

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA
APPROPRIATIONS SUBCOMMITTEE ON GENERAL
GOVERNMENT
Senator Hays, Chair
Senator Thompson, Vice Chair

MEETING DATE: Thursday, December 6, 2012
TIME: 2:00 —4:00 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	Introduction of Members and Staff		Presented
2	Subcommittee Jurisdiction Overview		Presented
3	Discussion of Intensive Budget Review Process		Presented
4	Introduction of Agency Head or Representatives and Brief Discussion of Priority Initiatives		Presented
	<p>Ken Lawson, Secretary, Department of Business and Professional Regulation Herschel Vinyard, Secretary, Department of Environmental Protection Cynthia O'Connell, Secretary, Department of Lottery Craig Nichols, Secretary, Department of Management Services</p> <p>Marshall Stranburg, Interim Executive Director, Department of Revenue Mike Joyner, Assistant Commissioner, Department of Agriculture and Consumer Services Ashley Mayer, Director of Policy, Research, and Legislative Affairs, Department of Financial Services</p>		
5	Other Related Meeting Documents		

Florida Department of
Business
Professional
Regulation



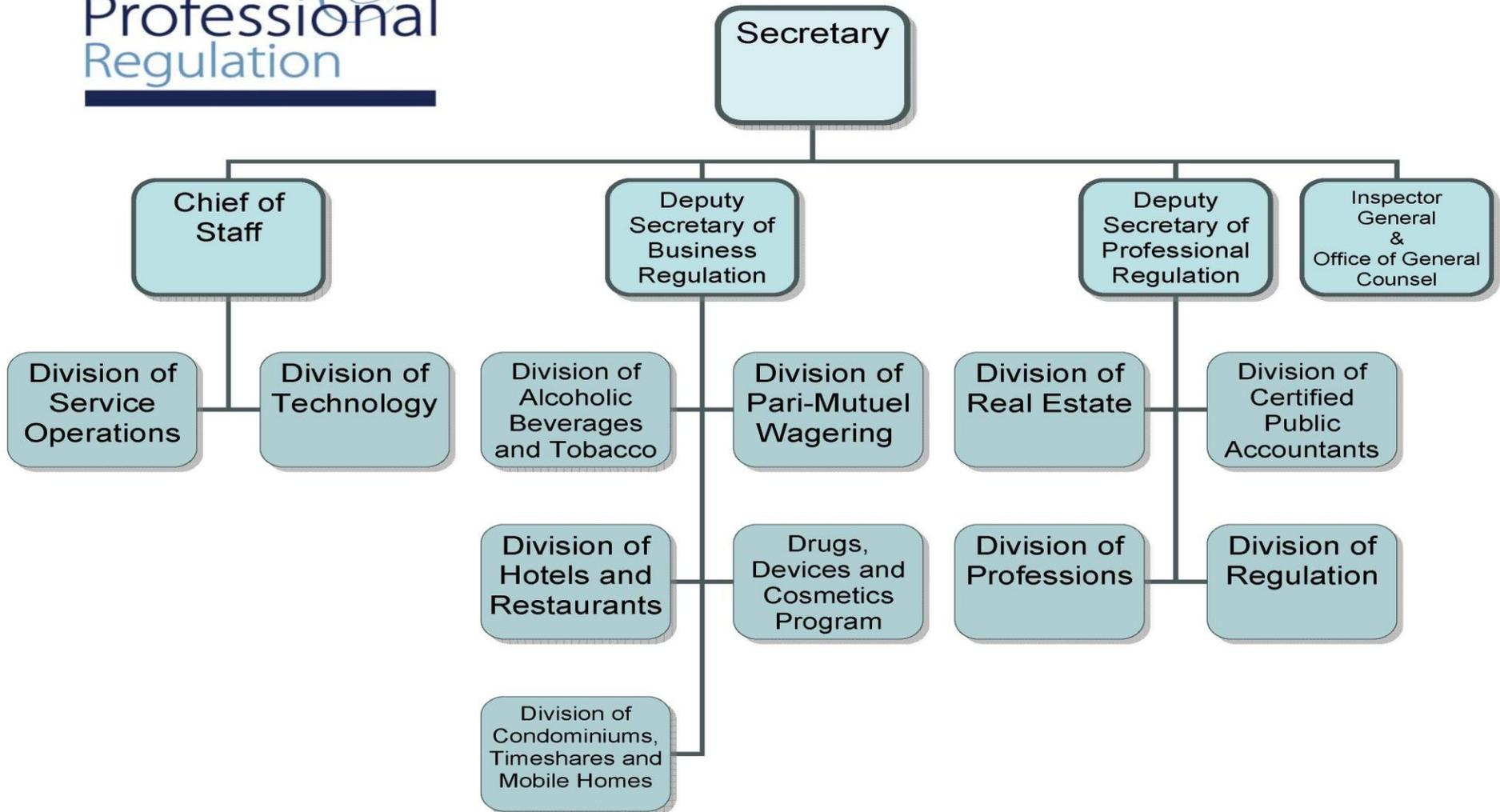
License efficiently. Regulate fairly.

