

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 Transportation Committee

BILL: CS/CS/SB 1824

INTRODUCER: Transportation Committee, Regulated Industries Committee and Senator Hays

SUBJECT: Regulated Professions and Occupations

DATE: April 19, 2011 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harrington	Imhof	RI	Fav/CS
2.	Eichin	Spalla	TR	Fav/CS
3.	Carey	Meyer, C.	BC	Pre-meeting
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

Please see Section VIII. for Additional Information:

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

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

Amendments were recommended

Significant amendments were recommended

I. Summary:

This bill authorizes the Department of Highway Safety and Motor Vehicles to release photographs to the Department of Business and Professional Regulation (department) to identify suspects involved in unlicensed activity investigations. This bill also amends provisions related to the regulation of professions under the Department of Business and Professional Regulation (department) as follows:

- Provides the department can waive renewal fees on a case-by-case basis for financial hardship or an error caused by the department;
- Provides licensees who are required to obtain continuing education prior to license renewal need only complete one licensure cycle of continuing education to reactivate an inactive license;
- Decriminalizes violations of board rules for cosmetology related professions and real estate professions;
- Amends appraisal regulations and deletes references to Uniform Standards of Professional Appraisal Practice and provides that the professional standards be adopted by board rule;

- Provides matters related to the nutritional content and marketing of foods offered in public food service establishments are preempted to the state, and provides mandatory completion of a remedial educational program administered by a food safety training program provider may be imposed by the Division of Hotels and Restaurants for certain violations;
- Establishes a peer review process for licensed accounting firms, requiring compliance with the process in order to obtain or maintain a license;
- Grants the Board of Architecture and Interior Design the authority to contract with nonprofit organizations for the regulation of professionals; and
- Delays the implementation of the regulation of appraisal management companies, from July 1, 2011 to July 1, 2014.

This bill substantially amends the following sections of the Florida Statutes: 322.142, 373.461, 455.213, 455.271, 475.42, 477.0212, 477.0265, 481.217, 481.315, 489.116, 489.519, 475.611, 475.626, 475.624, 475.628, 509.032, 509.261, 473.311, 473.323, 481.205, 475.25, 475.615, 475.617, 475.6175, 475.6235, and 475.6245 and Chapter 2010-84, Laws of Florida.

This bill creates the following section of the Florida Statutes: 473.3066 and 473.3125.

This bill repeals s. 686.201, F.S.

II. Present Situation:

Department of Business and Professional Regulation

The Department of Business and Professional Regulation (department) was established in 1993 with the merger of the Department of Business Regulation and the Department of Professional Regulation.¹ The department is created in s. 20.165, F.S., and s. 20.165(2), F.S., establishes the following eleven divisions:

- Division of Administration;
- Division of Alcoholic Beverages and Tobacco;
- Division of Certified Public Accounting;
- Division of Florida Condominiums, Timeshares, and Mobile Homes;
- Division of Hotels and Restaurants;
- Division of Pari-mutuel Wagering;
- Division of Professions;
- Division of Real Estate;
- Division of Regulation;
- Division of Technology and
- Division of Service Operations.

Professional Boards

¹ Chapter 93-220, L.O.F.

Section 20.165(4)(a), F.S., establishes the following boards and professions within the Division of Professions:

- Board of Architecture and Interior Design, created under part I of ch. 481, F.S.;
- Florida Board of Auctioneers, created under part VI of ch. 468, F.S.;
- Barbers' Board, created under ch. 476, F.S.;
- Florida Building Code Administrators and Inspectors Board, created under part XII of ch. 468, F.S.;
- Construction Industry Licensing Board, created under part I of ch. 489, F.S. ;
- Board of Cosmetology, created under ch. 477, F.S. ;
- Electrical Contractors' Licensing Board, created under part II of ch. 489, F.S.;
- Board of Employee Leasing Companies, created under part XI of ch. 468, F.S.;
- Board of Landscape Architecture, created under part II of ch. 481, F.S.;
- Board of Pilot Commissioners, created under ch. 310, F.S.;
- Board of Professional Engineers, created under ch. 471, F.S.;
- Board of Professional Geologists, created under ch. 492, F.S.;
- Board of Veterinary Medicine, created under ch. 474, F.S.;
- Home Inspection Services Licensing Program, created under part XV of ch. 468, F.S.;
- and
- Mold-Related Services Licensing Program, created under part XVI of ch. 468, F.S.;

