

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 Committee on Appropriations

BILL: CS/CS/SB 1292

INTRODUCER: Children, Families, and Elder Affairs Committee; Banking and Insurance Committee;
and Senator Stargel

SUBJECT: Department of Financial Services

DATE: February 14, 2018

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Billmeier</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	<u>Preston</u>	<u>Hendon</u>	<u>CF</u>	<u>Fav/CS</u>
3.	<u>Sanders</u>	<u>Hansen</u>	<u>AP</u>	<u>Pre-meeting</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1292 makes various changes to statutes relating to the Department of Financial Services (DFS). The bill addresses issues relating to the Divisions of Treasury, Accounting and Auditing, Risk Management, Public Assistance Fraud, Funeral, Cemetery, and Consumer Services, Insurance Agent and Agency Services, Investigative and Forensic Services, and State Fire Marshal. The bill:

- Allows the Division of Treasury to use “electronic images” as a means of producing copies of warrants, vouchers, or checks;
- Requires transition plans of youth aging out of foster care to provide information on the financial literacy curriculum which is offered by the DFS;
- Requires young adults who have aged out of foster care and who are requesting aftercare services to receive information about the financial literacy course offered by the DFS;
- Begins the process of creating the Florida Open Financial Statement System to allow better access to financial reports filed by local governments and appropriates \$500,000 from the General Revenue Fund;
- Directs agencies to provide risk training; report return-to-work data to the DFS; and submit information regarding internal risk assessments if requested by the DFS;
- Allows DFS to disclose the personal identifying information of injured employees to its contracted vendors for the purposes of carrying out its statutory responsibilities in administering workers’ compensation claims;

- Exempts from the initial application filing fee those qualifying veterans applying for licensure in areas regulated by the Division of Funeral, Cemetery, and Consumer Services;
- Eliminates the licensure requirement for managing general agents and replaces with a process where managing general agents are appointed by insurance companies;
- Extends the validity of fingerprints from 12 to 48 months for currently licensed individuals seeking other licenses within the Division of Insurance Agent and Agency Services;
- Adds arson to the list of offenses for which the DFS may provide rewards for individuals who provide information leading to the arrest and conviction of certain offenses;
- Clarifies the terms of appointment for members of the Florida Fire Safety Board;
- Clarifies the inactive status requirements for a fire equipment dealer license;
- Removes the requirements that proof of insurance for a fire equipment dealer or fire protection system contractor's license must be on a form provided by the Florida State Fire Marshal;
- Specifies roles, responsibilities, and retention requirements of individuals holding a "Special Certificate of Compliance";
- Repeals outdated language requiring the Florida State Fire College to develop and implement a staffing formula for the Fire College;
- Limits the number of risks that an exchange of business appointment can write;
- Exempts from fingerprinting requirements those veterans of the US Armed Forces who have been honorably discharged in the last 24 months;
- Authorizes fire service providers to hire qualifying veterans who received equivalent training while in the military; and
- Appropriates \$1 million from the Insurance Regulatory Trust Fund to the Division of Funeral, Cemetery and Consumer Services for information technology.

The bill takes effect July 1, 2018.

II. Present Situation:

The Department of Financial Services

The Department of Financial Services (DFS or department) is created by s. 20.121, F.S. The agency head for the DFS is the Chief Financial Officer (CFO).¹ The DFS has the following divisions and offices:

- Division of Accounting and Auditing;
- Division of Consumer Services;
- Division of Funeral, Cemetery, and Consumer Services;
- Division of Insurance Agent and Agency Services;
- Division of Investigative and Forensic Services;
- Division of Public Assistance Fraud;
- Division of Rehabilitation and Liquidation;
- Division of Risk Management;
- Division of State Fire Marshal;
- Division of Treasury;

¹ Section 20.121(1), F.S.

- Division of Unclaimed Property;
- Division of Workers' Compensation;
- Division of Administration; and
- Office of Insurance Consumer Advocate.²

The bill deals with various divisions and programs within the DFS. The divisions and programs changed by the bill are briefly discussed as follows.