Ken Lawson
Secretary

Guiding Principles

- Smart De-Regulation
 - Working to identify and remove rules that don't make sense and get in the way of businesses.
- Fair But Strong Enforcement
 - The goal is always to get businesses into compliance. Enforcement will be strong, but fair, and our licensees deserve to have a voice in the enforcement process.
- Open Door Policy
 - I have met with and will continue to meet with anyone who walks through the door.

Organizational Structure



Business Regulation

- Division of Pari-Mutuel Wagering
- Division of Hotels and Restaurants
- Division of Alcoholic Beverages and Tobacco
- Division of Florida Condominiums, Timeshares and Mobile Homes
- Drugs, Devices and Cosmetics Program

Professions We Regulate

- Architecture & Interior Design
- Asbestos Contractors & Consultants
- Athlete Agents
- Auctioneers
- Barbers
- Boxing, Kick Boxing & Mixed Martial Arts
- Building Code Administrators & Inspectors
- Certified Public Accounting
- Child Labor
- Community Association Managers & Firms
- Construction Industry
- Cosmetology
- Electrical Contractors
- Employee Leasing Companies
- Farm Labor
- Geologists
- Harbor Pilots
- Home Inspectors
- Labor Organizations
- Landscape Architecture
- Mold-Related Services
- Real Estate
- Real Estate Appraisers
- Talent Agents
- Veterinary Medicine

Department Statistics

- **CUSTOMERS:** More than **one million** licensed businesses and professionals
- **FY 12-13 BUDGET:** \$136.6 million
- **STAFFING:** 1,586 Full Time Employees
- **REVENUE SOURCES:**
 - 100% State Trust Funded*
 - Collect approximately \$2.37 billion in fees and taxes that is contributed to General Revenue and other agencies.

Strategies

- Focus on consolidating and streamlining duplicative business processes.
- Encourage DBPR employees and divisions to compete with each other and other state agencies to become better, faster and smarter.
- Regularly and aggressively seek out feedback from our licensees about how we can better serve them, analyze, understand and remedy any burdensome barriers for license holders and applicants.

Improved License Processing Times

- In October 2008, the average license processing time was 41 days.
- As of the end of October 2012, the average processing time has decreased to less than two and a half days.
- This success is attributed to three main principles:
 1. Leverage technology to maximize use of employees;
 2. Focus on core business functions to guide improvements;
 3. Capture metrics for evaluation and analysis.

What We've Done Lately

- 2012 Legislative Session
- ApplyNow! & Application Workshops
- Licensee Survey
- Continually Decreasing License Processing Time

Department Outreach

- Mobile Food Vendor Fair



Department Outreach

- Business Tours & Delivering Licenses



Department Outreach

- Unlicensed Activity Media Campaign



Inspection Bill of Rights Card

Florida Department of
**Business &
Professional
Regulation**

Your Bill of Rights

As a licensee with DBPR, you have the right to:

- Know the reason for your inspection
- Have knowledgeable, helpful, objective and courteous inspectors
- Have professional inspectors who use safe and minimally disruptive practices in completing your inspection
- Receive a copy of the completed inspection
- Question the findings of your inspection
- Ask for reconsideration of those findings
- Be efficiently and fairly treated in all dealings with DBPR

Our Commitment

We will diligently work to make Florida and DBPR great places to conduct business everyday. In keeping with this purpose, we will treat our licensees as valued customers and partners, invest in our employees, and uphold laws that protect the public and enhance Florida's competitiveness.