Section 20.165(4)(b), F.S., establishes the following board and commission within the Division of Real Estate:

- Florida Real Estate Appraisal Board, created under part II of ch. 475, F.S.; and
- Florida Real Estate Commission, created under part I of ch. 475, F.S.

Section 20.165(4)(c), F.S., establishes the Board of Accountancy, created under ch. 473, F.S., within the Division of Certified Public Accounting.

The Florida State Boxing Commission,² the Pilot Rate Review Board,³ and the Regulatory Council of Community Managers are also housed within the department. The department also has regulatory oversight responsibilities over the following professions:

- Child labor under part I of ch. 450, F.S.;
- Farm labor contractors under part III of ch. 450, F.S.; and
- Talent agencies under part VII of ch. 468., F.S.

In addition to administering the professional boards, the department processes applications for licensure and license renewal. The department also receives and investigates complaints made against licensees and, if necessary, brings administrative charges.

²Section 548.003, F.S.

³ *Id.*

Chapter 455, F.S., provides the general powers of the department and sets forth the procedural and administrative frame-work for all of the professional boards housed under the department, the Divisions of Certified Public Accounting, Professions, Real Estate, and Regulation.

Fees

Section 455.213, F.S., establishes general licensing provisions for the department, including the authority to charge licensing fees.

Continuing Education

Section 455.271(4), F.S., provides an inactive licensee may change his or her status to active provided the licensee meets all requirements for active status, pays the appropriate fees, and meets all continuing education requirements.

Cosmetology

Section 477.019(7)(a), F.S., requires the Board of Cosmetology to prescribe by rule continuing education requirements, not to exceed 16 hours biennially,⁴ as a condition for renewal of a license or registration as a specialist. Section 477.0212, F.S., provides a cosmetologist's license that has become inactive may be reactivated upon application to the department, which would require the inactive licensee to complete 16 hours of continuing education coursework for each cycle he or she was inactive.

Architecture and Interior Design

Section 481.215, F.S., provides the continuing education requirements for renewal of architect and interior designer licenses shall be no less than 20 hours per license cycle. Section 481.217(1), F.S., provides the continuing education requirement for reactivating an architect's license may not exceed 12 hours for each year the license was inactive. The statute provides the minimum continuing education requirement for reactivating an interior designer's license shall be the number of hours required for the most recent license cycle plus half of the requirements for each year or part in which the license was inactive.

Landscape Architecture

Section 481.315(1), F.S., provides continuing education requirements for renewing an inactive landscape architect's license may not exceed 12 hours for each year the license was inactive.

Construction

Section 489.115, F.S., provides that the continuing education requirement for renewal of a construction contractor's license shall be at least 14 hours per license cycle. Section 489.116(6), F.S., provides an inactive licensee shall comply with the same continuing education requirements that are imposed on an active licensee.

⁴ Licenses are renewed on a two-year cycle.

Electrical or Alarm Contracting

Section 489.517(3), F.S., provides that the continuing education requirement for renewal of an electrical or alarm contractor's license shall be at least 14 hours per license cycle. Section 489.519(1), F.S., provides the continuing education requirements for reactivating a license may not exceed 12 classroom hours for each year the certificate or registration was inactive.

