

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 Budget Subcommittee on General Government Appropriations

BILL: CS/SB 1252

INTRODUCER: Regulated Industries Committee and Senator Jones

SUBJECT: Business and Professional Regulation

DATE: February 27, 2012 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Oxamendi	Imhof	RI	Fav/CS
2.	Howard	DeLoach	BGA	Pre-meeting
3.				
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 relates to the Department of Business and Professional Regulation (department). The bill revises the following provisions related to the department’s licensing processes and the requirements for the professions licensed by the department. The bill:

- Waives the initial licensing fee, the initial application fee, and the initial unlicensed activity fee for military veterans who apply to the department for a license within 24 months of being honorably discharged from service;
- Authorizes the department to approve continuing education providers and courses without a review by the appropriate board if the provider or course application does not require expert review or denial;
- Authorizes the department, in lieu of a board, to approve applications for reinstatement of a void license if the department determines that the individual failed to comply due to illness or economic hardship;
- Permits continuing education instructors to complete their continuing education through distance learning;
- Revises the provisions related to the regulation of appraisal management companies banks, credit unions, or other lending institutions that own and operate an internal

- appraisal office, business unit, or department. This is consistent with the federal Dodd Frank Act, which exempts from state regulation financial institutions that own or operate an internal appraiser office, business, unit, or department and appraisal management companies that are owned and controlled by a subsidiary of a financial institution;
- Permits applicants for a real estate appraiser's certification to the results of national examinations required for the license that were obtained more than 24 month after the date of the examination;
 - Prohibits appraisal management companies from requiring that appraisers agree to an indemnity agreement;
 - Permits barbers to provide barbering services outside of a licensed barbershop, include a consumer's place of employment.
 - Deletes the requirement that limits the ability of barbers to provide barbering services at a residence to only when the client is in ill health and unable to go to the barbershop;
 - Provides that a cosmetology license is not required to provide makeup services to the general public;
 - Permits applicants for licensure by endorsement as a cosmetologist to substitute work experience for educational hours when applying for a licensure as provided by rule of the Board of Cosmetology;
 - Permits cosmetologists and specialists to perform cosmetology and specialty services at special events held outside of salons if they are employed by a licensed salon and appointments for such services are made through a licensed salon;
 - Extends from November 1, 2005, to November 1, 2014, the period for registered contractors, who are limited to practicing within the county or counties in which they are registered, to qualify for state-wide certification; and
 - Limits the five percent tax on closed circuit television broadcasts of pugilistic matches to matches originating within this state and deletes the tax for matches that originate out-of-state.

The bill provides an effective date of October 1, 2012.

This bill substantially amends the following sections of the Florida Statutes: 455.213, 455.2179, 455.271, 455.273, 455.275, 475.451, 475.611, 475.6171, 475.6235, 475.6245, 476.188, 477.0135, 477.019, 477.0263, 489.118, 548.061.

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. Section 20.165(2), F.S., creates the following eleven divisions within the department:

- Division of Administration.
- Division of Alcoholic Beverages and Tobacco.
- Division of Certified Public Accounting.

¹ Chapter 93-220, L.O.F.

- 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.
- Division of Service Operations.

Professional Boards

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.
- Mold-Related Services Licensing Program, created under part XVI of ch. 468, F.S.

The Pilot Rate Review Committee is established under the Board of Pilot Commissioners.² 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.
- 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 Commission³ and the Regulatory Council of Community Managers⁴ are also housed within the department.

² Section 310.151, F.S.

³ Section 548.003, F.S.

⁴ Section 468.4315, F.S.

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.
- 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.

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.

Continuing Education Providers

Section 455.2179, F.S., provides for the approval of continuing education providers by the boards, or the department if there is no board. The department must forward applications for continuing education providers and courses to the appropriate licensing board. Current law does not permit the department to approve providers or courses without board review.

Inactive and Delinquent Status

Section 455.271, F.S., permits the boards, or the department if there is no board, to reinstate a voided license if the licensee has made a good faith effort to comply with licensure requirements and was unable to comply because of illness or unusual hardship. According to the department, the most common basis for requesting reinstatement of a void license is economic hardship.

