

BPEADL01 LAS/PBS SYSTEM  
BUDGET PERIOD: 2008-2022  
STATE OF FLORIDA

SCHEDULE VIIIB-1  
PRIORITY LISTING FOR POSSIBLE REDUCTION  
FOR CURRENT YEAR

SP 10/14/2020 17:34 PAGE: 1  
EXHIBIT D-3A ERROR REPORT

BUDGET ENTITY	D3A ISSUE CODE	COLUMN NUMBERS	CODE	ERROR MESSAGE	PAGE
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THERE WERE 0 ERRORS DETECTED

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>LEGAL SERVICES</u>				43010200
GOV OPERATIONS/SUPPORT				16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>				<u>1602.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE OFFICE OF THE GENERAL COUNSEL				33V6220
SALARY RATE				000000
SALARY RATE.....	140,140-	140,140-		
	=====	=====		
SALARIES AND BENEFITS				010000
	7.00-	7.00-		
ADMINISTRATIVE TRUST FUND -STATE	272,384-	272,384-		2021 1
	=====	=====		
OTHER PERSONAL SERVICES				030000
	84,085-	84,085-		
ADMINISTRATIVE TRUST FUND -STATE				2021 1
	=====	=====		
EXPENSES				040000
	241,698-	241,698-		
ADMINISTRATIVE TRUST FUND -STATE				2021 1
	=====	=====		
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
	62,060-	62,060-		
ADMINISTRATIVE TRUST FUND -STATE				2021 1
	=====	=====		
TOTAL: REDUCE OFFICE OF THE GENERAL COUNSEL				33V6220
TOTAL POSITIONS.....	7.00-	7.00-		
TOTAL ISSUE.....	660,227-	660,227-		
TOTAL SALARY RATE.....	140,140-	140,140-		
	=====	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #40

IT COMPONENT? NO

This issue proposes a budget reduction of 660,227, including reductions of 84,085 of Other Personal Services, 62,060 of Contracted Services, 241,698 of Expenses, and seven positions and 272,384 of Salaries and Benefits budget authority for seven months of pay. The position reductions include an Executive Senior Attorney, an Attorney, two Staff Assistants,

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>LEGAL SERVICES</u>						43010200
GOV OPERATIONS/SUPPORT						16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>						<u>1602.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE OFFICE OF THE GENERAL						
COUNSEL						33V6220

and three Senior Attorneys. This reduction would significantly impact the Division of Legal Services.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0120 STAFF ASSISTANT							
C0004 001	2.00-	17,106-		32,080-	49,186-	0.00	49,186-
7736 ATTORNEY							
C0003 001	1.00-	17,248-		18,731-	35,979-	0.00	35,979-
7738 SENIOR ATTORNEY							
C0002 001	3.00-	73,692-		60,076-	133,768-	0.00	133,768-
7739 EXECUTIVE SENIOR ATTORNEY							
C0001 001	1.00-	32,094-		21,357-	53,451-	0.00	53,451-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							272,384-
	7.00-	140,140-		132,244-	272,384-		272,384-

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>LEGAL SERVICES</u>						43010200
GOV OPERATIONS/SUPPORT						16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>						<u>1602.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE OFFICE OF THE GENERAL COUNSEL						33V6220

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0120 STAFF ASSISTANT							
C0004 001	2.00-	17,106-		32,080-	49,186-	0.00	49,186-
7736 ATTORNEY							
C0003 001	1.00-	17,248-		18,731-	35,979-	0.00	35,979-
7738 SENIOR ATTORNEY							
C0002 001	3.00-	73,692-		60,076-	133,768-	0.00	133,768-
7739 EXECUTIVE SENIOR ATTORNEY							
C0001 001	1.00-	32,094-		21,357-	53,451-	0.00	53,451-
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TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							272,384-
	7.00-	140,140-		132,244-	272,384-		272,384-
	=====	=====	=====	=====	=====		=====

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 TOTAL: EXEC LEADERSHIP/SUPPRT SVC 1602.00.00.00  
 BY FUND TYPE

TRUST FUNDS.....	7.00-	660,227-	7.00-	660,227-			2000
SALARY RATE.....		140,140-		140,140-			
	=====	=====	=====	=====			

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFORMATION TECHNOLOGY</u>				43010300
GOV OPERATIONS/SUPPORT				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE LOCAL GOVERNMENT ELECTRONIC				
REPORTING SYSTEM				33V0330
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
GENERAL REVENUE FUND	-STATE	26,250-	26,250-	1000 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? YES  
 PRIORITY #15

This issue reduces eXtensible Business Reporting Language (XBRL) developer funding by 15 percent. The recurring funding is for an application developer to further advance the XBRL taxonomy initiative by advancing the Florida Open Financial Statement System and creating a bridge to Financial statements by integrating the system with newly created XBRL taxonomies from Fiscal Year 2018-19.