Florida Lottery Presentation

Senate Appropriations Subcommittee on
General Government

Cynthia F. O'Connell
Secretary, Florida Lottery

Year of the Flamingo



Purpose

“...to operate the state lottery... so as to maximize revenues [for the Educational Enhancement Trust Fund] in a manner consonant with the dignity of the state and the welfare of its citizens.”

Intent

“That the lottery games be operated by a department of state government that functions as much as possible in the manner of an entrepreneurial business enterprise.”



Year of the Flamingo



The Games of the Florida Lottery



Year of the Flamingo



District Office Operations

Lottery Headquarters Tallahassee

- 236 Staff

Nine District Offices Statewide

- 113 Sales Representatives (SR's)
Servicing 13,400 retail locations.
- 74 Office Support Staff
Selling tickets and paying prizes to players
up to \$250,000



Year of the Flamingo



The 2012 Lottery Dollar

Ticket Vendor Fees: 1.5%

Prizes: 62.1%

Over **\$37.7 billion**
in player prizes LTD.

Education (EETF): 29.5%

Over **\$24 billion** to
Florida Education LTD.



Operations: 1.3%

The Florida Lottery remains one of the
most efficient lotteries in the nation.

*Operations include advertising, staff and all office
operations. As of 6/30/2012.

Retailer Commissions: 5.6%

Over **\$3.8 billion** to
Florida businesses LTD.

Year of the Flamingo

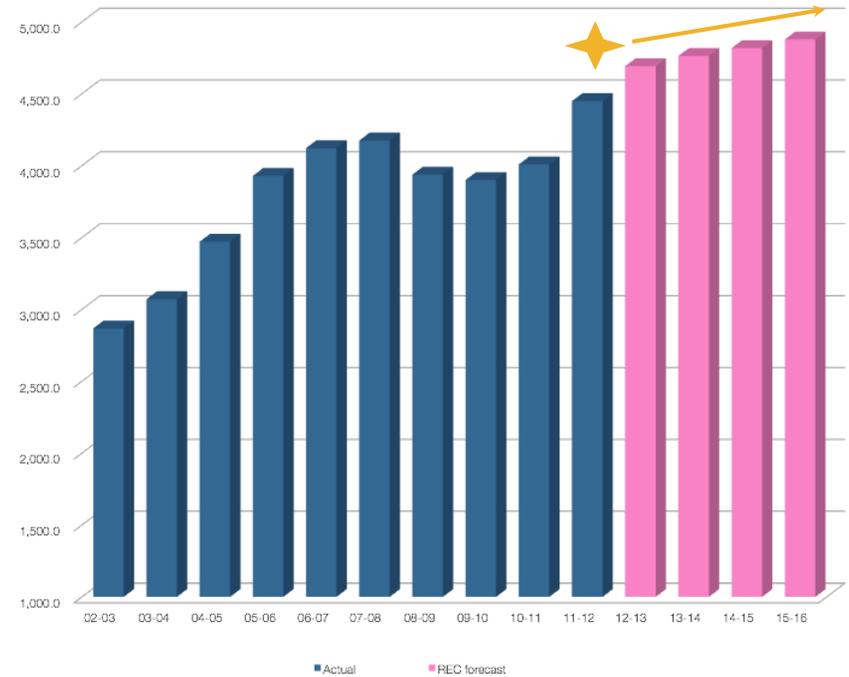


Sales Trend

(In Millions – based on actual July REC forecast)

The \$587.5 million jackpot roll over from October 6th – November 28th led to a record high sales week for the Florida Lottery.

- Florida's Powerball sales' pace exceeded 35,000 tickets per minute between 6 and 7 p.m. on Wednesday evening.
- **Education:** \$58.0 million in education funding from Powerball alone during the 8-week series.
- **Businesses:** \$7 million in sales commissions to our retailers and greatly increased store traffic.
- **Powerball Prize-Winners:** Eight \$1 million prizes won in Florida and nearly 766,000 Florida prize-winners in all.
- **Florida's Image and Leadership:** National media attention for Tallahassee-based Powerball drawing location.



