

**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.)

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Prepared By: The Professional Staff of the Commerce Committee

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BILL: SPB 7056

INTRODUCER: Commerce Committee

SUBJECT: Agency Sunset Review of the Division of Corporations of the Department of State

DATE: February 12, 2010      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	O'Callaghan	Cooper	CM	<b>Pre-meeting</b>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

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**I. Summary:**

This proposed bill reenacts provisions relating to the Division of Corporations of the Department of State.

This bill reenacts s. 20.10(2)(c), F.S.

**II. Present Situation:**

Sections 11.901-11.920, F.S., are known as the Florida Government Accountability Act (act). Under this act, most state agencies are subject to a "sunset" review process, conducted by various committees, in order for the Legislature to determine whether the agency should be retained, modified, or abolished.

Agencies subject to a sunset review are reviewed prior to the legislative session in the year the repeal is scheduled to occur. The Division of Corporations within the Department of State will sunset on June 30, 2010, unless it is reenacted by the Legislature.

The Senate Commerce Committee is the primary sunset review committee for review of the Division of Corporations (division) within the Department of State (department). After the committee's initial review of the division, it recommended in its Issue Brief 2009-308<sup>1</sup> that the committee conduct further research to:

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<sup>1</sup> Issue Brief 2009-308 is available at [http://www.flsenate.gov/data/Publications/2009/Senate/reports/interim\\_reports/pdf/2009-308cm.pdf](http://www.flsenate.gov/data/Publications/2009/Senate/reports/interim_reports/pdf/2009-308cm.pdf).

- Evaluate the efficacy of transferring some or all of the responsibilities of the division to the Department of Revenue;
- Re-evaluate the feasibility, value, and associated costs of implementing a Master Business Index; and
- Evaluate consolidating the responsibilities related to administration of the notary public commissioning process either within the division or within the Executive Office of the Governor (EOG).

The Office of Program Policy Analysis and Government Accountability (OPPAGA) researched the first two aforementioned recommendations and provided its findings and recommendations in a report.<sup>2</sup> OPPAGA primarily found:

- There is no compelling advantage to transferring the division to the Department of Revenue; and
- A better alternative to implementation of the Master Business Index is implementation of an online one-stop portal for businesses.

Committee staff researched the third recommendation, concerning the consolidation of administration of the notary public commissioning process, and provided findings and options in Interim Report 2010-212.<sup>3</sup> Committee staff's key findings were:

- Consolidation of administration of the notary public commissioning process would provide for marginal gains in efficiencies; and
- No entity is statutorily required to verify any information on a notary public's application.

### III. Effect of Proposed Changes:

**Section 1** reenacts s. 20.10(2)(c), F.S., to allow the Division to Corporations of the Department of State to continue to perform its current functions and responsibilities required under law.

**Section 2** provides for an effective date of July 1, 2010.

### IV. Constitutional Issues:

#### A. Municipality/County Mandates Restrictions:

None.

#### B. Public Records/Open Meetings Issues:

None.

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<sup>2</sup> OPPAGA Report No. 10-22, *Florida Has Made Limited Progress to Streamline Business Processes; Other States Have Realized Benefits from One-Stop Portals*, on file with the committee and available at <http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/1022rpt.pdf>.

<sup>3</sup> Interim Report 2010-212 is available at [http://www.flsenate.gov/data/Publications/2010/Senate/reports/interim\\_reports/pdf/2010-212cm.pdf](http://www.flsenate.gov/data/Publications/2010/Senate/reports/interim_reports/pdf/2010-212cm.pdf).

C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

**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.)

None.

B. Amendments:

None.