Division of the Treasury

The CFO may also be known as the Treasurer.³ The Division of the Treasury within the DFS has three bureaus:

- Bureau of Funds Management;
- Bureau of Collateral Management; and
- Bureau of Deferred Compensation.⁴

The Division of the Treasury makes photographs, microphotographs, or reproductions on film of warrants, vouchers, or checks and can destroy the warrants, vouchers, or checks after they have been photographed and filed and an audit has been completed.⁵ The copies of original documents made by the DFS are admissible in court with the same force and effect of original documents.⁶

Current law does not provide for the use of electronic images instead of or along with photographs, microphotographs, or film reproductions.

Financial Literacy

The DFS website contains a financial literacy program named "Finance Your Future." The website may be found at <http://financeyourfuture.myfloridacfo.com/>. The program contains online lessons on "Budgeting and Saving," "Credit Cards," "Banking," "Your Credit Reports and Your Credit Score," "Debt," "Frauds and Scams," "Insurance and Benefits," and "Life Events." Each lesson contains an online quiz at the end of the lesson and requires a certain passing score. Teachers are able to use the educator platform to assign and assess lessons for use in their classrooms.

Division of Accounting and Auditing

Chapter 218, F.S., prescribes financial management and reporting requirements for local governments, which include counties, municipalities, and special districts. Local governments submit required reports to the department's Division of Accounting and Auditing. Local governments and special districts report their annual financial reports through the Local

² Section 20.121(2), F.S.

³ Section 20.121(1), F.S.

⁴ Department of Financial Services, Division of Treasury, *Annual Report 2017*, available at <https://www.myfloridacfo.com/Division/Treasury/Reports/AnnualReports/docs/2017TreasuryAnnualReport.pdf> (last visited January 18, 2018).

⁵ Section 17.64(1) and (2), F.S.

⁶ Section 17.64(1) and (3), F.S.

Government Electronic Reporting (LOGGER) system. The DFS maintains LOGGER as a repository of local government financial statement information and offers several report templates for users to access the information reported in LOGGER. The DFS is working to improve the collection and reporting of information to the public by addressing the limitations of LOGGER.⁷

Division of Risk Management

The Division of Risk Management is responsible for the management of claims reported by or against state agencies and universities for coverage under the self-insurance fund known as the “State Risk Management Trust Fund.” The division deals with claims involving:

- Workers’ Compensation;
- Property;
- Fleet Automobile Liability;
- General Liability;
- Federal Civil Rights/Employment Discrimination; and
- Court Awarded Attorney Fees.

The division also provides loss prevention services and technical assistance to state agencies and universities for managing risk.⁸

Section 440.1851, F.S., provides that the personal identifying information of an injured or deceased employee that is contained in reports, notices, records, or supporting documentation held by the DFS is confidential and exempt from disclosure pursuant to Florida’s Open Government laws. The DFS can disclose the information only:

- To the injured employee, to the spouse or a dependent of the deceased employee, to the spouse or a dependent of the injured employee if authorized by the injured employee, or to the legal representative of the deceased employee’s estate;
- To a party litigant, or his or her authorized representative, in matters pending before the Office of the Judges of Compensation Claims;
- To a carrier or an employer for the purpose of investigating the compensability of a claim or for the purpose of administering its anti-fraud investigative unit;
- In an aggregate reporting format that does not reveal the personal identifying information of any employee;
- Pursuant to a court order or subpoena;
- To an agency for administering its anti-fraud investigative function or in the furtherance of the agency’s official duties and responsibilities; or
- To a federal governmental entity in the furtherance of the entity’s official duties and responsibilities.⁹

The division uses outside vendors to help perform its duties relating to the administration of state employee workers’ compensation claims. Section 440.1851, F.S., does not contain a provision

⁷ Email from DFS staff to committee staff (January 19, 2018) (on file with the Senate Committee on Banking and Insurance).

⁸ Division of Risk Management <https://www.myfloridacfo.com/division/risk/> (last visited January 19, 2018).

