~ apparent errors or omissions, and request ~~any~~
592 additional information the department is allowed by law to
593 require. Failure to correct an error or omission or to supply
594 additional information is not grounds for denial of the initial
595 registration or annual renewal statement unless the department
596 has notified the applicant within the 15 ~~10~~-working-day period.
597 The department must approve or deny each statement, or must
598 notify the applicant that the activity for which she or he seeks
599 registration is exempt from the registration requirement, within
600 15 ~~10~~ working days after receipt of the initial registration or
601 annual renewal statement or the requested additional information
602 or correction of errors or omissions. A ~~Any~~ statement that is
603 not approved or denied within 15 ~~10~~ working days after receipt
604 of the requested additional information or correction of errors
605 or omissions is approved. Within 7 working days after receipt of
606 a notification that the registration requirements are not
607 satisfied, the charitable organization or sponsor may request a
608 hearing. The hearing must be held within 7 working days after
609 receipt of the request, and the ~~any~~ recommended order, if one is

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610 issued, must be rendered within 3 working days of the hearing.
611 The final order must then be issued within 2 working days after
612 the recommended order. If a recommended order is not issued, the
613 final order must be issued within 5 working days after the
614 hearing. The proceedings must be conducted in accordance with
615 chapter 120, except that the time limits and provisions set
616 forth in this subsection prevail to the extent of any conflict.
617 Section 10. Section 496.406, Florida Statutes, is amended
618 to read:
619 496.406 Exemption from registration. ~~The following~~
620 ~~charitable organizations and sponsors are exempt from the~~
621 ~~requirements of s. 496.405:~~
622 (1) The following charitable organizations and sponsors are
623 exempt from the requirements of s. 496.405:
624 (a) A person who is soliciting for a named individual,
625 provided that all the contributions collected without ~~any~~
626 deductions ~~whatsoever~~ are turned over to the beneficiary for her
627 or his use and provided that the person has complied with the
628 requirements of s. 496.413.
629 (b) ~~(2)~~ A charitable organization or sponsor that ~~which~~
630 limits solicitation of contributions to the membership of the
631 charitable organization or sponsor. For the purposes of this
632 paragraph, the term “membership” does not include those persons
633 who are granted a membership upon making a contribution as a
634 result of a solicitation.
635 (c) ~~(3)~~ A ~~Any~~ division, department, post, or chapter of a
636 veterans’ service organization granted a federal charter under
637 Title 36, United States Code.
638 (d) Charitable organizations or sponsors that have less

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639 than $25,000 in total revenue during a fiscal year, if the
640 fundraising activities of such organization or sponsor are
641 carried on by volunteers, members, or officers who are not
642 compensated and if no part of the assets or income of such
643 organization or sponsor inures to the benefit of or is paid to
644 an officer or member of such organization, sponsor, professional
645 fundraising consultant, professional solicitor, or commercial
646 co-venturer. If a charitable organization or sponsor that has
647 less than $25,000 in total revenue during a fiscal year acquires
648 total revenue in excess of that amount, the charitable
649 organization or sponsor must register with the department as
650 required by s. 496.405 within 30 days after the date the revenue
651 reaches $25,000.
652 (2) Before soliciting contributions, each charitable
653 organization or sponsor under paragraph (1)(d) claiming to be
654 exempt from the registration requirements specified in s.
655 496.405 shall submit annually to the department, on forms
656 prescribed by the department:
657 (a) The name, address, and phone number of the charitable
658 organization or sponsor, the name under which it intends to
659 solicit contributions, the purpose for which it is organized,
660 and the purpose or purposes for which the solicited
661 contributions will be used.
662 (b) The tax exempt status of the organization.
663 (c) The date the organization's fiscal year ends.
664 (d) The names, street addresses, and telephone numbers of
665 the individuals or officers who have final responsibility for
666 the custody of the contributions and who will be responsible for
667 the final distribution of the contributions.

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668 (e) A financial statement of support, revenue, and expenses
669 and a statement of functional expenses which must include, but
670 need not be limited to, expenses in the following categories:
671 program, management and general, and fundraising. In lieu of the
672 financial statement, a charitable organization or sponsor may
673 submit a copy of its Internal Revenue Service Form 990 with
674 attached schedules or 990-EZ with Schedule O.
675 (3) A charitable organization or sponsor claiming to be
676 exempt from the registration requirements of this chapter shall
677 submit such information that the department may request to
678 substantiate an exemption under this section. A charitable
679 organization or sponsor that fails to submit evidence
680 satisfactory to the department is not exempt from the
681 requirements of this chapter. In any proceeding, the burden of
682 proving an exemption is upon the organization or sponsor
683 claiming the exemption.
684 (4) Exemption from the registration requirements of s.
685 496.405 does not limit the applicability of other provisions of
686 this section to a charitable organization or sponsor.
687 Section 11. Subsection (2) of section 496.407, Florida
688 Statutes, is amended to read:
689 496.407 Financial report.—
690 (2) In lieu of the financial report described in subsection
691 (1), a charitable organization or sponsor may submit a copy of
692 its Internal Revenue Service Form 990 and all attached schedules
693 ~~Schedule A~~ filed for the preceding fiscal year, or a copy of its
694 Form 990-EZ and Schedule O filed for the preceding fiscal year.
695 Section 12. Subsections (2), (3), and (6) of section
696 496.409, Florida Statutes, are amended to read:

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697 496.409 Registration and duties of professional fundraising
698 consultant.—
699 (2) Applications for registration or renewal of
700 registration must be submitted on a form prescribed by the
701 department, signed by an authorized official of the professional
702 fundraising consultant who shall certify that the report is true
703 and correct ~~under oath~~, and must include the following
704 information:
705 (a) The street address and telephone number of the
706 principal place of business of the applicant and a ~~any~~ Florida
707 street addresses if the principal place of business is located
708 outside this state.
709 (b) The form of the applicant's business.
710 (c) The names and residence addresses of all principals of
711 the applicant, including all officers, directors, and owners.
712 (d) Whether any of the owners, directors, officers, or
713 employees of the applicant are related as parent, child, spouse,
714 or sibling to ~~any~~ other directors, officers, owners, or
715 employees of the applicant; to an ~~any~~ officer, director,
716 trustee, or employee of a ~~any~~ charitable organization or sponsor
717 under contract to the applicant; or to a ~~any~~ supplier or vendor
718 providing goods or services to a ~~any~~ charitable organization or
719 sponsor under contract to the applicant.
720 (e) Whether the applicant or any of its officers,
721 directors, trustees, or employees have, within the last 10
722 years, regardless of adjudication, been convicted, or found
723 guilty of, or pled guilty or nolo contendere to, or have been
724 incarcerated within the last 10 years as a result of having
725 previously been convicted of, or found guilty of, or pled guilty

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726 or nolo contendere to, a ~~any~~ felony and, if so, the name of such
727 person, the nature of the offense, the date of the offense, the
728 court having jurisdiction in the case, the date of conviction or
729 other disposition, and the disposition of the offense.
730 (f) Whether the applicant or any of its officers,
731 directors, trustees, or employees have, regardless of
732 adjudication, been convicted of, or found guilty of, or pled
733 guilty or nolo contendere to, or have been incarcerated within
734 the last 10 years as a result of having previously been
735 convicted of, or found guilty of, or pled guilty or nolo
736 contendere to, a crime within the last 10 years involving fraud,
737 theft, larceny, embezzlement, fraudulent conversion, or
738 misappropriation of property, or a ~~any~~ crime arising from the
739 conduct of a solicitation for a charitable organization or
740 sponsor and, if so, the name of such person, the nature of the
741 offense, the date of the offense, the court having jurisdiction
742 in the case, the date of conviction or other disposition, and
743 the disposition of the offense.
744 (g) Whether the applicant or any of its officers,
745 directors, trustees, or employees have been enjoined from
746 violating a ~~any~~ law relating to a charitable solicitation and,
747 if so, the name of such person, the date of the injunction, and
748 the court issuing the injunction.
749 (3) The application for registration must be accompanied by
750 a fee of $300. A professional fundraising consultant that ~~which~~
751 is a partnership or corporation may register for and pay a
752 single fee on behalf of all of its partners, members, officers,
753 directors, agents, and employees. In that case, the names and
754 street addresses of all the officers, employees, and agents of

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755 the fundraising consultant and all other persons with whom the
756 fundraising consultant has contracted to work under its
757 direction must be listed in the application. Each registration
758 is valid for 1 year ~~or a part of 1 year and expires on March 31~~
759 ~~of each year~~. The registration may be renewed ~~on or before March~~
760 ~~31 of each year~~ for additional 1-year periods upon application
761 to the department and payment of the registration fee.
762 (6) The department shall examine each registration
763 statement and supporting documents filed by a professional
764 fundraising consultant and determine whether the registration
765 requirements are satisfied. If the department determines that
766 the registration requirements are not satisfied, the department
767 must notify the professional fundraising consultant within 15 ~~10~~
768 working days after its receipt of the registration statement;
769 otherwise the registration statement is approved. Within 7
770 working days after receipt of a notification that the
771 registration requirements are not satisfied, the applicant may
772 request a hearing. The hearing must be held within 7 working
773 days after receipt of the request, and the ~~any~~ recommended
774 order, if one is issued, must be rendered within 3 working days
775 after the hearing. The final order must then be issued within 2
776 working days after the recommended order. If there is no
777 recommended order, the final order must be issued within 5
778 working days after the hearing. The proceedings must be
779 conducted in accordance with chapter 120, except that the time
780 limits and provisions set forth in this subsection prevail to
781 the extent of any conflict.
782 Section 13. Subsections (2), (3), (5), and (8) of section
783 496.410, Florida Statutes, are amended to read:

784 496.410 Registration and duties of professional
785 solicitors.—
786 (2) Applications for registration or renewal of
787 registration must be submitted on a form prescribed by rule of
788 the department, signed by an authorized official of the
789 professional solicitor who shall certify that the report is true
790 and correct ~~under oath~~, and must include the following
791 information:
792 (a) The street address and telephone number of the
793 principal place of business of the applicant and a ~~any~~ Florida
794 street addresses if the principal place of business is located
795 outside this state.
796 (b) The form of the applicant's business.
797 (c) The place and date when the applicant, if other than an
798 individual, was legally established.
799 (d) The names and residence addresses of all principals of
800 the applicant, including all officers, directors, and owners.
801 (e) A statement as to whether any of the owners, directors,
802 officers, or employees of the applicant are related as parent,
803 spouse, child, or sibling to ~~any~~ other directors, officers,
804 owners, or employees of the applicant; to an ~~any~~ officer,
805 director, trustee, or employee of a ~~any~~ charitable organization
806 or sponsor under contract to the applicant; or to a ~~any~~ supplier
807 or vendor providing goods or services to a ~~any~~ charitable
808 organization or sponsor under contract to the applicant.
809 (f) A statement as to whether the applicant or any of its
810 directors, officers, trustees, persons with a controlling
811 interest in the applicant, or employees or agents involved in
812 solicitation have, within the last 10 years, regardless of

813 adjudication, been convicted of, or found guilty of, or pled
814 guilty or nolo contendere to, or have been incarcerated within
815 the last 10 years as a result of having previously been
816 convicted of, or found guilty of, or pled guilty or nolo
817 contendere to, a ~~any~~ felony and, if so, the name of such person,
818 the nature of the offense, the date of the offense, the court
819 having jurisdiction in the case, the date of conviction or other
820 disposition, and the disposition of the offense.
821 (g) A statement as to whether the applicant or any of its
822 directors, officers, trustees, persons with a controlling
823 interest in the applicant, or employees or agents involved in
824 solicitation have, regardless of adjudication, been convicted
825 of, or found guilty of, or pled guilty or nolo contendere to, or
826 have been incarcerated within the last 10 years as a result of
827 having previously been convicted of, or found guilty of, or pled
828 guilty or nolo contendere to, a crime within the last 10 years
829 involving fraud, theft, larceny, embezzlement, fraudulent
830 conversion, or misappropriation of property, or a ~~any~~ crime
831 arising from the conduct of a solicitation for a charitable
832 organization or sponsor and, if so, the name of such person, the
833 nature of the offense, the date of the offense, the court having
834 jurisdiction in the case, the date of conviction or other
835 disposition, and the disposition of the offense.
836 (h) A statement as to whether the applicant or any of its
837 directors, officers, trustees, persons with a controlling
838 interest in the applicant, or employees or agents involved in
839 solicitation have been enjoined from violating a ~~any~~ law
840 relating to a charitable solicitation and, if so, the name of
841 such person, the date of the injunction, and the court issuing

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842 the injunction.
843 (i) The names of all persons in charge of ~~any~~ solicitation
844 activity.
845 (3) The application for registration must be accompanied by
846 a fee of $300. A professional solicitor that is a partnership or
847 corporation may register for and pay a single fee on behalf of
848 all of its partners, members, officers, directors, agents, and
849 employees. In that case, the names and street addresses of all
850 the officers, employees, and agents of the professional
851 solicitor and all other persons with whom the professional
852 solicitor has contracted to work under its direction, including
853 solicitors, must be listed in the application or furnished to
854 the department within 5 days after the date of employment or
855 contractual arrangement. Each registration is valid for 1 year
856 ~~or a part of 1 year and expires on March 31 of each year~~. The
857 registration may be renewed ~~on or before March 31 of each year~~
858 for an additional 1-year period upon application to the
859 department and payment of the registration fee.
860 (5) The department must examine each registration statement
861 and supporting documents filed by a professional solicitor. If
862 the department determines that the registration requirements are
863 not satisfied, the department must notify the professional
864 solicitor within 15 ~~10~~ working days after its receipt of the
865 registration statement; otherwise the registration statement is
866 approved. Within 7 working days after receipt of a notification
867 that the registration requirements are not satisfied, the
868 applicant may request a hearing. The hearing must be held within
869 7 working days after receipt of the request, and the ~~any~~
870 recommended order, if one is issued, must be rendered within 3

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871 working days after the hearing. The final order must then be
872 issued within 2 working days after the recommended order. If
873 there is no recommended order, the final order must be issued
874 within 5 working days after the hearing. The proceedings must be
875 conducted in accordance with chapter 120, except that the time
876 limits and provisions set forth in this subsection prevail to
877 the extent of any conflict.
878 (8) Within 45 ~~90~~ days after a solicitation campaign has
879 been completed and within 45 days after ~~on~~ the anniversary of
880 the commencement of a solicitation campaign lasting more than 1
881 year, the professional solicitor must provide to the charitable
882 organization or sponsor and file with the department a financial
883 report of the campaign, including the gross revenue received and
884 an itemization of all expenses incurred. The report must be
885 completed on a form prescribed by the department and signed by
886 an authorized official of the professional solicitor who shall
887 certify ~~under oath~~ that the report is true and correct.
888 Section 14. Subsections (3) and (6) of section 496.411,
889 Florida Statutes, are amended to read:
890 496.411 Disclosure requirements and duties of charitable
891 organizations and sponsors.—
892 (3) Every charitable organization or sponsor that ~~which~~ is
893 required to register under s. 496.405 must conspicuously display
894 ~~in capital letters the following statement~~ on every printed
895 solicitation, written confirmation, receipt, or reminder of a
896 contribution:
897 (a) Its registration number; and
898 (b) The following statement written in capital letters
899 which must include a toll-free telephone number for the division

900 which can be used to obtain the registration information:
901
902 "A COPY OF THE OFFICIAL REGISTRATION AND FINANCIAL
903 INFORMATION MAY BE OBTAINED FROM THE DIVISION OF
904 CONSUMER SERVICES BY CALLING TOLL-FREE WITHIN THE
905 STATE. REGISTRATION DOES NOT IMPLY ENDORSEMENT,
906 APPROVAL, OR RECOMMENDATION BY THE STATE."
907
908 If ~~The statement must include a toll-free number for the~~
909 ~~division that can be used to obtain the registration~~
910 ~~information. When~~ the solicitation consists of more than a
911 single item ~~one piece~~, the registration number and statement
912 must be displayed prominently in the solicitation materials.
913 ~~(6) Each charitable organization or sponsor that is~~
914 ~~required to register under s. 496.405 shall conspicuously~~
915 ~~display the following information on every printed solicitation,~~
916 ~~written confirmation, receipt, or reminder of a contribution:~~
917 ~~(a) The organization's or sponsor's registration number~~
918 ~~issued by the department under this chapter.~~
919 ~~(b) The percentage, if any, of each contribution that is~~
920 ~~retained by any professional solicitor that has contracted with~~
921 ~~the organization or sponsor.~~
922 ~~(c) The percentage of each contribution that is received by~~
923 ~~the organization or sponsor.~~
924
925 ~~If the solicitation consists of more than a single item, the~~
926 ~~statement shall be displayed prominently in the solicitation~~
927 ~~materials.~~
928 Section 15. Subsection (2) of section 496.415, Florida

929 Statutes, is amended to read:
930 496.415 Prohibited acts.—It is unlawful for any person in
931 connection with the planning, conduct, or execution of any
932 solicitation or charitable or sponsor sales promotion to:
933 (2) Knowingly file false, ~~or~~ misleading, or inaccurate
934 information in a ~~any~~ document ~~required to be~~ filed with the
935 department, provided to the public, or in response to a ~~any~~
936 request or investigation by the department, the Department of
937 Legal Affairs, or the State Attorney.
938 Section 16. Present subsections (4) through (9) of section
939 496.419, Florida Statutes, are redesignated as subsections (5)
940 through (10), respectively, a new subsection (4) is added to
941 that section, and present subsections (4) through (9) are
942 amended, to read:
943 496.419 Powers of the department.—
944 (4) A violation of s. 496.415(3), (5), (6), (10), (12),
945 (13), or (14) constitutes an immediate threat to the public
946 health, safety, and welfare and is sufficient grounds for the
947 department to issue an immediate order to cease and desist all
948 solicitation activities. The order acts as an immediate final
949 order under s. 120.569(2)(n) and shall remain in effect until
950 the violation has been remedied pursuant to this part.
951 (5)~~(4)~~ The department may enter an order imposing one or
952 more of the penalties set forth in subsection (6) ~~(5)~~ if the
953 department finds that a charitable organization, sponsor,
954 professional fundraising consultant, or professional solicitor,
955 or an agent, servant, or employee thereof has:
956 (a) Violated or is operating in violation of ~~any of the~~
957 ~~provisions of~~ ss. 496.401-496.424 or s. 496.426 or of the rules

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958 adopted or orders issued thereunder;
959 (b) Made a material false statement in an application,
960 statement, or report required to be filed under ss. 496.401-
961 496.424 or s. 496.426;
962 (c) Refused or failed, or any of its principal officers has
963 refused or failed, after notice, to produce the ~~any~~ records of
964 such organization or to disclose ~~any~~ information required to be
965 disclosed under ss. 496.401-496.424 or s. 496.426 or the rules
966 of the department; or
967 (d) Made a material false statement in response to a ~~any~~
968 request or investigation by the department, the Department of
969 Legal Affairs, or the State Attorney.
970 (6)~~(5)~~ Upon a finding as set forth in subsection (5) ~~(4)~~,
971 the department may enter an order doing one or more of the
972 following:
973 (a) Issuing a notice of noncompliance pursuant to s.
974 120.695;
975 (b) Issuing a cease and desist order that directs that the
976 person cease and desist specified fundraising activities;
977 (c) Refusing to register or canceling or suspending a
978 registration;
979 (d) Placing the registrant on probation for a period of
980 time, subject to such conditions as the department may specify;
981 (e) Canceling an exemption granted under s. 496.406; and
982 (f) Imposing an administrative fine not to exceed $1,000
983 for each act or omission that ~~which~~ constitutes a violation of
984 ss. 496.401-496.424 or s. 496.426 or a rule or order.
985
986 With respect to a s. 501(c)(3) organization, the penalty imposed

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987 pursuant to this subsection may ~~shall~~ not exceed $500 per
988 violation. The penalty is ~~shall be~~ the entire amount per
989 violation and may ~~is~~ not ~~to~~ be interpreted as a daily penalty.
990 (7)~~(6)~~ Except as otherwise provided in this section, the
991 administrative proceedings that could result in the entry of an
992 order imposing ~~any of~~ the penalties specified in subsection (6)
993 ~~(5)~~ are governed by chapter 120, except that the applicable
994 provisions and time limits specified in s. 496.405(7), s.
995 496.409(6), or s. 496.410(5) apply if the department determines
996 that a registration should be refused.
997 (8)~~(7)~~ The department may forward an investigative report
998 and supporting documentation of an ~~any~~ investigation conducted
999 pursuant to this section to the Department of Legal Affairs. The
1000 report must identify proposed ~~any~~ administrative actions or
1001 actions that ~~are proposed or~~ have been commenced by the
1002 department in accordance with subsection (5) ~~(4)~~.
1003 (9)~~(8)~~ The department shall report a ~~any~~ substantiated
1004 criminal violation of ss. 496.401-496.424 or s. 496.426 to the
1005 proper prosecuting authority for prompt prosecution.
1006 (10)~~(9)~~ All fines collected by the department under
1007 subsection (6) ~~(5)~~ must be paid into the General Inspection
1008 Trust Fund.
1009 Section 17. Subsections (1), (2), and (4) of section
1010 501.016, Florida Statutes, are amended to read:
1011 501.016 Health studios; security requirements.—Each health
1012 studio that sells contracts for health studio services shall
1013 meet the following requirements:
1014 (1) Each health studio shall maintain for each separate
1015 business location a bond issued by a surety company admitted to

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1016 do business in this state. The principal sum of the bond must be
1017 $25,000 ~~shall be $50,000~~, and the bond, when required, shall be
1018 obtained before a business tax receipt may be issued under
1019 chapter 205. Upon issuance of a business tax receipt, the
1020 licensing authority shall immediately notify the department of
1021 such issuance in a manner established by the department by rule.
1022 The bond shall be in favor of the state for the benefit of any
1023 person injured as a result of a violation of ss. 501.012-
1024 501.019. The aggregate liability of the surety to all persons
1025 for all breaches of the conditions of such ~~the~~ bonds may not
1026 ~~provided herein shall in no event~~ exceed the amount of the bond.
1027 The original surety bond required by this section shall be filed
1028 with the department.
1029 (2) In lieu of maintaining the bond required in subsection
1030 (1), the health studio may furnish to the department:
1031 (a) An irrevocable letter of credit from a ~~any~~ foreign or
1032 domestic bank in the amount of $25,000 ~~$50,000~~; or
1033 (b) A guaranty agreement that ~~which~~ is secured by a
1034 certificate of deposit in the amount of $25,000 ~~$50,000~~.
1035
1036 The original letter of credit or certificate of deposit
1037 submitted in lieu of the bond shall be filed with the
1038 department. The department shall determine ~~decide~~ whether the
1039 security furnished in lieu of bond by the health studio is in
1040 compliance with the requirements of this section.
1041 (4) If the health studio furnishes the department with
1042 evidence satisfactory to the department that the aggregate
1043 dollar amount of all current outstanding contracts of the health
1044 studio is less than $5,000, the department may, at its

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1045 discretion, reduce the principal amount of the surety bond or
1046 other sufficient financial responsibility required in
1047 subsections (1) and (2) to a sum of not less than $10,000.
1048 However, the health studio shall notify the department ~~at~~ any
1049 time the aggregate dollar amount of such contracts exceeds
1050 $5,000~~, the health studio shall so notify the department~~ and
1051 shall thereupon provide the bond or other documentation as
1052 required in subsections (1) and (2). Health studios whose bonds
1053 have been reduced must provide the department with an annually
1054 updated list of members. The department shall raise the security
1055 requirement to $25,000 for a health studio that fails ~~Failure~~ to
1056 file an annual report ~~will result in the department raising the~~
1057 ~~security requirement to $50,000~~.
1058 Section 18. Subsection (4) of section 501.059, Florida
1059 Statutes, is amended to read:
1060 501.059 Telephone solicitation.—
1061 (4)(a) A ~~No~~ telephone solicitor may not ~~shall~~ make or cause
1062 to be made any unsolicited telephonic sales call to a ~~any~~
1063 residential, mobile, or telephonic paging device telephone
1064 number if the number for that telephone appears in the then-
1065 current quarterly listing published by the department. A ~~Any~~
1066 telephone solicitor or person who offers for sale ~~any~~ consumer
1067 information that ~~which~~ includes residential, mobile, or
1068 telephonic paging device telephone numbers, except directory
1069 assistance and telephone directories sold by telephone companies
1070 and organizations exempt under s. 501(c)(3) or (6) of the
1071 Internal Revenue Code, shall screen and exclude those numbers
1072 that ~~which~~ appear on the division's then-current "no sales
1073 solicitation calls" list. This subsection does not apply to a

1074 ~~any~~ person licensed pursuant to chapter 475 who calls an actual
1075 or prospective seller or lessor of real property when such call
1076 is made in response to a yard sign or other form of
1077 advertisement placed by the seller or lessor.
1078 (b) A person is in violation of this subsection if the
1079 person initiates an outbound telephonic sales call to a consumer
1080 who has previously communicated to the telephone solicitor that
1081 he or she does not wish to receive an outbound telephone call:
1082 1. Made by or on behalf of the seller whose goods or
1083 services are being offered; or
1084 2. Made by or on behalf of a charitable organization for
1085 which a charitable contribution is being solicited.
1086 Section 19. Subsections (1) and (2) of section 501.603,
1087 Florida Statutes, are amended to read:
1088 501.603 Definitions.—As used in this part, unless the
1089 context otherwise requires, the term:
1090 (1) "Commercial telephone solicitation" means:
1091 (a) An unsolicited telephone call to a person initiated by
1092 a commercial telephone seller or salesperson, or an automated
1093 dialing machine used in accordance with the provisions of s.
1094 501.059(7) for the purpose of inducing the person to purchase or
1095 invest in consumer goods or services;
1096 (b) Other communication with a person where:
1097 1. A gift, award, or prize is offered; or
1098 2. A telephone call response is invited; and
1099 3. The salesperson intends to complete a sale or enter into
1100 an agreement to purchase or invest in consumer goods or services
1101 during the course of the telephone call; or
1102 (c) Other communication with a person which represents a

1103 price, quality, or availability of consumer goods or services
1104 and which invites a response by telephone or which is followed
1105 by a call to the person by a salesperson.
1106
1107 For purposes of this section, "other communication" means a
1108 written or oral notification or advertisement transmitted
1109 through any means. Also, for purposes of this section, "invites
1110 a response by telephone" does not mean the mere listing or
1111 including of a telephone number in a notification or
1112 advertisement.
1113 (2) "Commercial telephone seller" means a ~~any~~ person who
1114 engages in commercial telephone solicitation on his or her own
1115 behalf or through salespersons, except that a commercial
1116 telephone seller does not include ~~any of the~~ persons or entities
1117 operating under a properly filed and valid affidavit of
1118 exemption pursuant to ~~exempted from this part by~~ s. 501.604. A
1119 commercial telephone seller does not include a salesperson as
1120 defined in subsection (10). A commercial telephone seller
1121 includes, but is not limited to, owners, operators, officers,
1122 directors, partners, or other individuals engaged in the
1123 management activities of a business entity pursuant to this
1124 part.
1125 Section 20. Subsections (4), (7), (10), (14), and (24) of
1126 section 501.604, Florida Statutes, are amended to read:
1127 501.604 Exemptions.—The provisions of this part, except ss.
1128 501.608 and 501.616(6) and (7), do not apply to:
1129 (4) A ~~Any~~ licensed securities, commodities, or investment
1130 broker, dealer, or investment adviser, when soliciting within
1131 the scope of his or her license, or a ~~any~~ licensed associated

1132 person of a securities, commodities, or investment broker,
1133 dealer, or investment adviser, when soliciting within the scope
1134 of his or her license. As used in this section, "licensed
1135 securities, commodities, or investment broker, dealer, or
1136 investment adviser" means a person subject to license or
1137 registration as such by the Securities and Exchange Commission,
1138 by the Financial Industry Regulatory Authority ~~National~~
1139 ~~Association of Securities Dealers~~ or other self-regulatory
1140 organization as defined by the Securities Exchange Act of 1934,
1141 15 U.S.C. s. 78l, or by an official or agency of this or another
1142 state ~~or of any state~~ of the United States. As used in this
1143 section, "licensed associated person of a securities,
1144 commodities, or investment broker, dealer, or investment
1145 adviser" means an ~~any~~ associated person registered or licensed
1146 by the Financial Industry Regulatory Authority ~~National~~
1147 ~~Association of Securities Dealers~~ or other self-regulatory
1148 organization as defined by the Securities Exchange Act of 1934,
1149 15 U.S.C. s. 78l, or by an official or agency of this or another
1150 state ~~or of any state~~ of the United States.
1151 (7) A ~~Any~~ supervised financial institution or parent,
1152 subsidiary, or affiliate thereof operating within the scope of
1153 the supervised activity. As used in this section, "supervised
1154 financial institution" means a ~~any~~ commercial bank, trust
1155 company, savings and loan association, mutual savings bank,
1156 credit union, industrial loan company, consumer finance lender,
1157 commercial finance lender, or insurer, provided that the
1158 institution is subject to supervision by an official or agency
1159 of this state, of any state, or of the United States. For the
1160 purposes of this exemption, "affiliate" means a person who

1161 directly, or indirectly through one or more intermediaries,
1162 controls or is controlled by, or is under common control with, a
1163 supervised financial institution.
1164 (10) A business-to-business sale where:
1165 (a) The commercial telephone seller has been lawfully
1166 operating continuously for at least 3 years under the same
1167 business name and has at least 50 percent of its dollar volume
1168 consisting of repeat sales to existing businesses;
1169 (b) The purchaser business intends to resell or offer for
1170 purposes of advertisement or as a promotional item the property
1171 or goods purchased; or
1172 (c) The purchaser business intends to use the property or
1173 goods purchased in a recycling, reuse, remanufacturing, or
1174 manufacturing process.
1175 (14) A telephone company subject to the provisions of
1176 chapter 364, or affiliate thereof or its agents, or a
1177 telecommunications business that ~~which~~ is regulated by the
1178 Florida Public Service Commission, or a Federal Communications
1179 Commission licensed cellular telephone company or other bona
1180 fide radio telecommunication services provider. For the purposes
1181 of this exemption, "affiliate" means a person who directly, or
1182 indirectly through one or more intermediaries, controls or is
1183 controlled by, or is under common control with, a telephone
1184 company subject to the provisions of chapter 364.
1185 (24) An entity that ~~Any person which~~ has been lawfully
1186 providing telemarketing sales services continuously for at least
1187 5 years under the same ownership and control and that ~~which~~
1188 derives 75 percent of its gross telemarketing sales revenues
1189 from contracts with persons exempted in this section.

1190 Section 21. Present paragraphs (c) through (h) of
1191 subsection (1) of section 501.607, Florida Statutes, are
1192 redesignated as paragraphs (b) through (g), respectively, and
1193 present paragraph (b) of subsection (1) of that section is
1194 amended, to read:
1195 501.607 Licensure of salespersons.—
1196 (1) An applicant for a license as a salesperson must submit
1197 to the department, in such form as it prescribes, a written
1198 application for a license. The application must set forth the
1199 following information:
1200 ~~(b) Each business or occupation engaged in by the applicant~~
1201 ~~during the 3 years immediately preceding the date of the~~
1202 ~~application, and the location thereof.~~
1203 Section 22. Paragraph (b) of subsection (1) and subsections
1204 (2) and (3) of section 501.608, Florida Statutes, are amended to
1205 read:
1206 501.608 License or affidavit of exemption; occupational
1207 license.—
1208 (1)
1209 (b) A ~~Any~~ commercial telephone seller that claims ~~claiming~~
1210 to be exempt from the act under s. 501.604(2), (3), (5), (6),
1211 (9), (10), (11), (12), (17), (21), (22), (24), or (26) must file
1212 with the department a notarized affidavit of exemption. The
1213 affidavit of exemption must be on forms prescribed by the
1214 department and must require the name of the commercial telephone
1215 seller, the name of the business, and the business address. A
1216 ~~Any~~ commercial telephone seller that maintains ~~maintaining~~ more
1217 than one business may file a single notarized affidavit of
1218 exemption that clearly indicates the location of each place of

1219 business. If a change of ownership occurs, the commercial
1220 telephone seller must notify the department. At the request of
1221 the department, the commercial telephone seller shall provide
1222 sales scripts, contracts, and other documentation in order to
1223 determine if the affidavit of exemption is appropriate before
1224 accepting such affidavit for filing.
1225 (2) Each licensee or person operating under a valid and
1226 appropriately filed exemption ~~claiming an exemption~~ shall
1227 prominently display his or her license or a copy of his or her
1228 receipt of filing of the affidavit of exemption at each location
1229 where he or she does business. Each licensee or person claiming
1230 an exemption shall make the license or the receipt of filing
1231 ~~copy~~ of the affidavit of exemption available for inspection upon
1232 request by a ~~by any~~ governmental agency ~~upon request~~.
1233 (3) Failure to obtain or display a license or ~~a copy of~~ the
1234 receipt of filing of an affidavit of exemption is sufficient
1235 grounds for the department to issue an immediate cease and
1236 desist order, which acts ~~shall act~~ as an immediate final order
1237 under s. 120.569(2)(n). The order shall ~~may~~ remain in effect
1238 until the commercial telephone seller or a person claiming to be
1239 exempt shows the authorities that he or she is properly licensed
1240 or exempt. The department may order the business to cease
1241 operations and shall order the phones to be shut off. Failure of
1242 a salesperson to display a license or the receipt of filing of
1243 an affidavit of exemption may result in the salesperson being
1244 summarily ordered by the department to leave the office until he
1245 or she can produce a license or a receipt of filing of an
1246 affidavit of exemption for the department.
1247 Section 23. Subsection (3) of section 501.611, Florida

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1248 Statutes, is amended to read:
1249 501.611 Security.—
1250 (3) The bond shall be posted with the department and must
1251 remain in force throughout the period of licensure with the
1252 department.
1253 Section 24. Subsection (12) of section 501.615, Florida
1254 Statutes, is amended to read:
1255 501.615 Written contract; cancellation; refund.—
1256 (12) A sale in which the consumer is given a full refund
1257 for the return of undamaged and unused goods or in which a
1258 cancellation of services notice is given to the seller within 7
1259 days after the date of the sale is exempt from the requirements
1260 of subsections (1)-(5). A commercial telephone seller or
1261 salesperson engaged in activity regulated by chapter 721 must
1262 comply with s. 721.205 ~~Exempt from the requirements of~~
1263 ~~subsections (1)-(5) is any sale in which the consumer is given a~~
1264 ~~full refund for the return of undamaged and unused goods or a~~
1265 ~~cancellation of services notice is given to the seller, within 7~~
1266 ~~days after receipt of the goods or services by the consumer, and~~
1267 ~~the seller shall process the refund within 30 days after receipt~~
1268 ~~of the returned merchandise by the consumer~~.
1269 Section 25. Subsection (1) of section 501.617, Florida
1270 Statutes, is amended to read:
1271 501.617 Investigative powers of enforcing authority.—
1272 (1) If, by her or his own inquiries or as a result of
1273 complaints, the enforcing authority has reason to believe that a
1274 person has engaged in, or is engaging in, an act or practice
1275 that violates the provisions of this part, she or he may
1276 administer oaths and affirmations, subpoena witnesses or matter,

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1277 conduct regulatory inspections, and collect evidence. Within 10
1278 days after the service of a subpoena or at any time before the
1279 return date specified therein, whichever is longer, the party
1280 served may file in the circuit court in the county in which she
1281 or he resides or in which she or he transacts business and serve
1282 upon the enforcing authority a petition for an order modifying
1283 or setting aside the subpoena. The petitioner may raise an ~~any~~
1284 objection or privilege that ~~which~~ would be available under this
1285 part or upon service of such subpoena in a civil action. The
1286 subpoena must ~~shall~~ inform the party served of her or his rights
1287 under this subsection.
1288 Section 26. Subsection (10) is added to section 507.03,
1289 Florida Statutes, to read:
1290 507.03 Registration.—
1291 (10) Upon the request of the department, each moving broker
1292 shall provide a complete list of the movers it has contracted or
1293 affiliated with, advertises on behalf of, arranges moves for, or
1294 to which it refers shippers. Such list, at a minimum, must
1295 include the mover's complete name, address, telephone number,
1296 email address, and name of the owner or other principal.
1297 Section 27. Paragraph (b) of subsection (1) of section
1298 507.04, Florida Statutes, is amended to read:
1299 507.04 Required insurance coverages; liability limitations;
1300 valuation coverage.—
1301 (1) LIABILITY INSURANCE.—
1302 (b) A mover that operates two or fewer vehicles, in lieu of
1303 maintaining the liability insurance coverage required under
1304 paragraph (a), may~~, and each moving broker must,~~ maintain one of
1305 the following alternative coverages:

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1306 1. A performance bond in the amount of $25,000, for which
1307 the surety of the bond must be a surety company authorized to
1308 conduct business in this state; or
1309 2. A certificate of deposit in a Florida banking
1310 institution in the amount of $25,000.
1311
1312 The original bond or certificate of deposit must be filed with
1313 the department and must designate the department as the sole
1314 beneficiary. The department must use the bond or certificate of
1315 deposit exclusively for the payment of claims to consumers who
1316 are injured by the fraud, misrepresentation, breach of contract,
1317 misfeasance, malfeasance, or financial failure of the mover ~~or~~
1318 ~~moving broker~~ or by a violation of this chapter by the mover ~~or~~
1319 ~~broker~~. Liability for these injuries may be determined in an
1320 administrative proceeding of the department or through a civil
1321 action in a court of competent jurisdiction. However, claims
1322 against the bond or certificate of deposit must ~~only~~ be paid, in
1323 amounts not to exceed the determined liability for these
1324 injuries, only by order of the department in an administrative
1325 proceeding. The bond or certificate of deposit is subject to
1326 successive claims, but the aggregate amount of these claims may
1327 not exceed the amount of the bond or certificate of deposit.
1328 Section 28. Subsections (7) and (8) are added to section
1329 507.07, Florida Statutes, to read:
1330 507.07 Violations.—It is a violation of this chapter to:
1331 (7) Conduct business as a moving broker, advertise to
1332 engage in the business of a moving broker, or offer to perform a
1333 move through a subcontract or agreement with a mover who is not
1334 registered with the department under this part.

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1335 (8) Conduct business as a mover, advertise to engage in the
1336 business of moving, or offer to perform a move through a
1337 subcontract or agreement with a moving broker who is not
1338 registered with the department pursuant to the provisions on
1339 this part.
1340 Section 29. Paragraph (c) of subsection (1) of section
1341 525.01, Florida Statutes, is amended to read:
1342 525.01 Gasoline and oil to be inspected.—
1343 (1) For the purpose of this chapter:
1344 (c) "Alternative fuel" means:
1345 1. Methanol, denatured ethanol, or other alcohols;
1346 2. Mixtures of gasoline or other fuels with methanol,
1347 denatured ethanol, or other alcohols ~~Mixtures containing 85~~
1348 ~~percent or more by volume of methanol, denatured ethanol, or~~
1349 ~~other alcohols with gasoline or other fuels, or such other~~
1350 ~~percentage, but not less than 70 percent, as determined by the~~
1351 ~~department by rule, to provide for requirements relating to cold~~
1352 ~~start, safety, or vehicle functions~~;
1353 3. Hydrogen;
1354 4. Coal-derived liquid fuels; and
1355 5. Fuels, other than alcohol, derived from biological
1356 materials.
1357 Section 30. Subsections (2) through (4) of section 525.09,
1358 Florida Statutes, are repealed.
1359 Section 31. Section 525.10, Florida Statutes, is amended to
1360 read:
1361 525.10 ~~Moneys to be paid into State Treasury;~~ Payment of
1362 expenses. ~~All moneys payable under this chapter shall be payable~~
1363 ~~to the department and shall be paid by it into the State~~

1364 ~~Treasury monthly to be deposited into the General Inspection~~
1365 ~~Trust Fund.~~ All expenses incurred in the enforcement of this
1366 chapter and other inspection laws of this state for which fees
1367 or taxes are collected, including acquiring equipment and other
1368 property, shall be paid from the General Inspection Trust Fund.
1369 No money may ~~shall~~ be paid to an ~~any~~ inspector or employee
1370 created under this chapter except from the funds collected from
1371 the administration of this chapter.
1372 Section 32. Subsection (20) is added to section 527.01,
1373 Florida Statutes, to read:
1374 527.01 Definitions.—As used in this chapter:
1375 (20) "License year" means the period from either September
1376 1 through the following August 31, or April 1 through the
1377 following March 31, depending upon the type of license.
1378 Section 33. Subsections (1) and (3) and paragraphs (a) and
1379 (c) of subsection (5) of section 527.0201, Florida Statutes, are
1380 amended to read:
1381 527.0201 Qualifiers; master qualifiers; examinations.—
1382 (1) In addition to the requirements of s. 527.02, a ~~any~~
1383 person applying for a license to engage in the activities of a
1384 pipeline system operator, category I liquefied petroleum gas
1385 dealer, category II liquefied petroleum gas dispenser, category
1386 IV liquefied petroleum gas dispenser and recreational vehicle
1387 servicer, category V liquefied petroleum gases dealer for
1388 industrial uses only, LP gas installer, specialty installer,
1389 requalifier ~~requalification~~ of cylinders, or fabricator,
1390 repairer, and tester of vehicles and cargo tanks must prove
1391 competency by passing a written examination administered by the
1392 department or its agent with a grade of at least 75 percent in

1393 each area tested ~~or above~~. Each applicant for examination shall
1394 submit a $20 nonrefundable fee. The department shall by rule
1395 specify the general areas of competency to be covered by each
1396 examination and the relative weight to be assigned in grading
1397 each area tested.
1398 (3) Qualifier cards issued to category I liquefied
1399 petroleum gas dealers and liquefied petroleum gas installers
1400 ~~shall~~ expire 3 years after the date of issuance. All category I
1401 liquefied petroleum gas dealer qualifiers and liquefied
1402 petroleum gas installer qualifiers holding a valid qualifier
1403 card upon the effective date of this act ~~shall~~ retain their
1404 qualifier status until July 1, 2003, and may sit for the master
1405 qualifier examination at any time during that time period. All
1406 such category I liquefied petroleum gas dealer qualifiers and
1407 liquefied petroleum gas installer qualifiers may renew their
1408 qualification on or before July 1, 2003, upon application to the
1409 department, payment of a $20 renewal fee, and documentation of
1410 the completion of a minimum of 16 ~~12~~ hours approved continuing
1411 education courses, as defined by department rule, during the
1412 previous 3-year period. Applications for renewal must be made 30
1413 calendar days before ~~prior to~~ expiration. Persons failing to
1414 renew before ~~prior to~~ the expiration date must reapply and take
1415 a qualifier competency examination in order to reestablish
1416 category I liquefied petroleum gas dealer qualifier and
1417 liquefied petroleum gas installer qualifier status. If a
1418 category I liquefied petroleum gas qualifier or liquefied
1419 petroleum gas installer qualifier becomes a master qualifier at
1420 any time during the effective date of the qualifier card, the
1421 card remains ~~shall remain~~ in effect until expiration of the

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1422 master qualifier certification.
1423 (5) In addition to all other licensing requirements, each
1424 category I liquefied petroleum gas dealer and liquefied
1425 petroleum gas installer must, at the time of application for
1426 licensure, identify to the department one master qualifier who
1427 is a full-time employee at the licensed location. The master
1428 qualifier must ~~This person shall~~ be a manager, owner, or
1429 otherwise primarily responsible for overseeing the operations of
1430 the licensed location and must provide documentation to the
1431 department as provided by rule. The master qualifier requirement
1432 is ~~shall be~~ in addition to the requirements of subsection (1).
1433 (a) In order to apply for certification as a master
1434 qualifier, each applicant must be a category I liquefied
1435 petroleum gas dealer qualifier or liquefied petroleum gas
1436 installer qualifier, must be employed by a licensed category I
1437 liquefied petroleum gas dealer, liquefied petroleum gas
1438 installer, or applicant for such license, must provide
1439 documentation of a minimum of 1 year's work experience in the
1440 gas industry, and must pass a master qualifier competency
1441 examination. Master qualifier examinations shall be based on
1442 Florida's laws, rules, and adopted codes governing liquefied
1443 petroleum gas safety, general industry safety standards, and
1444 administrative procedures. The applicant must pass the
1445 examination ~~must be successfully completed by the applicant~~ with
1446 a grade of at least 75 percent ~~or more~~. Each applicant for
1447 master qualifier status shall submit to the department a
1448 nonrefundable $30 examination fee before ~~prior to~~ the
1449 examination.
1450 (c) Master qualifier status expires ~~shall expire~~ 3 years

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1451 after the date of issuance of the certificate and may be renewed
1452 by submission to the department of documentation of completion
1453 of at least 16 ~~12~~ hours of approved continuing education courses
1454 during the 3-year period; proof of employment with a licensed
1455 category I liquefied petroleum gas dealer, liquefied petroleum
1456 gas installer, or applicant; and a $30 certificate renewal fee.
1457 The department shall define, by rule, approved courses of
1458 continuing education.
1459 Section 34. Section 527.03, Florida Statutes, is amended to
1460 read:
1461 527.03 Annual renewal of license.—All licenses required
1462 under this chapter shall be renewed annually subject to the
1463 license fees prescribed in s. 527.02. With the exception of the
1464 Category III Liquefied Petroleum Gas Cylinder Exchange Operator
1465 license and the Dealer in Appliances and Equipment for Use of
1466 Liquefied Petroleum Gas license, all licenses shall be renewed
1467 for the period beginning September 1 and ~~shall~~ expire on the
1468 following August 31 unless sooner suspended, revoked, or
1469 otherwise terminated. All Category III Liquefied Petroleum Gas
1470 Cylinder Exchange Operator licenses and Dealer in Appliances and
1471 Equipment for Use of Liquefied Petroleum Gas licenses shall be
1472 renewed for the period beginning April 1 and expire on the
1473 following March 31 unless sooner suspended, revoked, or
1474 otherwise terminated. A ~~Any~~ license allowed to expire becomes ~~on~~
1475 ~~August 31 shall become~~ inoperative because of failure to renew.
1476 The fee for restoration of a license is equal to the original
1477 license fee and must be paid before the licensee may resume
1478 operations.
1479 Section 35. Subsection (3) of section 531.415, Florida

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1480 Statutes, is amended to read:
1481 531.415 Fees.—
1482 (3) ~~Any petroleum product taxed under s. 525.09 and any~~
1483 Petroleum equipment that is used to measure petroleum fuel, as
1484 defined in s. 525.01, and owned by a person licensed pursuant to
1485 chapter 206 is exempt from the fees established in this section.
1486 Section 36. Subsection (3) of section 531.61, Florida
1487 Statutes, is amended to read:
1488 531.61 Exemptions from permit requirement.—Commercial
1489 weights or measures instruments or devices are exempt from the
1490 permit requirements of ss. 531.60-531.66 if:
1491 (3) The device is used exclusively for measuring aviation
1492 fuel or petroleum products inspected ~~taxed~~ under chapter 525 ~~s.~~
1493 ~~525.09~~.
1494 Section 37. Section 40 of chapter 2009-66, Laws of Florida,
1495 is amended to read:
1496 Section 40. Sections 531.60, 531.61, 531.62, 531.63,
1497 531.64, 531.65, and 531.66, Florida Statutes, as created by this
1498 act, shall expire July 1, 2020 ~~2014~~.
1499 Section 38. Paragraph (c) of subsection (5) of section
1500 539.001, Florida Statutes, is amended to read:
1501 539.001 The Florida Pawnbroking Act.—
1502 (5) APPLICATION FOR LICENSE.—
1503 (c) Each initial application for a license must be
1504 accompanied by a complete set of fingerprints taken by an
1505 authorized law enforcement officer or a fingerprinting service
1506 provider approved by the Department of Law Enforcement, $300 for
1507 the first year's license fee, and the actual cost to the agency
1508 for fingerprint analysis for each person subject to the

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1509 eligibility requirements. The agency shall submit the
1510 fingerprints to the Department of Law Enforcement for state
1511 processing, and the Department of Law Enforcement shall forward
1512 the fingerprints to the Federal Bureau of Investigation for a
1513 national criminal history check. These fees and costs are not
1514 refundable.
1515 Section 39. Subsection (1) of section 559.802, Florida
1516 Statutes, is amended to read:
1517 559.802 Franchises; exemption.—
1518 (1) The sale of a franchise is exempt from this part if:
1519 (a) The franchise meets the definition of that term as
1520 defined by the Federal Trade Commission regulations entitled,
1521 "Disclosure Requirements and Prohibitions Concerning Franchising
1522 and Business Opportunity Ventures," as set forth in 16 C.F.R.
1523 ss. 436.1 et seq.; and
1524 (b) Before offering for sale or selling a franchise to be
1525 located in this state or to a resident of this state, the
1526 franchisor files a notice with the department stating that the
1527 franchisor is in substantial compliance with the requirements of
1528 the Federal Trade Commission rule, and pays a fee in an amount
1529 set by the department, not exceeding $100. This notice shall be
1530 filed on a form promulgated by the department.
1531 Section 40. Section 559.803, Florida Statutes, is amended
1532 to read:
1533 559.803 Disclosure statement.—At least 3 working days prior
1534 to the time the purchaser signs a business opportunity contract,
1535 or at least 3 working days prior to the receipt of any
1536 consideration by the seller, whichever occurs first, the seller
1537 must provide the prospective purchaser a written document, the

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1538 cover sheet of which is entitled in at least 12-point boldfaced
1539 capital letters "DISCLOSURES REQUIRED BY FLORIDA LAW." Under
1540 this title shall appear the following statement in at least 10-
1541 point type: "The State of Florida has not reviewed and does not
1542 approve, recommend, endorse, or sponsor any business
1543 opportunity. The information contained in this disclosure has
1544 not been verified by the state. If you have any questions about
1545 this investment, see an attorney before you sign a contract or
1546 agreement." Nothing except the title and required statement
1547 shall appear on the cover sheet. Immediately following the cover
1548 sheet, the seller must provide an index page that briefly lists
1549 the contents of the disclosure document as required in this
1550 section and any pages on which the prospective purchaser can
1551 find each required disclosure. At the top of the index page, the
1552 following statement must appear in at least 10-point type: "The
1553 State of Florida requires sellers of business opportunities to
1554 disclose certain information to prospective purchasers. This
1555 index is provided to help you locate this information." If the
1556 index contains other information not required by this section,
1557 the seller shall place a designation beside each of the
1558 disclosures required by this section and provide an explanation
1559 of the designation at the end of the statement at the top of the
1560 index page. The disclosure document shall contain the following
1561 information:
1562 (1) The name of the seller; whether the seller is doing
1563 business as an individual, partnership, corporation, or other
1564 business entity; the names under which the seller has done
1565 business; and the name of any parent or affiliated company that
1566 will engage in business transactions with the purchasers or who

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1567 takes responsibility for statements made by the seller.
1568 (2) The names, addresses, and titles of the seller's
1569 officers, directors, trustees, general partners, general
1570 managers, and principal executives and of any other persons
1571 charged with the responsibility for the seller's business
1572 activities relating to the sale of business opportunities.
1573 (3) The length of time the seller has:
1574 (a) Sold business opportunities; or
1575 (b) Sold business opportunities involving the products,
1576 equipment, supplies, or services currently being offered to the
1577 purchaser.
1578 (4) A full and detailed description of the actual services
1579 that the business opportunity seller undertakes to perform for
1580 the purchaser.
1581 (5) A copy of a current (not older than 13 months)
1582 financial statement of the seller, updated to reflect material
1583 changes in the seller's financial condition.
1584 (6) If training is promised by the seller, a complete
1585 description of the training, the length of the training, and the
1586 cost or incidental expenses of that training, which cost or
1587 expense the purchaser will be required to incur.
1588 (7) If the seller promises services to be performed in
1589 connection with the placement of the equipment, product, or
1590 supplies at a location, the full nature of those services as
1591 well as the nature of the agreements to be made with the owners
1592 or managers of the location where the purchaser's equipment,
1593 product, or supplies will be placed.
1594 (8) If the business opportunity seller is required to
1595 secure a bond, guaranteed letter of credit, or certificate of

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1596 deposit pursuant to s. 559.807, either of the following
1597 statements:
1598 (a) "As required by Florida law, the seller has secured a
1599 bond issued by ...., a surety company authorized to do business
1600 in this state. Before signing a contract to purchase this
1601 business opportunity, you should confirm the bond's status with
1602 the surety company."; or
1603 (b) "As required by Florida law, the seller has established
1604 a guaranteed letter of credit or certificate of deposit
1605 ...(number of account)... with ...(name and address of bank or
1606 savings institution).... Before signing a contract to purchase
1607 this business opportunity, you should confirm with the bank or
1608 savings institution the current status of the guaranteed letter
1609 of credit or certificate of deposit."
1610 (9) The following statement: "If the seller fails to
1611 deliver the product, equipment, or supplies necessary to begin
1612 substantial operation of the business within 45 days of the
1613 delivery date stated in your contract, you may notify the seller
1614 in writing and cancel your contract."
1615 (10) If the seller makes any statement concerning sales or
1616 earnings or a range of sales or earnings that may be made
1617 through this business opportunity, a statement disclosing:
1618 (a) The total number of purchasers of business
1619 opportunities involving the product, equipment, supplies, or
1620 services being offered who have actually achieved sales of or
1621 received earnings in the amount or range specified within 3
1622 years prior to the date of the disclosure statement.
1623 (b) The total number of purchasers of business
1624 opportunities involving the product, equipment, supplies, or

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1625 services being offered within 3 years prior to the date of the
1626 disclosure statement.
1627 (11)(a) The total number of persons who purchased the
1628 business opportunity being offered by the seller within the past
1629 3 years.
1630 (b) The names, addresses, and telephone numbers of the 10
1631 persons who previously purchased the business opportunity from
1632 the seller and who are geographically closest to the potential
1633 purchaser.
1634 (12) A statement disclosing who, if any, of the persons
1635 listed in subsections (1) and (2):
1636 (a) Has, at any time during the previous 10 fiscal years,
1637 regardless of adjudication, been convicted of, or found guilty
1638 of, or pled guilty or nolo contendere to, or has been
1639 incarcerated within the last 10 years as a result of having
1640 previously been convicted of, or found guilty of, or pled guilty
1641 or nolo contendere to, a felony or a crime involving fraud,
1642 theft, larceny, violation of any franchise or business
1643 opportunity law or unfair or deceptive practices law,
1644 embezzlement, fraudulent conversion, misappropriation of
1645 property, or restraint of trade.
1646 (b) Has, at any time during the previous 7 fiscal years,
1647 been held liable in a civil action resulting in a final judgment
1648 or has settled out of court any civil action or is a party to
1649 any civil action involving allegations of fraud (including
1650 violation of any franchise or business opportunity law or unfair
1651 or deceptive practices law), embezzlement, fraudulent
1652 conversion, misappropriation of property, or restraint of trade
1653 or any civil action which was brought by a present or former

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1654 franchisee or franchisees and which involves or involved the
1655 franchise relationship. However, only material individual civil
1656 actions need be so listed pursuant to this paragraph, including
1657 any group of civil actions which, irrespective of the
1658 materiality of any single such action, in the aggregate is
1659 material.
1660 (c) Is subject to any currently effective state or federal
1661 agency or court injunctive or restrictive order, or has been
1662 subject to any administrative action in which an order by a
1663 governmental agency was rendered, or is a party to a proceeding
1664 currently pending in which such order is sought, relating to or
1665 affecting business opportunities activities or the business
1666 opportunity seller-purchaser relationship or involving fraud
1667 (including violation of any franchise or business opportunity
1668 law or unfair or deceptive practices law), embezzlement,
1669 fraudulent conversion, misappropriation of property, or
1670 restraint of trade.
1671
1672 Such statement shall set forth the identity and location of the
1673 court or agency; the date of conviction, judgment, or decision;
1674 the penalty imposed; the damages assessed; the terms of
1675 settlement or the terms of the order; and the date, nature, and
1676 issuer of each such order or ruling. A business opportunity
1677 seller may include a summary opinion of counsel as to any
1678 pending litigation, but only if counsel's consent to the use of
1679 such opinion is included in the disclosure statement.
1680 (13) A statement disclosing who, if any, of the persons
1681 listed in subsections (1) and (2) at any time during the
1682 previous 7 fiscal years has:

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1683 (a) Filed in bankruptcy.
1684 (b) Been adjudged bankrupt.
1685 (c) Been reorganized due to insolvency.
1686 (d) Been a principal, director, executive officer, or
1687 partner of any other person that has so filed or was so adjudged
1688 or reorganized during or within 1 year after the period that
1689 such person held such position in relation to such other person.
1690 If so, the name and location of the person having so filed or
1691 having been so adjudged or reorganized, the date thereof, and
1692 any other material facts relating thereto shall be set forth.
1693 (14) A copy of the business opportunity contract ~~which~~ the
1694 seller uses as a matter of course and which is to be presented
1695 to the purchaser at closing.
1696
1697 ~~Should any seller of business opportunities prepare a disclosure~~
1698 ~~statement pursuant to 16 C.F.R. ss. 436.1 et seq., a Trade~~
1699 ~~Regulation Rule of the Federal Trade Commission regarding~~
1700 ~~Disclosure Requirements and Prohibitions Concerning Franchising~~
1701 ~~and Business Opportunity Ventures, the seller may file that~~
1702 ~~disclosure statement in lieu of the document required pursuant~~
1703 ~~to this section. Should the seller be required pursuant to 16~~
1704 ~~C.F.R. to prepare any other documents to be presented to the~~
1705 ~~prospective purchaser, those documents shall also be filed with~~
1706 ~~the department.~~
1707 Section 41. Section 559.805, Florida Statutes, is repealed.
1708 Section 42. Subsection (2) of section 559.807, Florida
1709 Statutes, is repealed.
1710 Section 43. Present subsections (3) through (7) of section
1711 559.813, Florida Statutes, are redesignated as subsections (2)

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1712 through (6), respectively, and present subsections (2), (5), and
1713 (8) of that section are amended, to read:
1714 559.813 Remedies; enforcement.—
1715 ~~(2)(a) The department may enter an order imposing one or~~
1716 ~~more of the penalties set forth in paragraph (b) if the~~
1717 ~~department finds that a seller or any of the seller's principal~~
1718 ~~officers or agents:~~
1719 ~~1. Violated or is operating in violation of any of the~~
1720 ~~provisions of this part or of the rules adopted or orders issued~~
1721 ~~thereunder;~~
1722 ~~2. Made a material false statement in any application,~~
1723 ~~document, or record required to be submitted or retained under~~
1724 ~~this part;~~
1725 ~~3. Refused or failed, after notice, to produce any document~~
1726 ~~or record or disclose any information required to be produced or~~
1727 ~~disclosed under this part or the rules of the department;~~
1728 ~~4. Made a material false statement in response to any~~
1729 ~~request or investigation by the department, the Department of~~
1730 ~~Legal Affairs, or the state attorney; or~~
1731 ~~5. Has intentionally defrauded the public through dishonest~~
1732 ~~or deceptive means.~~
1733 ~~(b) Upon a finding as set forth in paragraph (a), the~~
1734 ~~department may enter an order doing one or more of the~~
1735 ~~following:~~
1736 ~~1. Issuing a notice of noncompliance pursuant to s.~~
1737 ~~120.695.~~
1738 ~~2. Imposing an administrative fine not to exceed $5,000 per~~
1739 ~~violation for each act which constitutes a violation of this~~
1740 ~~part or a rule or order.~~

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1741 ~~3. Directing that the seller or its principal officers or~~
1742 ~~agents cease and desist specified activities.~~
1743 ~~4. Refusing to issue or revoking or suspending an~~
1744 ~~advertisement identification number.~~
1745 ~~5. Placing the registrant on probation for a period of~~
1746 ~~time, subject to such conditions as the department may specify.~~
1747 ~~(c) The administrative proceedings which could result in~~
1748 ~~the entry of an order imposing any of the penalties specified in~~
1749 ~~paragraph (b) shall be conducted in accordance with chapter 120.~~
1750 (4)~~(5)~~ The Department of Legal Affairs~~, the Department of~~
1751 ~~Agriculture and Consumer Services,~~ or the state attorney, if a
1752 violation of this part occurs in her or his judicial circuit, is
1753 ~~are~~ the enforcing authority ~~authorities~~ for purposes of this
1754 part, and ~~they~~ may bring civil actions in circuit court for
1755 temporary or permanent injunctive relief and may seek other
1756 appropriate civil relief, including, but not limited to, a civil
1757 penalty not to exceed $5,000 for each violation, restitution and
1758 damages for injured purchasers of business opportunities, and
1759 court costs and reasonable attorney ~~attorney's~~ fees.
1760 ~~(8) The department has the authority to adopt rules~~
1761 ~~pursuant to chapter 120 to implement this part.~~
1762 Section 44. Section 559.815, Florida Statutes, is amended
1763 to read:
1764 559.815 Penalties.—A ~~Any~~ person who ~~fails to file with the~~
1765 ~~department as required by s. 559.805 or who~~ commits an act
1766 described in s. 559.809 is guilty of a felony of the third
1767 degree, punishable as provided in s. 775.082, s. 775.083, or s.
1768 775.084.
1769 Section 45. Subsection (1) of section 559.9221, Florida

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1770 Statutes, is amended to read:
1771 559.9221 Motor Vehicle Repair Advisory Council.—The Motor
1772 Vehicle Repair Advisory Council is created to advise and assist
1773 the department in carrying out this part.
1774 (1) The membership of the council may not exceed 9 ~~11~~
1775 members appointed by the Commissioner of Agriculture.
1776 (a) Six ~~Eight~~ industry members of the council must be
1777 chosen from individuals already engaged in the motor vehicle
1778 repair business who are eligible to be registered under this
1779 part. The professional members of this council must be licensed
1780 under this part. The commissioner shall select one industry
1781 member from each of the following categories:
1782 1. Independent automotive mechanics shops.
1783 2. Franchise or company-owned automotive mechanics shops.
1784 3. Automotive ~~Independent automotive~~ collision shops.
1785 ~~4. Franchise or company-owned automotive collision shops.~~
1786 4.~~5.~~ Tire dealers ~~Independent tire dealer~~.
1787 ~~6. Franchise or company-owned tire dealer.~~
1788 5.~~7.~~ Independent motor vehicle dealers ~~dealer~~ licensed
1789 under s. 320.27.
1790 6.~~8.~~ Franchise motor vehicle dealers ~~dealer~~ licensed under
1791 s. 320.27.
1792 (b) One member of the council may be chosen from persons
1793 already engaged in motor vehicle repair service.
1794 (c) Two consumer members of the council must be residents
1795 of this state and may ~~must~~ not be connected with the motor
1796 vehicle repair business.
1797 (d) As terms of the members expire, the commissioner shall
1798 appoint successors for terms of 4 years. Members ~~shall~~ serve

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1799 from the time of their appointment until their successors are
1800 appointed.
1801 Section 46. Paragraphs (a) and (b) of subsection (9) of
1802 section 616.242, Florida Statutes, are amended to read:
1803 616.242 Safety standards for amusement rides.—
1804 (9) INSURANCE REQUIREMENTS.—
1805 (a) An owner may not operate an amusement ride unless the
1806 owner has in effect, at all times of operation, an ~~insurance~~
1807 ~~meeting the following requirements:~~
1808 ~~1. An~~ insurance policy in an amount of not less than $1
1809 million per occurrence, $1 million in the aggregate, which
1810 insures the owner of the amusement ride against liability for
1811 injury to persons arising out of the use of the amusement ride.~~;~~
1812 ~~or~~
1813 ~~2. A bond in a like amount; however, the aggregate~~
1814 ~~liability of the surety under the bond may not exceed the face~~
1815 ~~amount thereof.~~
1816 (b) The policy ~~or bond~~ must be procured from an insurer ~~or~~
1817 ~~surety~~ that is licensed to transact business in this state or
1818 that is approved as a surplus lines insurer.
1819 Section 47. Subsection (9) is added to section 721.20,
1820 Florida Statutes, to read:
1821 721.20 Licensing requirements; suspension or revocation of
1822 license; exceptions to applicability; collection of advance fees
1823 for listings unlawful.—
1824 (9) A person who meets the definition of a commercial
1825 telephone seller or salesperson as defined in s. 501.603 must be
1826 licensed under part IV of chapter 501 before doing business in
1827 this state under this chapter.

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1828 Section 48. This act shall take effect July 1, 2013.

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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 Appropriations Subcommittee on General Government

BILL: CS/CS/SB 1040

INTRODUCER: Appropriations Subcommittee on General Government and Commerce and Tourism Committee and Senator Stargel

SUBJECT: Consumer Services

DATE: March 20, 2013 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Malcolm	Hrdlicka	CM	**Fav/CS**
2.	Blizzard	DeLoach	AGG	**Fav/CS**
3.			AP	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

CS/CS/SB 1040 modifies several regulatory activities under the jurisdiction of the Florida Department of Agriculture and Consumer Services (DACS).

The modifications to the regulatory activities provided in this bill have an insignificant impact on state revenues and expenditures. The operational impact of transferring the collection of taxes and fees on petroleum products from the DACS to the DOR is insignificant. See Section V.

The Criminal Justice Impact Conference reviewed a similar bill on February 27, 2013, and determined that there will be an insignificant impact on prison beds as a result of a person convicted of submitting a fraudulent training certificate for licensure under chapter 493, F.S.

Specifically, the bill makes the following changes to the DACS regulatory activities:

- Revises the definition of repossession to specify when a recovery agent has active possession and command of a recovered vehicle or other equipment, i.e., when the repossession is complete.