★ **New Florida Lottery Record \$4.4B**
 2012 Sales Goal REC \$4.26B
 Online 42% - Scratch 58%

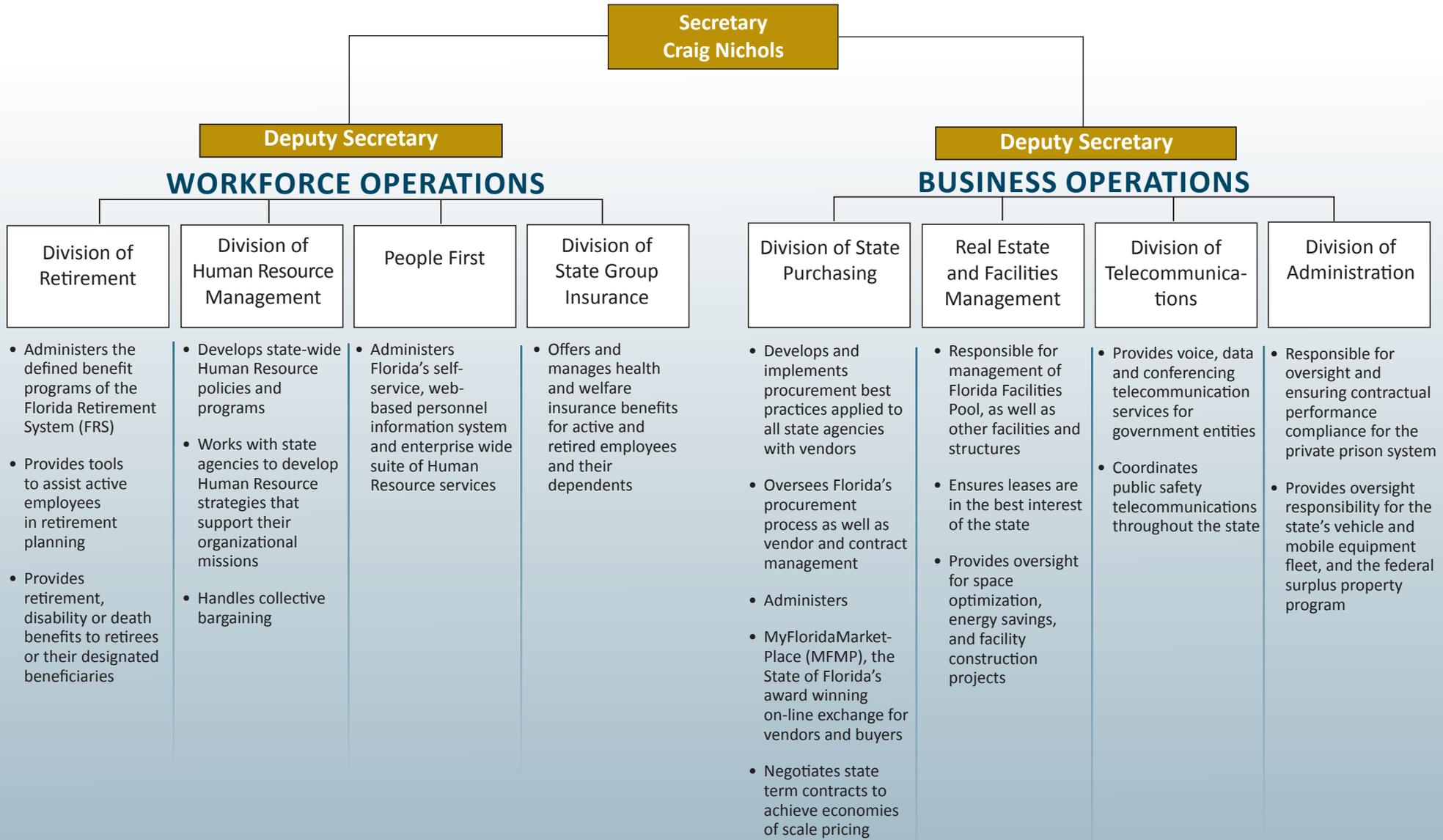
Year of the Flamingo





DEPARTMENT OF MANAGEMENT
SERVICES

"We serve those who serve who serve Florida."





DEPARTMENT OF MANAGEMENT SERVICES

"We serve those who serve who serve Florida."