⁹ Section 440.1851(1)(b), F.S.

allowing the division to disclose personal identifying information to its vendors. This has interfered with the division's ability to perform its functions.¹⁰

Division of Public Assistance Fraud

The Division of Public Assistance Fraud aids in enforcing state laws regarding program eligibility and proper use of public assistance benefits. The division works with the Department of Children and Families, the Agency for Health Care Administration, the Department of Health, and the Department of Education's Office of Early Learning to investigate fraud in programs administered by those departments. The division is responsible for investigating allegations of:

- Fraud against the Cash Assistance/Temporary Assistance for Needy Families (TANF) program;
- Fraud and trafficking involving Supplemental Nutritional Assistance Program (SNAP) formerly known as food stamps;
- Medicaid recipient fraud;
- Fraud resulting from Disaster Assistance/Emergency benefits;
- Fraud against the School Readiness and Voluntary Pre-Kindergarten programs; and
- Schemes to defraud Social Security Disability benefits.¹¹

Division of Funeral, Cemetery, and Consumer Services

The DFS licenses and regulates cemeteries, funeral directors, embalmers, burial rights brokers, and others in the death care industry. Fees for initial licensure can be significant. For example, the fee for licensure as a cemetery company is \$5,000.¹²

Section 497.456, F.S., establishes the "Preneed Funeral Contract Consumer Protection Trust Fund." The fund is used to provide restitution to consumers when a preneed licensee fails to provide promised benefits.¹³ For each delinquency proceeding initiated against a preneed licensee, up to 50 percent of the balance of the trust fund not committed to other delinquencies may be used to establish a receivership and provide restitution to preneed contract purchasers and their estates. For each preneed contract written, the licensee pays \$1.00 into the fund.¹⁴ The fund has approximately \$8,800,000. Fees collected for the fund and interest earned have ranged from \$250,000 to \$538,000 over the last 10 fiscal years while expenditures have ranged from \$60,000 to \$202,000 over the same period.¹⁵

Division of Insurance Agent and Agency Services

The DFS licenses and regulates insurance agents and insurance agencies. There are over 50 different types of licenses. Typically, obtaining a license involves completing education requirements, submitting to a criminal and professional background check, passing an

¹⁰ Department of Financial Services, *Senate Bill 1292 Analysis* (December 29, 2017), p. 3. (on file with the Committee on Banking and Insurance).

¹¹ Division of Public Assistance Fraud <https://www.myfloridacfo.com/Division/PAF/> (last visited January 19, 2018).

¹² Section 497.263(1)(r), F.S.

¹³ Section 497.456(6), (7) F.S.

¹⁴ Department of Financial Services, *Senate Bill 1292 Analysis* (December 29, 2017), p. 4; ss. 497.456(2), (12), F.S.

¹⁵ Department of Financial Services, *Senate Bill 1292 Analysis* (December 29, 2017), p. 4.

examination, and paying a license fee. Some licensees must act as apprentices supervised by others when performing duties.

One of the licenses changed by this bill is the “managing general agent” (MGA) license. A “managing general agent” is any person managing all or part of the insurance business of an insurer, including the management of a separate division, department, or underwriting office, and acting as an agent for that insurer, whether known as a managing general agent, manager, or other similar term, who, with or without authority, separately or together with affiliates, produces directly or indirectly, or underwrites an amount of gross direct written premium equal to or more than five percent of the policyholder surplus as reported in the last annual statement of the insurer in any single quarter or year.”¹⁶ The MGA also does one or more of the following:

- Adjusts or pays claims.
- Negotiates reinsurance on behalf of the insurer.¹⁷

Currently, managing general agents are licensed by the DFS and appointed by insurance companies to perform MGA services.

Division of Investigative and Forensic Services

The Division of Investigative and Forensic Services encompasses all law enforcement and forensic components residing within the DFS. The division investigates a wide range of fraudulent and criminal acts including:

- Insurance Fraud Investigations;
- Workers’ Compensation Fraud Investigations;
- Fire, Arson and Explosives Investigations;
- Theft/Misuse of State Funds; and
- Fire and Explosives Sample Analysis.¹⁸

Division of State Fire Marshal

The CFO serves as the state fire marshal.¹⁹ The Division of State Fire Marshal:

- Conducts fire/life safety inspections and construction plans review on all state-owned buildings;
- Regulates the fireworks and the fire sprinkler industries, inspects and licenses boilers;
- Certifies fire suppression industry workers;
- Approves firefighter training curricula;
- Offers fire service training at the Florida State Fire College; and
- Certifies that fire service members meet industry-based standards.²⁰

¹⁶ Section 626.015(16)(a), F.S.