- Clarifies that proof of annual firearms training for class "G" and "K" licensees be submitted to the DACS upon completion, provides suspension or non-renewal for non-compliance, and creates a third-degree felony for issuing a fraudulent training certificate as part of an application for licensure.
- Removes the 50-mile radius limitation on private investigator and recovery agent internships.
- Transfers petroleum inspection fee collections from the DACS to the Department of Revenue (DOR), exempts certain measuring devices from permitting fees, and exempts devices used for measuring aviation fuel from permitting requirements.
- Updates the requirements for filing financial reports for charitable organizations, provides that charitable organization and sponsor renewal statements must be issued by the DACS 30 days prior to expiration and may be sent via electronic mail. In addition, removes notary requirements for registration packages, increases the application/renewal processing time from 10 to 15 days, and clarifies criminal reporting requirements for charitable organizations and sponsors.
- Updates the annual registration requirement for professional solicitors and fundraising consultants so that registration renewal is based on the date of issuance.
- Exempts charities that have total revenue of less than $25,000, have no employees or members compensated to do fundraising, and that do not use a professional solicitor from the $10 annual registration fee.
- Reduces the time for professional solicitors to file financial documentation for campaigns lasting less than one year and extends the due date for financial reporting on campaigns lasting more than one year.
- Eliminates the requirement that charitable organizations and sponsors place a statement on all printed material stating the percentage of each contribution retained by a professional solicitor and the percentage of each contribution received by the organization or sponsor.
- Makes it unlawful for solicitors of contributions to provide false, misleading, or inaccurate information and authorizes the issuance of cease and desist orders for certain prohibited acts committed by charitable organizations.
- Reduces the required security for certain health studios from $50,000 to $25,000.
- Amends the Florida Do Not Call statute to prohibit unsolicited calls for charitable donations.
- Eliminates the requirement that telemarketing salespersons provide a three-year work history, and requires a telemarketing business to keep its bond or other security in force as long as the business is open and operating. Authorizes onsite inspection by investigators and provides notice to telemarketers engaged in timeshare sales that they must comply with the DACS and the Department of Business and Professional Regulation licensing requirements.
- Requires moving brokers to supply a list of affiliated movers, requires moving brokers only contract with properly registered movers and eliminates the bond requirement for moving brokers.
- Amends the definition of alternative fuel to provide for adopting fuel quality standards that cover new blended fuels.
- Requires entities that sell or distribute petroleum or alternative fuels to meet fuel standards adopted by the DACS.
- Provides a release of liability for licensed suppliers, wholesalers, or blenders who supply and blend fuels that meet standards set by the DACS.
- Provides a release of liability for refiners, suppliers, wholesalers, or retailers for damages resulting from the incompatible use of motor fuels under certain circumstances.

- Staggers the license expiration dates for Liquefied Petroleum (LP) gas licensees, requires applicants taking the license examination pass each area of the examination with a score of at least 75 percent, and increases the minimum number of hours of continuing education from twelve to sixteen hours.
- Extends the sunset repeal provision from July 1, 2014, to July 1, 2020, relating to permitting fees for weighing and measuring devices.
- Allows pawnshop owners to have their fingerprints taken at a fingerprinting service provider authorized by the Florida Department of Law Enforcement.
- Authorizes the DACS to create a form allowing franchises to file a notice of exemption from the business opportunity regulation statute and eliminates the required disclosure statements and mandatory filing requirements applicable to the seller of a business opportunity. In addition, eliminates the required $300 annual fee and the $50 filing update fee due from the seller of a business opportunity, and eliminates the DACS enforcement authority on unlawful acts committed by a seller of a business opportunity.
- Decreases the size of the Motor Vehicle Repair Council from eleven to nine members.
- Eliminates the option of obtaining a bond for operators of amusement rides.

This bill amends the following sections of the Florida Statutes: 206.45, 493.6101, 493.6113, 493.6116, 493.6118, 493.6120, 493.6121, 496.405, 496.406, 496.407, 496.409, 496.410, 496.411, 496.415, 496.419, 501.016, 501.059, 501.603, 501.604, 501.608, 501.611, 501.615, 501.617, 507.03, 507.04, 507.07, 525.01, 525.10, 525.16, 526.141, 527.01, 527.0201, 527.03, 531.415, 531.61, 539.001, 559.802, 559.803, 559.813, 559.815, 559.9221, 616.242, 721.20.

This bill repeals sections 502.607(1)(b), 525.09(2)-(4), 559.805, 559.807(2), Florida Statutes.

This bill amends section 40, chapter 2009-66, Laws of Florida.

This bill transfers, redesignates, and amends section 525.09(1), Florida Statutes, as section 206.41(1)(h), Florida Statutes.

II. Present Situation:

The Florida Department of Agriculture and Consumer Services is charged with supporting Florida's agricultural economy and protecting consumers from unsafe products and deceptive business practices. To carry out these functions, the DACS has the divisions of Consumer Service and Licensing.[1] In the 2012 legislative session, the Division of Standards was eliminated and merged into the Division of Consumer Services.[2]

The Division of Consumer Services is tasked with receiving the state's consumer complaints. It is responsible for overseeing and regulating the following activities and entities: business opportunities, motor vehicle repair shops, charitable organizations, Florida Do Not Call, dance studios, pawnshops, health studios, sellers of travel, intrastate movers, game promotions, telemarketing, and professional surveyors and mappers. In addition, this division is also responsible for protecting consumers from unfair and unsafe business practices across a wide

[1] Section 20.14, F.S. (2011)
[2] Chapter 2012-67, L.O.F. (2012)

range of products, including gasoline, brake fluid, antifreeze, liquefied petroleum gas, amusement rides, and weighing and measuring devices. The Division of Licensing is responsible for regulating and licensing private security, private investigative, and recovery services, as well as issuing concealed weapon and firearm licenses.

III. Effect of Proposed Changes:

Division of Licensing

Recovery Agents, ch. 493, F.S.

Persons engaged in the repossession of vehicles and other equipment are licensed under ch. 493, F.S. Currently, s. 493.6101(22), F.S., defines the term "repossession" to include the following statement:

> A repossession is complete when a licensed recovery agent is in control, custody, and possession of such repossessed property.

"Control, custody, and possession" of a vehicle or other equipment is a legal concept with respect to the act of repossession because it identifies that moment at which the person conducting the repossession has taken active possession and command of the property being repossessed.[3] However, the meaning of that phrase is not defined in statute.

Section 3 amends s. 493.6101, F.S., by revising the definition of repossession to specify when a recovery agent actually has active possession and command of a recovered vehicle or other equipment; i.e., when the repossession is complete. This section specifies that property is considered to be in the control, custody, and possession of a recovery agent if the vehicle or equipment has been secured in preparation for transport from the site of the recovery by means of having been attached to or placed on the towing transport vehicle or if the vehicle or equipment being recovered is being operated or about to be operated by an employee of the recovery agency.

Security Officers and Private Investigators, ch. 493, F.S.

Currently, holders of a Class "G"[4] firearm license must complete 4 hours of recertification training annually and must submit proof of such training at the time of renewal of the license.

Section 4 amends s. 493.6113, F.S., requiring proof of completion of annual recertification training to be submitted to the DACS upon completion of that training. If documentation of the

[3] DACS 2013 Legislative Proposal, Division of Licensing, Short Title - Defining "Control, Custody, and Possession" as that Phrase Relates To Property Recovery, 12-18-2012, page 4, copy available in committee files. DACS commentary notes that "by including a technical definition of control, custody, and possession in the statute, we have provided a standard and a benchmark that can be applied both by the recovery industry as well as by law enforcement agents when they are called to get involved with a repossession."

[4] A Class "G" licensee permits Class "C," "CC," "D," "M," "MA," or "MB" licensees to bear a firearm. A Class "G" licensee may carry only the following weapons: a .38 caliber revolver; a .380 caliber or .9mm semiautomatic pistol, or a .357 caliber revolver with .38 caliber ammunition. Such licensee may carry no more than two firearms upon his or her person when performing regulated duties. Section 493.6115, F.S.

recertification training is not submitted by the end of the first year of the two-year period of the license, the license is automatically suspended until proof of the training is submitted. If the documentation is not submitted by the end of the second year of the two-year period of the license, the license may not be renewed unless the applicant completes the minimum number of hours of range and classroom training required at the time of initial licensure.[5]

Section 6 amends s. 493.6118, F.S., granting the DACS the authority to commence disciplinary action against Class "G" licensees for failing to complete recertification training. The bill specifies that failure of Class "K" licensees to maintain certification as a professional firearms instructor is also grounds for disciplinary action. Lastly, this section makes it a third-degree felony[6] to knowingly possess, issue, cause to be issued, sell, or submit a fraudulent training certificate to a person applying for licensure or to the division as part of an application for licensure.

Sections 7 and 8 amend ss. 492.6120 and 493.6121, F.S., to correct cross-references due to the amendments in s. 493.6118, F.S., by Section 6.

Private Investigators & Recovery Agents: Internships, ch. 493, F.S.

Currently, individuals who do not have the requisite experience for licensure as a private investigator or recovery agent must serve an internship with a licensed private investigator or recovery agent to gain that experience. The law requires that the distance between a sponsor's place of business and the intern's assigned place of business be within a 50-mile radius.

Section 5 amends s. 493.6116, F.S., eliminating the 50-mile-radius requirement and instead provides that an intern's duties must be performed within the state of Florida.

Division of Consumer Services

Petroleum Inspection Fees, ch. 531, F.S., Weights and Measures Act of 1971

Currently, the DACS and the Department of Revenue (DOR) collect taxes and fees on petroleum products. Regulated entities must remit motor fuel taxes to the DOR and petroleum inspection fees to the DACS.

<u>Petroleum inspection fee collection transfer to the DOR from the DACS</u>
Currently, a petroleum inspection fee is assessed by the DACS on gasoline, kerosene (except when used as aviation fuel), and #1 fuel oil (heating oil) sold or used in this state.

Section 1 transfers and redesignates s. 529.09(1), F.S., to s. 206.41(1)(h), F.S., to transfer the assessment and collection of the 0.125 cent per gallon inspection fee from the DACS to the DOR. The bill assesses the fee based on the DOR's definition of "motor fuel."[7]

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[5] Initial licensure requires a minimum of 28 hours of range and classroom training, of which no more than 8 hours may be range training. Section 493.6105(5), F.S.
[6] A third-degree felony is punishable by a term of imprisonment not exceeding 5 years and a fine not exceeding $5,000.
[7] "Motor fuel" is defined as all gasoline products or any product blended with gasoline or any fuel placed in the storage supply tank of a gasoline-powered motor vehicle. Section 206.01(9), F.S.

Sections 2 and 31 amend ss. 206.45 and 525.10, F.S., to transfer the assessment and collection of the 0.125 cent per gallon inspection fee from the DACS to the DOR.

Section 30 repeals s. 525.09(2)-(4), F.S., which are no longer necessary due to the transfer of the inspection fee from the DACS to the DOR.

Section 37 amends s. 531.415, F.S., to exempt measuring devices used to measure petroleum fuel from permitting fees.

Aviation fuel permit exemption
Currently, certain petroleum products assessed inspection fees by the DACS pursuant to s. 525.09, F.S., are exempt from the commercial weights and measures instruments permit requirements of ss. 531.60 – 531.66, F.S. Weights and measures instruments or devices may not be used for commercial purposes within this state without a commercial use permit issued by the DACS, unless exempted as provided in s. 531.61, F.S.

Section 38 amends s. 531.61, F.S., to provide that a device used exclusively for measuring aviation fuel is exempt from the permit requirements pursuant to ss. 531.60 – 531.66, F.S. The bill also removes a cross-reference to s. 525.09, F.S., which is being repealed by this bill.

Charitable Organizations: Solicitation of Funds, ch. 496, F.S.

Financial Report Filing Requirements
Currently, ss. 496.405 and 496.407, F.S., allows charities to submit IRS Form 990 with a Schedule A to meet the financial reporting requirements required at registration and renewal. The IRS has redesigned Form 990 and 990EZ; consequently, Schedule A no longer provides the same information it did when the statutes were enacted.

Sections 9 and 11 amend ss. 496.405(2)(a) and 496.407, F.S., updating the financial reporting requirements for charitable organizations that intend to solicit contributions. The bill requires submission of the updated IRS forms to comply with statutory reporting requirements.

Processing Timelines
Currently applications and renewals for charitable organizations and sponsors, professional solicitors, and professional fundraising consultants must be processed within 10 days by the DACS or the organization is automatically approved.

Sections 9, 12, and 13, amend ss. 496.405(7), 496.490(6), and 496.410(5), F.S., to increase the application and renewal processing time by the DACS from 10 to 15 days for charitable organizations and sponsors, professional solicitors, and professional fundraising consultants.

Annual Registration
Currently, registrations for professional solicitors and professional fundraising consultants expire on March 31 of each year regardless of the date the license was issued.

Sections 12 and 13 amend ss. 496.409(3) and 496.410(3), F.S., providing that professional solicitors and professional fundraising consultants have an annual registration requirement based on the date of issuance rather than all registrations expiring on March 31.

Renewal Statements

Currently, s. 496.405, F.S., requires the DACS to send annual renewal notices by mail 60 days before the expiration date of the charitable organization or sponsor. Because the notices are sent so far in advance of expiration, many organizations ignore the notice making a second reminder necessary.

Section 9 amends s. 496.405(1)(b), F.S., giving the DACS the option to send a renewal statement by electronic mail. The bill also reduces from 60 days to 30 days the time before renewal in which the renewal notice must be sent to the charitable organization.

Felony Reporting

Currently, s. 496.405, F.S., specifies the contents of registration statements that are required to be submitted by charitable organizations and sponsors. The DACS states the current language related to past criminal activities seems to confuse applicants.[8]

Section 9 amends s. 496.405(2)(d), F.S., to clarify past criminal activities that must be reported by charitable organizations and sponsors. The bill provides for reporting the same information but is clearer and easier to understand.

Small Charity Fee Exemption

Currently, charities who solicit funds from the public must register with the DACS. Charities who receive less than $25,000 in contributions must pay a $10 filing fee and file similar financial records as larger charities.

Section 10 amends s. 496.406, F.S., by allowing charities with less than $25,000 in total revenue, that have no employees or members who are compensated, and that do not use a professional solicitor, to file an affidavit of exemption that contains basic information and limited financial information about the charity. These charities will also be exempt from paying the $10 filing fee. However, if a charity exceeds $25,000 in contributions, it must register within 30 days after the date the revenue reaches $25,000.

Remove Notary Requirement

Currently, charitable organizations and sponsors, professional solicitors, and professional fundraisers must all sign their applications under oath. The DACS intends to move to an online application process for all registrations. The notarization requirement is a barrier to having this registration process move online because the online filing cannot be notarized.[9]

Sections 9, 12, and 13, amend ss. 496.405(2), 496.409(2), and 496.410(2), F.S., removing the notarization requirement for charitable organizations and sponsors, professional solicitors, and

[8] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – SOC – Felony Reporting Requirements, 12-18-2012, page 1, copy available in committee files.

[9] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – SOC – Remove Notary Requirements, 12-18-2012, page 39, copy available in committee files.

professional fundraisers applications. The bill allows the DACS to add a statement to each registration package that certifies the filing is true and correct and that the person signing the registration is authorized to do so.

Financial Reporting

Currently, professional solicitors are required to file a financial report of campaign (FROC) detailing the gross revenue received and an itemization of expenses incurred within 90 days of the end of a solicitation campaign or on the anniversary date of a campaign lasting more than one year. The financial information requested for campaigns lasting longer than one year must contain data for the previous year. The DACS allows professional solicitor's to file FROCs within 30 days of the anniversary date for campaigns lasting more than one year. The current statute allows 90 days to file the FROC for campaigns that last less than one year.

Section 13 amends s. 496.410(8), F.S., reducing the time for professional solicitors to file necessary financial documentation for campaigns lasting less than one year from 90 days to 45 days. The bill delays the due date for financial reporting on campaigns lasting more than one year from on the anniversary date to 45 days after the anniversary.

Financial Disclosure

Currently, s. 496.411, F.S., requires charitable organizations and sponsors to place a statement on printed solicitations, receipts, and contribution reminders stating the percentage of contributions that go to the charity and the percentage that go to a professional solicitor. The DACS notes the State of North Carolina has a similar provision which was deemed unconstitutional in a Supreme Court decision in 1988, *Riley v. National Federation of the Blind*, 487 U.S. 781 (1988). Based on this decision, the DACS does not enforce this statute.[10]

Section 14 amends s. 496.411(6), F.S., removing the requirement that charitable organizations and sponsors place a statement on printed material indicating the percentage of each contribution retained by a professional solicitor and the percentage of each contribution received by the organization or sponsor.

Cease And Desist Orders

Charitable organization registrations have continued to increase over the last several years along with the number of organizations receiving increased media scrutiny for inappropriate use of solicited funds. Several organizations based in Florida have been the subject of high profile investigations for filing false documents and for failing to use proceeds as intended.

Section 15 amends s. 496.415, F.S., to include submitting false, misleading, or inaccurate information to the public by a charitable organization or sponsor as a prohibited act.

Section 16 amends s. 496.419, F.S., authorizing the DACS to issue an immediate cease and desist order for certain prohibited acts. The bill also requires the DACS to report any substantiated criminal violations to the proper prosecuting authority.

[10] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – SOC – Eliminate Certain Campaign Disclosures, 12-18-2012, page 37, copy available in committee files.

Bond Reduction for Health Studios, ss. 501.012-.019, F.S., Health Studios

Currently, health studios that sell contracts for services are required to obtain a bond, certificate of deposit, or letter of credit in the amount of $50,000 for each business location. The security is then available to compensate consumers in the event that the health studio violates any of the provisions of the Health Studio Act. A health studio that is in business for 5 years under the same ownership and control with no unresolved consumer complaints is allowed to waive the security requirement.

Section 17 amends s. 501.016, F.S., reducing the required security for health studios from $50,000 per location to $25,000 per location. The DACS reports that over the last 2 years, only one payout exceeded $25,000 and most were significantly less.[11]

Do Not Call Program (DNC), s. 501.059, F.S., Telephone Solicitation

Under the Florida Do Not Call (DNC) program, if a person notifies the DACS of his or her desire to be placed on a list (the "Do Not Call" list) indicating that he or she does not wish to receive unsolicited telephonic sales calls, the DACS places the person on the list for 5 years. Telephone solicitors are prohibited from calling phone numbers on the Do Not Call list. However, some unsolicited phone calls do not meet the definition of a "telephonic sales call" as defined by statute, typically because the entity is not selling a product or service. This includes charitable organizations seeking donations. The DACS receives frequent complaints from individuals who are frustrated because they have subscribed to the DNC program and continue to receive calls, primarily from professional solicitors calling on behalf of charitable organizations.[12]

Section 18 amends s. 501.059, F.S., to expand the state DNC program to prohibit telephone solicitors seeking donations on behalf of charities from contacting individuals who have previously communicated to the solicitor that he or she does not wish to receive telephone solicitations from that charitable organization. The bill authorizes the DACS to enforce this provision against charities and professional solicitors working on behalf of charities. The bill is intended to align Florida's DNC program with the federal DNC program.

Consumer Services – Telemarketing, ss. 501.601-501.626, F.S., Florida Telemarketing Act

<u>Definition</u>
The current definitions of "commercial telephone solicitation" contain three separate definitions that delineate what types of activities fall under the statute.[13] Two of the definitions reference consumer goods or services but one does not. Some interpretations expand the definition to non-

[11] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Health Studio Bond Reduction, 12-18-2012, page 7, copy available in committee files.
[12] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – DNC Requirements of Charities, 12-18-2012, page 5, copy available in committee files.
[13] Section 501.603(1)(a), (b), and (c), F.S.

consumer goods and services. The DACS has stated the discrepancy has caused confusion for the DACS and individuals seeking licensure.[14]

Section 19 amends s. 501.603(1), F.S., adding a reference to consumer goods or services so that all three definitions of "commercial telephone solicitation" include references to consumer goods or services.

Section 20 amends s. 501.604, F.S., updating the reference to entities exempt from the Telemarketing Act by removing the outdated reference to "National Association of Securities Dealers" and updates the reference to "Financial Industry Regulatory Authority." The amendment further clarifies the application of the exemption to a supervised financial institution or parent, subsidiary, or affiliate operating within the scope of the supervised activity.

Exemption Status

Currently, the definition of a commercial telephone seller does not include a broad range of entities exempted by statute. Entities seeking an exemption are required to provide a notarized affidavit of exemption to the DACS. The current language does not provide a way for the DACS to verify the information provided in the affidavit of exemption.

Section 19 amends s. 501.603(2), F.S., clarifying that an entity exempt from the definition of "commercial telephone seller" is only exempt when a valid affidavit of exemption has been filed.

Section 22 amends s. 501.608, F.S., to authorize the DACS to review and request additional information before approving affidavits of exemption. The exempt entity must display its either its license or receipt of filing of an affidavit of exemption.

Work History

Currently, the Telemarketing Act requires telemarketing salespersons provide a 3-year work history on their application. The DACS indicates it does not have a way to verify the accuracy of the data reported.[15]

Section 21 amends s. 501.607, F.S., removing the requirement for telemarketing salespersons to provide a 3-year work history as a part of his or her application.

Bond

The Telemarketing Act requires commercial telephone sellers obtain a bond, certificate of deposit, or letter of credit when they register or renew their license. If the bond expires before the renewal date, the statute does not require the commercial telephone seller to provide a valid security prior to its next renewal period.

Section 23 amends s. 501.611, F.S., stating that the required bond for telemarketers must remain in force throughout the licensure period.

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[14] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Telemarketing – Clarifying Definition of a Commercial Telephone Solicitation, 12-18-2012, page 50, copy available in committee files.

[15] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Telemarketing – Eliminate Salesperson Work History Requirement, 12-18-2012, page 45, copy available in committee files.

Timeshare Advertising

Telemarketers who engage in timeshare advertising are regulated by the DACS. Activities related to timeshare advertising are regulated by the Department of Business and Professional Regulation (DBPR) under ch. 721, F.S. In 2012, the Legislature enacted provisions to regulate timeshare resale service providers. [16]

Section 24 amends s. 501.615, F.S., to reconcile the new DBPR timeshare reseller language in ch. 721, F.S., with the DACS telemarketing statute. The bill requires telemarketers who advertise timeshares to comply with the contract requirements in s. 721.205, F.S.

Section 49 amends s. 721.20 F.S., to highlight the requirement that telemarketers who advertise timeshares must also comply with the licensing requirements in part IV of ch. 501, F.S.

Inspections

The DACS has regulatory authority over telemarketing businesses and regularly conducts onsite investigations looking for unlicensed or unlawful activity. Businesses may refuse entry to or refuse to provide required materials, such as scripts, to investigators. Currently, the DACS has subpoena power to gain access to these materials.

Section 25 amends s. 501.617, F.S., expanding the DACS' investigative authority to allow onsite investigators to conduct regulatory inspections of telemarketing businesses and thereby view business records.

Moving Services, ch. 507, F.S.

Currently, the DACS does not interpret the definition of a moving broker to include online brokering services. The DACS has stated that the increase in online brokering services in recent years has made it easy for unregistered movers to advertise and get referrals from moving brokers. Additionally, moving brokers are required to obtain a $25,000 bond. The DACS states it has never had to use the bond.[17]

Section 26 amends s. 507.03, F.S., to require moving brokers to report affiliated movers upon request by the DACS.

Section 28 amends s. 507.07, F.S., to create two new violations of ch. 507, F.S. The bill makes it unlawful for a moving broker to subcontract for services with an unregistered mover. Similarly, the bill makes it unlawful for a mover to subcontract for services with an unregistered moving broker.

Section 27 amends s. 507.04, F.S., to repeal the requirement that moving brokers obtain a performance bond or certificate of deposit in the amount of $25,000.

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[16] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Telemarketing – Eliminate Salesperson Work History Requirement, 12-18-2012, page 45, copy available in committee files.

[17] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Moving Broker Registration Requirement, 12-18-2012, page 9, copy available in committee files.

Alternative Fuels, ch. 525, F.S.

Currently, fuel products are being developed that are not covered under the definition of alternative fuels found in s. 525.01, F.S. Specifically, the standard for E85 has been amended by ASTM International. ASTM provides a forum for the development and publication of voluntary consensus standards for materials, products, and services. Current ASTM standards have altered the definition of E85 to allow for a gasoline-ethanol blend containing 51 percent to 83 percent ethanol.

Section 29 amends s. 525.01, F.S., to broaden the definition of alternative fuels. The change is designed to allow the DACS the flexibility to adjust to changing fuel quality standards and new blended fuels.

Section 32 amends s. 525.16, F.S., requiring entities that sell or distribute petroleum or alternative fuels to meet the standards established by the DACS. Provides that terminal suppliers, wholesalers, or blenders licensed under ch. 206, F.S., are not liable for injuries or damage resulting from the subsequent blending of petroleum or alternative fuels if the petroleum or alternative fuels met the standards adopted by the DACS while under ownership of the terminal suppliers, wholesale or blender.

Section 33 amends s. 525.141, F.S., to provide that refiners, terminal suppliers, wholesalers, and retailers are not liable for damages caused by the incompatible use of motor fuel dispensed at a retail site if the fuel meets the standards adopted by the DACS, the fuel is selected by the purchaser, and, the retail dispenser from which the fuel is dispensed is properly labeled.

Liquefied Petroleum Gas Licensees, ch. 527, F.S.

<u>License year</u>
Currently, LP gas licenses expire on August 31st of each year.

Sections 34 and 36 amend ss. 527.01 and 527.03, F.S., to allow for staggered license expiration dates. The bill amends the renewal sequence of licenses to include the period from either September 1 through the following August 31, or April 1 through the following March 31, depending upon the type of license.

<u>Examinations</u>
Section 527.0201, F.S., authorizes the DACS to issue competency examinations to licensees based on licensure category. This section currently states that the applicant for licensure must "prove competency by passing a written examination administered by the department or its agent with a grade of 75 percent or above." This language appears to require that an overall score of 75 percent must be achieved, not a score of 75 percent on each area tested on the examination.

Section 35 amends s. 527.0201, F.S., to require that applicants taking the license examinations must pass each area tested with a score of at least 75 percent.

Continuing education
Currently, a minimum of 12 hours of continuing education is required in order to maintain certification as a qualifier or master qualifier. The industry recommends a minimum of 16 hours.

Section 35 amends s. 527.0201(5)(c), F.S., to increase the minimum number of hours of continuing education required to maintain certain licenses from 12 to 16.

Weights and Measures Fees, ch. 531, F.S., Weights and Measures Act of 1971.

Currently, ch. 531, F.S., sets the maximum fees for commercial weighing and measuring devices. Actual fees are established by rule. The permits are issued on a per device basis, but businesses with multiple devices in one location are assessed less per device since certain economies of scale are realized by the regulatory program when conducting multiple inspections at one location.

When the permitting fees were enacted in 2009, the fees were to sunset on July 1, 2014. Prior to 2009, the weights and measures program was funded by general revenue.

Section 39 amends s. 40 of ch. 2009-66, L.O.F., extending the sunset provision relating to permitting fees for weighing and measuring devices from July 1, 2014, to July 1, 2020.

Pawn Broker Fingerprinting, ch. 539, F.S.

Currently, pawn shop owners must submit fingerprints taken by a law enforcement agency as part of the registration requirements.

Section 40 amends s. 539.001, F.S., allowing pawn shop owners to have their fingerprints taken at a fingerprinting service provider authorized by the Florida Department of Law Enforcement.

Sale of Business Opportunities Act, ss. 559.80-559.815, F.S.

Currently, businesses file an annual disclosure statement with the DACS if selling or leasing business opportunities in Florida. The Federal Trade Commission regulates business opportunities and the DACS has limited regulatory authority. Franchises are exempt from the requirements of the business opportunity statute as long as they meet the Federal Trade Commission's definition of a franchise.

Sections 41, 42, 43, 44, 45, and 46 deregulate sellers of business opportunities as follows:

Section 41 amends s. 559.802, F.S., authorizing the DACS to create a form for a franchise to file its notice of exemption.

Section 42 amends s. 559.803, F.S., eliminating the provision that allows the seller of a business opportunity file a disclosure statement or any other document required to be filed by the seller under federal regulations in lieu of the documents required by s. 559.803. Elimination of this provision now requires the seller of a business opportunity to comply with the disclosure requirements of s. 559.803.

Section 43 repeals s. 559.805, F.S., which eliminates the requirement that a seller of a business opportunity annually file a copy of its disclosure statement before placing an advertisement or making any other offer to sell, or solicit an offer to buy, a business opportunity to a prospective purchaser in this state. In addition, the seller of a business opportunity is no longer required to file a list of the seller's officers, directors, trustees, general partners, general managers, principal executives, or any other person charged with the responsibility for the seller's business activities. The department will no longer be required to issue an advertisement identification number to a seller of a business opportunity. In addition, the department will no longer collect an annual fee of $300 from sellers of a business opportunity or a $50 fee to update any filing.

Section 44 repeals s. 559.807(2), F.S., which eliminates the requirement that a bond, certificate of deposit, or guaranteed letter of credit be held in favor of the department for the use and benefit of any person who is injured by the fraud, misrepresentation, breach of contract, financial failure, or violation of any statute regulating the acts of a seller of a business opportunity. However, the bill retains the requirement that a seller of a business opportunity obtain a surety bond, establish a certificate of deposit, or a guaranteed letter of credit for the minimum amount of $50,000 if the seller makes certain representations to prospective buyers.

Section 45 amends s. 559.813, F.S., eliminating the enforcement authority of the DACS with respect to unlawful acts committed by a seller of a business opportunity. However, the bill retains a private cause of action for an individual injured by the unlawful acts of a seller of a business opportunity. Similarly, the Attorney General or state attorney may also bring an action against the seller.

Section 46 amends s. 559.815, F.S., eliminating a reference to mandatory filing requirements required of a seller of a business opportunity by the department.

The bill retains the consumer protection provisions of ch. 559, F.S., such as the requirement that the seller of a business opportunity provide a written disclosure to prospective buyers, the requirement that certain sellers obtain $50,000 in security, a private cause of action against a seller, and other civil sanctions.

Motor Vehicle Repair Advisory Council, ss. 559.901-559.9221, F.S., Florida Motor Vehicle Repair Act.

Currently, the 11 member Motor Vehicle Repair Advisory Council exists to advise and assist the DACS in carrying out the provisions of the Motor Vehicle Repair Act.

Section 47 amends s. 559.9221, F.S., decreasing the size of the Motor Vehicle Repair Council from 11 to 9 members. The bill merges the position of "independent automotive collision shops" with "franchise or company owned automotive collision shops" and merges the position of "independent tire dealer" with "franchise or company owned tire dealer."

Public Fairs & Expositions, ch. 616, F.S.

Currently, an owner of an amusement ride may not operate a ride without meeting the insurance requirements, which may be satisfied with an insurance policy or a bond.

Section 48 amends s. 616.242, F.S., eliminating the option of obtaining a bond. Although the bill removes a bond option, the DACS reports that no entity has utilized the bond option.[18]

Effective Date

Section 50 provides an effective date of July 1, 2013.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

The portions of sections 32 and 33 of the bill that provide for limitations of liability for refiners, terminal suppliers, wholesalers, and blenders under certain circumstances may cause the bill to violate the single-subject requirement in article III, section 6 of the Florida Constitution.[19] A legislative act violates the single-subject requirement when the provisions in the bill are not logically connected to one another or are not necessary to achieve the purpose of the legislation.[20]

The purpose of CS/CS/SB 1040 is to modify regulatory activities under the jurisdiction of the DACS. A court may find that the bill violates the single-subject requirement because the limitations of liability for refiners, terminal suppliers, wholesalers, and blenders in sections 32 and 33 are not logically connected to the regulatory responsibilities of the DACS.

[18] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Eliminate Fair Rides Bond, 12-18-2012, page 6, copy available in committee files.
[19] Article III, section 6 states "Every law shall embrace but one subject and matter properly connected therewith . . . ."
[20] *See Heggs v. State*, 759 So. 2d 620, 626 (Fla. 2000); *State v. Petruzzelli*, 374 So. 2d 13, 15 (Fla. 1979).

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

Because the repeal of the business opportunity registration requirement includes elimination of an annual fee of $300 and a $50 fee to update any filing, the DACS calculated an estimated revenue loss of $11,000 annually.[21] Similarly, the elimination of the $10 filing fee for charitable organizations that make less than $25,000 in total revenue will result in an estimated revenue loss of $53,520 annually.[22]

The bill extends the sunset date on permitting fees for commercial weighing and measuring devices from July1, 2014 to July 1, 2020.

B. Private Sector Impact:

The removal of the $300 annual fee for sellers of a business opportunity and the $10 filing for charitable organizations making less than $25,000 will reduce administrative costs for these industries. [23]

Reducing the bond security amount from $50,000 to $25,000 for health studios and eliminating a bonding requirement for moving brokers will produce savings for these industries.[24]

The centralized collection of motor fuel taxes and inspection fees within DOR may decrease administrative costs to the regulated entities.

The requirement for increased number of hours of continuing education courses will increase costs for LP gas licensees.

Additionally, the enforcement of DNC violations against charities may subject such charities to fines or other civil sanctions.[25]

C. Government Sector Impact:

The DACS estimates a reduction in revenues and expenditures with the elimination of fees for sellers of business opportunities and charitable organizations.

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[21] DACS Analysis, SB 1040, February 18, 2013, copy available in committee files.
[22] DACS Analysis, *supra* note 19.
[23] DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – Business Opportunity Repeal, 12-18-2012, page 1, copy available in committee files; DACS 2013 Legislative Proposal, Division of Consumer Services, Short Title – SOC – Small Charity Exemption, 12-18-2012, page 33, copy available in committee files.
[24] DACS 2013 Legislative Proposal, *supra* note 11; DACS 2013 Legislative Proposal, *supra* note 17.
[25] *See* DACS 2013 Legislative Proposal, *supra* note 12.

REVENUES		**FY 2013-14**	**FY 2014-15**
General Inspection Trust Fund:			
Small Charities Registration Exemption		($53,520)	0
Sellers of Business Opportunities		($11,000)	0
	Total	($64,520)	0
EXPENDITURES			
General Inspection Trust Fund:			
Small Charities Registration Costs		($8,028)	0
Sellers of Business Opportunities		($56)	0
	Total	($8,084)	0

According to the DACS and the DOR, the operational impact of transferring collection of taxes and fees on petroleum products will be insignificant. [26]

The Criminal Justice Impact Conference reviewed a similar bill on February 27, 2013, and determined there will be an insignificant impact on prison beds as a result of a person convicted of submitting a fraudulent training certificate for licensure under chapter 493, F.S.

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.)

Recommended CS/CS by Appropriations Subcommittee on General Government on March 19, 2013:

The committee substitute does the following:

- Requires entities that sell or distribute petroleum or alternative fuels to meet fuel standards adopted by the DACS.
- Provides that terminal suppliers, wholesalers, or blenders licensed under ch. 206, F.S., are not liable for injuries or damage resulting from the subsequent blending of petroleum or alternative fuels if the petroleum or alternative fuels met the standards

[26] DOR 2013 Bill Analysis, SB 1040, March 6, 2013, copy available in committee files.

adopted by the DACS while under ownership of the terminal suppliers, wholesale or blender.

- Provides that terminal suppliers, wholesalers, or retailers are not liable for damages caused by the incompatible use of motor fuels under certain circumstances.

CS by Commerce and Tourism on March 11, 2013:
The committee substitute does the following:

- Removes the word "applicant" from the provisions allowing for disciplinary proceedings against a Class "G" licensee for failing to complete required recertification training or against a Class "K" licensee for failing to maintain active certification as a professional firearms trainer.
- Reduces the number of days, from 20 to 15, the department has to process applications and renewals for charitable organizations, professional solicitors, and professional fundraising consultants before the application is automatically approved.
- Provides a commercial telephone salesperson the option to display either a license or a receipt of filing of an affidavit of exemption at the place of business. Failure to do so may result in the salesperson being ordered by the department to leave the business until he or she can produce one of the two required documents.

B. Amendments:

None.

637722

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/19/2013	.	
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	.	

Appropriations Subcommittee on General Government (Bradley) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3 Between lines 496 and 497
4 insert:
5 Section 6. Paragraph (k) of subsection (4) of section
6 282.201, Florida Statutes, is amended to read:
7 282.201 State data center system; agency duties and
8 limitations.—A state data center system that includes all
9 primary data centers, other nonprimary data centers, and
10 computing facilities, and that provides an enterprise
11 information technology service as defined in s. 282.0041, is
12 established.

637722

13 (4) SCHEDULE FOR CONSOLIDATIONS OF AGENCY DATA CENTERS.—
14 (k) The Department of Law Enforcement, the Department of the
15 Lottery's Gaming System, Systems Design and Development in the
16 Office of Policy and Budget, ~~and~~ the State Board of
17 Administration, state attorneys, public defenders, criminal
18 conflict and civil regional counsel, capital collateral regional
19 counsel, the Florida Clerks of Court Operations Corporation, the
20 Justice Administration Commission, and the Florida Housing
21 Finance Corporation are exempt from data center consolidation
22 under this section.
23
24 ========== T I T L E A M E N D M E N T ==========
25 And the title is amended as follows:
26 Delete line 17
27 and insert:
28 completed; amending s. 282.201, F.S.; exempting the
29 Justice Administration Commission from consolidation
30 requirements; amending s. 282.203, F.S.; conforming

238408

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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	.	

Appropriations Subcommittee on General Government (Bradley) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3
4 Delete line 497
5 and insert:
6 Section 6. Section 282.201, Florida Statutes, is repealed.
7 Section 7. Paragraphs (c), (e), (h), (i), and (m) of
8 subsection
9 Between lines 589 and 590
10 insert:
11 (m) Assume administrative access rights to the resources
12 and equipment, such as servers, network components, and other

238408

13 devices that are consolidated into the primary data center.
14 1. Upon the date of each consolidation specified in ~~s.~~
15 ~~282.201,~~ the General Appropriations Act~~,~~ or the Laws of Florida,
16 each agency shall relinquish all administrative access rights to
17 such resources and equipment.
18 2. Each primary data center shall provide its customer
19 agencies with the appropriate level of access to applications,
20 servers, network components, and other devices necessary for
21 agencies to perform their core business activities and
22 functions.
23 Between lines 1636 and 1637
24 insert:
25 Section 41. Subsection (2) of section 1006.73, Florida
26 Statutes, is amended to read:
27 1006.73 Florida Virtual Campus.—
28 (2) The chancellors of the Florida College System and the
29 State University System shall exercise joint oversight of the
30 Florida Virtual Campus and shall establish its governance and
31 reporting structure, administrative and operational guidelines
32 and processes, staffing requirements, and operational budget.
33 All data center services needed by the Florida Virtual Campus
34 shall be provided by a primary data center established pursuant
35 to s. ~~ss. 282.201 and~~ 1004.649.
36 (a) In carrying out the purposes of this section:
37 1. The campus is not an “agency” as defined in s. 20.03(11)
38 and is not subject to chapter 287.
39 2. The campus shall be deemed to be acting as an
40 instrumentality of the state for purposes of sovereign immunity
41 pursuant to s. 768.28(2).

238408

42 3. All records of the campus are public records unless made
43 confidential or exempt from law.
44 (b) The campus shall maintain an unencumbered balance of
45 not less than 5 percent of its approved operating budget.
46 (c) The campus may secure comprehensive general liability
47 coverage, professional liability coverage, property and casualty
48 coverage, and any other insurance coverage deemed appropriate by
49 the chancellors.
50 (d) The campus may contract for administrative services
51 with a public postsecondary education institution. The
52 administrative overhead costs charged by the institution may not
53 exceed the actual cost of providing the services and shall
54 require a specific appropriation in the General Appropriations
55 Act.
56
57 ========== T I T L E A M E N D M E N T ==========
58 And the title is amended as follows:
59 Delete line 17
60 and insert:
61 completed; repealing s. 282.201, relating to the state
62 data center system; amending s. 282.203, F.S.;
63 conforming
64 Delete line 42
65 and insert:
66 401.027, 445.011, 445.045, 668.50, and 1006.73, F.S.;

567076

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/19/2013	.	
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	.	
	.	

Appropriations Subcommittee on General Government (Bradley) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3 Delete lines 444 - 447
4 and insert:
5 information technology services. The work plan must be ~~presented~~
6 ~~at a public hearing and~~ approved by the Governor ~~and Cabinet~~,
7 and thereafter submitted to the President of the Senate and the
8 Speaker of the House of Representatives. The work plan may be
9
10 ========== T I T L E A M E N D M E N T ==========
11 And the title is amended as follows:
12 Delete line 13

567076

13 and insert:
14 conforming provisions to changes made by the act;
15 deleting the requirement that the department’s work
16 plan be presented at a public hearing;

340266

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
	.	
	.	
	.	

Appropriations Subcommittee on General Government (Bradley) recommended the following:

1 **Senate Amendment**
2
3 Delete lines 681 - 686
4 and insert:
5 (3) The Department of Financial Services shall use the
6 Fletcher Shared Resource Center, provide full service to the
7 Office of Financial Regulation and the Office of Insurance
8 Regulation, and host the Legislative Appropriations
9 System/Planning and Budgeting Subsystem (LAS/PBS).

568826

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Bradley) recommended the following:

Senate Amendment (with title amendment)

Delete lines 433 - 449
and insert:
Section 4. Subsection (1) of section 282.0056, Florida Statutes, is amended, and subsection (6) is added to that section, to read:
282.0056 Development of work plan; development of implementation plans; and policy recommendations.—
(1) For the purposes of carrying out its responsibilities under s. 282.0055, the department ~~Agency for Enterprise Information Technology~~ shall develop an annual work plan within

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13 60 days after the beginning of the fiscal year describing the
14 activities that the department ~~agency~~ intends to undertake for
15 that year, including proposed outcomes and completion timeframes
16 for the planning and implementation of all enterprise
17 information technology services. The work plan must be ~~presented~~
18 ~~at a public hearing and~~ approved by the Governor ~~and Cabinet~~,
19 and thereafter submitted to the President of the Senate and the
20 Speaker of the House of Representatives. The work plan may be
21 amended as needed, subject to approval by the Governor ~~and~~
22 ~~Cabinet~~.
23 (6) The Department of Law Enforcement, the Department of
24 the Lottery's Gaming System, Systems Design and Development in
25 the Office of Policy and Budget, the State Board of
26 Administration, state attorneys, public defenders, criminal
27 conflict and civil regional counsel, capital collateral regional
28 counsel, the Florida Clerks of Court Operations Corporation, the
29 Department of Legal Affairs, the Department of Financial
30 Services, the Department of Agriculture and Consumer Services'
31 Agriculture Management Information Center and the Division of
32 Licensing, the Justice Administrative Commission, and the
33 Florida Housing Finance Corporation are exempt from data center
34 consolidation unless specifically directed by the Legislature.
35 The exempt entities shall provide any information requested by
36 the department which is reasonably necessary for an analysis
37 relating to the feasibility and cost of data center
38 consolidation.
39 Section 5. An employee transferred to the Department of
40 State Technology by this act shall retain the same status of his
41 or her current position upon the transfer of that position

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42 between agencies.
43
44 ========== T I T L E A M E N D M E N T ==========
45 And the title is amended as follows:
46 Delete line 13
47 and insert:
48 conforming provisions to changes made by the act;
49 deleting the requirement that the department's work
50 plan be presented at a public hearing; expressly
51 exempting certain entities from data center
52 consolidation; providing that the status of any
53 employee positions transferred between agencies is
54 retained;

By the Committee on Governmental Oversight and Accountability

585-02044-13 20131762__

A bill to be entitled

An act relating to state technology; transferring, renumbering, and amending s. 14.204, F.S.; creating the Department of State Technology; providing for the organizational structure of the department; creating a Technology Advisory Council and providing for membership; amending s. 282.0041, F.S.; revising and providing definitions for terms used in the Enterprise Information Technology Services Management Act; amending s. 282.0055, F.S.; requiring the department to develop a long-range plan; providing the powers and duties of the department; amending s. 282.0056, F.S.; conforming provisions to changes made by the act; creating s. 282.0057, F.S.; providing a schedule for the initiation of department information technology projects; specifying tasks to be approved and completed; amending s. 282.203, F.S.; conforming provisions to changes made by the act; providing for future repeal; repealing s. 282.204, F.S., relating to Northwood Shared Resource Center; repealing s. 282.205, F.S., relating to Southwood Shared Resource Center; creating s. 282.206, F.S.; establishing the Fletcher Shared Resource Center within the Department of Financial Services to provide enterprise information technology services to the department, co-location services to the Department of Legal Services and the Department of Agriculture and Consumer Services, and host the Legislative Appropriations System/Planning and Budgeting Subsystem; providing for

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governance of the center; authorizing the Department of Legal Affairs and the Department of Agriculture and Consumer Services to move data center equipment to the center; amending s. 282.318, F.S.; conforming provisions to changes made by the act; repealing s. 282.33, F.S., relating to objective standards for data center energy efficiency; repealing s. 282.34, F.S., relating to enterprise email service; amending ss. 282.604, 282.702, 282.703, 20.22, 110.205, 215.22, 215.322, 215.96, 216.292, 287.012, 287.057, 318.18, 320.0802,328.72, 364.0135, 365.171, 365.172, 365.173, 365.174, 401.013, 401.015, 401.018, 401.021, 401.024, 401.027, 445.011, 445.045, and 668.50, F.S.; conforming provisions to changes made by the act; transferring the personnel, functions, and funds of the Agency for Enterprise Information Technology to the Department of State Technology; transferring specified personnel, functions, funds, trust funds, administrative orders, contracts, and rules relating to technology programs from the Department of Management Services to the Department of State Technology; transferring the Northwood Shared Resource Center and the Southwood Shared Resource Center to the department; providing an appropriation; providing effective dates.

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

Section 1. Section 14.204, Florida Statutes, is

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59 transferred, renumbered as section 20.61, Florida Statutes, and
60 amended to read:
61 (Substantial rewording of section. See
62 s. 14.204, F.S. for present text)
63 20.61 Department of State Technology; powers and duties.—
64 The Department of State Technology is hereby created as an
65 executive agency under the Governor.
66 (1) The department shall have a secretary, who shall be
67 appointed by the Governor. The secretary must be confirmed by
68 the Senate and shall serve at the pleasure of the Governor. The
69 secretary shall be the state's Chief Information Officer.
70 (2) The Technology Advisory Council consisting of nine
71 members shall be established and maintained pursuant to s.
72 20.052. Four of the members of the council shall be appointed by
73 the Governor, of which two members must be from the private
74 sector; three of the members shall be appointed by the Cabinet;
75 one of the members shall be appointed by the Speaker of the
76 House of Representative; and one member shall be appointed by
77 the Senate President. Upon initial establishment of the council,
78 two of the Governor's appointments and two of the Cabinet's
79 appointments shall be for 2 year terms. Thereafter, all
80 appointments shall be for 4 year terms.
81 (a) The council shall consider and make recommendations to
82 the secretary on such matters as enterprise information
83 technology policies, standards, services, and architecture.
84 (b) The secretary shall consult with the council with
85 regard to executing the duties and responsibilities of the
86 department related to statewide information technology strategic
87 planning and policy.

88 (3) The following divisions and offices are established
89 within the department:
90 (a) Division of Information Management.
91 (b) Division of Enterprise Information Technology Services.
92 (c) The Office Of Information Security.
93 (d) The Office of Strategic Planning.
94 (4) There shall be a Chief Operations Officer, a Chief
95 Planning Officer, a Chief Security Officer, and a Deputy Chief
96 Information Officer all of whom serve at the pleasure of the
97 secretary.
98 (a) The Chief Operations Officer is responsible for the
99 operations and delivery of enterprise information technology
100 services including management of telecommunication services and
101 data center operations.
102 (b) The Chief Planning Officer is responsible for
103 establishing and maintaining enterprise information technology
104 policy, planning, standards, project management, oversight, and
105 procurement.
106 (c) The Chief Security Officer is responsible for
107 establishing and maintaining the enterprise strategy and program
108 for ensuring information assets are adequately protected.
109 (d) The Deputy Chief Information Officer is responsible for
110 establishing and maintaining the enterprise strategy for
111 enterprise information technology services.
112 (5) The following deputy Chief Information Officer
113 positions shall be appointed and serve at the pleasure of the
114 secretary. Each deputy is responsible for the following core
115 agency groups:
116 (a) Deputy Information Officer of Human Services, to

117 include:
118 1. Department of Elder Affairs.
119 2. Agency for Health Care Administration.
120 3. Agency for Persons with Disabilities.
121 4. Department of Children and Families.
122 5. Department of Health.
123 6. Department of Veterans' Affairs.
124 (b) Deputy Information Officer of Criminal and Civil
125 Justice, to include:
126 1. Department of Juvenile Justice.
127 2. Parole Commission.
128 3. Department of Corrections.
129 4. Board of Clemency.
130 5. Department of Law Enforcement.
131 6. Department of Highway Safety and Motor Vehicles.
132 (c) Deputy Information Officer of Education, to include
133 the:
134 1. Department of Education.
135 2. State Board of Education.
136 3. Board of Governors.
137 (d) Deputy Information Officer of Business Operations, to
138 include:
139 1. Department of Revenue.
140 2. Department of Business and Professional Regulation.
141 3. Department of the Lottery.
142 4. Department of Economic Opportunity.
143 (e) Deputy Information Officer of Community Services, to
144 include:
145 1. Department of Military Affairs.

146 2. Department of Transportation.
147 3. Department of State.
148 4. Department of Emergency Management.
149 (f) Deputy Information Officer of Natural Resources, to
150 include:
151 1. Department of Environmental Protection.
152 2. Department of Fish and Wildlife.
153 3. Department of Citrus.
154 (g) Deputy Information Officer of Executive and
155 Administrative Support Service, to include:
156 1. The Department of Financial Services.
157 2. The Department of Management Services.
158 3. The Department of Legal Affairs.
159 4. The Department of Agriculture and Consumer Services.
160 (6) In order to optimize the efficiency and utility of
161 information technology systems within core agency groups, the
162 secretary may require the participation of programs within a
163 state agency to work with a deputy chief information officer
164 outside of the agency's assigned core group.
165 (7) The secretary may obtain administrative services
166 through the Department of Management Services pursuant to a
167 memorandum of understanding.
168 Section 2. Section 282.0041, Florida Statutes, is reordered
169 and amended to read:
170 282.0041 Definitions.—As used in this chapter, the term:
171 ~~(1) "Agency" has the same meaning as in s. 216.011(1)(qq),~~
172 ~~except that for purposes of this chapter, "agency" does not~~
173 ~~include university boards of trustees or state universities~~.
174 ~~(2) "Agency for Enterprise Information Technology" means~~

175 ~~the agency created in s. 14.204.~~
176 (1)~~(3)~~ "Agency information technology service" means a
177 service that directly helps a state ~~an~~ agency fulfill its
178 statutory or constitutional responsibilities and policy
179 objectives and is usually associated with the state agency's
180 primary or core business functions.
181 ~~(4) "Annual budget meeting" means a meeting of the board of~~
182 ~~trustees of a primary data center to review data center usage to~~
183 ~~determine the apportionment of board members for the following~~
184 ~~fiscal year, review rates for each service provided, and~~
185 ~~determine any other required changes.~~
186 (2)~~(5)~~ "Breach" has the same meaning as in s. 817.5681(4).
187 (3)~~(6)~~ "Business continuity plan" means a plan for disaster
188 recovery which provides for the continued functioning of a
189 shared resource center or primary data center during and after a
190 disaster.
191 (4)~~(7)~~ "Computing facility" means a state agency site ~~space~~
192 containing fewer than ~~a total of~~ 10 physical or logical servers,
193 any of which supports a strategic or nonstrategic information
194 technology service, as described in budget instructions
195 developed pursuant to s. 216.023, but excluding
196 telecommunications and voice gateways and clustered pairs of
197 servers operating as a single logical server to provide file,
198 print, security, and endpoint management services ~~single,~~
199 ~~logical server installations that exclusively perform a utility~~
200 ~~function such as file and print servers~~.
201 (5) "Computing service" means an information technology
202 service that is used in all state agencies or a subset of
203 agencies.

204 ~~(8) "Customer entity" means an entity that obtains services~~
205 ~~from a primary data center.~~
206 (6)~~(9)~~ "Data center" means state agency space containing 10
207 or more physical or logical servers, any of which supports a
208 strategic or nonstrategic information technology service, as
209 described in budget instructions developed pursuant to s.
210 216.023.
211 (7)~~(10)~~ "Department" means the Department of State
212 Technology ~~Management Services~~.
213 (9)~~(11)~~ "Enterprise information technology service" means
214 an information technology service that is used in all state
215 agencies or a subset of state agencies and is established in law
216 to be designed, delivered, and managed at the enterprise level.
217 (8)~~(12)~~ "Email ~~E-mail~~, messaging, and calendaring service"
218 means the enterprise information technology service that enables
219 users to send, receive, file, store, manage, and retrieve
220 electronic messages, attachments, appointments, and addresses.
221 ~~The e-mail, messaging, and calendaring service must include e-~~
222 ~~mail account management; help desk; technical support and user~~
223 ~~provisioning services; disaster recovery and backup and restore~~
224 ~~capabilities; antispam and antivirus capabilities; archiving and~~
225 ~~e-discovery; and remote access and mobile messaging~~
226 ~~capabilities.~~
227 (10)~~(13)~~ "Information-system utility" means an information
228 processing ~~a full service information processing~~ facility
229 offering hardware, software, operations, integration,
230 networking, floor space, and consulting services.
231 (12)~~(14)~~ "Information technology resources" means
232 equipment, hardware, software, firmware, programs, systems,

233 networks, infrastructure, media, and related material used to
234 automatically, electronically, and wirelessly collect, receive,
235 access, transmit, display, store, record, retrieve, analyze,
236 evaluate, process, classify, manipulate, manage, assimilate,
237 control, communicate, exchange, convert, converge, interface,
238 switch, or disseminate information of any kind or form, and
239 includes the human resources to perform such duties except for
240 application developers and logical database administrators.
241 (11) ~~(15)~~ "Information technology policy" means statements
242 that describe clear choices for how information technology will
243 deliver effective and efficient government services to residents
244 and improve state agency operations. A policy may relate to
245 investments, business applications, architecture, or
246 infrastructure. A policy describes its rationale, implications
247 of compliance or noncompliance, the timeline for implementation,
248 metrics for determining compliance, and the accountable
249 structure responsible for its implementation.
250 (13) "Local area network" means any telecommunications
251 network through which messages and data are exchanged only
252 within a single building or contiguous campus.
253 (14) "Memorandum of understanding" means a written
254 agreement between the department and a state agency which
255 specifies the scope of services provided, service level,
256 duration of the agreement, responsible parties, and service
257 costs. A memorandum of understanding is not a rule pursuant to
258 chapter 120.
259 (15) "Other public sector organizations" means entities of
260 the legislative and judicial branches, the State University
261 System, the Florida Community College System, counties, and

262 municipalities. Such organizations may elect to participate in
263 the information technology programs, services, or contracts
264 offered by the department, including information technology
265 procurement, in accordance with general law, policies, and
266 administrative rules.
267 ~~(16) "Performance metrics" means the measures of an~~
268 ~~organization's activities and performance.~~
269 (16) ~~(17)~~ "Primary data center" means a data center that is
270 a recipient entity ~~for consolidation~~ of state agency information
271 technology resources and provides contracted services to the
272 agency ~~nonprimary data centers and computing facilities and that~~
273 ~~is established by law~~.
274 (17) ~~(18)~~ "Project" means an endeavor that has a defined
275 start and end point; is undertaken to create or modify a unique
276 product, service, or result; and has specific objectives that,
277 when attained, signify completion.
278 (18) ~~(19)~~ "Risk analysis" means the process of identifying
279 security risks, determining their magnitude, and identifying
280 areas needing safeguards.
281 (19) ~~(20)~~ "Service level" means the key performance
282 indicators (KPI) of an organization or service which must be
283 regularly performed, monitored, and achieved.
284 ~~(21) "Service-level agreement" means a written contract~~
285 ~~between a data center and a customer entity which specifies the~~
286 ~~scope of services provided, service level, the duration of the~~
287 ~~agreement, the responsible parties, and service costs. A~~
288 ~~service level agreement is not a rule pursuant to chapter 120.~~
289 (20) "Shared resource center" means a primary data center
290 that is state controlled.

(21)~~(22)~~ "Standards" means required practices, controls, components, or configurations established by an authority.

(22) "State agency" has the same meaning as in s. 216.011(1), but excluding the Department of Legal Affairs, the Department of Financial Services, and the Department of Agriculture and Consumer Services.

(23) "State agency site" means a single, contiguous local area network segment that does not traverse a metropolitan area network or wide area network.

(24)~~(23)~~ "SUNCOM Network" means the state enterprise telecommunications system that provides all methods of electronic or optical telecommunications beyond a single building or contiguous building complex and used by entities authorized as network users under this part.

(25)~~(24)~~ "Telecommunications" means the science and technology of communication at a distance, including electronic systems used in the transmission or reception of information.

(26)~~(25)~~ "Threat" means any circumstance or event that may cause harm to the integrity, availability, or confidentiality of information technology resources.

(27)~~(26)~~ "Total cost" means all costs associated with information technology projects or initiatives, including, but not limited to, value of hardware, software, service, maintenance, incremental personnel, and facilities. Total cost of a loan or gift of information technology resources to a state ~~an~~ agency includes the fair market value of the resources.

(28)~~(27)~~ "Usage" means the billing amount charged by the shared resource ~~primary data~~ center, minus ~~less~~ any pass-through charges, to the customer entity.

(29)~~(28)~~ "Usage rate" means a customer entity's usage or billing amount as a percentage of total usage.

(30) "Wide area network" means a telecommunications network or components thereof through which messages and data are exchanged outside of a local area network.

Section 3. Section 282.0055, Florida Statutes, is amended to read:

282.0055 Assignment of information technology; long-range plan; powers and duties.—The department shall design, plan, develop, implement, and manage state enterprise information technology services and infrastructure to achieve the use of cost-effective and cost-efficient common technology. ~~In order to ensure the most effective and efficient use of the state's information technology and information technology resources and notwithstanding other provisions of law to the contrary, policies for the design, planning, project management, and implementation of enterprise information technology services shall be the responsibility of the Agency for Enterprise Information Technology for executive branch agencies created or authorized in statute to perform legislatively delegated functions.~~ The supervision, design, delivery, and management of state agency information technology shall remain within the responsibility and control of the individual state agency.

(1) To assist with achieving this purpose, the department shall biennially develop and coordinate a comprehensive long-range plan for the state's information technology resources, including opportunities for coordinating with other public-sector organizations; ensuring the proper management of such resources; developing agency budget requests for submission to

349 the Legislature; and delivering enterprise information
350 technology services. In developing the plan, the department
351 shall identify best practices from executive branch agencies and
352 other public and private sector entities in order to develop,
353 replicate, and implement such information technology best
354 practices and standards into the state's technology services and
355 infrastructure.
356 (2) The department shall have the following powers and
357 duties:
358 (a) Setting state technology policy.
359 (b) The development, design, planning, project management,
360 implementation, delivery, and management of enterprise
361 information technology services.
362 (c) Establishing architecture for the state's technology
363 infrastructure in order to promote the efficient use of
364 resources and to promote economic development.
365 (d) Preparing fiscal impact statements relating to
366 necessary modifications and the delivery of technology to
367 support policies required by proposed legislation.
368 (e) Coordinating technology resource acquisition planning,
369 and assisting the Department of Management Services' Division of
370 Purchasing in using aggregate buying methodologies whenever
371 possible and with procurement negotiations for hardware and
372 software products and services in order to improve the
373 efficiency and reduce the cost of enterprise information
374 technology services.
375 (f) Upon request, advising, supporting, and collaborating
376 with the Division of Purchasing in the Department of Management
377 Services, in establishing best practices for the procurement of

378 information technology products in order to achieve savings for
379 the state.
380 (g) Upon request, supporting and collaborating with the
381 Division of Purchasing in the Department of Management Services,
382 in conducting procurement negotiations for information
383 technology products that will be used by multiple state
384 agencies.
385 (h) Providing oversight or project management for all
386 technology resources for projects exceeding an annual investment
387 of $2.5 million to accomplish goals of technology portfolio
388 management.
389 (i) Establishing performance measurement standards and
390 metrics regarding the success of technology projects and
391 services across the enterprise.
392 (j) Establishing standards for state agencies to submit
393 information technology reports or updates as necessary to
394 support the duties of the agency. At a minimum, such standards
395 must address content, format, and frequency of updates.
396 (k) Establishing and collecting fees and charges for data
397 and delivery of enterprise information technology services to
398 state agencies on a cost-sharing basis.
399 (l) Developing a cost-recovery plan to recover both the
400 costs and the accrual of funds sufficient for reinvesting in new
401 services and better technologies. This plan shall be developed
402 in consultation with state agencies and approved by the
403 Legislature.
404 (m) At the discretion of the department, collecting and
405 maintaining an inventory of the information technology resources
406 in state agencies and the data maintained by each agency. The

407 department may develop standards for data elements.
408 (n) Assuming ownership or custody and control of
409 information processing equipment, supplies, and positions in
410 order to thoroughly carry out the duties and responsibilities of
411 the department.
412 (o) Adopting rules and policies for the efficient, secure,
413 and economical management and operation of enterprise
414 information technology services.
415 (p) Providing other public sector organizations with access
416 to the services provided by the agency taking into consideration
417 the agency's ability to support those services. Access shall be
418 provided on the same cost basis as applies to state agencies.
419 (q) Establishing statewide practices and policies to ensure
420 that data that is exempt or confidential from s. 119.07(1) and
421 s. 24(a), Art. I of the State Constitution, or that is otherwise
422 confidential under state or federal law remains protected. This
423 provision does not affect a transfer of ownership of data from
424 any department, agency, board, bureau, commission, or authority
425 to the state agency.
426 (r) Conducting periodic assessments of state agencies for
427 compliance with statewide information technology policies and
428 recommending to the Governor or the Financial Management
429 Information Board statewide policies for information technology.
430 (s) Establishing and maintaining a single website
431 publishing information as provided in s. 215.985.
432 (t) Maintaining the official Internet state portal.
433 Section 4. Subsection (1) of section 282.0056, Florida
434 Statutes, is amended to read:
435 282.0056 Development of work plan; development of

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436 implementation plans; and policy recommendations.—
437 (1) For the purposes of carrying out its responsibilities
438 under s. 282.0055, the department ~~Agency for Enterprise~~
439 ~~Information Technology~~ shall develop an annual work plan within
440 60 days after the beginning of the fiscal year describing the
441 activities that the department ~~agency~~ intends to undertake for
442 that year, including proposed outcomes and completion timeframes
443 for the planning and implementation of all enterprise
444 information technology services. The work plan must be presented
445 at a public hearing and approved by the Governor ~~and Cabinet~~,
446 and thereafter submitted to the President of the Senate and the
447 Speaker of the House of Representatives. The work plan may be
448 amended as needed, subject to approval by the Governor ~~and~~
449 ~~Cabinet~~.
450 Section 5. Section 282.0057 Florida Statutes, is created to
451 read:
452 282.0057 Information technology project initiation
453 schedule; reporting.—
454 (1) Beginning January 1, 2015, the department shall:
455 (a) In cooperation with the Governor's Office of Policy and
456 Budget, publish a report on its current and planned information
457 technology expenditures, including, but not limited to, line-
458 item detail expenditures on systems development, personnel
459 services, and equipment from the previous fiscal year and
460 anticipated expenditures for the upcoming fiscal year; a
461 prioritization of information technology initiatives to address
462 unmet needs and opportunities for significant efficiencies or
463 improved effectiveness within the state information technology
464 enterprise; and a prioritized funding schedule for all major

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465 projects or initiatives, as well as cost estimates of the fiscal
466 impact of the recommended initiatives.
467 (b) Coordinate state agencies in developing and
468 implementing data sharing. The department shall determine and
469 implement statewide efforts to standardize data elements and
470 shall determine data ownership assignments among state agencies.
471 (c) Include in its legislative budget requests a
472 recommendation for consolidating state agency data in order to
473 provide better access for private and government use.
474 (d) Oversee the expanded use and implementation of project
475 and contract management principles as they relate to information
476 technology projects. Funded projects within state agencies must
477 use the project and contract management methodologies specified
478 by the department.
479 (2) Beginning January 1, 2016, the department shall:
480 (a) Develop systems and methodologies to review, evaluate,
481 and prioritize existing information technology projects and
482 develop a plan for leveraging technology across state agencies.
483 The department shall report to the Governor, the President of
484 the Senate, and the Speaker of the House of Representatives on
485 the status of information technology projects and the agency's
486 recommendations for project development on a semiannual basis.
487 Such recommendations shall be incorporated into the state
488 agency's legislative budget requests for technology projects.
489 (b) Develop standards for application development,
490 including, but not limited to, a standard methodology and cost-
491 benefit analysis that state agencies shall use for application
492 development activities.
493 (3) Beginning January 1, 2018, the department shall review

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494 and approve technology purchases made by state agencies.
495 Approval must be based on technology policies and standards
496 established by the department and approved by the Legislature.
497 Section 6. Paragraphs (c), (e), (h), and (i) of subsection
498 (1), paragraph (e) of subsection (2), and paragraphs (b), (e),
499 (h), and (k) of subsection (3) of section 282.203, Florida
500 Statutes, are amended and a new subsection (4) is added to that
501 section, to read:
502 282.203 Primary data centers.—
503 (1) DATA CENTER DUTIES.—Each primary data center shall:
504 (c) Comply with rules adopted by the department ~~Agency for~~
505 ~~Enterprise Information Technology~~, pursuant to this section, and
506 coordinate with the agency in the consolidation of data centers.
507 (e) Provide transparent financial statements to customer
508 entities and the department ~~Agency for Enterprise Information~~
509 ~~Technology~~. The financial statements shall be provided as
510 follows:
511 1. Annually, by July 30 for the current fiscal year and by
512 December 1 for the subsequent fiscal year, the data center must
513 provide the total annual budgeted costs by major expenditure
514 category, including, but not limited to, salaries, expense,
515 operating capital outlay, contracted services, or other
516 personnel services, which directly relate to the provision of
517 each service and which separately indicate the administrative
518 overhead allocated to each service.
519 2. Annually, by July 30 for the current fiscal year and by
520 December 1 for the subsequent fiscal year, the data center must
521 provide total projected billings for each customer entity which
522 are required to recover the costs of the data center.

