

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: HB 1091 Licensing Fee Relief
SPONSOR(S): Alvarez and others
TIED BILLS: IDEN./SIM. **BILLS:** SB 7046

FINAL HOUSE FLOOR ACTION: 115 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

HB 1091 passed the House on April 27, 2023, and subsequently passed the Senate on May 4, 2023.

The Florida Department of Business and Professional Regulation (DBPR) regulates and licenses businesses and professionals in Florida under the Divisions of Professions, Regulation, Real Estate, and Certified Public Accounting.

For each professional licensed, DBPR charges an initial license fee and license renewal fee set by statute and the applicable board, or by DBPR if there is no board for the profession. DBPR also imposes a \$5 unlicensed activity fee on each occupational license, in order to fund efforts to combat unlicensed activity. Certain professions also require background checks, which requires a separate fee to an outside contractor.

The bill requires DBPR to waive, for the 2023-2024 and 2024-2025 fiscal years:

- 50 percent of the initial licensing fee for an applicant applying for an initial license, with such waiver limited to a maximum of \$200 per year per license.
- 50 percent of a licensee's license renewal fee, with such waiver limited to a maximum of \$200 per year per license.

Such fee waivers may not include any applicable unlicensed activity or background check fees. This waiver expires July 1, 2025.

The bill provides an appropriation for such waiver in the sum of \$50 million in nonrecurring funds from the General Revenue Fund to DBPR to be deposited into the Professional Regulation Trust Fund for the 2023-2024 fiscal year. Any unexpended balance of funds from this appropriation remaining on June 30, 2024, shall revert and is appropriated to DBPR for the 2024-2025 fiscal year for the same purpose.

The appropriation provided in the bill will offset the loss of revenue to implement the specified reduction in licenses. See Fiscal Comments.

The bill was approved by the Governor on May 11, 2023, ch. 2023-68, L.O.F., and will become effective on July 1, 2023.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Department of Business and Professional Regulation – Current Situation

The Florida Department of Business and Professional Regulation (DBPR) regulates and licenses businesses and professionals in Florida through the following divisions:

- The Division of Administration,
- The Division of Alcoholic Beverages and Tobacco,
- The Division of Certified Public Accounting,
- The Division of Drugs, Devices, and Cosmetics,
- The Division of Florida Condominiums, Timeshares, and Mobile Homes,
- The Division of Hotels and Restaurants,
- The Division of Professions,
- The Division of Real Estate,
- The Division of Regulation,
- The Division of Technology, and
- The Division of Service Operations.¹

The Division of Professions licenses and regulates more than 434,000 professionals through the following professional boards and programs:

- Board of Architecture and Interior Design,
- Asbestos Licensing Unit,
- Athlete Agents,
- Board of Auctioneers,
- Barbers' Board,
- Building Code Administrators and Inspectors Board,
- Regulatory Council of Community Association Managers,
- Construction Industry Licensing Board,
- Board of Cosmetology,
- Electrical Contractors' Licensing Board,
- Board of Employee Leasing Companies,
- Home Inspectors,
- Board of Landscape Architecture,
- Mold-Related Services,
- Board of Pilot Commissioners,
- Board of Professional Geologists,
- Talent Agencies,
- Board of Veterinary Medicine, and
- Florida Board of Professional Engineers.²

The Division of Regulation is the enforcement authority for the Florida Athletic Commission, Farm Labor Program, Child Labor Program, and any professional boards and programs housed within Professions.³ To ensure compliance with applicable laws and rules by those professions and related businesses, Regulations investigates complaints, utilizes compliance mechanisms, and performs inspections.⁴

¹ S. 20.165, F.S.

² Florida Department of Business and Professional Regulation, *Division of Professions*, <http://www.myfloridalicense.com/DBPR/division-of-professions/> (last visited Mar. 12, 2023).

³ Except the Board of Architecture and Interior Design, and the Florida Board of Professional Engineers.

⁴ Florida Department of Business and Professional Regulation, *Division of Regulation*, <http://www.myfloridalicense.com/DBPR/division-of-regulation/> (last visited Mar. 12, 2023).

The Division of Certified Public Accounting is responsible for the regulation of certified public accountants and accounting firms in the state.⁵

The Division of Real Estate is responsible for the regulation of real estate sales associates, brokers, and appraisers, in conjunction with the Florida Real Estate Commission and the Florida Real Estate Appraisal Board.⁶

DBPR Professional License Fees

For each professional license issued by DBPR, there is an initial license fee and a license renewal fee set by statute and the applicable board, or by DBPR if there is no board for the profession. DBPR also imposes a \$5 unlicensed activity fee on each occupational license, in order to fund efforts to combat unlicensed activity.⁷ The initial licensing fees generally range from \$25⁸ to \$701.⁹ The renewal license fees generally range from \$5¹⁰ to \$400.¹¹

Certain professions also require background checks, which requires a separate fee to an outside contractor.

DBPR Umbrella Chapter

Chapter 455, F.S., applies to the regulation of professions constituting “any activity, occupation, profession, or vocation regulated by DBPR in the Divisions of Certified Public Accounting, Professions, Real Estate, and Regulation.”¹²

It also provides the general powers of DBPR and sets forth the procedural and administrative framework for all of the professional boards housed under DBPR.¹³

Department of Business and Professional Regulation – Effect of the Bill

The bill requires DBPR to waive, for licenses subject to ch. 455, F.S., during the 2023-2024 and 2024-2025 fiscal years:

- 50 percent of the initial licensing fee for an applicant applying for an initial license, with such waiver limited to a maximum of \$200 per year per license.
- 50 percent of a licensee's license renewal fee, with such waiver limited to a maximum of \$200 per year per license.

Such fee waivers may not include any applicable unlicensed activity or background check fees. This waiver expires July 1, 2025.

The bill provides an appropriation for such waiver in the sum of \$50 million in nonrecurring funds from the General Revenue Fund to DBPR to be deposited into the Professional Regulation Trust Fund for the 2023-2024 fiscal year. Any unexpended balance of funds from this appropriation remaining on June 30, 2024, shall revert and is appropriated to DBPR for the 2024-2025 fiscal year for the same purpose.

⁵ S. 473.3035, F.S.; Florida Department of Business and Professional Regulation, *Certified Public Accounting*, [Certified Public Accounting – MyFloridaLicense.com](https://www.myfloridalicense.com) (last visited Mar. 12, 2023).

⁶ S. 475.021, F.S.

⁷ S. 455.2281, F.S.

⁸ R. 61-35.002, F.A.C., Interior Designer.

⁹ R. 61G7-10.002, F.A.C., Employee Leasing Company Controlling Person.

¹⁰ R. 61-35.008, F.A.C., Building Code Professionals.

¹¹ R. 61-19.003, F.A.C., Talent Agents.

¹² S. 455.01(6), F.S.

¹³ S. 455.203, F.S.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments.

2. Expenditures:

See Fiscal Comments.

A. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

B. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The fee waivers under the bill will save professional licensees money, which may then be used for other business or personal needs.

C. FISCAL COMMENTS:

The bill appropriates \$50 million nonrecurring funds from the General Revenue Fund to be deposited in the Professional Regulation Trust Fund. Any unexpended balance of the \$50 million deposited funds shall revert on June 30, 2024 and is appropriated to DBPR for the 2024-2025 fiscal year for the same purpose. This appropriation will offset the loss of revenue in the Professional Regulation Trust Fund to implement the specified temporary licensing fee waivers.