This would strain the department to meet requirements set forth in section 218.32, Florida Statutes, mandating local governments to report financial data using XBRL after September 2022. Timing would be greatly dampened, making a requested extension of the deadline of marked up XBRL financial statements more likely.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91 SCH VIIIIB-1 REDUC 20-21 POS	COL A92 SCH VIIIIB-1 NR FY20-21 POS	COL A93 SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	AMOUNT	AMOUNT	CODES
FINANCIAL SERVICES							43000000
PRG: CHIEF FIN OFFICER/ADM							43010000
CONSUMER ADVOCATE							43010400
GOV OPERATIONS/SUPPORT							16
EXEC LEADERSHIP/SUPPRT SVC							1602.00.00.00
PROGRAM REDUCTIONS							33V0000
REDUCTION IN CONSUMER ADVOCATE							
PROGRAM							33V5000
OTHER PERSONAL SERVICES							030000
INSURANCE REG TF	-STATE	62,487-	62,487-				2393 1
EXPENSES							040000
INSURANCE REG TF	-STATE	32,399-	32,399-				2393 1
SPECIAL CATEGORIES							100000
LEASE/PURCHASE/EQUIPMENT							105281
INSURANCE REG TF	-STATE	1,888-	1,888-				2393 1
TOTAL: REDUCTION IN CONSUMER ADVOCATE							33V5000
PROGRAM							
TOTAL ISSUE.....		96,774-	96,774-				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #26

IT COMPONENT? NO

This issue reduces budget authority within the Office of the Insurance Consumer Advocate (OICA) in the following categories:

OPS - 62,487: OPS employees provide assistance and support for the Consumer Advocate in reaching out to Florida consumers to hear their insurance concerns and discuss current insurance trends. Current funding level is 62,487.

Expenses -32,399: This category is used for paying rent, office supplies, travel, consumer outreach events, public forums, participating in industry conferences and committees. Current funding level is 72,357; and rent comprises 54% of this category. This reduction represents a 45% reduction in the expenses category.

Lease or Lease Purchase of Equipment - 1,888: This is a 100% reduction of this category. During FY 2015-16, the office purchased a copier/printer and no longer leases the copier equipment; however, this category is used to lease equipment for hosting public forums or working groups.

Reductions of this level will impact day to day operations of the office. The OICA may be unable to pay rent, purchase

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
CONSUMER ADVOCATE				43010400
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				1602.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION IN CONSUMER ADVOCATE				
PROGRAM				33V5000

office supplies, upgrade out dated equipment and furniture; meet with consumers, hold outreach events or public forums, participate in insurance related committees and conferences; all of which are vital to the OICA's mission to represent and protect the interests of Florida's consumers.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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TOTAL: EXEC LEADERSHIP/SUPPRT SVC				1602.00.00.00
BY FUND TYPE				
TRUST FUNDS.....	96,774-	96,774-		2000
	=====	=====		

INFO TECHNOLOGY - FLAIR				43010500
GOV OPERATIONS/SUPPORT				16
INFORMATION TECHNOLOGY				1603.00.00.00
PROGRAM REDUCTIONS				33V0000
DEFER HIRING OF STAFF				33V0790
SALARY RATE				000000
SALARY RATE.....	210,784-	210,784-		
	=====	=====		

SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE	247,987-	247,987-		1000 1
	=====	=====		
TOTAL: DEFER HIRING OF STAFF				33V0790
TOTAL ISSUE.....	247,987-	247,987-		
TOTAL SALARY RATE.....	210,784-	210,784-		
	=====	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #46

IT COMPONENT? YES

In accordance with the 6% COVID-19 pandemic hold-back in all appropriation categories, the Office of Information Technology (OIT) has cut many of its planned staff hires.

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>INFO TECHNOLOGY - FLAIR</u>						43010500
GOV OPERATIONS/SUPPORT						16
<u>INFORMATION TECHNOLOGY</u>						<u>1603.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
DEFER HIRING OF STAFF						33V0790

Prior to the 6% hold-back, OIT planned to hire three vacant positions at a cost of 247,987 in salaries and benefits related from the General Revenue fund. These actions were postponed, thus substantially impeding OIT's staffing capacity and morale, and restricting operational flexibility.