Renewal and Cancellation Notices

Section 455.273, F.S., requires the department to mail renewal and cancellation notices to licensees' last known addresses of record at least 90 days prior to expiration or cancellation of the license. Section 455.273(2), F.S., requires the department to include a conspicuous statement in each renewal and cancellation notice stating that, if a licensee remains on inactive status for more than two consecutive licensure cycles, the licensee may be required to sit for a special purpose examination or other reactivation requirements prior to reactivation of their license.

Section 455.275, F.S., requires licensees to provide the department with written notification of their current mailing address and place of practice. The department must mail, to the licensee's last known address of record, notices and official communications to the licensees, except where service of process is required for disciplinary proceeding pursuant to s. 455.225, F.S.

Real Estate Schools-Distance Learning

Section 475.17(2)(a)2., F.S., authorizes the Florida Real Estate Commission to approve distance learning courses as an option to classroom hours as satisfactory completion continuing education requirements. Real estate schools have the option of providing classroom courses, distance learning courses, or both. A satisfactory completion of a distance learning course must require the satisfactory completion of a timed distance learning course examination. Such examination does not need to be monitored or given at a centralized location.

Appraisal Management Companies

Individual real estate appraisers are regulated under part II of ch. 475, F.S., by the Florida Real Estate Appraisal Board within the department. Section 475.6235, F.S., requires the registration of Appraisal Management Companies.

“Appraisal management company,” is defined in s. 475.611(1)(c), F.S., to mean a person⁵ who performs appraisal management services.

The term “appraisal management services” is defined in s.475.611(1)(d), F.S., to mean the coordination or management of appraisal services for compensation by:

1. Employing, contracting with, or otherwise retaining one or more appraisers to perform appraisal services for a client; or
2. Acting as a broker or intermediary between a client and one or more appraisers to facilitate the client’s employing, contracting with, or otherwise retaining the appraisers.

Section 475.6235(1), F.S., provides that a person may not engage in appraisal services for compensation or advertise themselves as an appraisal management company or use the titles “appraisal management company,” “appraiser cooperative,” “appraiser portal,” or “mortgage technology company,” or any abbreviation or words to that effect, unless the person is registered with the department as an appraisal management. A person may not engage in appraisal management services for compensation in this state, advertise or represent herself or himself as an appraisal management company, or company under this section.

Employees of the appraisal management company are not required to obtain a separate registration.

The “Dodd-Frank Wall Street Reform and Consumer Protection Act (Frank-Dodd Act)”⁶ permits states to regulate appraisal management companies. However, an appraisal management company that is a subsidiary owned and controlled by a financial institution regulated by a federal financial institution regulatory agency is not be required to register with a state.⁷

⁵ Section 1.01(3), F.S., defines the word “person” to include “individuals, children, firms, associations, joint adventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.”

⁶ “Dodd-Frank Wall Street Reform and Consumer Protection Act” Pub. L. 111-203 (2010).

⁷ *Id.* at s. 1473.

Barbering

Section 476.188(1), F.S., provides that barbering services can be performed only in a registered barbershop, except when such services are performed in a nursing home, hospital, or residence due to a client's illness.

Cosmetology

Section 477.013(4), F.S., defines the term "cosmetology" to mean:

the mechanical or chemical treatment of the head, face, and scalp for aesthetic rather than medical purposes, including, but not limited to, hair shampooing, hair cutting, hair arranging, hair coloring, permanent waving, and hair relaxing for compensation. This term also includes performing hair removal, including wax treatments, manicures, pedicures, and skin care services.

Section 477.0135, F.S., provides several exceptions to the requirement of a cosmetology license. Section 477.0135(1)(f), F.S., provides an exemption for the cosmetology license requirement for "persons whose practice is limited to the application of cosmetic products to another person in connection with the sale, or attempted sale, of such products at retail without compensation from such other person other than the regular retail price of such merchandise."

Section 477.0135(5), F.S., provides that a cosmetology "license is not required of any individual providing makeup, special effects, or cosmetology services to an actor, stunt person, musician, extra, or other talent during a production recognized by the Office of Film and Entertainment as a qualified production" as defined in s. 288.1254(1), F.S. These services are not required to be performed in a licensed salon. However, these persons may not provide such services to the general public without a license.

Section 477.0135(6), F.S., also provides a license exemption for makeup or special effects services provided in a theme park or entertainment complex, as defined in s. 509.013(9), F.S., to an actor, stunt person, musician, extra, or other talent, or providing makeup or special effects services to the general public. It appears that the exemption for makeup or special effects services to the general public is limited to those provided in the theme parks.