Criminalization of Rule Violations

Section 477.0265(1)(c), F.S., provides it is unlawful for any person licensed or registered under ch. 477, F.S., to engage in willful or repeated violations of ch. 477, F.S., or any rule adopted by the Board of Cosmetology. Section 477.0265(2), F.S., provides any person who violates any provision of s. 477.0265, F.S., commits a misdemeanor of the second degree.⁵

Section 475.42(1)(e), F.S., makes any violation of a lawful rule of the Florida Real Estate Commission a disciplinary action. Section 475.42(2), F.S., subjects the licensee to criminal sanctions for a rule violation.⁶ In addition, s. 475.626(2), F.S., makes it a crime to violate any rule of the Florida Real Estate Appraisal Board. Criminal sanctions may be imposed no matter how minor the rule violation.⁷

Appraisal Management Companies

Chapter 2010-84, L.O.F., created the regulation of a new license type for Appraisal Management Companies. The new regulations are to take effect on July 1, 2011. Since passage of the state legislation, the United State Congress passed H.R. 4173, also known as the Frank-Dodd Wall Street Reform and Consumer Protection Act, which was enacted into law on July 21, 2010.⁸ The new federal law requires states to regulate Appraisal Management Companies; however, according to the division, because final regulatory requirements have not been set by rule at this time, there remains uncertainty about how to proceed to ensure consistencies with the requirements of the federal law.

Division of Hotels and Restaurants

The Division of Hotels and Restaurants (division) within the department is the state agency charged with enforcing the provisions of ch. 509, F.S., and all other applicable laws relating to the inspection and regulation of public lodging establishments and public food service establishments for the purpose of protecting the public health, safety, and welfare. According to

⁵ A misdemeanor of the second degree is punishable by a term of imprisonment not to exceed 60 days or a fine not to exceed \$500.

⁶ A misdemeanor of the second degree.

⁷ *Id.*

⁸ Public Law 111-203.

the department, there are over 37,273 licensed public lodging establishments, including hotels, motels, nontransient and transient rooming houses, and resort condominiums and dwellings.⁹

The division is responsible for inspecting public food service establishments to ensure that they meet the requirements of ch. 509, F.S., and division rules.¹⁰ Each public food service establishment must obtain a license and meet the standards set by the division to maintain the license.¹¹

Any public food service establishment or public lodging establishment that has operated or is operating in violation of ch. 509, F.S., or the rules of the division, operating without a license, or operating with a suspended or revoked license may be subject by the division to:

- Fines not to exceed \$1,000 per offense;
- Mandatory attendance, at personal expense, at an educational program sponsored by the Hospitality Education Program;¹² and
- The suspension, revocation, or refusal of a license issued pursuant to ch. 509, F.S.

Board of Accountancy

The Board of Accountancy within the department is the agency charged with regulating the practice of public accountancy.¹³ The Division of Certified Public Accounting performs for the board all services concerning the enforcement of ch. 473, F.S., including, but not limited to, recordkeeping services, examination services, legal services, and investigative services, and those services in ch. 455, F.S., necessary to perform the board's duties under the chapter.

Section 473.302(4), F.S., defines a "certified public accountant" to mean a person who holds a license to practice public accounting in this state under the authority of ch. 473, F.S.

Section 473.302(8), F.S., defines the "practice of," "practicing public accountancy," or "public accounting" to mean:

- (a) Offering to perform or performing for the public one or more types of services involving the expression of an opinion on financial statements, the attestation as an expert in accountancy to the reliability or fairness of presentation of financial information, the utilization of any form of opinion or financial statements that provide a level of assurance, the utilization of any form of disclaimer of opinion which conveys an assurance of reliability as to matters not specifically disclaimed, or the expression of an opinion on the reliability of an assertion by one party for the use by a third party;

⁹ See *Annual Report, Fiscal Year 2009-2010*, Division of Hotels and Restaurants, Department of Business and Professional Regulation. A copy is available at: http://www.myfloridalicense.com/dbpr/hr/reports/annualreports/documents/ar2009_10.pdf (Last visited March 1, 2011).

¹⁰ Section 509.032, F.S.

¹¹ Section 509.241, F.S.

¹² Section 509.302, F.S. This program was not funded in FY 2010-2011.