¹⁷ *Id.*

¹⁸ Division of Investigative and Forensic Services <https://www.myfloridacfo.com/Division/DIFS/> (last visited January 19, 2018).

¹⁹ Section 633.104, F.S.

²⁰ Division of State Fire Marshal <https://www.myfloridacfo.com/division/sfm/> (last visited January 19, 2018).

III. Effect of Proposed Changes:

Division of the Treasury (Section 1)

Section 1 amends s. 17.64, F.S., to allow the Division of Treasury to make electronic images of warrants, vouchers, and checks and provides those electronic images may be used to the same extent original documents can be used in court proceedings.

Organization of the Department of Financial Services (DFS) (Section 2)

Section 2 amends s. 20.121, F.S., to create the “Bureau of Insurance Fraud” and the “Bureau of Workers’ Compensation Fraud” within the Division of Investigative and Forensic Services. It also renames the “Bureau of Fire and Arson Investigations” as the “Bureau of Fire, Arson, and Explosives Investigations.”

Financial Literacy for Foster Youth (Sections 3 and 8)

Sections 3 and 8 relate to children and young adults in or aging out of foster care and the DFS financial literacy program.

Section 3 amends s. 39.6035, F.S., relating to transition plans, to require the transition plan to address financial literacy. The section also requires the Department of Children and Families (DCF) and the community-based provider to provide information for the financial literacy curriculum offered by the DFS.

Section 8 amends s. 409.1451, F.S., relating to the Road-to-Independence Program, to require young adults²¹ to complete the financial literacy curriculum for foster youth offered by the DFS as a condition for eligibility to receive postsecondary education services and support or aftercare services under the Road-to-Independence Program.

Division of Accounting and Auditing (Sections 4 and 5)

Section 4 amends s. 218.32, F.S., to provide that the legislature intends to create the Florida Open Financial Statement System. The system will be an interactive repository for governmental financial statements. The Chief Financial Officer (CFO) may consult with stakeholders, including the department, the Auditor General, a representative of a municipality or county, a representative of a special district, a municipal bond investor, and an information technology professional employed in the private sector for input on the design and implementation of the system.

The section allows the CFO to choose contractors to build one or more eXtensible Business Reporting Language (XBRL) taxonomies suitable for state, county, municipal, and special district financial filings and to create a software tool that enables financial statement filers to create XBRL documents consistent with the taxonomy or taxonomies. XBRL is a global standard for exchanging business information. The CFO must recruit and select contractors through an open request for proposals process pursuant to ch. 287, F.S., and all work must be completed by

²¹ Adults who have reached 18 years of age but are not yet 23 years old.

December 31, 2021. If the CFO deems the work products adequate, all local governmental financial statements pertaining to fiscal years ending on or after September 1, 2022, must be filed in XBRL format and must meet the validation requirements of the relevant taxonomy.

Section 5 appropriates \$500,000 from the General Revenue Fund to the DFS for Fiscal Year 2018-2019 for the development of the XBRL taxonomies.

Division of Risk Management (Sections 6 and 7)

Section 6 amends s. 284.40, F.S., to allow the DFS to disclose personal identifying information of an injured or deceased employee to a department-contracted vendor for ascertaining a claimant's claims history to investigate the compensability of a claim or to identify and prevent fraud.

Section 7 amends s. 284.50, F.S., to require each safety coordinator to complete safety coordinator training offered by the DFS within one year of appointment. The DFS offers this training to state agencies upon request.