Section 477.019, F.S., permits cosmetologists who are licensed in another state to receive a Florida license if the license qualifications in the other state are similar to, equivalent to, or greater than the qualifications required in this state. The Florida qualifications include proof of passing a written examination; and completion of 1200 educational hours.⁸ According to the department, individuals who have been practicing cosmetology services in another state for many years have difficulty providing proof of the completion of the 1200 educational hours. Many times this is because the other state does not retain the records for an extended period of time. In Florida, the Department of State Division of Library Services is in charge of the preservation of public records.⁹ The division is authorized to adopt rules for the retention and disposal of public records.¹⁰

⁸ See s. 477.019, F.S.

⁹ See s. 257.35, F.S.

¹⁰ See s. 257.36(6), F.S.

Section 477.0263, F.S., provides that all cosmetology services must be performed in a licensed salon, except when services are performed in a residence, nursing home or hospital because the client is too ill to travel to a licensed salon, or when services are provided in connection with the motion picture, fashion photography, theatrical, or television industry; or at a photography studio salon, manufacturer's trade show demonstration; or an educational seminar.

Construction Contracting

The Construction Industry Licensing Board (CILB) is responsible for the licensure and regulation under part I of ch. 489, F.S., of construction contractors. Construction contractors in Florida must be certified or registered before commencing business as a contractor.¹¹

Certification means that the contractor is licensed by the state to contract statewide.¹²

Alternatively, a contractor may register with the state to perform construction services only within the limited geographic confines of the local jurisdiction in which the registered contractor has been licensed by the local jurisdiction.¹³

A state certification or registration is required for persons who perform the following categories of construction services: general contractors, building contractors, residential contractors, sheet metal contractors, roofing contractors, air-conditioning contractors, mechanical contractors, swimming pool/spa, plumbing contractors, underground utility and excavation contractors, solar contractors, pollutant storage systems contractors, and glass and glazing contractors.¹⁴

Section 489.118, F.S., permits registered contractors to receive a state-wide certification without taking the state licensure examination if they meet the specified criteria, including holding a current, valid registration, passing a written examination that the board finds is substantially similar to the examination required to be licensed as a certified contractor, has at least five years of experience, has not had a contractor's license revoked, and is in compliance with the insurance and financial responsibility requirements in s. 489.115(5), F.S. To qualify for certification, registered contractors must have applied to the department by November 1, 2005.

Pugilistic Exhibitions

Chapter 548, F.S., provides for the licensure and regulation of professional and amateur boxing, kickboxing, and mixed martial arts by the Florida State Boxing Commission. Section 548.006(3), F.S., provides the Florida State Boxing Commission exclusive jurisdiction for the approval, disapproval, suspension of approval, and revocation of approval of all amateur sanctioning organizations for boxing and kickboxing matches held in the state. This jurisdiction does not extend to amateur sanctioning organizations for mixed martial arts.

Section 548.0065, F.S., requires amateur sanctioning organizations to notify the department of upcoming amateur matches held in the state.

¹¹ Section 489.113(2), F.S.

¹² Section 489.113(1), F.S.

¹³ Section 489.117(1), F.S.

¹⁴ See s. 489.105(3)(a)-(q), F.S.

Section 548.008(1), F.S., prohibits matches involving amateurs that utilize, but are not necessarily limited to, strikes or blows to the head unless the match is sanctioned and supervised by an amateur sanctioning organization approved by the Florida State Boxing Commission.

Section 548.008(2), F.S., provides that no professional match may be held in this state unless it meets the requirements for holding the match as provided in ch. 548, F.S., and the rules adopted by the Florida State Boxing Commission.

Section 548.008(3)(a), F.S., provides that any person who participates in a match prohibited under this section, knowing the match is prohibited, commits a misdemeanor of the second degree, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S.¹⁵

Section 548.008(3)(b), F.S., provides that any person who holds, promotes, or sponsors a match prohibited under this section, commits a felony of the third degree, punishable as provided in s. 775.082, F.S., s. 775.083, F.S., or s. 775.084, F.S.¹⁶

The commission's primary duty is to ensure that all matches comply with the laws and rules and that the matches are competitive and physically safe for the participants. The commission licenses 1,655 professionals per year and processes approximately 71 live event permits annually. In addition to its daily processing of applications for licensure and the approval or denial of live event permits, the commission coordinates live event schedules and evaluates proposed fight cards. It also evaluates the assignment of officials (referees, judges, physicians) and event staff (event coordinator, chief inspector, inspectors, and timekeeper).