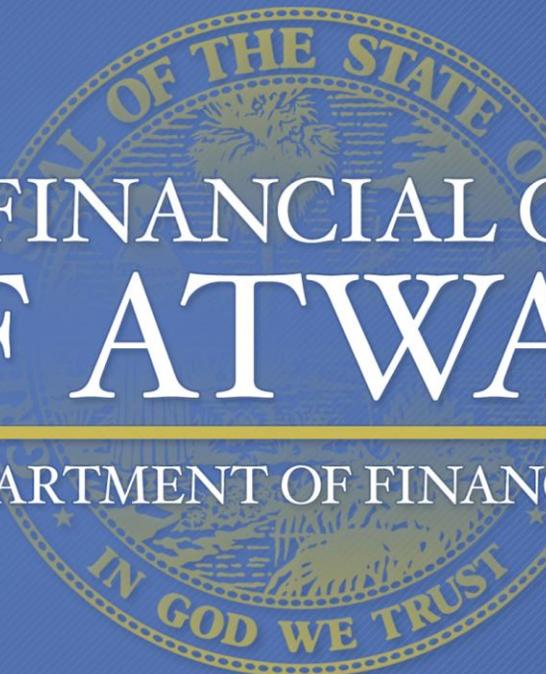
Strategic Vision

As the agency which supports workforce operations for state government, the Department of Management Services has identified several key areas in which to incorporate enterprise wide private-sector business strategies to accomplish cost savings, increased efficiency and enhanced operational capacity.

In turn, agency resources may be redirected to bolster opportunities for job growth, quality education and enhanced quality of life for Florida's citizens.

Enterprise Wide Initiatives

Initiative	Description
Procurement Transformation Project	Maximize and leverage the state's overall buying power by improving procurement processes and expanding the offerings of strategically sourced state term contracts to achieve substantial savings and efficiencies
Vendor Performance and Contract Management	Lead the state's effort to reduce costs on large contracts and create enterprise wide capability to manage contracts and negotiate strategic vendor relationships
Real Estate Optimization	Design a 21st century office and facility management model to better utilize existing space, reduce energy consumption, achieve lease cost savings, and optimize facility operations
Human Resource Shared Services	Create a human resources shared services delivery model to empower agencies to focus on their core missions rather than administrative functions
Employee Performance and Talent Management	Employee Performance: Create and implement effective performance assessment tools, create performance objectives, develop result-oriented management and employee accountability, utilize incentive pay to reward high performing employees
	Talent Management Improvement: Create and implement methodologies that can be applied consistently across all agencies to attract and bolster talent for today's needs and the future
Fleet Management Services	Optimize enterprise wide centralized policies, oversight, planning and coordination of the state's vehicle utilization, acquisition and maintenance

The seal of the State of Florida is centered in the background. It features a central figure of a person holding a torch, surrounded by a circular border with the text "SEAL OF THE STATE OF FLORIDA" and "IN GOD WE TRUST".

CHIEF FINANCIAL OFFICER
JEFF ATWATER
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

An overview of the Department of Financial Services
for the
Senate Appropriations Subcommittee on General Government

December 6, 2012

Chief Financial Officer

Cabinet Member

- Administration Commission
- Board of Trustees Internal Improvement Trust Fund
- Department of Highway Safety & Motor Vehicles
- Department of Law Enforcement
- Department of Revenue
- Department of Veterans' Affairs
- Division of Bond Finance
- Electrical Power Plant and Transmission Line Siting Board
- Florida Land & Water Adjudicatory Commission
- Financial Services Commission (OIR & OFR)
- State Board of Administration
- State Board of Executive Clemency

Department of
Financial Services

- Insurance Consumer Advocate
- Inspector General
- Chief of Staff
- Various divisions within DFS *(details on next slide)*

- Office of Insurance Regulation*
- Office of Financial Regulation *

**administratively housed within DFS but overseen by
the Financial Services Commission*

Department of Financial Services

Deputy CFO-Operations

- Accounting & Auditing
- Budget
- Rehabilitation & Liquidation
- Insurance Agents & Agency Services
- Workers' Compensation
- Funeral, Cemetery, & Consumer Services
- Treasury

Deputy CFO-Fraud

- Insurance Fraud
- State Fire Marshal
- Public Assistance Fraud
- Medicaid Strike Force