Currently, section 284.50, F.S., requires the DFS and all agencies that are provided workers' compensation insurance coverage by the State Risk Management Trust Fund and employ more than 3,000 full-time employees to establish and maintain return-to-work programs for employees who are receiving workers' compensation benefits. The goal of the programs is to enable injured workers to remain at work or return to work to perform job duties within the physical or mental functional limitations and restrictions established by the workers' treating physicians.²² Under the bill, agencies with more than 3,000 full-time employees must report return-to-work information to the DFS. Under current law, the DFS is required by s. 284.42, F.S., to report on agencies' return-to-work efforts. Obtaining information from agencies will aid the DFS in completing the report each year.

Section 7 also requires each agency to provide risk management program information to the Division of Risk Management to support the division's mandatory evaluation and reporting requirements. Each agency is required to:

- Review information provided by the Division of Risk Management on claims and losses;
- Identify any discrepancies between the Division of Risk Management's records and the agency's records and report such discrepancies to the Division of Risk Management in writing; and
- Review and respond to communications from the Division of Risk Management identifying unsafe or inappropriate conditions, policies, procedures, trends, equipment, or actions or incidents that have led or may lead to accidents or claims involving the state.

Investigation of Public Assistance Fraud (Section 9)

Section 9 amends s. 414.411, F.S., to provide that all public assistance recipients must give to the Department of Education, rather than the Department of Economic Opportunity, written consent to make inquiry of past or present employers and records. In 2011, the Office of Early

²² Section 284.50(3), F.S.

Learning housed within the Department of Education took over the school readiness functions of the Department of Economic Opportunity²³ so it is appropriate for recipients to give consent to the Department of Education. In 2016-2017, the Office of Early Learning referred 344 cases to the DFS for public assistance fraud investigation.²⁴

Division of Funeral, Cemetery, and Consumer Services (Section 10)

Section 10 amends s. 497.168(3), F.S., to exempt members of the United States Armed Forces or veterans of the United States Armed Forces who were honorably discharged within 24 months before the date of application for licensure from the following initial licensure application fees:

- Burial Rights Broker
- Embalmer
- Temporary Embalmer
- Embalmer Intern
- Embalmer Apprentice
- Funeral Director
- Provisional or Temporary Funeral Director
- Funeral Director Intern

Division of Insurance Agent and Agency Services (Sections 11-39, 48 and 49)

Section 11 amends s. 624.317, F.S., to remove references to specific types of insurance agents and uses the term “agent” to designate the types of insurance agents the department can investigate. This clarifies that the DFS investigates all agents of whom licensure is required.

The bill eliminates the managing general agent (MGA) license. Instead, **Section 18** amends s. 626.112, F.S., to provide that no one may act as a MGA without a producer license²⁵ and a MGA appointment. Currently, there are no prelicensing requirements for the MGA license. There is no formal examination to determine eligibility. The qualification requirements are to complete the application, be eligible to work in the United States, and submit fingerprints for a background evaluation. In contrast, other agent licenses require coursework and an examination.²⁶ Requiring an MGA to have a producer license will align Florida more closely with the National Association of Insurance Commissioners’ Managing General Agents Act, which requires MGAs to have a producer license.²⁷ **Sections 14, 16, 18, 19, 21, 23, 28, 29, 30, 31, 32, 38, and 48** remove references to the MGA license from law, where appropriate, add references to an “appointed” MGA, and make conforming changes.

Section 13 amends s. 624.4073, F.S., to prohibit an officer or director of an insurer who served in that capacity within a two year period before prior to the date the insurer became insolvent from having direct or indirect control over the selection or appointment of an officer or director,

²³ Chapter 2011-142, Laws of Florida.

²⁴ Office of Early Learning, *Annual Report 2016-2017*

http://www.floridaearlylearning.com/sites/www/Uploads/files/Oel%20Resources/Publications/2016-17%20OEL%20Annual%20Report_ADA.pdf (last visited on January 18, 2018).

²⁵ A producer is a licensed agent who sells insurance products.

²⁶ Department of Financial Services, *Senate Bill 1292 Analysis* (December 29, 2017), p. 5.

²⁷ <http://www.naic.org/store/free/MDL-225.pdf> (last visited January 21, 2018).

unless the officer or director demonstrates that his or her personal actions or omissions were not a significant contributing cause to the insolvency.

