

By the Committee on General Government Appropriations; and  
Senator Alexander

601-06426-08

20081824c1

1                   A bill to be entitled  
2           An act relating to financial services; creating s.  
3           17.0315, F.S.; establishing a task force to develop a  
4           successor financial and cash management system; requiring  
5           the Chief Financial Officer to appoint members to and head  
6           such task force; requiring that the directors of the  
7           Agency for Enterprise Information Technology and the  
8           Office of Policy and Budget in the Executive Office of the  
9           Governor participate as members of the task force;  
10          providing a purpose; requiring members to consult with the  
11          administrative services directors, finance and accounting  
12          offices, and budget directors of all branches of state  
13          government; requiring the task force to submit a report  
14          and draft legislation to the Governor and the Legislature  
15          by a certain date; requiring that certain information be  
16          included in such report; amending s. 20.121, F.S.;  
17          establishing the Strategic Markets Research and Assessment  
18          Unit within the Office of Financial Regulation; requiring  
19          that the unit periodically report to the Financial  
20          Services Commission and the Legislature; specifying the  
21          information be included in such report; amending s.  
22          517.315, F.S.; requiring the Office of Financial  
23          Regulation of the Financial Services Commission to  
24          transfer the entire registration assessment fee paid by  
25          associated persons and a certain percentage of the  
26          assessment fee paid by dealers and investment advisors to  
27          the Regulatory Trust Fund; amending ss. 626.932 and  
28          626.938, F.S.; revising the required percentages of funds  
29          collected pursuant to certain taxes on surplus lines

601-06426-08

20081824c1

30 premiums and related interest that must be deposited into  
31 the Insurance Regulatory Trust Fund and the General  
32 Revenue Fund; providing an effective date.

34 Be It Enacted by the Legislature of the State of Florida:

36 Section 1. Section 17.0315, Florida Statutes, is created to  
37 read:

38 17.0315 Financial and cash management system; task force.--

39 (1) The Chief Financial Officer shall be the head of and  
40 appoint members to a task force that shall include the executive  
41 director of the Agency for Enterprise Information Technology and  
42 the director of the Office of Policy and Budget in the Executive  
43 Office of the Governor. The task force is established to develop  
44 a successor financial and cash management system that:

45 (a) Promotes transparency in the accounting of public  
46 funds;

47 (b) Provides timely and accurate transactional processes by  
48 agencies and their professional staffs;

49 (c) Interfaces with other systems providing human  
50 resources, procurement of goods and services, and other  
51 enterprise functions;

52 (d) Interfaces with the existing legislative  
53 appropriations, planning, and budgeting systems;

54 (e) Permits proper disbursement and auditing controls  
55 consistent with the respective constitutional duties of the Chief  
56 Financial Officer and the Legislature;

57 (f) Supports executive reporting and data analysis  
58 requirements; and

601-06426-08

20081824c1

59       (g) Follows the information technology strategy developed  
60 by the Agency for Enterprise Information Technology.

61       (2) Members appointed to the task force, or their designee,  
62 shall consult with state agency administrative services  
63 directors, finance and accounting offices, and budget directors  
64 of all branches of Florida government. The task force shall  
65 submit to the Governor, the President of the Senate, and the  
66 Speaker of the House of Representatives a report that:

67       (a) Identifies problems and opportunities posed by current  
68 law and the current administration with existing state accounting  
69 systems;

70       (b) Provides developmental solutions to known failures  
71 identified by external review and audit reports;

72       (c) Recommends business processes and requirements to  
73 support a standardized statewide accounting system;

74       (d) Identifies revised rulemaking procedures needed to  
75 ensure the operational and security integrity of any successor  
76 system;

77       (e) Evaluates different funding approaches to equitably  
78 distribute common accounting infrastructure costs across all  
79 participating users; and

80       (f) Provides an executable, enterprise-wide work product  
81 that can be used as the basis for a revised competitive  
82 procurement for the implementation of a successor system.

83  
84 The Chief Financial Officer shall submit the initial report,  
85 along with draft legislation recommended to implement a  
86 standardized statewide financial and cash management system, by  
87 January 1, 2009.

601-06426-08

20081824c1

88 Section 2. Paragraph (a) of subsection (3) of section  
89 20.121, Florida Statutes, is amended to read:

90 20.121 Department of Financial Services.--There is created  
91 a Department of Financial Services.

92 (3) FINANCIAL SERVICES COMMISSION.--Effective January 7,  
93 2003, there is created within the Department of Financial  
94 Services the Financial Services Commission, composed of the  
95 Governor, the Attorney General, the Chief Financial Officer, and  
96 the Commissioner of Agriculture, which shall for purposes of this  
97 section be referred to as the commission. Commission members  
98 shall serve as agency head of the Financial Services Commission.  
99 The commission shall be a separate budget entity and shall be  
100 exempt from the provisions of s. 20.052. Commission action shall  
101 be by majority vote consisting of at least three affirmative  
102 votes. The commission shall not be subject to control,  
103 supervision, or direction by the Department of Financial Services  
104 in any manner, including purchasing, transactions involving real  
105 or personal property, personnel, or budgetary matters.

