

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: SB 2506-A

INTRODUCER: Senator Lee

SUBJECT: Florida Business Information Portal

DATE: May 28, 2015

REVISED: _____

ANALYST

Davis

STAFF DIRECTOR

Kynoch

REFERENCE

ACTION

I. Summary:

SB 2506-A directs the Department of Business and Professional Regulation (department) to establish and implement, by June 30, 2017, the Florida Business Information Portal (portal) that provides the information needed to start and operate a business in Florida. Specifically, the portal must include, but is not limited to the following:

- A downloadable guide to starting and operating a business in Florida.
- A list of business types and an associated checklist for starting each type of business.
- Information regarding business tax registration and filing.
- Information on registering with the Department of State.

The bill authorizes the department to contract for services to develop the portal, and specifies the state agencies that must cooperate with the department in the development, implementation, and ongoing content updates.

The bill repeals s. 215.1995, F.S., which established the One-Stop Business Registration Portal Clearing Trust Fund in the Department of Revenue. The bill terminates the trust fund and repeals s. 288.109, F.S., which directed the Department of Revenue to establish and implement the One-Stop Business Registration Portal.

The Senate proposed General Appropriations Bill for Fiscal Year 2015-2016, SB 2500-A, includes two positions and \$1,475,203 from the General Revenue Fund to develop and implement the portal.

The bill is effective July 1, 2015.

II. Present Situation:

Currently, an individual starting a business in the State of Florida must interact with several state agencies to register for taxes, request a license or receive certain permits. These tasks may include visits to multiple state agency websites which collect duplicative information data from

the potential applicant. The State of Florida does not have a single point-of-entry where an individual can access all processes needed to start and operate a business in the state.

Section 288.109, F.S., originally directed the State Technology Office to establish and implement an Internet website for a One-Stop Permitting System, which would allow an applicant to complete and submit application forms for various permits to state agencies and counties by January 1, 2001. Despite that law, the system was not built; the State Technology Office was later abolished.

Chapter 2012-139, L.O.F., directed the Department of Revenue to establish and implement a One-Stop Business Registration Portal, through an Internet website, that provided individuals and businesses with a single point-of-entry into state government for completing and submitting of documents required for transacting business in Florida.

Specifically, the One-Stop Business Registration Portal would provide businesses and individuals a single point-of-entry for:

- Completing and submitting applications for various licenses, registrations, or permits that must be issued by a state agency in order for the applicant to transact business in the state.
- Filing various documents that must be filed with state agencies or departments in order for the filer to transact business in the state.
- Remitting payment for various fees that must be paid to state agencies or departments.

The Department of Revenue developed an implementation plan that included up to four potential phases released over three to five years with estimated costs totaling \$7 million to \$9 million. To date, total appropriations for the project have been \$4.5 million with expenditures of \$2.7 million.

In 2014, the Department of Revenue suspended the One-Stop Business Registration project. The Fiscal Year 2014-2015 General Appropriations Act (GAA) directed the Department of Revenue, in collaboration with the department, to contract with a third party consultant firm to complete a comprehensive assessment of the project. Proviso language included the Fiscal Year 2014-2015 GAA directed that the assessment should include a technical review of all project artifacts and application development produced from the project start date through March 1, 2014, an analysis of any gaps between the current project scope and the required functionality of the One-Stop Business Registration Portal, and a recommendation of action to remediate any variances between the current project scope and the required functionality.

The Department of Revenue provided the results of the independent assessment to the Governor, President of the Senate, and Speaker of the House of Representatives in November 2014. The assessment indicated that the project, as currently scoped and structured, would make it difficult to achieve the overall One-Stop vision and objectives as defined in ch. 2012-139, L.O.F. The assessment identified a series of recommendations to re-evaluate the intent of the project and provide more specificity for the desired functionality of the One-Stop Business Registration Portal.

Chapter 2012-140, L.O.F., created the One-Stop Business Registration Portal Clearing Trust Fund within the Department of Revenue. The trust fund was established for use as a depository

for receipts generated through utilization of the One-Stop Business Registration Portal and for subsequent transfer or distribution of such fund to appropriate agencies and accounts. The One-Stop Business Registration Portal never became operational, therefore no funds were deposited into the trust fund.

III. Effect of Proposed Changes:

Section 1 creates s. 20.166, F.S., which establishes the Florida Business Information Portal (portal) within the Department of Business and Professional Regulation (department). By June 30, 2017, the department must implement the portal that provides the information needed to start and operate a business in Florida, including information on licenses, permits, or registrations that are issued by state agencies. The bill authorizes the department to contract for services to develop the portal.

The portal is required, but not limited, to include:

- A downloadable guide to starting and operating a business in Florida.
- A list of business types and an associated checklist for starting each type of business.
- Information regarding business tax registration and filing.
- Information regarding registering with the Department of State.

The bill specifies the state agencies directed to cooperate with the department in the development, implementation, and continued content management of the portal. The specified agencies include, but are not limited to the:

- Agency for Health Care Administration;
- Department of Agriculture and Consumer Services;
- Department of Economic Opportunity;
- Department of Environmental Protection;
- Department of Financial Services;
- Office of Financial Regulation;
- Office of Insurance Regulation;
- Department of Health;
- Department of Highway Safety and Motor Vehicles;
- Department of Lottery;
- Department of Management Services;
- Department of Revenue;
- Department of State; and
- Fish and Wildlife Conservation Commission.

Sections 2 and 4 repeal s. 215.1995, F.S., and terminate the One-Stop Business Registration Portal Clearing Trust Fund within the Department of Revenue. The bill directs the Chief Financial Officer to remove the fund from the various state accounting systems.

Section 3 repeals s. 288.109, F.S., which directs the Department of Revenue to establish and implement the One-Stop Business Registration Portal.

Section 5 provides an effective date of July 1, 2015.

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:

The Business Information Portal created by SB 2506-A will make it easier for individuals and new businesses to locate information needed to conduct business in the state.

C. Government Sector Impact:

The department will require funds and staff to implement the portal. Additionally, the department will need to develop a plan and potentially procure contract services to develop and implement the system. The total estimated cost of a two-year effort to establish the functionality required by the bill is \$2.2 million. The Senate proposed General Appropriations Bill for Fiscal Year 2015-2016, SB 2500-A, includes an appropriation of \$1,475,203 (\$200,571 recurring and \$1,274,632 nonrecurring) from the General Revenue Fund and provides two positions with associated salary rate of 144,000 to develop and implement the Business Information Portal.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 20.166 of the Florida Statutes.

This bill repeals the following sections of the Florida Statutes: 215.1995 and 288.109.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