Section 20 amends s. 626.202, F.S., to provide that fingerprints are valid for a four-year period for persons currently licensed by the DFS and who are seeking additional licensure. This section also exempts a veteran and active duty military member from fingerprinting during his or her service and for two years after being honorably discharged. These veterans and active duty military members are required to disclose criminal history as part of the application process.

Section 626.221, F.S., provides that, if an applicant for licensure as an all-lines adjuster has certain educational designations, he or she is not required to take the examination. **Section 24** provides that an applicant certified as a Claims Adjuster Certified Professional from WebCE, Inc.²⁸ does not have to take the examination.

Section 23 amends s. 626.451, F.S., to repeal a requirement on law enforcement agencies and state attorney's offices to report to the DFS when insurance licensees are convicted or enter pleas in felony cases. This reporting requirement is no longer necessary because the DFS works closely with clerks of the court to obtain this information.

Section 24 amends s. 626.521, F.S., relating to character and credit reports, to require an "employer" to maintain credit and character reports rather than to require specific licensees to maintain the reports. The bill also repeals other statutory provisions that are obsolete.

Section 25 amends s. 626.731, F.S., to remove references to "special agent" because the license type does not exist, remove references to "managing general agents," and remove language relating to "service representatives" that could expand the scope of that license.

Sections 31 and 32 amend ss. 626.752 and 626.793, F.S., respectively, to require an insurer to report to the DFS when it receives more than four risks during a calendar year from a personal lines or life agent. Currently, the insurers must report when they receive more than 24 risks from an agent during the year. **Section 33** amends s. 626.837, F.S., to make a similar change, reducing reportable risks received from 24 to four, relating to health insurance agents. This will allow the DFS and public to track agent-insurer relationships more easily.

Sections 34 and 35 amend ss. 626.8732 and 626.8734, F.S., respectively, to repeal requirements that public adjusters and nonresident all-lines adjusters submit annual affidavits certifying that they understand the insurance code. Current law provides for discipline against licensees if they violate the law so the annual affidavit is not necessary.

Section 37 amends s. 626.927, F.S., to remove licensure as a managing general agent or a service representative as a qualification for a surplus lines agent license. The MGA license is being removed by other sections of the bill, and a service representative does not require significant training. The section also removes obsolete language relating to an examination that is no longer offered.

²⁸https://www.webce.com/catalog/courses/?_=5374c17qML4PsK3Tp1Jm2saSs9sZcL6U7J65rqN970s5ZTKHK4ag2s6Z7sKfMqZzZnVz (last visited January 20, 2018).

Section 38 amends s. 626.930(3), F.S., to allow a surplus lines agent to keep surplus lines business records in his or her general lines agency office or MGA office.

Section 48 amends s. 648.34, F.S., to provide that fingerprints for persons seeking licensure as a bail bond agent are valid for a four-year period.

Division of Investigative and Forensic Services (Section 39)

Section 626.9892, F.S., creates the Anti-Fraud Reward Program within the DFS. The program is funded from the Insurance Regulatory Trust Fund. The program allows the DFS to provide rewards of up to \$25,000 to persons providing information leading to the arrest and conviction of persons convicted of crimes investigated by the Division of Insurance Fraud. **Section 39** amends s. 626.9892(2), F.S., to add arson to the list of crimes for which the DFS can pay rewards to a person who provides appropriate information.

Division of State Fire Marshal (Sections 40-45)

Section 40 amends s. 633.302, F.S., to clarify that once the initial terms of members of the Florida Fire Safety Board are completed, subsequent appointments are for four-year terms.

Section 41 amends s. 633.304, F.S., to require an inactive status license of a fire equipment dealer must be reactivated before December 31 of each odd-numbered year. It also allows a fire equipment dealer to have franchisees that work under the dealer's license.

Section 43 amends s. 633.318(7), F.S., to allow fire protector system contractors to submit proof of insurance on forms provided by the insurer rather than requiring forms from the DFS.

Section 44 amends s. 633.408, F.S., relating to the firefighter Special Certificate of Compliance. The certificate authorizes the individual to serve as an administrative and command head of a fire service provider. The section provides:

- An individual employed as a fire chief, fire coordinator, fire director, or fire administrator must obtain a Special Certificate of Compliance within one year after beginning employment; and
- Before beginning employment as a command officer or in a position directing incident outcomes, an individual must obtain a Certificate of Compliance or a Special Certificate of Compliance.