A department representative or commission representative is assigned to attend each official weigh-in and live event. This person attends the official weigh-in during which the application is processed, license fees are collected, the results of participant medical examinations are verified, pre-fight physicals are conducted by physicians, the promoter/participant contracts are collected, participants' weights are recorded, officials' (referee, judges, and physicians) pay from the promoter are collected, and the required accidental death and health insurance for each of the participants is verified. The department or commission representative is also accompanied to the event by department's OPS event staff, i.e., the event coordinator, timekeeper, and inspector. These OPS event staff and the representative from the department or commission also inspect the ring for safety standards, verify that emergency medical personnel and an ambulance are on-site, assign inspectors to each of the fighters, conduct match timekeeping, verify assigned officials are present, distribute officials' pay following the event, and conduct participant drug tests, if necessary.¹⁷

¹⁵ Section 775.082, F.S., provides that the penalty for misdemeanor of the second degree is punishable by a term of imprisonment not exceeding 60 days. Section 775.083, F.S. provides that the penalty for misdemeanor of the second degree is punishable by a fine not to exceed \$500.

¹⁶ Section 775.082, F.S., provides that a felony of the third degree is punishable by a term of imprisonment not exceeding five years. Section 775.083, F.S., provides that a felony of the third degree is punishable by a fine not exceeding \$5,000. Section 775.084, F.S., provides increased penalties for habitual offenders.

¹⁷ For a more detailed description of the State Boxing Commission's duties, see *2012 Legislative Analysis for Amendment to SB 1252 Relating to Taxation of Closed Circuit Television*, Office of Legislative Affairs, Department of Business and Professional Regulation (January 20, 2012).

Pugilistic Exhibitions-Closed Circuit Television Tax

Section 548.061, F.S., levies a five percent tax on the total gross receipts from the sale of tickets for any match that is showed on a closed circuit telecast viewed within this state. This tax applies whether or not the telecast originates from within the state or from another state. The tax is paid by the persons who hold or show the match. They must file a written report, under oath, which states the exact number of tickets sold for the showing, the amount of gross receipts, and any other information the commission requires. The tax must be paid within 72 hours after the telecast.

The State Boxing Commission's rule¹⁸ provides a process for collecting the required information from promoters and from cable companies. The rule requires that any closed circuit telecasts from, in, or into this state must be under the auspices of a Florida-licensed promoter.¹⁹ The rule specifies that the pre-event reporting requirement applies to promoters who hold, show, or telecast a closed circuit telecast that utilizes facilities other than a cable system's pay-per-view facilities.²⁰ The rule also provides that the report stating the number of tickets sold that must be submitted within 72 after the date of the telecast does not apply to telecasts that utilize a cable system's pay-per-view facilities. The department interprets the rule's reference to tickets as meaning individual pay-per-view sales and not the individual tickets sold to attend the live event.

Failure to remit or to accurately pay the tax may result in a fine of 10 percent of the tax payment due or \$25, whichever is greater, but not to exceed \$5,000.²¹ A promoter would be prohibited from telecasting, holding, or showing any future closed circuit matches or program of matches in this state if they owe unpaid taxes and fines to the commission.²²

To determine which event may be subject to the tax, department staff researches pay-per-view boxing, kickboxing, and mixed martial arts events by means of the Internet and television advertisements. The department then mails a written request to the cable systems operators requesting the number of pay-per-view orders and the purchase price of the order. Upon receipt of the report from the cable system operators, the department submits an invoice, which consists of a summary of the number of orders and tax amount owed, to the promoter that held the show of matches.²³ According to the department, pay per view events that are telecast into commercial locations, such as sports bars or restaurants, are not sold by the cable companies. These shows are sold directly by the promoter to the commercial location. The department does not attempt to collect the tax from promoters for their sales to these commercial locations. According to the department, it has not collected any tax from pay-per-view events that originated in Florida.

¹⁸ Rule 61K1-1.042, F.A.C.

¹⁹ See Rule 61K1-1.042(1), F.A.C. Section 548.002(20), F.S., defines a "promoter" to mean "any person, and includes any officer, director, employee, or stockholder of a corporate promoter, who produces, arranges, or stages any match involving a professional."