General Counsel

- Legal Services
- Risk Management

Deputy CFO-Communications

- Administration
- Insurance Consumer Services
- Communications
- Cabinet
- Program Management/External Affairs

Director Policy, Research & Legislative Affairs

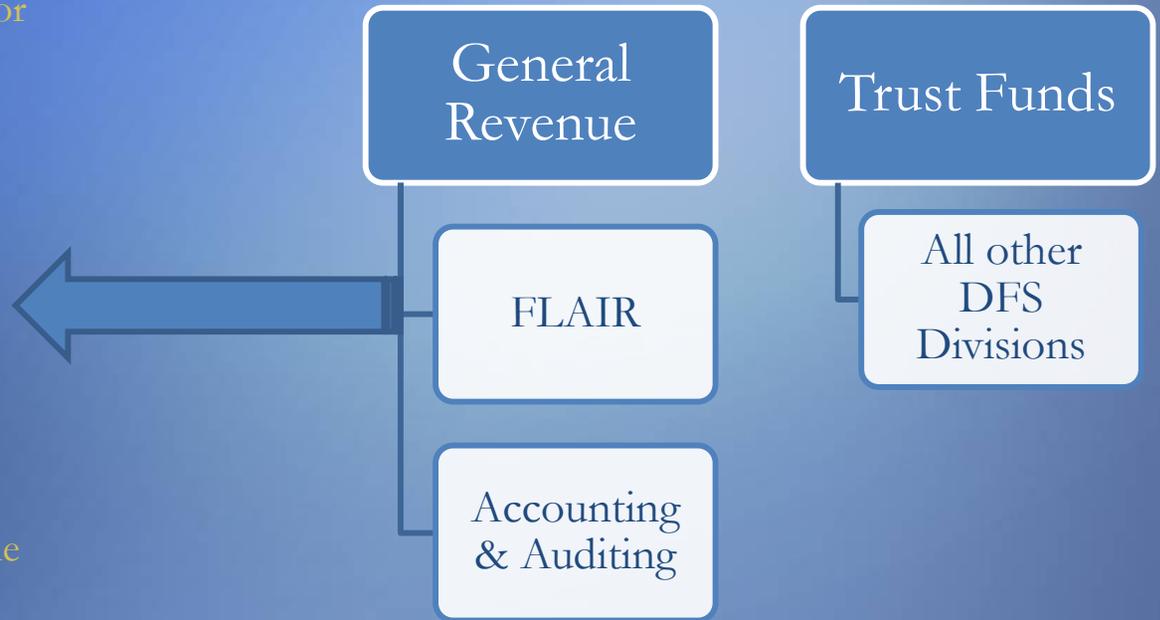
- Legislative Affairs
- Policy & Research

Chief Information Officer

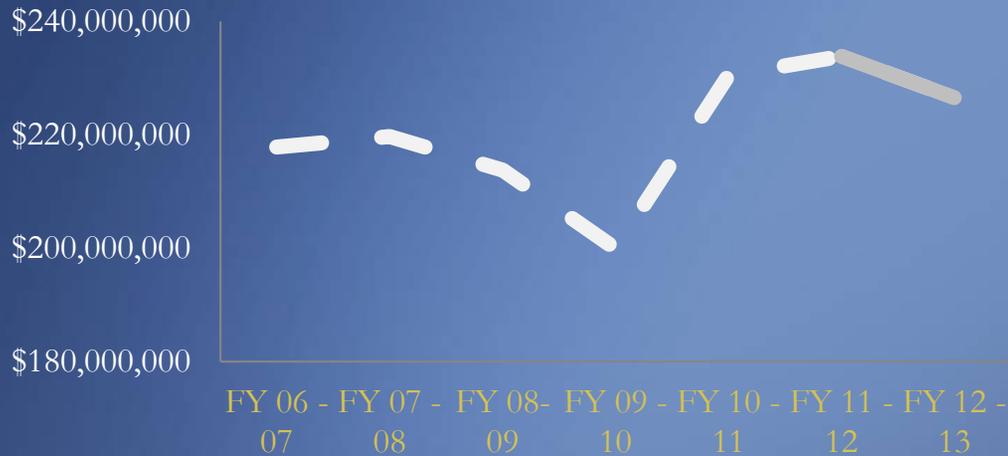
- Division of Information Systems

Revenue Sources

- The Florida Accounting Information Resource, or FLAIR, is the state’s accounting system. FLAIR records all financial transactions and coordinates state agency accounts. All funds for expenses, payroll, retirement, unemployment compensation, and public assistance payments are processed through FLAIR.
- The Division of Accounting & Auditing, along with our Division of Information Systems, runs FLAIR and LASPBS (the Legislature’s budgeting software). Accounting & Auditing also settles all the state’s financial obligations and audits the state’s payments/disbursements.



