

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Commerce and Consumer Services Committee

BILL: CS/SB 1684

SPONSOR: Committee on Commerce and Consumer Services and Senator King

SUBJECT: Accessing Consumer Services of State Government

DATE: March 23, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Siebert	Cooper	CM	Fav/CS
2.			GO	
3.			GA	
4.				
5.				
6.				

I. Summary:

This committee substitute directs the State Technology Office to provide a link to the Department and Agriculture and Consumer Services website regarding state government consumer services and a link to the Florida 2-1-1 Network, into the state's official Internet website. This committee substitute also designates the Department of Agriculture and Consumer Services' Division of Consumer Services as the state clearinghouse for matters relating to consumer protection, information, and services and directs the division to coordinate with the Agency for Health Care Administration to exchange information relating to health and human services. This committee substitute also deletes the reporting requirement for complaints that had been referred to agencies from the Department of Agriculture and Consumer Services.

This committee substitute also raises fees for charitable organizations, health studios, and operators of game promotions. This committee substitute also deletes the exemption from registration fees for motor vehicle repair shops in specified jurisdictions and requires a fee for independent agents of sellers of travel. This committee substitute also provides an appropriation of \$2,500,000 for the purpose of providing additional resources for the complaint clearinghouse, \$140,000 for the purpose of upgrading the department's computer system used to process complaints, and \$120,000 for the purpose of providing additional resources for the department's complaint clearinghouse.

This committee substitute creates two undesignated sections of Florida law and amends sections 496.405, 501.015, 559.904, 559.928, 570.544, and 849.094 of the Florida Statutes.

II. Present Situation:

Consumer Access to State Agencies

State agencies offer a variety of services to consumers who are preparing to enter the marketplace and want information on a business or professional, as well as for consumers who feel they have been aggrieved in the marketplace. In support of these kinds of consumer services, the state employs various infrastructure, such as toll-free or other telephone numbers, agency-staffed or contracted customer call centers, and agency websites with regulatory information or on-line licensure and complaint capabilities.

Because agencies generally have their own consumer-service operations, a Floridian familiar with the division of responsibility in state government may be served most efficiently by directly contacting, via telephone, the Internet, or regular mail, the agency with responsibility for the particular issue. However, a consumer unfamiliar with the jurisdiction of agencies may experience difficulty determining where to start to turn for assistance. In the latter case, two important avenues for information are the state's official Internet portal, which operates as myflorida.com, and the state operator and directory assistance system, known as the State Information Center. In addition, the Department of Agriculture and Consumer Services (DACS) is statutorily tasked with serving as a clearinghouse for the receipt and referral of consumer inquiries and complaints.

Official State Portal: Myflorida.com

The state's official portal – www.myflorida.com – is an increasingly important avenue for consumers to access services of state government. The portal receives approximately 150,000 visits¹ per day.² The foundation for myflorida.com is a commercial portal product from Yahoo, purchased by the state and maintained by the State Technology Office (STO).³ Individual state agencies, however, separately host and maintain their own portals. In this manner, STO develops the taxonomy on myflorida.com and works cooperatively with other state agencies to identify the appropriate linkages on the official state portal. The agencies themselves, however, control the content once a user links from myflorida.com to the agency's website.

¹ The STO staff explained that a visit is a unique session on the portal. One visit typically results in several "hits" to stage-agency pages during the visit.

² A "portal" generally refers to a website designed to be a starting place for users to access content and services. It may feature a directory of websites or a search capacity.

³ The STO is responsible, among other things, for operating the Shared Resource Center in Tallahassee that serves 84 state agencies, boards, commissions, local governments, and eligible non-profit organizations. The center's services include communications access, information processing, Internet services, custom application development support and maintenance for Internet and mainframe applications, electronic commerce services, and legacy system operations and maintenance. For Fiscal Year 2004-2005, the State Technology Office Program was appropriated \$255.7 million, of which trust funds account for 99 percent (or \$253.8 million) and general revenue account for 1 percent (or \$1.8 million) and had 240.5 authorized positions.