²⁰ Rule 61K1-1.042(2), F.A.C.

²¹ Rule 61K1-1.042(7), F.A.C.

²² *Id.*

²³ See Rule 61K1-1.042(6), F.A.C.

III. Effect of Proposed Changes:

Military Veterans-Fee Waiver

The bill creates s. 455.213(12), F.S., to waive the initial licensing fee, the initial application fee, and the initial unlicensed activity fee for a military veteran who applies to the department for a license within 24 months of being honorably discharged.

Continuing Education Providers

The bill amends s. 455.2179, F.S., to allow the department to approve continuing education providers and courses without board review if the provider or course application does not require expert review or denial. Any application that requires expert review by a board must be sent to the appropriate board for review and approval or denial determination. The bill also provides that only the department can determine the content of applications and supporting documents that are submitted for approval.

Inactive and Delinquent Status

The bill amends s. 455.271(6)(b), F. S., to department, in its discretion, the authority to approve applications for reinstatement of a void license if the department determines that the individual failed to comply due to illness or economic hardship. It deletes references to the department's boards to, in effect, place this authority exclusively with the department. This provision is also amended to replace the reference to "unusual hardship" hardship with the term "economic hardship."

Renewal and Cancellation Notices

The bill amends s. 455.273, F.S., to permit the department to forward renewal and cancellation notices to a licensee's email address of record.

The bill amends s. 455.273, F.S., to repeal the requirement that each licensure renewal and cancellation notification must provide a conspicuous statement that a licensee may be required to complete a special purposes examination or other reactivation requirement prior to activating a license.

The bill amends s. 455.275, F. S., to require licensees to update the department with their available email address in addition to their mailing address and place of employment. It permits the department to serve required notices by email, except where service of process is required for disciplinary proceeding pursuant to s. 455.225, F.S.

Real Estate Schools-Distance Learning

The bill amends s. 475.451, F.S., to permit continuing education instructors to complete their continuing education through either classroom or distance learning. It also provides that real estate schools may offer any continuing education course through distance learning if the course complies with s. 475.17(2), F.S., which authorizes the Florida Real Estate Commission to approve distance learning courses.

Appraisers and Appraisal Management Company

The bill amends s. 475.611(1)(c), F.S., to revise the definition of "appraisal management company" by incorporating the provision from s. 475.6235(1), F.S., which prohibits the use of

the titles “appraisal management company,” “appraiser cooperative,” “appraiser portal,” or “mortgage technology company,” or other terms unless the person is registered with the department as an appraisal management company.

The bill also amends s. 475.611(1)(d), F.S., to reference “licensed or certified appraisers” instead of “appraisers.”

Section 475.611(1)(y), F.S, defines the term “subsidiary” to mean an organization that is controlled by a financial institution that is regulated by a federal agency.

The bill amends s. 475.6171(4), F.S., to repeal the provision that no certifications as an appraiser shall be issued based upon the results of national examinations that are obtained more than 24 months after the date of the examination.

The bill amends s. 475.6235(1), F.S., to delete the prohibition against the use of the titles “appraisal management company,” “appraiser cooperative,” “appraiser portal,” or “mortgage technology company,” or other terms unless the person is registered with the department as an appraisal management company. This prohibition is added by the bill to the definition of the term “appraisal management company” in s. 475.611(1)(c), F.S.

The bill also creates s. 475.6235(9), F.S., exempts a financial institution, as defined in s. 655.005, F.S., from the provisions of this section if financial institution owns or operates an internal appraiser office, business, unit, or department, or an appraisal management company that is a subsidiary owned and controlled by a financial institution regulated by a Federal agency. This would conform the provision to the exemption from state regulation provided for bank-owned appraisal management companies as provided by the Dodd Frank Act.²⁴

The bill amends s. 475.6245, F.S., to prohibit appraisal management companies from requiring that appraisers agree to hold harmless from the liability the appraisal management company or its owners, agents, employees, or independent contractors for services performed by the management company and not the appraiser.

Barbering

The bill amends s. 476.188, F. S., to permit licensed barbers to provide barbering services outside of a licensed barbershop, to include a consumer’s place of employment. It also permits barbers to provide barbering services at a residence. It deletes the condition that limits barbers from providing barbering service in a residence to when a client for reasons of ill health is unable to go to the registered barbershop.