Total DFS Budget



Major Issues for 2013 Session

FACTS

- The Florida Accountability Contract Tracking System allows the public to search for state contract information.
- Our goal is to put all contract images online by the end of the year, and we will be seeking funding for four (4) additional positions to help support FACTS' continued transparency efforts.

FLAIR

- FLAIR was constructed in 1979 and came online in 1981. It is written in a “dead language” for coding purposes, making it increasingly difficult to find skilled staff, particularly to cover our employees who are retiring.
- FLAIR was attempted to be replaced in 2004, but CFO Sink stopped its implementation when it became clear that the project's budget was going to be exceeded, likely without its intended result.
- We are working to develop a common-sense approach to FLAIR replacement, and will be continuing to move in the direction of a more modern, intuitive, and efficient accounting system.

Auditing

- Currently, our Department is only able to audit 2% of the total number of active contracts and grants each year.
- We believe it is prudent to increase this sample, as well as satisfy agency demand for additional training in contract & grant management. Therefore, we are seeking additional FTE, as well as the re-classification of some existing FTE, to attract talent for key audit positions.
- The CFO has made accountability in contracting and grants a priority, and will continue to identify opportunities for improvement this session.

Regulatory Reform

- Each Division had undergone, or will undergo, a regulatory review by key legal staff. Recommendations from these reviews will be translated into legislative/rulemaking initiatives and process improvements.
- Last year, DFS proposed HB 725, which streamlined functions within the Division of Agents & Agency Services at a savings to the state budget.
- This year, we will pursue similar reforms for our Divisions of the State Fire Marshal & Workers' Compensation.

Office of Legislative Affairs
850.413.2863

Ashley Mayer, ashley.mayer@myfloridacfo.com

Logan McFaddin, logan.mcfaddin@myfloridacfo.com

Elizabeth Boyd, elizabeth.boyd@myfloridacfo.com

CourtSmart Tag Report

Room: EL 110
Caption: SEN AP - General Government Appropriations Subcommittee

Type:
Judge:

Started: 12/6/2012 2:01:11 PM
Ends: 12/6/2012 3:18:45 PM Length: 01:17:35

2:01:12 PM Meeting called to order
2:02:12 PM Chmn. Hays
2:03:15 PM Senator Dean
2:03:47 PM Senator Simpson
2:03:58 PM Senator Hays
2:04:13 PM Senator Latvala
2:04:20 PM Senator Detert
2:04:41 PM Senator Thompson
2:05:14 PM Senator Bradley
2:05:29 PM Senator Braynon
2:06:49 PM Chmn. Hays
2:09:53 PM Staff introductions
2:11:23 PM Chmn. Hays
2:13:16 PM Resource Book, Chmn. Hays
2:14:16 PM Agency Head introductions
2:14:30 PM Sec. Lawson, DBPR
2:20:21 PM Chmn. Hays
2:20:36 PM Sec. Viinyard, DEP
2:26:15 PM Chmn. Hays
2:26:30 PM Sec. O'Connell, Lottery
2:32:42 PM Sen. Thompson
2:33:05 PM Sec. O'Connell
2:33:38 PM Sen. Detert
2:35:05 PM Sen. O'Connell
2:35:38 PM Sec. Craig Nichols, DMS
2:47:23 PM Sen. Braynon
2:47:53 PM Sec. Nichols, DMS
2:52:08 PM Marshall Stranburg, DOR
2:57:36 PM Chmn. Hays
2:59:38 PM Mike Joyner, DACS
3:09:16 PM Chmn. Hays
3:10:38 PM Sen. Latvala
3:14:10 PM Chmn. Hays
3:14:17 PM Ashley Mayer, DFS
3:18:07 PM Chmn. Hays
3:18:36 PM Mtg. adjourned