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523 3. Annually, by January 31, the data center must provide
524 updates of the financial statements required under subparagraphs
525 1. and 2. for the current fiscal year.
526
527 The financial information required under subparagraphs 1., 2.,
528 and 3. must be based on current law and current appropriations.
529 (h) Develop a business continuity plan and conduct a live
530 exercise of the plan at least annually. The plan must be
531 approved by the board and the department ~~Agency for Enterprise~~
532 ~~Information Technology~~.
533 (i) Enter into a service-level agreement with each customer
534 entity to provide services as defined and approved by the board.
535 A service-level agreement may not have a term exceeding 3 years
536 but may include an option to renew for up to 3 years contingent
537 on approval by the board.
538 1. A service-level agreement, at a minimum, must:
539 a. Identify the parties and their roles, duties, and
540 responsibilities under the agreement.
541 b. Identify the legal authority under which the service-
542 level agreement was negotiated and entered into by the parties.
543 c. State the duration of the contractual term and specify
544 the conditions for contract renewal.
545 d. Prohibit the transfer of computing services between
546 primary data center facilities without at least 180 days' notice
547 of service cancellation.
548 e. Identify the scope of work.
549 f. Identify the products or services to be delivered with
550 sufficient specificity to permit an external financial or
551 performance audit.

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552 g. Establish the services to be provided, the business
553 standards that must be met for each service, the cost of each
554 service, and the process by which the business standards for
555 each service are to be objectively measured and reported.
556 h. Identify applicable funds and funding streams for the
557 services or products under contract.
558 i. Provide a timely billing methodology for recovering the
559 cost of services provided to the customer entity.
560 j. Provide a procedure for modifying the service-level
561 agreement to address changes in projected costs of service.
562 k. Provide that a service-level agreement may be terminated
563 by either party for cause only after giving the other party and
564 the department ~~Agency for Enterprise Information Technology~~
565 notice in writing of the cause for termination and an
566 opportunity for the other party to resolve the identified cause
567 within a reasonable period.
568 l. Provide for mediation of disputes by the Division of
569 Administrative Hearings pursuant to s. 120.573.
570 2. A service-level agreement may include:
571 a. A dispute resolution mechanism, including alternatives
572 to administrative or judicial proceedings;
573 b. The setting of a surety or performance bond for service-
574 level agreements entered into with agency primary data centers
575 established by law; or
576 c. Additional terms and conditions as determined advisable
577 by the parties if such additional terms and conditions do not
578 conflict with the requirements of this section or rules adopted
579 by the department ~~Agency for Enterprise Information Technology~~.
580 3. The failure to execute a service-level agreement within

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581 60 days after service commencement shall, in the case of an
582 existing customer entity, result in a continuation of the terms
583 of the service-level agreement from the prior fiscal year,
584 including any amendments that were formally proposed to the
585 customer entity by the primary data center within the 3 months
586 before service commencement, and a revised cost-of-service
587 estimate. If a new customer entity fails to execute an agreement
588 within 60 days after service commencement, the data center may
589 cease services.
590 (2) BOARD OF TRUSTEES.—Each primary data center shall be
591 headed by a board of trustees as defined in s. 20.03.
592 (e) The executive director of the department ~~Agency for~~
593 ~~Enterprise Information Technology~~ shall be the advisor to the
594 board.
595 (3) BOARD DUTIES.—Each board of trustees of a primary data
596 center shall:
597 (b) Establish procedures for the primary data center to
598 ensure that budgeting and accounting procedures, cost-recovery
599 methodologies, and operating procedures are in compliance with
600 laws governing the state data center system, rules adopted by
601 the department ~~Agency for Enterprise Information Technology~~, and
602 applicable federal regulations, including 2 C.F.R. part 225 and
603 45 C.F.R.
604 (e) Ensure the sufficiency and transparency of the primary
605 data center financial information by:
606 1. Establishing policies that ensure that cost-recovery
607 methodologies, billings, receivables, expenditure, budgeting,
608 and accounting data are captured and reported timely,
609 consistently, accurately, and transparently and, upon adoption

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610 of rules by the department ~~Agency for Enterprise Information~~
611 ~~Technology~~, are in compliance with such rules.
612 2. Requiring execution of service-level agreements by the
613 data center and each customer entity for services provided by
614 the data center to the customer entity.
615 3. Requiring cost recovery for the full cost of services,
616 including direct and indirect costs. The cost-recovery
617 methodology must ensure that no service is subsidizing another
618 service without an affirmative vote of approval by the customer
619 entity providing the subsidy.
620 4. Establishing special assessments to fund expansions
621 based on a methodology that apportions the assessment according
622 to the proportional benefit to each customer entity.
623 5. Providing rebates to customer entities when revenues
624 exceed costs and offsetting charges to those who have subsidized
625 other customer entity costs based on actual prior year final
626 expenditures. Rebates may be credited against future billings.
627 6. Approving all expenditures committing over $50,000 in a
628 fiscal year.
629 7. Projecting costs and revenues at the beginning of the
630 third quarter of each fiscal year through the end of the fiscal
631 year. If in any given fiscal year the primary data center is
632 projected to earn revenues that are below costs for that fiscal
633 year after first reducing operating costs where possible, the
634 board shall implement any combination of the following remedies
635 to cover the shortfall:
636 a. The board may direct the primary data center to adjust
637 current year chargeback rates through the end of the fiscal year
638 to cover the shortfall. The rate adjustments shall be

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639 implemented using actual usage rate and billing data from the
640 first three quarters of the fiscal year and the same principles
641 used to set rates for the fiscal year.
642 b. The board may direct the primary data center to levy
643 one-time charges on all customer entities to cover the
644 shortfall. The one-time charges shall be implemented using
645 actual usage rate and billing data from the first three quarters
646 of the fiscal year and the same principles used to set rates for
647 the fiscal year.
648 c. The customer entities represented by each board member
649 may provide payments to cover the shortfall in proportion to the
650 amounts each entity paid in the prior fiscal year.
651 8. Providing a plan for consideration by the Legislative
652 Budget Commission if a billing rate schedule is used after the
653 start of the fiscal year which increases any agency's costs for
654 that fiscal year.
655 (h) By July 1 of each year, submit to the department ~~Agency~~
656 ~~for Enterprise Information Technology~~ proposed cost-recovery
657 mechanisms and rate structures for all customer entities for the
658 fiscal year including the cost-allocation methodology for
659 administrative expenditures and the calculation of
660 administrative expenditures as a percent of total costs.
661 (k) Coordinate with other primary data centers and the
662 department ~~Agency for Enterprise Information Technology~~ in order
663 to consolidate purchases of goods and services and lower the
664 cost of providing services to customer entities.
665 (4) REPEAL.—This section expires January 1, 2014.
666 Section 7. Section 282.204, Florida Statutes, is repealed.
667 Section 8. Section 282.205, Florida Statutes, is repealed.

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668 Section 9. Section 282.206, Florida Statutes, is created to
669 read:
670 282.206 Fletcher Shared Resource Center.—The Fletcher
671 Shared Resource Center is established within the Department of
672 Financial Services.
673 (1) The center shall collaborate with the Department of
674 State Technology to develop policies, procedures, standards, and
675 rules for the delivery of enterprise information technology
676 services.
677 (2) The center shall provide co-location services to the
678 Department of Legal Affairs and the Department of Agriculture
679 and Consumer Services if data center equipment is moved pursuant
680 to subsections (5) or (6).
681 (3) The Department of Financial Services shall use the
682 Fletcher Shared Resource Center, provide full service to the
683 Office of Financial Regulation and the Office of Insurance
684 Regulation, and provide co-location services to host the
685 Legislative Appropriations System/Planning and Budgeting
686 Subsystem (LAS/PBS).
687 (4) The center shall be governed through a master
688 memorandum of understanding administered by a steering committee
689 comprised of the chief information officers of the customer
690 entities residing in the center. The steering committee shall
691 meet quarterly in order to ensure that customers are receiving
692 expected services in accordance with the memorandum of
693 understanding and to discuss services and structure. The
694 committee may create ad hoc workgroups to account for, mitigate,
695 and manage any unforeseen issues.
696 (5) The Department of Legal Affairs may move its data

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697 center equipment to the center.
698 (6) The Department of Agriculture and Consumer Services may
699 move its Mayo Building data center equipment to the center.
700 Section 10. Subsections (3) through (6) of section 282.318,
701 Florida Statutes, are amended to read:
702 282.318 Enterprise security of data and information
703 technology.—
704 (3) The department ~~Agency for Enterprise Information~~
705 ~~Technology~~ is responsible for establishing rules and publishing
706 guidelines for ensuring an appropriate level of security for all
707 data and information technology resources for executive branch
708 agencies. The department ~~agency~~ shall also perform the following
709 duties and responsibilities:
710 (a) Develop, and annually update by February 1, an
711 enterprise information security strategic plan that includes
712 security goals and objectives for the strategic issues of
713 information security policy, risk management, training, incident
714 management, and survivability planning.
715 (b) Develop enterprise security rules and published
716 guidelines for:
717 1. Comprehensive risk analyses and information security
718 audits conducted by state agencies.
719 2. Responding to suspected or confirmed information
720 security incidents, including suspected or confirmed breaches of
721 personal information or exempt data.
722 3. State agency security plans, including strategic
723 security plans and security program plans.
724 4. The recovery of information technology and data
725 following a disaster.

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726 5. The managerial, operational, and technical safeguards
727 for protecting state government data and information technology
728 resources.
729 (c) Assist state agencies in complying with the provisions
730 of this section.
731 (d) Pursue appropriate funding for the purpose of enhancing
732 domestic security.
733 (e) Provide training for state agency information security
734 managers.
735 (f) Annually review the strategic and operational
736 information security plans of state ~~executive branch~~ agencies.
737 (4) To assist the department ~~Agency for Enterprise~~
738 ~~Information Technology~~ in carrying out its responsibilities,
739 each state agency head shall, at a minimum:
740 (a) Designate an information security manager to administer
741 the security program of the agency for its data and information
742 technology resources. This designation must be provided annually
743 in writing to the department ~~Agency for Enterprise Information~~
744 ~~Technology~~ by January 1.
745 (b) Submit to the department ~~Agency for Enterprise~~
746 ~~Information Technology~~ annually by July 31, the agency's
747 strategic and operational information security plans developed
748 pursuant to the department's rules and guidelines ~~established by~~
749 ~~the Agency for Enterprise Information Technology~~.
750 1. The agency strategic information security plan must
751 cover a 3-year period and define security goals, intermediate
752 objectives, and projected agency costs for the strategic issues
753 of agency information security policy, risk management, security
754 training, security incident response, and survivability. The

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755 plan must be based on the enterprise strategic information
756 security plan created by the department ~~Agency for Enterprise~~
757 ~~Information Technology~~. Additional issues may be included.
758 2. The state agency operational information security plan
759 must include a progress report for the prior operational
760 information security plan and a project plan that includes
761 activities, timelines, and deliverables for security objectives
762 that, subject to current resources, the state agency will
763 implement during the current fiscal year. The cost of
764 implementing the portions of the plan which cannot be funded
765 from current resources must be identified in the plan.
766 (c) Conduct, and update every 3 years, a comprehensive risk
767 analysis to determine the security threats to the data,
768 information, and information technology resources of the state
769 agency. The risk analysis information is confidential and exempt
770 from ~~the provisions of~~ s. 119.07(1), except that such
771 information shall be available to the Auditor General and the
772 department ~~Agency for Enterprise Information Technology~~ for
773 performing postauditing duties.
774 (d) Develop, and periodically update, written internal
775 policies and procedures that~~, which~~ include procedures for
776 notifying the department ~~Agency for Enterprise Information~~
777 ~~Technology~~ when a suspected or confirmed breach, or an
778 information security incident, occurs. Such policies and
779 procedures must be consistent with the rules and guidelines
780 established by the department ~~Agency for Enterprise Information~~
781 ~~Technology~~ to ensure the security of the data, information, and
782 information technology resources of the state agency. The
783 internal policies and procedures that, if disclosed, could

784 facilitate the unauthorized modification, disclosure, or
785 destruction of data or information technology resources are
786 confidential information and exempt from s. 119.07(1), except
787 that such information shall be available to the Auditor General
788 and the department ~~Agency for Enterprise Information Technology~~
789 for performing post auditing ~~postauditing~~ duties.
790 (e) Implement appropriate cost-effective safeguards to
791 address identified risks to the data, information, and
792 information technology resources of the state agency.
793 (f) Ensure that periodic internal audits and evaluations of
794 the agency's security program for the data, information, and
795 information technology resources of the state agency are
796 conducted. The results of such audits and evaluations are
797 confidential ~~information~~ and exempt from s. 119.07(1), except
798 that such information shall be available to the Auditor General
799 and the department ~~Agency for Enterprise Information Technology~~
800 for performing post auditing ~~postauditing~~ duties.
801 (g) Include appropriate security requirements in the
802 written specifications for the solicitation of information
803 technology and information technology resources and services,
804 which are consistent with the rules and guidelines established
805 by the department ~~Agency for Enterprise Information Technology~~.
806 (h) Provide security awareness training to employees and
807 users of the state agency's communication and information
808 resources concerning information security risks and the
809 responsibility of employees and users to comply with policies,
810 standards, guidelines, and operating procedures adopted by the
811 agency to reduce those risks.
812 (i) Develop a process for detecting, reporting, and

813 responding to suspected or confirmed security incidents,
814 including suspected or confirmed breaches consistent with the
815 security rules and guidelines established by the department
816 ~~Agency for Enterprise Information Technology~~.
817 1. Suspected or confirmed information security incidents
818 and breaches must be immediately reported to the department
819 ~~Agency for Enterprise Information Technology~~.
820 2. For incidents involving breaches, agencies shall provide
821 notice in accordance with s. 817.5681 and to the department
822 ~~Agency for Enterprise Information Technology~~ in accordance with
823 this subsection.
824 (5) Each state agency shall include appropriate security
825 requirements in the specifications for the solicitation of
826 contracts for procuring information technology or information
827 technology resources or services which are consistent with the
828 rules and guidelines established by the department ~~Agency for~~
829 ~~Enterprise Information Technology~~.
830 (6) The department ~~Agency for Enterprise Information~~
831 ~~Technology~~ may adopt rules relating to information security and
832 to administer the provisions of this section.
833 Section 11. Section 282.33, Florida Statutes, is repealed.
834 Section 12. Effective upon this act becoming law, section
835 282.34, Florida Statutes, is repealed.
836 Section 13. Section 282.604, Florida Statutes, is amended
837 to read:
838 282.604 Adoption of rules.—The department ~~of Management~~
839 ~~Services~~ shall, with input from stakeholders, adopt rules
840 ~~pursuant to ss. 120.536(1) and 120.54~~ for the development,
841 procurement, maintenance, and use of accessible electronic

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842 information technology by governmental units.
843 Section 14. Section 282.702, Florida Statutes, is amended
844 to read:
845 282.702 Powers and duties.—The department ~~of Management~~
846 ~~Services~~ shall have the following powers, duties, and functions:
847 (1) To publish electronically the portfolio of services
848 available from the department, including pricing information;
849 the policies and procedures governing usage of available
850 services; and a forecast of the department's priorities for each
851 telecommunications service.
852 (2) To adopt technical standards by rule for the state
853 telecommunications network which ensure the interconnection and
854 operational security of computer networks, telecommunications,
855 and information systems of agencies.
856 (3) To enter into agreements related to information
857 technology and telecommunications services with state agencies
858 and political subdivisions of the state.
859 (4) To purchase from or contract with information
860 technology providers for information technology, including
861 private line services.
862 (5) To apply for, receive, and hold authorizations,
863 patents, copyrights, trademarks, service marks, licenses, and
864 allocations or channels and frequencies to carry out the
865 purposes of this part.
866 (6) To purchase, lease, or otherwise acquire and to hold,
867 sell, transfer, license, or otherwise dispose of real, personal,
868 and intellectual property, including, but not limited to,
869 patents, trademarks, copyrights, and service marks.
870 (7) To cooperate with any federal, state, or local

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871 emergency management agency in providing for emergency
872 telecommunications services.
873 (8) To control and approve the purchase, lease, or
874 acquisition and the use of telecommunications services,
875 software, circuits, and equipment provided as part of any other
876 total telecommunications system to be used by the state or its
877 agencies.
878 (9) To adopt rules ~~pursuant to ss. 120.536(1) and 120.54~~
879 relating to telecommunications and to administer the provisions
880 of this part.
881 (10) To apply for and accept federal funds for the purposes
882 of this part as well as gifts and donations from individuals,
883 foundations, and private organizations.
884 (11) To monitor issues relating to telecommunications
885 facilities and services before the Florida Public Service
886 Commission and the Federal Communications Commission and, if
887 necessary, prepare position papers, prepare testimony, appear as
888 a witness, and retain witnesses on behalf of state agencies in
889 proceedings before the commissions.
890 (12) Unless delegated to the state agencies by the
891 department, to manage and control, but not intercept or
892 interpret, telecommunications within the SUNCOM Network by:
893 (a) Establishing technical standards to physically
894 interface with the SUNCOM Network.
895 (b) Specifying how telecommunications are transmitted
896 within the SUNCOM Network.
897 (c) Controlling the routing of telecommunications within
898 the SUNCOM Network.
899 (d) Establishing standards, policies, and procedures for

900 access to and the security of the SUNCOM Network.
901 (e) Ensuring orderly and reliable telecommunications
902 services in accordance with the service level agreements
903 executed with state agencies.
904 (13) To plan, design, and conduct experiments for
905 telecommunications services, equipment, and technologies, and to
906 implement enhancements in the state telecommunications network
907 if in the public interest and cost-effective. Funding for such
908 experiments must be derived from SUNCOM Network service revenues
909 and may not exceed 2 percent of the annual budget for the SUNCOM
910 Network for any fiscal year or as provided in the General
911 Appropriations Act. New services offered as a result of this
912 subsection may not affect existing rates for facilities or
913 services.
914 (14) To enter into contracts or agreements, with or without
915 competitive bidding or procurement, to make available, on a
916 fair, reasonable, and nondiscriminatory basis, property and
917 other structures under departmental control for the placement of
918 new facilities by any wireless provider of mobile service as
919 defined in 47 U.S.C. s. 153(27) or s. 332(d) and any
920 telecommunications company as defined in s. 364.02 if it is
921 practical and feasible to make such property or other structures
922 available. The department may, without adopting a rule, charge a
923 just, reasonable, and nondiscriminatory fee for the placement of
924 the facilities, payable annually, based on the fair market value
925 of space used by comparable telecommunications facilities in the
926 state. The department and a wireless provider or
927 telecommunications company may negotiate the reduction or
928 elimination of a fee in consideration of services provided to

929 the department by the wireless provider or telecommunications
930 company. All such fees collected by the department shall be
931 deposited directly into the Law Enforcement Radio Operating
932 Trust Fund, and may be used by the department to construct,
933 maintain, or support the system.
934 (15) To establish policies that ensure that the
935 department's cost-recovery methodologies, billings, receivables,
936 expenditures, budgeting, and accounting data are captured and
937 reported timely, consistently, accurately, and transparently and
938 are in compliance with all applicable federal and state laws and
939 rules. The department shall annually submit a report to the
940 Governor, the President of the Senate, and the Speaker of the
941 House of Representatives ~~a report~~ that describes each service
942 and its cost, the billing methodology for recovering the cost of
943 the service, and, if applicable, the identity of those services
944 that are subsidized.
945 Section 15. Subsections (4) and (5) of section 282.703,
946 Florida Statutes, are amended to read:
947 282.703 SUNCOM Network; exemptions from the required use.—
948 (4) The department shall maintain a directory of
949 information and services which provides the names, phone
950 numbers, and email ~~e-mail~~ addresses for employees, state
951 agencies, and network devices that are served, in whole or in
952 part, by the SUNCOM Network. State agencies and political
953 subdivisions of the state shall cooperate with the department by
954 providing timely and accurate directory information in the
955 manner established by the department.
956 (5) All state agencies shall use the SUNCOM Network for
957 state agency telecommunications services as the services become

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958 available; however, a state ~~an~~ agency is not relieved of
959 responsibility for maintaining telecommunications services
960 necessary for effective management of its programs and
961 functions. The department may provide such communications
962 services to a state university if requested by the university.
963 (a) If a SUNCOM Network service does not meet the
964 telecommunications requirements of a state ~~an~~ agency, the state
965 agency must notify the department in writing and detail the
966 requirements for that service. If the department is unable to
967 meet a state ~~an~~ agency's requirements by enhancing SUNCOM
968 Network service, the department may grant the state agency an
969 exemption from the required use of specified SUNCOM Network
970 services.
971 (b) Unless an exemption has been granted by the department,
972 effective October 1, 2010, all customers of a shared resource
973 ~~state primary data~~ center, excluding state universities, must
974 use the shared SUNCOM Network telecommunications services
975 connecting the shared resource ~~state primary data~~ center to
976 SUNCOM services for all telecommunications needs in accordance
977 with department rules.
978 1. Upon discovery of customer noncompliance with this
979 paragraph, the department shall provide the affected customer
980 with a schedule for transferring to the shared
981 telecommunications services provided by the SUNCOM Network and
982 an estimate of all associated costs. The shared resource ~~state~~
983 ~~primary data~~ centers and their customers shall cooperate with
984 the department to accomplish the transfer.
985 2. Customers may request an exemption from this paragraph
986 in the same manner as authorized in paragraph (a).

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987 Section 16. Subsection (2) of section 20.22, Florida
988 Statutes, is amended to read:
989 20.22 Department of Management Services.—There is created a
990 Department of Management Services.
991 (2) The following divisions and programs are established
992 within the department ~~of Management Services are established~~:
993 (a) Facilities Program.
994 ~~(b) Technology Program.~~
995 (b)~~(c)~~ Workforce Program.
996 (c)~~(d)1.~~ Support Program.
997 (d)~~2.~~ Federal Property Assistance Program.
998 (e) Administration Program.
999 (f) Division of Administrative Hearings.
1000 (g) Division of Retirement.
1001 (h) Division of State Group Insurance.
1002 Section 17. Paragraph (e) of subsection (2) of section
1003 110.205, Florida Statutes, is amended to read:
1004 110.205 Career service; exemptions.—
1005 (2) EXEMPT POSITIONS.—The exempt positions that are not
1006 covered by this part include the following:
1007 (e) The Chief Information Officer in the Department of
1008 State ~~Agency for Enterprise Information~~ Technology. Unless
1009 otherwise fixed by law, the Governor ~~Agency for Enterprise~~
1010 ~~Information Technology~~ shall set the salary and benefits of this
1011 position in accordance with the rules of the Senior Management
1012 Service.
1013 Section 18. Paragraph (o) of subsection (1) of section
1014 215.22, Florida Statutes, is amended to read:
1015 215.22 Certain income and certain trust funds exempt.—

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1016 (1) The following income of a revenue nature or the
1017 following trust funds shall be exempt from the appropriation
1018 required by s. 215.20(1):
1019 (o) The Communications Working Capital Trust Fund of the
1020 Department of State Technology ~~Management Services~~.
1021 Section 19. Subsections (2) and (9) of section 215.322,
1022 Florida Statutes, are amended to read:
1023 215.322 Acceptance of credit cards, charge cards, debit
1024 cards, or electronic funds transfers by state agencies, units of
1025 local government, and the judicial branch.—
1026 (2) A state agency as defined in s. 216.011, or the
1027 judicial branch, may accept credit cards, charge cards, debit
1028 cards, or electronic funds transfers in payment for goods and
1029 services with the prior approval of the Chief Financial Officer.
1030 If the Internet or other related electronic methods are to be
1031 used as the collection medium, the Department of State ~~Agency~~
1032 ~~for Enterprise Information~~ Technology shall review and recommend
1033 to the Chief Financial Officer whether to approve the request
1034 with regard to the process or procedure to be used.
1035 (9) For payment programs in which credit cards, charge
1036 cards, or debit cards are accepted by state agencies, the
1037 judicial branch, or units of local government, the Chief
1038 Financial Officer, in consultation with the Department of State
1039 ~~Agency for Enterprise Information~~ Technology, may adopt rules to
1040 establish uniform security safeguards for cardholder data and to
1041 ensure compliance with the Payment Card Industry Data Security
1042 Standards.
1043 Section 20. Subsection (2) of section 215.96, Florida
1044 Statutes, is amended to read:

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1045 215.96 Coordinating council and design and coordination
1046 staff.—
1047 (2) The coordinating council shall consist of the Chief
1048 Financial Officer; the Commissioner of Agriculture; the Attorney
1049 General; the secretary of the Department of Management Services;
1050 the Secretary of the Department of State Technology ~~the Attorney~~
1051 ~~General~~; and the Director of Planning and Budgeting, Executive
1052 Office of the Governor, or their designees. The Chief Financial
1053 Officer, or his or her designee, shall be chair of the
1054 coordinating council, and the design and coordination staff
1055 shall provide administrative and clerical support to the council
1056 and the board. The design and coordination staff shall maintain
1057 the minutes of each meeting and ~~shall~~ make such minutes
1058 available to any interested person. The Auditor General, the
1059 State Courts Administrator, an executive officer of the Florida
1060 Association of State Agency Administrative Services Directors,
1061 and an executive officer of the Florida Association of State
1062 Budget Officers, or their designees, shall serve without voting
1063 rights as ex officio members of ~~on~~ the ~~coordinating~~ council. The
1064 chair may call meetings of the ~~coordinating~~ council as often as
1065 necessary to transact business; however, the ~~coordinating~~
1066 council must ~~shall~~ meet at least once a year. Action of the
1067 coordinating council shall be by motion, duly made, seconded and
1068 passed by a majority of the ~~coordinating~~ council voting in the
1069 affirmative for approval of items that are to be recommended for
1070 approval to the Financial Management Information Board.
1071 Section 21. Paragraph (c) of subsection (6) of section
1072 216.292, Florida Statutes, is amended to read:
1073 216.292 Appropriations nontransferable; exceptions.—

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1074 (6) The Chief Financial Officer shall transfer from any
1075 available funds of an agency or the judicial branch the
1076 following amounts and shall report all such transfers and the
1077 reasons therefor to the legislative appropriations committees
1078 and the Executive Office of the Governor:
1079 (c) The amount due to the Communications Working Capital
1080 Trust Fund from moneys appropriated in the General
1081 Appropriations Act for the purpose of paying for services
1082 provided by the state communications system in the Department of
1083 State Technology ~~Management Services~~ which is unpaid 45 days
1084 after the billing date. The amount transferred shall be that
1085 billed by the department.
1086 Section 22. Subsection (14) of section 287.012, Florida
1087 Statutes, is amended to read:
1088 287.012 Definitions.—As used in this part, the term:
1089 (14) "Information technology" means equipment, hardware,
1090 software, firmware, programs, systems, networks, infrastructure,
1091 media, and related material used to automatically,
1092 electronically, and wirelessly collect, receive, access,
1093 transmit, display, store, record, retrieve, analyze, evaluate,
1094 process, classify, manipulate, manage, assimilate, control,
1095 communicate, exchange, convert, converge, interface, switch, or
1096 disseminate information of any kind or form ~~has the meaning~~
1097 ~~ascribed in s. 282.0041~~.
1098 Section 23. Subsection (22) of section 287.057, Florida
1099 Statutes, is amended to read:
1100 287.057 Procurement of commodities or contractual
1101 services.—
1102 (22) The department, in consultation with the Department of

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1103 State ~~Agency for Enterprise Information~~ Technology and the Chief
1104 Financial Officer ~~Comptroller~~, shall maintain ~~develop~~ a program
1105 for online procurement of commodities and contractual services.
1106 To enable the state to promote open competition and to leverage
1107 its buying power, agencies shall participate in the online
1108 procurement program, and eligible users may participate in the
1109 program. Only vendors prequalified as meeting mandatory
1110 requirements and qualifications criteria may participate in
1111 online procurement.
1112 (a) The department, in consultation with the Department of
1113 State Technology ~~agency~~, may contract for equipment and services
1114 necessary to develop and implement online procurement.
1115 (b) The department, in consultation with the Department of
1116 State Technology ~~agency~~, shall adopt rules~~, pursuant to ss.~~
1117 ~~120.536(1) and 120.54,~~ to administer the program for online
1118 procurement. The rules must ~~shall~~ include, but are not ~~be~~
1119 limited to:
1120 1. Determining the requirements and qualification criteria
1121 for prequalifying vendors.
1122 2. Establishing the procedures for conducting online
1123 procurement.
1124 3. Establishing the criteria for eligible commodities and
1125 contractual services.
1126 4. Establishing the procedures for providing access to
1127 online procurement.
1128 5. Determining the criteria warranting any exceptions to
1129 participation in the online procurement program.
1130 (c) The department may impose and shall collect all fees
1131 for the use of the online procurement systems.

1132 1. The fees may be imposed on an individual transaction
1133 basis or as a fixed percentage of the cost savings generated. At
1134 a minimum, the fees must be ~~set~~ in an amount sufficient to cover
1135 the projected costs of the services, including administrative
1136 and project service costs, in accordance with the policies of
1137 the department.
1138 2. If the department contracts with a provider for online
1139 procurement, the department, pursuant to appropriation, shall
1140 compensate the provider from the fees after the department has
1141 satisfied all ongoing costs. The provider shall report
1142 transaction data to the department each month so that the
1143 department may determine the amount due and payable to the
1144 department from each vendor.
1145 3. All fees that are due and payable to the state on a
1146 transactional basis or as a fixed percentage of the cost savings
1147 generated are subject to s. 215.31 and must be remitted within
1148 40 days after receipt of payment for which the fees are due. For
1149 fees that are not remitted within 40 days, the vendor shall pay
1150 interest at the rate established under s. 55.03(1) on the unpaid
1151 balance from the expiration of the 40-day period until the fees
1152 are remitted.
1153 4. All fees and surcharges collected under this paragraph
1154 shall be deposited in the Operating Trust Fund as provided by
1155 law.
1156 Section 24. Subsection (17) of section 318.18, Florida
1157 Statutes, is amended to read:
1158 318.18 Amount of penalties.—The penalties required for a
1159 noncriminal disposition pursuant to s. 318.14 or a criminal
1160 offense listed in s. 318.17 are as follows:

1161 (17) In addition to any penalties imposed, a surcharge of
1162 $3 must be paid for all criminal offenses listed in s. 318.17
1163 and for all noncriminal moving traffic violations under chapter
1164 316. Revenue from the surcharge shall be remitted to the
1165 Department of Revenue and deposited quarterly into the State
1166 Agency Law Enforcement Radio System Trust Fund of the Department
1167 of State Technology ~~Management Services~~ for the state agency law
1168 enforcement radio system, as described in s. 282.709, and to
1169 provide technical assistance to state agencies and local law
1170 enforcement agencies with their statewide systems of regional
1171 law enforcement communications, as described in s. 282.7101.
1172 This subsection expires July 1, 2021. The Department of State
1173 Technology ~~Management Services~~ may retain funds sufficient to
1174 recover the costs and expenses incurred for managing,
1175 administering, and overseeing the Statewide Law Enforcement
1176 Radio System, and providing technical assistance to state
1177 agencies and local law enforcement agencies with their statewide
1178 systems of regional law enforcement communications. The
1179 Department of State Technology ~~Management Services~~ working in
1180 conjunction with the Joint Task Force on State Agency Law
1181 Enforcement Communications shall determine and direct the
1182 purposes for which these funds are used to enhance and improve
1183 the radio system.
1184 Section 25. Section 320.0802, Florida Statutes, is amended
1185 to read:
1186 320.0802 Surcharge on license tax.—There is hereby levied
1187 and imposed on each license tax imposed under s. 320.08, except
1188 those set forth in s. 320.08(11), a surcharge in the amount of
1189 $1, which shall be collected in the same manner as the license

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1190 tax and deposited into the State Agency Law Enforcement Radio
1191 System Trust Fund of the Department of State Technology
1192 ~~Management Services~~.
1193 Section 26. Subsection (9) of section 328.72, Florida
1194 Statutes, is amended to read:
1195 328.72 Classification; registration; fees and charges;
1196 surcharge; disposition of fees; fines; marine turtle stickers.—
1197 (9) SURCHARGE.—In addition, there is hereby levied and
1198 imposed on each vessel registration fee imposed under subsection
1199 (1) a surcharge in the amount of $1 for each 12-month period of
1200 registration, which shall be collected in the same manner as the
1201 fee and deposited into the State Agency Law Enforcement Radio
1202 System Trust Fund of the Department of State Technology
1203 ~~Management Services~~.
1204 Section 27. Subsections (2) through (5) of section
1205 364.0135, Florida Statutes, are amended to read:
1206 364.0135 Promotion of broadband adoption.—
1207 (2) The Department of State Technology may ~~Management~~
1208 ~~Services is authorized to~~ work collaboratively with, and ~~to~~
1209 receive staffing support and other resources from, Enterprise
1210 Florida, Inc., state agencies, local governments, private
1211 businesses, and community organizations to:
1212 (a) Monitor the adoption of broadband Internet service in
1213 collaboration with communications service providers, including,
1214 but not limited to, wireless and wireline Internet service
1215 providers, to develop geographical information system maps at
1216 the census tract level that ~~will~~:
1217 1. Identify geographic gaps in broadband services,
1218 including areas unserved by any broadband provider and areas

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1219 served by a single broadband provider;
1220 2. Identify the download and upload transmission speeds
1221 made available to businesses and individuals in the state, at
1222 the census tract level of detail, using data rate benchmarks for
1223 broadband service used by the Federal Communications Commission
1224 to reflect different speed tiers; and
1225 3. Provide a baseline assessment of statewide broadband
1226 deployment in terms of percentage of households with broadband
1227 availability.
1228 (b) Create a strategic plan that has goals and strategies
1229 for increasing the use of broadband Internet service in the
1230 state.
1231 (c) Build and facilitate local technology planning teams or
1232 partnerships with members representing cross-sections of the
1233 community, which may include, but are not limited to,
1234 representatives from the following organizations and industries:
1235 libraries, K-12 education, colleges and universities, local
1236 health care providers, private businesses, community
1237 organizations, economic development organizations, local
1238 governments, tourism, parks and recreation, and agriculture.
1239 (d) Encourage the use of broadband Internet service,
1240 especially in the rural, unserved, and underserved communities
1241 of the state through grant programs having effective strategies
1242 to facilitate the statewide deployment of broadband Internet
1243 service. For any grants to be awarded, priority must be given to
1244 projects that:
1245 1. Provide access to broadband education, awareness,
1246 training, access, equipment, and support to libraries, schools,
1247 colleges and universities, health care providers, and community

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1248 support organizations.
1249 2. Encourage the sustainable adoption of broadband in
1250 primarily unserved areas by removing barriers to entry.
1251 3. Work toward encouraging investments in establishing
1252 affordable and sustainable broadband Internet service in
1253 unserved areas of the state.
1254 4. Facilitate the development of applications, programs,
1255 and services, including, but not limited to, telework,
1256 telemedicine, and e-learning to increase the usage of, and
1257 demand for, broadband Internet service in the state.
1258 (3) The Department of State Technology may:
1259 (a) Apply for and accept federal funds for the purposes of
1260 this section, as well as gifts and donations from individuals,
1261 foundations, and private organizations.
1262 ~~(4) The Department may~~
1263 (b) Enter into contracts necessary or useful to carry out
1264 the purposes of this section.
1265 (c)~~(5)~~ ~~The department may~~ Establish any committee or
1266 workgroup to administer and carry out the purposes of this
1267 section.
1268 Section 28. Subsections (3), (4), (5), (7), (9), and (10)
1269 of section 365.171, Florida Statutes, are amended to read:
1270 365.171 Emergency communications number E911 state plan.—
1271 (3) DEFINITIONS.—As used in this section, the term:
1272 (a) "Department" means the Department of State Technology
1273 ~~"Office" means the Technology Program within the Department of~~
1274 ~~Management Services, as designated by the secretary of the~~
1275 ~~department~~.
1276 (b) "Local government" means any municipality ~~city~~, county,

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1277 or political subdivision of the state and its agencies.
1278 (c) "Public agency" means the state and any municipality
1279 ~~city~~, county, ~~city and county, municipal corporation,~~ chartered
1280 organization, special ~~public~~ district, or public authority
1281 located in whole or in part within this state which provides, or
1282 has authority to provide, firefighting, law enforcement,
1283 ambulance, medical, or other emergency services.
1284 (d) "Public safety agency" means a functional division of a
1285 public agency which provides firefighting, law enforcement,
1286 medical, or other emergency services.
1287 (4) STATE PLAN.—The department ~~office~~ shall develop,
1288 maintain, and implement appropriate modifications for a
1289 statewide emergency communications E911 system plan. The plan
1290 shall provide for:
1291 (a) The public agency emergency communications requirements
1292 for each entity of local government in the state.
1293 (b) A system to meet specific local government
1294 requirements. Such system must ~~shall~~ include law enforcement,
1295 firefighting, and emergency medical services and may include
1296 other emergency services such as poison control, suicide
1297 prevention, and emergency management services.
1298 (c) Identification of the mutual aid agreements necessary
1299 to obtain an effective E911 system.
1300 (d) A funding provision that identifies the cost necessary
1301 to implement the E911 system.
1302
1303 The department is ~~office shall be~~ responsible for the
1304 implementation and coordination of such plan. The department
1305 ~~office~~ shall adopt any necessary rules and schedules related to

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1306 public agencies for implementing and coordinating the plan,
1307 pursuant to chapter 120.
1308 (5) SYSTEM DIRECTOR.—The secretary of the department or his
1309 or her designee is designated as the director of the statewide
1310 emergency communications number E911 system and, for the purpose
1311 of carrying out the provisions of this section, may ~~is~~
1312 ~~authorized to~~ coordinate the activities of the system with
1313 state, county, local, and private agencies. The director in
1314 implementing the system shall consult, cooperate, and coordinate
1315 with local law enforcement agencies.
1316 (7) TELECOMMUNICATIONS INDUSTRY COORDINATION.—The
1317 department ~~office~~ shall coordinate with the Florida Public
1318 Service Commission which shall encourage the Florida
1319 telecommunications industry to activate facility modification
1320 plans for timely E911 implementation.
1321 (9) SYSTEM APPROVAL.—An ~~No~~ emergency communications number
1322 E911 system may not ~~shall~~ be established or ~~and no~~ present
1323 system ~~shall~~ be expanded without the prior approval of the
1324 department ~~office~~.
1325 (10) COMPLIANCE.—All public agencies shall assist the
1326 department ~~office~~ in their efforts to carry out the intent of
1327 this section, and such agencies shall comply with the developed
1328 plan.
1329 Section 29. Present paragraphs (h) through (s) of
1330 subsection (3) of section 365.172, Florida Statutes, are
1331 redesignated as paragraphs (i) through (t), respectively, a new
1332 paragraph (h) is added to that subsection, and paragraph (d) of
1333 subsection (2), present paragraph (t) of subsection (3),
1334 subsection (4), paragraph (a) of subsection (5), paragraph (c)

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1335 of subsection (6), and paragraph (f) of subsection (12) of that
1336 section, are amended to read:
1337 365.172 Emergency communications number "E911."—
1338 (2) LEGISLATIVE INTENT.—It is the intent of the Legislature
1339 to:
1340 (d) Provide for an E911 board to administer the fee, with
1341 oversight by the department ~~office~~, in a manner that is
1342 competitively and technologically neutral with respect ~~as~~ to all
1343 voice communications services providers.
1344
1345 It is further the intent of the Legislature that the fee
1346 authorized or imposed by this section not necessarily provide
1347 the total funding required for establishing or providing E911
1348 service.
1349 (3) DEFINITIONS.—Only as used in this section and ss.
1350 365.171, 365.173, and 365.174, the term:
1351 (h) "Department" means the Department of State Technology.
1352 ~~(t) "Office" means the Technology Program within the~~
1353 ~~Department of Management Services, as designated by the~~
1354 ~~secretary of the department.~~
1355 (4) POWERS AND DUTIES OF THE DEPARTMENT ~~OFFICE~~.—The
1356 department ~~office~~ shall oversee the administration of the fee
1357 authorized and imposed on subscribers of voice communications
1358 services under subsection (8).
1359 (5) THE E911 BOARD.—
1360 (a) The E911 Board is established to administer, with
1361 oversight by the department ~~office~~, the fee imposed under
1362 subsection (8), including ~~receiving~~ revenues derived from the
1363 fee; distributing portions of the revenues to wireless

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1364 providers, counties, and the department ~~office~~; accounting for
1365 receipts, distributions, and income derived from ~~by~~ the funds
1366 maintained in the fund; and providing annual reports to the
1367 Governor and the Legislature for submission by the department
1368 ~~office~~ on amounts collected and expended, the purposes for which
1369 expenditures have been made, and the status of E911 service in
1370 this state. In order to advise and assist the department ~~office~~
1371 in administering ~~implementing the purposes of~~ this section, the
1372 board, which has the power of a body corporate, has the powers
1373 enumerated in subsection (6).
1374 (6) AUTHORITY OF THE BOARD; ANNUAL REPORT.—
1375 (c) By February 28 of each year, the board shall prepare a
1376 report for submission by the department ~~office~~ to the Governor,
1377 Cabinet, the President of the Senate, and the Speaker of the
1378 House of Representatives which addresses for the immediately
1379 preceding calendar year:
1380 1. The annual receipts, including the total amount of fee
1381 revenues collected by each provider, the total disbursements of
1382 money in the fund, including the amount of fund-reimbursed
1383 expenses incurred by each wireless provider to comply with the
1384 order, and the amount of moneys on deposit in the fund.
1385 2. Whether the amount of the fee and the allocation
1386 percentages set forth in s. 365.173 have been or should be
1387 adjusted to comply with the ~~requirements of the~~ order or other
1388 provisions of this chapter, and the reasons for making or not
1389 making a recommended adjustment to the fee.
1390 3. Any other issues related to providing E911 services.
1391 4. The status of E911 services in this state.
1392 (12) FACILITATING E911 SERVICE IMPLEMENTATION.—To balance

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1393 the public need for reliable E911 services through reliable
1394 wireless systems and the public interest served by governmental
1395 zoning and land development regulations and notwithstanding any
1396 other law or local ordinance to the contrary, the following
1397 standards ~~shall~~ apply to a local government's actions, as a
1398 regulatory body, in the regulation of the placement,
1399 construction, or modification of a wireless communications
1400 facility. This subsection does ~~shall~~ not~~, however, be construed~~
1401 ~~to~~ waive or alter the provisions of s. 286.011 or s. 286.0115.
1402 For the purposes of this subsection only, the term "local
1403 government" means only ~~shall mean~~ any municipality or county and
1404 any agency of a municipality or county ~~only~~. The term "local
1405 government" does not~~, however,~~ include any airport, as defined
1406 by s. 330.27~~(2)~~, even if it is owned or controlled by or through
1407 a municipality, county, or agency of a municipality or county.
1408 Further, notwithstanding any other provision of ~~anything in~~ this
1409 section ~~to the contrary~~, this subsection does not apply to or
1410 control a local government's actions ~~as a property or structure~~
1411 ~~owner~~ in the use of any property or structure owned by such
1412 entity for the placement, construction, or modification of
1413 wireless communications facilities. In the use of property or
1414 structures owned by the local government, however, a local
1415 government may not use its regulatory authority so as to avoid
1416 compliance with, or in a manner that does not advance, the
1417 provisions of this subsection.
1418 (f) Any other law to the contrary notwithstanding, the
1419 department and the Department of Management Services shall
1420 negotiate, in the name of the state, leases for wireless
1421 communications facilities that provide access to state

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1422 government-owned property not acquired for transportation
1423 purposes, and the Department of Transportation shall negotiate,
1424 in the name of the state, leases for wireless communications
1425 facilities that provide access to property acquired for state
1426 rights-of-way. On property acquired for transportation purposes,
1427 leases shall be granted in accordance with s. 337.251. On other
1428 state government-owned property, leases shall be granted on a
1429 space available, first-come, first-served basis. Payments
1430 required by state government under a lease must be reasonable
1431 and ~~must~~ reflect the market rate for the use of the state
1432 government-owned property. The department ~~of Management Services~~
1433 and the Department of Transportation may ~~are authorized to~~ adopt
1434 rules for the terms and conditions and granting of any such
1435 leases.
1436 Section 30. Subsection (1) and paragraph (g) of subsection
1437 (2) of section 365.173, Florida Statutes, are amended to read:
1438 365.173 Emergency Communications Number E911 System Fund.—
1439 (1) All revenues derived from the fee levied on subscribers
1440 under s. 365.172 must be paid by the board into the State
1441 Treasury on or before the 15th day of each month. Such moneys
1442 must be accounted for in a special fund to be designated as the
1443 Emergency Communications Number E911 System Fund, a fund created
1444 in the Department of State Technology ~~Program~~, ~~or other office~~
1445 ~~as designated by the Secretary of Management Services,~~ and, for
1446 accounting purposes, ~~must be~~ segregated into two separate
1447 categories:
1448 (a) The wireless category; and
1449 (b) The nonwireless category.
1450

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1451 All moneys must be invested by the Chief Financial Officer
1452 pursuant to s. 17.61. All moneys in such fund shall ~~are to~~ be
1453 expended by the department ~~office~~ for the purposes provided in
1454 this section and s. 365.172. These funds are not subject to s.
1455 215.20.
1456 (2) As determined by the board pursuant to s.
1457 365.172(8)(h), and subject to any modifications approved by the
1458 board pursuant to s. 365.172(6)(a)3. or (8)(i), the moneys in
1459 the fund shall be distributed and used only as follows:
1460 (g) Two percent of the moneys in the fund shall be used to
1461 make monthly distributions to rural counties for the purpose of
1462 providing facilities and network and service enhancements and
1463 assistance for the 911 or E911 systems operated by rural
1464 counties and for the provision of grants by the department
1465 ~~office~~ to rural counties for upgrading and replacing E911
1466 systems.
1467
1468 The Legislature recognizes that the fee authorized under s.
1469 365.172 may not necessarily provide the total funding required
1470 for establishing or providing the E911 service. It is the intent
1471 of the Legislature that all revenue from the fee be used as
1472 specified in this subsection.
1473 Section 31. Subsection (1) of section 365.174, Florida
1474 Statutes, is amended to read:
1475 365.174 Proprietary confidential business information.—
1476 (1) All proprietary confidential business information
1477 submitted by a provider to the board or the Department of State
1478 Technology ~~office~~, including the name and billing or service
1479 addresses of service subscribers, and trade secrets as defined

1480 by s. 812.081, is confidential and exempt from s. 119.07(1) and
1481 s. 24(a), Art. I of the State Constitution. Statistical
1482 abstracts of information collected by the board or the
1483 department ~~office~~ may be released or published, but only in a
1484 manner that does not identify or allow identification of
1485 subscribers or their service numbers or of revenues attributable
1486 to any provider.
1487 Section 32. Section 401.013, Florida Statutes, is amended
1488 to read:
1489 401.013 Legislative intent.—It is the intention and purpose
1490 of the Legislature that a statewide system of regional emergency
1491 medical telecommunications be developed whereby the maximum use
1492 of existing radio channels is achieved in order to more
1493 effectively and rapidly provide emergency medical service to the
1494 general population. To this end, all emergency medical service
1495 entities within the state are directed to provide the Department
1496 of State Technology ~~Management Services~~ with any information the
1497 department requests for the purpose of implementing ~~the~~
1498 ~~provisions of~~ s. 401.015, and such entities must ~~shall~~ comply
1499 with the resultant provisions established pursuant to this part.
1500 Section 33. Section 401.015, Florida Statutes, is amended
1501 to read:
1502 401.015 Statewide regional emergency medical
1503 telecommunication system.—The Department of State Technology
1504 shall ~~Management Services is authorized and directed to~~ develop
1505 a statewide system of regional emergency medical
1506 telecommunications. For the purpose of this part, the term
1507 "telecommunications" means ~~those~~ voice, data, and signaling
1508 transmissions and receptions between emergency medical service

1509 components, including, but not limited to: ambulances; rescue
1510 vehicles; hospitals or other related emergency receiving
1511 facilities; emergency communications centers; physicians and
1512 emergency medical personnel; paging facilities; law enforcement
1513 and fire protection agencies; and poison control, suicide, and
1514 emergency management agencies. In formulating such a system, the
1515 agency ~~department~~ shall divide the state into appropriate
1516 regions and ~~shall~~ develop a program that ~~which~~ includes, but is
1517 not limited to, the following provisions:
1518 (1) A requirements provision that states~~, which shall state~~
1519 the telecommunications requirements for each emergency medical
1520 entity comprising the region.
1521 (2) An interfacility communications provision that depicts~~,~~
1522 ~~which shall depict~~ the telecommunications interfaces between the
1523 various medical service entities which operate within the region
1524 and state.
1525 (3) An organizational layout provision that includes~~, which~~
1526 ~~shall include~~ each emergency medical entity and the number of
1527 radio operating units (base, mobile, handheld, etc.) per entity.
1528 (4) A frequency allocation and use provision that includes~~,~~
1529 ~~which shall include~~ on an entity basis each assigned and planned
1530 radio channel and the type of operation (simplex, duplex, half
1531 duplex, etc.) on each channel.
1532 (5) An operational provision that includes~~, which shall~~
1533 ~~include~~ dispatching, logging, and operating procedures
1534 pertaining to telecommunications on an entity basis and regional
1535 basis.
1536 (6) An emergency medical service telephone provision that
1537 includes~~, which shall include~~ the telephone and the numbering

1538 plan throughout the region for both the public and interface
1539 requirements.
1540 Section 34. Section 401.018, Florida Statutes, is amended
1541 to read:
1542 401.018 System coordination.—
1543 (1) The statewide system of regional emergency medical
1544 telecommunications shall be developed by the Department of State
1545 Technology ~~Management Services~~, which ~~department~~ shall be
1546 responsible for the implementation and coordination of such
1547 system into the state telecommunications plan. The department
1548 shall adopt any necessary rules ~~and regulations~~ for
1549 administering ~~implementing~~ and coordinating such a system.
1550 (2) The Department of State Technology ~~Management Services~~
1551 shall be designated as the state frequency coordinator for the
1552 special emergency radio service.
1553 Section 35. Section 401.021, Florida Statutes, is amended
1554 to read:
1555 401.021 System director.—The Secretary of the Department of
1556 State Technology ~~Management Services~~ or his or her designee is
1557 designated as the director of the statewide telecommunications
1558 system of the regional emergency medical service and, for the
1559 purpose of carrying out the provisions of this part, may ~~is~~
1560 ~~authorized to~~ coordinate the activities of the
1561 telecommunications system with other interested state, county,
1562 local, and private agencies.
1563 Section 36. Section 401.024, Florida Statutes, is amended
1564 to read:
1565 401.024 System approval.—An ~~From July 1, 1973, no~~ emergency
1566 medical telecommunications system may not ~~shall~~ be established

1567 or present systems expanded without prior approval of the
1568 Department of State Technology ~~Management Services~~.
1569 Section 37. Section 401.027, Florida Statutes, is amended
1570 to read:
1571 401.027 Federal assistance.—The Secretary of the Department
1572 of State Technology ~~Management Services~~ or his or her designee
1573 may ~~is authorized~~ to apply for and accept federal funding
1574 assistance in the development and implementation of a statewide
1575 emergency medical telecommunications system.
1576 Section 38. Subsection (4) of section 445.011, Florida
1577 Statutes, is amended to read:
1578 445.011 Workforce information systems.—
1579 (4) Workforce Florida, Inc., shall coordinate development
1580 and implementation of workforce information systems with the
1581 Secretary ~~executive director~~ of the Department of State ~~Agency~~
1582 ~~for Enterprise Information~~ Technology to ensure compatibility
1583 with the state's information system strategy and enterprise
1584 architecture.
1585 Section 39. Subsection (2) and paragraphs (a) and (b) of
1586 subsection (4) of section 445.045, Florida Statutes, are amended
1587 to read:
1588 445.045 Development of an Internet-based system for
1589 information technology industry promotion and workforce
1590 recruitment.—
1591 (2) Workforce Florida, Inc., shall coordinate with the
1592 Department of State ~~Agency for Enterprise Information~~ Technology
1593 and the Department of Economic Opportunity to ensure that links,
1594 where feasible and appropriate, to existing job information
1595 websites maintained by the state and state agencies and ~~to~~

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1596 ~~ensure~~ that information technology positions offered by the
1597 state and state agencies are posted on the information
1598 technology website.
1599 (4)(a) Workforce Florida, Inc., shall coordinate
1600 development and maintenance of the website under this section
1601 with the Secretary ~~executive director~~ of the Department of State
1602 ~~Agency for Enterprise Information~~ Technology to ensure
1603 compatibility with the state's information system strategy and
1604 enterprise architecture.
1605 (b) Workforce Florida, Inc., may enter into an agreement
1606 with the Department of State ~~Agency for Enterprise Information~~
1607 Technology, the Department of Economic Opportunity, or any other
1608 public agency with the requisite information technology
1609 expertise for the provision of design, operating, or other
1610 technological services necessary to develop and maintain the
1611 website.
1612 Section 40. Paragraph (b) of subsection (18) of section
1613 668.50, Florida Statutes, is amended to read:
1614 668.50 Uniform Electronic Transaction Act.—
1615 (18) ACCEPTANCE AND DISTRIBUTION OF ELECTRONIC RECORDS BY
1616 GOVERNMENTAL AGENCIES.—
1617 (b) To the extent that a governmental agency uses
1618 electronic records and electronic signatures under paragraph
1619 (a), the Department of State ~~Agency for Enterprise Information~~
1620 Technology, in consultation with the governmental agency, giving
1621 due consideration to security, may specify:
1622 1. The manner and format in which the electronic records
1623 must be created, generated, sent, communicated, received, and
1624 stored and the systems established for those purposes.

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1625 2. If electronic records must be signed by electronic
1626 means, the type of electronic signature required, the manner and
1627 format in which the electronic signature must be affixed to the
1628 electronic record, and the identity of, or criteria that must be
1629 met by, any third party used by a person filing a document to
1630 facilitate the process.
1631 3. Control processes and procedures as appropriate to
1632 ensure adequate preservation, disposition, integrity, security,
1633 confidentiality, and auditability of electronic records.
1634 4. Any other required attributes for electronic records
1635 which are specified for corresponding nonelectronic records or
1636 reasonably necessary under the circumstances.
1637 Section 41. Transfer from the Executive Office of the
1638 Governor.—All of the powers, duties, functions, records,
1639 personnel, and property; funds, trust funds, and unexpended
1640 balances of appropriations, allocations, and other funds;
1641 administrative authority; administrative rules; pending issues;
1642 and existing contracts of the Agency for Enterprise Information
1643 Technology within the Executive Office of the Governor shall
1644 continue and to the extent necessary are transferred by a type
1645 one transfer, pursuant to s. 20.06(1), Florida Statutes, to the
1646 Department of State Technology under s. 20.61, Florida Statutes.
1647 Section 42. Transfer from the Department of Management
1648 Services.—Effective January 1, 2014:
1649 (1) The Technology Program established under s. 20.22(2),
1650 Florida Statutes, is transferred intact by a type one transfer,
1651 as defined in s. 20.06, Florida Statutes, from the Department of
1652 Management Services to the Department of State Technology.
1653 (2) All of the powers, duties, functions, records,

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1654 personnel, and property; funds, trust funds, and unexpended
1655 balances of appropriations, allocations, and other funds;
1656 administrative authority; administrative rules; pending issues;
1657 and existing contracts relating to the following
1658 responsibilities of the Department of Management Services are
1659 transferred by a type one transfer, as defined in s.20.06, to
1660 the Department of State Technology:
1661 (a) Administrative and regulatory responsibilities under
1662 part II of chapter 282, Florida Statutes, consisting of ss.
1663 282.601-282.606, Florida Statutes, relating to accessibility of
1664 electronic information and information technology for state
1665 employees and members of the public with disabilities, including
1666 the responsibility for rules for the development, procurement,
1667 maintenance, and use of accessible electronic information
1668 technology by governmental units pursuant to s. 282.604, Florida
1669 Statutes.
1670 (b) Administrative and regulatory responsibilities under
1671 part III of chapter 282, Florida Statutes, consisting of ss.
1672 282.701-282.711, Florida Statutes, relating to the state
1673 telecommunications network, state communications,
1674 telecommunications services with state agencies and political
1675 subdivisions of the state, the SUNCOM network, the law
1676 enforcement radio system and interoperability network, regional
1677 law enforcement communications, and remote electronic access.
1678 (c) Administrative and regulatory responsibilities under s.
1679 364.0135, Florida Statutes, relating to broadband Internet
1680 service.
1681 (d) Administrative and regulatory responsibilities under
1682 ss. 365.171-365.175, Florida Statutes, relating to emergency

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1683 communications number E911.
1684 (e) Administrative and regulatory responsibilities under
1685 part I of chapter 401, Florida Statutes, consisting of ss.
1686 401.013-401.027, Florida Statutes, relating to a statewide
1687 system of regional emergency medical telecommunications.
1688 (3)(a) The following trust funds are transferred by a type
1689 one transfer, as defined in s. 20.06(1), Florida Statutes, from
1690 the Department of Management Services to the Department of State
1691 Technology:
1692 1. The Communications Working Capital Trust Fund.
1693 2. The Emergency Communications Number E911 System Fund.
1694 3. The State Agency Law Enforcement Radio System Trust
1695 Fund.
1696 4. Federal Grants Trust Fund.
1697 (b) All unexpended balances of appropriations, allocations,
1698 and other funds of the Department of Management Services
1699 relating to ss. 282.701-282.711, s. 364.0135, ss. 365.171-
1700 365.175, and part I of chapter 401, Florida Statutes, which are
1701 not specifically transferred by this subsection are transferred
1702 by a type one transfer, as defined in s. 20.06(1), Florida
1703 Statutes, to the Department of State Technology.
1704 (4) All lawful orders issued by the Department of
1705 Management Services implementing or enforcing or otherwise in
1706 regard to ss. 282.701-282.711, s. 364.0135, ss. 365.171-365.175,
1707 or part I of chapter 401, Florida Statutes, issued before
1708 January 1, 2014, shall remain in effect and be enforceable after
1709 that date unless thereafter modified in accordance with law.
1710 (5) Any binding contract or interagency agreement entered
1711 into pursuant to ss. 282.701-282.711, s. 364.0135, ss. 365.171-

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1712 365.175, or part I of chapter 401, Florida Statutes, and
1713 existing before January 1, 2014, between the Department of
1714 Management Services or an entity or agent of the department and
1715 any other agency, entity, or person shall continue as a binding
1716 contract or agreement for the remainder of the term of such
1717 contract or agreement on the Department of State Technology.
1718 (6) The rules of the Department of Management Services
1719 relating to ss. 282.701-282.711, s. 364.0135, ss. 365.171-
1720 365.175, or part I of chapter 401, Florida Statutes, that were
1721 in effect at 11:59 p.m. on December 31, 2013, shall become the
1722 rules of the Department of State Technology and remain in effect
1723 until amended or repealed in the manner provided by law.
1724 (7) The transfer of regulatory authority under ss. 282.701-
1725 282.711, s. 364.0135, ss. 365.171-365.175, or part I of chapter
1726 401, Florida Statutes, provided by this section does not affect
1727 the validity of any judicial or administrative action pending as
1728 of 11:59 p.m. on December 31, 2013, to which the Department of
1729 Management Services is at that time a party, and the Department
1730 of State Technology shall be substituted as a party in interest
1731 in any such action.
1732 (8) The Northwood Shared Resource Center is transferred by
1733 a type one transfer, as defined in s. 20.06, Florida Statutes,
1734 from the Department of Management Services to the Department of
1735 State Technology.
1736 (a) Any binding contract or interagency agreement entered
1737 into between the Northwood Shared Resource Center or an entity
1738 or agent of the center and any other agency, entity, or person
1739 shall continue as a binding contract or agreement for the
1740 remainder of the term of such contract or agreement on the

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1741 Department of State Technology.
1742 (b) The rules of the Northwood Shared Resource Center that
1743 were in effect at 11:59 p.m. on December 31, 2013, shall become
1744 the rules of the Department of State Technology and shall remain
1745 in effect until amended or repealed in the manner provided by
1746 law.
1747 (9) The Southwood Shared Resource Center is transferred by
1748 a type one transfer, as defined in s. 20.06, Florida Statutes,
1749 from the Department of Management Services to the Department of
1750 State Technology.
1751 (a) Any binding contract or interagency agreement entered
1752 into between the Southwood Shared Resource Center or an entity
1753 or agent of the center and any other agency, entity, or person
1754 shall continue as a binding contract or agreement for the
1755 remainder of the term of such contract or agreement on the
1756 Department of State Technology.
1757 (b) The rules of the Southwood Shared Resource Center that
1758 were in effect at 11:59 p.m. on December 31, 2013, shall become
1759 the rules of the Department of State Technology and shall remain
1760 in effect until amended or repealed in the manner provided by
1761 law.
1762 Section 43. For the 2013-2014 fiscal year, the sum of
1763 $2,865,108 in recurring general revenue funds, $2,134,892 in
1764 nonrecurring general revenue funds, and 24 full-time equivalent
1765 positions and associated salary rate of 2,010,951 are
1766 appropriated to the Department of State Technology for the
1767 purpose of implementing this act.
1768 Section 44. Except as otherwise expressly provided in this
1769 act and except for this section, which shall take effect upon

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1770 become law, this act shall take effect July 1, 2013.

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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 Appropriations Subcommittee on General Government

BILL: CS/SB 1762

INTRODUCER: Appropriations Subcommittee on General Government and Governmental Oversight and Accountability Committee

SUBJECT: State Information Technology

DATE: March 20, 2013 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McKay	McVaney		**GO SPB 7024 as introduced**
2.	Wilson/McKinnon	DeLoach	AGG	**Fav/CS**
3.			AP	
4.				
5.				
6.				

I. Summary:

CS/SB 1762 substantially revises how the state organizes and operates its information technology (IT) resources. The bill creates a Department of State Technology (DST) as an executive agency under the Governor. The defunct Agency for Enterprise Information Technology (AEIT) is abolished by the bill, and all of its duties, and all technology and telecommunications duties of the Department of Management Services (DMS), are transferred to the DST. The DST is given extensive authority to set state technology policy, and manage state enterprise IT services and procurements. The Northwood and Southwood shared resource centers are transferred to the DST.

For the 2013-2014 fiscal year, $2,865,108 in recurring general revenue funds, $2,134,892 in nonrecurring general revenue funds, and 24 full time equivalent positions with associated salary rate of 2,010,951 are appropriated to the DST.

Except as otherwise provided, the bill is effective July 1, 2013.

This bill substantially amends the following sections of the Florida Statutes: 14.204, 282.0041, 282.0055, 282.0056, 282.0057, 282.203, 282.206, 282.318, 282.604, 282.703, 20.22, 110.205, 215.22, 215.322, 215.96, 216.292, 287.012, 287.057, 318.18, 320.0802, 328.72, 364.0135, 365.171, 365.172, 365.173, 365.174, 401.013, 401.015, 401.018, 401.021, 401.024, 401.027, 445.011, 445.045, 668.50, and 1006.73

This bill repeals the following sections of the Florida Statutes: 282.201, 282.204, 282.205, 282.33, and 282.34. Section 282.203, Florida Statutes, is repealed effective January 1, 2014.

The bill creates sections 282.0057 and 282.206, Florida Statutes.

II. Present Situation:

Agency for Enterprise Information Technology

Duties

In 2007, the Florida Legislature created the AEIT to oversee policies for the design, planning, project management, and implementation of enterprise information technology services, to include information technology security.[1] The AEIT is administratively housed within the Executive Office of the Governor, with the Governor and Cabinet as the head of the agency.

The AEIT is required to[2]:

- Submit an annual work plan for approval by the Governor and Cabinet ;
- Monitor the implementation, delivery, and management of the enterprise information technology services established in law;
- Make recommendations to the agency head and Legislature concerning other information technology services that should be designed, delivered, and managed as enterprise information technology services;
- Plan and establish policies for managing proposed statutorily authorized enterprise information technology services;
- Biennially publish a long-term strategic enterprise information technology plan;
- Perform duties related to enterprise information technology services including the state data center system, information technology security, and the statewide e-mail service;
- Coordinate with the Division of Purchasing in the DMS on the planning and acquisition of information technology products and work with the division in the establishment of best practices for procuring such products;
- Develop information technology standards
- Submit a comprehensive transition plan for the consolidation of agency data centers into a primary data center; and
- Annually provide the Legislature with recommendations for consolidating the purchase of information technology commodities and contractual services.

In 2008, specific duties and responsibilities pertaining to information technology security were assigned to the AEI,[3] but the Office of Information Security was housed within the DMS. In 2009, the Office of Information Security was created within the AEIT,[4] and 8 full-time equivalents (FTE) were transferred from the DMS budget to the AEIT in the Fiscal Year 2009-2010 General Appropriations Act.

[1] 2007-105, Laws of Florida.
[2] Section 14.204, Florida Statutes.
[3] 2008-116, Laws of Florida.
[4] 2009-80, Laws of Florida.