¹³ Section 473.303, F.S.,

(b) Offering to perform or performing for the public one or more types of services involving the use of accounting skills, or one or more types of tax, management advisory, or consulting services, by any person who is a certified public accountant who holds an active license, including the performance of such services by a certified public accountant in the employ of a person or firm; or

(c) Offering to perform or performing for the public one or more types of service involving the preparation of financial statements not included within paragraph (a), by a certified public accountant who holds an active license, a firm of certified public accountants, or a firm in which a certified public accountant has an ownership interest, including the performance of such services in the employ of another person. The board shall adopt rules establishing standards of practice for such reports and financial statements; provided, however, that nothing in this paragraph shall be construed to permit the board to adopt rules that have the result of prohibiting licensees employed by unlicensed firms from preparing financial statements as authorized by this paragraph.

However, these terms [of practice] shall not include services provided by the American Institute of Certified Public Accountants or the Florida Institute of Certified Public Accountants, or any full service association of certified public accounting firms whose plans of administration have been approved by the board, to their members or services performed by these entities in reviewing the services provided to the public by members of these entities.

Section 473.302(5), F.S., defines the term “firm” to mean “any entity that is engaged in the practice of public accounting.”

Section 473.3101(1)(a), F.S., requires that firms must hold a license if the firm:

- Uses the title “CPA,” “CPA firm,” or any other title, designation, words, letters, abbreviations, or device tending to indicate that the firm practices public accounting; or
- Does not have an office in this state but performs the services described in s. 473.3141(4), F.S.,¹⁴ for a client having its home office in this state, as defined by rule of the board.

Section 473.311(1), F.S., requires CPA licensee’s, as a condition of license renewal every two years, complete continuing education requirements, and pass an examination on chs. 455 and 473, F.S. The biennial renewal fee for individual active and inactive status licenses is \$105.00.¹⁵

The continuing education requirement provides every two years before each license renewal CPA’s must successfully complete not less than 48 or more than 80 hours of continuing professional education programs in public accounting subjects approved by the board.¹⁶

¹⁴ Section 473.3141, F.S., provides the practice requirements for CPA’s from out-of-state.

¹⁵ See Rule 61H1-31.001, F.A.C., for the board’s fee schedule. Section 473.305, F.S., authorizes a maximum biennial renewal fee of \$250.

¹⁶ Section 473.312, F.S.

The board may prescribe by rule additional continuing professional education hours, not to exceed 25 percent of the total hours required, for failure to complete the hours required for renewal by the end of the reestablishment period. Not less than 25 percent of the total hours required by the board must be in accounting-related and auditing-related subjects, as distinguished from federal and local taxation matters and management services. Not less than 5 percent of the total hours required by the board shall be in the practice of public accounting.¹⁷

Florida does not require firms to participate in a peer review program. It also does not have a peer review oversight committee or other oversight process for peer review. According to the Florida Institute of Certified Public Accountants (FICPA), 48 states have peer review requirements. According to FICPA, Florida and Delaware are the only states without a peer review requirement.

Also according to the FICPA, the goal of a peer review is to help CPA firms improve their work, if needed, or to show the CPA's work meets professional auditing standards.

The Florida Institute of Certified Public Accountants has represented that Florida CPA firms that perform one or more audits, reviews, compilations, or any other agreed-upon attestation engagement, and are members of the American Institute of Certified Public Accountants are currently required to perform work under the Yellow Book standards¹⁸ and public company audits which requires that they enroll in a peer review program and undergo a peer review at least once every three years.

The American Institute of Certified Public Accountants Peer Review Board has approved 41 state CPA societies or groups of societies as "administering entities" to administer the peer review program for 55 licensing jurisdictions.¹⁹

The board has unanimously approved the concept of peer review as a requirement for firm license renewal.²⁰

Driver's Licenses

Section 322.142, F.S., provides reproduction of a driver's license digital image and signature from the file or record of the Department of Highway Safety and Motor Vehicles are exempt from the open records provisions in s. 119.07(1), F.S., except for specified departmental purposes. The Department of Highway Safety and Motor Vehicles may provide copies of licenses to the department pursuant to an interagency agreement for the purpose of accessing digital images for reproduction of licenses issued by the department.

¹⁷ *Id.*

¹⁸ The "Yellow Book" provides the government auditing standards.

