

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 5047 PCB JEC 08-05 Board of Architecture and Interior Design

SPONSOR(S): Jobs & Entrepreneurship Council; Reagan

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

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Jobs & Entrepreneurship Council	15 Y, 1 N	Livingston/Topp	Thorn
1) Policy & Budget Council	33 Y, 1 N	Martin	Hansen
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

Currently, s. 455.32, F.S., is cited as the "Management Privatization Act." This section establishes a privatization model for administrative functions under the Department of Business & Professional Regulation (DBPR) and allows the DBPR to contract out staff support services. This section statutorily specifies provisions relating to the contents of the contract for services for purposes of providing:

"services for the regulation of Florida's professionals which will ensure a consistent, effective application of regulatory provisions and appropriate budgetary oversight to achieve the most efficient use of public funds."

The DBPR is allowed, upon request from a specific board, to contract out staff support services for that board. It provides that a contract providing for privatization of such services must be approved by the specific board. This section statutorily specifies provisions relating to the contents of the contract for services.

Current law, s. 481.205(3), F.S., delegates to the Board of Architecture and Interior Design (board) the authority to contract with a third party to perform specified support functions. The responsibilities include matters relating to receiving complaints, investigations, discipline, prosecution, and unlicensed activity of architects and interior designers. The board, rather than the DBPR, is authorized to contract with a corporation or other business entity to provide investigative, legal counsel, and prosecutorial services. Services of the corporation or other entity must comply with the recordkeeping and reporting requirements applicable to the scope of the contract as required under the "Management Privatization Act." The entity contracting to provide these services reports to the board rather than the DBPR.

The bill removes the authority of the board to contract services for matters relating to receiving complaints, investigations, discipline, prosecution, and unlicensed activity of architects and interior designers. The DBPR would be responsible for these activities, as provided by current law.

This legislation is expected to create efficiencies and annual cost savings to the department of approximately \$200,000 in the Professional Regulation Trust Fund.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government

This program to be adopted by the DBPR could be anticipated to be similar to the current requirements implemented by the board.

B. EFFECT OF PROPOSED CHANGES:

Present situation

Currently, s. 481.205(3), F.S., delegates to the board the authority to contract with a third party to perform specified support functions. This authority was created effective July 1, 2002. The responsibilities include matters relating to receiving complaints, investigations, discipline, prosecution, and unlicensed activity of architects and interior designers. The board rather than the DBPR is authorized to contract with a corporation or other business entity to provide investigative, legal counsel, and prosecutorial services. Services of the corporation or other entity must comply with the recordkeeping and reporting requirements applicable to the scope of the contract as required under the "Management Privatization Act." The entity contracting to provide these services reports to the board rather than the DBPR.

The board may use funds in the unlicensed activity account pursuant to s. 455.2281, F.S., to carry out the board's duties to combat and prosecute unlicensed activity in the architecture and interior design professions.

The board is authorized to submit an annual budget for funding the activities specified to the Legislature separately from the DBPR budget.

Chapter 455, F.S., currently provides general powers for the regulation of the areas of jurisdiction under DBPR. Among these powers is the authority to enforce unlicensed activity provisions pursuant to ss. 455.228 and 455.2281, F.S. Programs of DBPR are funded by fees paid by regulated professionals. Revenues collected from fees and fines are deposited into the Professional Regulation Trust Fund and are earmarked for funding specific programs as appropriated by the Legislature. Funding for unlicensed activity is generated from a \$5.00 special fee pursuant to s. 455.2281, F.S., imposed on all initial licenses and the renewal of licenses.

The provisions of s. 455.32, F.S., cited as the "Management Privatization Act," were adopted effective July 1, 2004. This section establishes a privatization model for administrative functions and allows the DBPR to contract out staff support services. This section statutorily specifies provisions relating to the contents of the contract for services for purposes of providing:

"services for the regulation of Florida's professionals which will ensure a consistent, effective application of regulatory provisions and appropriate budgetary oversight to achieve the most efficient use of public funds. Nonprofit corporations may be established pursuant to this section to provide administrative, examination, licensing, investigative, and prosecutorial services to any board created within the [DBPR]."

Effect of proposed changes

The bill removes the authority of the board to contract services for matters relating to receiving complaints, investigations, discipline, prosecution, and unlicensed activity of architects and interior designers. The DBPR would be responsible for these activities, as provided by current law.

C. SECTION DIRECTORY:

Section 1. Amends s. 481.205, F.S.; Deletes provisions relating to the delegation of specified duties of the DBPR to the board.

Section 2. Effective date - July 1, 2008.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

An annual reduction in expenditures from the Professional Regulation Trust Fund is estimated at \$200,000.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

This legislation could produce annual cost savings of approximately \$200,000 in the Professional Regulation Trust Fund.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, does not appear to reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not appear to reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

NA

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES