



Jeb Bush
Governor

Kim Binkley-Seyer
Secretary

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DIVISION OF PROFESSIONS, REAL ESTATE
AND CERTIFIED PUBLIC ACCOUNTANCY

ANNUAL REPORT

JULY 1, 2000 – JUNE 30, 2001

FLORIDA DEPARTMENT OF
BUSINESS AND PROFESSIONAL REGULATION

Message from the Governor



Dear Floridian:

The 2000-2001 Fiscal Year brought many improvements in the Department of Business and Professional Regulation, including an exciting new way of approaching customer service. DBPR is engaged in a massive undertaking. As the department reengineers its business processes, it will systematically provide all licensees access to DBPR 24 hours a day, 7 days a week – a vast improvement in what the public has

traditionally come to expect from state government. As you read more about these accomplishments in the following pages, I hope you will join with me in celebrating the department's efforts to dramatically improve customer service.

Technology has played the leading role in this story. DBPR has realigned its goals and reprioritized its mission. While the mission has always been to serve and protect the public, the goal now is to do so better, smarter and faster.

I am pleased that the Legislature saw fit to support this mission in the final version of the spending plan for our state for two reasons. First, this 24-month project seeks to eliminate wasteful duplication as well as streamline and update antiquated processes. Second, and most important, this streamlining will dramatically improve customer service for the nearly one million licensees of DBPR. Improving service for its licensees means they can pass those savings right on to the public, thereby creating a win-win for everyone who lives in and visits Florida.

Seeing such meaningful advances in service and professionalism only strengthens my resolve to make state government as technologically advanced as possible. DBPR is creating cutting-edge solutions for Florida taxpayers by continuing to increase our efficiency and public trust.

Sincerely,

Jeb Bush

Message from the Secretary



Dear Floridian:

It has been my distinct pleasure to serve as the Secretary of the Department of Business and Professional Regulation since November of 2000. Under the leadership of Governor Jeb Bush and the support of the state Legislature, we have embarked upon a massive reengineering and technical project.

DBPR is in the business of issuing licenses and ensuring the quality of services provided by our licensees. One out of every 16 Floridians is a direct licensee of the department. Through this project, not only are taxpayer dollars being spent more wisely and efficiently, but we are revolutionizing the way customers do business with the state of Florida.

“My entire renewal took less than 5 minutes electronically.”
-Margery Golant

The result of greatly reducing our processing time is the tangible return of costs to the taxpayer, by bringing electronic business practices to our licensees and the people they serve.

Chapter 455, Florida Statutes, requires DBPR to submit the following report on the professions regulated by DBPR, including real estate and certified public accountancy. I look forward to sharing this information with you in this 2000-2001 Annual Report. If you have any questions, please do not hesitate to let me know.

Sincerely,

Kim Binkley-Seyer



DBPR is More Than You Thought

The Department of Business and Professional Regulation safeguards the state's business and economic viability and facilitates communication and cooperation between DBPR, its licensees, citizens and visitors to the state. Between the Divisions of Professions, Real Estate and Certified Public Accountants, DBPR regulates 178 classes of licensed professions and occupations in Florida, with real estate and cosmetology making up over 450,000 licensees.

In a public-private partnership, DBPR has joined with Accenture to create a robust electronic permitting and licensing program, which also facilitates renewals. This innovative technology streamlines 74 databases into one all-inclusive program.

The first of six installments of this new online system in Florida went live with the real estate and pari-mutuel licensees in September of 2001. All professional licenses will be available for online application and renewal services in early 2002, including the construction industry and certified public accountants. Other DBPR licenses, including alcoholic beverages and tobacco, and hotels and restaurants, will be online by the end of 2002. The Divisions of Land Sales, Condominiums and Mobile Homes and the State Boxing Commission will follow in early 2003.

“Before it was tough. I always waited until the last minute. But renewing online only took a few minutes. I even took my test online and that worked out really well.”

- Paul Webb

Licensees, potential licensees and citizens will be able to access the system 24 hours a day, 7 days a week from the convenience of their homes by logging on to www.myflorida.com. Both the renewal and application times have been reduced to minutes, versus the previous method of waiting for days, or even weeks. Applicants are also offered the ease of paying fees via credit card.

Another enormous benefit to the public is the security the new system provides to non-licensed Floridians. Individuals may verify the authenticity of a professional license by searching the website by name or profession. Persons posing as licensed professionals will find it much more difficult to mislead or take advantage of the public under this new system. The history of a person's license, including any complaints issued, will also be available for viewing.



DBPR is More Than You Thought

While greater customer service is crucial, we also have taken steps to address the fine line between access to information and privacy. We have put numerous security measures in place to protect the privacy of our clients. Access is restricted to the user via User ID and personal identification number. The information transferred between an individual's computer and the state system is encrypted to block interception of confidential information by a third party.

Under the direction of Governor Bush, the Department of Business and Professional Regulation is completely modernizing its business model to deliver greater service to customers while stretching taxpayer dollars with these new efficiencies. Running the state in this more efficient manner will produce multi-million dollar cost savings to Florida's taxpayers and better use of existing funds.

Greater efficiency will be realized through elimination of duplicities and excessive paperwork practices. State employees working within the licensing departments will be offered greater opportunities to learn new, innovative systems. New training will be provided to enhance career opportunities for state employees, while increasing their employment values.

"It is really nice to know that you can access the system 24 hours a day. That really pleased me. During business hours I need to be making money, doing the work. Nevertheless, I thought, 'this is state government,' so I approached it with knots in my stomach. I was truly surprised at how user friendly the process is!"

-Patti Dewitt

Of course, the most important aspect of the new system is offering greater customer service to our licensees and the citizens we serve. As technology advances, citizens are finding that they are able to cut through traditional layers of bureaucracy and actually accomplish government business in a timely, painless manner.

Once again, Florida is leading the nation in the charge to make government services easily accessible.



Division Overview

Professions

The Division of Professions licenses 43 professions and is charged with setting criteria for applicants in their respective professions and ensuring that licensed practitioners meet minimum standards. The division is responsible for 15 professional boards, three department-regulated professions and one council, as well as the Bureau of Testing. In addition, although not a licensing activity, the Pilotage Rate Review Board regulates port pilotage rates in the state of Florida.

Real Estate

The Division of Real Estate is responsible for protecting the public by regulation of Real Estate licensees through education and compliance. Based in Orlando, the division is responsible for the examination, licensing, and regulation of over 300,000 individuals, corporations, real estate schools and instructors. The division provides administrative support to the Florida Real Estate Commission (FREC) and the Florida Real Estate Appraisal Board (FREAB).

Certified Public Accountants

The Division of Certified Public Accountants is responsible for ensuring that licensees meet the statutory requirements for licensure and practice of Certified Public Accounting. Located in Gainesville, the division processes applications for examination and licensure to become a CPA. It also processes applications for reactivation of a CPA license, temporary permit applications and continuing education reporting forms. In addition, it provides administrative support to the Board of Accountancy. The board consists of nine members. Seven members of the board are CPAs and two are consumer members. The board meets approximately ten times a year at various locations throughout the state. Meetings are open to the public.

Regulation

The Division of Regulation functions as the enforcement arm for the professions and related businesses licensed by DBPR. It monitors those professions and related businesses to ensure that the laws, rules and standards set by the legislature are followed. Based in Tallahassee with field offices around the state, the division proactively monitors the professionals and related businesses, aggressively pursuing and investigating complaints of wrongdoing, and utilizing compliance mechanisms such as the mediation program, the issuance of notices of noncompliance, the issuance of citations and the performance of statutorily mandated inspections. In FY 2000-2001, the department's mediation program successfully recovered nearly \$2 million for consumers who had been harmed, and saved the department an additional \$280,000 in investigative and legal costs. The division further helps protect the public from harm by executing an annual unlicensed activity campaign focused on consumer awareness and public education, conducting over 25,500 routine inspections and over 4,000 investigations.



2000-2001 Revenues and Expenditures

EXPENDITURES 2000-2001 (ACCRUAL)

	Amount	Percentage by Division
Professions, Real Estate, Accountancy	24,831,897	13.68%
Regulation	5,876,297	3.24%

UNENCUMBERED CASH BALANCE IN TRUST FUND

Professional Regulation Trust Fund

Professions, Real Estate, Accountancy 49,741,065

REVENUES 2000-2001

Professions, Real Estate, Accountancy 48,654,589 4.25%

455.2285(1)



2000-2001 Licensees by Professional Category

PROFESSION	ACTIVE	INACTIVE	TOTAL
Accountancy	29,675	1,796	31,471
Architecture & Interior Design	12,479	937	13,416
Asbestos	444	24	468
Athlete Agents	152	6	158
Auctioneers	2,477	14	2,491
Barbers	11,601	409	12,010
Building Code Administrators/Inspectors	8,253	114	8,367
Community Association Managers	7,982	1,378	9,360
Construction	65,873	14,527	80,400
Cosmetology	139,861	2,270	142,131
Electrical Contractors	8,875	1,114	9,989
Employee Leasing	653		653
Engineers	27,567	855	28,422
Funeral Directors/Embalmers	3,960	185	4,145
Geologists	1,910	86	1,996
Landscape Architecture	1,219	109	1,328
Pilot Commissioners	106		106
Real Estate Appraisal	9,411		9,411
Real Estate Commission	174,123	41,164	215,287
Surveyors/Mappers	3,702	179	3,881
Talent Agents	291		291
Veterinarians	6,647	343	6,990
TOTAL	517,261	65,510	582,771

455.219- Upon review of the department's fee caps, DBPR has included no recommendations for fee cap increases.



2000-2001 Complaints by Professional Category

	Complaints Added/Received	Total Complaints Legally Sufficient
Accountancy	279	240
Architecture & Interior Design	185	137
Asbestos	3	1
Athlete Agents	17	17
Auctioneers	101	62
Barbers	334	323
Building Code Administrators/Inspectors	73	61
Community Association Managers	202	72
Construction	3721	1870
Cosmetology	2146	2053
Electrical Contractors	461	324
Employee Leasing	283	256
Engineers	55 (166)*	44 (67)*
Funeral Directors/Embalmers	267	153
Geologists	2	1
Landscape Architecture	5	2
Pilot Commissioners	29	36
Real Estate	5123	2139
Surveyors/Mappers	69	51
Talent Agents	67	36
Veterinarians	333	244

455.2285(2)

Note: The numbers in the "Legally Sufficient" column can pertain to files that were added or received in a prior fiscal year. A "Complaint" is any written communication made to or by the department, alleging that a violation of the laws and rules relating to the regulation of professions has occurred. "Legally sufficient complaints" are complaints identified by the department to have potentially violated the laws or rules relating to the regulation of professions and are subject to further investigation.

* Florida Engineering Management Corporation data



2000-2001 Complaints by Professional Category

	Probable Cause Found	No Probable Cause Found
Accountancy	108	225
Architecture and Interior Design	40	141
Asbestos	0	2
Athlete Agents	17	7
Auctioneers	23	85
Barbers	123	184
Building Code Administrators/Inspectors	21	44
Community Association Managers	17	164
Construction	1272	2992
Cosmetology	590	1485
Electrical Contractors	390	351
Employee Leasing	197	69
Engineers	23 (33)*	41(14)*
Funeral Directors/Embalmers	66	180
Geologists	2	1
Landscape Architecture	4	7
Pilot Commissioners	1	29
Real Estate	490	672
Surveyors/Mappers	27	47
Talent Agents	5	58
Veterinarians	56	278

455.2285(3)(4)