¹⁹ *Peer Review Resources*, American Institute of Certified Public Accountants, <http://www.aicpa.org/InterestAreas/PeerReview/Resources/Pages/default.aspx> (last visited March 27, 2011).

²⁰ See correspondence from David C. Tipton, CPA, Chairman, Florida Board of Accountancy, to the Florida Institute of Certified Public Accountants, dated December 7, 2010, which is on file with the professional staff of the Senate Committee on Regulated Industries.

The department is currently not authorized to access the digital images for the purpose of identifying subjects who are under investigation for unlicensed activity.

III. Effect of Proposed Changes:

Section 1. Amends s. 322.142(4), F.S., to provide the Department of Highway Safety and Motor Vehicles may reproduce color photographic or digital imaged licenses and signatures of licensees to the Department of Business and Professional Regulation for the purpose of identifying subjects who are under investigation for unlicensed activity.

Section 2. Creates subsection (12) of s. 455.213, F.S., to provide the department may grant a fee waiver for a license renewal on a case-by-case basis due to financial hardship or an error caused by the department.

Section 3. Amends s. 455.271(10), F.S., to provide a licensee, except a person licensed under chs. 473 or 475, F.S.,²¹ shall only be required to complete one renewal cycle of continuing education to reactivate a license.

Sections 4. Amends s. 475.42, F.S., to eliminate rule violations of the Florida Real Estate Commission from the list of violations which may result in criminal penalties.

Section 5. Amends s. 477.0212(2), F.S., to provide the Board of Cosmetology shall require a licensee to complete one renewal cycle of continuing education requirements prior to renewing an inactive license.

Section 6. Amends s. 477.0265, F.S., to eliminate rule violations of the Board of Cosmetology from the list of violations which may result in a criminal penalty.

Sections 7-10. Amends various sections of statutes to provide architects, interior designers, landscape architects, construction contractors, electrical contractors, and alarm contractor licensees shall only be required to complete one renewal cycle of continuing education to reactivate a license.

Section 11. Repeals paragraph (v) of subsection (1) of s. 475.611, F.S., as amended by ch. 2010-84, L.O.F., effective July 1, 2014.²² This paragraph provided the definition of “Uniform Standards of Professional Appraisal Practice.”

Section 12. Repeals paragraphs (b) and (c) of subsection (1) of s. 475.626, F.S., as amended by ch. 2010-84, L.O.F.,²³ These paragraphs criminalized rule violations of the Florida Real Estate Appraisal Board.

²¹ Chapter 473, F.S., pertains to public accountancy. Chapter 475, F.S., pertains to real estate brokers, sales associates, appraisers, and schools.

²² The referenced provision is not effective until July 1, 2011.

²³ *Id.*

Section 13. Amends subsection (14) of s. 475.624, F.S., as amended by ch. 2010-84, L.O.F., to remove references to the Uniform Standards of Professional Appraisal Practice, to provide the standards of professional practice will be established by board rule.

Section 14. Amends s. 475.628, F.S., to remove references to the Uniform Standards of Professional Appraisal Practice, to provide the standards of professional practice will be established by board rule.

Section 15. Amends s. 509.032, F.S., to provide matters related to the nutritional content and marketing of foods offered in public food service establishments are preempted to the state.

Section 16. Amends s. 509.261, F.S., to provide a public lodging establishment or public food service establishment that has violated ch. 509, F.S., or a rule of the Division of Hotels and Restaurants, may be subject to mandatory completion of a remedial education program administered by a food safety training program provider whose program has been approved by the division.

Section 17. Amends ch. 2010-84, L.O.F., to change the effective date for the regulation of appraisal management companies to July 1, 2014.

Section 18. Creates s. 473.3066, F.S., to authorize the board to establish a five-member peer review oversight committee. The board is not required to establish this committee. If the board does establish the committee, it may adopt rules for the qualifications, appointment, and terms of members. Each member of the committee must be a Florida-licensed CPA, and their firm must have undergone a peer review and received a review rating of “pass” on the most recent peer review.