Administrative Rules

The AEIT was authorized to adopt rules to carry out its statutory duties[5] and to specifically adopt rules relating to:

- Information security;[6] and
- State data center system.[7]

The AEIT adopted 34 administrative rules under the following chapters:

- Chapter 71-1, Florida Administrative Code, *Confirmation and Delegation of Authority*, effective July 13, 2009.;
- Chapter 71A-1, Florida Administrative Code, *Florida Information Technology Resource Security Policies and Standards*, effective November 15, 2010.; and
- Chapter 71A-2, Florida Administrative Code, *Florida Information Resource Security Policies and Standards*, effective August 10, 2004. These rules were promulgated by the Department of Management Services State Technology Office division.

The AEIT initiated, but never completed, the rule adoption process for the following two sets of rules:

- Chapter 71B-1, Florida Administrative Code, *Enterprise E-mail Service*.; and
- Chapter 71B-2, Florida Administrative Code, *Data Center System*.

Defunding the AEIT

In 2012, the Governor vetoed HB 5011, that abolished the AEIT and transferred some of AEIT's duties to a new agency created in the bill. Because HB 5011 transferred the salary and positions from the AEIT to the new agency, the effect of the veto was the elimination of funding for AEIT, though some of its duties still existed in statute.

Primary Data Centers and Data Center Consolidation

The state data center system was created by the Legislature in 2008.[8] The system is composed of primary data centers (Southwood Shared Resource Center, Northwood Shared Resource Center, and the Northwest Regional Data Center), other nonprimary data centers, and computing facilities serving state agencies. A "primary data center" is a data center that is a recipient entity for consolidation of nonprimary data centers and computing facilities and that is established by law.[9] A "computing facility" is an agency space containing fewer than 10 servers, any of which supports a strategic or nonstrategic information technology service, as described in budget instructions developed pursuant to s. 216.023, F.S., but excludes single-server installations that

[5] Section 14.204(7), F.S.
[6] Section 282.318(6), F.S.
[7] Section 282.201(2)(e), F.S.
[8] Chapter 2008-116, L.O.F.
[9] Section 282.0041(17), F.S.

exclusively perform a utility function such as file and print servers.[10] The AEIT is responsible for developing policies for the system.[11]

As defined by law, Wave 1 of data center consolidation was initiated in 2009 with proviso included in the fiscal year 2009-2010 General Appropriations Act that required the:

- Florida Parole Commission to transfer its information technology services, to include its data center functions, to the Department of Corrections by July 1, 2009 ;
- Department of Juvenile Justice to consolidate its data center functions into the Northwood Shared Resource Center (NSRC) by July 1, 2010; and
- Department of Business and Professional Regulation to consolidate its data center functions into the NSRC by November 30, 2010.

Beginning in 2009, on October 1st of each calendar year, the AEIT is required to recommend to the Governor and Legislature at least two agency data centers or computing facilities for consolidation into a primary data center.[12] The AEIT submitted its recommendations on September 30, 2009,[13] for the Wave 2 consolidations and the Legislature directed, via proviso in the Fiscal Year 2010-2011 General Appropriations Act, the following consolidations:

- To the Northwood Shared Resource Center (NSRC)
  - Department of Juvenile Justice by July 1, 2010;
  - Department of Business and Professional Regulation by November 30, 2010;
  - Department of Children and Families' Winewood Office Complex by June 30, 2012; and
  - Department of Transportation's Motor Carrier Compliance Office by July 1, 2011.
- To the Southwood Shared Resource Center (SSRC)
  - Department of Transportation Burns Office Building by March 31, 2012.; and
  - Department of Transportation Survey and Mapping Office by March 31, 2012.
- To the Northwest Regional Data Center (NWRDC)
  - Department of Education by December 31, 2011;
  - College Center for Library Automation by December 31, 2011; and
  - Florida Center for Library Automation by December 31, 2011.
- To the NSRC or SSRC
  - Agency for Health Care Administration by June 30, 2012; and
  - Department of Highway Safety and Motor Vehicles by December 31, 2011.

On December 23, 2010, the AEIT submitted a report "*Recommendation of Non-primary Data Centers for Consolidation into Primary Data Centers by 2019".* The report provides recommendations for the consolidation of the remaining agency data centers and computing facilities after Wave 2. In 2011, the Legislature codified in statute the recommendations included in AEIT's December 23, 2010, report identifying the agencies required to consolidate into a primary data center within that fiscal year.[14]

[10] Section 282.0041(7), F.S.
[11] Section 282.201(2), F.S.
[12] s. 282.201(2), F.S.
[13] *Recommendation of Non-primary Data Centers for Consolidation into Primary Data Centers.* Agency for Enterprise Information Technology, September 30, 2009.
[14] Chapter 2011-50, L.O.F.

In 2012, the Legislature amended the data center consolidation schedule as follows:[15]

- To the NSRC
  - Department of Highway Safety and Motor Vehicles' Office of Motor Carrier Compliance by July 1, 2012;
  - Department of Highway Safety and Motor Vehicles by August 31, 2012;
  - Department of Health's Test and Development Lab and all remaining data center resources located at the Capital Circle Office Complex by December 31, 2012;
  - Department of Veterans' Affairs by July 1, 2013;
  - Department of Legal Affairs by December 31, 2013; and
  - Department of Agriculture and Consumer Services' Agriculture Management Information Center in the Mayo Building and the Division of Licensing by March 31, 2014.
- To the SSRC
  - Fish and Wildlife Conservation Commission, except for the commission's Fish and Wildlife Research Institute in St. Petersburg, by July 1, 2013;
  - Department of Economic Opportunity by October 31, 2013;
  - Executive Office of the Governor, to include the Division of Emergency Management except for the Emergency Operation Center's management system in Tallahassee and the Camp Blanding Emergency Operations Center in Starke, by December 31, 2013; and
  - Department of Elderly Affairs by March 31, 2014.
- To the NWRDC
  - Department of Revenue's Carlton Building and Imaging Center locations by September 30, 2012.

The following entities are exempted from data center consolidation:
- Florida Department of Law Enforcement;
- Department of Lottery's Gaming System and the department's Backup Data Center in Orlando;
- Systems Design and Development in the Office of Policy and Budget;
- State Board of Administration;
- State Attorneys;
- Public Defenders Office;
- Criminal Conflict and Civil Regional Counsel;
- Capital Collateral Regional Counsel;
- Florida Clerks of Court Operations Corporation; and
- Florida Housing Finance Corporation

The Department of Financial Services must consolidate in Fiscal Year 2015-2016.

Each agency identified for consolidation into a primary data center must submit with its respective legislative budget request the specific recurring and nonrecurring budget adjustments of resources by appropriation category into the appropriate data processing category pursuant to the legislative budget request instructions in s. 216.023, F.S.

[15] Chapter 2012-142, L.O.F.

The Technology Program in the Department of Management Services

The Technology Program within DMS provides both wired and wireless telecommunications and information services to state agencies, cities, counties and other public entities; and plans, coordinates, and fosters public safety telecommunications throughout the state at all levels of government.[16] The technology program provides services in two primary areas. Public Safety Communications manages, oversees, coordinates, and updates statewide public safety communications at all levels of government, including updating the public-private Statewide Law Enforcement Radio System (SLERS), Florida Interoperability Network (FIN), and the enhanced statewide Florida Emergency Communications Numbers E911; coordinating with Local Public Safety Radio Services and Emergency Medical Services (EMS) radio communications; and coordinating the state's Emergency Support Function-Communications response to emergencies and disasters for the state's Emergency Operations Center. Statewide Telecommunications provides all methods of statewide communications planning and services; including voice, data, video, image, and radio services to state agencies, subdivisions of the state, municipalities, state universities, and nonprofit corporations through the SUNCOM Network. All state agencies are required to use the SUNCOM Network for their communications services. Telecommunications Services has a budget of $256.5 million and 72 FTE; Wireless Services has a budget of $32.9 million and 12 FTE.

The Financial Management Information System Act[17]

The Florida Financial Management Information System (FFMIS) Act, authorized in ss. 215.90 through 215.96, F.S., was established to plan, implement, and manage a unified information system which provides fiscal, management, and accounting information. The FFMIS Act established the Florida Management Information Board (FMIB) and the FFMIS Coordinating Council. The FMIB is comprised of the Governor and Cabinet and has overall responsibility for managing and overseeing the development of Florida Financial Management Information System pursuant to s. 215.95, F.S., including establishing financial management policies and procedures for executive branch agencies. The Council is comprised of the members of the Cabinet, the secretary of the Department of Management Services, and the director of the Governor's Office of Policy and Budget. Among other duties, the Council is to approve all FFMIS subsystem designs and modifications prior to implementation and to make recommendations to the FMIB on policy alternatives to ensure coordination between the subsystems as defined in ss. 215.93 and 215.96, F. S.

There are five FFMIS subsystems which must be designed, implemented, and operated pursuant to the act. Each has a statutorily-identified functional owner as well as additional statutory requirements as follows:

- Planning and Budgeting – The Executive Office of the Governor is the functional owner. The system must also be designed, implemented, and operated pursuant to ch. 216, F.S;

[16] All of the information in this section was obtained from a Government Program Summary by the Florida Legislature's Office of Program Policy Analysis and Government Accountability, available at http://www.oppaga.state.fl.us/profiles/4134/ (last visited on March 3, 2013).

[17] All the information in this section comes from Florida Senate Issue Brief 2009-321, *Florida Financial Management Information System (FFMIS) Act*, pp. 2-3.

- Florida Accounting Information Resource (FLAIR) – The Department of Financial Services is the functional owner. The system must also be designed, implemented, and operated pursuant to ss. 17.03, 215.86, 216.141, and 216.151, F.S;
- Cash Management System (CMS) – The Chief Financial Officer is the functional owner;
- Purchasing (MyFloridaMarketplace) – The Department of Management Services is the functional owner;
- Personnel Information (PeopleFirst) – The Department of Management Services is the functional owner. The system must also be designed, implemented, and operated pursuant to s. 110.116, F. S;

The FFMIS Act identifies each subsystem's general functional requirements but allows each functional owner to establish additional functions unless they are specifically prohibited by the FFMIS Act. Functional owners may not establish or maintain additional subsystems which duplicate any of the FFMIS subsystems.

The FMIB approved a strategic plan on March 14, 2000, that authorized the replacement of the FFMIS subsystems with an enterprise-wide financial management system that integrates financial information and standardizes policies and information. This system has never been implemented. The FMIB has not made any decisions relating to policy or the FFMIS subsystems since February 2001 when it modified the strategic plan to allow the use of outsourcing as a means to replace or enhance the functionality of the FFMIS subsystems. No subsystem designs or modifications have been brought to the FMIB for review or approval since that time. As a result, the overall governance and management of each FFMIS subsystem has been "unofficially delegated" to each functional owner and each functional owner has autonomously pursued an independent path for development and enhancement of its subsystem. The FMIB has been inactive since February 2005.

Method of Reorganization for the Executive Branch

Pursuant to s. 20.06, F.S., the executive branch of state government must be reorganized by transferring the specified agencies, programs, and functions to other specified departments, commissions, or offices. Such a transfer does not affect the validity of any judicial or administrative proceeding pending on the day of the transfer, and any agency or department to which are transferred the powers, duties, and functions relating to the pending proceeding must be substituted as a party in interest for the proceeding.

A type one transfer is the transferring intact of an existing agency or department so that the agency or department becomes a unit of another agency or a department. Any agency or department transferred to another agency or department by a type one transfer will exercise its powers, duties, and functions as prescribed by law, subject to review and approval by, and under the direct supervision of, the head of the agency or department to which the transfer is made, unless otherwise provided by law. Any agency or department transferred by a type one transfer has all its statutory powers, duties, and functions, and its records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, transferred to the agency or department to which it is transferred. Unless otherwise provided by law, the administrative rules of any agency or department involved

in the transfer which are in effect immediately before the transfer remain in effect until specifically changed in the manner provided by law.

A type two transfer is the merging into another agency or department of an existing agency or department or a program, activity, or function thereof or, if certain identifiable units or subunits, programs, activities, or functions are removed from the existing agency or department, or are abolished, it is the merging into an agency or department of the existing agency or department with the certain identifiable units or subunits, programs, activities, or functions removed therefrom or abolished. Any agency or department or a program, activity, or function transferred by a type two transfer has all its statutory powers, duties, and functions, and its records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, except those transferred elsewhere or abolished, transferred to the agency or department to which it is transferred, unless otherwise provided. Unless otherwise provided, the head of the agency or department to which an existing agency or department or a program, activity, or function thereof is transferred is authorized to establish units or subunits to which the agency or department is assigned, and to assign administrative authority for identifiable programs, activities, or functions. Unless otherwise provided, the administrative rules of any agency or department involved in the transfer which are in effect immediately before the transfer remain in effect until specifically changed in the manner provided by law.

III. Effect of Proposed Changes:

Section 1 creates the Department of State Technology (DST) in s. 20.61, F.S., as an executive agency under the Governor. The DST must develop, implement, and manage state enterprise information technology services. The secretary of the department, who will be the state's Chief Information Officer (CIO), must be appointed by the Governor, and confirmed by the Senate.

The bill creates a Technology Advisory Council to make recommendations to the secretary on enterprise information technology policy and standards. The bill specifies the divisions and offices within the DST, names various officials who serve at the pleasure of the Secretary, and specifies deputy technology officers who are responsible for core agency groups as follows:

- Deputy Information Officer of Human Services, to include:
  - Department of Elder Affairs;
  - Agency for Health Care Administration;
  - Agency for Persons with Disabilities;
  - Department of Children and Families;
  - Department of Health; and
  - Department of Veterans' Affairs.
- Deputy Information Officer of Criminal and Civil Justice, to include:
  - Department of Juvenile Justice;
  - Parole Commission;
  - Department of Corrections.
  - Board of Clemency;
  - Department of Law Enforcement; and
  - Department of Highway Safety and Motor Vehicles.

- Deputy Information Officer of Education, to include the:
  - Department of Education;
  - State Board of Education; and
  - Board of Governors.
- Deputy Information Officer of Business Operations, to include:
  - Department of Revenue,
  - Department of Business and Professional Regulation;
  - Department of the Lottery; and
  - Department of Economic Opportunity;
- Deputy Information Officer of Community Services, to include:
  - Department of Military Affairs;
  - Department of Transportation;
  - Department of State; and
  - Department of Emergency Management.
- Deputy Information Officer of Natural Resources, to include:
  - Department of Environmental Protection;
  - Department of Fish and Wildlife; and
  - Department of Citrus;
- Deputy Information Officer of Executive and Administrative Support Service, to include:
  - The Department of Financial Services;
  - The Department of Management Services;
  - The Department of Legal Affairs (DLA); and
  - The Department of Agriculture and Consumer Services (DACS).

The bill permits the DST to obtain administrative services from the DMS.

Section 2 amends s. 282.0041, F.S., by modifying, adding, and deleting some definitions, and changing references from the AEIT to the DST.

Section 3 amends s. 282.0055, F.S., to require the DST to design, plan, develop, implement, and manage state enterprise information technology (IT) services, and biennially develop a long-range plan for state IT resources

Specific duties and functions of the DST are as follows:

- Setting state technology policy;
- Development, design, planning, and management of enterprise IT services;
- Establishing architecture for the state's technology infrastructure;
- Preparing fiscal impact statements relating to necessary modifications and the delivery of technology to support policies required by proposed legislation;
- Coordinating technology resource acquisition planning;
- Advise and collaborate with DMS in procurement negotiations for IT products that will be used by multiple state agencies, upon request;
- Advise and collaborate with DMS in establishing best practices for the procurement of IT products, upon request;
- Providing oversight or project management for all technology resources for projects exceeding an annual investment of $2.5 million;

- Establishing performance measurement standards and metrics for technology projects;
- Establishing standards for state agencies to submit information technology reports;
- Establishing and collecting fees and charges for data and delivery of enterprise information technology services to state agencies on a cost-sharing basis;
- Developing a cost recovery plan;
- At its discretion, collecting and maintaining an inventory of state agency IT resources;
- Assuming ownership or custody and control of information processing equipment, supplies, and positions;
- Adopting rules and policies for the efficient, secure, and economical management and operation of enterprise IT services;
- Providing other public sector organizations with access to the services provided by the agency on the same cost basis as applies to state agencies;
- Establishing statewide practices and policies to ensure that exempt or confidential data remains protected;
- Conducting periodic assessments of state agencies for compliance with statewide IT policies and making recommendations;
- Establishing and maintaining a single website to host the Transparency Florida information required by s. 215.985, F.S; and
- Maintaining the official internet state portal.

Section 4 amends s. 282.056, F.S. that:

Removes the requirement for the annual work plan to be presented at a public meeting. Exempts the Department of Law Enforcement, the Department of the Lottery's Gaming System, Systems Design and Development in the Office of Policy and Budget, the State Board of Administration, state attorneys, public defenders, criminal conflict and civil regional counsel, capital collateral regional counsel, the Florida Clerks of Court Operations Corporation, the Department of Legal Affairs, the Department of Financial Services, the Department of Agriculture and Consumer Services' Agriculture Management Information Center and the Division of Licensing, the Justice Administrative Commission, and the Florida Housing Finance Corporation from data center consolidation unless specifically directed by the Legislature.

Section 5 creates s. 282.0057, F.S., specifying a series of duties for the DST and state agencies, phased in over three years.

Beginning January 1, 2015, the DST must:

- Publish a report on its current and planned information technology expenditures, and a funding schedule for all major projects or initiatives, including cost estimates;
- Coordinate state agencies in implementing data sharing, and standardize data elements;
- Include in its legislative budget requests a recommendation for consolidating state agency data to provide better access; and
- Oversee the expanded use and implementation of project and contract management principles as they relate to information technology projects.

Beginning January 1, 2016, the DST must:

- Develop systems and methodologies to evaluate and prioritize existing IT projects and a plan for leveraging technology across state agencies. The DST must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, or the Board the status of information technology projects and the agency's recommendations for project development on a semi-annual basis. Such recommendations must be incorporated into the state agencies legislative budget requests for technology projects ; and
- Develop standards for application development.

Beginning January 1, 2018, the DST shall review and approve technology purchases made by state agencies. Approval must be based on technology policies and standards established by the department and approved by the Legislature.

Section 6 repeals s. 282.201, F.S., the duties related to data center consolidation, and agencies currently exempt from consolidation.

Section 7 amends s. 282.203, F.S., to change duties relating to the primary data centers from the AEIT to the DST. The primary data centers will be operated pursuant to this section until the DST takes over operations of the primary data centers on January 1, 2014, when s. 282.203, F.S., expires.

Sections 8 and 9 repeals ss. 282.204 and 282.205, F.S., which create the Northwood Shared Resource Center and the Southwood Shared Resource center.

Section 10 creates s. 282.206, F.S., to establish the Fletcher Shared Resource Center (Fletcher SRC) within the Department of Financial Services (DFS). The Fletcher SRC must collaborate with the DST to develop policies, procedures, and rules for the delivery of enterprise IT services. The Fletcher SRC must provide services to the Department of Legal Affairs, provide full service to the Office of Financial Regulation and the Office of Insurance Regulation, and provide services to host the legislative Appropriations System/Planning and Budgeting Subsystem (LAS/PBS).

The Fletcher SRC must be governed by a memorandum of understanding administered by a steering committee consisting of the chief information officers of the customer entities residing in the center.

The bill permits, but does not require, the DLA and the DACS to move its data center equipment to the Fletcher SRC.

Section 11 amends s. 282.318, F.S., to make terminology changes.

Sections 12 and 13 repeals ss. 282.33 and 282.34, F.S., relating to energy efficiency standards for data centers, and the implementation of a statewide email service.

Sections 14 through 16 amends ss. 282.604, 282.702, and 282.703, F.S., respectively, to make terminology changes.

Section 17 amends s. 20.22, F.S., to remove the Technology Program from the organizational structure of the DMS.

Sections 17 through 20 amends ss. 110.205, 215.22, and 215.322, F.S., , to make terminology changes.

Section 21 amends s. 215.96, F.S., to add the Secretary of the DST to the coordinating council of the Financial Management Information Board.

Section 22 amends s. 216.292, F.S., to make a terminology change to reflect the transfer of technology duties from the DMS to the DST.

Section 23 amends s. 287.012, F.S., to specify a definition for the term "information technology."

Sections 24 through 41 amends ss. 287.057, 318.18, 320.0802, 328.72, 364.0135, 365.171, 365.172, 365.173, 365.174, 401.013, 401.015, 401.018, 401.021, 401.024, 401.027, 445.011, 445.045, and 668.50, F.S., to change terminology to reflect the transfer of technology duties from the AEIT and the DMS to the DST.

Section 41 through 43 transfers all the powers, duties, functions, funds, rules, and contracts of the AEIT by type one transfer to the DST.

Section 44 transfers all the following powers, duties, functions, funds, rules, and contracts of the DMS by type one transfer to the DST, effective January 1, 2014:

- The Technology Program established under s. 20.22(2), F.S;
- Part II of Chapter 282, F.S., relating to accessibility of electronic information and IT for people with disabilities;
- Part III of Chapter 282, F.S., relating to the state communications network, the SUNCOM network, and the law enforcement radio system and interoperability network;
- Section 364.0135, F.S., relating to broadband Internet service;
- Sections 365.171-365.175, F. S., relating to emergency communications number E911; and
- Part I of Chapter 401, F.S., relating to a statewide system of regional emergency medical telecommunications.

The following trust funds are transferred by type one transfer from the DMS to the DST:

- The Communications Working Capital Trust Fund;
- The Emergency Communications Number E911 System Fund;
- The State Agency Law Enforcement Radio System Trust Fund; and
- Federal Grants Trust Fund.

Unexpended balances of the DMS relating to the transferred duties are also transferred; lawful orders remain in effect; contracts remain in effect; rules remain in effect; and DST will be substituted as a party in interest for actions in which DMS is a party.

The Northwood and Southwood Shared Resource centers are transferred by type one transfers from the DMS to the DST, as are their contracts and rules.

Section 45 requires that filled positions transferred to the new agency will maintain their current status.

Section 46 provides a 2013-2014 fiscal year appropriation of $2,865,108 in recurring general revenue funds, $2,134,892 in nonrecurring general revenue funds, and 24 full time equivalent positions with associated salary rate of 2,010,951 are appropriated to the DST.

Section 47 except as otherwise provided, the bill takes effect July 1, 2013.

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.

C. Government Sector Impact:

For the 2013-2014 fiscal year, $2,865,108 in recurring general revenue funds, $2,134,892 in nonrecurring general revenue funds, and 24 full time equivalent positions with associated salary rate of 2,010,951 are appropriated to the DST.

Department of Management Services Administrative Costs

Currently, the Division of Telecommunications is a budget entity within the Department of Management Services. As such, the DMS imposes an administrative assessment on the division to cover a portion of the costs of the department's executive direction budget entity. For FY 2012-13, this administrative assessment is roughly $1.3 million. Likewise, the Southwood Shared Resource Center and the Northwood Shared Resource Center are

assessed charges for the services they receive from the department. The assessments paid by the centers in the current year are roughly $100,000. The table below shows the amounts of funds assessed to each of these budget entities to cover a portion of the department's administrative costs.

Executive Direction and Support Services Budget Entity Cost Pools	**Department -wide Assessment**	**Current FTE**	**Div. of Telecom.**	**Southwood SRC**	**Northwood SRC**	**Total**
Office of the Secretary						
Office of the Secretary	821,629	6	109,987			109,987
Information Technology	689,779	5	92,337			92,337
Communications	236,792	3	31,699			31,699
General Counsel	1,283,980	14	73,228			73,228
Inspector General	715,517	7	88,187	28,365	28,385	144,917
Legislative Affairs	238,919	2	31,984			31,984
Sub-total	**3,986,616**	**37**	**427,422**	**28,365**	**28,385**	**484,152**
Administration						
Admin Dir./Budget Office/ Fiscal Integrity	769,965	6	104,359			104,359
Financial Management Services	1,218,235	19	676,866	56,729		733,595
Human Resources	354,693	4	38,669			38,669
Mail Room Operations	113,424	0	11,942			11,942
Departmental Purchasing	437,332	5	65,420			65,420
Sub-total	**2,893,649**	**34**	**897,256**			**953,985**
Grand Total	**6,880,265**	**71**	**1,324,678**	**85,094**	**28,365**	**1,438,137**

With the transfers of the Division of Telecommunications and the shared resource centers to the DST, the DMS will have to either (a) reduce the current FTE levels; (b) shift the assessments to other divisions and units remaining in the department; or (c) a combination of reductions and shifts.

The bill grants the Department of State Technology the authority to contract with the DMS for administrative functions. If the DST contracts with the DMS for administrative services, the loss of the administrative assessment revenues by DMS may be mitigated. However, those administrative functions likely will not include the functions currently fulfilled by the DST Office of the Secretary (i.e., communications, general counsel, inspector general, legislative affairs).

VI. Technical Deficiencies:

None.

VII. Related Issues:

The DST is created as an independent department; it is unclear why the DST would need to obtain administrative services from the DMS.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

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

Recommended CS by Senate Appropriations Subcommittee on General Government on March 19, 2013:
The CS repeals s. 282.201 , F.S., related to data center consolidation, and agencies currently exempt from consolidation. The CS exempts the Department of Law Enforcement, the Department of the Lottery's Gaming System, Systems Design and Development in the Office of Policy and Budget, the State Board of Administration, state attorneys, public defenders, criminal conflict and civil regional counsel, capital collateral regional counsel, the Florida Clerks of Court Operations Corporation, the Department of Legal Affairs, the Department of Financial Services, the Department of Agriculture and Consumer Services' Agriculture Management Information Center and the Division of Licensing, the Justice Administrative Commission, and the Florida Housing Finance Corporation from data center consolidation. The CS removes the requirement for the annual work plan to be presented at a public meeting and requires that filled positions transferred to the new agency will maintain their current status. Finally, the CS clarifies the technical services provided by the Fletcher Data Center to the LASPBS subsystem.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Latvala) recommended the following:

1 **Senate Amendment**
2
3 Between lines 1908 and 1909
4 insert:
5 f. Cooperate and coordinate activities with the
6 corporation's inspector general.

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Latvala) recommended the following:

1 **Senate Amendment (with directory and title amendments)**
2
3 Between lines 2172 and 2173
4 insert:
5 (gg) The Office of Inspector General is established within
6 the corporation to provide a central point for coordination of
7 and responsibility for activities that promote accountability,
8 integrity, and efficiency. The office shall be headed by an
9 inspector general, which is a senior management position that
10 involves planning, coordinating, and performing activities
11 assigned to and assumed by the inspector general for the
12 corporation.

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13 1. The inspector general shall be appointed by the
14 Financial Services Commission and may be removed from office
15 only by the commission. The inspector general shall be appointed
16 without regard to political affiliation.
17 a. At a minimum, the inspector general must possess a
18 bachelor's degree from an accredited college or university and 8
19 years of professional experience related to the duties of an
20 inspector general as described in this paragraph, of which 5
21 years must have been at a supervisory level.
22 b. Until June 30, 2014, the inspector general shall be
23 under the general supervision of the Financial Services
24 Commission and not subject to the supervision of any employee of
25 the corporation. Beginning July 1, 2014, the inspector general
26 shall report to, and be under the supervision of, the chair of
27 the board of governors. The executive director or corporation
28 staff may not prevent or prohibit the inspector general from
29 initiating, carrying out, or completing any review, evaluation,
30 or investigation.
31 2. The inspector general shall initiate, direct,
32 coordinate, participate in, and perform studies, reviews,
33 evaluations, and investigations designed to assess management
34 practices; compliance with laws, rules, and policies; and
35 program effectiveness and efficiency. This includes:
36 a. Conducting internal examinations; investigating
37 allegations of fraud, waste, abuse, malfeasance, mismanagement,
38 employee misconduct, or violations of corporation policies; and
39 conducting any other investigations as directed by the Financial
40 Services Commission or as independently determined.
41 b. Evaluating and recommending actions regarding security,

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42 the ethical behavior of personnel and vendors, and compliance
43 with rules, laws, policies, and personnel matters; and rendering
44 ethics opinions.
45 c. Overseeing or participating in personnel and
46 administrative policy compliance and management, operational
47 reviews, and conducting and selecting human resources-related
48 advice and consultation.
49 d. In conjunction with the ethics and compliance officer,
50 evaluating the application of a corporation code of ethics,
51 providing input on the design and content of ethics-related
52 policy training courses, educating employees on the code and on
53 appropriate conduct, and checking for compliance.
54 e. Participating in policy development and review. This
55 includes working collaboratively with the ethics and compliance
56 officer in the creation, modification, and maintenance of
57 personnel and administrative services policies and in the
58 identification of policy enhancements; and researching policy-
59 related issues.
60 f. Participating in the activities of the senior management
61 team and evaluating the management's compliance with recommended
62 solutions.
63 g. Cooperating and coordinating activities with the chief
64 of internal audit, but not conducting internal audits.
65 h. Maintaining records of investigations and discipline in
66 accordance with established policies.
67 i. Supervising and directing the tasks and assignments of
68 the staff assigned to assist with the inspector general's
69 projects. This includes regular review and feedback regarding
70 work in progress and upon completion and providing input

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71 regarding relevant training and staff development activities as
72 warranted.
73 j. Directing, planning, preparing, and presenting interim
74 and final reports and oral briefings to the Financial Services
75 Commission and the executive director which communicate the
76 results of studies, reviews, and investigations.
77 k. Providing the executive director with independent and
78 objective assessments of programs and activities.
79 l. Completing special projects and assignments as directed
80 by the Financial Services Commission and performing other duties
81 as requested by the commission.
82 3. At least annually, the inspector general shall provide a
83 report to the President of the Senate and the Speaker of the
84 House of Representatives regarding the corporation's
85 clearinghouse and the extent to which policies are being
86 returned to the voluntary market. This report must include an
87 analysis regarding the effectiveness of the clearinghouse in
88 encouraging voluntary market participation in depopulation.
89
90 ====== D I R E C T O R Y C L A U S E A M E N D M E N T ======
91 And the directory clause is amended as follows:
92 Delete line 765
93 and insert:
94 are amended, and paragraph (gg) is added to that subsection, to
95 read:
96
97 ================ T I T L E A M E N D M E N T ================
98 And the title is amended as follows:
99 Delete line 68

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100 and insert:
101 secured by a surplus note; requiring the corporation
102 to have an inspector general; providing for
103 appointment; providing duties; requiring an annual
104 report to the Legislature; revising provisions

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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Hays) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3 Between lines 341 and 342
4 insert:
5 Section 5. Subsection (11) of section 626.854, Florida
6 Statutes, is amended to read:
7 626.854 "Public adjuster" defined; prohibitions.—The
8 Legislature finds that it is necessary for the protection of the
9 public to regulate public insurance adjusters and to prevent the
10 unauthorized practice of law.
11 (11)(a) If a public adjuster enters into a contract with an
12 insured or claimant to reopen a claim or file a supplemental

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13 claim that seeks additional payments for a claim that has been
14 previously paid in part or in full or settled by the insurer,
15 the public adjuster may not charge, agree to, or accept any
16 compensation, payment, commission, fee, or other thing of value
17 from any source based on a previous settlement or previous claim
18 payments by the insurer for the same cause of loss. The charge,
19 compensation, payment, commission, fee, or other thing of value
20 must be based only on the claim payments or settlement obtained
21 through the work of the public adjuster after entering into the
22 contract with the insured or claimant. Compensation for the
23 reopened or supplemental claim may not exceed 20 percent of the
24 reopened or supplemental claim payment. The contracts described
25 in this paragraph are not subject to the limitations in
26 paragraph (b).
27 (b) A public adjuster may not charge, agree to, or accept
28 any compensation, payment, commission, fee, or other thing of
29 value from any source in excess of:
30 1. Ten percent of the amount of insurance claim payments
31 made by the insurer for claims based on events that are the
32 subject of a declaration of a state of emergency by the
33 Governor. ~~This provision applies to claims made during the year~~
34 ~~after the declaration of emergency. After that year, the~~
35 ~~limitations in subparagraph 2. apply.~~
36 2. Fifteen ~~Twenty~~ percent of the amount of insurance claim
37 payments made by the insurer for claims that are not based on
38 events that are the subject of a declaration of a state of
39 emergency by the Governor.
40 (c) Any maneuver, shift, or device through which the limits
41 on compensation set forth in this subsection are exceeded is a

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42 violation of this chapter punishable as provided under s.
43 626.8698.
44
45 ========== T I T L E A M E N D M E N T ==========
46 And the title is amended as follows:
47 Delete line 23
48 and insert:
49 certain circumstances; amending s. 626.854, F.S.;
50 revising the amount of compensation that may be paid
51 to a public adjuster under specified circumstances;
52 providing sanctions for a violation of these limits;
53 amending s. 627.062, F.S.;

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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Hays) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3 Delete lines 938 - 943
4 and insert:
5 ~~6. For any claim filed under any policy of the corporation,~~
6 ~~a public adjuster may not charge, agree to, or accept any~~
7 ~~compensation, payment, commission, fee, or other thing of value~~
8 ~~greater than 10 percent of the additional amount actually paid~~
9 ~~over the amount that was originally offered by the corporation~~
10 ~~for any one claim.~~
11
12 ========== T I T L E A M E N D M E N T ==========

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13 And the title is amended as follows:
14 Delete line 48
15 and insert:
16 line; deleting a provision capping the amount that a
17 public adjuster may be paid under certain
18 circumstances; requiring the corporation's board of
19 governors

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Detert) recommended the following:

1 **Senate Amendment**
2
3 Delete lines 1104 - 1153
4 and insert:
5 d. Upon a determination by the executive director, with the
6 concurrence of the board of governors, that a projected deficit
7 in an account exceeds the amount that is expected to be
8 recovered through regular assessments under sub-subparagraph a.,
9 plus the amount that is expected to be recovered through
10 policyholder surcharges under sub-subparagraph i., the executive
11 director, with concurrence by the board, after verification by
12 the office, shall levy emergency assessments for as many years

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13 as necessary to cover the deficits, to be collected by
14 assessable insurers and the corporation and collected from
15 assessable insureds upon issuance or renewal of policies for
16 subject lines of business, excluding National Flood Insurance
17 policies. The executive director shall notify the Financial
18 Services Commission of the emergency assessments within 5 days
19 after the board's concurrence with the executive director's
20 determination that such assessments are necessary. The amount
21 collected in a particular year must be a uniform percentage of
22 that year's direct written premium for subject lines of business
23 and all accounts of the corporation, excluding National Flood
24 Insurance Program policy premiums, as annually determined by the
25 executive director, with concurrence by the board, and verified
26 by the office. The office shall verify the arithmetic
27 calculations involved in the board's determination within 30
28 days after receipt of the information on which the determination
29 was based. The office shall notify assessable insurers and the
30 Florida Surplus Lines Service Office of the date on which
31 assessable insurers shall begin to collect and assessable
32 insureds shall begin to pay such assessment. The date must be at
33 least ~~may be not less than~~ 90 days after the date the
34 corporation levies emergency assessments pursuant to this sub-
35 subparagraph. Notwithstanding any other provision of law, the
36 corporation and each assessable insurer that writes subject
37 lines of business shall collect emergency assessments from its
38 policyholders without such obligation being affected by any
39 credit, limitation, exemption, or deferment. Emergency
40 assessments levied by the corporation on assessable insureds
41 shall be collected by the surplus lines agent at the time the

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42 surplus lines agent collects the surplus lines tax required by
43 s. 626.932 and paid to the Florida Surplus Lines Service Office
44 at the time the surplus lines agent pays the surplus lines tax
45 to that office. The emergency assessments collected shall be
46 transferred directly to the corporation on a periodic basis as
47 determined by the corporation and held by the corporation solely
48 in the applicable account. The aggregate amount of emergency
49 assessments levied for an account ~~under this sub-subparagraph~~ in
50 any calendar year may be less than but not exceed the greater of
51 10 percent of the amount needed to cover the deficit, plus
52 interest, fees, commissions, required reserves, and other costs
53 associated with financing the original deficit, or 10 percent of
54 the aggregate statewide direct written premium for subject lines
55 of business and all accounts of the corporation for the prior
56 year, plus interest, fees, commissions, required reserves, and
57 other costs associated with financing the deficit.

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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Hays) recommended the following:

1 **Senate Amendment**
2
3 Delete lines 2425 - 2570
4 and insert:
5 (1) As used in this section, the term:
6 (a) "Clearinghouse" means the clearinghouse diversion
7 program created under this section.
8 (b) "Corporation" means Citizens Property Insurance
9 Corporation.
10 (c) "Exclusive agent" means a licensed insurance agent who
11 has agreed, by contract, to act exclusively for one company or
12 group of affiliated insurance companies and is disallowed by the

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13 provisions of that contract to directly write for any other
14 unaffiliated insurer absent express consent from the company or
15 group of affiliated insurance companies.
16 (d) "Independent agent" means a licensed insurance agent
17 not described in paragraph (c).
18 (2) In order to confirm eligibility with the corporation
19 and to enhance the access of new applicants for coverage and
20 existing policyholders of the corporation to offers of coverage
21 from authorized and eligible insurers, the corporation shall
22 establish a clearinghouse to facilitate the diversion of
23 ineligible applicants and existing policyholders from the
24 corporation into the voluntary insurance market.
25 (3) The clearinghouse shall have the same rights and
26 responsibilities in carrying out its duties as a licensed
27 general lines agent, but is not required to employ or engage a
28 licensed general lines agent or to maintain an insurance agency
29 license in order to solicit and place insurance coverage. In
30 establishing the clearinghouse, the corporation may:
31 (a) Require all new applications and all policies due for
32 renewal to be submitted to the clearinghouse or a private
33 alternative in order to facilitate obtaining an offer of
34 coverage from an authorized insurer before binding or renewing
35 coverage by the corporation.
36 (b) Employ or otherwise contract with individuals or other
37 entities to provide administrative or professional services in
38 order to effectuate the plan within the corporation in
39 accordance with the applicable purchasing requirements under s.
40 627.351.
41 (c) Enter into contracts with an authorized or eligible

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42 insurer participating in the clearinghouse and accept an
43 appointment by such insurer.
44 (d) Provide funds to operate the clearinghouse, or charge
45 agents and insurers a reasonable fee to offset, or partially
46 offset, the costs of the clearinghouse. Insurers participating
47 in the clearinghouse are not required to use the clearinghouse
48 for the renewal of policies initially written through the
49 clearinghouse.
50 (e) Develop an enhanced application for obtaining
51 information that will assist private insurers in determining
52 whether to make an offer of coverage through the clearinghouse.
53 (f) Before approving new applications for coverage by the
54 corporation, require every application to be subject to a 48-
55 hour period that allows an insurer participating in the
56 clearinghouse to select the application for coverage. The
57 insurer may issue a binder on any policy selected for coverage
58 for a period of at least 30 days, but not more than 60 days.
59 (4) An authorized or eligible insurer may participate in
60 the clearinghouse; however, participation is not mandatory.
61 Insurers making offers of coverage to new applicants or renewing
62 policyholders through the clearinghouse:
63 (a) Are not required to individually appoint an agent whose
64 customer is underwritten and bound through the clearinghouse.
65 Notwithstanding s. 626.112, insurers are not required to appoint
66 an agent on a policy underwritten through the clearinghouse as
67 long as that policy remains with the insurer. Insurers may
68 appoint an agent whose customer is initially underwritten and
69 bound through the clearinghouse. If an insurer accepts a policy
70 from an agent who is not appointed pursuant to this paragraph

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71 and thereafter accepts a policy from such agent, the provisions
72 of s. 626.112 requiring appointment apply to the agent.
73 (b) Must enter into a limited agency agreement with each
74 agent who is not appointed in accordance with paragraph (a) and
75 whose customer is underwritten and bound through the
76 clearinghouse.
77 (c) Must enter into its standard agency agreement with each
78 agent whose customer is underwritten and bound through the
79 clearinghouse if that agent has been appointed by the insurer
80 pursuant to s. 626.112.
81 (d) Must comply with s. 627.4133(2).
82 (e) Must allow authorized or eligible insurers
83 participating in the clearinghouse to participate through their
84 single, designated managing general agent or broker; however the
85 provisions of paragraph (6)(a) regarding ownership, control, and
86 use of the expirations apply.
87 (5)(a) Notwithstanding s. 627.3517, an applicant for new
88 coverage is not eligible for coverage from the corporation if
89 the applicant is offered coverage from an authorized insurer
90 through the clearinghouse at a premium that is at or below the
91 eligibility threshold established under s. 627.351(6)(c)5.a.
92 (b) Notwithstanding any other provisions of law, if a
93 renewing policyholder of the corporation is offered coverage
94 from an authorized insurer for a personal lines or commercial
95 lines risk at a premium that is no more than 15 percent above
96 the corporation’s renewal premium for comparable coverage, the
97 risk is not eligible for coverage with the corporation.
98 (c) Notwithstanding s. 626.916(1), if an applicant for new
99 or renewal coverage from the corporation does not receive an

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100 offer of coverage from an authorized insurer, the applicant may
101 choose to accept an offer of coverage from an eligible insurer
102 or their broker under ss. 626.913-626.937. Such offers of
103 coverage from an eligible insurer do not make the risk
104 ineligible for coverage with the corporation.
105 (d) An applicant for new or renewal coverage from the
106 corporation may choose to accept any offers of coverage received
107 through the clearinghouse from an authorized insurer that is
108 greater than 15 percent of the corporation's renewal premium.
109 (e) Sections 627.351(6)(c)5.a.(I) and b.(I) do not apply to
110 an offer of coverage from an authorized insurer obtained through
111 the clearinghouse.
112 (6) Independent agents who submit new applications for
113 coverage or who are the agent of record on a renewal policy
114 submitted to the clearinghouse:
115 (a) Must maintain ownership and the exclusive use of
116 expirations, records, or other written or electronic information
117 directly related to such applications or renewals written
118 through the corporation or through an insurer participating in
119 the clearinghouse, notwithstanding s. 627.351(6)(c)5.a.(I)(B)
120 and (II)(B). Contracts with the corporation or required by the
121 corporation may not amend, modify, interfere with, or limit such
122 rights of ownership. Such expirations, records, or other written
123 or electronic information may be used to review an application,
124 issue a policy, or for any other purpose necessary for placing
125 business through the clearinghouse.
126 (b) Are not required to be appointed by an insurer
127 participating in the clearinghouse for policies written solely
128 through the clearinghouse, notwithstanding s. 626.112.

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129 (c) May accept an appointment from an insurer participating
130 in the clearinghouse.
131 (d) Must enter into a standard or limited agency agreement
132 with the insurer, at the insurer's option.
133
134 Applicants ineligible for coverage under paragraph (5) remain
135 ineligible if their independent agent is unwilling or unable to
136 enter into a standard or limited agency agreement with an
137 insurer participating in the clearinghouse.
138 (7) Exclusive agents submitting new applications for
139 coverage or who are the agent of record on a renewal policy
140 submitted to the clearinghouse:
141 (a) Must maintain ownership and the exclusive use of
142 expirations, records, or other written or electronic information
143 directly related to such applications or renewals written
144 through the corporation or through an insurer participating in
145 the clearinghouse, notwithstanding s. 627.351(6)(c)5.a.(I)(B)
146 and (II)(B). Contracts with the corporation or required by the
147 corporation may not amend, modify, interfere with, or limit such
148 rights of ownership. Such expirations, records, or other written
149 or electronic information may be used to review an application,
150 issue a policy, or for any other purpose necessary for placing
151 business through the clearinghouse.
152 (b) Are not required to be appointed by an insurer
153 participating in the clearinghouse for policies written solely
154 through the clearinghouse, notwithstanding s. 626.112.
155 (c) Must accept an offer of coverage from an insurer whose
156 limited servicing agreement is approved by that agent's
157 exclusive insurer as eligible to participate in the

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158 clearinghouse with that insurer's exclusive agents.
159 (d) Must enter into a limited servicing agreement with the
160 insurer making an offer of coverage, and may do so only after
161 the exclusive agent's insurer has approved the terms of the
162 agreement. The exclusive agent's insurer must approve a limited
163 service agreement for the clearinghouse if the insurer has
164 approved a service agreement with the agent for other purposes.
165
166 An applicant is ineligible for coverage under paragraph (5) if
167 the applicant's exclusive agent is unwilling or unable to enter
168 into a standard or limited agency agreement with a participating
169 insurer making an offer of coverage to that applicant.
170 (8) To promote private market initiatives that provide
171 offers of coverage from authorized and eligible insurers to
172 applicants for coverage by the corporation and to the
173 corporation's policyholders on renewal, the corporation shall
174 publish, by January 1, 2014, reasonable standards for private
175 alternatives to the submission of a risk to the clearinghouse.
176 Such private alternatives may act in a master agency arrangement
177 that allows agents to be appointed as subagents of a master
178 agency and to use private alternatives for the submission of
179 risks to the clearinghouse. The alternative option allowed under
180 this subsection is an alternative to, and not a replacement for,
181 the clearinghouse. Neither the clearinghouse nor any private
182 entity operating under this subsection may prohibit insurers
183 that elect to participate from participating in more than one
184 clearinghouse or alternative; however, an insurer participating
185 in the private entity must also participate in the
186 clearinghouse.

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187 (9) Submission of an application to the clearinghouse for
188 coverage by the corporation does not constitute the binding of
189 coverage, and the failure of the clearinghouse to obtain an
190 offer of coverage by an insurer is not considered acceptance of
191 coverage of the risk by the corporation.
192 (10) The clearinghouse does not include commercial
193 residential policies.

637628

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
	.	
	.	
	.	

Appropriations Subcommittee on General Government (Hays) recommended the following:

Senate Amendment (with title amendment)

Delete lines 336 - 341
and insert:
(4) The foregoing limitations and restrictions do ~~shall~~ not ~~be construed and shall not~~ apply to the placing of surplus lines business under the provisions of part VIII, or to the activities of Citizens Property Insurance Corporation or private entities referenced under 627.3518(7) when placing new and renewal business with authorized insurers in accordance with s.627.3518.

========== T I T L E A M E N D M E N T ==========

637628

13 And the title is amended as follows:
14 Delete line 22
15 and insert:
16 requirements of that section to the corporation or
17 certain private entities under

810324

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
	.	
	.	
	.	

Appropriations Subcommittee on General Government (Hays) recommended the following:

1 **Senate Amendment (with title amendment)**
2
3 Between lines 2570 and 2571
4 insert:
5 Section 14. Temporary keepout program.—Citizens Property
6 Corporation shall implement a temporary keepout program
7 beginning July 1, 2013, and ending on the date the clearinghouse
8 program established under s. 627.3518, Florida Statutes, is
9 operational.
10 (1) Subject to procedures adopted by the corporation, the
11 program shall provide an opportunity for new applicants for
12 personal residential multiperil coverage with the corporation to

810324

13 be offered coverage with authorized insurers through the market
14 assistance plan established under s. 627.3515, Florida Statutes.
15 (2) The program is subject to all of the following:
16 (a) The corporation may not accept a new personal
17 residential multiperil application for coverage within 72 hours
18 after submission of the risk to the market assistance plan under
19 subsection (1).
20 (b) Section 627.3517, Florida Statutes, relating to
21 consumer choice of agent does not apply to applications for
22 coverage accepted by authorized insurers under the program.
23 (c) Insurers issuing policies under this section are
24 subject to s. 627.3518(3), Florida Statutes, relating to agent
25 appointment.
26 (d) Notwithstanding s. 626.916(1), Florida Statutes, if an
27 applicant for new or renewal coverage from the corporation does
28 not receive an offer of coverage from an eligible insurer, the
29 applicant may accept an offer from a designated broker of an
30 insurer eligible under ss. 626.913-626.937, Florida Statutes.
31 (3) This section expires on March 1, 2014, or when the
32 clearinghouse program established under s. 627.3518, Florida
33 Statutes, becomes operational, whichever occurs first.
34
35 ========== T I T L E A M E N D M E N T ==========
36 And the title is amended as follows:
37 Delete line 92
38 and insert:
39 the corporation; establishing a temporary keepout
40 program that allows authorized insurers to provide
41 coverage to applicants for coverage through the

810324

42 corporation through the market assistance program
43 until the clearinghouse is operational; providing
44 program components; providing for expiration; amending
45 s. 627.405, F.S.;

By the Committee on Banking and Insurance

597-02041-13 20131770__

A bill to be entitled

An act relating to property insurance; amending s. 215.555, F.S.; changing the name of the Florida Hurricane Catastrophe Fund Finance Corporation to the State Board of Administration Finance Corporation; creating s. 215.5551, F.S.; creating the Florida Catastrophe Risk Capital Access Facility to increase the access of small domestic insurers to risk-capital markets; providing intent; establishing the facility in the State Board of Administration; providing the purposes of the facility; requiring the facility to be funded entirely by participating insurers after initial apportionment; providing limitations; providing for a board of directors; providing immunity from liability; providing for an annual report; amending s. 624.155, F.S.; providing that Citizens Property Insurance Corporation is an insurer subject to civil actions as an agent of the state covered by sovereign immunity; amending s. 626.752, F.S., relating to the exchange of business between an agent and insurer; providing an exemption from the requirements of that section to the corporation under certain circumstances; amending s. 627.062, F.S.; requiring the Office of Insurance Regulation to calculate and publish insurance inflation factors for use in residential property insurance filings; prohibiting the office from disapproving a rate as excessive due to the insurer's purchase of reinsurance for certain purposes; deleting obsolete provisions;

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597-02041-13 20131770__

conforming cross-references; amending s. 627.0628, F.S.; requiring the Florida Commission on Hurricane Loss Projection Methodology to consider methods for improving the accuracy of wind mitigation discounts; amending s. 627.0629, F.S.; requiring insurers to provide notice of mitigation discounts in a residential property insurance rate filing; revising the criteria for when the office may hold a public hearing regarding a rate filing; amending s. 627.171, F.S.; allowing a consent to an excess rate to apply to subsequent policy renewals; limiting the allowable amount of excess rates to counties where there is no competition; amending s. 627.351, F.S.; revising legislative intent with respect to the corporation; reducing the value of residential structures that can be covered by the corporation; revising the corporation's eligibility criteria for structures located seaward of the coastal construction control line; requiring the corporation's board of governors to concur with certain decisions by the executive director; providing for risk-sharing agreements between the corporation and other insurers and specifying the requirements and limitations of such agreements; revising provisions relating to the appointment of the board of governors and the executive director; deleting provisions allowing a policyholder removed from the corporation to remain eligible for coverage regardless of an offer of coverage from an authorized insurer; revising

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59 corporation criteria for appointing agents; requiring
60 disclosure of potential corporation surcharges and
61 policyholder obligations to try and obtain private
62 market coverage; revising provisions relating to the
63 Auditor General's review of the corporation; requiring
64 the board to contract with an independent auditing
65 firm to conduct performance audits; authorizing the
66 corporation to adopt programs that encourage insurers
67 to remove policies from the corporation through a loan
68 secured by a surplus note; revising provisions
69 relating to purchases by the corporation; providing
70 that the corporation is subject to state agency
71 purchasing requirements; requiring the corporation to
72 provide notice of purchasing decisions; providing
73 procedures for protesting such decisions; providing
74 applicability; revising the corporation's rate
75 standards; requiring that corporation rates be
76 competitive with approved rates charged in the
77 admitted market, actuarially sound, and include a
78 catastrophe risk load factor; providing exceptions;
79 limiting rate increases for specified personal and
80 commercial lines residential policies and allowing an
81 additional rate increase; requiring the corporation to
82 annually certify its rates; requiring the board of
83 directors to provide recommendations to the
84 Legislature on ways of providing rate relief to those
85 who demonstrate a financial need; deleting obsolete
86 provisions; creating s. 627.3518, F.S.; establishing a
87 clearinghouse within the corporation for identifying

88 and diverting insurance coverage to private insurers;
89 providing definitions; providing requirements and
90 duties of the corporation, insurers, and agents;
91 providing for an alternative to submitting risks to
92 the corporation; amending s. 627.405, F.S.;
93 authorizing policyholders to assign benefits subject
94 to conditions in the policy; amending s. 627.410,
95 F.S.; conforming provisions to changes made by the
96 act; creating s. 627.4102, F.S.; providing for an
97 informational filing of certain forms that are exempt
98 from the Office of Insurance Regulation's approval
99 process; requiring an informational filing to include
100 a notarized certification from the insurer and
101 providing a statement that must be included in the
102 certification; requiring a Notice of Change in Policy
103 Terms form to be filed with a changed renewal policy;
104 providing effective dates.
105
106 Be It Enacted by the Legislature of the State of Florida:
107
108 Section 1. Paragraph (n) of subsection (2) and paragraph
109 (d) of subsection (6) of section 215.555, Florida Statutes, are
110 amended to read:
111 215.555 Florida Hurricane Catastrophe Fund.—
112 (2) DEFINITIONS.—As used in this section:
113 (n) "Corporation" means the State Board of Administration
114 ~~Florida Hurricane Catastrophe Fund~~ Finance Corporation created
115 in paragraph (6)(d).
116 (6) REVENUE BONDS.—

(d) *State Board of Administration* ~~*Florida Hurricane Catastrophe Fund*~~ *Finance Corporation.*—

1. In addition to the findings and declarations in subsection (1), the Legislature also finds and declares that:

a. The public benefits corporation created under this paragraph will provide a mechanism ~~necessary~~ for the cost-effective and efficient issuance of bonds. This mechanism will eliminate unnecessary costs in the bond issuance process, thereby increasing the amounts available for ~~to pay~~ reimbursement for losses to property sustained as a result of hurricane damage.

b. The purpose of such bonds is to fund reimbursements through the Florida Hurricane Catastrophe Fund ~~to pay~~ for the costs of construction, reconstruction, repair, restoration, and other costs associated with damage to properties of policyholders of covered policies due to the occurrence of a hurricane.

c. The efficacy of the financing mechanism will be enhanced by the corporation's ownership of the assessments, by the insulation of the assessments from possible bankruptcy proceedings, and by covenants of the state with the corporation's bondholders.

2.~~a.~~ The State Board of Administration Finance Corporation ~~There~~ is created, which is a public benefits corporation and, ~~which is~~ an instrumentality of the state~~, to be known as the Florida Hurricane Catastrophe Fund Finance Corporation~~. The State Board of Administration Finance Corporation is for all purposes the successor to the Florida Hurricane Catastrophe Fund Finance Corporation.

a.~~b.~~ The corporation shall operate under a five-member board of directors consisting of the Governor or a designee, the Chief Financial Officer or a designee, the Attorney General or a designee, the director of the Division of Bond Finance of the State Board of Administration, and the Chief Operating Officer ~~senior employee of the State Board of Administration responsible for operations~~ of the Florida Hurricane Catastrophe Fund.

b.~~c.~~ The corporation has all of the powers of corporations under chapter 607 and under chapter 617, subject only to ~~the provisions of~~ this subsection.

c.~~d.~~ The corporation may issue bonds and engage in such other financial transactions as are necessary to provide sufficient funds to achieve the purposes of this section.

d.~~e.~~ The corporation may invest in any of the investments authorized under s. 215.47.

e.~~f.~~ There is ~~shall be~~ no liability on the part of, and no cause of action shall arise against, any board members or employees of the corporation for any actions taken by them in the performance of their duties under this paragraph.

3.a. In actions under chapter 75 to validate any bonds issued by the corporation, the notice required by s. 75.06 must ~~shall~~ be published in two newspapers of general circulation in the state, and the complaint and order of the court shall be served only on the State Attorney of the Second Judicial Circuit.

b. The state hereby covenants with holders of bonds of the corporation that the state will not repeal or abrogate the power of the board to direct the Office of Insurance Regulation to levy the assessments and to collect the proceeds of the revenues

175 pledged to the payment of such bonds as long as ~~any~~ such bonds
176 remain outstanding unless adequate provision has been made for
177 the payment of such bonds pursuant to the documents authorizing
178 the issuance of the ~~such~~ bonds.
179 c.~~4.~~ The bonds of the corporation are not a debt of the
180 state or of any political subdivision, and neither the state nor
181 any political subdivision is liable on such bonds. The
182 corporation may not ~~does not have the power to~~ pledge the
183 credit, the revenues, or the taxing power of the state or of any
184 political subdivision. The credit, revenues, or taxing power of
185 the state or of any political subdivision may ~~shall~~ not be
186 deemed to be pledged to the payment of any bonds of the
187 corporation.
188 d.~~5.a.~~ The property, revenues, and other assets of the
189 corporation; the transactions and operations of the corporation
190 and the income from such transactions and operations; and all
191 bonds issued under this paragraph and interest on such bonds are
192 exempt from taxation by the state and any political subdivision,
193 including the intangibles tax under chapter 199 and the income
194 tax under chapter 220. This exemption does not apply to any tax
195 imposed by chapter 220 on interest, income, or profits on debt
196 obligations owned by corporations other than the State Board of
197 Administration ~~Florida Hurricane Catastrophe Fund~~ Finance
198 Corporation.
199 e.~~b.~~ All bonds of the corporation are ~~shall be and~~
200 ~~constitute~~ legal investments without limitation for all public
201 bodies of this state; for all banks, trust companies, savings
202 banks, savings associations, savings and loan associations, and
203 investment companies; for all administrators, executors,

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204 trustees, and other fiduciaries; for all insurance companies and
205 associations and other persons carrying on an insurance
206 business; and for all other persons who are now or may hereafter
207 be authorized to invest in bonds or other obligations of the
208 state and are ~~shall be and constitute~~ eligible securities to be
209 deposited as collateral for the security of any state, county,
210 municipal, or other public funds. This sub-subparagraph shall be
211 considered ~~as~~ additional and supplemental authority and may
212 ~~shall~~ not be limited without specific reference to this sub-
213 subparagraph.
214 4.~~6.~~ The corporation and its corporate existence shall
215 continue until terminated by law; however, no such law shall
216 take effect as long as the corporation has bonds outstanding
217 unless adequate provision has been made for the payment of such
218 bonds pursuant to the documents authorizing the issuance of such
219 bonds. Upon termination of the existence of the corporation, all
220 of its rights and properties in excess of its obligations shall
221 pass to and be vested in the state.
222 Section 2. Section 215.5551, Florida Statutes, is created
223 to read:
224 215.5551 Florida Catastrophe Risk Capital Access Facility.
225 (1) The Legislature finds that the global market for
226 catastrophe risk has expanded dramatically, resulting in the
227 availability of billions of dollars in additional risk capital
228 for insurers and new and innovative alternative risk-transfer
229 mechanisms. The Legislature also finds that having access to
230 additional risk capital and risk-transfer mechanisms provides
231 insurers providing coverage in this state with an opportunity to
232 expand their capacity to write additional business and diversify

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233 their catastrophe risk. The Legislature further finds that
234 despite an expansion in the amount of available global risk
235 capital, small insurers, particularly smaller domestic insurers,
236 writing property insurance in this state face substantial
237 challenges accessing these global markets when the relatively
238 small amount of risk finance required by any one company is not
239 economically viable. Therefore, it is the intent of the
240 Legislature to create a mechanism to facilitate the access of
241 small domestic insurers to global risk capital markets and risk-
242 transfer mechanisms.
243 (2) Effective July 1, 2013, the Florida Catastrophe Risk
244 Capital Access Facility is created within the State Board of
245 Administration. The facility is not defined nor may it function
246 as an insurer, reinsurer, or other risk-bearing entity under
247 state law.
248 (3) The facility shall:
249 (a) Aggregate the demand for risk finance from global
250 capital markets among smaller volume domestic property insurance
251 companies writing business in this state.
252 (b) Design and execute risk-transfer tools such as
253 insurance-linked securities and other securitization models for
254 participating insurers, and use special purpose vehicles or
255 protected cells, onshore or offshore, as appropriate, to
256 increase access to risk capital.
257 (c) Identify and coordinate appropriate risk-transfer
258 products and opportunities, initially targeting layers of
259 coverage below, alongside, and above the portion of the
260 reinsurance market covered by the Florida Hurricane Catastrophe
261 Fund.

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262 (d) Establish and maintain regular and ongoing contact with
263 global risk capital market participants, institutions, and
264 investors, in order to identify opportunities that satisfy and
265 coordinate insurer demand for additional risk capital.
266 (4) After an initial apportionment for startup purposes,
267 the facility shall be funded entirely by participating insurers
268 on a pro rata basis.
269 (5) In conducting its affairs, the facility may not:
270 (a) Take a position in, or provide financial support for,
271 risk-transfer transactions;
272 (b) Be a guarantor of premium or make any other financial
273 guarantees to participating insurers;
274 (c) Create contractual obligations on the part of the
275 state; or
276 (d) Levy taxes or assessments.
277 (6) The facility shall be governed by a board of directors
278 composed of seven members, one from the Department of Financial
279 Services; one from the State Board of Administration; one from
280 the Office of Insurance Regulation; three industry members
281 representing Florida property insurance writers, the reinsurance
282 community, and the financial securities industry; and one member
283 appointed by a majority of the board. The board may employ or
284 contract with such staff and professionals as the board deems
285 necessary to accomplish its purpose.
286 (7) There shall be no liability on the part of, and no
287 cause of action of any nature may arise against, the facility or
288 its agents or employees, the board of directors, or the
289 department or office or their representatives for any action
290 taken by them in the performance of their powers and duties

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291 under this section.
292 (8) The facility shall submit a report to the Financial
293 Services Commission by January 1 of each year describing
294 facility activities and transactions undertaken by participating
295 insurers.
296 Section 3. Subsection (1) of section 624.155, Florida
297 Statutes, is amended and subsection (10) is added to that
298 section, to read:
299 624.155 Civil remedy.—
300 (1) Any person may bring a civil action against an insurer,
301 including Citizens Property Insurance Corporation, if ~~when~~ such
302 person is damaged:
303 (a) By a violation of any of the following provisions by
304 the insurer:
305 1. Section 626.9541(1)(i), (o), or (x);
306 2. Section 626.9551;
307 3. Section 626.9705;
308 4. Section 626.9706;
309 5. Section 626.9707; or
310 6. Section 627.7283.
311 (b) By the commission of any of the following acts by the
312 insurer:
313 1. Not attempting in good faith to settle claims if ~~when~~,
314 under all the circumstances, it could and should have done so,
315 had it acted fairly and honestly toward its insured and with due
316 regard for her or his interests;
317 2. Making claims payments to insureds or beneficiaries not
318 accompanied by a statement setting forth the coverage under
319 which payments are being made; or

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320 3. Except as to liability coverages, failing to promptly
321 settle claims, when the obligation to settle a claim has become
322 reasonably clear, under one portion of the insurance policy
323 coverage in order to influence settlements under other portions
324 of the insurance policy coverage.
325
326 Notwithstanding the provisions of this subsection ~~the above to~~
327 ~~the contrary~~, a person pursuing a remedy under this section need
328 not prove that such act was committed or performed with such
329 frequency as to indicate a general business practice.
330 (10) For the purposes of this section, Citizens Property
331 Insurance Corporation is an agent of the state covered under s.
332 768.28.
333 Section 4. Subsection (4) of section 626.752, Florida
334 Statutes, is amended to read:
335 626.752 Exchange of business.—
336 (4) The foregoing limitations and restrictions do ~~shall~~ not
337 ~~be construed and shall not~~ apply to the placing of surplus lines
338 business under the provisions of part VIII, or to Citizens
339 Property Insurance Corporation when placing new and renewal
340 business with authorized insurers in order to reduce the size of
341 the corporation pursuant to s. 627.3518.
342 Section 5. Subsection (2) and paragraph (d) of subsection
343 (3) of section 627.062, Florida Statutes, are amended to read:
344 627.062 Rate standards.—
345 (2) As to all such classes of insurance:
346 (a) Insurers or rating organizations shall establish and
347 use rates, rating schedules, or rating manuals that allow the
348 insurer a reasonable rate of return on the classes of insurance

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349 written in this state. A copy of rates, rating schedules, rating
350 manuals, premium credits or discount schedules, and surcharge
351 schedules, and changes thereto, must be filed with the office in
352 accordance with ~~under~~ one of the following procedures:
353 1. If the filing is made at least 90 days before the
354 proposed effective date and is not implemented during the
355 office's review of the filing and any proceeding and judicial
356 review, such filing is considered a "file and use" filing. In
357 such case, the office shall finalize its review by issuance of a
358 notice of intent to approve or a notice of intent to disapprove
359 within 90 days after receipt of the filing. The notice of intent
360 to approve and the notice of intent to disapprove constitute
361 agency action for purposes of the Administrative Procedure Act.
362 Requests for supporting information, requests for mathematical
363 or mechanical corrections, or notification to the insurer by the
364 office of its preliminary findings does not toll the 90-day
365 period during ~~any~~ such proceedings and subsequent judicial
366 review. The rate shall be deemed approved if the office does not
367 issue a notice of intent to approve or a notice of intent to
368 disapprove within 90 days after receipt of the filing.
369 2. If the filing is not made in accordance with
370 subparagraph 1., such filing must be made as soon as
371 practicable, but within 30 days after the effective date, and is
372 considered a "use and file" filing. An insurer making a "use and
373 file" filing is potentially subject to an order by the office to
374 return ~~to policyholders~~ those portions of rates found to be
375 excessive to policyholders~~,~~ as provided in paragraph (i) ~~(h)~~.
376 ~~3. For all property insurance filings made or submitted~~
377 ~~after January 25, 2007, but before May 1, 2012, an insurer~~

378 ~~seeking a rate that is greater than the rate most recently~~
379 ~~approved by the office shall make a "file and use" filing. For~~
380 ~~purposes of this subparagraph, motor vehicle collision and~~
381 ~~comprehensive coverages are not considered property coverages.~~
382 (b) Upon receiving a rate filing, the office shall review
383 the filing to determine if a rate is excessive, inadequate, or
384 unfairly discriminatory. In making that determination, the
385 office shall, in accordance with generally accepted and
386 reasonable actuarial techniques, consider the following factors:
387 1. Past and prospective loss experience within and without
388 this state.
389 2. Past and prospective expenses.
390 3. The degree of competition among insurers for the risk
391 insured.
392 4. Investment income reasonably expected by the insurer,
393 consistent with the insurer's investment practices, from
394 investable premiums anticipated from ~~in~~ the filing, plus any
395 other expected income from currently invested assets
396 representing the amount expected on unearned premium reserves
397 and loss reserves. The commission may adopt rules that use ~~using~~
398 reasonable techniques of actuarial science and economics to
399 specify the manner in which insurers calculate investment income
400 attributable to classes of insurance written in this state and
401 ~~the manner~~ in which investment income is used to calculate
402 insurance rates. Such rules ~~manner~~ must allow ~~contemplate~~
403 ~~allowances~~ for an underwriting profit factor and full
404 consideration of investment income which produce a reasonable
405 rate of return; however, investment income from invested surplus
406 may not be considered.