Current law does not contain requirements to retain a Special Certificate of Compliance. The bill creates requirements similar to those required to retain certification as a firefighter. In order to retain a Special Certificate of Compliance, every four years an individual must:

- Be active as a firefighter;
- Maintain a current and valid Fire Service Instructor Certificate, instruct at least 40 hours during the four-year period, and provide proof of such instruction to the division, which proof must be registered in an electronic database designated by the division; or

- Within six months before the four-year period expires, successfully complete a Firefighter Retention Refresher Course consisting of a minimum of 40 hours of training as prescribed by rule.

Section 45 amends s. 633.416, F.S., to allow a fire service provider to employ individuals who have received equivalent training while active in the United States Department of Defense. The division must verify the standard equivalency of training before such individual's employment begins. Such individual must obtain a Firefighter Certificate of Compliance within 24 months after employment.

Section 46 amends s. 633.444(1), F.S., to remove obsolete language relating to the Florida State Fire College.

Other Provisions (Sections 49, 50 and 51)

Section 49 reenacts s. 626.8734, F.S., for purposes of incorporating the amendment made by the bill to s. 626.221, F.S.

Section 50 appropriates \$1,000,000 from the Insurance Regulatory Trust Fund to the Division of Funeral, Cemetery, and Consumer Services for information technology needs.

Section 51 provides the bill takes effect July 1, 2018.

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:

Section 5 of the bill appropriates \$500,000 from the General Revenue Fund to the DFS for development of the XBRL taxonomies.

Section 50 of the bill appropriates \$1,000,000 from the Insurance Regulatory Trust Fund to the Division of Funeral, Cemetery, and Consumer Services for information technology needs.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 17.64, 20.121, 39.6035, 218.32, 284.40, 284.50, 409.1451, 414.411, 497.168, 624.317, 624.34, 624.4073, 624.4094, 624.501, 624.509, 625.071, 626.112, 626.171, 626.202, 626.207, 626.221, 626.451, 626.521, 626.731, 626.7351, 626.744, 626.745, 626.7451, 626.7455, 626.752, 626.793, 626.837, 626.8732, 626.8734, 626.88, 626.927, 626.930, 626.9892, 633.302, 633.304, 633.318, 633.408, 633.416, 633.444, 648.27, and 648.34.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

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

CS/CS by Children, Families, and Elder Affairs on February 6, 2018:

The CS:

- Removes the requirement that transition plans for children in foster care complete and pass the financial literacy course offered by DFS;
- Removes the requirement that young adults complete and pass the financial literacy course offered by DFS in order to receive postsecondary educational benefits or aftercare services and instead requires that the state provide information on the DFS financial literacy course to foster children when they are leaving the state's care;
- Removes a \$2 million transfer of funds from the Preneed Funeral Contract Consumer Protection Trust Fund for information technology needs; and
- Provides a \$1 million appropriation from the Insurance Regulatory Trust Fund to the Division of Funeral, Cemetery, and Consumer Services for information technology needs.

CS by Banking and Insurance on January 23, 2018:

The CS:

- Expresses the intent of the Legislature to create the Florida Open Financial Statement System and allow the CFO to consult with stakeholders for input on the design and implementation of the system;
- Requires the CFO to recruit and select contractors to build suitable XBRL taxonomies for the state through an open process pursuant to ch. 287, F.S.;
- Provides a \$500,000 appropriation;
- Allows the DFS to transfer up to \$2 million from the Preneed Funeral Contract Consumer Protection Trust Fund to the Regulatory Trust Fund for the purpose of acquiring information technology infrastructure and payment of related expenses;
- Allows the department to transfer any interest accrued or earned from investment of the funds in the Preneed Funeral Contract Consumer Protection Trust Fund during the prior fiscal year to the Regulatory Trust Fund;
- Creates retention requirements in order for a firefighter to retain a Special Certificate of Compliance; and
- Makes technical changes.

B. Amendments:

None.