Members of any state board, members of another state accountancy board committee, and persons who perform enforcement-related duties for a state accountancy board may not serve on the committee. Committee members would serve without compensation, including no reimbursement for per diem or travel expenses. The bill provides for staggered term terms that are not to exceed three years.

The board’s rules may also establish the duties of the committee, may include, but are not limited to, providing or performing:

- Oversight for peer review programs and peer review administering organizations;
- Periodically reporting to the board on the effectiveness of peer review programs and providing a list of licensees that participate in the programs; and
- Other duties relating to oversight of peer review programs.

Section 19. Amends s. 473.311, F.S., to clarify the department shall renew a license issued under section 473.308 F.S.

This bill creates subsection (2) of s. 473.311, F.S., to require, effective January 1, 2015, a firm must satisfactorily comply with the peer review requirements in order to renew a firm license. The firm’s license may be renewed if the board has extended the time to comply with the peer

review requirement. Also, s. 473.311(3), F.S., is amended to clarify the board's authority to adopt rules for license renewals relates to the CPA license and the firm license under ss. 473.308 and 473.3101, F.S., respectively.

Section 20. Creates s. 473.3125, F.S., to define terms as used in this section and to provide standards for peer review.

- Section 473.3125(1)(a), defines the term “licensee” to mean firms that are required to be licensed under s. 473.3101, F.S., and that practice public accounting as defined in s. 473.302(8)(a), F.S.
- Section 473.3125(1)(b), F.S., defines the term “peer review” to mean “the study, appraisal, or review by one or more independent certified public accountants of one or more aspects of the professional work of a licensee.”
- Section 473.3125(2)(a), F.S., requires that the CPA firm:
 - Enroll in a peer review program of a peer review administering organization approved by the board; and
 - Undergo a peer review at least once every 3 years which is performed according to this section and the rules of the board and submitted to and accepted by a peer review administering organization.
- Section 473.3125(2)(b), F.S., provides that licensees are not required to enroll in a peer review program or undergo a peer review if they do not perform the accounting services defined in s. 473.302(8)(a), F.S.
- Section 473.3125(2)(c), F.S., provides an exception from the requirements to enroll in a peer review program and for a peer review requirement for licensees that have been licensed less than 18 months.
- Section 473.3125(2)(d), F.S., provides that a licensee that receives a review rating of “fail” on two consecutive peer reviews must submit any documentation requested by the board.
- Section 473.3125(3), F.S., requires the board to adopt rules establishing minimum standards for peer review programs including establishing minimum criteria for the board's approval of one or more peer review administering organizations to facilitate and administer the peer review program. The rules must require the peer review administering organization to submit to the board a written summary of the organization's peer review program that includes a description of its entire peer review process.
- Section 473.3125(3)(c), F.S., sets forth the minimum standards for the board to approve peer review organizations. The organization must demonstrate the ability to administer its peer review program in the manner described in its written summary and to comply with the board's minimum standards.

- Section 473.3125(3)(d), F.S., authorizes the board to withdraw its approval of any organization that fails to comply with s. 473.3125, F.S., or the board's rules.
- Section 473.3125(4), F.S., provides immunity from civil liability for CPA's and other persons appointed or authorized to perform administrative services for the peer review administering organization for furnishing information or performing within the scope or function of the duties of the peer review administering organization.
- Section 473.3125(5), F.S., provides the proceedings, records, and work papers of a peer review administering organization are privileged, confidential, and not subject to discovery in a civil or arbitration proceeding. The bill also prohibits a person from testifying in a civil or arbitration proceeding in connection with a peer review. The privilege does not apply to public records and materials prepared for a particular engagement. The privilege does not apply to any dispute between a peer review administering organization and licensee relating to a subject arising from the performance of the peer review.

Section 21. Amends s. 473.323 F.S., to authorize the board to discipline any licensed audit firm or public accounting firm that is subject to the peer review requirement if the firm fails to enroll in a peer review program or undergo a peer review as required by s. 473.3125, F.S.

The firm may also be disciplined by the board if it engages in material noncooperation with a peer review administering organization approved by the board.