Cosmetology

The bill creates s. 477.0135(7), F. S., to provide that a cosmetology license is not required to provide makeup services to the general public.

The bill amends s. 477.019(6), F.S., to permit cosmetology applicants who are licensed in another state to qualify for a license without having to submit proof of completing their required

²⁴ *Supra* at n. 6.

1200 educational hours if the state's requirements include 1200 pre-licensure hours and passage of a written examination.

The bill amends s. 477.0263, F. S., to provide an exception from the requirement that all cosmetology services be performed in a licensed salon. The bill permits licensed cosmetologists and specialists to perform cosmetology and specialty services at special events held outside of salons if they are employed by a licensed salon and appointments for such services are made through a licensed salon. The term "special events" is not defined.

Construction Contracting

The bill amends s. 489.118, F. S., to extend the grandfather period for registered contractors to qualify for certification from November 1, 2005 to November 1, 2014.

Pugilistic Exhibitions

The bill amends s. 548.061, F.S., to limit the five percent tax on closed circuit television broadcasts of pugilistic matches to matches originating within this state and deletes the tax for matches that originate out-of-state.

Effective Date

The bill provides an effective date of October 1, 2012.

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:

This bill will make it less burdensome for current and future licensees to obtain and maintain licensure with the Department of Business and Professional Regulations. The bill will also make it less burdensome for former U.S. military personnel to obtain licensure with the Department.

C. Government Sector Impact:**State certified contractor's licenses**

The department estimates that the bill will increase revenues to the Professional Regulation Trust Fund by \$573,009 in FY 2012-2013 and \$286,709 in FY 2013-2014, as a result of re-opening the time period registered contractors may grandfather their registered contractors' license to a state certified contractors' licenses.

Boxing Commission tax elimination

The department anticipates that all of the revenue collected pursuant to s. 548.061, F.S., related to out-of-state events, would be eliminated. The department collected \$362,079 in FY 2009-2010 and \$182,384 in FY 2010-2011. The revenue from pay-per-view varies from month to month due to the number of matches being scheduled by promoters. The department estimates a revenue reduction of approximately \$272,232 per year based on a two year average.

The department has advised that this reduction in revenues would require an increase in licensing and permit fees to cover the commission's expenses. If the fees are raised to the statutory cap, it would generate approximately \$115,000 which would not be sufficient to cover the loss of tax revenue.

In addition, the loss of revenue related to granting initial licensing fee waivers to recently discharged military veterans 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 February 2, 2012:

The committee substitute (CS) does not amend s. 20.165(2), F.S., to create the Florida State Boxing Commission as a division within the Department of Business and Professional Regulation (department), and to provide that the Child Labor Program and the Farm Labor Program are established under the Division of Regulation.

The CS does not amend s. 455.01, F.S., to include activities or occupations regulated by the Florida State Boxing Commission within the definition of the term "profession."

The CS amends s. 475.611(1)(y), F.S, to define the term "subsidiary."

The CS creates s. 475.6235(9), F.S., to include, within the exemption in this subsection, financial institutions that own or operate an internal appraiser office, business, unit, or department and appraisal management companies that are owned and controlled by a subsidiary of a financial institution. It uses the term “financial institution” by referencing the definition in s. 655.005, F.S., in place of the terms “bank, credit union, or other lending institution”.

The CS does not amend s. 477.019, F.S., to permit applicants for licensure by endorsement to substitute work experience for educational hours when applying for a licensure as provided by rule of the Board of Cosmetology. The CS amends s. 477.019(6), F.S., to permit cosmetology applicants, if licensed in another state, to qualify for a license without having to submit proof of completing their required educational hours if the state’s requirements include 1200 pre-licensure hours and passage of a written examination.

The CS amends s. 548.061, F.S., relating to the tax on matches telecast by closed circuit.

The CS does not amend s. 548.006 (3), F.S., to give the Florida State Boxing Commission exclusive jurisdiction over all amateur mixed martial arts sanctioning organizations.

The CS does not amend s. 548.0065, F.S., to authorize the Florida State Boxing Commission to impose an advance notice requirement on amateur sanctioning organizations.

The CS does not amend s. 548.008(3) (a), F.S., to increase the penalty for participating in a prohibited match.

B. Amendments:

None.