407 5. The reasonableness of the judgment reflected in the
408 filing.
409 6. Dividends, savings, or unabsorbed premium deposits
410 allowed or returned to state ~~Florida~~ policyholders, members, or
411 subscribers.
412 7. The adequacy of loss reserves.
413 8. The cost of reinsurance. The office may not disapprove a
414 rate as excessive ~~solely~~ due solely to the insurer having
415 obtained catastrophic reinsurance to cover the insurer's
416 estimated 250-year probable maximum loss or any lower level of
417 loss, or due solely to an admitted carrier purchasing private
418 reinsurance that would insure against potential deficits within
419 the Florida Hurricane Catastrophe Fund which the most recent
420 estimate made pursuant to s. 215.555(4)(c)2. predicts would be
421 funded through revenue bonds issued under s. 215.555(6).
422 9. Trend factors, including trends in actual losses per
423 insured unit for the insurer making the filing.
424 10. Conflagration and catastrophe hazards, if applicable.
425 11. Projected hurricane losses, if applicable, which must
426 be estimated using a model or method found to be acceptable or
427 reliable by the Florida Commission on Hurricane Loss Projection
428 Methodology, and as further provided in s. 627.0628.
429 12. A reasonable margin for underwriting profit and
430 contingencies.
431 13. The cost of medical services, if applicable.
432 14. Other relevant factors that affect the frequency or
433 severity of claims or expenses.
434 (c) The office shall calculate and publish insurance
435 inflation factors based on noncatastrophe direct loss costs for

436 use in residential property insurance filings. The office shall
437 update the published factors at least annually and make them
438 available on its website. The calculation of insurance inflation
439 factors are not subject to rulemaking under chapter 120.
440 1. An insurer making a residential property insurance rate
441 filing that proposes a change in noncatastrophe base rates by a
442 uniform factor equal to or less than the applicable published
443 insurance inflation factor, may make a rate filing under s.
444 627.0645 which consists of a rate certification in lieu of a
445 full rate filing under paragraph (a). The office shall verify
446 insurer use of the appropriate published inflation factor and,
447 if the inflation factor is used appropriately, the filed rates
448 shall be deemed not excessive.
449 2. An insurer filing under this paragraph may make a
450 separate filing pursuant to paragraph (l) to adjust its rates
451 for reinsurance rates, reinsurance financing costs and products,
452 and cash buildup factor costs. The insurance inflation factors
453 do not apply to these filings.
454 3. This paragraph does not apply to filings made by
455 Citizens Property Insurance Corporation.
456 (d) ~~(c)~~ In the case of fire insurance rates, consideration
457 must be given to the availability of water supplies and the
458 experience of the fire insurance business during ~~a period of not~~
459 ~~less than~~ the most recent 5-year or longer period for which such
460 experience is available.
461 (e) ~~(d)~~ If conflagration or catastrophe hazards are
462 considered by an insurer in its rates or rating plan, including
463 surcharges and discounts, the insurer must ~~shall~~ establish a
464 reserve for that portion of the premium allocated to such hazard

465 and maintain the premium in a catastrophe reserve. Removal of
466 such premiums from the reserve for purposes other than paying
467 claims associated with a catastrophe or purchasing reinsurance
468 for catastrophes must be approved by the office. Any ceding
469 commission received by an insurer purchasing reinsurance for
470 catastrophes must be placed in the catastrophe reserve.
471 (f) ~~(e)~~ After consideration of the rate factors provided in
472 paragraphs (b), ~~(c), and~~ (d), and (e) the office may find a rate
473 to be excessive, inadequate, or unfairly discriminatory based
474 upon the following standards:
475 1. Rates shall be deemed excessive if they are likely to
476 produce a profit from Florida business which is unreasonably
477 high in relation to the risk involved in the class of business
478 or if expenses are unreasonably high in relation to services
479 rendered.
480 2. Rates shall be deemed excessive if, among other things,
481 the rate structure established by a stock insurance company
482 provides for replenishment of surpluses from premiums~~,~~ if the
483 such replenishment is attributable to investment losses.
484 3. Rates shall be deemed inadequate if ~~they are clearly~~
485 ~~insufficient~~, together with the investment income attributable
486 to them, they are clearly insufficient to sustain projected
487 losses and expenses in the class of business to which they
488 apply.
489 4. A rating plan, including discounts, credits, or
490 surcharges, shall be deemed unfairly discriminatory if it fails
491 to clearly and equitably reflect consideration of the
492 policyholder's participation in a risk management program
493 adopted pursuant to s. 627.0625.

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494 5. A rate shall be deemed inadequate as to the premium
495 charged to a risk or group of risks if discounts or credits are
496 allowed which exceed a reasonable reflection of expense savings
497 and reasonably expected loss experience from the risk or group
498 of risks.
499 6. A rate shall be deemed unfairly discriminatory as to a
500 risk or group of risks if the application of premium discounts,
501 credits, or surcharges among such risks does not bear a
502 reasonable relationship to the expected loss and expense
503 experience among the various risks.
504 (g) ~~(f)~~ In reviewing a rate filing, the office may require
505 the insurer to provide, at the insurer's expense, all
506 information necessary to evaluate the condition of the company
507 and the reasonableness of the filing according to the criteria
508 enumerated in this section.
509 (h) ~~(g)~~ The office may at any time review a rate, rating
510 schedule, rating manual, or rate change; the pertinent records
511 of the insurer; and market conditions. If the office finds on a
512 preliminary basis that a rate may be excessive, inadequate, or
513 unfairly discriminatory, the office shall initiate proceedings
514 to disapprove the rate and ~~shall so~~ notify the insurer. However,
515 the office may not disapprove as excessive any rate for which it
516 has given final approval or which has been deemed approved for 1
517 year after the effective date of the filing unless the office
518 finds that a material misrepresentation or material error was
519 made by the insurer or was contained in the filing. Upon
520 notification ~~being notified~~, the insurer or rating organization
521 shall, within 60 days, file with the office all information
522 that, in the belief of the insurer or organization, proves the

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523 reasonableness, adequacy, and fairness of the rate or rate
524 change. The office shall issue a notice of intent to approve or
525 a notice of intent to disapprove pursuant to paragraph (a)
526 within 90 days after receipt of the insurer's initial response.
527 In such instances and in any administrative proceeding relating
528 to the legality of the rate, the insurer or rating organization
529 ~~shall~~ carry the burden of proof of showing, by a preponderance
530 of the evidence, ~~to show~~ that the rate is not excessive,
531 inadequate, or unfairly discriminatory. After the office
532 notifies an insurer that a rate may be excessive, inadequate, or
533 unfairly discriminatory, unless the office withdraws the
534 notification, the insurer may not alter the rate except to
535 conform to the office's notice until the earlier of 120 days
536 after the date the notification was provided or 180 days after
537 the date of implementing the rate. ~~The office,~~ Subject to
538 chapter 120, the office may disapprove without the 60-day
539 notification any rate increase filed by an insurer within the
540 prohibited time period or during the time that the legality of
541 the increased rate is being contested.
542 (i) ~~(h)~~ If the office finds that a rate or rate change is
543 excessive, inadequate, or unfairly discriminatory, the office
544 shall issue an order of disapproval requiring ~~specifying~~ that a
545 new rate or rate schedule, which responds to the findings of the
546 office, be filed by the insurer. The office shall further order,
547 for any "use and file" filing made in accordance with
548 subparagraph (a)2., that the portion of premiums charged which
549 constitute ~~each policyholder constituting~~ the portion of the
550 rate above that which was actuarially justified be returned to
551 the policyholder in the form of a credit or refund. If the

552 office finds that an insurer's rate or rate change is
553 inadequate, the new rate or rate schedule filed with the office
554 in response to such ~~a~~ finding applies ~~is applicable~~ only to new
555 or renewal business ~~of the insurer~~ written by the insurer on or
556 after the effective date of the responsive filing.
557 (j) ~~(i)~~ Except as otherwise specifically provided in this
558 chapter, for property and casualty insurance the office may not
559 directly or indirectly:
560 1. Prohibit an ~~any~~ insurer, including any residual market
561 plan or joint underwriting association, from paying acquisition
562 costs based on the full amount of premium, as defined in s.
563 627.403, applicable to any policy, or prohibit ~~any~~ such insurer
564 from including the full amount of acquisition costs in a rate
565 filing; or
566 2. Impede, abridge, or otherwise compromise an insurer's
567 right to acquire policyholders, advertise, or appoint agents,
568 including the calculation, manner, or amount of such agent
569 commissions, if any.
570 (k) ~~(j)~~ With respect to residential property insurance rate
571 filings, the rate filing must account for mitigation measures
572 undertaken by policyholders to reduce hurricane losses.
573 (l) ~~(k)~~1. A residential property insurer may make a separate
574 filing limited solely to an adjustment of its rates for
575 reinsurance, the cost of financing products used as a
576 replacement for reinsurance, financing costs incurred in the
577 purchase of reinsurance, and the actual cost paid due to the
578 application of the cash build-up factor pursuant to s.
579 215.555(5)(b) if the insurer:
580 a. Elects to purchase financing products, such as a

581 liquidity instrument or line of credit, in which case the cost
582 included in filing for the liquidity instrument or line of
583 credit may not result in a premium increase exceeding 3 percent
584 for any individual policyholder. All costs contained in the
585 filing may not result in an overall premium increase of more
586 than 15 percent for any individual policyholder.
587 b. Includes in the filing a copy of all of its reinsurance,
588 liquidity instrument, or line of credit contracts; proof of the
589 billing or payment for the contracts; and the calculation upon
590 which the proposed rate change is based demonstrating that the
591 costs meet the criteria of this section.
592 2. An insurer that purchases reinsurance or financing
593 products from an affiliated company may make a separate filing
594 only if the costs for such reinsurance or financing products are
595 charged at or below charges made for comparable coverage by
596 nonaffiliated reinsurers or financial entities making such
597 coverage or financing products available in this state.
598 3. An insurer may make only one filing per 12-month period
599 under this paragraph.
600 4. An insurer that elects to implement a rate change under
601 this paragraph must file its rate filing with the office at
602 least 45 days before the effective date of the rate change.
603 After an insurer submits a complete filing that meets all of the
604 requirements of this paragraph, the office has 45 days after the
605 date of the filing to review the rate filing and determine if
606 the rate is excessive, inadequate, or unfairly discriminatory.
607
608 The provisions of this subsection do not apply to workers'
609 compensation, employer's liability insurance, and motor vehicle

610 insurance.
611 (3)
612 (d)1. The following categories or kinds of insurance and
613 types of commercial lines risks are not subject to paragraph
614 (2)(a) or paragraph (2)(g) ~~(2)(f)~~:
615 a. Excess or umbrella.
616 b. Surety and fidelity.
617 c. Boiler and machinery and leakage and fire extinguishing
618 equipment.
619 d. Errors and omissions.
620 e. Directors and officers, employment practices, fiduciary
621 liability, and management liability.
622 f. Intellectual property and patent infringement liability.
623 g. Advertising injury and Internet liability insurance.
624 h. Property risks rated under a highly protected risks
625 rating plan.
626 i. General liability.
627 j. Nonresidential property, except for collateral
628 protection insurance as defined in s. 624.6085.
629 k. Nonresidential multiperil.
630 l. Excess property.
631 m. Burglary and theft.
632 n. Any other commercial lines categories or kinds of
633 insurance or types of commercial lines risks that the office
634 determines should not be subject to paragraph (2)(a) or
635 paragraph (2)(g) ~~(2)(f)~~ because of the existence of a
636 competitive market for such insurance, similarity of such
637 insurance to other categories or kinds of insurance not subject
638 to paragraph (2)(a) or paragraph (2)(g) ~~(2)(f)~~, or to improve

639 the general operational efficiency of the office.
640 2. Insurers or rating organizations shall establish and use
641 rates, rating schedules, or rating manuals that ~~to~~ allow the
642 insurer a reasonable rate of return on insurance and risks
643 described in subparagraph 1. which are written in this state.
644 3. An insurer must notify the office of any changes to
645 rates for insurance and risks described in subparagraph 1.
646 within 30 days after the effective date of the change. The
647 notice must include the name of the insurer, the type or kind of
648 insurance subject to rate change, total premium written during
649 the immediately preceding year by the insurer for the type or
650 kind of insurance subject to the rate change, and the average
651 statewide percentage change in rates. Underwriting files,
652 premiums, losses, and expense statistics relating ~~with regard~~ to
653 such insurance and risks written by an insurer must be
654 maintained by the insurer and subject to examination by the
655 office. Upon examination, the office, in accordance with
656 generally accepted and reasonable actuarial techniques, shall
657 consider the rate factors in paragraphs (2)(b), (d) ~~(c)~~, and (e)
658 ~~(d)~~ and the standards in paragraph (2)(f) ~~(2)(e)~~ to determine if
659 the rate is excessive, inadequate, or unfairly discriminatory.
660 4. A rating organization must notify the office of any
661 changes to loss cost for insurance and risks described in
662 subparagraph 1. within 30 days after the effective date of the
663 change. The notice must include the name of the rating
664 organization, the type or kind of insurance subject to a loss
665 cost change, loss costs during the immediately preceding year
666 for the type or kind of insurance subject to the loss cost
667 change, and the average statewide percentage change in loss

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668 cost. Actuarial data relating ~~with regard~~ to changes to loss
669 cost for risks not subject to paragraph (2)(a) or paragraph
670 (2)(g) ~~(2)(f)~~ must be maintained by the rating organization for
671 2 years after the effective date of the change and are subject
672 to examination by the office. The office may require the rating
673 organization to incur the costs associated with an examination.
674 Upon examination, the office, in accordance with generally
675 accepted and reasonable actuarial techniques, shall consider the
676 rate factors in paragraphs (2)(b), (d), and (e) ~~(2)(b) (d)~~ and
677 the standards in paragraph (2)(f) ~~(2)(e)~~ to determine if the
678 rate is excessive, inadequate, or unfairly discriminatory.
679 Section 6. Paragraphs (a) and (b) of subsection (3) of
680 section 627.0628, Florida Statutes, are amended to read:
681 627.0628 Florida Commission on Hurricane Loss Projection
682 Methodology; public records exemption; public meetings
683 exemption.—
684 (3) ADOPTION AND EFFECT OF STANDARDS AND GUIDELINES.—
685 (a) The commission shall consider any actuarial methods,
686 principles, standards, models, or output ranges that have the
687 potential for improving the accuracy ~~of~~ or reliability of the
688 hurricane loss projections and wind mitigation discounts used in
689 residential property insurance rate filings. The commission
690 shall, from time to time, adopt findings as to the accuracy or
691 reliability of particular methods, principles, standards,
692 models, or output ranges.
693 (b) The commission shall consider any actuarial methods,
694 principles, standards, or models that have the potential for
695 improving the accuracy ~~of~~ or reliability of projecting probable
696 maximum loss levels. The commission shall adopt findings as to

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697 the accuracy or reliability of particular methods, principles,
698 standards, or models related to probable maximum loss
699 calculations. The commission shall review models for accuracy of
700 use when establishing wind mitigation discounts.
701 Section 7. Subsections (1) and (6) of section 627.0629,
702 Florida Statutes, are amended to read:
703 627.0629 Residential property insurance; rate filings.—
704 (1) It is the intent of the Legislature that insurers
705 provide savings to consumers who install or implement windstorm
706 damage mitigation techniques, alterations, or solutions to their
707 properties to prevent windstorm losses. A rate filing for
708 residential property insurance must include notice of the
709 mitigation discounts offered by the insurer, which must be
710 actuarially reasonable discounts, credits, or other rate
711 differentials, or appropriate reductions in deductibles, for
712 properties on which fixtures or construction techniques
713 demonstrated to reduce the amount of loss in a windstorm have
714 been installed or implemented. The fixtures or construction
715 techniques must include, but are not limited to, fixtures or
716 construction techniques that enhance roof strength, roof
717 covering performance, roof-to-wall strength, wall-to-floor-to-
718 foundation strength, ~~opening protection,~~ and the impact
719 resistance of window, door, and skylight openings ~~strength~~.
720 Credits, discounts, or other rate differentials, or appropriate
721 reductions in deductibles, for fixtures and construction
722 techniques that meet the minimum requirements of the Florida
723 Building Code must be included in the rate filing. ~~The office~~
724 ~~shall determine the discounts, credits, other rate~~
725 ~~differentials, and appropriate reductions in deductibles that~~

726 ~~reflect the full actuarial value of such revaluation, which may~~
727 ~~be used by insurers in rate filings.~~
728 (6) The office may hold a public hearing for a ~~any~~ rate
729 filing that is based in whole or in part on data from a computer
730 model which exceeds ~~may not exceed~~ 15 percent in counties the
731 office determines do not have a reasonable degree of competition
732 ~~unless there is a public hearing~~.
733 Section 8. Section 627.171, Florida Statutes, is amended to
734 read:
735 627.171 Excess rates.—
736 (1) With the written consent of the insured signed before
737 ~~prior to~~ the policy inception date and filed with the insurer,
738 the insurer may use a rate in excess of the otherwise applicable
739 filed rate on any specific risk. The signed consent form is
740 valid for subsequent renewals and must include the filed rate as
741 well as the excess rate for the risk insured.~~,~~ ~~and~~ A copy of the
742 form must be maintained by the insurer for 3 years and be
743 available for review by the office.
744 (2) In those counties in which the office has determined
745 there is not a reasonable degree of competition, an insurer may
746 not use excess rates authorized under ~~pursuant to~~ this section
747 for more than 10 percent of its commercial insurance policies
748 written or renewed in each calendar year for any line of
749 commercial insurance or for more than 5 percent of its personal
750 lines insurance policies written or renewed in each calendar
751 year for any line of personal insurance. In determining the 10-
752 percent limitation for commercial insurance policies, the
753 insurer shall exclude a ~~any~~ workers' compensation policy that
754 was written for an employer who had coverage in the joint

755 underwriting plan created by s. 627.311(5) immediately before
756 ~~prior to~~ the writing of the policy by the insurer and a ~~any~~
757 workers' compensation policy that was written for an employer
758 who had been offered coverage in the joint underwriting plan but
759 who was written a policy by the insurer in lieu of accepting the
760 joint underwriting plan policy. Such ~~These~~ workers' compensation
761 policies shall be excluded from the 10-percent limitation for
762 the first 3 years of coverage.
763 Section 9. Paragraphs (a), (b), (c), (g), (i), (m), (q),
764 and (z) of subsection (6) of section 627.351, Florida Statutes,
765 are amended to read:
766 627.351 Insurance risk apportionment plans.—
767 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—
768 (a) The public purpose of this subsection is to ensure that
769 there is an orderly market for property insurance for residents
770 and businesses of this state.
771 1. The Legislature finds that private insurers are entering
772 the Florida property insurance market ~~unwilling or unable~~ to
773 provide affordable property insurance coverage in many regions
774 of the state. The Legislature further finds that when Citizens
775 Property Insurance Corporation offers rates that are not
776 adequate to cover the average costs that are generated from the
777 claims filed by its policyholders, the deficiency may create a
778 financial burden on all other state policyholders who must
779 purchase their own insurance from private insurers at full
780 actuarial cost and pay an added fee to cover a portion of the
781 cost for claims filed by policyholders of the corporation. The
782 Legislature intends that the corporation not act as a barrier or
783 competitor to the private insurance market but be available to

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784 residents of ~~in~~ this state only if there is no private market
785 coverage available at rates determined reasonable by the Office
786 of Insurance Regulation ~~to the extent sought and needed~~. The
787 absence of ~~affordable~~ property insurance threatens the public
788 health, safety, and welfare and likewise threatens the economic
789 health of the state. As the corporation has continued its rapid
790 growth and exposure, it increasingly threatens state residents
791 with having to absorb an even greater financial burden than they
792 are currently bearing. The state, therefore, has a compelling
793 public interest and a public purpose to assist in assuring that
794 property in the state is insured and ~~that it is~~ insured at
795 affordable, actuarially sound, noncompetitive rates so as to
796 facilitate the remediation, reconstruction, and replacement of
797 damaged or destroyed property without overburdening the
798 policyholders of this state in order to reduce or avoid ~~the~~
799 negative effects on ~~otherwise resulting to~~ the public health,
800 safety, and welfare; on~~, to~~ the economy of the state; and on~~,~~
801 ~~and to~~ the revenues of the state and local governments which are
802 needed to provide for the public welfare. It is necessary,
803 therefore, to make ~~provide~~ affordable, actuarially sound,
804 noncompetitive property insurance available to applicants who
805 are, in good faith, entitled to procure insurance through the
806 voluntary market but are unable to do so. The Legislature
807 intends, therefore, that affordable, actuarially sound,
808 noncompetitive property insurance be provided and ~~that it~~
809 continue to be provided, as long as necessary, through Citizens
810 Property Insurance Corporation, a government entity that is an
811 integral part of the state~~,~~ and ~~that is~~ not a private insurance
812 company, or through referrals to private insurers participating

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813 in a clearinghouse established by the corporation. To that end,
814 the corporation shall strive to promote ~~increase~~ the
815 availability of affordable and actuarially sound private
816 property insurance in this state, supplemented by coverage
817 provided by the corporation if appropriate, while achieving
818 efficiencies and economies~~, and while~~ providing service to
819 policyholders, applicants, and agents which is no less than the
820 quality generally provided in the voluntary market, for the
821 achievement of the foregoing public purposes. Because it is
822 essential for this government entity to have the maximum
823 financial resources to pay claims following a catastrophic
824 hurricane, it is further the intent of the Legislature that the
825 corporation continue to be an integral part of the state and not
826 a private insurance company, ~~and~~ that the income of the
827 corporation be exempt from federal income taxation, and that
828 interest on the debt obligations issued by the corporation be
829 exempt from federal income taxation.
830 2. The Residential Property and Casualty Joint Underwriting
831 Association originally created by this statute shall be known as
832 the Citizens Property Insurance Corporation. The corporation
833 shall provide ~~insurance for~~ residential and commercial property
834 insurance~~,~~ for applicants who are eligible ~~entitled~~, but, in
835 good faith, are unable to procure insurance through the
836 voluntary market. The corporation shall operate pursuant to a
837 plan of operation approved by order of the Financial Services
838 Commission. The plan is subject to continuous review by the
839 commission, and~~.~~ the commission may, by order, withdraw approval
840 of all or part of a plan if the commission determines that
841 conditions have changed since approval was granted and that the

842 purposes of the plan require changes in the plan. For the
843 purposes of this subsection, residential coverage includes both
844 personal lines residential coverage, which consists of the type
845 of coverage provided by homeowner's, mobile home owner's,
846 dwelling, tenant's, condominium unit owner's, and similar
847 policies; and commercial lines residential coverage, which
848 consists of the type of coverage provided by condominium
849 association, apartment building, and similar policies.
850 3. With respect to coverage for personal lines residential
851 structures:
852 a. Effective January 1, 2014 ~~2009~~, a personal lines
853 residential structure that has a dwelling replacement cost of $1
854 ~~$2~~ million or more, or a single condominium unit that has a
855 combined dwelling and contents replacement cost of $1 ~~$2~~ million
856 or more is not eligible for coverage by the corporation. Such
857 dwellings insured by the corporation on December 31, 2013 ~~2008~~,
858 may continue to be covered by the corporation until the end of
859 the policy term. ~~However, such dwellings may reapply and obtain~~
860 ~~coverage if the property owner provides the corporation with a~~
861 ~~sworn affidavit from one or more insurance agents, on a form~~
862 ~~provided by the corporation, stating that the agents have made~~
863 ~~their best efforts to obtain coverage and that the property has~~
864 ~~been rejected for coverage by at least one authorized insurer~~
865 ~~and at least three surplus lines insurers. If such conditions~~
866 ~~are met, the dwelling may be insured by the corporation for up~~
867 ~~to 3 years, after which time the dwelling is ineligible for~~
868 ~~coverage.~~ The office shall approve the method used by the
869 corporation for valuing ~~the~~ dwelling replacement costs under
870 ~~cost for the purposes of~~ this subparagraph. If a policyholder is

871 insured by the corporation before ~~prior to~~ being determined ~~to~~
872 ~~be~~ ineligible pursuant to this subparagraph and such
873 policyholder files a lawsuit challenging the determination, the
874 policyholder may remain insured by the corporation until the
875 conclusion of the litigation.
876 b. Effective January 1, 2015, a structure that has a
877 dwelling replacement cost of $900,000 or more, or a single
878 condominium unit that has a combined dwelling and contents
879 replacement cost of $900,000 or more, is not eligible for
880 coverage by the corporation. Such dwellings insured by the
881 corporation on December 31, 2014, may continue to be covered by
882 the corporation until the end of the policy term.
883 c. Effective January 1, 2016, a structure that has a
884 dwelling replacement cost of $800,000 or more, or a single
885 condominium unit that has a combined dwelling and contents
886 replacement cost of $800,000 or more, is not eligible for
887 coverage by the corporation. Such dwellings insured by the
888 corporation on December 31, 2015, may continue to be covered by
889 the corporation until the end of the policy term.
890 d. Effective January 1, 2017, a structure that has a
891 dwelling replacement cost of $700,000 or more, or a single
892 condominium unit that has a combined dwelling and contents
893 replacement cost of $700,000 or more, is not eligible for
894 coverage by the corporation. Such dwellings insured by the
895 corporation on December 31, 2016, may continue to be covered by
896 the corporation until the end of the policy term.
897 e. Effective January 1, 2018, a structure that has a
898 dwelling replacement cost of $600,000 or more, or a single
899 condominium unit that has a combined dwelling and contents

900 replacement cost of $600,000 or more, is not eligible for
901 coverage by the corporation. Such dwellings insured by the
902 corporation on December 31, 2017, may continue to be covered by
903 the corporation until the end of the policy term.
904 f. Effective January 1, 2019, a structure that has a
905 dwelling replacement cost of $500,000 or more, or a single
906 condominium unit that has a combined dwelling and contents
907 replacement cost of $500,000 or more, is not eligible for
908 coverage by the corporation. Such dwellings insured by the
909 corporation on December 31, 2018, may continue to be covered by
910 the corporation until the end of the policy term.
911 4. It is the intent of the Legislature that policyholders,
912 applicants, and agents of the corporation receive service and
913 treatment of the highest possible level but never less than that
914 generally provided in the voluntary market. It is also intended
915 that the corporation be held to service standards no less than
916 those applied to insurers in the voluntary market by the office
917 with respect to responsiveness, timeliness, customer courtesy,
918 and overall dealings with policyholders, applicants, or agents
919 of the corporation.
920 5. Any structure for which a notice of commencement has
921 been issued on or after July 1, 2013, pursuant to s. 713.135,
922 which is located seaward of the coastal construction control
923 line created pursuant to s. 161.053, is ineligible for coverage
924 through the corporation unless the structure meets the coastal
925 code-plus building code criteria developed and recommended by
926 the Florida Building Commission. ~~Effective January 1, 2009, a~~
927 ~~personal lines residential structure that is located in the~~
928 ~~"wind-borne debris region," as defined in s. 1609.2,~~

929 ~~International Building Code (2006), and that has an insured~~
930 ~~value on the structure of $750,000 or more is not eligible for~~
931 ~~coverage by the corporation unless the structure has opening~~
932 ~~protections as required under the Florida Building Code for a~~
933 ~~newly constructed residential structure in that area. A~~
934 ~~residential structure shall be deemed to comply with this~~
935 ~~subparagraph if it has shutters or opening protections on all~~
936 ~~openings and if such opening protections complied with the~~
937 ~~Florida Building Code at the time they were installed.~~
938 6. For any claim filed under any policy of the corporation,
939 a public adjuster may not charge, agree to, or accept any
940 compensation, payment, commission, fee, or other thing of value
941 greater than 10 percent of the additional amount actually paid
942 over the amount that was originally offered by the corporation
943 for any one claim.
944 (b)1. All insurers authorized to write one or more subject
945 lines of business in this state are subject to assessment by the
946 corporation and, for the purposes of this subsection, are
947 referred to collectively as "assessable insurers." Insurers
948 writing one or more subject lines of business in this state
949 pursuant to part VIII of chapter 626 are not assessable
950 insurers; however, ~~but~~ insureds who procure one or more subject
951 lines of business in this state pursuant to part VIII of chapter
952 626 are subject to assessment by the corporation and are
953 referred to collectively as "assessable insureds." An insurer's
954 assessment liability begins on the first day of the calendar
955 year following the year in which the insurer was issued a
956 certificate of authority to transact insurance for subject lines
957 of business in this state and terminates 1 year after the end of

958 the first calendar year during which the insurer no longer holds
959 a certificate of authority to transact insurance for subject
960 lines of business in this state.
961 2.a. All revenues, assets, liabilities, losses, and
962 expenses of the corporation shall be divided into three separate
963 accounts as follows:
964 (I) A personal lines account for personal residential
965 policies issued by the corporation, or issued by the Residential
966 Property and Casualty Joint Underwriting Association and renewed
967 by the corporation, which provides comprehensive, multiperil
968 coverage on risks that are not located in areas eligible for
969 coverage by the Florida Windstorm Underwriting Association as
970 those areas were defined on January 1, 2002, and for policies
971 that do not provide coverage for the peril of wind on risks that
972 are located in such areas;
973 (II) A commercial lines account for commercial residential
974 and commercial nonresidential policies issued by the
975 corporation, or issued by the Residential Property and Casualty
976 Joint Underwriting Association and renewed by the corporation,
977 which provides coverage for basic property perils on risks that
978 are not located in areas eligible for coverage by the Florida
979 Windstorm Underwriting Association as those areas were defined
980 on January 1, 2002, and for policies that do not provide
981 coverage for the peril of wind on risks that are located in such
982 areas; and
983 (III) A coastal account for personal residential policies
984 and commercial residential and commercial nonresidential
985 property policies issued by the corporation, or transferred to
986 the corporation, which provides coverage for the peril of wind

987 on risks that are located in areas eligible for coverage by the
988 Florida Windstorm Underwriting Association as those areas were
989 defined on January 1, 2002. The corporation may offer policies
990 that provide multiperil coverage and ~~the corporation~~ shall
991 ~~continue to~~ offer policies that provide coverage only for the
992 peril of wind for risks located in areas eligible for coverage
993 in the coastal account. In issuing multiperil coverage, the
994 corporation may use its approved policy forms and rates for the
995 personal lines account. An applicant or insured who is eligible
996 to purchase a multiperil policy from the corporation may
997 purchase a multiperil policy from an authorized insurer without
998 prejudice to the applicant's or insured's eligibility to
999 prospectively purchase a policy that provides coverage only for
1000 the peril of wind from the corporation. An applicant or insured
1001 who is eligible for a corporation policy that provides coverage
1002 only for the peril of wind may elect to purchase or retain such
1003 policy and also purchase or retain coverage excluding wind from
1004 an authorized insurer without prejudice to the applicant's or
1005 insured's eligibility to prospectively purchase a policy that
1006 provides multiperil coverage from the corporation. It is the
1007 goal of the Legislature that there be an overall average savings
1008 of 10 percent or more for a policyholder who currently has a
1009 wind-only policy with the corporation, and an ex-wind policy
1010 with a voluntary insurer or the corporation, and who obtains a
1011 multiperil policy from the corporation. It is the intent of the
1012 Legislature that the offer of multiperil coverage in the coastal
1013 account be made and implemented in a manner that does not
1014 adversely affect the tax-exempt status of the corporation or
1015 creditworthiness of or security for currently outstanding

1016 financing obligations or credit facilities of the coastal
1017 account, the personal lines account, or the commercial lines
1018 account. ~~The coastal account must also include quota share~~
1019 ~~primary insurance under subparagraph (c)2.~~ The area eligible for
1020 coverage under the coastal account also includes the area within
1021 Port Canaveral, which is bordered on the south by the City of
1022 Cape Canaveral, bordered on the west by the Banana River, and
1023 bordered on the north by Federal Government property.
1024 b. The three separate accounts must be maintained as long
1025 as financing obligations entered into by the Florida Windstorm
1026 Underwriting Association or Residential Property and Casualty
1027 Joint Underwriting Association are outstanding, in accordance
1028 with the terms of the corresponding financing documents. If the
1029 financing obligations are no longer outstanding, the corporation
1030 may use a single account for all revenues, assets, liabilities,
1031 losses, and expenses of the corporation. Consistent with this
1032 subparagraph and prudent investment policies that minimize the
1033 cost of carrying debt, the board shall exercise its best efforts
1034 to retire existing debt or obtain the approval of necessary
1035 parties to amend the terms of existing debt, in order ~~so as~~ to
1036 structure the most efficient plan for consolidating ~~to~~
1037 ~~consolidate~~ the three separate accounts into a single account.
1038 c. Creditors of the Residential Property and Casualty Joint
1039 Underwriting Association and the accounts specified in sub-sub-
1040 subparagraphs a.(I) and (II) may have a claim against, and
1041 recourse to, those accounts and no claim against, or recourse
1042 to, the account referred to in sub-sub-subparagraph a.(III).
1043 Creditors of the Florida Windstorm Underwriting Association have
1044 a claim against, and recourse to, the account referred to in

1045 sub-sub-subparagraph a.(III) and no claim against, or recourse
1046 to, the accounts referred to in sub-sub-subparagraphs a.(I) and
1047 (II).
1048 d. Revenues, assets, liabilities, losses, and expenses not
1049 attributable to particular accounts shall be prorated among the
1050 accounts.
1051 e. The Legislature finds that the revenues of the
1052 corporation are revenues that are necessary to meet the
1053 requirements set forth in documents authorizing the issuance of
1054 bonds under this subsection.
1055 f. The income of the corporation may not inure to the
1056 benefit of any private person.
1057 3. With respect to a deficit in an account:
1058 a. After accounting for the Citizens policyholder surcharge
1059 imposed under sub-subparagraph i., if the remaining projected
1060 deficit incurred in the coastal account in a particular calendar
1061 year:
1062 (I) Is not greater than 2 percent of the aggregate
1063 statewide direct written premium for the subject lines of
1064 business for the prior calendar year, the entire deficit shall
1065 be recovered through regular assessments of assessable insurers
1066 under paragraph (q) and assessable insureds.
1067 (II) Exceeds 2 percent of the aggregate statewide direct
1068 written premium for the subject lines of business for the prior
1069 calendar year, the corporation shall levy regular assessments on
1070 assessable insurers under paragraph (q) and on assessable
1071 insureds in an amount equal to the greater of 2 percent of the
1072 projected deficit or 2 percent of the aggregate statewide direct
1073 written premium for the subject lines of business for the prior

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1074 calendar year. Any remaining projected deficit shall be
1075 recovered through emergency assessments under sub-subparagraph
1076 d.
1077 b. Each assessable insurer's share of the amount being
1078 assessed under sub-subparagraph a. must be in the proportion
1079 that the assessable insurer's direct written premium for the
1080 subject lines of business for the year preceding the assessment
1081 bears to the aggregate statewide direct written premium for the
1082 subject lines of business for that year. The assessment
1083 percentage applicable to each assessable insured is the ratio of
1084 the amount being assessed under sub-subparagraph a. to the
1085 aggregate statewide direct written premium for the subject lines
1086 of business for the prior year. Assessments levied by the
1087 corporation on assessable insurers under sub-subparagraph a.
1088 must be paid as required by the corporation's plan of operation
1089 and paragraph (q). Assessments levied by the corporation on
1090 assessable insureds under sub-subparagraph a. shall be collected
1091 by the surplus lines agent at the time the surplus lines agent
1092 collects the surplus lines tax required by s. 626.932, and paid
1093 to the Florida Surplus Lines Service Office at the time the
1094 surplus lines agent pays the surplus lines tax to that office.
1095 Upon receipt of regular assessments from surplus lines agents,
1096 the Florida Surplus Lines Service Office shall transfer the
1097 assessments directly to the corporation as determined by the
1098 corporation.
1099 c. After accounting for the Citizens policyholder surcharge
1100 imposed under sub-subparagraph i., the remaining projected
1101 deficits in the personal lines account and in the commercial
1102 lines account in a particular calendar year shall be recovered

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1103 through emergency assessments under sub-subparagraph d.
1104 d. Upon a determination by the executive director, with the
1105 concurrence of the board of governors, that a projected deficit
1106 in an account exceeds the amount that is expected to be
1107 recovered through regular assessments under sub-subparagraph a.,
1108 plus the amount that is expected to be recovered through
1109 policyholder surcharges under sub-subparagraph i., the executive
1110 director, with concurrence by the board, after verification by
1111 the office and approval by the Financial Services Commission,
1112 shall levy emergency assessments for as many years as necessary
1113 to cover the deficits, to be collected by assessable insurers
1114 and the corporation and collected from assessable insureds upon
1115 issuance or renewal of policies for subject lines of business,
1116 excluding National Flood Insurance policies. The amount
1117 collected in a particular year must be a uniform percentage of
1118 that year's direct written premium for subject lines of business
1119 and all accounts of the corporation, excluding National Flood
1120 Insurance Program policy premiums, as annually determined by the
1121 executive director, with concurrence by the board, and verified
1122 by the office. The office shall verify the arithmetic
1123 calculations involved in the board's determination within 30
1124 days after receipt of the information on which the determination
1125 was based. The office shall notify assessable insurers and the
1126 Florida Surplus Lines Service Office of the date on which
1127 assessable insurers shall begin to collect and assessable
1128 insureds shall begin to pay such assessment. The date must be at
1129 least ~~may be not less than~~ 90 days after the date the
1130 corporation levies emergency assessments pursuant to this sub-
1131 subparagraph. Notwithstanding any other provision of law, the

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1132 corporation and each assessable insurer that writes subject
1133 lines of business shall collect emergency assessments from its
1134 policyholders without such obligation being affected by any
1135 credit, limitation, exemption, or deferment. Emergency
1136 assessments levied by the corporation on assessable insureds
1137 shall be collected by the surplus lines agent at the time the
1138 surplus lines agent collects the surplus lines tax required by
1139 s. 626.932 and paid to the Florida Surplus Lines Service Office
1140 at the time the surplus lines agent pays the surplus lines tax
1141 to that office. The emergency assessments collected shall be
1142 transferred directly to the corporation on a periodic basis as
1143 determined by the corporation and held by the corporation solely
1144 in the applicable account. The aggregate amount of emergency
1145 assessments levied for an account ~~under this sub-subparagraph~~ in
1146 any calendar year may be less than but not exceed the greater of
1147 10 percent of the amount needed to cover the deficit, plus
1148 interest, fees, commissions, required reserves, and other costs
1149 associated with financing the original deficit, or 10 percent of
1150 the aggregate statewide direct written premium for subject lines
1151 of business and all accounts of the corporation for the prior
1152 year, plus interest, fees, commissions, required reserves, and
1153 other costs associated with financing the deficit.
1154 e. The corporation may pledge the proceeds of assessments,
1155 projected recoveries from the Florida Hurricane Catastrophe
1156 Fund, other insurance and reinsurance recoverables, policyholder
1157 surcharges and other surcharges, and other funds available to
1158 the corporation as the source of revenue for and to secure bonds
1159 issued under paragraph (q), bonds or other indebtedness issued
1160 under subparagraph (c)3., or lines of credit or other financing

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1161 mechanisms issued or created under this subsection, or to retire
1162 any other debt incurred as a result of deficits or events giving
1163 rise to deficits, or in any other way that the executive
1164 director, with the concurrence of the board, determines will
1165 efficiently recover such deficits. The purpose of the lines of
1166 credit or other financing mechanisms is to provide additional
1167 resources to assist the corporation in covering claims and
1168 expenses attributable to a catastrophe. As used in this
1169 subsection, the term "assessments" includes regular assessments
1170 under sub-subparagraph a. or subparagraph (q)1. and emergency
1171 assessments under sub-subparagraph d. Emergency assessments
1172 collected under sub-subparagraph d. are not part of an insurer's
1173 rates, are not premium, and are not subject to premium tax,
1174 fees, or commissions; however, failure to pay the emergency
1175 assessment shall be treated as failure to pay premium. The
1176 emergency assessments ~~under sub-subparagraph d.~~ shall continue
1177 as long as any bonds issued or other indebtedness incurred with
1178 respect to a deficit for which the assessment was imposed remain
1179 outstanding, unless adequate provision has been made for the
1180 payment of such bonds or other indebtedness pursuant to the
1181 documents governing such bonds or indebtedness.
1182 f. As used in this subsection for purposes of any deficit
1183 incurred on or after January 25, 2007, the term "subject lines
1184 of business" means insurance written by assessable insurers or
1185 procured by assessable insureds for all property and casualty
1186 lines of business in this state, but not including workers'
1187 compensation or medical malpractice. As used in this sub-
1188 subparagraph, the term "property and casualty lines of business"
1189 includes all lines of business identified on Form 2, Exhibit of

1190 Premiums and Losses, in the annual statement required of
1191 authorized insurers under s. 624.424 and any rule adopted under
1192 this section, except for those lines identified as accident and
1193 health insurance and except for policies written under the
1194 National Flood Insurance Program or the Federal Crop Insurance
1195 Program. For purposes of this sub-subparagraph, the term
1196 "workers' compensation" includes both workers' compensation
1197 insurance and excess workers' compensation insurance.
1198 g. The Florida Surplus Lines Service Office shall annually
1199 determine ~~annually~~ the aggregate statewide written premium in
1200 subject lines of business procured by assessable insureds and
1201 report that information to the corporation in a form and at a
1202 time the corporation specifies to ensure that the corporation
1203 can meet the requirements of this subsection and the
1204 corporation's financing obligations.
1205 h. The Florida Surplus Lines Service Office shall verify
1206 the proper application by surplus lines agents of assessment
1207 percentages for regular assessments and emergency assessments
1208 levied under this subparagraph on assessable insureds and assist
1209 the corporation in ensuring the accurate, timely collection and
1210 payment of assessments by surplus lines agents as required by
1211 the corporation.
1212 i. ~~In 2008 or thereafter,~~ Upon ~~a~~ determination by the board
1213 of governors that an account has a projected deficit, the board
1214 shall levy a Citizens policyholder surcharge against all
1215 policyholders of the corporation.
1216 (I) The surcharge shall be levied as a uniform percentage
1217 ~~of the premium for the policy~~ of up to 15 percent of the policy
1218 ~~such~~ premium, which funds shall be used to offset the deficit.

1219 (II) The surcharge is payable upon cancellation or
1220 termination of the policy, upon renewal of the policy, or upon
1221 issuance of a new policy by the corporation within the first 12
1222 months after the date of the levy or the period of time
1223 necessary to fully collect the surcharge amount.
1224 (III) The corporation may not levy any regular assessments
1225 under paragraph (q) pursuant to sub-subparagraph a. or sub-
1226 subparagraph b. with respect to a particular year's deficit
1227 until the corporation has first levied the full amount of the
1228 surcharge authorized by this sub-subparagraph.
1229 (IV) The surcharge is not considered premium and is not
1230 subject to commissions, fees, or premium taxes. However, failure
1231 to pay the surcharge shall be treated as failure to pay premium.
1232 j. If the amount of any assessments or surcharges collected
1233 from corporation policyholders, assessable insurers or their
1234 policyholders, or assessable insureds exceeds the amount of the
1235 deficits, such excess amounts shall be remitted to and retained
1236 by the corporation in a reserve to be used by the corporation,
1237 as determined by the executive director, with the concurrence of
1238 the board of governors, and approved by the office, to pay
1239 claims or reduce any past, present, or future plan-year deficits
1240 or to reduce outstanding debt.
1241 (c) The corporation's plan of operation:
1242 1. Must provide for adoption of residential property and
1243 casualty insurance policy forms and commercial residential and
1244 nonresidential property insurance forms, which must be approved
1245 by the office before use. The corporation shall adopt the
1246 following policy forms:
1247 a. Standard personal lines policy forms that are

1248 comprehensive multiperil policies providing full coverage of a
1249 residential property equivalent to the coverage provided in the
1250 private insurance market under an HO-3, HO-4, or HO-6 policy.
1251 b. Basic personal lines policy forms that are policies
1252 similar to an HO-8 policy or a dwelling fire policy that provide
1253 coverage meeting the requirements of the secondary mortgage
1254 market, but which is more limited than the coverage under a
1255 standard policy.
1256 c. Commercial lines residential and nonresidential policy
1257 forms that are generally similar to the basic perils of full
1258 coverage obtainable for commercial residential structures and
1259 commercial nonresidential structures in the admitted voluntary
1260 market.
1261 d. Personal lines and commercial lines residential property
1262 insurance forms that cover the peril of wind only. Such ~~The~~
1263 forms are applicable only to residential properties located in
1264 areas eligible for coverage under the coastal account referred
1265 to in sub-subparagraph (b)2.a.
1266 e. Commercial lines nonresidential property insurance forms
1267 that cover the peril of wind only. Such ~~The~~ forms are applicable
1268 only to nonresidential properties located in areas eligible for
1269 coverage under the coastal account referred to in sub-
1270 subparagraph (b)2.a.
1271 f. The corporation may adopt variations of the policy forms
1272 listed in sub-subparagraphs a.-e. which contain more restrictive
1273 coverage.
1274 g. Effective January 1, 2013, the corporation shall offer a
1275 basic personal lines policy similar to an HO-8 policy with
1276 dwelling repair based on common construction materials and

1277 methods.
1278 2. Must provide that the corporation and an authorized
1279 insurer may enter into a risk-sharing agreement for the purpose
1280 of reducing the corporation's exposure. As used in this
1281 subparagraph, the term "risk-sharing agreement" means an
1282 agreement between the corporation and an authorized insurer for
1283 the corporation to retain part, but not all, of the risk for a
1284 specified group of policies or specified perils within a group
1285 of policies, as part of the terms for removal of policies from
1286 the corporation.
1287 a. Entering into a risk-sharing agreement is voluntary and
1288 at the discretion of the corporation and the authorized insurer.
1289 To avoid unnecessary expense, the executive director, with
1290 concurrence of the board of governors, may limit the
1291 corporation's participation in risk-sharing agreements to those
1292 participants capable and willing to assume a minimum of 25
1293 percent of the exposure on at least 100,000 policies and may
1294 specify other limitations. A risk-sharing agreement in which the
1295 corporation retains part of the risk may not exceed 5 years.
1296 b. The risk-sharing agreement may cover policies in any
1297 account and may cover any perils. The corporation may act as a
1298 reinsurer or a cedent under a risk sharing agreement or an
1299 excess of loss agreement. If the corporation is the reinsurer,
1300 the insurance policy forms and endorsements must be approved by
1301 the office, cover all perils that are the subject of the risk-
1302 sharing agreement, and cover at least the same limits as the
1303 corporation policies being replaced.
1304 c. The terms of each risk-sharing agreement must ensure
1305 that the consideration received by the corporation is

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1306 commensurate with the risk retained by the corporation and the
1307 risk assumed by the authorized insurer. The corporation may not
1308 share risk for bad faith.
1309 d. The risk-sharing agreement must specify the proportion
1310 of exposure that the authorized insurer reports to the Florida
1311 Hurricane Catastrophe Fund and the exposure retained by the
1312 corporation. Each shall pay premium and receive reimbursements
1313 from the fund for the exposure that they retain or assume as
1314 provided in the risk-sharing agreement. The risk retained or
1315 assumed is eligible for coverage by the fund and is not
1316 considered reinsurance for purposes of coverage by the fund.
1317 However, the authorized insurer and the corporation may report
1318 participation in the risk sharing agreement on their financial
1319 statements as reinsurance if appropriate according to the
1320 characteristics of the agreement based on statutory accounting
1321 rules and instructions.
1322 e. Notwithstanding any other provision of law:
1323 (I) Policies offered coverage by the corporation or an
1324 authorized insurer through a risk-sharing agreement are not
1325 eligible for coverage by the corporation outside of the
1326 agreement; and
1327 (II) A risk-sharing agreement between the corporation and
1328 an authorized insurer is not subject to the requirements of a
1329 take-out or keep-out program under ss. 627.3517 and this
1330 subsection, except that the agreement must be filed by the
1331 authorized insurer with the office for review and approval
1332 before the execution of the agreement by the insurer.
1333 f. To ensure that exposures are accurately reported to the
1334 Florida Hurricane Catastrophe Fund, the corporation and each

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1335 insurer participating in a risk-sharing agreement under this
1336 subparagraph must report its exposure under covered policies to
1337 the fund as required under s. 215.555(5)(c), including the
1338 requirement that, by September 1 of each year, each insurer
1339 notify the board of its insured values under covered policies as
1340 of June 30 of that year. Each report must also specify the
1341 percentage of liability applicable to the corporation and the
1342 percentage applicable to the insurer. Pursuant to its authority
1343 under s. 215.555, the State Board of Administration shall adopt
1344 rules to administer this sub-subparagraph.
1345 ~~2. Must provide that the corporation adopt a program in~~
1346 ~~which the corporation and authorized insurers enter into quota~~
1347 ~~share primary insurance agreements for hurricane coverage, as~~
1348 ~~defined in s. 627.4025(2)(a), for eligible risks, and adopt~~
1349 ~~property insurance forms for eligible risks which cover the~~
1350 ~~peril of wind only.~~
1351 ~~a. As used in this subsection, the term:~~
1352 ~~(I) "Quota share primary insurance" means an arrangement in~~
1353 ~~which the primary hurricane coverage of an eligible risk is~~
1354 ~~provided in specified percentages by the corporation and an~~
1355 ~~authorized insurer. The corporation and authorized insurer are~~
1356 ~~each solely responsible for a specified percentage of hurricane~~
1357 ~~coverage of an eligible risk as set forth in a quota share~~
1358 ~~primary insurance agreement between the corporation and an~~
1359 ~~authorized insurer and the insurance contract. The~~
1360 ~~responsibility of the corporation or authorized insurer to pay~~
1361 ~~its specified percentage of hurricane losses of an eligible~~
1362 ~~risk, as set forth in the agreement, may not be altered by the~~
1363 ~~inability of the other party to pay its specified percentage of~~

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1364 ~~losses. Eligible risks that are provided hurricane coverage~~
1365 ~~through a quota share primary insurance arrangement must be~~
1366 ~~provided policy forms that set forth the obligations of the~~
1367 ~~corporation and authorized insurer under the arrangement,~~
1368 ~~clearly specify the percentages of quota share primary insurance~~
1369 ~~provided by the corporation and authorized insurer, and~~
1370 ~~conspicuously and clearly state that the authorized insurer and~~
1371 ~~the corporation may not be held responsible beyond their~~
1372 ~~specified percentage of coverage of hurricane losses.~~
1373 ~~(II) "Eligible risks" means personal lines residential and~~
1374 ~~commercial lines residential risks that meet the underwriting~~
1375 ~~criteria of the corporation and are located in areas that were~~
1376 ~~eligible for coverage by the Florida Windstorm Underwriting~~
1377 ~~Association on January 1, 2002.~~
1378 ~~b. The corporation may enter into quota share primary~~
1379 ~~insurance agreements with authorized insurers at corporation~~
1380 ~~coverage levels of 90 percent and 50 percent.~~
1381 ~~c. If the corporation determines that additional coverage~~
1382 ~~levels are necessary to maximize participation in quota share~~
1383 ~~primary insurance agreements by authorized insurers, the~~
1384 ~~corporation may establish additional coverage levels. However,~~
1385 ~~the corporation's quota share primary insurance coverage level~~
1386 ~~may not exceed 90 percent.~~
1387 ~~d. Any quota share primary insurance agreement entered into~~
1388 ~~between an authorized insurer and the corporation must provide~~
1389 ~~for a uniform specified percentage of coverage of hurricane~~
1390 ~~losses, by county or territory as set forth by the corporation~~
1391 ~~board, for all eligible risks of the authorized insurer covered~~
1392 ~~under the agreement.~~

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1393 ~~c. Any quota share primary insurance agreement entered into~~
1394 ~~between an authorized insurer and the corporation is subject to~~
1395 ~~review and approval by the office. However, such agreement shall~~
1396 ~~be authorized only as to insurance contracts entered into~~
1397 ~~between an authorized insurer and an insured who is already~~
1398 ~~insured by the corporation for wind coverage.~~
1399 ~~f. For all eligible risks covered under quota share primary~~
1400 ~~insurance agreements, the exposure and coverage levels for both~~
1401 ~~the corporation and authorized insurers shall be reported by the~~
1402 ~~corporation to the Florida Hurricane Catastrophe Fund. For all~~
1403 ~~policies of eligible risks covered under such agreements, the~~
1404 ~~corporation and the authorized insurer must maintain complete~~
1405 ~~and accurate records for the purpose of exposure and loss~~
1406 ~~reimbursement audits as required by fund rules. The corporation~~
1407 ~~and the authorized insurer shall each maintain duplicate copies~~
1408 ~~of policy declaration pages and supporting claims documents.~~
1409 ~~g. The corporation board shall establish in its plan of~~
1410 ~~operation standards for quota share agreements which ensure that~~
1411 ~~there is no discriminatory application among insurers as to the~~
1412 ~~terms of the agreements, pricing of the agreements, incentive~~
1413 ~~provisions if any, and consideration paid for servicing policies~~
1414 ~~or adjusting claims.~~
1415 ~~h. The quota share primary insurance agreement between the~~
1416 ~~corporation and an authorized insurer must set forth the~~
1417 ~~specific terms under which coverage is provided, including, but~~
1418 ~~not limited to, the sale and servicing of policies issued under~~
1419 ~~the agreement by the insurance agent of the authorized insurer~~
1420 ~~producing the business, the reporting of information concerning~~
1421 ~~eligible risks, the payment of premium to the corporation, and~~

1422 ~~arrangements for the adjustment and payment of hurricane claims~~
1423 ~~incurred on eligible risks by the claims adjuster and personnel~~
1424 ~~of the authorized insurer. Entering into a quota sharing~~
1425 ~~insurance agreement between the corporation and an authorized~~
1426 ~~insurer is voluntary and at the discretion of the authorized~~
1427 ~~insurer.~~
1428 3.a. May provide that the corporation ~~may employ or~~
1429 ~~otherwise contract with individuals or other entities to provide~~
1430 ~~administrative or professional services that may be appropriate~~
1431 ~~to effectuate the plan. The corporation may~~ borrow funds by
1432 issuing bonds or by incurring other indebtedness, and shall have
1433 other powers reasonably necessary to effectuate the requirements
1434 of this subsection, including, without limitation, the power to
1435 issue bonds and incur other indebtedness in order to refinance
1436 outstanding bonds or other indebtedness. The corporation may
1437 seek judicial validation of its bonds or other indebtedness
1438 under chapter 75. The corporation may issue bonds or incur other
1439 indebtedness, or have bonds issued on its behalf by a unit of
1440 local government pursuant to subparagraph (q)2. in the absence
1441 of a hurricane or other weather-related event, upon a
1442 determination by the corporation, subject to approval by the
1443 office, that such action would enable it to efficiently meet the
1444 financial obligations of the corporation and that such
1445 financings are reasonably necessary to effectuate the
1446 requirements of this subsection. The corporation may take all
1447 actions needed to facilitate tax-free status for such bonds or
1448 indebtedness, including formation of trusts or other affiliated
1449 entities. The corporation may pledge assessments, projected
1450 recoveries from the Florida Hurricane Catastrophe Fund, other

1451 reinsurance recoverables, Citizens policyholder surcharges and
1452 other surcharges, and other funds available to the corporation
1453 as security for bonds or other indebtedness. In recognition of
1454 s. 10, Art. I of the State Constitution, prohibiting the
1455 impairment of obligations of contracts, it is the intent of the
1456 Legislature that ~~no~~ action not be taken whose purpose is to
1457 impair any bond indenture or financing agreement or any revenue
1458 source committed by contract to such bond or other indebtedness.
1459 b. May provide that the corporation employ or otherwise
1460 contract with individuals or other entities to provide
1461 administrative or professional services that may be appropriate
1462 to effectuate the plan. To ensure that the corporation is
1463 operating in an efficient and economic manner while providing
1464 quality service to policyholders, applicants, and agents, the
1465 board shall commission an independent third-party consultant
1466 having expertise in insurance company management or insurance
1467 company management consulting to prepare a report and make
1468 recommendations on the relative costs and benefits of
1469 outsourcing various policy issuance and service functions to
1470 private servicing carriers or entities performing similar
1471 functions in the private market for a fee~~,~~ rather than
1472 performing such functions in-house. In making such
1473 recommendations, the consultant shall consider how other
1474 residual markets, both in this state and around the country,
1475 outsource appropriate functions or use servicing carriers to
1476 better match expenses with revenues that fluctuate based on a
1477 widely varying policy count. The report must be completed by
1478 July 1, 2012. Upon receiving the report, the executive director,
1479 with the concurrence of the board, shall develop a plan to

1480 implement the report and submit the plan for review,
1481 modification, and approval to the Financial Services Commission.
1482 Upon the commission's approval of the plan, the board shall
1483 begin implementing the plan by January 1, 2013.
1484 4. Must require that the corporation operate subject to the
1485 supervision and approval of a board of governors consisting of
1486 eight individuals who are residents of this state and who are~~,~~
1487 from different geographical areas of the ~~this~~ state.
1488 a. The Governor, the Chief Financial Officer, the President
1489 of the Senate, and the Speaker of the House of Representatives
1490 shall each appoint two members of the board. All board members,
1491 except those appointed by the speaker, must be confirmed by the
1492 Senate during the legislative session following their
1493 appointment. At least one of the two members appointed by each
1494 appointing officer must have demonstrated expertise in insurance
1495 and must be ~~is~~ deemed to be within the scope of the exemption
1496 provided under ~~in~~ s. 112.313(7)(b). The Chief Financial Officer
1497 shall designate one of the appointees as chair for the purpose
1498 of presiding over the orderly conduct of meetings. An appointee
1499 serves as chair for no more than one term. All board members
1500 serve at the pleasure of the appointing officer. All members of
1501 the board are subject to removal at will by the officers who
1502 appointed them. All board members, including the chair, shall
1503 ~~must~~ be appointed ~~to serve~~ for 3-year terms beginning annually
1504 on a date designated by the plan. ~~However, for the first term~~
1505 ~~beginning on or after July 1, 2009, each appointing officer~~
1506 ~~shall appoint one member of the board for a 2-year term and one~~
1507 ~~member for a 3-year term.~~ A board vacancy shall be filled for
1508 the unexpired term by the appointing officer. A board member may

1509 not serve for more than two terms, except that a board member
1510 appointed to fill an unexpired term created by a vacancy may be
1511 appointed for two subsequent terms. The Chief Financial Officer
1512 shall appoint a technical advisory group to provide information
1513 and advice to the executive director and the board in connection
1514 with the corporation's ~~board's~~ duties under this subsection. The
1515 executive director shall be appointed by and serve at the
1516 pleasure of the Governor and the Chief Financial Officer. ~~and~~
1517 Senior managers of the corporation shall be appointed by the
1518 executive director, with the concurrence of ~~engaged by~~ the
1519 board, and serve at the pleasure of the executive director
1520 ~~board~~. Appointment of the ~~Any~~ executive director ~~appointed on or~~
1521 ~~after July 1, 2006,~~ is subject to confirmation by the Senate
1522 upon original appointment and upon the election or reelection of
1523 the Governor and Chief Financial Officer if retained. The
1524 executive director is responsible for employing other staff ~~as~~
1525 the corporation may require, subject to review and concurrence
1526 by the board.
1527 b. The board shall create a Market Accountability Advisory
1528 Committee to assist the corporation in developing awareness of
1529 its rates and its customer and agent service levels in
1530 relationship to the voluntary market insurers writing similar
1531 coverage.
1532 (I) The members of the advisory committee consist of the
1533 following 11 persons, one of whom must be elected chair by the
1534 members of the committee: four representatives, one appointed by
1535 the Florida Association of Insurance Agents, one by the Florida
1536 Association of Insurance and Financial Advisors, one by the
1537 Professional Insurance Agents of Florida, and one by the Latin

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1538 American Association of Insurance Agencies; three
1539 representatives appointed by the insurers with the three highest
1540 voluntary market share of residential property insurance
1541 business in the state; one representative from the Office of
1542 Insurance Regulation; one consumer appointed by the board who is
1543 insured by the corporation at the time of appointment to the
1544 committee; one representative appointed by the Florida
1545 Association of Realtors; and one representative appointed by the
1546 Florida Bankers Association. All members shall be appointed to
1547 3-year terms, serve at the pleasure of the board of governors,
1548 and may serve for consecutive terms.
1549 (II) The committee shall report to the corporation at each
1550 board meeting on insurance market issues that ~~which~~ may include
1551 rates and rate competition within ~~with~~ the voluntary market;
1552 service, including policy issuance, claims processing, and
1553 general responsiveness to policyholders, applicants, and agents;
1554 and matters relating to depopulation.
1555 5. Must provide a procedure for determining the eligibility
1556 of a risk for coverage by the corporation which applies to both
1557 new and renewal policies, as follows:
1558 a. Subject to s. 627.3517, with respect to personal lines
1559 residential risks, if the risk is offered coverage from an
1560 authorized insurer at the insurer's approved rate under a
1561 standard policy including wind coverage or, if consistent with
1562 the insurer's underwriting rules as filed with the office, a
1563 basic policy including wind coverage, ~~for a new application to~~
1564 ~~the corporation for coverage,~~ the risk is not eligible for any
1565 policy issued by the corporation unless the premium for coverage
1566 from the authorized insurer is more than 15 percent greater than

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1567 the premium for comparable coverage from the corporation. If the
1568 risk is not able to obtain such offer, the risk is eligible for
1569 a standard policy including wind coverage or a basic policy
1570 including wind coverage issued by the corporation; however, if
1571 the risk could not be insured under a standard policy including
1572 wind coverage regardless of market conditions, the risk is
1573 eligible for a basic policy including wind coverage unless
1574 rejected under subparagraph 8. ~~However, a policyholder of the~~
1575 ~~corporation or a policyholder removed from the corporation~~
1576 ~~through an assumption agreement until the end of the assumption~~
1577 ~~period remains eligible for coverage from the corporation~~
1578 ~~regardless of any offer of coverage from an authorized insurer~~
1579 ~~or surplus lines insurer.~~ The corporation shall determine the
1580 type of policy to be provided on the basis of objective
1581 standards specified in the underwriting manual and based on
1582 generally accepted underwriting practices.
1583 (I) If the risk accepts an offer of coverage through the
1584 market assistance plan or through a mechanism established by the
1585 corporation before a policy is issued to the risk by the
1586 corporation or during the first 30 days of coverage by the
1587 corporation, and the producing agent who submitted the
1588 application to the plan or to the corporation is not currently
1589 appointed by the insurer, the insurer shall:
1590 (A) Pay to the producing agent of record ~~of the policy~~ for
1591 the first year, an amount that is the greater of the insurer's
1592 usual and customary commission for the type of policy written or
1593 a fee equal to the usual and customary commission of the
1594 corporation; or
1595 (B) Offer to allow the producing agent of record ~~of the~~

1596 ~~policy~~ to continue servicing the policy for at least 1 year and
1597 offer to pay the agent the greater of the insurer's or the
1598 corporation's usual and customary commission for the type of
1599 policy written.
1600
1601 If the producing agent is unwilling or unable to accept
1602 appointment, the new insurer shall pay the agent in accordance
1603 with sub-sub-sub-subparagraph (A).
1604 (II) If the corporation enters into a contractual agreement
1605 for a take-out plan, the producing agent of record of the
1606 corporation policy is entitled to retain any unearned commission
1607 on the policy, and the insurer shall:
1608 (A) Pay to the producing agent of record, for the first
1609 year, an amount that is the greater of the insurer's usual and
1610 customary commission for the type of policy written or a fee
1611 equal to the usual and customary commission of the corporation;
1612 or
1613 (B) Offer to allow the producing agent of record to
1614 continue servicing the policy for at least 1 year and offer to
1615 pay the agent the greater of the insurer's or the corporation's
1616 usual and customary commission for the type of policy written.
1617
1618 If the producing agent is unwilling or unable to accept
1619 appointment, the new insurer shall pay the agent in accordance
1620 with sub-sub-sub-subparagraph (A).
1621 b. With respect to commercial lines residential risks, ~~for~~
1622 ~~a new application to the corporation for coverage,~~ if the risk
1623 is offered coverage under a policy including wind coverage from
1624 an authorized insurer at its approved rate, the risk is not

1625 eligible for a policy issued by the corporation unless the
1626 premium for coverage from the authorized insurer is more than 15
1627 percent greater than the premium for comparable coverage from
1628 the corporation. If the risk is not able to obtain any such
1629 offer, the risk is eligible for a policy including wind coverage
1630 issued by the corporation. ~~However, a policyholder of the~~
1631 ~~corporation or a policyholder removed from the corporation~~
1632 ~~through an assumption agreement until the end of the assumption~~
1633 ~~period remains eligible for coverage from the corporation~~
1634 ~~regardless of an offer of coverage from an authorized insurer or~~
1635 ~~surplus lines insurer.~~
1636 (I) If the risk accepts an offer of coverage through the
1637 market assistance plan or through a mechanism established by the
1638 corporation before a policy is issued to the risk by the
1639 corporation or during the first 30 days of coverage by the
1640 corporation, and the producing agent who submitted the
1641 application to the plan or the corporation is not currently
1642 appointed by the insurer, the insurer shall:
1643 (A) Pay to the producing agent of record ~~of the policy~~, for
1644 the first year, an amount that is the greater of the insurer's
1645 usual and customary commission for the type of policy written or
1646 a fee equal to the usual and customary commission of the
1647 corporation; or
1648 (B) Offer to allow the producing agent of record ~~of the~~
1649 ~~policy~~ to continue servicing the policy for at least 1 year and
1650 offer to pay the agent the greater of the insurer's or the
1651 corporation's usual and customary commission for the type of
1652 policy written.
1653