Note: (*) Florida Engineering Management Corporation data



2000-2001 Complaints by Professional Category

	Administrative Complaints Filed	Files Closed/ Orders of Closure	Dispositions of Disciplinary Action	Total # of Dispositions
Accountancy	49	1	40	41
Architecture and Interior Design	12	3	26	29
Asbestos	0	0	0	0
Athlete Agents	0	0	1	1
Auctioneers	20	9	17	26
Barbers	36	5	125	130
Building Code Administrators/Inspectors	5	9	15	24
Community Association Managers	15	4	14	18
Construction	591	57	494	551
Cosmetology	157	19	563	582
Electrical Contractors	76	8	199	207
Employee Leasing	119	7	149	156
Engineers	6 (33)*	1 (1)*	(88)*	7 (122)*
Funeral Directors/Embalmers	35	5	52	57
Geologists	2	0	0	0
Landscape Architecture	4	1	1	2
Pilot Commissioners	1	0	3	3
Real Estate	322	637	297	934
Real Estate Appraisal	49	35	46	81
Surveyors/Mappers	15	1	7	8
Talent Agents	5	11	1	12
Veterinarians	37	1	38	39

455.2285(5)(6)

Note: * Florida Engineering Management Corporation data



Statutory References

455.2285(7) Disciplinary actions may include: Revocations, Voluntary Relinquishments, Suspensions, Probation, Reprimands, Obligations Imposed, Limitations Imposed, Restitution, Citations or other.

455.2285(8) At the close of the fiscal year, the Division of Professions had 34 files existing for which an investigation had not been completed within one year after the initial filing of the complaint. The Division of Certified Public Accountants had 21. The Division of Real Estate had eight. These files are identified to the supervisors in the appropriate regional field offices and receive the highest priority for completion. Furthermore, the Division of Regulation continues to increase its emphasis on mediation activities for complaints where harm caused by the licensee is economic in nature or can be remedied by the licensee. Complaints which are mediated are resolved very quickly as compared to the normal route of formal prosecution. By focusing on mediation, the Division of Regulation provides an avenue for the expeditious processing and resolution of complaints. Our successfully mediated files have increased from a total of 164 during FY 1999-2000 to 293 during FY 2000-2000. This equates to an increase of nearly 80 percent.

Supervisory staff in both the Division of Regulation and the Office of the General Counsel utilize a monthly report to identify cases that are a year old. These year-old cases are then prioritized for resolution. In the Division of Regulation, alternative enforcement mechanisms such as Notices of Non-Compliance, Citations, and the Mediation Program have facilitated the expeditious resolution of cases while minimizing enforcement costs. The Mediation Program has been particularly effective in this regard. The Office of the General Counsel has implemented an aggressive prosecution policy which emphasizes the timely conduct of administrative hearings, thereby promoting settlement negotiations and minimizing the number of aged cases. The Division of Real Estate has made a concerted effort to dispose of cases by stipulated agreement and informal hearing. It has been significantly successful. This action has also facilitated quicker disposition of cases with less expense to the licensee and the department.

455.2285(9) The department has established disciplinary guidelines for all professions under our jurisdiction. The department and the various boards continue to review these guidelines for any possible revisions and improvements.

455.2285(10) The department continually reviews its rules and statutory provisions to determine if any regulatory provision, or portion thereof, is unnecessary. For example, in 2001, the statute was modified to allow for null and void licensees to be permitted to reactivate their license if their license became null and void due to an unusual hardship. We are mindful of the cost of regulation and the burden on the regulated community. The department will continue to make every effort to keep these provisions as efficient as possible, while streamlining its business processes. During the past year, the department streamlined its examination rules and repealed the two following rules:

61-11.013 Miscellaneous

61-11.014 Security and Monitoring Procedures for Licensure Examination

In addition, we are engaged in a reengineering project of streamlining our business processes and providing Florida's citizens more efficient and customer friendly government. This effort will lead to a substantial revision of our rules and related regulatory provisions. Through this project we are developing a statewide, single licensing system for all of our regulated businesses and professions. In September 2001, real estate licensees became Florida's first professionals to use our online services, and by January 2003, all department licensees will be able to conduct their business online.



Key Contacts

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