Section 22. Amends s. 481.205, F.S., to grant the Board of Architecture and Interior Design authority to contract with nonprofit organizations under s. 455.32, F.S., for the regulation of professionals.

Section 23. Repeals s. 686.201, F.S., relating to sales representatives involving commissions.

Section 24. Amends s. 373.461(5)(c), F.S., to remove references to the Uniform Standards of Professional Appraisal Practice and provides the standards of professional practice will be established by board rule.

Section 25. Amends s. 475.25(t), F.S., to remove references to the Uniform Standards of Professional Appraisal Practice and provides the standards of professional practice will be established by board rule.

Section 26. Amends s. 475.615(5), F.S., to remove references to the Uniform Standards of Professional Appraisal Practice and provides the standards of professional practice will be established by board rule.

Section 27. Amends s. 475.617, F.S., to conform with other changes in the bill relating to the equivalency of board-adopted rules to the Uniform Standards of Professional Appraisal Practice.

Section 28. Amends s. 475.6175(1), F.S., to conform with other changes in the bill relating to the equivalency of board-adopted rules to the Uniform Standards of Professional Appraisal Practice.

Section 29. Amends s. 475.6235(4), F.S., to remove references to the Uniform Standards of Professional Appraisal Practice and provides the standards of professional practice will be established by board rule. In addition, this section clarifies an application for registration of an appraisal management company shall expire one year after the date received “by the department”.

Section 30. Amends s. 475.6245(1), F.S., to provide the standards of professional practice will be established by board rule.

Section 31. Provides that except as expressly provided in this act, the act shall take effect July 1, 2011.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

The confidentiality of records provided in s. 473.3125(5), F.S., would not apply to any documentation provided to the board, as provided in s. 473.3125(2)(d), F.S., and which are subject to the public records requirements in s. 119.07, F.S..

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill authorizes the department to waive renewal fees on a case-by-case basis.

B. Private Sector Impact:

The bill provides a reduction in the continuing education requirements for activating an inactive license. The reduction in requirements and potential for fee waivers would decrease costs to licensees.

Public accountancy firms that are licensed under s. 473.3101, F.S., and that practice public accounting as defined in s. 473.302(8)(a), F.S., would be required to enroll with a peer review organization and submit to peer review at least every three years as a condition for renewal of their license every two years. According to the Florida Institute of Certified Public Accountants, the cost of a peer review varies depending on the type of accountancy practiced and the complexity of the subject, but advised that a peer review may cost at least \$900.

C. **Government Sector Impact:**

The bill authorizes the department to waive fees due to financial hardship or fault of the department on a case-by-case basis. Because of this provision, there may be a reduction in department revenues, although the department anticipates that any reduction would be insignificant.

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 29, 2011:

The CS removes references to criminal investigations and instead provides that the Department of Highway Safety and Motor Vehicles may provide copies of drivers' licenses for the purpose of identifying subjects who are under investigation by the department for unlicensed activities. The CS adds that the board, or the department when there is no board, shall only require one cycle of continuing education courses, except for licensees under chs. 473 and 475, F.S. The CS amends the appraisal regulations and deletes the references to Uniform Standards of Professional Appraisal Practice. Instead, the CS provides that the professional standards will be adopted by board rule. The CS provides that matters related to the nutritional content and marketing of foods offered in public food service establishments are preempted to the state. In addition, the CS provides that mandatory completion of a remedial educational program administered by a food safety training program provider may be imposed by the Division of Hotels and Restaurants on any public lodging establishment or public food service establishment that has operated in violation of ch. 509, F.S., or a rule of the division.

CS by Transportation on April 5, 2011:

The CS:

- provides for the Board of Appraisers to adopt rules establishing standards of professional practice;
- requires the Board of Accountancy to establish a peer review program and provides for implementation of the program, including requirements for firms to enroll and be subject to peer review; and
- conforms several sections with other changes in the bill relating to the equivalency of board-adopted rules to the Uniform Standards of Professional Appraisal Practice.

B. Amendments:

None.

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