1654 If the producing agent is unwilling or unable to accept
1655 appointment, the new insurer shall pay the agent in accordance
1656 with sub-sub-sub-subparagraph (A).
1657 (II) If the corporation enters into a contractual agreement
1658 for a take-out plan, the producing agent of record of the
1659 corporation policy is entitled to retain any unearned commission
1660 on the policy, and the insurer shall:
1661 (A) Pay to the producing agent of record, for the first
1662 year, an amount that is the greater of the insurer's usual and
1663 customary commission for the type of policy written or a fee
1664 equal to the usual and customary commission of the corporation;
1665 or
1666 (B) Offer to allow the producing agent of record to
1667 continue servicing the policy for at least 1 year and offer to
1668 pay the agent the greater of the insurer's or the corporation's
1669 usual and customary commission for the type of policy written.
1670
1671 If the producing agent is unwilling or unable to accept
1672 appointment, the new insurer shall pay the agent in accordance
1673 with sub-sub-sub-subparagraph (A).
1674 c. For purposes of determining comparable coverage under
1675 sub-subparagraphs a. and b., the comparison must be based on
1676 those forms and coverages that are reasonably comparable. The
1677 corporation may rely on a determination of comparable coverage
1678 and premium made by the producing agent who submits the
1679 application to the corporation, made in the agent's capacity as
1680 the corporation's agent. A comparison may be made solely of the
1681 premium with respect to the main building or structure ~~only~~ on
1682 the following basis: the same coverage A or other building

1683 limits; the same percentage hurricane deductible that applies on
1684 an annual basis or that applies to each hurricane for commercial
1685 residential property; the same percentage of ordinance and law
1686 coverage, if the same limit is offered by both the corporation
1687 and the authorized insurer; the same mitigation credits, to the
1688 extent the same types of credits are offered both by the
1689 corporation and the authorized insurer; the same method for loss
1690 payment, such as replacement cost or actual cash value, if the
1691 same method is offered both by the corporation and the
1692 authorized insurer in accordance with underwriting rules; and
1693 any other form or coverage that is reasonably comparable as
1694 determined by the board. If an application is submitted to the
1695 corporation for wind-only coverage in the coastal account, the
1696 premium for the corporation's wind-only policy plus the premium
1697 for the ex-wind policy that is offered by an authorized insurer
1698 to the applicant must be compared to the premium for multiperil
1699 coverage offered by an authorized insurer, subject to the
1700 standards for comparison specified in this subparagraph. If the
1701 corporation or the applicant requests from the authorized
1702 insurer a breakdown of the premium of the offer by types of
1703 coverage so that a comparison may be made by the corporation or
1704 its agent and the authorized insurer refuses or is unable to
1705 provide such information, the corporation may treat the offer as
1706 not being an offer of coverage from an authorized insurer at the
1707 insurer's approved rate.
1708 6. Must include rules for classifications of risks and
1709 rates.
1710 7. Must provide that if premium and investment income for
1711 an account attributable to a particular calendar year are in

1712 excess of projected losses and expenses for the account
1713 attributable to that year, such excess must ~~shall~~ be held in
1714 surplus in the account. Such surplus must be available to defray
1715 deficits in that account as to future years and used for that
1716 purpose before assessing assessable insurers and assessable
1717 insureds as to any calendar year.
1718 8. Must provide objective criteria and procedures that are
1719 ~~to be~~ uniformly applied to all applicants in determining whether
1720 an individual risk is so hazardous as to be uninsurable. In
1721 making this determination and in establishing the criteria and
1722 procedures, the following must be considered:
1723 a. Whether the likelihood of a loss for the individual risk
1724 is substantially higher than for other risks of the same class;
1725 and
1726 b. Whether the uncertainty associated with the individual
1727 risk is such that an appropriate premium cannot be determined.
1728
1729 The acceptance or rejection of a risk by the corporation shall
1730 be construed as the private placement of insurance, and the
1731 provisions of chapter 120 do not apply.
1732 9. Must provide that the corporation make its best efforts
1733 to procure catastrophe reinsurance at reasonable rates, to cover
1734 its projected 100-year probable maximum loss as determined by
1735 the board of governors.
1736 10. Must provide that the policies issued by the
1737 corporation ~~must~~ provide that if the corporation or the market
1738 assistance plan obtains an offer from an authorized insurer to
1739 cover the risk at its approved rates, the risk is no longer
1740 eligible for renewal through the corporation, except as

1741 otherwise provided in this subsection.
1742 11. Must provide that corporation policies and applications
1743 ~~must~~ include a notice that the corporation policy could, under
1744 this section, be replaced with a policy issued by an authorized
1745 insurer which does not provide coverage identical to the
1746 coverage provided by the corporation. The notice must also
1747 specify that acceptance of corporation coverage creates a
1748 conclusive presumption that the applicant or policyholder is
1749 aware of this potential.
1750 12. May establish, subject to approval by the office,
1751 different eligibility requirements and operational procedures
1752 for any line or type of coverage for any specified county or
1753 area if the board determines that such changes are justified due
1754 to the voluntary market being sufficiently stable and
1755 competitive in such area or for such line or type of coverage
1756 and that consumers who, in good faith, are unable to obtain
1757 insurance through the voluntary market through ordinary methods
1758 continue to have access to coverage from the corporation. If
1759 coverage is sought in connection with a real property transfer,
1760 the requirements and procedures may not provide an effective
1761 date of coverage later than the date of the closing of the
1762 transfer as established by the transferor, the transferee, and,
1763 if applicable, the lender.
1764 13. Must provide that, with respect to the coastal account,
1765 any assessable insurer that has ~~with~~ a surplus as to
1766 policyholders of $25 million or less writing 25 percent or more
1767 of its total countrywide property insurance premiums in this
1768 state may ~~petition the office~~, within the first 90 days of each
1769 calendar year, petition the office to qualify as a limited

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1770 apportionment company. A regular assessment levied by the
1771 corporation on a limited apportionment company for a deficit
1772 incurred by the corporation for the coastal account may be paid
1773 to the corporation on a monthly basis as the assessments are
1774 collected by the limited apportionment company from its
1775 insureds. The~~, but a~~ limited apportionment company must begin
1776 collecting the regular assessments within ~~not later than~~ 90 days
1777 after the regular assessments are levied by the corporation, and
1778 the regular assessments must be paid in full within 15 months
1779 after being levied by the corporation. A limited apportionment
1780 company shall collect from its policyholders any emergency
1781 assessment imposed under sub-subparagraph (b)3.d. The plan must
1782 provide that, if the office determines that any regular
1783 assessment will result in an impairment of the surplus of a
1784 limited apportionment company, the office may direct that all or
1785 part of such assessment be deferred as provided in subparagraph
1786 (q)4. However, an emergency assessment to be collected from
1787 policyholders under sub-subparagraph (b)3.d. may not be limited
1788 or deferred.
1789 14. Must provide that the corporation appoint as its
1790 licensed agents only those agents who at the time of initial
1791 appointment also hold an appointment as defined in s. 626.015(3)
1792 with an insurer who ~~at the time of the agent's initial~~
1793 ~~appointment by the corporation~~ is authorized to write and is
1794 actually writing personal lines residential property coverage,
1795 commercial residential property coverage, or commercial
1796 nonresidential property coverage within the state. As a
1797 condition of continued appointment, agents of the corporation
1798 must maintain appropriate documentation specified by the

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1799 corporation which warrants and certifies that alternative
1800 coverage was annually sought for each risk placed by that agent
1801 with the corporation in accordance with s. 627.3518. After
1802 January 1, 2014, if an agent places a policy with the
1803 corporation which was ineligible for coverage based on
1804 eligibility standards at the time of placement, agent
1805 commissions may not be paid on that policy.
1806 15. Must provide a premium payment plan option to its
1807 policyholders which, at a minimum, allows for quarterly and
1808 semiannual payment of premiums. A monthly payment plan may, but
1809 is not required to, be offered.
1810 16. Must limit coverage on mobile homes or manufactured
1811 homes built before 1994 to actual cash value of the dwelling
1812 rather than replacement costs of the dwelling.
1813 17. May provide such limits of coverage as the board
1814 determines, consistent with the requirements of this subsection.
1815 18. May require commercial property to meet specified
1816 hurricane mitigation construction features as a condition of
1817 eligibility for coverage.
1818 19. Must provide that new or renewal policies issued by the
1819 corporation on or after January 1, 2012, which cover sinkhole
1820 loss do not include coverage for any loss to appurtenant
1821 structures, driveways, sidewalks, decks, or patios that are
1822 directly or indirectly caused by sinkhole activity. The
1823 corporation shall exclude such coverage using a notice of
1824 coverage change, which may be included with the policy renewal,
1825 and not by issuance of a notice of nonrenewal of the excluded
1826 coverage upon renewal of the current policy.
1827 20. Must, as of July ~~January~~ 1, 2014 ~~2012~~, ~~must~~ require

1828 that the agent obtain from an applicant for coverage from the
1829 corporation an acknowledgment signed by the applicant, which
1830 includes, at a minimum, the following statement:
1831
1832 ACKNOWLEDGMENT OF POTENTIAL SURCHARGEAND ASSESSMENT LIABILITY:
1833
1834 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE
1835 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A
1836 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,
1837 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND
1838 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE
1839 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT
1840 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
1841 LEGISLATURE.
1842 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER
1843 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,
1844 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO
1845 BE ELIGIBLE FOR COVERAGE BY CITIZENS I MUST FIRST TRY TO OBTAIN
1846 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE
1847 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES
1848 ARE REGULATED AND APPROVED BY THE STATE.
1849 3.~~2.~~ I ~~ALSO~~ UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY
1850 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER
1851 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
1852 FLORIDA LEGISLATURE.
1853 4.~~3.~~ I ~~ALSO~~ UNDERSTAND THAT CITIZENS PROPERTY INSURANCE
1854 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE
1855 STATE OF FLORIDA.
1856 a. The corporation shall maintain, in electronic format or

1857 otherwise, a copy of the applicant's signed acknowledgment and
1858 provide a copy of the statement to the policyholder as part of
1859 his or her ~~the first~~ renewal after the effective date of this
1860 subparagraph.
1861 b. The signed acknowledgment form creates a conclusive
1862 presumption that the policyholder understood and accepted his or
1863 her potential surcharge and assessment liability as a
1864 policyholder of the corporation.
1865 (g) The executive director, with the concurrence of the
1866 board, shall determine whether it is more cost-effective and in
1867 the best interests of the corporation to use legal services
1868 provided by in-house attorneys employed by the corporation
1869 rather than contracting with outside counsel. In making such
1870 determination, the board shall document its findings and ~~shall~~
1871 consider~~:~~ the expertise needed; whether time commitments exceed
1872 in-house staff resources; whether local representation is
1873 needed; the travel, lodging and other costs associated with in-
1874 house representation; and such other factors that the board
1875 determines are relevant.
1876 (i)1. The Office of the Internal Auditor is established
1877 within the corporation to provide a central point for
1878 coordination of and responsibility for activities that promote
1879 accountability, integrity, and efficiency to the policyholders
1880 and to the taxpayers of this state. The internal auditor shall
1881 be appointed by the board of governors, shall report to and be
1882 under the general supervision of the board of governors, and is
1883 not subject to supervision by an ~~any~~ employee of the
1884 corporation. Administrative staff and support shall be provided
1885 by the corporation. The internal auditor shall be appointed

1886 without regard to political affiliation. It is the duty and
1887 responsibility of the internal auditor to:
1888 a. Provide direction for, supervise, conduct, and
1889 coordinate audits, investigations, and management reviews
1890 relating to the programs and operations of the corporation.
1891 b. Conduct, supervise, or coordinate other activities
1892 carried out or financed by the corporation for the purpose of
1893 promoting efficiency in the administration of, or preventing and
1894 detecting fraud, abuse, and mismanagement in, its programs and
1895 operations.
1896 c. Submit final audit reports, reviews, or investigative
1897 reports to the board of governors, the executive director, the
1898 members of the Financial Services Commission, and the President
1899 of the Senate and the Speaker of the House of Representatives.
1900 d. Keep the executive director and the board of governors
1901 informed concerning fraud, abuses, and internal control
1902 deficiencies relating to programs and operations administered or
1903 financed by the corporation, recommend corrective action, and
1904 report on the progress made in implementing corrective action.
1905 e. Report expeditiously to the Department of Law
1906 Enforcement or other law enforcement agencies, as appropriate,
1907 whenever the internal auditor has reasonable grounds to believe
1908 there has been a violation of criminal law.
1909 2. On or before February 15, the internal auditor shall
1910 prepare an annual report evaluating the effectiveness of the
1911 internal controls of the corporation and providing
1912 recommendations for corrective action, if necessary, and
1913 summarizing the audits, reviews, and investigations conducted by
1914 the office during the preceding fiscal year. The final report

1915 shall be furnished to the board of governors and the executive
1916 director, the President of the Senate, the Speaker of the House
1917 of Representatives, and the Financial Services Commission.
1918 (m)1. The Auditor General shall conduct an operational
1919 audit of the corporation annually ~~every 3 years~~ to evaluate
1920 management's performance in administering laws, policies, and
1921 procedures governing the operations of the corporation in an
1922 efficient and effective manner. The scope of the review must
1923 ~~shall~~ include, but is not limited to, evaluating claims
1924 handling, customer service, take-out programs and bonuses;~~,~~
1925 financing arrangements made to address a 100-year probable
1926 maximum loss; personnel costs and administration; underwriting,
1927 including processes designed to ensure compliance with policy
1928 eligibility requirements of law;~~,~~ procurement of goods and
1929 services;~~,~~ internal controls;~~, and~~ the internal audit function;
1930 and related internal controls. A copy of the report shall be
1931 provided to the corporation's board, the President of the
1932 Senate, the Speaker of the House of Representatives, each member
1933 of the Financial Services Commission, and the Office of
1934 Insurance Regulation. The initial audit must be completed by
1935 February 1~~, 2009~~.
1936 2. The executive director, with the concurrence of the
1937 board, shall contract with an independent auditing firm to
1938 conduct a performance audit of the corporation every 2 years.
1939 The objectives of the audit include, but are not limited to, an
1940 evaluation, within the context of insurance industry best
1941 practices, of the corporation's strategic planning processes,
1942 the functionality of the corporation's organizational structure,
1943 the compensation levels of senior management, and the overall

1944 management and operations of the corporation. A copy of the
1945 audit report shall be provided to the corporation's board, the
1946 President of the Senate, the Speaker of the House of
1947 Representatives, each member of the Financial Services
1948 Commission, the Office of Insurance Regulation, and the Auditor
1949 General. The initial audit must be completed by June 1, 2014.
1950 (q)1. The corporation shall certify to the office its needs
1951 for annual assessments as to a particular calendar year, and for
1952 any interim assessments that it deems ~~to be~~ necessary to sustain
1953 operations as to a particular year pending the receipt of annual
1954 assessments. Upon verification, the office shall approve such
1955 certification, and the corporation shall levy such annual or
1956 interim assessments. Such assessments shall be prorated as
1957 provided in paragraph (b). The corporation shall take all
1958 reasonable and prudent steps necessary to collect the amount of
1959 assessments due from each assessable insurer, including, if
1960 prudent, filing suit to collect the assessments, and the office
1961 may provide such assistance to the corporation it deems
1962 appropriate. If the corporation is unable to collect an
1963 assessment from any assessable insurer, the uncollected
1964 assessments shall be levied as an additional assessment against
1965 the assessable insurers and any assessable insurer required to
1966 pay an additional assessment as a result of such failure to pay
1967 shall have a cause of action against the ~~such~~ nonpaying
1968 assessable insurer. Assessments must ~~shall~~ be included ~~as an~~
1969 ~~appropriate factor~~ in the making of rates. The failure of a
1970 surplus lines agent to collect and remit any regular or
1971 emergency assessment levied by the corporation is ~~considered to~~
1972 ~~be~~ a violation of s. 626.936 and subjects the surplus lines

1973 agent to the penalties provided in that section.
1974 2. The governing body of any unit of local government, any
1975 residents of which are insured by the corporation, may issue
1976 bonds as defined in s. 125.013 or s. 166.101 ~~from time to time~~
1977 to fund an assistance program, in conjunction with the
1978 corporation, for the purpose of defraying deficits of the
1979 corporation. In order to avoid needless and indiscriminate
1980 proliferation, duplication, and fragmentation of such assistance
1981 programs, the ~~any~~ unit of local government~~, any residents of~~
1982 ~~which are insured by the corporation,~~ may provide for the
1983 payment of losses, regardless of whether or not the losses
1984 occurred within or outside of the territorial jurisdiction of
1985 the local government. Revenue bonds under this subparagraph may
1986 not be issued until validated pursuant to chapter 75, unless a
1987 state of emergency is declared by executive order or
1988 proclamation of the Governor pursuant to s. 252.36 which makes
1989 ~~making~~ such findings as are necessary to determine that it is in
1990 the best interests of, and necessary for, the protection of the
1991 public health, safety, and general welfare of residents of this
1992 state and declaring it an essential public purpose to permit
1993 certain municipalities or counties to issue such bonds as will
1994 permit relief to claimants and policyholders of the corporation.
1995 Any such unit of local government may enter into ~~such~~ contracts
1996 with the corporation and with any other entity created pursuant
1997 to this subsection as ~~are~~ necessary to carry out this paragraph.
1998 Any bonds issued are ~~under this subparagraph shall be~~ payable
1999 from and secured by moneys received by the corporation from
2000 emergency assessments under sub-subparagraph (b)3.d., and
2001 assigned and pledged to or on behalf of the unit of local

2002 government for the benefit of the holders of such bonds. The
2003 funds, credit, property, and taxing power of the state or of the
2004 unit of local government may ~~shall~~ not be pledged for the
2005 payment of such bonds.
2006 3.~~a.~~ The corporation shall adopt one or more programs
2007 subject to approval by the office for the reduction of both new
2008 and renewal writings by ~~in~~ the corporation. The corporation may
2009 consider any prudent and not unfairly discriminatory approach to
2010 reducing corporation writings.
2011 a. The corporation may adopt a credit against assessment
2012 liability or other liability which provides an incentive for
2013 insurers to take and keep risks out of the corporation by
2014 maintaining or increasing voluntary writings in counties or
2015 areas in which corporation risks are highly concentrated, and a
2016 program to provide a formula under which an insurer voluntarily
2017 taking risks out of the corporation by maintaining or increasing
2018 voluntary writings is relieved, wholly or partially, from
2019 assessments under sub-subparagraph (b)3.a.
2020 b. ~~Beginning January 1, 2008,~~ Any program the corporation
2021 adopts for the payment of bonuses to an insurer for each risk
2022 the insurer removes from the corporation must ~~shall~~ comply with
2023 s. 627.3511(2) and may not exceed the amount referenced in s.
2024 627.3511(2) for each risk removed. ~~The corporation may consider~~
2025 ~~any prudent and not unfairly discriminatory approach to reducing~~
2026 ~~corporation writings, and may adopt a credit against assessment~~
2027 ~~liability or other liability that provides an incentive for~~
2028 ~~insurers to take risks out of the corporation and to keep risks~~
2029 ~~out of the corporation by maintaining or increasing voluntary~~
2030 ~~writings in counties or areas in which corporation risks are~~

2031 ~~highly concentrated and a program to provide a formula under~~
2032 ~~which an insurer voluntarily taking risks out of the corporation~~
2033 ~~by maintaining or increasing voluntary writings will be relieved~~
2034 ~~wholly or partially from assessments under sub-subparagraph~~
2035 ~~(b)3.a. However,~~ Any "take-out bonus" or payment to an insurer
2036 must be conditioned on the property being insured for at least 5
2037 years by the insurer, unless canceled or nonrenewed by the
2038 policyholder. If the policy is canceled or nonrenewed by the
2039 policyholder before the end of the 5-year period, the amount of
2040 the take-out bonus must be prorated for the time period the
2041 policy was insured. If ~~When~~ the corporation enters into a
2042 contractual agreement for a take-out plan, the producing agent
2043 of record of the corporation policy is entitled to retain any
2044 unearned commission on such policy, and the insurer shall
2045 either:
2046 (I) Pay to the producing agent of record of the policy, for
2047 the first year, an amount which is the greater of the insurer's
2048 usual and customary commission for the type of policy written or
2049 a policy fee equal to the usual and customary commission of the
2050 corporation; or
2051 (II) Offer to allow the producing agent of record ~~of the~~
2052 ~~policy~~ to continue servicing the policy for at least ~~a period of~~
2053 ~~not less than~~ 1 year and offer to pay the agent the insurer's
2054 usual and customary commission for the type of policy written.
2055 If the producing agent is unwilling or unable to accept
2056 appointment by the new insurer, the new insurer shall pay the
2057 agent in accordance with sub-sub-subparagraph (I).
2058 c.~~b.~~ Any credit or exemption from regular assessments
2059 adopted under this subparagraph shall last up to ~~no longer than~~

2060 ~~the~~ 3 years after ~~following~~ the cancellation or expiration of
2061 the policy by the corporation. With the approval of the office,
2062 the board may extend such credits for an additional year if the
2063 insurer guarantees an additional year of renewability for all
2064 policies removed from the corporation, or for 2 additional years
2065 if the insurer guarantees 2 additional years of renewability for
2066 all policies so removed.
2067 d.~~c.~~ A ~~There shall be no~~ credit, limitation, exemption, or
2068 deferment from emergency assessments ~~to be~~ collected from
2069 policyholders pursuant to sub-subparagraph (b)3.d. is
2070 prohibited.
2071 4. The corporation plan shall provide for the deferment, in
2072 whole or in part, of the assessment of an assessable insurer,
2073 other than an emergency assessment collected from policyholders
2074 pursuant to sub-subparagraph (b)3.d., if the office finds that
2075 payment of the assessment would endanger or impair the solvency
2076 of the insurer. If ~~In the event~~ an assessment against an
2077 assessable insurer is deferred in whole or in part, the amount
2078 by which such assessment is deferred may be assessed against the
2079 other assessable insurers in a manner consistent with the basis
2080 for assessments set forth in paragraph (b).
2081 5. ~~Effective July 1, 2007,~~ In order to evaluate the costs
2082 and benefits of approved take-out plans, if the corporation pays
2083 a bonus or other payment to an insurer for an approved take-out
2084 plan, it shall maintain a record of the address or such other
2085 identifying information on the property or risk removed in order
2086 to track if and when the property or risk is later insured by
2087 the corporation.
2088 ~~6.~~ Any policy taken out, assumed, or removed from the

2089 corporation is, as of the effective date of the take-out,
2090 assumption, or removal, direct insurance issued by the insurer
2091 and not by the corporation, even if the corporation continues to
2092 service the policies. This subparagraph applies to policies of
2093 the corporation and not policies taken out, assumed, or removed
2094 from any other entity.
2095 6. The corporation may adopt one or more programs to
2096 encourage authorized insurers to remove policies from the
2097 corporation through a loan from the corporation to an insurer
2098 secured by a surplus note that contains such necessary and
2099 reasonable provisions as the corporation requires. Such surplus
2100 note is subject to the review and approval of the office
2101 pursuant to s. 628.401. The corporation may include, but is not
2102 limited to, provisions regarding the maximum size of a loan to
2103 an insurer, capital matching requirements, the relationship
2104 between the aggregate number of policies or amount of loss
2105 exposure removed from the association and the amount of a loan,
2106 retention requirements related to policies removed from the
2107 corporation, and limitations on the number of insurers receiving
2108 loans from the corporation under any one management group in
2109 whatever form or arrangement. If a loan secured by a surplus
2110 note is provided to a new mutual insurance company, the
2111 corporation may require the board of the new mutual insurer to
2112 have a majority of independent board members, may restrict the
2113 ability of the new mutual insurer to convert to a stock insurer
2114 while the mutual insurer owes any principal or interest under
2115 the surplus note to the corporation, establish a capital match
2116 requirement of up to $1 of private capital for each $4 of the
2117 corporation's loan to a new mutual insurer, and limit the

2118 eligibility of a new mutual insurer for a waiver of the ceding
2119 commission traditionally associated with take-out programs from
2120 the corporation to those new mutual insurers that agree
2121 contractually to maintain an expense ratio below 20 per cent of
2122 written premium. For this purpose, the term "expense ratio"
2123 means the sum of agent commissions and other acquisition
2124 expenses; general and administrative expenses; and premium
2125 taxes, licenses, and fees, divided by the gross written premium.
2126 (z) In enacting the provisions of this section, the
2127 Legislature recognizes that both the Florida Windstorm
2128 Underwriting Association and the Residential Property and
2129 Casualty Joint Underwriting Association have entered into
2130 financing arrangements that obligate each entity to service its
2131 debts and maintain the capacity to repay funds secured under
2132 these financing arrangements. It is the intent of the
2133 Legislature that ~~nothing in~~ this section not be construed to
2134 compromise, diminish, or interfere with the rights of creditors
2135 under such financing arrangements. It is further the intent of
2136 the Legislature to preserve the obligations of the Florida
2137 Windstorm Underwriting Association and Residential Property and
2138 Casualty Joint Underwriting Association with regard to
2139 outstanding financing arrangements, with such obligations
2140 passing entirely and unchanged to the corporation and,
2141 specifically, to the applicable account of the corporation. So
2142 long as any bonds, notes, indebtedness, or other financing
2143 obligations of the Florida Windstorm Underwriting Association or
2144 the Residential Property and Casualty Joint Underwriting
2145 Association are outstanding, under the terms of the financing
2146 documents pertaining to them, the executive director of the

2147 corporation, with the concurrence of the ~~governing~~ board, ~~of the~~
2148 ~~corporation~~ shall have and shall exercise the authority to levy,
2149 charge, collect, and receive all premiums, assessments,
2150 surcharges, charges, revenues, and receipts that the
2151 associations had authority to levy, charge, collect, or receive
2152 under the provisions of subsection (2) and this subsection,
2153 respectively, as they existed on January 1, 2002, to provide
2154 moneys, without exercise of the authority provided by this
2155 subsection, in at least the amounts, and by the times, as would
2156 be provided under those former provisions of subsection (2) or
2157 this subsection, respectively, so that the value, amount, and
2158 collectability of any assets, revenues, or revenue source
2159 pledged or committed to, or any lien thereon securing such
2160 outstanding bonds, notes, indebtedness, or other financing
2161 obligations is ~~will~~ not ~~be~~ diminished, impaired, or adversely
2162 affected by the amendments made by this section ~~act~~ and to
2163 permit compliance with all provisions of financing documents
2164 pertaining to such bonds, notes, indebtedness, or other
2165 financing obligations, or the security or credit enhancement for
2166 them, and any reference in this subsection to bonds, notes,
2167 indebtedness, financing obligations, or similar obligations, of
2168 the corporation must ~~shall~~ include like instruments or contracts
2169 of the Florida Windstorm Underwriting Association and the
2170 Residential Property and Casualty Joint Underwriting Association
2171 to the extent not inconsistent with the ~~provisions of the~~
2172 financing documents pertaining to them.
2173 Section 10. Effective October 1, 2013, paragraph (e) of
2174 subsection (6) of section 627.351, Florida Statutes, is amended
2175 to read

2176 627.351 Insurance risk apportionment plans.—
2177 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—
2178 (e) The corporation is subject to s. 287.057 for the
2179 purchase of commodities and contractual services except as
2180 otherwise provided in this paragraph. Services provided by
2181 tradepersons or technical experts to assist a licensed adjuster
2182 in the evaluation of individual claims are not subject to the
2183 procurement requirements of this section. Additionally, the
2184 procurement of financial services providers and underwriters
2185 must be made pursuant to s. 627.3513 ~~Purchases that equal or~~
2186 ~~exceed $2,500, but are less than $25,000, shall be made by~~
2187 ~~receipt of written quotes, written record of telephone quotes,~~
2188 ~~or informal bids, whenever practical~~. ~~The procurement of goods~~
2189 ~~or services valued at or over $25,000 shall be subject to~~
2190 ~~competitive solicitation, except in situations where the goods~~
2191 ~~or services are provided by a sole source or are deemed an~~
2192 ~~emergency purchase; the services are exempted from competitive~~
2193 ~~solicitation requirements under s. 287.057(3)(f); or the~~
2194 ~~procurement of services is subject to s. 627.3513. Justification~~
2195 ~~for the sole sourcing or emergency procurement must be~~
2196 ~~documented.~~ Contracts for goods or services valued at or more
2197 than ~~over~~ $100,000 are subject to approval by the board.
2198 1. The corporation is an agency for the purposes of s.
2199 287.057, except for subsection (22) of that section for which
2200 the corporation is an eligible user.
2201 a. The authority of the Department of Management Services
2202 and the Chief Financial Officer under s. 287.057 extends to the
2203 corporation as if the corporation were an agency.
2204 b. The executive director of the corporation is the agency

2205 head under s. 287.057, except for resolution of bid protests for
2206 which the board would serve as the agency head.
2207 2. The corporation must provide notice of a decision or
2208 intended decision concerning a solicitation, contract award, or
2209 exceptional purchase by electronic posting. Such notice must
2210 contain the following statement: "Failure to file a protest
2211 within the time prescribed in this section constitutes a waiver
2212 of proceedings."
2213 a. A person adversely affected by the corporation's
2214 decision or intended decision to award a contract pursuant to s.
2215 287.057(1) or s. 287.057(3)(c) who elects to challenge the
2216 decision must file a written notice of protest with the
2217 executive director of the corporation within 72 hours after the
2218 corporation posts a notice of its decision or intended decision.
2219 For a protest of the terms, conditions, and specifications
2220 contained in a solicitation, including any provisions governing
2221 the methods for ranking bids, proposals, replies, awarding
2222 contracts, reserving rights of further negotiation, or modifying
2223 or amending any contract, the notice of protest must be filed in
2224 writing within 72 hours after the posting of the solicitation.
2225 Saturdays, Sundays, and state holidays are excluded in the
2226 computation of the 72-hour time period.
2227 b. A formal written protest must be filed within 10 days
2228 after the date the notice of protest is filed. The formal
2229 written protest must state with particularity the facts and law
2230 upon which the protest is based. Upon receipt of a formal
2231 written protest that has been timely filed, the corporation must
2232 stop the solicitation or contract award process until the
2233 subject of the protest is resolved by final board action unless

2234 the executive director sets forth in writing particular facts
2235 and circumstances that require the continuance of the
2236 solicitation or contract award process without delay in order to
2237 avoid an immediate and serious danger to the public health,
2238 safety, or welfare. The corporation must provide an opportunity
2239 to resolve the protest by mutual agreement between the parties
2240 within 7 business days after receipt of the formal written
2241 protest. If the subject of a protest is not resolved by mutual
2242 agreement within 7 business days, the corporation's board must
2243 place the protest on the agenda and resolve it at its next
2244 regularly scheduled meeting. The protest must be heard by the
2245 board at a publicly noticed meeting in accordance with
2246 procedures established by the board.
2247 c. In a protest of an invitation-to-bid or request-for-
2248 proposals procurement, submissions made after the bid or
2249 proposal opening which amend or supplement the bid or proposal
2250 may not be considered. In protesting an invitation-to-negotiate
2251 procurement, submissions made after the corporation announces
2252 its intent to award a contract, reject all replies, or withdraw
2253 the solicitation that amends or supplements the reply may not be
2254 considered. Unless otherwise provided by law, the burden of
2255 proof rests with the party protesting the corporation's action.
2256 In a competitive-procurement protest, other than a rejection of
2257 all bids, proposals, or replies, the corporation's board must
2258 conduct a de novo proceeding to determine whether the
2259 corporation's proposed action is contrary to the corporation's
2260 governing statutes, the corporation's rules or policies, or the
2261 solicitation specifications. The standard of proof for the
2262 proceeding is whether the corporation's action was clearly

2263 erroneous, contrary to competition, arbitrary, or capricious. In
2264 any bid-protest proceeding contesting an intended corporation
2265 action to reject all bids, proposals, or replies, the standard
2266 of review by the board is whether the corporation's intended
2267 action is illegal, arbitrary, dishonest, or fraudulent.
2268 d. Failure to file a notice of protest or failure to file a
2269 formal written protest constitutes a waiver of proceedings.
2270 3. Contract actions and decisions by the board under this
2271 paragraph are final. Any further legal remedy must be made in
2272 the Circuit Court of Leon County.
2273 Section 11. The purchase of commodities and contractual
2274 services by Citizens Property Insurance Corporation commenced
2275 before October 1, 2013, is governed by the law in effect on
2276 September 30, 2013.
2277 Section 12. Effective January 1, 2014, paragraph (n) of
2278 subsection (6) of section 627.351, Florida Statutes, is amended
2279 to read:
2280 627.351 Insurance risk apportionment plans.—
2281 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—
2282 (n)1. ~~Rates for coverage provided by the corporation must~~
2283 ~~be actuarially sound and subject to s. 627.062,~~ Except as
2284 otherwise provided in this paragraph, rates for coverage
2285 provided by the corporation must be actuarially sound and not
2286 competitive with approved rates charged in the admitted
2287 voluntary market in order for the corporation to function as a
2288 residual market mechanism that provides insurance only if
2289 insurance cannot be procured in the voluntary market.
2290 a. In establishing actuarially sound rates the corporation
2291 shall include an appropriate catastrophe risk load factor that

2292 reflects the actual catastrophic risk exposure retained by the
2293 corporation.
2294 b. In establishing noncompetitive rates for personal and
2295 commercial lines residential policies, the average rates of the
2296 corporation for each rating territory may not be less than the
2297 average rates charged by the insurer that had the highest
2298 average rate in that rating territory among the 20 voluntary
2299 admitted insurers with the greatest total direct written premium
2300 in the state for that line of business in the preceding year.
2301 c. In establishing noncompetitive rates for mobile home
2302 coverage, the average rates of the corporation may not be less
2303 than the average rates charged by the insurer that had the
2304 highest average rate in that rating territory among the five
2305 voluntary admitted insurers with the greatest total written
2306 premium for mobile home owner's policies in the state in the
2307 preceding year. The corporation shall file its recommended rates
2308 with the office at least annually. ~~The corporation shall provide~~
2309 ~~any additional information regarding the rates which the office~~
2310 ~~requires. The office shall consider the recommendations of the~~
2311 ~~board and issue a final order establishing the rates for the~~
2312 ~~corporation within 45 days after the recommended rates are~~
2313 ~~filed. The corporation may not pursue an administrative~~
2314 ~~challenge or judicial review of the final order of the office.~~
2315 d. Rates for commercial nonresidential policies must be
2316 actuarially sound in accordance with sub-subparagraph a.
2317 e. The requirements of sub-subparagraphs b. and c. do not
2318 apply to rates in territories where the office determines there
2319 is not a reasonable degree of competition. In such territories
2320 the corporation's rates must be actuarially sound in accordance

2321 with sub-subparagraph a.
2322 2. In addition to the rates otherwise determined pursuant
2323 to this paragraph, the corporation shall impose and collect an
2324 amount equal to the premium tax provided in s. 624.509 to
2325 augment the financial resources of the corporation.
2326 ~~3. After the public hurricane loss projection model under~~
2327 ~~s. 627.06281 has been found to be accurate and reliable by the~~
2328 ~~Florida Commission on Hurricane Loss Projection Methodology, the~~
2329 ~~model shall serve as the minimum benchmark for determining the~~
2330 ~~windstorm portion of the corporation's rates. This subparagraph~~
2331 ~~does not require or allow the corporation to adopt rates lower~~
2332 ~~than the rates otherwise required or allowed by this paragraph.~~
2333 ~~4. The rate filings for the corporation which were approved~~
2334 ~~by the office and took effect January 1, 2007, are rescinded,~~
2335 ~~except for those rates that were lowered. As soon as possible,~~
2336 ~~the corporation shall begin using the lower rates that were in~~
2337 ~~effect on December 31, 2006, and provide refunds to~~
2338 ~~policyholders who paid higher rates as a result of that rate~~
2339 ~~filing. The rates in effect on December 31, 2006, remain in~~
2340 ~~effect for the 2007 and 2008 calendar years except for any rate~~
2341 ~~change that results in a lower rate. The next rate change that~~
2342 ~~may increase rates shall take effect pursuant to a new rate~~
2343 ~~filing recommended by the corporation and established by the~~
2344 ~~office, subject to this paragraph.~~
2345 ~~5. Beginning on July 15, 2009, and annually thereafter, the~~
2346 ~~corporation must make a recommended actuarially sound rate~~
2347 ~~filing for each personal and commercial line of business it~~
2348 ~~writes, to be effective no earlier than January 1, 2010.~~
2349 3.~~6.~~ For policies initially insured by the corporation

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2350 before July 1, 2013, and which have continuously been insured by
2351 the corporation since that date, ~~Beginning on or after January~~
2352 ~~1, 2010, and notwithstanding the board's recommended rates and~~
2353 ~~the office's final order regarding the corporation's filed rates~~
2354 ~~under subparagraph 1.,~~ the corporation shall annually implement
2355 a rate increase that ~~which~~, except for sinkhole coverage, does
2356 not exceed 10 percent for any territory ~~single policy issued by~~
2357 ~~the corporation~~, excluding coverage changes and surcharges. This
2358 subparagraph is limited to:
2359 a. Personal lines residential policies that have a dwelling
2360 replacement cost of less than $300,000 and that cover homestead
2361 personal residential properties or occupied permanent
2362 residencies having a written rental agreement for at least 12
2363 months.
2364 b. Personal lines residential wind-only policies that cover
2365 homestead personal residential properties, or that are occupied
2366 permanent residencies that have a written rental agreement for
2367 no less than 12 months, and have a dwelling replacement cost of
2368 less than:
2369 (1) $1 million on July 1, 2013.
2370 (II) $800,000 on January 1, 2014.
2371 (III) $600,000 on January 1, 2015.
2372 c. Commercial lines residential properties.
2373 4. The corporation shall also implement the following:
2374 a.~~7.~~ ~~The corporation may also implement~~ An increase to
2375 reflect the effect on the corporation of the cash buildup factor
2376 pursuant to s. 215.555(5)(b).
2377 b. An increase of up to 3 percent, which shall only be used
2378 to purchase catastrophe reinsurance or other risk transfer

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2379 mechanisms for purposes of protecting the corporation and its
2380 policyholders from potential shortfalls and assessments. In any
2381 year for which the full 3 percent increase is imposed, there
2382 must also be a corresponding 3 percent decrease, 1 percent per
2383 account, from the Citizens policyholder surcharge in (b)3.i.,
2384 for that year.
2385 5.~~8.~~ The corporation's implementation of rates as
2386 prescribed in subparagraph 3. ~~6.~~ shall cease for any line of
2387 business written by the corporation upon the corporation's
2388 implementation of the rates described in subparagraph 1.
2389 ~~actuarially sound rates~~. Thereafter, the corporation shall
2390 annually make a ~~recommended actuarially sound~~ rate filing
2391 implementing such rates for each ~~commercial and personal~~ line of
2392 business the corporation writes.
2393 6. The corporation shall annually certify to the office
2394 that its rates comply with the requirements of this paragraph.
2395 If any adjustment in the rates or rating factors of the
2396 corporation is necessary to ensure such compliance, the
2397 corporation shall make and implement such adjustments and file
2398 its revised rates and rating factors with the office. If the
2399 office thereafter determines that the revised rates and rating
2400 factors fail to comply with this paragraph, it shall notify the
2401 corporation and require the corporation to amend its rates or
2402 rating factors in conjunction with its next rate filing. The
2403 office must notify the corporation by electronic means of any
2404 rate filing it approves for any insurer among the insurers
2405 referred to in this paragraph.
2406 7. By January 1, 2014, the board shall provide
2407 recommendations to the Legislature on how to provide relief to a

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2408 policyholder whose premium reflects the full rate required under
2409 subparagraph 1. and who demonstrates a financial need at the
2410 time of application or renewal.
2411 Section 13. Section 627.3518, Florida Statutes, is created
2412 to read:
2413 627.3518 Citizens Property Insurance Corporation
2414 clearinghouse.—The Legislature recognizes that Citizens Property
2415 Insurance Corporation has authority to establish a clearinghouse
2416 as a separate organizational unit within the corporation for the
2417 purpose of determining the eligibility of new and renewal risks,
2418 excluding commercial residential, seeking coverage through the
2419 corporation and facilitating the identification and diversion of
2420 ineligible applicants and current policyholders from the
2421 corporation into the voluntary insurance market. The purpose of
2422 this section is to augment that authority by providing a
2423 framework for the corporation to implement such program by July
2424 1, 2013.
2425 (1) DEFINITIONS.—As used in this section, the term:
2426 (a) "Clearinghouse" means the clearinghouse diversion
2427 program created under this section.
2428 (b) "Corporation" means Citizens Property Insurance
2429 Corporation.
2430 (c) "Exclusive agent" means any licensed insurance agent
2431 who has, by contract, agreed to act exclusively for one company
2432 or group of affiliated insurance companies, and who is
2433 disallowed by that contract to directly write for any other
2434 unaffiliated insurer absent express consent from the company or
2435 group of affiliated companies.
2436 (d) "Independent agent" means a licensed insurance agent

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2437 who is not required by contract to act only on behalf of one
2438 company or group of affiliated insurance companies.
2439 (2) The clearinghouse shall have all the rights and
2440 responsibilities in carrying out its duties as a licensed
2441 general lines agent, but is not required to employ or engage a
2442 licensed general lines agent or maintain an insurance agency
2443 license in order to solicit and place insurance coverage. In
2444 establishing the clearinghouse the corporation:
2445 (a) Shall require all new applications for coverage and all
2446 policies up for renewal to be submitted to the clearinghouse to
2447 facilitate obtaining an offer of coverage from an authorized
2448 insurer before binding or renewing coverage with the
2449 corporation.
2450 (b) Shall develop an enhanced application for obtaining
2451 information that will assist private insurers in determining
2452 whether or not to make an offer of coverage through the
2453 clearinghouse.
2454 (c) Shall require all new applications for coverage to be
2455 subject to a 48-hour period that allows a private insurer
2456 participating in the clearinghouse to select applicants for
2457 coverage before the application is submitted to the corporation
2458 for coverage. The insurer may issue a binder to a selected
2459 applicant for at least 30 days, but not more than 60 days.
2460 (d) Notwithstanding s. 626.916(1), if an applicant for new
2461 or renewal coverage from the corporation does not receive an
2462 offer of coverage from an admitted insurer, the applicant may
2463 accept an offer from a surplus lines insurer eligible under ss.
2464 626.913-626.937.
2465 (e) Shall provide funds to operate the clearinghouse. The

2466 corporation may charge a reasonable fee as a percentage of an
2467 agent's commission to offset, or partially offset the costs of
2468 the clearinghouse. However, insurers participating in the
2469 clearinghouse are not required to pay a fee to use the
2470 clearinghouse to renew policies initially written through the
2471 clearinghouse.
2472 (f) Shall enter into contracts with licensed property
2473 insurance companies operating in this state to participate in
2474 the clearinghouse and accept appointments from voluntary market
2475 insurers.
2476 (g) May employ or otherwise contract with individuals or
2477 other entities to provide administrative or professional
2478 services in accordance with purchasing requirements set forth in
2479 corporation's plan under s. 627.351(6)(c).
2480 (3) A licensed insurer may participate in the
2481 clearinghouse. Insurers making offers of coverage to new
2482 applicants or renewing policyholders through the clearinghouse:
2483 (a) Are not required to individually appoint an agent whose
2484 customer is bound and underwritten through the clearinghouse for
2485 as long as that policy remains with the insurer. Insurers may
2486 appoint an agent whose customer is initially underwritten and
2487 bound through the clearinghouse. If an insurer accepts a policy
2488 from an agent who is not appointed and thereafter elects to
2489 accept a policy from that agent which was not submitted through
2490 the program, the provisions of s. 626.112 requiring appointment
2491 apply to that agent.
2492 (b) Shall enter into a limited agency agreement with each
2493 agent whose customer is underwritten and bound through the
2494 clearinghouse and who is not appointed in accordance with this

2495 subsection.
2496 (c) Shall enter into its standard agency agreement with
2497 each agent whose customer is underwritten and bound through the
2498 clearinghouse if that agent has been appointed by the insurer
2499 pursuant to s. 626.112.
2500 (d) Must comply with the s. 627.4133(2).
2501 (4) Notwithstanding section 627.3517, if an applicant for
2502 new coverage from the corporation is offered coverage from an
2503 admitted insurer through the clearinghouse or through an
2504 alternative option under subsection (7) at a rate that is at or
2505 below the eligibility threshold established in s. 627.351(c)5.,
2506 the risk is not eligible for coverage with the corporation.
2507 Notwithstanding any other provisions of law, if a policyholder
2508 at renewal is provided an offer of coverage from an admitted
2509 insurer through the program or through an alternative option
2510 under subsection (7), and the offer is no more than 15 percent
2511 above the policyholder's premium for comparable coverage through
2512 the corporation, the risk is not eligible for coverage with the
2513 corporation.
2514 (5) Independent insurance agents submitting new
2515 applications for coverage or who are the agent of record on a
2516 renewal policy submitted to the clearinghouse:
2517 (a) Notwithstanding s. 626.112, are not required to be
2518 appointed by an insurer participating in the clearinghouse for
2519 policies written solely through the clearinghouse.
2520 (b) May accept an appointment from an insurer participating
2521 in the clearinghouse.
2522 (c) Must enter into a standard or limited agency agreement
2523 with the insurer, at the insurer's option.

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2524 (d) Must maintain the exclusive use of expirations,
2525 records, or other written or electronic information directly
2526 related to such applications or renewals written through the
2527 corporation or through an insurer participating in the
2528 clearinghouse. Such expirations, records, or other written or
2529 electronic information may be used to review an application,
2530 issue a policy, or for any other purpose necessary for placing
2531 such business through the clearinghouse.
2532 (6) Exclusive agents submitting new applications for
2533 coverage or that are the agent of record on a renewal policy
2534 submitted to the program:
2535 (a) Notwithstanding s. 626.112, are not required to be
2536 appointed by an insurer participating in the clearinghouse for
2537 policies written solely through the clearinghouse.
2538 (b) May provide the new applicant or renewing policyholder
2539 the opportunity to accept an offer of coverage from an insurer
2540 that is participating in the clearinghouse and that had a
2541 limited servicing agreement approved by the exclusive agent's
2542 insurer.
2543 (c) Must enter into only a limited servicing agreement with
2544 the insurer making an offer of coverage.
2545 (d) Must maintain the exclusive use of expirations,
2546 records, or other written or electronic information directly
2547 related to such applications or renewals written through the
2548 corporation or through an insurer participating in the program,
2549 notwithstanding s. 627.351(6)(c)5.a.(I)(B) and (II)(B). Such
2550 expirations, records, or other written or electronic information
2551 may be used to review an application, issue a policy, or for any
2552 other purpose necessary for placing such business through the

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2553 clearinghouse.
2554 (7) The corporation may recognize private entities that the
2555 independent agent elects to use as an alternative to submitting
2556 a risk to the clearinghouse. An alternative option allowed under
2557 this subsection shall obtain offers of coverage from authorized
2558 insurers for new applicants seeking coverage from the
2559 corporation and for corporation policyholders on renewal. The
2560 alternative option may not be used as a replacement for the
2561 clearinghouse. Neither the clearinghouse nor a private entity
2562 operating under this subsection may prohibit insurers from
2563 electing to participate in more than one program or alternative,
2564 and an insurer participating in the private entity alternative
2565 must also participate in the clearinghouse.
2566 (8) Submission of an application for coverage by the
2567 corporation to the clearinghouse does not constitute the binding
2568 of coverage by the corporation, and failure of the clearinghouse
2569 to obtain an offer of coverage by an insurer is not considered
2570 acceptance of coverage of the risk by the corporation.
2571 Section 14. Subsection (1) of section 627.405, Florida
2572 Statutes, is amended to read:
2573 627.405 Insurable interest; property.—
2574 (1) A ~~No~~ contract for property ~~of~~ insurance ~~of property~~ or
2575 ~~of~~ any interest in property or arising from property is not
2576 ~~shall be~~ enforceable as to the insurance except for the benefit
2577 of persons having an insurable interest in the things insured ~~as~~
2578 at the time of the loss. Policyholders under a contract of
2579 property insurance may assign benefits to be received under that
2580 contract consistent with, and subject to, the conditions in the
2581 policy.

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2582 Section 15. Subsection (1) of section 627.410, Florida
2583 Statutes, is amended to read:
2584 627.410 Filing, approval of forms.—
2585 (1) A ~~No~~ basic insurance policy or annuity contract form,
2586 or application form where written application is required and is
2587 to be made a part of the policy or contract, ~~or~~ group
2588 certificates issued under a master contract delivered in this
2589 state, or printed rider or endorsement form or form of renewal
2590 certificate, may not ~~shall~~ be delivered or issued for delivery
2591 in this state, unless the form has been filed with the office by
2592 or on ~~in~~ behalf of the insurer that ~~which~~ proposes to use such
2593 form and has been approved by the office or filed pursuant to s.
2594 627.4102. This provision does not apply to surety bonds or to
2595 policies, riders, endorsements, or forms of unique character
2596 that ~~which~~ are designed for and used with ~~relation to~~ insurance
2597 on ~~upon~~ a particular subject, ~~(~~other than ~~as to~~ health
2598 insurance~~)~~, or that ~~which~~ relate to the manner of distributing
2599 ~~distribution of~~ benefits or to the reservation of rights and
2600 benefits under life or health insurance policies and are used at
2601 the request of the individual policyholder, contract holder, or
2602 certificateholder. For ~~As to~~ group insurance policies
2603 effectuated and delivered outside this state but covering
2604 persons resident in this state, the group certificates to be
2605 delivered or issued for delivery in this state shall be filed
2606 with the office for information purposes only.
2607 Section 16. Section 627.4102, Florida Statutes, is created
2608 to read:
2609 627.4102 Informational filing of forms; certification.—
2610 (1) Property and casualty forms, except workers'

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2611 compensation forms, are exempt from the approval process
2612 required under s. 627.410 if:
2613 (a) The form has been electronically submitted to the
2614 office in an informational filing made through I-File 30 days
2615 before the delivery or issuance for delivery of the form within
2616 this state; and
2617 (b) At the time the informational filing is made, a
2618 notarized certification is attached to the filing which
2619 certifies that each form within the filing is in compliance with
2620 all applicable state laws and rules. The certification must be
2621 on the insurer's letterhead and signed and dated by the
2622 insurer's president, chief executive officer, general counsel,
2623 or an employee of the insurer responsible for the filing on
2624 behalf of the insurer. The certification must contain the
2625 following statement, and no other language: "I, ...[name]..., as
2626 ...[title]... of ...[insurer name]..., do hereby certify that
2627 this form filing has been thoroughly and diligently reviewed by
2628 me and by all appropriate company personnel, as well as company
2629 consultants, if applicable, and certify that each form contained
2630 within the filing is in compliance with all applicable Florida
2631 laws and rules. Should a form be found that is not in compliance
2632 with Florida laws and rules, I acknowledge that the Office of
2633 Insurance Regulation shall disapprove the form."
2634 (2) If the filing contains a form that is not in compliance
2635 with state laws and rules, the form filing, at the discretion of
2636 the office, is subject to prior review and approval pursuant to
2637 s. 627.410, and the period for review and approval established
2638 under s. 627.410(2) begins to run on the date the office
2639 notifies the insurer of the discovery of the noncompliant form.

2640 (3) A Notice of Change in Policy Terms form required under
2641 s. 627.43141(2) shall be filed as a part of the informational
2642 filing for a renewal policy that contains a change. All
2643 modifications, additions, or deletions of terms, coverages,
2644 duties, or conditions shall be enumerated within the body of the
2645 form. If a renewal policy that was certified requires such form,
2646 the insurer must provide a copy to the named insured's agent
2647 pursuant to s. 627.43141(6)(c) before or upon providing the form
2648 to the named insured.
2649 (4) This section does not preclude an insurer from electing
2650 to file any form for approval under s. 627.410 which would
2651 otherwise be exempt under this section.
2652 (5) The provisions of this section supersede and replace
2653 the existing order issued by the office exempting specified
2654 property and casualty forms from the requirements of s. 627.410.
2655 Section 17. Except as otherwise expressly provided in the
2656 act, this act shall take effect July 1, 2013.

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 Appropriations Subcommittee on General Government

BILL: CS/SB 1770

INTRODUCER: Appropriations Subcommittee on General Government and Banking and Insurance Committee

SUBJECT: Property Insurance

DATE: March 20, 2013 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Matiyow/Burgess	Burgess	BI	**BI SPB 7018 as introduced**
2.	Betta	DeLoach	AGG	**Fav/CS**
3.			AP	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

CS/SB 1770 enacts changes to property insurance laws including Citizens Property Insurance Corporation (Citizens).

The CS has an insignificant impact on revenues and expenditures to the state relating to processing rate filings and should reduce the liability of Citizens. In addition, the Florida Catastrophe Risk Capital Access Facility could need an indeterminate amount of funding to begin its operations before it becomes self sufficient. See Section V.

The changes to property insurance laws made by the CS include:

- Renames the Florida Hurricane Catastrophe Fund Finance Corporation to the State Board of Administration Finance Corporation.
- Creates a Florida Catastrophe Risk Capital Access Facility within the State Board of Administration to help insurers identify global capital available for additional coverage options around the various layers of the Florida Hurricane Catastrophe Fund (CAT Fund).
- Subjects Citizens Property Insurance Corporation to bad faith claims.

- Exempts Citizens from "exchange of business" restrictions, to facilitate the operations of the clearinghouse.
- Requires the Office of Insurance Regulation (OIR) to calculate and publish an annual property insurance inflation factor where property insurance rates filed below the inflation factor are to be deemed non-excessive by the OIR.
- Allows insurance companies to include in their rate filing reinsurance that is purchased to cover potential shortfalls in the Florida Hurricane Catastrophe Fund.
- Requires the Florida Commission on Hurricane Loss Projection Methodology to review the accuracy of hurricane models used to establish wind mitigation discounts.
- Allows the OIR to hold a public hearing for a rate filing when the filing exceeds 15 percent in counties where the office determines there is not a reasonable degree of competition.
- Allows insurers to use consent to rate for up to 10 percent of commercial policies enforce and up to five percent for personal policies enforce in counties where the office determines there is not a reasonable degree of competition.
- Redefines Citizens' mission to be non competitive through the use of a clearinghouse to ensure Citizens' coverage is only available to eligible applicants.
- Restructures the corporation's executive director's authority in relation to the board.
- Requires Senate confirmation of board members, except those appointed by the Speaker of the House of Representatives.
- Reduces the maximum Citizens' policy limit from $2 million to $1 million, and further reduces this amount by $100,000 a year for five years.
- Prohibits Citizens from covering structures commencing construction after July 1, 2013, that are seaward of the coastal construction control line, unless built to code-plus.
- Allows Citizens to enter into risk-sharing agreements with private insurers.
- Clarifies a private company's offer within 15 percent of Citizens' rate makes both new and renewal policies ineligible for Citizens.
- Requires agents to certify and document a continued effort to seek private market placement for their policyholders that are in Citizens.
- Prohibits agent commissions on ineligible policies placed in Citizens after January 1, 2014.
- Requires Citizens to disclose potential surcharge and assessment liabilities with each renewal notice.
- Expands the Auditor General's operational audit and requires it be conducted annually.
- Establishes the Office of the Inspector General within Citizens to ensure accountability.
- Requires Citizens' board to contract with an independent auditing firm to perform a full management audit of the corporation on a biannual basis.
- Allows Citizens to consider any non discriminatory approaches to reducing policies including a surplus note program that includes participation by mutual companies.
- Subjects Citizens to s. 287.057, F.S., pertaining to the procurement of commodities or contractual services.
- Requires Citizens rates must be actuarially sound, include an appropriate risk load factor and not compete with the private market. A noncompetitive rate is defined as the highest rate among the top 20 insurers writing in a given territory but where OIR sees no competitive market exists, rates must be actuarially sound.
- Requires all new policies, all personal lines residential non-wind policies that are non-homestead, non-renter occupied homes with a replacement cost over $300,000 and

nonresidential commercial policies be placed at the higher of the top 20 rate or an actuarially sound rate.

- Requires rates for personal lines residential wind-only policies that are non-homestead, non-renter occupied homes with a replacement cost over $1 million on July 1, 2013, $800,000 on January 1, 2014 and $600,000 on January 1, 2015, be placed at the top 20 rate or actuarially sound, whichever is greater.
- Applies the glide path percentage by territory and not policy.
- Allows an increase of three percent for Citizens to purchase additional reinsurance and decreases by three percent (one percent per account) the Citizens policy surcharge.
- Requires Citizen's board to recommend to the Legislature a process in which policyholders with documented financial needs can receive some rate relief.
- Requires that all new and renewal applications, excluding commercial residential, must be submitted to the clearinghouse before the corporation can bind or renew coverage.
- Creates a temporary keepout program for new applications received by Citizens during the time the clearinghouse is being established.
- Requires that any assignment of benefits for property insurance must comply with the policy conditions.
- Provides for an additional process by which the OIR may approve property and casualty forms, except for workers compensation filings.
- Except as otherwise expressly provided in this act, this act shall take effect July 1, 2013.

This bill substantially amends the following sections of the Florida Statutes: 215.555, 624.155, 626.752, 627.062, 627.0628, 627.0629, 627.171, 627.351, 627.405, and 627.410, F.S.

This bill creates sections 215.5551, 627.3518, and 627.4102, Florida Statutes.

II. Present Situation:

Citizens Property Insurance Corporation (Citizens)

Citizens is a state-created, not-for-profit, tax-exempt governmental entity whose public purpose is to provide property insurance coverage to those unable to find affordable coverage in the voluntary admitted market.[1] Citizens is not a private insurance company.[2] Citizens was statutorily created in 2002 when the Florida Legislature combined the state's two insurers of last resort, the Florida Residential Property and Casualty Joint Underwriting Association (RPCJUA) and the Florida Windstorm Underwriting Association (FWUA). Citizens operates in accordance with the provisions in s. 627.351(6), F.S., and is governed by an eight member Board of Governors[3] (board) that administers its Plan of Operations, which is reviewed and approved by the Financial Services Commission. The Governor, President of the Senate, Speaker of the House of Representatives, and Chief Financial Officer each appoints two members to the board. Citizens is subject to regulation by the Florida Office of Insurance Regulation.

[1] Admitted market means insurance companies licensed to transact insurance in Florida.
[2] Section 627.351(6)(a)1., F.S. Citizens is also subject to regulation by the Office of Insurance Regulation.
[3] The Governor, the Chief Financial Officer, the President of the Senate and the Speaker of the House of Representatives appoint two members each.

Citizens Accounts

Citizens offers three types of property and casualty insurance in three separate accounts. Each account is a separate statutory account with separate calculations of surplus and deficits.[4] Assets may not be commingled or used to fund losses in another account.[5] The three Citizens accounts are:

- Personal Lines Account (PLA): Statewide account offering multiperil policies covering homeowners, mobile homeowners, dwelling fire, tenants, condominium unit owners, and similar policies.
  - Policies in Force: 838,143.
  - In Force Premium: $1,379,410,864.
  - Total Exposure: $175,864,284,312.
- Coastal Account (COASTAL): Coastal area account offering personal residential wind-only policies, commercial residential wind-only policies and commercial nonresidential wind-only policies issued in limited eligible coastal areas. In addition, Citizens began offering personal and commercial residential multiperil policies in the Coastal account in August of 2007.
  - Policies in Force: 438,642.
  - In Force Premium: $1,144,655,922.
  - Total Exposure: $191,101,715,209.
- Commercial Lines Account (CLA): Statewide account offering multiperil policies covering commercial residential-condominium associations, apartment buildings and homeowners associations; and commercial non-residential policies.
  - Policies in Force: 8,016.
  - In Force Premium: $200,296,331.
  - Total Exposure: $38,748,152,744.

The total of all accounts combined is as follows:[6]

- Policies in Force: 1,284,801.
- In Force Premium: $2,724,363,117.
- Total Exposure: $405,714,152,265.

Citizens Financial Resources

"Citizens' financial resources include insurance premiums, investment income, operating surplus from prior years, Florida Hurricane Catastrophe Fund (FHCF) reimbursements, private reinsurance, policyholder surcharges, and regular and emergency assessments. As of December 13, 2013, Citizens will have an accumulated surplus of approximately $6.34 billion. For the 2013 hurricane season Citizens will have purchased $1.75 billion in private reinsurance coverage along with the $5.73 billion in mandatory layer reinsurance from the FHCF. For the

[4] The Personal Lines Account and the Commercial Lines account are combined for credit and Florida Hurricane Catastrophe Fund coverage.
[5] Section 627.351(6)(b)2b., F.S.
[6] Citizens weekly report as of 3/1/2013 on file with committee staff.

2013 hurricane season Citizens' probable maximum loss (PML) from a 1-in-100 year event is $20.42 billion."

If a deficit occurs in a Citizens account, Citizens is authorized to levy assessments on its policyholders and on each line of property and casualty line of business other than workers' compensation insurance and medical malpractice insurance.[7] The assessments Citizens may impose and their sequence is as follows:

- Citizens Surcharge - Requires up to 15 percent of premium surcharge for 12 months on all Citizens' policies, collected upon issuance or renewal. This 15 percent assessment can be levied on each of the three Citizens' accounts with a maximum assessment of 45 percent of premium.
- Regular Assessment - If the Citizens' surcharge is insufficient to cure the deficit for the coastal account, Citizens can require an assessment against all other insurers (except medical malpractice and workers comp). The assessment may be recouped from policyholders through a rate filing process of up to two percent of premium or two percent of the deficit, whichever is greater. This assessment is not levied against Citizens' policyholders.
- Emergency Assessment - Requires any remaining deficit for either of Citizens three accounts be funded by multi-year emergency assessments on all insurance policyholders (except medical malpractice and workers comp), but including Citizens' policyholders. This assessment is levied up to 10 percent of premium or 10 percent of the deficit per account, whichever is greater. The maximum emergency assessment that can be levied against Florida's varicose insurance policyholders is 30 percent per policy.

Citizens Rates

Citizens rates for coverage are required to be actuarially sound and are subject to the rate standards for property and casualty insurance in s. 627.062, F.S., except as otherwise provided.[8] From 2007 until 2010, Citizens rates were frozen by statute[9] at the level that had been established in 2006. In 2010, the legislature established a "glide path" to impose annual rate increases up to a level that is actuarially sound.[10] Citizens must implement an annual rate increase which does not exceed 10 percent above the previous year for any individual policyholder, adjusted for coverage changes and surcharges. The implementation of this increase ceases when Citizens has achieved actuarially sound rates. In addition to the overall glide path rate increase, Citizens can increase its rates to recover the additional reimbursement premium that it incurs as a result of the annual cash build-up factor added to the price of the mandatory layer of the FHCF coverage, pursuant to s. 215.555(5)(b), F.S.

[7] Accident and health insurance and policies written under the National Flood Insurance Program or the Federal Crop Insurance Program are not assessable types of property and casualty insurance. Surplus lines insurers are not assessable, but their policyholders are.
[8] Section 627.351(6)(n)1., F.S.
[9] Section 627.351(6)(n)4., F.S.
[10] Ch. 2009-87; s.10, L.O.F.

Florida Hurricane Catastrophe Fund

The Florida Hurricane Catastrophe Fund (FHCF) is a tax-exempt fund that contracts with each admitted residential property insurer to provide reimbursement for losses caused by hurricanes.[11] The FHCF is administered by the State Board of Administration (SBA) and is a tax-exempt source of reimbursement to property insurers for a selected percentage (45, 75, or 90 percent) of hurricane losses above the insurer's retention (deductible). All insurers that write residential property insurance in Florida are required to buy reimbursement coverage (reinsurance) on their residential property exposure through the FHCF. The FHCF is authorized by statute to sell $17 billion of mandatory layer coverage. Each insurer that purchases coverage may receive up to its proportional share of the $17 billion mandatory layer of coverage based upon the insurer's share of the actual premium paid for the contract year, multiplied by the claims paying capacity of the fund. For example, if an insurer paid 10 percent of the total premium paid in a contract-year, then that insurer would be eligible to receive up to 10 percent of the mandatory layer of coverage ($1.7 billion of the $17 billion mandatory layer). Insurers that experience multiple hurricanes causing loss during the contract year may receive reimbursement from the FHCF for losses that exceed the applicable retention. The insurer's full retention is applied to each hurricane causing the two largest losses for that insurer. For each other covered event resulting in losses, the insurer's retention is only one-third of the full retention.

The FHCF provides insurers an additional source of reinsurance that is significantly less expensive than what is available in the private market, enabling insurers to generally write more residential property insurance in the state than would otherwise be written. Because of the low cost of coverage from the FHCF, the fund acts to lower residential property insurance premiums for consumers. The FHCF must charge insurers the actuarially indicated premium for the coverage provided, based on hurricane loss projection models found acceptable by the Florida Commission on Hurricane Loss Projection Methodology.

Private Reinsurance

A direct insurance writer will often spread its risk by purchasing reinsurance coverage from a private reinsurance carrier as an addition to the mandatory coverage the direct insurer must purchase through the FHCF. Currently some insurers purchase private reinsurance within the covered layers of the FHCF to insure against any short falls of the fund but the costs associated with purchasing such additional coverage may not be passed on to the policy holders. A reinsurance contract will specify the layer of the direct writer's risk that is shifted to the reinsurer and the premium that the direct writer must pay the reinsurer to assume the risk. The premium costs associated with the purchase of reinsurance are ultimately passed on to policyholders.