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Appropriations Subcommittee on Criminal and
Civil Justice, *Vice Chair*
Appropriations Subcommittee on General
Government
Ethics and Elections
Health Policy
Judiciary
Transportation

JOINT COMMITTEE:
Joint Committee on Public Counsel Oversight

SENATOR ARTHENIA L. JOYNER
19th District

November 29, 2012

Senator Alan Hays, Chair
Appropriations Subcommittee on General Government
201, The Capitol
Tallahassee, FL 32399

OK!
[Handwritten signature]

Dear Senator Hays:

This letter is to request to be excused from the Appropriations Subcommittee on General Government meeting on Thursday, December 6. Thank you for your consideration.

Sincerely,

[Handwritten signature of Arthenia L. Joyner]

Arthenia L. Joyner
State Senator, District 18

REPLY TO:

- 508 W. Dr. Martin Luther King, Jr. Blvd., Suite C, Tampa, Florida 33603-3415 (813) 233-4277
- 202 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5019 FAX: (813) 233-4280

Senate's Website: www.flsenate.gov

DON GAETZ
President of the Senate

GARRETT RICHTER
President Pro Tempore



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR JOHN LEGG
17th District

The Honorable Senator Alan Hays
320 Senate Office Building
404 South Monroe Street
Tallahassee, FL 32399

December 5, 2012

Chairman Hays,

Please excuse my absence for the Appropriations Subcommittee on General Government scheduled for December 6, 2012. I will be tending to a personal family matter back home. If there is an issue where you need to speak with me directly, please contact me on my personal cell phone at 727-514-3313. Thank you for your kind consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "John Legg".

John Legg
State Senate, District 17

A large, stylized handwritten signature in black ink, appearing to read "OK DeLoach".

cc: Jamie DeLoach
Staff Director

REPLY TO:

- 214 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5017
- 262 Crystal Grove Boulevard, Lutz, Florida 33548

Senate's Website: www.flsenate.gov

DON GAETZ
President of the Senate

GARRETT RICHTER
President Pro Tempore



Senator Darren Soto

220 Senate Office Building

Mailing Address

404 South Monroe Street
Tallahassee, Florida 32399-1100
(850) 487-5014

Senate's Website: www.flsenate.gov

Maria L. Sachs

Democratic Leader Pro Tempore

December 5, 2012

Chairman Alan Hays
Appropriations Subcommittee on General Government
201 The Capitol
404 S Monroe Street
Tallahassee, FL 32399-1100

Mr. Chairman,

I, respectfully, request to be excused from the December 6th committee meeting due to a prior commitment I have scheduled with President Obama. I assure you that this will not be a common practice.

Should you have any questions, please do not hesitate to contact me directly.

Sincerely,

Handwritten signature of Darren M. Soto in cursive.

Handwritten initials "OK" followed by a signature in cursive.

Darren M. Soto
State Senator, District 14

Cc: Jamie DeLoach, Staff Director

SENATE APPROPRIATIONS
RECEIVED
12 DEC -6 AM 7:58
SENATOR CHAIRMAN
STAFF DIR. STAFF



THE FLORIDA SENATE

Tallahassee, Florida 32399

**Senator Kelli Stargel
District 15**

Regulated Industries, Chair
Commerce and Tourism
Community Affairs
Education
General Government Approp.
Transportation, Tourism &
Econ. Approps.
Joint Committee on Public
Counsel Oversight

December 4, 2012

Chair Alan Hays
General Government Appropriations
201 Capitol

Chair Hays,

I respectfully request permission to be excused from the General Government Appropriations meeting on December 6, 2012.

Thank you for your consideration of this request.

Sincerely,

Kelli Stargel *OK [Signature]*

Kelli Stargel

Senator of District 15

Cc: President Gaetz

Jamie Deloach

SENATE APPROPRIATIONS
RECEIVED
12 DEC -5 PM 1:39
SENT TO: CHAIRMAN
STAFF DIR. STAFF



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

December 6, 2012

Chairman Hays,

I am requesting to be excused from today's (Thursday December 6th, 2012) meeting of the Appropriations Subcommittee on General Government. I am scheduled to be a moderator and participant at the YEO Policy Conference in California.

Sincerely

Dwight Bullard

Dwight M. Bullard
State Senator, Dist. 39

cc:

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