Complaint Clearinghouse

The Division of Consumer Services of DACS serves as the state's clearinghouse for consumer protection, consumer information, and consumer services in general.⁴ Under this responsibility, the division receives consumer complaints⁵ and transmits them for handling by the appropriate agency with jurisdiction over the complaint's subject matter. As part of this clearinghouse arrangement, if a state agency receives a complaint that addresses a consumer fraud or consumer protection issue outside that agency's jurisdiction, the statute directs the agency to refer the complaint to the Division of Consumer Services at DACS for re-referral to the proper agency.⁶ When the subject of a complaint is not within the regulatory authority of any state agency, the division is directed to pursue formal or informal methods of mediating a settlement of the complaint between the consumer and business.⁷

In addition to serving as the state's complaint clearinghouse, DACS has statutorily assigned regulatory oversight of multiple business sectors (e.g., motor vehicle repair shops, sellers of travel, and dance studios).⁸ To facilitate the processing of unregulated complaints and complaints within the department's jurisdiction, as well as the referral of complaints to other agencies, the Division of Consumer Services at DACS maintains a call center (e.g., 800-HELP-FLA) and a website (www.800helpfla.com).

State Information and Directory Services

The state information and directory services functions of the STO also play a role in how Floridians access consumer services of state government, as well as in how agencies refer consumer complaints and inquiries to one another. Among these functions are:

- The provision of directory assistance through a state operator ("State Information Center");
- The maintenance of telephone data for participants in the SunCom system ("SunCom Directory Services"); and
- The provision of data for publication in commercial telephone directories ("Commercial Directory Records").

Attorney General's Office of Citizen Services

Although it is not statutorily assigned to serve as the complaint clearinghouse, the Office of the Attorney General operates a consumer unit that provides some comparable services to the clearinghouse operated by the Division of Consumer Services at DACS.

⁴ Section 570.544(3), F.S.

⁵ As provided for in Section 570.544(8), F.S, the records of the Division of Consumer Services are public records with the exception of customer lists, customer names, and trade secrets.

⁶ An agency to which the Division of Consumer Services refers a complaint shall, within 30 days, acknowledge its receipt and report on its disposition or status. See s. 570.544(6), F.S.

⁷ Section 570.544(3), F.S.

⁸ See, e.g., ss. 559.901-559.9221, 559.926-559.939, and 501.143, F.S.

The Office of Citizen Services is staffed with 13 full-time employees, 10 of whom are telephone and correspondence analysts, as well as approximately 60-80 hours of “other personnel services” (OPS) each week. The office processes approximately 630 calls per day. The core mission of the office is to identify and track fraudulent activity, and, upon seeing a pattern of this activity, to share the information with the Attorney General’s economic crimes unit. However, some of the calls that come into the center are more general consumer inquiries or complaints and may relate to the jurisdiction of another state agency.

In addition to providing consumers with contact information for another agency, the Office of Citizen Services in some instances will download forms from the other agency and provide them to the consumer or send a complaint for the consumer directly to the appropriate agency. The Office of the Attorney General also maintains topic-specific databases that can be used, for example, to determine if a consumer’s call relates to an active investigation of the economic crimes unit.

Consumer Roundtable

In 2003, consumer-service staff from multiple state agencies on their own initiative formed a Consumer Roundtable. The initial purpose of the roundtable was to exchange information on agency services, with the goal of improving the referral of consumers among agencies and avoiding misdirected referrals. In June 2004, the roundtable formed a steering committee to lead the organization and meet on at least a quarterly basis.⁹

Florida 211 Network

The Florida 211 Network was developed to serve as the single point of coordination for information and referral for health and human services in Florida.¹⁰ Among other objectives, the Florida 211 Network strives to provide and improve access to accurate health and human service information and promote public awareness of the availability of information and referral services. The Network is a collaboration of 2-1-1 regional and local call centers that currently provide 2-1-1 access to approximately 75 percent of the state’s population, and handle over 500,000 calls per year.¹¹ To participate in the Florida 2-1-1 Network, a provider must be certified by the Agency for Health Care Administration.¹² There are currently additional call centers under development.

III. Effect of Proposed Changes:

Section 1 is created to direct the State Technology Office (STO) to provide a link to the Department of Agriculture and Consumer Services (DACCS) the official Internet website of the

⁹ The steering committee is comprised of staff from the Agency for Health Care Administration and the following departments: Business and Professional Regulation, Children and Family Services, Agriculture and Consumer Services, Financial Services, Legal Affairs, Elder Affairs, Health, Revenue, and Highway Safety and Motor Vehicles. At its first meeting, the steering committee decided it would meet monthly. However, increased agency workloads associated with the hurricanes that made landfall in the state during the summer of 2004 disrupted the meeting schedule.

¹⁰ Section 408.918(1), F.S. The Florida 2-1-1 Network Internet website address is <http://flairs.org/index.htm>.