Representatives from the Office of Insurance Regulation believe there could be various opportunities in today's market for insurers in this state to access large amounts of capital for reinsurance needs, around the mandatory layers of the FHCF, at lower costs than are currently purchased in the traditional reinsurance markets. To maximize the cost savings in accessing these markets it is believed pooling the reinsurance needs of multiple companies could increase their purchasing power.

[11] Section 215.555, F.S.

Bad Faith

Bad faith liability is premised on the concept that an insurer that handles a claim should act in good faith towards its insured and "has a duty to use the same degree of care and diligence as a person of ordinary care and prudence should exercise in the management of his own business."[12] Florida recognizes two bad faith causes of actions against insurers: first party bad faith and third party bad faith. Florida first recognized Third-party bad faith at common law in 1938. Third-party bad faith protects an insured from the insurer failing to settle a claim brought by a third party in good faith and exposing the insured to a judgment in excess of policy limits. Florida courts refused to recognize a first-party bad faith tort until it was established by the Legislature in 1982 with the enactment of s. 624.155, F.S., the Civil Remedy statute.

Section 624.155, F.S., permits any person to bring a civil action against an insurer, except Citizens Property Insurance Corporation, when the insurer commits certain acts or the insured is damaged by statutory violations[13] of the insurer. Specifically, the insured may bring the claim when the insurer does not attempt to settle a claim in good faith when, under all the circumstances, it could and should have done so, had it acted fairly and honestly toward the insured and with due regard to the interests of the insured. A claim may also be brought if the insurer makes claims payments without identifying the coverage under which the payment is made or attempts to influence settlements under one portion of the insurance policy by refusing to promptly resolve a claim it should settle under another portion of the policy. The insurer is not liable for bad faith liability until the Plaintiff obtains adjudication in its favor at trial or on appeal, at which point insurer liability for bad faith, costs and reasonable attorney's fees attaches. The insured must prove that the insured committed bad faith in order to obtain recovery.

Public Rate Hearing

Each admitted property and casualty insurer is required to make a rate filing with the OIR.[14] The insurer may file rates for approval with the OIR either 90 days before the proposed effective date ("file and use") or 30 days after the rate filing is implemented ("use and file"). Under the file and use option, the OIR must finalize its review by issuing a notice of intent to approve or disapprove within 90 days after receipt of the filing; otherwise the filing is deemed approved. Under the "use and file" option, an insurance company may implement the filing prior to approval, but may be ordered by OIR to refund to the policyholder that portion of the rate found by the OIR to be excessive. The OIR may disapprove a rate filing if it determines such rates to be "excessive, inadequate, or unfairly discriminatory" as these terms are defined. The law specifies numerous factors which the OIR must consider in making this determination. The Office must hold a public hearing for any rate filing exceeding 15 percent that is based in whole or part on data from a computer model.[15]

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[12] *Boston Old Colony Ins. Co. v. Gutierrez*, 386 So.2d 783 (Fla. 1980).
[13] Violations giving rise to a statutory bad faith claim are s. 626.9541(1)(i), (o), or (x), F.S.; s. 626.9551, F.S.; s. 626.9705, F.S.; s. 626.9706, F.S.; s. 626.9707, F.S.; or s. 627.7283, F.S.
[14] s. 627.062, F.S.
[15] s. 627.0629(6), F.S.

Excess Rates

Current law allows an insurer to offer to an insured a rate above the current approved rate. The insured must consent in writing to the increased rate and the signed agreement must remain on file with the Office for three years.[16] The number of policyholders who may consent to excess rates are limited to no more than 10 percent of the commercial insurance policies and no more than five percent for personal lines insurance policies written or renewed by an insurer during each calendar year.[17]

Procurement of Commodities or Contractual Services

Current law regulates state agency[18] procurement of personal property and services.[19] The Department of Management Services is responsible for overseeing state purchasing activity including professional and contractual services as well as commodities needed to support agency activities, such as office supplies, vehicles, and information technology.[20]

Insurable Interest

Current law provides that a contract for property of insurance can only be enforced for the benefit of someone having an insurable interest in the property insured at the time of the loss.[21] An insurable interest[22] is an "actual, lawful, and substantial economic interest in the safety or preservation of the subject of the insurance free from loss, destruction, or pecuniary damage or impairment." The insurable interest requirement is intended to reduce moral hazard, which is present when the beneficiary will obtain greater benefit from the insurance policy proceeds than from the ongoing safety of the subject of the policy.

OIR Approval of Forms

Each basic insurance policy form,[23] unless otherwise exempted,[24] must be approved by the OIR before the form can be used by an insurance company.[25] Each form must be filed at least 30 days

[16] s 627.171(2), F.S.
[17] Id.
[18] As defined in s. 287.012(1), F.S., "agency" means any of the various state officers, departments, boards, commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch of state government. "Agency" does not include the university and college boards of trustees or the state universities and colleges.
[19] Local governments are not subject to the provisions of ch. 287, F.S. Local governmental units may look to the chapter for guidance in the procurement of goods and services, but many have local policies or ordinances to address competitive solicitations.
[20] See ss. 287.032 and 287.042, F.S.
[21] s. 627.405(1), F.S.
[22] Historically, the English Parliament created the first insurable interest requirement in 1746, when it required an insurable interest in the life and continued operation of English ships and their crews in order to prevent life or casualty insurance from being bought as a form of gambling that has the additional effect of hoping for the death and destruction of the ship and its crew in order to win the bet. A later law was passed in 1774 that required an insurable interest for the purchase of any policy of life insurance. That law was passed primarily to stop the practice of buying life insurance on the life of elderly celebrities and persons accused of capital crimes, which was being done for gambling and entertainment purposes at the time.
[23] Statutorily required forms requiring OIR approval prior to use are basic insurance policies, annuity contracts, application forms where a written application is required and is part of the policy or contract, group certificates issued under a master contract delivered in Florida, and printed riders, endorsement forms, or forms of renewal certificates.

prior to its use in policies delivered or issued for delivery in this state. The OIR must approve or disapprove the form within 30 days or it is deemed approved.[26] The OIR, however, under s. 627.410(4), F.S., has the authority to exempt by order an insurance form or type of form from the approval process for as long as it deems proper[27] if the filing and approval process cannot be practicably applied or is not desirable or necessary for the protection of the public.[28]

In 2012, the OIR issued three orders exempting certain insurance forms from being filed and approved prior to use. The first order, issued on April 9, 2012, exempted specified commercial insurance lines[29] from the prior approval requirement of s. 627.410, F.S., for one year.[30] Instead, such commercial insurers were permitted to make an informational form filing 30 days prior to using the forms, accompanied by a notarized certification that the submitted form filing complies with Florida law and acknowledging that if the forms are not in compliance, the company is subject to appropriate regulatory action. The OIR premised its order on the rate review exemption granted these types of commercial insurance policies, that the consumers of commercial insurance products are sophisticated parties with experience in insurance transactions, and the office's high volume of commercial form filings which had taxed its review resources and resulted in a lengthier review period for many commercial forms.

The second order, issued on June 25, 2012, exempted all property and casualty insurance forms, except workers' compensation, from the prior approval requirements for one year.[31] Insurers were permitted to make an informational filing accompanied with a notarized certification 30 days prior to using the forms. This order was predicated on findings that insurers had recently filed a historically high number of property and casualty forms with the OIR due to law changes, and that requiring OIR to review and approve forms before they could be used in the market was not practicable where the form had been diligently and thoroughly reviewed by the insurer for quality and legal sufficiency. The third OIR order issued on December 2, 2012, provided a clarification relating to the insurer's certification of compliance, but otherwise did not change the order of June 25, 2012.

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[24] Statutorily exempted forms are surety bonds or policies, riders, endorsements, or forms of unique character that are designed and used with relation to insurance upon a particular subject (other than health insurance)
[25] s. 627.410(1), F.S.
[26] The Office may extend the form review process 15 days.
[27] s. 627.410(4), F.S.
[28] Id.
[29] The commercial lines exempted by the order from the form review process were those that are exempted from prior rate review by s. 627.062(3)(d), F.S. The categories of commercial risks exempted from prior rate review are (a) Excess or umbrella, (b) surety and fidelity, (3) boiler and machinery and leakage and fire extinguishing equipment, (d) errors and omissions, (e) directors and officers, employment practices, fiduciary liability, and management liability, (f) intellectual property and patent infringement liability, (g) advertising injury and Internet liability insurance, (h) property risks rated under a highly protected risks rating plan, (i) general liability, (j) nonresidential property, except for collateral protection insurance, (k) nonresidential multiperil, (l) excess property, (m) burglary and theft, and (n) any other commercial lines that the OIR determines should not be subject to prior rate review because a competitive market for such existence exists, such insurance is similar to other types of exempt insurance, or if the exemption will improve the general operational efficiency of the office.
[30] Office of Insurance Regulation, *Order Exempting Specified Forms From The Requirements of Section 627.410, Florida Statutes*, (April 9, 2012).
[31] Office of Insurance Regulation, *Order Exempting Specified Forms From The Requirements of Section 627.410, Florida Statutes*, (June 25, 2012).

Since the first order exempting certain commercial insurance forms from OIR filing and approval, the OIR has received 4,765 form filings that qualify for the exemption. Out of the qualifying filings, 939 filings opted to be exempt from the filing and approval process. Accordingly, to date, approximately 20 percent of the form filings have utilized the exemption.

Representatives from the OIR indicate that over 90 percent of all property and casualty insurance form filings contain a violation of Florida Law that must be addressed prior to the filing being approved. The lines of business that historically have the highest indices of non-compliant forms are the automobile and property lines of business (both personal and commercial), which OIR representatives opined likely stem from the high number of regulations that apply to these lines, the frequency of regulatory changes, and perhaps a high incidence of litigation.

Citizens' Inspector General

Citizens does not currently have an inspector general and is not required by law to have one. The Chief of Internal Audit has job duties and responsibilities similar to an inspector general. The Chief of Internal Audit position was created in Citizens in 2006 and Citizens' first Chief of Internal Audit started in January 2007. The position has been filled almost continuously since that time, with Citizens employing four Chiefs of Internal Audit since 2007.

Generally, the duties of the Chief of Internal Audit include: fostering and promoting accountability and integrity in Citizens; holding the Citizen's leadership, management and staff accountable for efficient, cost-effective operation; and preventing, identifying, and eliminating fraud, waste, corruption, illegal acts, and abuse. Specific duties and responsibilities for the position are contained in s. 627.351(6)(i), F.S. The Chief of Internal Audit carries out his duties primarily through audits, management reviews and investigations.

From December 2010 until October 2012, Citizens also had an Office of Corporate Integrity. The office handled employee complaints, particularly those that could indicate ethics violations and internal fraud. From December 2010 until July 2012, the employees in this office reported to Citizens' General Counsel and Chief Legal Officer. Thereafter, they reported to the Citizens' Chief of Internal Audit. The Office was disbanded by Citizens' Board in October 2012, but its functions were absorbed by other Citizens' staff, including the Office of Internal Audit, the Ethics Officer, and the Employee Relations Office.

III. Effect of Proposed Changes:

Section 1 amends s. 215.555, F.S., and renames the Florida Hurricane Catastrophe Fund Finance Corporation to the State Board of Administration Finance Corporation.

Section 2 creates s. 215.5551, F.S., which establishes the Florida Catastrophe Risk Capital Access Facility (Facility) within the State Board of Administration, effective July 1, 2013. The major purpose of the Facility is to help small domestic property insurers access the global risk capital markets and risk transfer mechanisms. The facility will perform four functions:

- Aggregate the demand for risk finance from global capital markets among smaller volume domestic property insurance companies;

- Design and execute risk-transfer tools such as insurance-linked securities and other securitization models for participating insurers, and use special purpose vehicles or protected cells, onshore or offshore, as appropriate, to increase access to risk capital;
- Identify and coordinate appropriate risk-transfer products and opportunities, with an initial focus on the portion of the reinsurance market that provides layers of coverage below, alongside, and above the CAT Fund; and
- Establish and maintain contact with global risk capital market participants, institutions, and investors for the purpose of satisfying and coordinating insurer demand for additional risk capital.

The Facility is prohibited from acting as an insurer, reinsurer, or other risk-bearing entity. In conducting its affairs, the facility may not take a position in, or provide financial support for, risk-transfer transactions, be a guarantor of premium or make any other financial guarantees to participating insurers, create contractual obligations on the part of the state or levy taxes or assessments. After an initial apportionment for startup purposes, the Facility will be funded entirely by participating insurers on a pro rata basis.

A seven-member board of directors governs the Facility, made of one representative each from the Department of Financial Services, State Board of Administration, the Office of Insurance Regulation, Florida property insurance writers, the reinsurance community, and the financial securities industry, and the seventh member is appointed by a majority of the board. The board may employ or contract staff and professionals the board deems necessary to accomplish its purpose. There shall be no liability on the part of, and no cause of action of any nature may arise against, the facility or its agents or employees, the board of directors, or the department or office or their representatives for any action taken by them in the performance of their powers and duties under this section.

Section 3 amends s. 624.155, F.S., to allow for a civil action to be brought against Citizens Property Insurance Corporation for "bad faith" violations. This section refers to Citizens Property Insurance Corporation as an agent of the state and grants the corporation sovereign immunity protection under s. 768.28, F.S., for purposes of limiting the amount of a judgment that can be awarded should the corporation have been found by a court to have acted in bad faith.

Section 4 amends s. 626.752, F.S., exempting Citizens' clearinghouse from exchange of business restrictions when placing new and renewal business with authorized insurers in order to reduce the size of the corporation pursuant to s. 627.3511, F.S.

Section 5 amends s. 627.062, F.S., to allow insurers to include in their rate filings the cost for reinsurance that is purchased to protect against any potential shortfalls within the FHCF. Currently, companies are prevented by the Office from passing through to policyholders the cost of this layer of reinsurance. This section of the CS also requires the OIR to calculate and publish an annual property insurance inflation factor. Property insurance rates filed below the inflation factor are to be deemed non-excessive.

Section 6 amends s. 627.0628, F.S., to require that the Florida Commission on Hurricane Loss Projection Methodology (FCHLPM) review the accuracy of hurricane models used to establish wind mitigation discounts. Currently the FCHLPM is required to review all hurricane loss

projection models.[32] This section expands their oversight to include mitigation models used in establishing wind mitigation discounts.

Section 7 amends s. 627.0629, F.S., regarding residential property insurance rate filings. The CS revises the mandatory public hearing that currently must be held for any rate filing that exceeds 15 percent and is based on computer modeling data. Instead, the CS states that the office may hold a public hearing for a rate filing that exceeds 15 percent in counties the office determines lack a reasonable degree of competition and is based on computer modeling data. The CS also eliminates the requirement that the Office of Insurance Regulation determine the discounts, credits, rate differentials, and deductible reductions that reflect the full actuarial value of mitigation techniques and thus may be used by insurers in rate filings.

Section 8 amends s. 627.171, F.S., to allow insurers to offer consent to excess rates to any number of policy holders in counties the Office determines have a reasonable degree of competition. In counties the Office determines do not have a reasonable degree of competition, consent to excess rates is limited to no more than 10 percent of the commercial insurance policies and no more than five percent for personal lines insurance policies written or renewed by an insurer during each calendar year.

Section 9 amends s. 627.351(6), F.S., the Citizens Property Insurance Corporation statute.

Citizens Eligibility

The CS makes ineligible for Citizens coverage:

- Personal lines residential structures with a dwelling replacement cost of $1 million or more on January 1, 2014; $900,000 or more on January 1, 2015; $800,000 or more on January 1, 2016; $700,000 or more on January 1, 2017; $600,000 or more on January 1, 2018; $500,000 or more on January 1, 2019.
- Single condominium units with a combined dwelling and contents replacement cost of $1 million or more on January 1, 2014; $900,000 or more on January 1, 2015; $800,000 or more on January 1, 2016; $700,000 or more on January 1, 2017; $600,000 or more on January 1, 2018; $500,000 or more on January 1, 2019.
- Personal lines residential insurance risks currently insured by Citizens that receive an offer for comparable coverage from an admitted insurer at a premium that is within 15 percent or less of the insured's Citizens premium, including policyholders removed through an assumption agreement.
- Structures located seaward of the Coastal Construction Control Line, for which a Notice of Commencement has been issued on or after July 1, 2013, that do not meet the coastal code-plus building code criteria developed and recommended by the Florida Building Commission.
- Policies that are offered Citizens coverage through a risk-sharing agreement and do not accept the offer of coverage.

[32] s. 627.0628, F.S

Citizens Risk-Sharing Agreements

The CS authorizes Citizens to enter into risk-sharing agreements with authorized insurers, wherein the corporation agrees to retain part of the risk for a specific group of policies or specified perils within a group of policies as part of the terms for the authorized insurer removing such policies from Citizens. The terms of each risk-sharing agreement must ensure that the consideration received by Citizens is commensurate with the risk it is retaining and the risk assumed by the authorized insurer. Citizens may not share risk for bad faith. The agreement must also specify the proportion of exposure the authorized insurer reports for the FHCF and the exposure retained by Citizens, both of which may purchase FHCF coverage for the risk each bears. The risk-sharing agreement program replaces the quota-share primary insurance program currently authorized in s. 627.351(6)(c)2., F.S.

Citizens may act as a reinsurer or cedent under a risk sharing agreement or excess of loss agreement. If Citizens is the reinsurer, the insurance policy forms and endorsements of the admitted insurer must be approved by the office, cover all perils that are the subject of the agreement, and cover at least the same limits as the Citizens policies being replaced. Risk sharing agreements must be filed by the authorized insurer with the OIR for review and approval prior to the execution of the agreement, but are not subject to the requirements of a take-out or keep-out program under the Citizens statute or s. 627.3517, F.S.

Executive Director

The CS requires the executive director of the corporation to be appointed by the Governor and Chief Financial Officer. The Senate must confirm the executive director during the legislative session following the initial appointment. The Senate must reconfirm the executive director after every election or reelection of the Governor and Chief Financial Officer. The CS allows the executive director to act with the concurrence of the board on matters currently acted upon by the board.

Board Members

The CS requires the Senate to confirm the board members appointed by the Governor, Chief Financial Officer and the President of the Senate. The CS further limits board members current three-year term to no more than two terms, excluding any remainder of a term served due to vacancy. The Chief Financial Officer shall designate one appointee as board chair for the purpose of presiding over the orderly conduct of meetings, but an appointee can serve no more than one term as chair.

Citizens Surplus Note Agreements

The CS authorizes the corporation to adopt programs for the removal of policies from the corporation through a loan from the corporation to an insurer secured by a surplus note. The corporation can require such provisions as are necessary and reasonable. The surplus note is subject to the review and approval by the OIR. The corporation can establish standards for the program, including the maximum size of a loan, capital matching requirements, the relationship between the aggregate number of policies or loss exposure to the amount of the loan, retention

requirements, and limitations on the number of insurers receiving loans. The CS provides that if a loan secured by a surplus note is provided to a new mutual insurance company, the corporation can: require the board of the new mutual insurer to have a majority of independent board members; restrict the ability of the new mutual insurer to convert to a stock insurer; establish a capital match requirement of up to $1 of private capital for each $4 of the loan, and; limit the eligibility of a new mutual insurer for a waiver of the ceding commission.

Citizens Insurance Agents

The CS requires each Citizens agent to maintain documentation that warrants and certifies that alternative coverage was annually sought for each risk placed in Citizens by the agent in accordance with s. 627.3518, F.S. Effective January 1, 2014, an agent who places an ineligible policy in Citizens will not receive agent commissions.

Audits of Citizens

The CS requires the Auditor General to annually conduct an operational audit of Citizens that evaluates management's performance, rather than every three years. The scope of the audit is expanded to include financing arrangements made to address a 100-year probable maximum loss; personnel costs and administration; and underwriting, including processes designed to ensure compliance with policy eligibility requirements of law. A copy of the audit must be provided to the Citizens board of directors, the President of the Senate, the Speaker of the House of Representatives, each member of the Financial Services Commission, and the Office of Insurance Regulation.

The Citizens board must contract with an independent auditing form to conduct a performance audit of the corporation every two years. The performance audit must include an evaluation, within the context of insurance industry best practices, of Citizens' strategic planning processes, the functionality of Citizens' organizational structure, the compensation levels of senior management, and the overall management and operations of Citizens. A copy of the audit must be provided to the Citizens board of directors, the President of the Senate, the Speaker of the House of Representatives, each member of the Financial Services Commission, and the Office of Insurance Regulation. The initial audit must be completed by June 1, 2014.

Inspector General

The CS establishes the Office of the Inspector General within Citizens to ensure accountability, integrity, and efficiency. The inspector general is appointed by the Financial Services Commission and may be removed from office only by the commission. The inspector general is under the supervision of the commission until June 30, 2014, after which he/she reports to the chair of the board of governors.

The inspector general's duties are specified to initiate, direct, coordinate, participate in, and perform studies, reviews, evaluations, and investigations designed to assess management practices; compliance with laws, rules, and policies; and program effectiveness and efficiency. In addition, complete special projects and perform other duties as requested by the Financial Services Commission.

At least annually, the inspector general must provide a report to the President of the Senate and the Speaker of the House of Representatives the extent to which policies are returned to the voluntary market from the corporation's clearinghouse and must include an analysis regarding the effectiveness of the clearinghouse for depopulation of Citizens.

Other Citizens Provisions

The CS amends the required Acknowledgment of Potential Surcharge and Assessment Liability form that must be signed by each Citizens applicant. The revised form provides notice that each Citizens policyholder is subject to the policyholder surcharge of up to 45 percent of premium, that eligibility for Citizens coverage is predicated on first trying to obtain private market coverage, and that private market insurance rates are regulated and approved by the State.

Section 10 amends s. 627.351(6)(e) subjecting Citizens Property Insurance Corporation to s. 287.057 F.S., relating to the purchasing of commodities and contractual services. Services provided by tradepersons or technical experts to assist a licensed adjuster in the evaluation of individual claims are not subject to the procurement requirements of this section. Additionally, the procurement of financial services providers and underwriters must be made pursuant to s. 627.3513. The CS requires that any person affected by the corporation's decision or intended decision to award a contract must file a written notice of protest within 72 hours after the corporation posts its notice of decision. A formal written notice must be filed within 10 days of the date the notice to protest is filed. The formal written protest must state with particularity the facts and law upon which the protest is based. Upon receipt of a formal written protest that has been timely filed, the corporation must stop the solicitation or contract award process until the subject of the protest is resolved by final board action unless the executive director sets forth in writing particular facts and circumstances that require the continuance of the solicitation or contract award process without delay in order to avoid an immediate and serious danger to the public health, safety, or welfare. The corporation must provide an opportunity to resolve the protest by mutual agreement between the parties within seven business days after receipt of the formal written protest. If the subject of a protest is not resolved by mutual agreement within seven business days, the corporation's board must place the protest on the agenda and resolve it at its next regularly scheduled meeting. The protest must be heard by the board at a publicly noticed meeting in accordance with procedures established by the board. In a protest of an invitation-to-bid or request-for-proposals procurement, submissions made after the bid or proposal opening which amend or supplement the bid or proposal may not be considered. In protesting an invitation-to-negotiate procurement, submissions made after the corporation announces its intent to award a contract, reject all replies, or withdraw the solicitation that amends or supplements the reply may not be considered. Unless otherwise provided by law, the burden of proof rests with the party protesting the corporation's action. In a competitive-procurement protest, other than a rejection of all bids, proposals, or replies, the corporation's board must conduct a de novo proceeding to determine whether the corporation's proposed action is contrary to the corporation's governing statutes, the corporation's rules or policies, or the solicitation specifications. The standard of proof for the proceeding is whether the corporation's action was clearly erroneous, contrary to competition, arbitrary, or capricious. In any bid-protest proceeding contesting an intended corporation action to reject all bids, proposals,

or replies, the standard of review by the board is whether the corporation's intended action is illegal, arbitrary, dishonest, or fraudulent.

Section 11 requires the purchasing of commodities and contractual services by Citizens Property Insurance Corporation commenced before October 1, 2013, be governed by the law in effect on September 30, 2013.

Section 12 amends s. 627.351(6)(n), F.S., to create new rating standards for Citizens' policyholders. The CS requires that Citizens rates are to be actuarially sound and not competitive with those charged in the admitted voluntary market. Actuarially sound rates are to be established by including an appropriate catastrophe risk load factor that reflects Citizens' actual risk exposure. Except when applied to mobile homes, rates are defined as not competitive with the voluntary market if the average rates of the corporation for each rating territory are no lower than the average rates charged by the insurer that had the highest average rate in that rating territory among the 20 admitted insurers with the greatest total direct written premium in the state for that line of business in the preceding year. As applied to mobile homes, rates are defined as not competitive with the voluntary market if the average rates of the corporation for each rating territory are no lower than the average rates charged by the insurer that had the highest average rate in that rating territory among the five admitted insurers with the greatest total direct written premium in the state for that line of business in the preceding year.

Actuarially sound rates are to be applied to new and renewal policies covered by the corporation in territories where the OIR determines there is not a reasonable degree of competition.

Rates that are not competitive with the voluntary market must be charged by Citizens to:

- New policyholders;
- Renewal non-wind policyholders that have a dwelling replacement cost of $300,000 or greater;
- Renewal wind-only policyholders that have a dwelling replacement cost greater than $1 million on July 1, 2013; $800,000 on January 1, 2014; $600,000 on January 1, 2015.
- Non- homestead personal residential properties that are not occupied by renters as a permanent resident.

The CS provides that Citizens shall also implement a rate increase of up to three percent, to be used to purchase catastrophe reinsurance or other risk transfer mechanisms. The increase must reflect the actual cost of the catastrophe reinsurance or other risk transfer mechanisms. In any year for which this three percent increase is imposed, Citizens must allow a corresponding three percent decrease, one percent per account, from the Citizens policyholder surcharge, if any is imposed.

The CS provides that Citizens is to certify to OIR that its rates are in compliance with statutory requirements, but if any adjustment is necessary to ensure compliance, the corporation must implement the adjustment and file its revised rates with the OIR. If the OIR then determines that the rates are out of compliance, the OIR will require Citizens to amend its rates in its next rate filing.

The CS provides that Citizens must provide recommendations to the Legislature on how to provide relief for policyholders who demonstrate a financial need to pay the full cost of their premiums.

Section 13 creates s. 627.3518, F.S., to recognize that the corporation currently has authority to establish a clearinghouse to determine the eligibility of new and renewal risks who are seeking coverage. The CS requires the corporation to implement such a clearinghouse by July 1, 2013. The CS requires that all new and renewal applications, excluding commercial residential, must be submitted to the clearinghouse before the corporation can bind or renew coverage. The clearinghouse:

- Must develop an application process to facilitate private insurers in determining whether or not to make an offer of coverage through the clearinghouse.
- Must enter into contracts with Florida property insurance companies to participate in the clearinghouse and must accept appointments from voluntary market insurers.
- Must require all new and renewal applicants to be submitted to the clearinghouse to see if there are any offers of coverage from an authorized insurer.
- Must require all new applications for coverage to be subject to a 48-hour period that allows a private insurer participating in the clearinghouse to select applicants for coverage.
- Allows an applicant to accept an offer from a surplus lines insurer if the applicant does not receive an offer of coverage from admitted insurers.
- May charge a reasonable fee as a percentage of an agent's commission to offset the costs of the clearinghouse. Insurers participating in the clearinghouse are not required to pay a fee or use the clearinghouse.

All licensed insurers are authorized to participate in the clearinghouse. Insurers making offers of coverage through the clearinghouse are allowed, but not required, to appoint the agent whose customer is bound and underwritten through the clearinghouse for as long as that policy remains with the insurer. If the insurer does not appoint the agent, it must enter into a limited agency agreement with the agent who is not appointed. If an insurer makes an offer for an applicant whose agent is an exclusive agent, that agent can give the applicant an opportunity to accept coverage from an insurer with whom the agent has a limited servicing agreement. All agents must maintain the exclusive use of expirations, records, or other written or electronic information directly related to such applications or renewals written through the corporation or through an insurer participating in the clearinghouse.

The corporation is authorized to recognize private entities that independent agents may elect to use as an alternative to the clearinghouse. The alternative option cannot be used as a replacement for the clearinghouse. Neither the clearinghouse nor an alternative private entity can prohibit insurers from electing to participate in more than one program, but an insurer participating in the private entity alternative must also participate in the clearinghouse.

Section 14 creates an unspecified section of law directing Citizens to implement a temporary keepout program beginning July 1, 2013, and ending on the date the clearinghouse is operational. Applications for personal residential multiperil policies are required to be held for 72 hours to allow insurers authorized under the program to submit offers of coverage. This section expires on March 1, 2014, or when the clearinghouse becomes operational.

Section 15 amends s. 627.405, F.S., by specifying that a property insurance policyholder may assign the benefits from contract, subject to the conditions in the policy.

Section 16 amends s. 627.410, F.S., making technical changes.

Section 17 creates s. 627.4102, F.S., which allows an alternative mechanism to the current form filing and approval process required by s. 627.410, F.S. The CS specifies that except for workers' compensation forms, all property and casualty forms are exempt from the requirements of s. 627.410, F.S., if they meet the requirements of s. 627.4102, F.S., which are:

- The form must be electronically submitted to the OIR in an informational filing 30 days before delivery of the form within the state.
- The informational filing must include a certification of compliance signed by the insurer's president, chief executive officer, general counsel, or an employee of the insurer responsible for the filing on behalf of the insurer. The CS specifies the language that must be included in the certification.
- If the form is not in compliance with state laws and rules, the form filing is subject to the prior approval requirements of s. 627.410, F.S.
- For a renewal policy that contains a change, a Notice of Change in Policy Terms form must be included as a part of the informational filing.

July 1, 2013, is the effective date of the CS, except as otherwise expressly provided.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

The Citizens' clearinghouse would need to have a public records exemption to protect certain policyholder information from public disclosure.

The Citizens' inspector general would need to have a public records exemption to protect information relating to investigations from public disclosure.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The CS authorizes Citizens' clearinghouse to charge a reasonable fee as a percentage of an agent's commission on policies placed by the clearinghouse to offset the costs of the clearinghouse.

B. Private Sector Impact:

Subjecting Citizens Property Insurance Corporation to bad faith may allow claimants to obtain judgments in excess of contract limits in certain instances. To the extent that this impacts overall claims, it may be added to post-catastrophe assessments in the years for which an assessment is levied.

The CS allows insurance companies to use the property insurance inflation factor published annually by OIR, in lieu of a full rate examination. The use of the published inflation factor could have the effect of inducing some insurance companies to seek an increase that is within the factor in order to avoid a full rate examination.

The CS allows insurance companies to include in their rate filings the cost of private reinsurance purchased to cover potential shortfalls in the amount of reimbursement obtained from the FHCF. To the extent that primary insurers avail themselves of this provision, it could increase the direct written rates, but it could also increase the assurance that the direct writer will be able to meet its obligations to policyholders.

The CS limits eligibility for obtaining coverage from Citizens to those properties with a replacement cost of $1 million or more on January 1, 2014; $900,000 or more on January 1, 2015; $800,000 or more on January 1, 2016; $700,000 or more on January 1, 2017; $600,000 or more on January 1, 2018; $500,000 or more on January 1, 2019. This provision will require those affected properties to find coverage in the private market, but it will reduce the exposure of other Florida property and casualty insurance policyholders who are subject to assessments to cover Citizens' excess losses.

Currently, an applicant seeking new coverage from Citizens is not eligible for coverage if the applicant has received an offer from a private admitted carrier that is within 15 percent of the rate offered by Citizens for comparable coverage. The CS applies this same eligibility standard to policyholders seeking to renew with Citizens, and requires every new and renewal applicant, excluding commercial residential, to go through a clearinghouse that is created to assure that Citizens does not cover anyone who can obtain reasonable coverage in the private market. These provisions could require some current Citizens' policyholders to purchase coverage in the private market, but it could reduce the exposure of other Florida property and casualty insurance policyholders who are subject to assessments to cover Citizens' excess losses.

The CS requires that all new policies, non-homestead non-renter occupied properties, non-wind policy homes with a replacement cost of over $300,000 and wind-only policy

homes with a replacement cost over $1 million on July 1, 2013, $800,000 on January 1, 2014 and $600,000 on January 1, 2015, be charged a rate that is noncompetitive with the private market (highest of the top 20 insurers writing in a given territory) or an actuarially sound rate. This provision will increase the ability of the private insurance market to compete for customers who currently are likely to obtain coverage with Citizens. The changes are also likely to reduce the policy count of Citizens, thus reducing the likelihood of assessment. The change will raise the rates for Citizens current policyholders affected by this provision, and will require all new policyholders to pay higher Citizens premiums than under current law.

Application of the Citizens glide-path by territory will result in some Citizens policyholders incurring rate increases in excess of 10 percent. Accordingly, such policyholders will be brought closer to paying an actuarially sound rate.

C. Government Sector Impact:

The costs associated with the operations of the Florida Catastrophe Risk Capital Access Facility will be funded from participating insurers on a pro rata basis.

The CS requires the OIR to calculate and publish an annual property insurance inflation factor and can be accomplished within existing resources. The use of the published inflation factor will reduce the resources necessary to perform an in-depth rate analysis on the companies that use the factor in lieu of a full rate filing. The amount of this reduction is dependent on the number of companies that forgo the full examination and is indeterminate.

The CS removes from the OIR the responsibility to determine the amount of rate discount that is applicable for wind mitigation techniques. This will decrease the expenditures of the OIR over time.

Current law requires the Auditor General to perform an audit of Citizens Property Insurance Corporation once every three years. The CS requires an annual audit by the Auditor General and can be absorbed with existing resources. Additionally, there is a cost to Citizens associated with the requirement that they contract with a private auditing firm every two years. This is estimated to cost $400,000 and will be added to their overall operating expense.

The Citizens three percent increase to purchase additional reinsurance and associated three percent decrease in the Citizens policyholder surcharge will increase the funds available for Citizens to pay claims in the event of a hurricane. This will reduce the likelihood of assessments on policyholders to fund a deficit in a Citizens account.

Allowing property and casualty insurers to certify forms as complying with Florida law in lieu of obtaining prior approval from the OIR, will result in a decrease in workload for the OIR and will reduce its funding needs in the future.

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.)

Recommended CS by Appropriations Subcommittee on General Government on March 19, 2013:

- Requires the Financial Services Commission to appoint an Inspector General at Citizens.
- Requires Citizens' Office of Internal Auditor and the new Inspector General to coordinate their activities to avoid duplication of efforts.
- Directs the Inspector General to independently monitor and investigate the operations and conduct of Citizens and its employees.
- Requires the Inspector General to report to the Financial Services Commission during the first year and then be placed under the general supervision of Citizens Board Chairman.
- Requires the Financial Services Commission be notified within 5 days of a Citizens emergency assessment being levied.
- Clarifies language in the clearinghouse relating to the relationships between policyholders, their agents and participating insurers.
- Clarifies language pertaining to s.626.752, F.S., for the exchange of business and the clearinghouse.
- Establishes a temporary keepout program for personal residential multiperil Citizens applications until the official clearinghouse goes into effect on or before March 1, 2014.
- Requires applications to the temporary keepout program are to be held for 72 hours to allow other insurers the opportunity to submit offers. Any offers within 15 percent of the Citizen's current rate are not eligible.

B. Amendments:

None.

Color Key for Budget Spreadsheet
FY 2013-14

Yellow	=	Base/Continuation Budget
Pink	=	Budget Amendments and/or Non-Policy Technical Adjustments
Purple	=	Base Budget Reductions Issues & Fund Shifts
Light Blue	=	Federal Grants/Donations/Other Entity Contracts (state match in-kind, if applicable)
Light Green	=	Full Appropriations Committee Decisions - Statewide Issues
Blue	=	Total By Agency
Orange		Total for General Government Appropriations Committee

			AGENCY REQUEST FY 2013-14				GOVERNORS RECOMMENDATIONS FY 2013-14				DRAFT SENATE PROPOSAL FY 2013-14				
	Issue Codes	Issue Title	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	
1	**DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES**		**3,540.75**	**116,882,843**		**1,277,938,079**	**3,540.75**	**116,882,843**		**1,277,938,079**	**3,540.75**	**116,882,843**		**1,277,938,079**	1
2	1601140	CONTINUATION OF FISCAL YEAR 2012-13 BUDGET AMENDMENT B0238 - INCREASE IN CONTRACTED SERVICES - ENERGY								38,915					2
3	1601230	CONTINUATION OF BUDGET AMENDMENT B7214-TRANSFER OF SALARY & BENEFIT AUTHORITY TO SALARY INCENTIVE AUTHORITY - ADD		2,000											3
4	1601240	CONTINUATION OF BUDGET AMENDMENT B7214-TRANSFER OF SALARY & BENEFIT AUTHORITY TO SALARY INCENTIVE AUTHORITY - DEDUCT		(2,000)											4
5	1601250	CONTINUATION OF BUDGET AMENDMENT B7205-TRANSFER OF CONTRACTED SERVICES AUTHORITY FROM WILDFIRE TO LAND MANAGEMENT - FGTF -ADD				250,000									5
6	1601260	CONTINUATION OF BUDGET AMENDMENT B7205-TRANSFER OF CONTRACTED SERVICES AUTHORITY FROM WILDFIRE TO LAND MANAGEMENT - FGTF - DEDUCT				(250,000)									6
7	17C01C0	DEDUCT AGENCY DATA CENTER SERVICES FUNDING	(3.00)			(42,837)									7
8	17C02C0	ADD SERVICES PROVIDED BY PRIMARY DATA CENTER				42,837									8
9	1800170	TRANSFER CIO POSITION FROM ADMINISTRATION TO THE OFFICE OF AGRICULTURE TECHNOLOGY - ADD	1.00	117,677			1.00	102,087							9
10	1800180	TRANSFER CIO POSITION FROM ADMINISTRATION TO THE OFFICE OF AGRICULTURE TECHNOLOGY - DEDUCT	(1.00)	(117,677)			(1.00)	(102,087)							10
11	2000500	REALIGNMENT OF SALARIES TO OTHER PERSONAL SERVICES - DEDUCT				(75,000)									11
12	2000600	REALIGNMENT OF SALARIES TO OTHER PERSONAL SERVICES - ADD				75,000									12
13	2001200	REALIGNMENT OF SALARIES TO CONTRACTED SERVICES - DEDUCT				(75,000)									13
14	2001300	REALIGNMENT OF SALARIES TO CONTRACTED SERVICES - ADD				75,000									14
15	2001400	REALIGNMENT OF CONTRACTED SERVICES TO SALARIES AND BENEFITS - ADD				200,444									15
16	2001410	REALIGNMENT OF CONTRACTED SERVICES TO SALARIES AND BENEFITS - DEDUCT				(200,444)									16
17	2400000	EQUIPMENT NEEDS - OFF HWY UTILITY VEHICLES				93,500				93,500					17
18	24010C0	INFORMATION TECHNOLOGY INFRASTRUCTURE REPLACEMENT				359,710									18
19	24014C0	REPLACEMENT OF CORE NETWORK INFRASTRUCTURE COMPONENTS				245,200									19
20	2401500	REPLACEMENT OF MOTOR VEHICLES				1,865,170				654,579					20
21	2402400	ADDITIONAL EQUIPMENT - MOTOR VEHICLES DIV OF STANDARDS				102,258									21
22	2404000	REPLACE FIRE RADIO CONSOLES AND MOBILE RADIOS		779,994	779,994										22
23	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								12,002					23
24	3000210	ADDITIONAL CONTRACTED SERVICES FOR MERCHANT FEES FROM EXPANDED ONLINE COLLECTIONS				499,574									24
25	3004130	CONVERT OTHER PERSONAL SERVICES (OPS) TO FULL-TIME EQUIVALENT (FTE) POSITIONS	23.00			338,252									25
26	3005100	ADDITIONAL STAFF - DIVISION OF LICENSING	5.00			246,807									26
27	3005120	QUALITY ASSURANCE PROGRAM IN THE DIVISION OF LICENSING - CW LICENSE APPLICATIONS	13.00			726,570									27
28	3005110	BP DEEPWATER HORIZON OIL SPILL				2,000,000				2,000,000					28

	Issue Codes	Issue Title	AGENCY REQUEST FY 2013-14 FTE	AGENCY REQUEST FY 2013-14 TOTAL GENERAL REVENUE	AGENCY REQUEST FY 2013-14 NR GENERAL REVENUE	AGENCY REQUEST FY 2013-14 ALL TRUST FUNDS	GOVERNORS RECOMMENDATIONS FY 2013-14 FTE	GOVERNORS RECOMMENDATIONS FY 2013-14 TOTAL GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 NR GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 ALL TRUST FUNDS	DRAFT SENATE PROPOSAL FY 2013-14 FTE	DRAFT SENATE PROPOSAL FY 2013-14 TOTAL GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 NR GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 ALL TRUST FUNDS	
29	3006150	FOOD, NUTRITION AND WELLNESS INCREASED FTE AND REDUCED CONTRACTED SERVICES FOR NEW FEDERAL REGULATIONS AND PROGRAM CHANGES-ADD	5.50			306,988									29
30	3006160	FOOD, NUTRITION AND WELLNESS INCREASED FTE AND REDUCED CONTRACTED SERVICES FOR NEW FED REGULATIONS AND PROG CHANGES-DEDUCT				(306,988)									30
31	3200100	REDUCE EXCESS BUDGET AUTHORITY								(2,380,000)					31
32	330B000	REDUCTION IN HYBRID WETLANDS PROJECT													32
33	330B000	REDUCTION IN SOIL BASED SENSORS PROJECT WITHIN THE DIVISION OF WATER POLICY						(4,000,000)							33
34	33V0450	REDUCTION IN RECURRING EXPENSES WITHIN THE DIVISION OF WATER POLICY								(30,000)					34
35	33V0910	REDUCTION IN BUREAU OF SEAFOOD AND AQUACULTURE - DIVISION OF MARKETING								(59,100)					35
36	33V1620	VACANT POSITION REDUCTIONS					(17.00)	(175,396)		(611,357)					36
37	3300100	ELIMINATE STATE TRUST FUND BUDGET AUTHORITY THAT HAS NO SUPPORTING REVENUE								(93,205)					37
38	3300200	CLOSURE OF THE LIVE OAK DIAGNOSTIC LABORATORY	(7.00)	(313,353)		(66,161)	(7.00)	(313,353)		(66,161)					38
39	34N0790	GENERAL REVENUE TO ADMINISTRATIVE TRUST FUND - DEDUCT						(179,693)							39
40	34N0800	GENERAL REVENUE TO ADMINISTRATIVE TRUST FUND - ADD								179,693					40
41	3400030	FUND SHIFT - ENERGY FROM FEDERAL GRANTS TRUST FUND TO GENERAL REVENUE - DEDUCT	(1.00)			(78,645)									41
42	3400040	FUND SHIFT - ENERGY FROM FEDERAL GRANTS TRUST FUND TO GENERAL REVENUE - ADD	1.00	78,645											42
43	3400150	FUND SHIFT - SALARY AND BENEFIT AUTHORITY FOR CIO POSITION FROM THE GENERAL REVENUE FUND TO THE GENERAL INSPECTION TRUST FUND - ADD	1.00			117,677	1.00			102,087					43
44	3400160	FUND SHIFT - SALARY AND BENEFIT AUTHORITY FOR CIO POSITION FROM THE GENERAL REVENUE FUND TO THE GENERAL INSPECTION TF - DEDUCT	(1.00)	(117,677)			(1.00)	(102,087)							44
45	3401650	FUND SHIFT GENERAL REVENUE TO GENERAL INSPECTION TRUST FUND SALARIES AND BENEFITS - ADD								30,666					45
46	3401700	FUND SHIFT GENERAL REVENUE TO GENERAL INSPECTION TRUST FUND SALARIES AND BENEFITS - DEDUCT						(30,666)							46
47	3406300	FUND SHIFT GENERAL INSPECTION TRUST FUND TO GENERAL REVENUE DAIRY PROGRAM - DEDUCT													47
48	3406200	FUND SHIFT GENERAL INSPECTION TRUST FUND TO GENERAL REVENUE DAIRY PROGRAM - ADD													48
49	36320C0	ELECTRONIC INSPECTION SYSTEM MOBILE EQUIPMENT				142,000									49
50	4900010	NON NATIVE INVASIVE PLANT SPECIES				250,000									50
51	4900130	BABCOCK RANCH		97,000	97,000										51
52	4900150	LAUREL WILT SURVEY AND MITIGATION PROGRAM				460,333									52
53	4900210	GIANT AFRICAN LAND SNAIL ERADICATION PROGRAM	10.00	670,976	670,976	3,142,760	10.00			3,813,736					53
54	4900470	DIVISION OF LICENSING ADDITIONAL CONTRACTED SERVICES AUTHORITY FOR FINGERPRINT BACKGROUND CHECKS - CW APPLICATIONS				1,500,000									54
55	4900730	FARM SHARE PROGRAM		200,000	200,000										55
56	4900750	AQUACULTURE PROGRAM		522,211	522,211										56
57	4900830	OYSTER RE-SEEDING AND REHAB				200,000				200,000					57
58	4800870	MOSQUITO CONTROL													58
59	4900880	INVASIVE TERMITE CONTROL PROGRAM	2.00	202,422	49,484										59
60	4900890	GLOBAL FOOD SAFETY INITIATIVE AUDITING PROGRAM	3.00			330,379									60
61	4900930	APIARY PEST CONTROL DEVELOPMENT				105,000				105,000					61

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62	4900940	INCREASE CONTRACTED SERVICES - AGRICULTURAL ENVIRONMENTAL SERVICES				100,000									62
63	4901020	EMERGENCY GENERATOR AND WIRING AT STATE FARMERS MARKETS TO SUPPORT DEM EMERGENCY FUNCTIONS				160,000									63
64	4901030	ANIMAL INDUSTRY INCREASE CONTRACTED SERVICES TO SUPPORT DEM EMERGENCY FUNCTIONS				40,000	`								64
65	4901A00	FLORIDA FOREST SERVICE CALL BACK ASSIGNMENT PAYMENTS		135,172											65
66	4901620	INCREASE CONTRACTED SERVICES - ENERGY				123,230				84,315					66
67	4901790	CHILD NUTRITION PROGRAMS				2,585,459				2,585,459					67
68	4901820	VITICULTURE PROGRAM				100,000									68
69	4902810	AGRICULTURAL BEST MANAGEMENT PRACTICES DEVELOPMENT AND IMPLEMENTATION				500,000				500,000					69
70	4902850	NORTHERN EVERGLADES AND ESTUARIES PROTECTION AREAS				5,000,000				3,000,000					70
71	4902880	WATER SUPPLY PLANNING AND CONSERVATION PROGRAMS		1,500,000	1,500,000										71
72	4903990	AGRICULTURE - SPECIALTY CROP BLOCK GRANTS				1,000,000				1,000,000					72
73	4904007	SUPPORT FOR FOOD BANK		200,000	200,000										73
74	4906600	CITRUS HEALTH RESPONSE PROGRAM		500,000	500,000	5,628,197		500,000	500,000	5,628,197					74
75	4906900	AG PROMOTIONAL AWARDS													75
76	4907410	AGRICULTURE BEST MANAGEMENT PRACTICES DEVELOPMENT AND IMPLEMENTATION PARTNERSHIP AGREEMENTS				1,051,000				1,051,000					76
77	4907730	MARINE DEBRIS CLEANUP/AQUATIC INVASIVE PROGRAM				150,000									77
78	4908700	AGRICULTURAL RESEARCH		8,000,000	8,000,000			4,000,000	4,000,000						78
79	5200010	FORESTRY WILDFIRE EQUIPMENT		5,000,000	5,000,000			3,106,000	3,106,000						79
80	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES				388,502									80
81	083643	MAINTENANCE, REPAIRS AND CONSTRUCTION - STATEWIDE		1,008,847	1,008,847										81
82	083703	MAINTENANCE AND REPAIRS STATE FARMERS' MARKETS - STATEWIDE		600,000	600,000	610,000									82
83	083715	CODE AND LIFE SAFETY - STATE FARMERS' MARKETS - STATEWIDE				310,000				310,000					83
84	088970	WATER RESOURCE PROTECTION-CENTER PIVOT REPLACEMENT						533,000	533,000						84
85	082002	CONSERVATION AND RURAL LAND PROTECTION EASEMENTS AND AGREEMENTS				5,250,000									85
86	083643	MAINTENANCE, REPAIRS AND CONSTRUCTION - STATEWIDE				500,000				500,000					86
87	146556	UNITED STATES DEPARTMENT OF ENERGY SPECIAL PROJECTS				500,000				500,000					87
88	083818	CONSTRUCTION-CITRUS BUDWOOD GREENHOUSE(S)		500,000	500,000			500,000	500,000						88
89		**DEPARMENT OF AGRICULTURE TOTAL**	**3,592.25**	**136,447,080**	**19,628,512**	**1,314,514,851**	**3,526.75**	**120,720,648**	**8,639,000**	**1,297,087,405**	**3,540.75**	**116,882,843**	**0**	**1,277,938,079**	89
90	**DEPARTMENT OF CITRUS**		**57.00**			**61,119,106**	**57.00**			**61,119,106**	**57.00**			**61,119,106**	90
91	17C01C0	DEDUCT AGENCY DATA CENTER SERVICES FUNDING								(590)					91
92	17C02C0	ADD SERVICES PROVIDED BY PRIMARY DATA CENTER								590					92
93	30010C0	INCREASED WORKLOAD FOR PRIMARY DATA CENTER													93
94	33V0100	REDUCTION OF PAID ADVERTISING / PROMOTIONS								(1,666,470)					94
95	33V1620	VACANT POSITION REDUCTIONS					(7.00)			(480,283)					95
96		**DEPARMENT OF CITRUS TOTAL**	**57.00**	**0**	**0**	**61,119,106**	**50.00**	**0**	**0**	**58,972,353**	**57.00**	**0**	**0**	**61,119,106**	96
97	**DEPARTMENT OF ENVIRONMENTAL PROTECTION**		**3,226.50**	**17,890,650**		**555,107,439**	**3,226.50**	**17,890,650**		**555,107,439**	**3,226.50**	**17,890,650**		**555,107,439**	97
98	1700300	REALIGN DEPARTMENT OF HEALTH LABORATORY ANALYSIS TO DEPARTMENT OF ENVIRONMENTAL PROTECTION'S LABORATORY	6.00			(9,585)	6.00			484,104					98
99	33V6310	REDUCE FUNDING FOR LABORATORY SERVICES								(493,689)					99

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			FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	
100	1800370	TRANSFER NORTHWEST DISTRICT POSITIONS AND FUNDING TO COASTAL AND AQUATIC MANAGED AREAS (CAMA) - DEDUCT	(2.00)	(72,319)		(1,008,240)	(2.00)	(72,319)		(1,008,240)					100
101	1800380	TRANSFER NORTHWEST DISTRICT POSITIONS AND FUNDING TO COASTAL AND AQUATIC MANAGED AREAS (CAMA) - ADD	2.00	72,319		1,008,240	2.00	72,319		1,008,240					101
102	18085C0	REALIGN AND CONSOLIDATE INFORMATION TECHNOLOGY WORKFORCE - DEDUCT	(15.00)			(1,804,728)	(15.00)			(1,804,728)					102
103	18086C0	REALIGN AND CONSOLIDATE INFORMATION TECHNOLOGY WORKFORCE - ADD	15.00			1,804,728	15.00			1,804,728					103
104	2000180	TRANSFER FROM WATER SCIENCE AND LABORATORY SERVICES TO WATER RESOURCE MANAGEMENT - DEDUCT				(300,000)				(300,000)					104
105	2000190	TRANSFER FROM WATER SCIENCE AND LABORATORY SERVICES TO WATER RESOURCE MANAGEMENT - ADD				300,000				300,000					105
106	2000220	REALIGN BUDGET BETWEEN CATEGORIES IN WATER RESOURCE MANAGEMENT - DEDUCT				(532,000)				(532,000)					106
107	2000230	REALIGN BUDGET BETWEEN CATEGORIES IN WATER RESOURCE MANAGEMENT - ADD				532,000				532,000					107
108	2000320	REALIGN POSITIONS BETWEEN BUDGET ENTITIES - DEDUCT	(3.00)			(342,000)	(3.00)			(342,000)					108
109	2000330	REALIGN POSITIONS BETWEEN BUDGET ENTITIES - ADD	3.00			342,000	3.00			342,000					109
110	2000360	TRANSFER FROM WATER SCIENCE AND LABORATORY SERVICES TO WATER POLICY AND ECOSYSTEMS RESTORATION - DEDUCT				(240,964)				(240,964)					110
111	2000370	TRANSFER FROM WATER SCIENCE AND LABORATORY SERVICES TO WATER POLICY AND ECOSYSTEMS RESTORATION - ADD				240,964				240,964					111
112	2000440	REALIGN BUDGET BETWEEN CATEGORIES - RECREATION AND PARKS - DEDUCT				(21,616,299)				(21,616,299)					112
113	2000450	REALIGN BUDGET BETWEEN CATEGORIES - RECREATION AND PARKS - ADD				21,616,299				21,616,299					113
114	2000460	REALIGN BUDGET BETWEEN CATEGORIES IN COASTAL AND AQUATIC MANAGED AREAS - DEDUCT				(100,000)				(100,000)					114
115	2000470	REALIGN BUDGET BETWEEN CATEGORIES IN COASTAL AND AQUATIC MANAGED AREAS - ADD				100,000				100,000					115
116	2000500	REALIGN GRANT BUDGET BETWEEN CATEGORIES - ENVIRONMENTAL ASSESSMENT AND RESTORATION - DEDUCT				(270,740)				(270,740)					116
117	2000510	REALIGN GRANT BUDGET BETWEEN CATEGORIES - ENVIRONMENTAL ASSESSMENT AND RESTORATION - ADD				270,740				270,740					117
118	2401500	REPLACEMENT OF MOTOR VEHICLES				233,000				160,000					118
119	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								(108,675)					119
120	33B5090	TRANSFER TO INSTITUTE OF FOOD AND AGRICULTURE SCIENCES - LAKEWATCH - ENVIRONMENTAL ASSESSMENT AND RESTORATION													120
121	33V1620	VACANT POSITION REDUCTIONS					(5.00)	(50,526)		(216,741)					121
122	330B000	REDUCE COMMUNITY ISSUES													122
123	330C100	VENDOR MANAGEMENT INITIATIVE SAVINGS								(1,156,183)					123
124	30011C0	DECREASED WORKLOAD FOR PRIMARY DATA CENTER TO SUPPORT AN AGENCY													124
125	33001C0	REDUCTIONS FROM TECHNOLOGY SERVICE CONSOLIDATIONS				(270,383)				(336,010)					125
126	3300140	REDUCE FEDERAL GRANT BUDGET AUTHORITY								(729,000)					126
127	330C200	REDUCE FUNDING PURSUANT TO AGENCY-WIDE LEASE SAVINGS - GOV REAL ESTATE INITIATIVE SAVINGS				(453,167)				(453,167)					127
128	3301100	REDUCE DISTRICT REGULATORY OFFICES					(78.00)	(1,190,922)		(2,429,656)					128
129	3302460	ELIMINATE GENERAL REVENUE TRANSFER - SOVEREIGN SUBMERGED LANDS						(1,000,000)							129

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130	3303080	REDUCE OPERATIONS - WATER RESOURCE MANAGEMENT					(14.00)			(1,115,588)					130
131	3303100	REDUCE OPERATOR CERTIFICATION PROGRAM - WATER RESOURCE MANAGEMENT								(35,391)					131
132	3303400	REDUCE BUREAU OF BEACHES AND COASTAL SYSTEMS - BEACH MANAGEMENT					(6.00)			(329,731)					132
133	3304050	REDUCE DOCUMENTS MANAGEMENT CENTER - WASTE MANAGEMENT					(5.00)			(150,157)					133
134	3304510	ELIMINATE VACANT FULL-TIME POSITINS - WASTE MANAGEMENT					(9.00)			(389,153)					134
135	3305510	REDUCE EXPENSE - AIR RESOURCES MANAGEMENT								(412,452)					135
136	3305530	REDUCE SALARIES AND BENEFITS - AIR RESOURCES MANAGEMENT					(8.00)			(197,103)					136
137	3305600	REDUCE OTHER PERSONAL SERVICES - AIR RESOURCES MANAGEMENT								(579,832)					137
138	3400060	FUND SHIFT FROM FEDERAL GRANTS TRUST FUND TO WATER QUALITY ASSURANCE TRUST FUND - OPERATOR CERTIFICATION PROGRAM - DEDUCT	(1.00)			(53,907)									138
139	3400070	FUND SHIFT FROM FEDERAL GRANTS TRUST FUND TO WATER QUALITY ASSURANCE TRUST FUND - OPERATOR CERTIFICATION PROGRAM - ADD	1.00			53,907									139
140	3405170	TRANSFER FROM FEDERAL GRANTS TRUST FUND TO PERMIT FEE TRUST FUND - DEDUCT	(3.00)			(243,252)	(3.00)			(243,252)					140
141	3405180	TRANSFER FROM FEDERAL GRANTS TRUST FUND TO PERMIT FEE TRUST FUND - ADD	3.00			243,252	3.00			243,252					141
142	4500260	INCREASED FUNDING FOR OPERATOR CERTIFICATION PROGRAM				300,000									142
143	4700380	ADDITIONAL FEDERAL FUNDS - UNDERGROUND STORAGE TANK				3,092,467				3,092,467					143
144	50L0010	TR/DACS-MOSQ CONTROL PROGRAM													144
145	5300440	RESTORATION AND PERPETUATION OF GENERAL LAND OFFICE SURVEY CORNERS				150,000									145
146	5300470	FUNDING ADJUSTMENTS FOR MANAGEMENT OF CONSERVATION AND RECREATION LANDS (CARL)				2,878,513				2,878,513					146
147	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES	7.00			834,037	7.00			834,037					147
148	6000160	STATE PARKS MARKETING INITIATIVE				250,000				250,000					148
149	6200570	SILVER SPRINGS STATE PARK - OPERATING BUDGET NEEDS				861,425									149
150	7300400	OPERATIONAL COST FOR INCREASED VISITOR NEEDS				150,000				150,000					150
151	080524	DRY CLEANING SOLVENT CONTAMINATED SITE CLEANUP				5,000,000				5,000,000					151
152	080889	NON-MANDATORY LAND RECLAMATION PROJECTS				3,000,000									152
153	082474	CLEANUP OF STATE OWNED LANDS				1,000,000				1,000,000					153
154	087888	PETROLEUM TANKS CLEANUP - PREAPPROVALS				125,000,000				135,000,000					154
155	088502	HAZARDOUS WASTE CONTAMINATED SITE CLEANUP				4,000,000				4,000,000					155
156	088964	TOTAL MAXIMUM DAILY LOADS				9,385,000				9,385,000					156
157	088970	WATER RESOURCE PROTECTION-CENTER PIVOT REPLACEMENT						533,000	533,000						157
158	140047	WATER PROJECTS													158
159	140076	GRANTS AND AID - NON-POINT SOURCE (NPS) MANAGEMENT PLANNING GRANTS				2,000,000				2,000,000					159
160	140076	GRANTS AND AID - NON-POINT SOURCE (NPS) MANAGEMENT PLANNING GRANTS				12,400,000				12,400,000					160
161	140122	CLEAN MARINA				1,500,000				1,500,000					161
162	140126	BEACH PROJECTS - STATEWIDE		25,000,000	25,000,000			20,000,000	20,000,000	5,000,000					162
163	140129	DRINKING WATER FACILITY CONSTRUCTION - STATE REVOLVING LOAN		3,160,100	3,160,100	69,768,058				72,928,158					163
164	140131	WASTEWATER TREATMENT FACILITY CONSTRUCTION		9,327,640	9,327,640	133,385,630				142,713,270					164
165	140134	SOLID WASTE MANAGEMENT				2,400,000				2,400,000					165
166	141117	EVERGLADES RESTORATION				50,000,000		5,000,000	5,000,000	55,000,000					166
167	143276	SMALL COUNTY WASTEWATER TREATMENT GRANTS				23,301,810				23,301,810					167

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168	140001	FEDERAL LAND AND WATER CONSERVATION FUND GRANTS				3,000,000				3,000,000					168
169	140061	FLORIDA COASTAL ZONE MANAGEMENT PROGRAM				958,000				958,000					169
170	140185	NATIONAL RECREATIONAL TRAIL GRANTS				3,500,000				3,500,000					170
171	140940	G/A-F/W AQUATIC HABITAT				684,800									171
172	083045	LAND ACQUISITION				2,578,750									172
173	084108	LAND ACQUISITION, ENVIRONMENTALLY ENDANGERED, UNIQUE/ IRREPLACEABLE LANDS, STATEWIDE				50,000,000		25,000,000	25,000,000	50,000,000					173
174	140124	AID TO WATER MANAGEMENT DISTRICTS-LAND ACQUISITION				15,863,535		11,300,000	11,300,000	18,863,535					174
175	080039	STATE PARK FACILITY IMPROVEMENTS				10,000,000				15,000,000					175
176	083643	MAINTENANCE, REPAIRS AND CONSTRUCTION - STATEWIDE				450,000				200,000					176
177	087832	SILVER RIVER PARK DEV				450,000									177
178	088130	REMOVE ACCESSIBILITY BARRIERS - STATEWIDE				4,000,000				4,000,000					178
179	088137	GRANTS AND DONATIONS SPENDING AUTHORITY				6,000,000				6,000,000					179
180		**DEPARTMENT OF ENVIRONMENTAL PROTECTION TOTAL**	**3,239.50**	**55,378,390**	**37,487,740**	**1,102,749,329**	**3,114.50**	**77,482,202**	**61,833,000**	**1,126,973,805**	**3,226.50**	**17,890,650**	**0**	**555,107,439**	180
181	**FISH AND WILDLIFE CONSERVATION COMMISSION**		**2,099.50**	**24,745,688**		**267,018,151**	**2,099.50**	**24,745,688**		**267,018,151**	**2,099.50**	**24,745,688**		**267,018,151**	181
182	160F180	CONTINUATION OF 5% TRANSFER TO REALIGN BUDGET TO COVER CONTRACT - BACK OUT				(40,000)									182
183	160F190	CONTINUATION OF 5% TRANSFER TO REALIGN BUDGET TO COVER CONTRACT - ADD BACK				40,000									183
184	160F230	CONTINUATION OF 5% TRANSFER FOR FEDERAL GRANT - BACK OUT				(250,000)									184
185	160F240	CONTINUATION OF 5% TRANSFER FOR FEDERAL GRANT - ADD BACK				250,000									185
186	17C01C0	DEDUCT AGENCY DATA CENTER SERVICES FUNDING	(1.00)			(479,210)	(1.00)			(479,210)					186
187	17C02C0	ADD SERVICES PROVIDED BY PRIMARY DATA CENTER				479,210				479,210					187
188	20010C0	TRANSFER DIRECT COST FROM SOUTHWOOD SHARED RESOURCE CENTER - DEDUCT								(12,322)					188
189	20020C0	TRANSFER DIRECT COST FROM SOUTHWOOD SHARED RESOURCE CENTER - ADD								12,322					189
190	2003200	REALIGN SPENDING AUTHORITY FOR CONTRACT AND GRANT REIMBURSED ACTIVITIES - BACK OUT				(857,412)									190
191	2003300	REALIGN SPENDING AUTHORITY FOR CONTRACT AND GRANT REIMBURSED ACTIVITIES - ADD BACK				857,412									191
192	2401500	REPLACEMENT OF MOTOR VEHICLES				1,943,888									192
193	2402500	REPLACEMENT EQUIPMENT - BOATS, MOTORS, AND TRAILERS				39,484									193
194	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								2,999					194
195	3006500	CONVERSION OF OTHER PERSONAL SERVICES POSITIONS TO FULL-TIME EQUIVALENT POSITIONS - BACK OUT				(1,432,469)									195
196	3006600	CONVERSION OF OTHER PERSONAL SERVICES POSITIONS TO FULL-TIME EQUIVALENT POSITIONS - ADD BACK	28.00			1,432,469									196
197	3200100	ELIMINATE FEDERAL BUDGET AUTHORITY THAT HAS NO SUPPORTING REVENUE								(6,500,000)					197
198	330C100	VENDOR MANAGEMENT INITIATIVE SAVINGS								(6,510)					198
199	3300600	REDUCE GRANT SPENDING AUTHORITY TO OFFSET ISSUE CODE #5000600				(125,000)									199
200	3400190	TRANSFER SALARIES FROM GRANTS & DONATION TRUST FUND TO NONGAME WILDLIFE TRUST FUND													200
201	3400200	TRANSFER SALARIES TO NONGAME WILDLIFE TRUST FUND FROM GRANTS & DONATION TRUST FUND													201
202	3400480	REALIGN RISK MANAGEMENT INSURANCE PAYMENT - FROM STATE GAME TRUST FUND				(27,075)									202
203	3400490	REALIGN RISK MANAGEMENT INSURANCE PAYMENT - TO INVASIVE PLANT CONTROL TRUST FUND				27,075									203
204	4400500	INVASIVE AQUATIC PLANT MANAGEMENT				2,000,000									204
205	4402000	THREATENED SPECIES MANAGEMENT PLANS				735,223									205