106 (a) Structure.--The major structural unit of the commission  
107 is the office. Each office shall be headed by a director. The  
108 following offices are established:

109 1. The Office of Insurance Regulation, which shall be  
110 responsible for all activities concerning insurers and other risk  
111 bearing entities, including licensing, rates, policy forms,  
112 market conduct, claims, issuance of certificates of authority,  
113 solvency, viatical settlements, premium financing, and  
114 administrative supervision, as provided under the insurance code  
115 or chapter 636. The head of the Office of Insurance Regulation is

601-06426-08

20081824c1

116 the Director of the Office of Insurance Regulation, who may also  
117 be known as the Commissioner of Insurance Regulation.

118       2.a. The Office of Financial Regulation, which shall be  
119 responsible for all activities of the Financial Services  
120 Commission relating to the regulation of banks, credit unions,  
121 other financial institutions, finance companies, and the  
122 securities industry. The head of the office is the Director of  
123 the Office of Financial Regulation, who may also be known as the  
124 Commissioner of Financial Regulation. The Office of Financial  
125 Regulation shall include a Bureau of Financial Investigations,  
126 which shall function as a criminal justice agency for purposes of  
127 ss. 943.045-943.08 and shall have a separate budget. The bureau  
128 may conduct investigations within or outside this state as the  
129 bureau deems necessary to aid in the enforcement of this section.  
130 If, during an investigation, the office has reason to believe  
131 that any criminal law of this state has or may have been  
132 violated, the office shall refer any records tending to show such  
133 violation to state or federal law enforcement or prosecutorial  
134 agencies and shall provide investigative assistance to those  
135 agencies as required.

136       b. The Strategic Markets Research and Assessment Unit is  
137 established within the Office of Financial Regulation. The unit  
138 shall report on September 1, 2008, and quarterly thereafter, to  
139 the Financial Services Commission, the President of the Senate,  
140 and the Speaker of the House of Representatives on the status of  
141 Florida's financial services markets. At a minimum, the report  
142 must include a summary of key national and international economic  
143 issues, trends, and threats that broadly impact the condition of  
144 the financial services industries, along with the effect of such

601-06426-08

20081824c1

145 conditions on financial institutions, the securities industries,  
146 other financial entities, the credit market, and the economic  
147 status of the residents and businesses of Florida. In order to  
148 ensure adequate protection for the economic well-being of the  
149 residents and businesses of Florida, the unit shall also submit  
150 to the commission, the President of the Senate, and the Speaker  
151 of the House of Representatives its findings and recommendations  
152 regarding regulatory and policy changes.

153 Section 3. Section 517.315, Florida Statutes, is amended to  
154 read:

155 517.315 Fees.--All fees of any nature collected by the  
156 office pursuant to this chapter shall be disbursed as follows:

157 (1) The office shall transfer the amount of fees required  
158 to be deposited into the Securities Guaranty Fund pursuant to s.  
159 517.131;

160 (2) After the transfer required in subsection (1), the  
161 office shall transfer ~~\$20~~ of the \$50 assessment fee collected  
162 from each associated person under s. 517.12(10) and (11) and  
163 30.44 percent of the \$100 assessment fee paid by dealers and  
164 investment advisors for each office in the state under s.  
165 517.12(10) and (11) to the Regulatory Trust Fund; and

166 (3) All remaining fees shall be deposited into the General  
167 Revenue Fund.

168 Section 4. Subsection (5) of section 626.932, Florida  
169 Statutes, is amended to read:

170 626.932 Surplus lines tax.--

171 (5) The department shall deposit 19.02 ~~24.3~~ percent of all  
172 taxes collected under this section to the credit of the Insurance  
173 Regulatory Trust Fund. Eighty and ninety-eight hundredths

601-06426-08

20081824c1

174 ~~Seventy-five and seven-tenths~~ percent of all taxes collected  
175 under this section shall be deposited into the General Revenue  
176 Fund.

177 Section 5. Subsection (7) of section 626.938, Florida  
178 Statutes, is amended to read:

179 626.938 Report and tax of independently procured  
180 coverages.--

181 (7) The department shall deposit 19.02 ~~24.3~~ percent of all  
182 taxes and interest collected under this section to the credit of  
183 the Insurance Regulatory Trust Fund. Eighty and ninety-eight  
184 hundredths ~~Seventy-five and seven-tenths~~ percent of all taxes and  
185 interest collected under this section shall be deposited into the  
186 General Revenue Fund.

187 Section 6. This act shall take effect July 1, 2008.