¹¹ <http://flairs.org/florida211networkplan.htm>

¹² Section 408.918(2), F.S.

state. DACS's website shall aggregate consumer protection information and resources available from state agencies, feature useful tools to help consumer identify which agencies have jurisdiction over specific subjects, and include alerts for consumers on known fraudulent practices.

Section 2 is created to direct the STO to provide a link to the Florida 211 Network on the official Internet website of the state. The Florida 211 Network website must profile the information and referral system and list areas within the state where the network is available along with the respective phone numbers.

Section 3 amends s. 570.544, F.S., to designate the Department of Agriculture and Consumer Services as the state's clearinghouse for matters relating to consumer protection, information and services. This section also deletes the reporting requirement that an agency must report back to the department within 30 days on the disposition of the complaint or a progress report on the status of the complaint.

Section 4 amends s. 496.405, F.S., to increase filing fees, by 25 percent, for charitable organizations registering with the department.

Section 5 amends s. 501.015, F.S., to increase the annual registration fee for health studios from \$300 to \$350.

Section 6 amends s. 559.904, F.S. to remove the exemption from registration fees for motor vehicle shops that have a local municipal or county license issues pursuant to an ordinance that contains standards that the department has determined are at least equal to the state requirements and for any motor vehicle dealer licensed pursuant to ch. 320.

Section 7 amends s. 559.928 F.S., to create a registration fee of \$150 for independent agents of sellers of travel.

Section 8 amends s. 849.094, F.S., to increase the filing fee for operators of game promotions from \$100 to \$200.

Section 9 appropriates \$1,250,000 and 23 full-time equivalent positions from the General Revenue Fund and \$1,250,000 from the General Inspection Trust Fund to the Department of Agriculture and Consumer Services for the purpose of providing additional resources for the department's complaint clearinghouse during the 2005-2006 fiscal year.

Section 10 appropriates \$140,000 from the General Revenue Trust Fund to the Department of Agriculture and Consumer Services for the purpose of up-grading the department's computer system used to process complaints during the 2005-2005 fiscal year. Also, the sum of \$120,000 used to process complaints are appropriated from the General Revenue Trust Fund to the department for the purpose of providing additional resources for the department's complaint clearinghouse.

Section 11 provides an effective date of October 1, 2005, unless otherwise provided.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

This committee substitute increases filing fees for charitable organizations as follows:

- For contributions of less than \$5,000, there is an increase from \$10 to \$12.50.
- For contributions of no more than \$25,000, there is an increase from \$10 to \$12.50.
- For contribution of more than \$5,000 but less than \$100,000, there is an increase from \$75 to \$93.75,
- For contributions of \$100,000 or more but less than \$200,000, there is an increase from \$125 to \$156.25.
- For contributions of \$200,000 but less than \$500,000, there is an increase from \$200 to \$250.
- For contributions of \$500,000 or more but less than \$1 million, there is an increase from \$300 to \$375.
- For contributions of \$1 million but less then \$10 million, there is an increase from \$350 to \$437.50.
- For contributions of \$10 million or more, there is an increase from \$400 to \$500.

This committee substitute requires motor vehicle repair shops that were exempt from registration fees for motor vehicle shops to pay the annual fee as follows:

- If the place of business has 1 to 5 employees: \$50
- If the place of business has 6 to 10 employees: \$150
- If the place of business has 11 or more employees: \$300

This committee substitute increases the annual registration fee for health studios from \$300 to \$350. Additionally, this committee substitute creates a registration fee of \$150 for independent agents of sellers of travel. Further this committee substitute increases the filing fee for operators of game promotions to \$200.

B. Private Sector Impact:

See the above fee increases.

C. Government Sector Impact:**The Department of Agriculture**

The committee substitute requires the department to market the complaint clearinghouse, and appropriates \$1,250,000 and 23 full-time equivalent positions from the General Revenue Fund and \$1,250,000 from the General Inspection Trust Fund to the department for the purpose of providing additional resources for the complaint clearinghouse during the 2005-2006 fiscal year. The committee substitute also appropriates \$140,000 from the General Revenue Trust Fund to the department for the purpose of up-grading the department's computer system used to process complaints during the 2005-2005 fiscal year. Also, the sum of \$120,000 and 2 full-time equivalent positions are appropriated from the General Revenue Trust Fund to the department for the purpose of providing additional resources for the complaint clearinghouse.

The State Technology Office

Estimates on the impact for the STO for providing a link on myflorida.com are not available at this time. However, it is anticipated that it can be done with existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