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206	4402400	FLORIDA BLACK BEAR CONSERVATION AND MANAGEMENT				376,532									206
207	4402700	BIOMONITORING SYSTEM FOR WATER QUALITY				92,478									207
208	4403200	SNOOK RESEARCH AND MONITORING PROGRAM				294,009									208
209	4404200	LAKE RESTORATION PROJECTS				1,000,000									209
210	5000600	SALTWATER FISHING REGULATIONS BOOKLET PRINTING AND DISTRIBUTION				125,000									210
211	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES		501,651						517,766					211
212	6303000	NATURAL RESOURCE MANAGEMENT AND PUBLIC RECREATION PROGRAMS				2,000,000									212
213	8503000	CITIZEN PARTNERSHIPS COORDINATOR				51,736									213
214	089800	MARINE YOUTH CONSERVATION FACILITY				2,000,000									214
215	080096	LAW ENFORCEMENT FIELD OFFICE - WINDLEY KEY				623,865									215
216	082800	BOATING INFRASTRUCTURE				3,300,000				3,300,000					216
217	140270	FLORIDA BOATING IMPROVEMENT PROGRAM				1,812,000				1,812,000					217
218	080060	FISHEATING CREEK WILDLIFE MANAGEMENT AREA				404,500									218
219	085020	WILDLIFE MANAGEMENT AREA LAND IMPROVEMENTS				595,000				595,000					219
220	085070	INVASIVE PLANT MANAGEMENT STORAGE FACILITY				75,000									220
221	080026	TRIPLE N RANCH WILDLIFE MANAGEMENT AREA PUBLIC SHOOTING PARK				1,400,000				1,400,000					221
222	140004	ARTIFICIAL FISHING REEF CONSTRUCTION PROGRAM				800,000				800,000					222
223		**FISH AND WILDLIFE CONSERVATION COMMISSION TOTAL**	**2,126.50**	**25,247,339**	**0**	**286,561,866**	**2,098.50**	**24,745,688**	**0**	**268,939,406**	**2,099.50**	**24,745,688**	**0**	**267,018,151**	223
224		**DEPARTMENT BUSINESS AND PROFESSIONAL REGULATION**	**1,586.25**			**131,956,422**	**1,586.25**			**131,956,422**	**1,586.25**			**131,956,422**	224
225	2001140	REALIGN BUDGET AUTHORITY FROM EXPENSES TO SALARY INCENTIVE - DEDUCT				(2,590)				(2,590)					225
226	2001150	REALIGN BUDGET AUTHORITY TO SALARY INCENTIVE FROM EXPENSES - ADD				2,590				2,590					226
227	2002110	TRANSFER ACQUISITION OF MOTOR VEHICLES BUDGET AUTHORITY FROM THE DIVISION OF REGULATION TO THE FARM AND CHILD LABOR PROGRAM - DEDUCT				(45,000)				(45,000)					227
228	2002120	TRANSFER ACQUISITION OF MOTOR VEHICLES BUDGET AUTHORITY TO THE FARM AND CHILD LABOR PROGRAM FROM THE DIVISION OF REGULATION				45,000				45,000					228
229	2405000	LAW ENFORCEMENT EQUIPMENT - UTILIZATION OF FORFEITURE FUNDS FROM FEDERAL LAW ENFORCEMENT TRUST FUND				75,000				75,000					229
230	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								63,691					230
231	3006600	STAFFING NECESSARY TO MEET STATUTORILY-REQUIRED FOOD AND LODGING INSPECTIONS	5.00			342,201									231
232	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS								(1,865,000)					232
233	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(3.00)			(131,288)					233
234	33V1760	REDUCE STAFF IN FINANCE AND ACCOUNTING					(1.00)			(36,435)					234
235	33V4500	EFFICIENCY SAVINGS DUE TO CIVILIANIZATION INITIATIVE IN THE DIVISION OF ALCOHOLIC BEVERAGES AND TOBACCO				(198,156)				(198,156)					235
236	330C100	VENDOR MANAGEMENT INITIATIVE SAVINGS								(143,218)					236
237	330C200	REAL ESTATE INITIATIVE SAVINGS								(121,576)					237
238	3300130	REDUCE FL ENGINEERS MANAGEMENT CORP (FEMC) CONTRACT FOR ADMINISTRATIVE, INVESTIGATIVE, AND PROSECUTORIAL SERVICES - BOARD OF PROF ENGINEERS								(62,100)					238
239	3300180	REDUCE EXPENDITURES IN THE FLORIDA STATE BOXING COMMISSION				(42,570)				(42,570)					239
240	3300630	REDUCE EXPENSES IN THE DIVISION OF REAL ESTATE								(10,000)					240
241	3300650	REDUCE REAL ESTATE SCHOLARSHIP PROGRAM								(50,000)					241
242	3300790	RENT SAVINGS DUE TO PARTIAL OFFICE CLOSURES IN FT. MYERS AND WEST PALM BEACH - DIVISION OF REGULATION								(32,626)					242

	Issue Codes	Issue Title	AGENCY REQUEST FY 2013-14 FTE	AGENCY REQUEST FY 2013-14 TOTAL GENERAL REVENUE	AGENCY REQUEST FY 2013-14 NR GENERAL REVENUE	AGENCY REQUEST FY 2013-14 ALL TRUST FUNDS	GOVERNORS RECOMMENDATIONS FY 2013-14 FTE	GOVERNORS RECOMMENDATIONS FY 2013-14 TOTAL GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 NR GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 ALL TRUST FUNDS	DRAFT SENATE PROPOSAL FY 2013-14 FTE	DRAFT SENATE PROPOSAL FY 2013-14 TOTAL GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 NR GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 ALL TRUST FUNDS	
243	3300800	REDUCE OPERATING CAPITAL OUTLAY (OCO) EXPENDITURES IN THE DIVISION OF REGULATION								(1,250)					243
244	3300810	REDUCE EXPENDITURES IN THE DIVISION OF DRUGS, DEVICES, AND COSMETICS								(134,980)					244
245	3300820	RENT SAVING DUE TO PARTIAL OFFICE CLOSURES IN FT MYERS - FARM AND CHILD LABOR PROGRAM								(4,656)					245
246	3300840	REDUCE CIGARETTE TAX STAMP EXPENDITURES								(110,000)					246
247	3300870	ELIMINATE COPIER LEASE IN THE DIVISION OF REAL ESTATE								(18,725)					247
248	3300890	ELIMINATE OPERATING CAPITAL OUTLAY (OCO) EXPENDITURES IN THE DIVISION OF SERVICE OPERATIONS								(3,000)					248
249	3300920	REDUCE FLORIDA BUILDING COMMISSION MEETING RELATED EXPENDITURES								(35,242)					249
250	3801500	LAW ENFORCEMENT TRAINING - UTILIZATION OF FORFEITURE FUNDS FROM FEDERAL LAW ENFORCEMENT TRUST FUND				144,320				144,320					250
251	4A05000	RESOURCES NEEDED TO ADDRESS THE APPRAISAL SUBCOMMITTEE COMPLIANCE REVIEW OF THE FLORIDA APPRAISER REGULATORY PROGRAM	9.00			574,356				444,796					251
252	4100300	FLORIDA STATE BOXING COMMISSION - GENERAL REVENUE TRANSFER TO THE PROFESSIONAL REGULATION TRUST FUND		874,833	505,833			515,824	388,385						252
253	4100350	QUALITY ASSURANCE PROGRAM IN THE DIVISION OF HOTELS AND RESTAURANTS	6.00			506,293									253
254	4100425	RESOURCES FOR BOARD OF ACCOUNTANCY													254
255	5100200	BUILDING CODE COMPLIANCE AND MITIGATION PROGRAM FUNDING - FLORIDA BUILDING COMMISSION				925,000				925,000					255
256	30010C0	INCREASED WORKLOAD FOR PRIMARY DATA CENTER TO SUPPORT AN AGENCY													256
257	30011C0	DECREASED WORKLOAD FOR PRIMARY DATA CENTER TO SUPPORT AN AGENCY													257
258	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES								102,989					258
259		**DEPARTMENT OF BUSINESS & PROFESSIONAL REG TOTAL**	**1,606.25**	**874,833**	**505,833**	**134,282,866**	**1,582.25**	**515,824**	**388,385**	**130,711,396**	**1,586.25**	**0**	**0**	**131,956,422**	259
260	**DEPARTMENT OF FINANCIAL SERVICES**		**1,948.50**	**21,680,717**		**203,081,104**	**1,948.50**	**21,680,717**		**203,081,104**	**1,948.50**	**21,680,717**		**203,081,104**	260
261	160D100	REALIGNMENT OF DEFERRED-PAYMENT COMMODITY CONTRACTS - INFORMATION TECHNOLOGY - DEDUCT		(85,914)		(209,076)		(85,914)		(209,076)					261
262	160D200	REALIGNMENT OF DEFERRED-PAYMENT COMMODITY CONTRACTS - INFORMATION TECHNOLOGY - ADD		85,914		209,076		85,914		209,076					262
263	160M010	REALIGNMENT OF LEASE PURCHASE - DEDUCT		(7,300)		(27,700)									263
264	160M020	REALIGNMENT OF LEASE PURCHASE - ADD		7,300		27,700									264
265	1600550	REALIGN STAFF FROM FIRE MARSHALL TO INFORMATION SYSTEMS - ADD	1.00			52,326									265
266	1600560	REALIGN STAFF FROM FIRE MARSHALL TO INFORMATION SYSTEMS - DEDUCT	(1.00)			(52,326)									266
267	2000130	REALIGN BUDGET AUTHORITY BETWEEN CATEGORIES TO MATCH ANTICIPATED RECURRING OPERATING EXPENDITURES - DEDUCT				(1,481,000)									267
268	2000140	REALIGN BUDGET AUTHORITY BETWEEN CATEGORIES TO MATCH ANTICIPATED RECURRING OPERATING EXPENDITURES - ADD				1,481,000									268
269	2000220	REALIGN SALARY BUDGET AUTHORITY TO MATCH RECURRING OPERATING EXPENDITURES - DEDUCT				(328,500)									269
270	2000230	REALIGN SALARY BUDGET AUTHORITY TO MATCH RECURRING OPERATING EXPENDITURES - ADD				328,500									270
271	2007100	CONSOLIDATE INFORMATION TECHNOLOGY (IT) CONTRACTS - DEDUCT	(1.00)			(1,490,839)	(1.00)			(1,490,839)					271
272	2007200	CONSOLIDATE INFORMATION TECHNOLOGY (IT) CONTRACTS - ADD	1.00			1,490,839	1.00			1,490,839					272

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273	2401300	REPLACEMENT OF SAFETY EQUIPMENT - FIRE AND ARSON INVESTIGATIONS				44,498				44,498					273
274	2401400	REPLACEMENT OF SCIENTIFIC LABORATORY EQUIPMENT - ARSON LAB				185,000				185,000					274
275	2401410	REPLACEMENT OF SECURITY CAMERA SYSTEM - ARSON LAB				8,400									275
276	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								250,970					276
277	30010C0	INCREASED PRIMARY DATA CENTER													277
278	30011C0	DECREASE PRIMARY DATA CENTER													278
279	3000170	INCREASED STAFFING FOR BUREAU OF UNCLAIMED PROPERTY	9.00			620,819									279
280	3000200	UTILIZATION OF CLASS ACTION SETTLEMENTS TO EXPAND CONSUMER OUTREACH PROGRAM				150,000									280
281	3000290	INCREASE BUDGET AUTHORITY IN THE TRANSFER TO THE PRISON INDUSTRY ENHANCEMENT PROGRAM (PIE)				150,000									281
282	3000660	ADDITIONAL STAFF FOR BUREAU OF AUDITING FOR AUDITS AND TRAINING	11.00	785,363	41,382										282
283	3000680	ADDITIONAL STAFF FOR SUPPORT AND REPLACEMENT OF FLORIDA ACCOUNTING INFORMATION RESOURCE (FLAIR)	6.00	573,359	22,572										283
284	3000890	LOSS PREVENTION SECTION STAFFING - RISK MANAGEMENT	2.00			87,248									284
285	3000940	WORKERS' COMPENSATION CLAIMS STAFFING - RISK MANAGEMENT				203,010									285
286	3000950	DIVISION OF WORKERS' COMPENSATION - RE-EMPLOYMENT SERVICES PROGRAM IMPLEMENTATION	3.00			3,184,204				3,098,374					286
287	3001A70	RECLASSIFICATION OF POSITIONS IN BUREAU OF AUDITING FOR AUDITS AND TRAINING		128,706											287
288	3001A80	RECLASSIFICATION OF POSITIONS IN BUREAU OF UNCLAIMED PROPERTY				130,884									288
289	3001060	ADDTIONAL STAFF TO ENFORCE NON- COMPLIANT HOLDERS	2.00			128,250									289
290	3001070	ADDITIONAL STAFF TO PROCESS SAFETY DEPOSIT BOX CONTENTS	2.00			104,026									290
291	3001080	ADDITIONAL STAFF FOR INCREASE IN PROCESSING HOLDER REPORTING	1.00			55,469									291
292	3001090	ADDITIONAL STAFF FOR HOLDER AUDITS	7.00			509,294									292
293	3001130	PUBLIC ASSISTANCE FRAUD - ADDITIONAL RESOURCES TO COMBAT ELECTRONIC BENEFIT TRANSACTIONS (EBT) FRAUD				273,160									293
294	3001190	INSURANCE FRAUD - FINANCIAL CRIMES, LEADERSHIP, AND BEST PRACTICES TRAINING FOR LAW ENFORCEMENT PERSONNEL				75,000				75,000					294
295	3001260	PROSECUTE INSURANCE FRAUD				25,602									295
296	30050C0	FLAIR SUCCESSION PLAN - OVERLAP STAFF TO MAINTAIN FLAIR PROFICIENCY	8.00	426,158	426,158			280,000	280,000						296
297	3008A80	OVERTIME PAY FOR CERTIFIED LAW ENFORCEMENT OFFICERS - FRAUD				100,000									297
298	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS								(3,750,000)					298
299	330C200	REDUCTION IN EXPENSES ASSOCIATED WITH FIELD OFFICE CLOSURES AND LEASED SPACE REDUCTION				(189,000)				(189,000)					299
300	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(37.00)			(1,363,461)					300
301	33V1930	RESTRUCTURE FLAIR THIRD SHIFT	(3.00)	(73,637)			(3.00)	(73,637)							301
302	33V6130	REDUCE POSITION(S) IN INSURANCE AGENT PRE-LICENSING EDUCATION SECTION	(1.00)			(46,538)	(1.00)			(46,538)					302
303	33V6170	REDUCE POSITION(S) - AGENT AND AGENCY SERVICES - CLERICAL STAFF REDUCTION DUE TO OPERATIONAL EFFICIENCIES	(5.00)			(169,860)	(5.00)			(169,860)					303
304	33V7130	REDUCE POSITION(S) - PLANS REVIEW SECTION - STATE FIRE MARSHAL - COMPLIANCE AND ENFORCEMENT					(1.00)			(53,356)					304

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305	33V9130	REDUCE POSITION(S) - DIVISION OF CONSUMER ASSISTANCE - OFFICE OF THE DIRECTOR					(2.00)			(132,472)					305
306	33V9140	REDUCE POSITION(S) - DIVISION OF CONSUMER ASSISTANCE - BUREAU OF EDUCATION ADVOCACY AND RESEARCH					(5.50)			(256,001)					306
307	33V9150	REDUCE POSITION(S) - DIVISION OF CONSUMER ASSISTANCE - BUREAU OF CONSUMER ASSISTANCE					(2.00)			(75,912)					307
308	36323C0	RISK MANAGEMENT INFORMATION SYSTEM				2,225,000									308
309	36330C0	DIVISION OF INSURANCE FRAUD - ANALYTICS SOFTWARE LICENSE AND MAINTENANCE COSTS				24,000				24,000					309
310	3637A00	RETENTION OF ENTERPRISE APPLICATION BUREAU				221,551									310
311	36370C0	INTERNAL IT SELF SUFFICIENCY INITIATIVE FOR UNCLAIMED PROPERTY MANAGEMENT INFORMATION SYSTEM (UPMIS)	7.00			709,381									311
312	36371C0	SUPPORT AND MAINTENANCE FOR FLORIDA ACCOUNTABILITY CONTRACT TRACKING SYSTEM (FACTS)	4.00			713,167				713,167					312
313	36373C0	STUDY FOR CENTRALIZED SINGLE LICENSING SYSTEM				500,000									313
314	36378C0	INCREASE BUDGET FOR FLAIR OPERATING COSTS				1,000,000									314
315	36380C0	FILENET P8 DOCUMENT MANAGEMENT IMPLEMENTATION AND MIGRATION				749,844				749,844					315
316	4A04000	MONITORING OF THIRD-PARTY ADMINISTRATORS - RISK MANAGEMENT	5.00			224,163									316
317	4A04100	INFORMATION TECHNOLOGY OPERATIONAL AUDIT - RISK MANAGEMENT	3.00			150,734									317
318	4000420	STATE FIRE MARSHAL GRANT PROGRAMS				40,000				40,000					318
319	4000500	FLORIDA CATASTROPHIC STORM RISK MANAGEMENT CENTER													319
320	4001510	DIVISION OF INSURANCE FRAUD - ADDITIONAL RESOURCES FOR TARGETED INVESTIGATION OF CRIMINAL ACTIVITY				70,000				70,000					320
321	4002A10	PUBLIC ASSISTANCE FRAUD - RECRUITMENT AND RETENTION OF QUALIFIED FINANCIAL INVESTIGATORS				371,302									321
322	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES								135					322
323	080940	STATE ARSON LABORATORY - BUILDING REPAIR AND MAINTENANCE				25,000									323
324	080990	STATE FIRE COLLEGE-BUILDING REPAIR AND MAINTENANCE				163,000				80,000					324
325		**DEPARTMENT OF FINANCIAL SERVICES TOTAL**	**2,009.50**	**23,520,666**	**490,112**	**215,897,712**	**1,892.00**	**21,887,080**	**280,000**	**202,375,492**	**1,948.50**	**21,680,717**	**0**	**203,081,104**	325
326	**OFFICE OF INSURANCE REGULATION**		**283.00**			**27,397,119**	**283.00**			**27,397,119**	**283.00**			**27,397,119**	326
327	160F300	REAPPROVAL OF FIVE PERCENT TRANSFER - ADD				33,000									327
328	160F310	REAPPROVAL OF FIVE PERCENT TRANSFER - DEDUCT				(33,000)									328
329	3002A30	OFFICE OF INSURANCE REGULATION - INCREASE SALARY RATE - PROPERTY AND CASUALTY PRODUCT REVIEW				154,397									329
330	3002050	OFFICE OF INSURANCE REGULATION - STAFFING RESOURCES - PROPERTY AND CASUALTY PRODUCT REVIEW	3.00			218,505									330
331	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS								(650,000)					331
332		**OFFICE OF INSURANCE REGULATION TOTAL**	**286.00**	**0**	**0**	**27,770,021**	**283.00**	**0**	**0**	**26,747,119**	**283.00**	**0**	**0**	**27,397,119**	332
333	**OFFICE OF FINANCIAL REGULATION**		**357.00**			**37,380,308**	**357.00**			**37,380,308**	**357.00**			**37,380,308**	333
334	2002100	REALIGN BUDGET AUTHORITY BETWEEN CATEGORIES IN OFR - DEDUCT SALARIES & BENEFITS				(100,000)									334
335	2002110	REALIGN BUDGET AUTHORITY BETWEEN CATEGORIES IN OFR - ADD OPS				100,000									335
336	2002120	REALIGN POSITIONS & FUNDING IN OFR TO ASSIST WITH ENFORCING COMPLIANCE WITH STATE LAW - DEDUCT SALARY RATE	(7.00)			(433,865)									336

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337	2002130	REALIGN POSITIONS & FUNDING IN OFR TO ASSIST WITH ENFORCING COMPLIANCE WITH STATE LAW - ADD SALARY RATE	7.00			433,865									337
338	2002140	REALIGN LEGAL ADMINISTRATIVE POSITIONS IN OFR TO INCREASE SUPPORT FOR COMPLIANCE WITH STATE LAW - DEDUCT SALARY RATE	(3.00)			(155,477)									338
339	2002150	REALIGN LEGAL ADMINISTRATIVE POSITIONS IN OFR TO INCREASE SUPPORT FOR COMPLIANCE - ADD SALARY RATE	3.00			155,477									339
340	2002160	REALIGN PUBLIC RECORDS POSITIONS IN OFR - DEDUCT SALARY RATE	(1.00)			(62,046)									340
341	2002170	REALIGN PUBLIC RECORDS POSITIONS IN OFR - ADD SALARY RATE	1.00			62,046									341
342	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS								(400,000)					342
343	33V3050/ 330C100	OFFICE OF FINANCIAL REGULATION REDUCTION OF THE REGULATORY ENFORCEMENT AND LICESING (REAL) SYSTEM CONTRACT COSTS/VENDOR MANAGEMENT INITIATIVE SAVINGS				(800,000)				(814,182)					343
344		**OFFICE OF FINANCIAL REGULATION TOTAL**	**357.00**	**0**	**0**	**36,580,308**	**357.00**	**0**	**0**	**36,166,126**	**357.00**	**0**	**0**	**37,380,308**	344
345	**DEPARTMENT OF LOTTERY**		**423.00**			**145,078,056**	**423.00**			**145,078,056**	**423.00**			**145,078,056**	345
346	2000100	BACK OUT CONTRACTED SERVICES FROM OTHER PERSONAL SERVICES (OPS) - DEDUCT				(209,796)				(209,796)					346
347	2000200	ADD BACK CONTRACTED SERVICES - ADD BACK				209,796				209,796					347
348	24014C0	MOBILE SALES TOOL				496,500				406,100					348
349	33010C0	REDUCTIONS DUE TO MOBILE SALES TOOL EFFICIENCIES								(158,071)					349
350	3000A10	FLORIDA LOTTERY SALES GOALS INITIATIVES - EMPLOYEE AWARDS PROGRAM				25,000									350
351	3000100	ONLINE GAMES CONTRACT				2,031,679				2,134,147					351
352	3005000	INSTANT TICKET COOPERATIVE SERVICE CONTRACT				4,980,148				6,571,648					352
353	3009300	FLORIDA LOTTERY INDEPENDENT SECURITY AUDIT				215,000				215,000					353
354	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS								(20,000)					354
355	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(5.00)			(318,249)					355
356	330C100	VENDOR MANAGEMENT INITIATIVE SAVINGS								(400,000)					356
357	330C200	REAL ESTATE INITIATIVE SAVINGS								(36,500)					357
358	30011C0	DECREASED WORKLOAD FOR PRIMARY DATA CENTER TO SUPPORT AN AGENCY													358
359	33001C0	REDUCTIONS FROM TECHNOLOGY SERVICE CONSOLIDATIONS								(75,352)					359
360	3301600	POTENTIAL REDUCTION TO LAW ENFORCEMENT SALARY INCENTIVES								(2,000)					360
361	3301700	POTENTIAL REDUCTION TO VENDOR FUNDING - FULL SERVICE VENDING MACHINES								(1,375,000)					361
362	3308060	REDUCE CONTRACTED SERVICES								(34,000)					362
363	36218C0	FLORIDA LOTTERY STATEWIDE DOCUMENT MANAGEMENT SYSTEM				85,670									363
364	4100200	LOTTERY FSVM				2,916,000									364
365	4100300	LOTTERY RETAILER FORUMS				45,000									365
366	5000400	REQUEST FOR INCREASE TO PAID ADVERTISING/PROMOTIONS APPROPRIATION				4,000,000				4,000,000					366
367	5000600	INCREASE LOTTERY OPERATIONS				300,000				300,000					367
368	5000700	INCREASE TO RETAILER INCENTIVE				750,000				500,000					368
369		**DEPARTMENT OF LOTTERY TOTAL**	**423.00**	**0**	**0**	**160,923,053**	**418.00**	**0**	**0**	**156,785,779**	**423.00**	**0**	**0**	**145,078,056**	369
370	**DEPARTMENT OF MANAGEMENT SERVICES**		**845.50**	**24,319,182**		**505,998,767**	**845.50**	**24,319,182**		**505,998,767**	**845.50**	**24,319,182**		**505,998,767**	370
371	20010C0	TRANSFER DIRECT COST FROM SOUTHWOOD SHARED RESOURCE CENTER - DEDUCT								(7,459)					371
372	20020C0	TRANSFER DIRECT COST FROM SOUTHWOOD SHARED RESOURCE CENTER - ADD								7,459					372
373	2003020	TRANSFER BUDGET FROM THE EXPENSES APPROPRIATION CATEGORY TO THE CONTRACTED SERVICES APPROPRIATION CATEGORY - DEDUCT				(40,000)									373

	Issue Codes	Issue Title	AGENCY REQUEST FY 2013-14				GOVERNORS RECOMMENDATIONS FY 2013-14				DRAFT SENATE PROPOSAL FY 2013-14				
			FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	
374	2003030	TRANSFER BUDGET FROM THE EXPENSES APPROPRIATION CATEGORY TO THE CONTRACTED SERVICES APPROPRIATION CATEGORY - ADD				40,000									374
375	2008100	TRANSFER BUDGET FROM THE SALARIES AND BENEFITS APPROPRIATION CATEGORY TO THE OTHER PERSONAL SERVICES APPROPRIATION CATEGORY - DEDUCT				(35,000)				(35,000)					375
376	2008110	TRANSFER BUDGET FROM THE SALARIES AND BENEFITS APPROPRIATION CATEGORY TO THE OTHER PERSONAL SERVICES APPROPRIATION CATEGORY - ADD				35,000				35,000					376
377	2008200	TRANSFER OTHER PERSONAL SERVICES AND CONTRACTED SERVICES TO SALARIES AND BENEFITS WITHIN THE DIVISION OF HUMAN RESOURCE MANAGEMENT - DEDUCT								(30,000)					377
378	2008210	TRANSFER OTHER PERSONAL SERVICES AND CONTRACTED SERVICES TO SALARIES AND BENEFITS WITHIN HUMAN RESOURCE MANAGEMENT - ADD								30,000					378
379	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS						102,322		13,500					379
380	30010C0	INCREASED PRIMARY DATA CENTER													380
381	30011C0	DECREASE PRIMARY DATA CENTER													381
382	3009500	ADDITIONAL RESOURCES TO MEET PROGRAM DEMANDS	8.00	507,027	30,096					100,000					382
383	33V0660	REDUCE CONTINGENCY FUND USED TO SUPPORT ACTUARIAL SERVICES WITHIN THE DIVISION OF RETIREMENT								(27,668)					383
384	33V0810	REDUCE SALARIES AND BENEFITS WITHIN THE STATE EMPLOYEE LEASING PROGRAM								(11,368)					384
385	33V0840	REDUCE FUNDING FOR THE EMERGENCY COMMUNICATION NUMBER E911								(229,007)					385
386	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS								(870,000)					386
387	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(8.00)	(92,648)		(362,101)					387
388	33001C0	REDUCTIONS FROM TECHNOLOGY SERVICE CONSOLIDATIONS								(18,629)					388
389	3300110	REDUCTION IN THE HUMAN RESOURCES STATEWIDE CONTRACT				(446,893)				(446,893)					389
390	3300210	REDUCE VENDOR PAYMENTS FOR THE STATEWIDE LAW ENFORCEMENT RADIO SYSTEM (SLERS) BASED ON PROJECTED REVENUES								(500,000)					390
391	3300220	REDUCE OFFICE OF SUPPLIER DIVERSITY BASED ON DIRECT SUPPORT ORGANIZATION								(19,050)					391
392	3300260	REDUCE STATE UTILITY PAYMENTS BASED ON PROJECTED NEED								(3,000,000)					392
393	3300630	REDUCE EXPENSES IN MOTOR VEHICLE AND WATERCRAFT MANAGEMENT								(40,000)					393
394	3300640	REDUCE POST PAYMENT CLAIMS AUDIT SERVICES APPROPRIATION CATEGORY				(900,000)				(900,000)					394
395	3302000	TRANSFER VENDOR PAYMENTS ON BEHALF OF SUNCOM OTHER ELIGIBLE USERS TO NONOPERATING								(24,966,303)					395
396	3308040	REDUCE PENSIONS AND BENEFITS		(486,121)				(486,121)							396
397	36332C0	INTEGRATED RETIREMENT INFORMATION SYSTEM (IRIS)				2,200,000									397
398	4000A50	ADDITIONAL STAFFING NEEDS FOR STRATEGIC SOURCING				1									398
399	4000A60	NEXT GENERATION MYFLORIDA MARKET PLACE (MFMP)				10,912,692				10,912,692					399
400	4000A80	STATEWIDE PROCUREMENT TRAINING					4.00			353,308					400
401	4000250	CONSOLIDATION OF SPACE IN STATE OWNED FACILITIES OFFICE SPACE POOL				4,371,679				4,371,679					401
402	4000360	BUILDING COMMISSIONING SERVICES		1,733,343	1,733,343			1,733,343	1,733,343						402

	Issue Codes	Issue Title	AGENCY REQUEST FY 2013-14 FTE	AGENCY REQUEST FY 2013-14 TOTAL GENERAL REVENUE	AGENCY REQUEST FY 2013-14 NR GENERAL REVENUE	AGENCY REQUEST FY 2013-14 ALL TRUST FUNDS	GOVERNORS RECOMMENDATIONS FY 2013-14 FTE	GOVERNORS RECOMMENDATIONS FY 2013-14 TOTAL GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 NR GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 ALL TRUST FUNDS	DRAFT SENATE PROPOSAL FY 2013-14 FTE	DRAFT SENATE PROPOSAL FY 2013-14 TOTAL GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 NR GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 ALL TRUST FUNDS	
403	4000400	BUSINESS DEVELOPMENT FOR ADMINISTATION OF OFFICE OF SUPPLIER DIVERSITY MATCHMAKER CONFERENCE													403
404	4000700	MYFLORIDAMARKETPLACE DEFICIENCY REMEDIATION PROJECTS								388,000					404
405	4004000	INCREASE TO THE FLORIDA COMMISSION ON HUMAN RELATIONS (FCHR) OPERATING BUDGET		100,000		86,624				136,624					405
406	4000390	INCREASE TO THE PUBLIC EMPLOYEES RELATIONS COMMISSION OPERATING BUDGET													406
407	4100A30	INCREASE SALARIES AND BENEFITS APPROPRIATION FOR THE DIVISION OF HUMAN RESOURCE MANAGEMENT				30,000									407
408	4100150	INTERIOR REFURBISHMENT OF LEASED SPACE IN THE FLORIDA FACILITIES POOL				1,406,157				1,406,157					408
409	4100180	TENANT SPACE IMPROVEMENT FUNDS				1,535,738				1,535,738					409
410	4100300	ADDITIONAL FUNDING IN CONTRACTED SERVICES				75,000				75,000					410
411	4100400	ACTUARIAL AND CONSULTING SERVICES				500,000				500,000					411
412	4206000	SUNCOM MOBILE COMMUNICATIONS SERVICES				45,305,000									412
413	4206500	MUTUAL AID AND FLORIDA INTEROPERABILITY NETWORK		4,000,000				3,545,000	3,545,000						413
414	4206700	ENHANCEMENTS TO THE STATEWIDE LAW ENFORCEMENT RADIO SYSTEM (SLERS)				2,100,000				2,100,000					414
415	4400400	PEOPLE FIRST BUSINESS CASE				500,000				500,000					415
416	4400500	FLEET MANAGEMENT BUSINESS CASE								380,800					416
417	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES						5,669		77,399					417
418	081010	COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT				1,000,000				1,000,000					418
419	081400	LIFE SAFETY CODE COMPLIANCE PROJECTS STATEWIDE - DMS MGD				160,000				160,000					419
420	083400	STATEWIDE CAPITAL DEPRECIATION - GENERAL - DMS MGD				6,887,781				6,887,781					420
421		**DEPARTMENT OF MANAGEMENT SERVICES TOTAL**	**853.50**	**30,173,431**	**1,763,439**	**581,722,546**	**841.50**	**29,126,747**	**5,278,343**	**505,506,426**	**845.50**	**24,319,182**	**0**	**505,998,767**	421
422	**NORTHWOOD SHARED RESOURCE CENTER**		**99.00**			**28,779,795**	**99.00**			**28,779,795**	**99.00**			**28,779,795**	422
423	17C03C0	CONSOLIDATE SERVICES IN PRIMARY DATA CENTERS	3.00			467,167									423
424	2003060	INFRASTRUCTURE REFRESH TRANSFER - ADD				569,034				569,034					424
425	2003070	INFRASTRUCTURE REFRESH TRANSFER - DEDUCT				(569,034)				(569,034)					425
426	24018C0	NETWORK SERVICES INFRASTRUCTURE REFRESH				171,000				171,000					426
427	24019C0	MIDRANGE SERVICES INFRASTRUCTURE REFRESH				50,000				50,000					427
428	30010C0	INCREASED PRIMARY DATA CENTER													428
429	33V0130	REDUCE MAINFRAME SUPPORT								(368,000)					429
430	33V0140	REDUCTION FOR MAINFRAME CONSOLIDATION								(300,000)					430
431	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(2.00)								431
432	36190C0	UNIVERSAL POWER SUPPLY SYSTEM				113,000									432
433	36191C0	SECURITY FOR INFORMATION TECHNOLOGY				180,000				180,000					433
434	36192C0	LOGIN MANAGEMENT INFRASTRUCTURE				293,250				293,250					434
435	36193C0	ENTERPRISE DISASTER RECOVERY				250,000				250,000					435
436	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES								540					436
437		**NORTHWOOD SHARED RESOURCE CENTER TOTAL**	**102.00**	**0**	**0**	**30,304,212**	**97.00**	**0**	**0**	**29,056,585**	**99.00**	**0**	**0**	**28,779,795**	437
438	**SOUTHWOOD SHARED RESOURCE CENTER**		**121.00**			**29,071,351**	**121.00**			**29,071,351**	**121.00**			**29,071,351**	438
439	17C03C0	CONSOLIDATE SERVICES IN PRIMARY DATA CENTERS	7.25			1,553,068	7.25			1,553,068					439
440	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(4.00)								440
441	36350C0	SERVER LOG MANAGEMENT TOOL EXPANSION				310,000				310,000					441
442	36351C0	SERVER CAPACITY INCREASE				158,000				158,000					442
443	36352C0	SYSTEM MANAGEMENT LICENSE INCREASE				177,000				177,000					443
444	36353C0	EXISTING BACKUP CAPACITY INCREASE				643,324				643,324					444
445	36354C0	MY FLORIDA MARKET PLACE (MFMP) CONSOLIDATION				300,000									445
446	36355C0	DISASTER RECOVERY PLANNING				250,000				250,000					446
447	36356C0	SERVICE DESK TOOL REPLACEMENT				260,000				260,000					447
448	36357C0	ADDITIONAL SECURITY COMPLIANCE LICENSE				300,000				300,000					448
449	36358C0	DATA CENTER INFRASTRUCTURE MANAGEMENT				94,500				94,500					449

	Issue Codes	Issue Title	AGENCY REQUEST FY 2013-14 FTE	AGENCY REQUEST FY 2013-14 TOTAL GENERAL REVENUE	AGENCY REQUEST FY 2013-14 NR GENERAL REVENUE	AGENCY REQUEST FY 2013-14 ALL TRUST FUNDS	GOVERNORS RECOMMENDATIONS FY 2013-14 FTE	GOVERNORS RECOMMENDATIONS FY 2013-14 TOTAL GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 NR GENERAL REVENUE	GOVERNORS RECOMMENDATIONS FY 2013-14 ALL TRUST FUNDS	DRAFT SENATE PROPOSAL FY 2013-14 FTE	DRAFT SENATE PROPOSAL FY 2013-14 TOTAL GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 NR GENERAL REVENUE	DRAFT SENATE PROPOSAL FY 2013-14 ALL TRUST FUNDS	
450	36359C0	REMOTE APPLICATION SERVICES CONSOLIDATION AND UPGRADE				225,200				225,200					450
451	5302100	TRANSFER GENERAL REVENUE TO WORKING CAPITAL TRUST FUND TO ADDRESS CASH FLOW						3,000,000	3,000,000						451
452		**SOUTHWOOD SHARED RESOURCE CENTER TOTAL**	**128.25**	**0**	**0**	**33,342,443**	**124.25**	**3,000,000**	**3,000,000**	**33,042,443**	**121.00**	**0**	**0**	**29,071,351**	452
453		**DIVISION OF ADMINISTRATIVE HEARINGS**	**242.00**			**24,413,013**	**242.00**			**24,413,013**	**242.00**			**24,413,013**	453
454	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(1.00)			(62,881)					454
455	330C200	REAL ESTATE INITIATIVE SAVINGS								(182,411)					455
456	3302040	REDUCE TEMPORARY EMPLOYMENT - ADJUDICATION OF DISPUTES								(4,521)					456
457	3302050	REDUCE ALLOCATION FOR EXPENDITURES - ADJUDICATION OF DISPUTES								(7,967)					457
458	3302120	WORKFORCE REDUCTION - WORKERS' COMPENSATION APPEALS					(9.00)			(425,798)					458
459		**DIVISION OF ADMINISTRATIVE HEARINGS TOTAL**	**242.00**	**0**	**0**	**24,413,013**	**232.00**	**0**	**0**	**23,729,435**	**242.00**	**0**	**0**	**24,413,013**	459
460		**PUBLIC SERVICE COMMISSION**	**293.00**			**25,062,551**	**293.00**			**25,062,551**	**293.00**			**25,062,551**	460
461	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								6,999					461
462	330C200	REAL ESTATE INITIATIVE SAVINGS								(127,075)					462
463	3300210	REDUCE BASE BUDGET FUNDING - ACQUISITION OF MOTOR VEHICLES								(72,055)					463
464	3302600	ADMINISTRATIVE EFFICIENCIES AND WORKFORCE REDUCTION IN EXECUTIVE DIRECTION AND SUPPORT SERVICES								(20,000)					464
465	3302620	ADMINISTRATIVE EFFICIENCIES AND WORKFORCE REDUCTION IN UTILITY REGULATION								(150,000)					465
466	3305000	REDUCE EXPENSES FOR EFFICIENCIES								(30,000)					466
467	30010C0	INCREASED WORKLOAD FOR PRIMARY DATA CENTER TO SUPPORT AN AGENCY													467
468	55C01C0	ADDITIONAL RESOURCES REQUIRED TO SUPPORT CONSOLIDATION OF TECHNOLOGY SERVICES								18,231					468
469		**PUBLIC SERVICE COMMISSION TOTAL**	**293.00**	**0**	**0**	**25,062,551**	**293.00**	**0**	**0**	**24,688,651**	**293.00**	**0**	**0**	**25,062,551**	469
470		**DEPARTMENT OF REVENUE**	**5,155.00**	**175,089,892**		**305,259,561**	**5,155.00**	**175,089,892**		**305,259,561**	**5,155.00**	**175,089,892**		**305,259,561**	470
471	1801000	INTRA-AGENCY REORG CONSOLIDATED BUDGET ENTITY STRUCTURE - DEDUCT	(4721.00)	(156,613,320)		(276,705,200)									471
472	1801100	INTRA-AGENCY REORG CONSOLIDATED BUDGET ENTITY STRUCTURE - ADD	4,721.00	156,613,320		276,705,200									472
473	20010C0	TRANSFER DIRECT COST FROM SOUTHWOOD SHARED RESOURCE CENTER - DEDUCT						(403,070)							473
474	20020C0	TRANSFER DIRECT COST FROM SOUTHWOOD SHARED RESOURCE CENTER - ADD						403,070							474
475	2503080	DIRECT BILLING FOR ADMINISTRATIVE HEARINGS								314,312					475
476	26A1820	ANNUALIZATION OF STATE ATTORNEY CHILD SUPPORT ENFORCEMENT CONTRACT													476
477	3002000	AID TO LOCAL GOVERNMENTS - AERIAL PHOTOGRAPHY/MAPPING						75,000	75,000						477
478	33V0850	REDUCE BUDGET AUTHORITY BASED ON PREVIOUS REVERSIONS						(400,000)		(320,000)					478
479	33V1600	REDUCE POSITIONS VACANT IN EXCESS OF 180 DAYS					(19.00)	(466,721)		(482,609)					479
480	330C200	REAL ESTATE INITIATIVE SAVINGS						(224,285)		(677,645)					480
481	33001C0	REDUCTIONS FROM TECHNOLOGY SERVICE CONSOLIDATIONS						(175,617)							481
482	3302010	OFFICE SPACE CONSOLIDATION SAVINGS - PROPERTY TAX OVERSIGHT						(42,391)							482
483	3302050	ELIMINATE RESTRICTED DELIVERY OF ADMINISTRATIVE PATERNITY AND SUPPORT ACTIONS VIA CERTIFIED MAIL - CHILD SUPPORT ENFORCEMENT						(36,319)		(70,502)					483
484	3302060	REDUCTION IN MAIL COSTS BY ALLOWING CHILD SUPPORT ENFORCEMENT PROGRAM TO SEND NOTICES BY REGULAR MAIL						(15,542)		(30,171)					484
485	3302070	CHILD SUPPORT ENFORCEMENT EXPENSE REDUCTION						(190,669)		(370,123)					485

	Issue Codes	Issue Title	AGENCY REQUEST FY 2013-14				GOVERNORS RECOMMENDATIONS FY 2013-14				DRAFT SENATE PROPOSAL FY 2013-14				
			FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	FTE	TOTAL GENERAL REVENUE	NR GENERAL REVENUE	ALL TRUST FUNDS	
486	3302100	EXECUTIVE DIRECTION AND SUPPORT SERVICES REDUCTION IN EXPENSE						(100,000)							486
487	3302120	REDUCE CHILD SUPPORT ENFORCEMENT CLERK OF COURT COLLECTION TRUST FUND UNFUNDED BUDGET								(400,000)					487
488	3304020	REDUCE GENERAL TAX ADMINISTRATION EXPENSE FUNDING FOR EQUIPMENT AND FURNITURE						(38,758)							488
489	3304030	GENERAL TAX ADMINISTRATION REDUCTION IN EXPENSE						(150,000)							489
490	3304040	REDUCE PROTEST INTAKE STAFFING WITHIN GENERAL TAX ADMINISTRATION					(3.00)	(123,391)							490
491	3304050	REQUIRE CORPORATE INCOME TAX AND RE-EMPLOYMENT TAX RETURNS MUST BE SUBMITTED ELECTRONICALLY - GENERAL TAX ADMINISTRATION					(27.00)	(1,000,000)							491
492	3400660	FUND SHIFT FROM GENERAL REVENUE AND FEDERAL GRANTS TRUST FUND TO INCENTIVE TRUST FUND - ADD								2,325,143					492
493	3400670	FUND SHIFT FROM GENERAL REVENUE AND FEDERAL GRANTS TRUST FUND TO INCENTIVE TRUST FUND - DEDUCT						(790,549)		(1,534,594)					493
494	36116C0	ONE STOP REGISTRATION		3,000,000	1,000,000			532,409							494
495	36210C0	DEPARTMENT OF REVENUE AGENCY-WIDE E-MAIL SYSTEM IMPLEMENTATION		1,500,000	1,500,000										495
496	36332C0	CHILD SUPPORT AUTOMATED MANAGEMENT SYSTEM (CAMS) OPERATIONS AND MAINTENANCE				6,105,840				6,105,840					496
497	4400540	INCREASE TO CHILD SUPPORT ENFORCEMENT ANNUAL FEE ON CERTAIN CHILD SUPPORT CASES						100,000	100,000						497
498	4401120	INCREASED COST TO STATE ATTORNEY'S OFFICE CONTRACT WITH CHILD SUPPORT ENFORCEMENT		72,707		141,137		72,707		141,137					498
499	4401130	CHILD SUPPORT ENFORCEMENT SPECIAL IMPROVEMENT GRANT FEDERAL SPENDING AUTHORITY				100,000				100,000					499
500	4600210	LITIGATION OF CENTRALLY ASSESSED RAILROAD AND PRIVATE CARLINES		275,000											500
501	52M0540	FISCALLY CONSTRAINED COUNTIES - AD VALOREM TAX						24,000,000	24,000,000						501
502		**DEPARTMENT OF REVENUE TOTAL**	**5,155.00**	**179,937,599**	**2,500,000**	**311,606,538**	**5,106.00**	**196,115,766**	**24,175,000**	**310,360,349**	**5,155.00**	**175,089,892**	**0**	**305,259,561**	502
503		**GRAND TOTAL**	**20,470.75**	**451,579,338**	**62,375,636**	**4,346,850,415**	**20,015.75**	**473,593,955**	**103,593,728**	**4,231,142,770**	**20,277.00**	**380,608,972**	**-**	**3,624,660,822**	503

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

5/19/13
Meeting Date

Topic SB 444 - Domestic Wastewater Discharge

Bill Number 444 *(if applicable)*

Name Nick Matthews

Amendment Barcode _____ *(if applicable)*

Job Title Legislative Coordinator

Address 115 S. Andrews Ave.
Street

Fort Lauderdale
City *State* *Zip*

Phone _____

E-mail _____

Speaking: [X] For [ ] Against [ ] Information

Representing Broward County - Waive Time in Support

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Ocean Outfalls

Bill Number: 444 (if applicable)

Name: Ryan Matthews

Amendment Barcode: (if applicable)

Job Title: Lg Advocate

Address: PO Box 1757
Street

Tallahassee, FL 32302
City, State, Zip

Phone: 222 9684

E-mail: rmatthews@flcities.com

Speaking: [x] For [ ] Against [ ] Information

Representing: FL League of Cities

Appearing at request of Chair: [ ] Yes [x] No

Lobbyist registered with Legislature: [ ] Yes [x] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Domestic Wastewater Discharge

Bill Number: SB 444 *(if applicable)*

Name: Lee Killinger

Amendment Barcode: *(if applicable)*

Job Title:

Address: 324 East Virginia St.
Street

Tallahassee, FL 32301
City *State* *Zip*

Phone: 850/322-8907

E-mail: lee@cnfield florida.com

Speaking: [x] For [ ] Against [ ] Information

Representing: Fla. Section American Water Works Assoc.

Appearing at request of Chair: [ ] Yes [x] No

Lobbyist registered with Legislature: [x] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic: Ocean Outfalls

Bill Number: 444 *(if applicable)*

Name: Jason Unger

Amendment Barcode: *(if applicable)*

Job Title: Attorney

Address: 301 S. Bronough St. #600
Street

TLH, FL 32301
City, State, Zip

Phone: 5779090

E-mail: junger@gray-robinson.com

Speaking: [X] For [ ] Against [ ] Information

Representing: City of Hollywood

Appearing at request of Chair: [ ] Yes [ ] No

Lobbyist registered with Legislature: [X] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic: Domestic Wastewater Ocean Outfalls

Bill Number: 444 *(if applicable)*

Name: Edgar G. Fernandez

Amendment Barcode: _____ *(if applicable)*

Job Title: SC ASST GOV. Affairs

Address: 3071 SW 38th Ave Rm 535
Street

Miami, FL 33146
City *State* *Zip*

Phone: 786 552-8583

E-mail: gf@miamidade.gov

Speaking: [✓] For [ ] Against [ ] Information

Representing: MIAMI DADE WATER & SEWER DEPT

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: OCEAN OUTFALLS

Bill Number: 444 *(if applicable)*

Name: STEPHEN JAMES

Amendment Barcode: _____ *(if applicable)*

Job Title: _____

Address: 100 S. MONROE
Street

TALLAHASSEE, FL 32301
City / *State* *Zip*

Phone: 922-4300

E-mail: _____

Speaking: [X] For [ ] Against [ ] Information

Representing: FLA ASSOC. OF COUNTIES

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3 / 19 /2013
Meeting Date

Topic _____

Bill Number 498 *(if applicable)*

Name BRIAN PITTS

Amendment Barcode _____ *(if applicable)*

Job Title TRUSTEE

Address 1119 NEWTON AVNUE SOUTH
Street

SAINT PETERSBURG FLORIDA 33705
City *State* *Zip*

Phone 727-897-9291

E-mail JUSTICE2JESUS@YAHOO.COM

Speaking: [ ] For [ ] Against [✓] Information

Representing JUSTICE-2-JESUS

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [ ] Yes [✓] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic: FWC

Bill Number: SB 448 *(if applicable)*

Name: ~~Evan White~~ Jim Brodie

Amendment Barcode: *(if applicable)*

Job Title: Legislative Affairs Admin

Address: 2105 Capitol
Street

Phone: 487-1533

City *State* *Zip*

E-mail:

Speaking: [X] For [ ] Against [ ] Information

Representing: FL. Dept. Veterans Affairs

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [ ] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic: Fish + Wildlife Conservation Comm.

Bill Number: 448 *(if applicable)*

Name: Brandy Elliott

Amendment Barcode: _____ *(if applicable)*

Job Title: Legislative Liaison

Address: 620 S. Meridian Street
Street

Tallahassee, FL 32399
City *State* *Zip*

Phone: (850) 487-3795

E-mail: brandy.elliott@myfwc.com

Speaking: [X] For [ ] Against [ ] Information

Representing: Fish + Wildlife Conservation Comm.

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic: FWC

Bill Number: 448 *(if applicable)*

Name: Kelly Sanson

Amendment Barcode: *(if applicable)*

Job Title:

Address: PO Box 700
Street

Cocoa, FL 32923
City *State* *Zip*

Phone: 321-773-0212

E-mail: fishhawk@aol.com

Speaking: ☐ For ☐ Against ☐ Information

Representing: Organized Fishermen of FL

Appearing at request of Chair: ☐ Yes ☑ No

Lobbyist registered with Legislature: ☑ Yes ☐ No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Premises Inspections

Bill Number: 842 (if applicable)

Name: Daniel Olson

Amendment Barcode: (if applicable)

Job Title:

Address: 1940 N. Monroe St.
Street

Tallahassee FL 32399
City State Zip

Phone: 850-487-4827

E-mail:

Speaking: [✓] For [ ] Against [ ] Information

Representing: Department of Business and Professional Regulation

Appearing at request of Chair: [ ] Yes [ ] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

March 19th 2013
Meeting Date

Topic: Premises Inspections

Bill Number: SB 842 *(if applicable)*

Name: Richard Turner

Amendment Barcode: _____ *(if applicable)*

Job Title: General Counsel

Address: 230 S. Adams
Street

Tallahassee FL 32309
City *State* *Zip*

Phone: 850 224-2250

E-mail: RTurner@FRLA.org

Speaking: [X] For [ ] Against [ ] Information

Representing: Florida Restaurant & Lodging Assn.

Appearing at request of Chair: [ ] Yes [ ] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Premises Inspections

Bill Number: 842 (if applicable)

Name: Mike Martinez

Amendment Barcode: (if applicable)

Job Title: Deputy General Counsel

Address: 1940 N. Monroe St.
Street

Tallahassee, FL 32399
City, State, Zip

Phone: 850-717-1581

E-mail:

Speaking: ☐ For ☐ Against ☑ Information

Representing: DBPR

Appearing at request of Chair: ☐ Yes ☐ No

Lobbyist registered with Legislature: ☑ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Mar. 19, 2013
Meeting Date

Topic: FDACS department bill

Bill Number: 1040 *(if applicable)*

Name: Grace Lovett

Amendment Barcode: *(if applicable)*

Job Title: Dir. Legislative Affairs

Address: PL 10 The Capitol
Street

Tallahassee FL 32399
City *State* *Zip*

Phone: 850 617 7700

E-mail: grace.lovett@freshfromflorida.com

Speaking: [X] For [ ] Against [ ] Information

Representing: Department of Agriculture & Consumer Services

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3 / 19 /201
Meeting Date

Topic _____

Bill Number 1040 *(if applicable)*

Name BRIAN PITTS

Amendment Barcode _____ *(if applicable)*

Job Title TRUSTEE

Address 1119 NEWTON AVNUE SOUTH
Street

SAINT PETERSBURG FLORIDA 33705
City *State* *Zip*

Phone 727-897-9291

E-mail JUSTICE2JESUS@YAHOO.COM

Speaking: [☑] For [ ] Against [✓] Information

Representing JUSTICE-2-JESUS

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [ ] Yes [✓] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: the Bill

Bill Number: 1762 (if applicable)

Name: Frank Meiners

Amendment Barcode: _____ (if applicable)

Job Title: _____

Address: PO Box 1633
Street

Tall FL 32302
City State Zip

Phone: 850 591-0177

E-mail: frank@chgmail.com

Speaking: [X] For [ ] Against [ ] Information

Representing: Assoc. Industries of FL

Appearing at request of Chair: [ ] Yes [ ] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/2013
Meeting Date

Topic _____

Bill Number 1762 *(if applicable)*

Name BRIAN PITTS

Amendment Barcode _____ *(if applicable)*

Job Title TRUSTEE

Address 1119 NEWTON AVNUE SOUTH
Street

SAINT PETERSBURG FLORIDA 33705
City *State* *Zip*

Phone 727-897-9291

E-mail JUSTICE2JESUS@YAHOO.COM

Speaking: [✓] For [ ] Against [✓] Information

Representing JUSTICE-2-JESUS

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [ ] Yes [✓] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Property Insurance

Bill Number: SB 1770 *(if applicable)*

Name: Carolyn Johnson

Amendment Barcode: *(if applicable)*

Job Title: Policy Director

Address: 136 S Bronough St
Street

Tallahassee — *City*
FL — *State*
32301 — *Zip*

Phone: 850-521-1235

E-mail: cjohnson@flchamber.com

Speaking: [✓] For [ ] Against [ ] Information

Representing: FL Chamber of Commerce

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Citizens Insurance Reform

Bill Number: SB 1770 *(if applicable)*

Name: Jay Liles

Amendment Barcode: *(if applicable)*

Job Title: Policy Consultant

Address: P O Box 6870
Street

Tallahassee, FL 32314
City, State, Zip

Phone: 850-656-7113; 294-5004

E-mail: jliles@fwfonline.org

Speaking: [✓] For [ ] Against [ ] Information

Representing: Florida Wildlife Federation

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

03/19/2013
Meeting Date

Topic: CITIZENS

Bill Number: 1770 *(if applicable)*

Name: DON BROWN

Amendment Barcode: _____ *(if applicable)*

Job Title: _____

Address: POB 866
Street

DEFUNIAK SPRINGS
City *State* *Zip*

Phone: 850-865-9280

E-mail: DON@DONBROWNFLORIDA.COM

Speaking: [✓] For [ ] Against [ ] Information

Representing: AIF

Appearing at request of Chair: [ ] Yes [ ] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Insurance

Bill Number: 1770 *(if applicable)*

Name: Keri Rayborn

Amendment Barcode: ~~[illegible]~~ *(if applicable)*

Job Title:

Address: PO Box 1565
Street

Tallahassee, FL 32302
City, State, Zip

Phone: (850)524-2374

E-mail: keri@raybornconsultants.co

Speaking: [✓] For [ ] Against [ ] Information

Representing: Latin American Association of Insurance Agencies

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Citizens

Bill Number: 1770 (if applicable)

Name: Christian Camara

Amendment Barcode: (if applicable)

Job Title: State Director

Address: PO Box 10577
Street

Tallahassee FL 32302
City State Zip

Phone: (305) 408-4300

E-mail: ccamara@rstreet.org

Speaking: ☐ For ☐ Against ☒ Information

Representing: R Street Inst.

Appearing at request of Chair: ☐ Yes ☒ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic _____ Bill Number SB 1770 *(if applicable)*

Name James W. Newman Amendment Barcode _____ *(if applicable)*

Job Title Chairman of Board, Sawgrass Mutual Insurance Co.

Address 1101 Old Fort Drive
Street

Tallahassee FL 32301
City *State* *Zip*

Phone 850-386-2475

E-mail jnewman2475@comcast.net

Speaking: [✓] For [ ] Against [ ] Information

Representing Trade Winds Mutual Insurance Co. (proposed)

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Citizens

Bill Number: 1770 (if applicable)

Name: Christine Ashburn

Amendment Barcode: 899444 (if applicable)

Job Title: Director of Legislative Affairs

Address: _____
Street

_____
City State Zip

Phone: 850-513-3746

E-mail: _____

Speaking: [X] For [ ] Against [ ] Information

Representing: Citizens Property Ins

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: INSURANCE

Bill Number: 1770 *(if applicable)*

Name: KYLE ULRICH

Amendment Barcode: 883928 *(if applicable)*

Job Title: SVP

Address: 3159 SHAMROCK S.
Street

City *State* *Zip*

Phone: 566-4204

E-mail: KULRICH@FAIA.COM

Speaking: [✓] For [ ] Against [ ] Information

Representing: FAIA

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: INSURANCE

Bill Number: 1770 *(if applicable)*

Name: KYLE ULRICH

Amendment Barcode: 637628 *(if applicable)*

Job Title: SVP

Address: 3159 SHAMROCK S.
Street

City *State* *Zip*

Phone: 850-566-4204

E-mail: KULRICH@FAIA.COM

Speaking: [✓] For [ ] Against [ ] Information

Representing: FAIA

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-19-13
Meeting Date

Topic: PROPERTY INSURANCE

Bill Number: SB1770 *(if applicable)*

Name: STEVE DYAL

Amendment Barcode: 893998 *(if applicable)*
+ 558938

Job Title: CONSULTANT

Address: 119 S. MONROE ST.
Street

TALLAHASSEE, FL. 32302
City *State* *Zip*

Phone:

E-mail:

Speaking: [✓] For [ ] Against [ ] Information

Representing: NATIONAL ASSOC. of Public Ins. ADJUSTERS

Appearing at request of Chair: [ ] Yes [✓] No

Lobbyist registered with Legislature: [✓] Yes [ ] No

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Insurance

Bill Number: 1770 *(if applicable)*

Name: Keri Rayborn

Amendment Barcode: 558938 893998 *(if applicable)*

Job Title:

Address: PO Box 1565
Street

Tallahassee, FL 32302
City, State, Zip

Phone: 850-524-2394

E-mail: Keri@rayborncontsultants.com

Speaking: [x] For [ ] Against [ ] Information

Representing: Florida Association of Public Insurance Adjusters

Appearing at request of Chair: [ ] Yes [x] No

Lobbyist registered with Legislature: [x] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/19/13
Meeting Date

Topic: Citizens Property Ins. Corp.

Bill Number: 1770 (if applicable)

Name: Christine Ashburn

Amendment Barcode: 810324 (if applicable)

Job Title: Directn of Legislative Affairs

Address: 2132 Killearn Center Blvd. #A
Street

City State Zip

Phone: 850-513-3746

E-mail:

Speaking: [X] For [ ] Against [ ] Information

Representing: Citizens Property Ins.

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/20/11)

THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Agriculture, *Vice Chair*
Appropriations Subcommittee on Education
Appropriations Subcommittee on General Government
Education
Environmental Preservation and Conservation
Military Affairs, Space, and Domestic Security

JOINT COMMITTEE:
Joint Administrative Procedures Committee

SENATOR DWIGHT BULLARD
39th District

March 18, 2013

Chairman Hays,

I am requesting to be excused from the following General Government Appropriations Subcommittee meetings:

- Tuesday, March 19, 2013 at 4:00 pm
- Wednesday, March 20, 2013 at 11:00 am

Due to the passing of my mother, Senator Larcenia Bullard, I will be out this week tending to family matters.

Sincerely,

Dwight M. Bullard

State Senator, District 39

REPLY TO:
❒ 10720 Caribbean Boulevard, #435, Cutler Bay, Florida 33189
❒ 218 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5039

Senate's Website: *www.flsenate.gov*

DON GAETZ
President of the Senate

GARRETT RICHTER
President Pro Tempore

CourtSmart Tag Report

Room: EL 110 **Case:** **Type:**
Caption: Appropriations Subcommittee on General Government **Judge:**

Started: 3/19/2013 4:04:54 PM
Ends: 3/19/2013 5:59:20 PM **Length:** 01:54:27

4:04:56 PM	Meeting called to order
4:04:57 PM	Chairman Hays
4:05:57 PM	TAB 6- SB 1762
4:06:09 PM	Senator Ring
4:08:58 PM	Senator Detert
4:09:08 PM	Sen. Ring
4:09:47 PM	Sen. Detert
4:10:13 PM	Sen. Ring
4:12:53 PM	Senator Simpson
4:13:04 PM	Sen. Ring
4:13:26 PM	Sen. Simpson
4:14:00 PM	Sen. Ring
4:14:15 PM	Senator Joyner
4:14:34 PM	Sen. Ring
4:14:55 PM	Am. 637722
4:15:18 PM	Am. 238408
4:15:52 PM	Am. 567076
4:16:04 PM	Am. 340266
4:16:36 PM	Am. 568826
4:17:30 PM	Chmn. Hays
4:18:16 PM	Frank Meiners, AIF
4:19:11 PM	Brian Pitts, Justice 2 Jesus
4:19:30 PM	Sen. Detert
4:20:31 PM	Sen. Ring
4:22:02 PM	Sen. Joyner
4:23:21 PM	Chmn. Hays
4:23:36 PM	Bill recommended favorably
4:24:14 PM	TAB 2- CS/SB 444
4:24:27 PM	Senator Diaz de la Portilla
4:25:48 PM	Senator Thompson
4:26:00 PM	Sen. Diaz de la Portilla
4:26:45 PM	Stephen James, FAC
4:26:59 PM	Edgar Fernandez, Miami-Dade Water & Sewage Department
4:27:04 PM	Jason Unger, Hollywood
4:27:06 PM	Lee Killinger, American Water Works Association, Florida Section
4:27:11 PM	Ryan Matthews, FLC
4:27:17 PM	Nick Matthews, Broward
4:27:57 PM	Bill recommended favorably
4:28:27 PM	TAB 5- CS/SB 1040
4:28:33 PM	Senator Stargel
4:30:06 PM	Am. 290262
4:30:37 PM	Sen. Joyner
4:30:46 PM	Sen. Stargel
4:31:35 PM	Mr. Pitts, Justice 2 Jesus
4:31:41 PM	Grace Lovett, ACS
4:32:15 PM	Bill recommended favorably
4:32:40 PM	TAB 4- CS/SB 842
4:32:49 PM	Sen. Stargel
4:33:18 PM	Sen. Joyner
4:34:23 PM	Sen. Stargel
4:35:02 PM	Sen. Detert
4:35:50 PM	Sen. Stargel

4:36:27 PM	Sen. Detert
4:36:41 PM	Sen. Stargel
4:36:47 PM	Sen. Soto
4:37:07 PM	Mike Martinez, DBPR
4:38:53 PM	Sen. Soto
4:39:02 PM	Mr. Martinez, DBPR
4:39:58 PM	Richard Turner, Florida Restaurant and Lodging Association
4:40:10 PM	Daniel Olson, DBPR
4:40:37 PM	Bill recommended favorably
4:41:01 PM	TAB 7- SB 1770
4:41:10 PM	Senator Simmons
5:02:56 PM	Senator Bradley
5:03:41 PM	Sen. Simmons
5:05:40 PM	Sen. Bradley
5:06:05 PM	Sen. Simmons
5:08:04 PM	Sen. Bradley
5:08:50 PM	Sen. Simmons
5:10:36 PM	Sen. Simpson
5:11:42 PM	Sen. Simmons
5:11:58 PM	Sen. Simpson
5:16:36 PM	Senator Latvala
5:18:03 PM	Sen. Simmons
5:19:28 PM	Sen. Latvala
5:20:58 PM	Sen. Simmons
5:23:55 PM	Senator Dean
5:24:13 PM	Sen. Simmons
5:27:05 PM	Sen. Dean
5:28:09 PM	Sen. Simmons
5:29:54 PM	Senator Legg
5:30:50 PM	Sen. Simmons
5:31:56 PM	Sen. Legg
5:32:51 PM	Sen. Simmons
5:39:58 PM	Sen. Detert
5:40:12 PM	Sen. Braynon
5:40:19 PM	Sen. Joyner
5:40:33 PM	Sen. Simmons
5:41:25 PM	Sen. Joyner
5:41:35 PM	Sen. Simmons
5:42:28 PM	Chmn. Hays
5:43:05 PM	Sen. Simmons
5:43:38 PM	Chmn. Hays
5:43:58 PM	Am. 551320
5:44:33 PM	Sen. Latvala
5:44:51 PM	Am. 687188
5:45:02 PM	Sen. Latvala
5:45:57 PM	Am. 893998
5:46:04 PM	Sen. Simmons
5:46:54 PM	Am. 899444
5:47:11 PM	Sen. Simmons
5:47:34 PM	Christine Ashburn, Citizens Property Insurance
5:47:45 PM	Am. 883928
5:47:55 PM	Sen. Simmons
5:48:12 PM	Kyle Ulrich, FAIA
5:48:26 PM	Am. 637628
5:48:38 PM	Sen. Simmons
5:48:50 PM	Mr. Ulrich, FAIA
5:48:58 PM	Am. 810324
5:49:10 PM	Sen. Simmons
5:50:01 PM	Ms. Ashburn, Citizens Property Insurance
5:50:24 PM	James Newman, Trade Winds Mutual Insurance Co.
5:50:25 PM	Christian Camara, R-Street Institute
5:50:28 PM	Keri Rayborn, Latin American Association of Insurance Agencies

5:50:32 PM	Don Brown, AIF
5:50:38 PM	Jay Liles, FWF
5:50:42 PM	Carolyn Johnson, Florida Chamber of Commerce
5:50:55 PM	Sen. Braynon
5:51:25 PM	Sen. Legg
5:51:40 PM	Sen. Thompson
5:52:40 PM	Sen. Joyner
5:53:22 PM	Sen. Simpson
5:54:23 PM	Sen. Simmons
5:55:35 PM	Bill recommended favorably
5:56:08 PM	TAB 3- CS/SB 448
5:56:22 PM	Sen. Dean
5:56:46 PM	Am. 153142
5:57:19 PM	Jerry Sansom, Organized Fishermen of Florida
5:57:21 PM	Brandy Elliott, FWC
5:57:27 PM	Jim Brodie, DVA
5:57:32 PM	Mr. Pitts, Justice 2 Jesus
5:58:14 PM	Bill recommended favorably
5:58:17 PM	Sen. Braynon
5:59:11 PM	Mtg. adjourned.