Hiring deferments, or the lack of salary and benefit support, will detrimentally impact OIT and operations/services to customers in the current fiscal year, but sustaining these reductions through the year is achievable without permanent damage to OIT's ability to serve. However, sustaining them beyond the fiscal year will cause an enduring hindrance of IT services and require a long-term reevaluation of IT priorities requiring consequential sacrifices from customers.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
RA01 RATE & SALARY ADJ - BENEFITS NO FTE							
C1001 001	0.00	210,784-		37,203-	247,987-	0.00	247,987-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							247,987-
	0.00	210,784-		37,203-	247,987-		247,987-

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PRG: CHIEF FIN OFFICER/ADM						43000000
<u>INFO TECHNOLOGY - FLAIR</u>						43010000
GOV OPERATIONS/SUPPORT						43010500
<u>INFORMATION TECHNOLOGY</u>						16
PROGRAM REDUCTIONS						1603.00.00.00
DEFER HIRING OF STAFF						33V0000
						33V0790

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
RA01 RATE & SALARY ADJ - BENEFITS NO FTE						
C1001 001	0.00	210,784-	37,203-	247,987-	0.00	247,987-
TOTALS FOR ISSUE BY FUND						
1000 GENERAL REVENUE FUND						247,987-
0.00	210,784-	37,203-	247,987-			

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REDUCTION OF INFORMATION TECHNOLOGY STAFF

SALARY RATE						33V0820
SALARY RATE.....						000000
75,903-	75,903-					
SALARIES AND BENEFITS						
2.00-	2.00-					010000
GENERAL REVENUE FUND	-STATE	118,360-	118,360-			1000 1
SPECIAL CATEGORIES						
FLAIR OPERS & MAINTENANCE						100000
ADMINISTRATIVE TRUST FUND -STATE						100702
146,333-	146,333-					2021 1

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PRG: CHIEF FIN OFFICER/ADM						43000000
<u>INFO TECHNOLOGY - FLAIR</u>						43010000
GOV OPERATIONS/SUPPORT						43010500
<u>INFORMATION TECHNOLOGY</u>						16
PROGRAM REDUCTIONS						<u>1603.00.00.00</u>
REDUCTION OF INFORMATION TECHNOLOGY						33V0000
STAFF						33V0820
TOTAL: REDUCTION OF INFORMATION TECHNOLOGY						33V0820
STAFF						
TOTAL POSITIONS.....	2.00-		2.00-			
TOTAL ISSUE.....		264,693-		264,693-		
TOTAL SALARY RATE.....	75,903-		75,903-			

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #48

IT COMPONENT? YES

The issue eliminates two FTE from the General Revenue fund and one contractor from the Administrative Trust Fund. This reduction will have an adverse impact on the Florida Accounting Information Resource (FLAIR) and its ability to function. This is a critical time period for FLAIR while staff and managed services work to remediate FLAIR to PALM. As FLAIR retires over the next few years, retaining staff to perform the tasks needed for operations are vital. Removing positions would put the timeline for the PALM project at risk and increase the risk of failure within the FLAIR system.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1001 001	2.00-	75,903-	42,457-	118,360-	0.00	118,360-

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>INFO TECHNOLOGY - FLAIR</u>						43010500
GOV OPERATIONS/SUPPORT						16
<u>INFORMATION TECHNOLOGY</u>						1603.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCTION OF INFORMATION TECHNOLOGY						
STAFF						33V0820

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							118,360-
	2.00-	75,903-		42,457-	118,360-		118,360-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	2.00-	75,903-		42,457-	118,360-	0.00	118,360-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							118,360-
	2.00-	75,903-		42,457-	118,360-		118,360-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				1603.00.00.00
PROGRAM REDUCTIONS				33V0000
ELIMINATE PLURALSIGHT TRAINING				33V0830
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	28,413-	28,413-		2021 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #41

IT COMPONENT? YES

In accordance with the 6% COVID-19 pandemic hold-back in all appropriation categories, the Office of Information Technology (OIT) has cut many of its planned purchases. The planned purchase listed below was deferred in response to these budget restrictions:

OIT canceled all Pluralsight training in the amount of \$28,413. Pluralsight is an economical cloud-based continuing education source for OIT staff. Reductions in system support will detrimentally impact OIT and operations/services to customers in the current fiscal year, but sustaining these reductions through the year is achievable without permanent damage to OIT's ability to serve. However, sustaining them beyond the fiscal year will cause an enduring hinderance of IT services and require a long-term reevaluation of IT priorities requiring consequential sacrifices from customers.

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REDUCTION IN ORACLE JAVA SUPPORT				33V0840
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	43,200-	43,200-		2021 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #43

IT COMPONENT? YES

In accordance with the 6% COVID-19 pandemic hold-back in all appropriation categories, the Office of Information Technology (OIT) has cut many of its planned purchases. The planned purchase listed below was deferred in response to these budget restrictions:

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>INFO TECHNOLOGY - FLAIR</u>						43010500
GOV OPERATIONS/SUPPORT						16
<u>INFORMATION TECHNOLOGY</u>						<u>1603.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION IN ORACLE JAVA SUPPORT						33V0840

OIT deferred subscription payments for updates and patches to the Oracle Java Server Software for an annualized reduction of 43,200. Without this purchase OIT is assuming greater risk that bugs and inability to use new features will not hinder customer systems.

Reductions in system support will detrimentally impact OIT and operations/services to customers in the current fiscal year, but sustaining these reductions through the year is achievable without permanent damage to OIT's ability to serve. However, sustaining them beyond the fiscal year will cause an enduring hindrance of IT services and require a long-term reevaluation of IT priorities requiring consequential sacrifices from customers.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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REDUCE REPLACEMENT OF END-OF-LIFE EQUIPMENT						33V0880
SPECIAL CATEGORIES						100000
CONTRACTED SERVICES						100777
ADMINISTRATIVE TRUST FUND -STATE	162,616-		162,616-			2021 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #44

IT COMPONENT? YES

In accordance with the 6% COVID-19 pandemic hold-back in all appropriation categories, the Office of Information Technology (OIT) has cut many of its planned purchases. The planned purchase listed below was deferred in response to these budget restrictions:

Within DFS, the Office of Information Technology (OIT) is responsible for maintaining and replacing workstations throughout the department. OIT assesses the full inventory of workstations, both laptop and desktop machines, to determine which of them require replacement.

Reductions in workstations support and replacement will detrimentally impact OIT and operations/services to customers in the current fiscal year, but sustaining these reductions through the year is achievable without permanent damage to OIT's ability to serve. However, sustaining them beyond the fiscal year will cause an enduring hindrance of IT services and require a long-term reevaluation of IT priorities requiring consequential sacrifices from customers.

COL A91		COL A92		COL A93		CODES	
SCH VIIIIB-1	REDUC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT		
FINANCIAL SERVICES							43000000
PRG: CHIEF FIN OFFICER/ADM							43010000
<u>INFO TECHNOLOGY - FLAIR</u>							43010500
GOV OPERATIONS/SUPPORT							16
<u>INFORMATION TECHNOLOGY</u>							<u>1603.00.00.00</u>
PROGRAM REDUCTIONS							33V0000
REDUCE REPLACEMENT OF END-OF-LIFE							
EQUIPMENT							33V0880

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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REDUCE DATA STORAGE MAINTENANCE						33V0890
SUPPORT						100000
SPECIAL CATEGORIES						100777
CONTRACTED SERVICES						

ADMINISTRATIVE TRUST FUND -STATE                    16,725-                    16,725-                    2021 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #42

IT COMPONENT? YES

In accordance with the 6% COVID-19 pandemic hold-back in all appropriation categories, the Office of Information Technology (OIT) has cut many of its planned purchases. The planned purchase listed below was deferred in response to these budget restrictions:

OIT reduced the level of maintenance for the Dell/EMC Corporation storage boxes from 4 hours response support to instead allow for responses within 24 hours. Reductions in system support will detrimentally impact OIT and operations/services to customers in the current fiscal year, but sustaining these reductions through the year is achievable without permanent damage to OIT's ability to serve. However, sustaining them beyond the fiscal year will cause an enduring hinderance of IT services and require a long-term reevaluation of IT priorities requiring consequential sacrifices from customers.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
GOV OPERATIONS/SUPPORT				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE GARTNER SUBSCRIPTION				33V3210
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	143,549-	143,549-		2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? YES

PRIORITY #11

In accordance with the 6% COVID-19 pandemic hold-back in all appropriation categories, the Office of Information Technology (OIT) has cut many of its planned purchases. The planned purchase listed below was deferred in response to these budget restrictions:

OIT has canceled all seats with Gartner, an Information Technology management advising company. This reduction will impede OIT's ability to get quick, independent guidance on technologies and IT policies thus increasing the likelihood of delays, vulnerabilities, diminished effectiveness and cost increases for the IT services OIT delivers.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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TOTAL: INFORMATION TECHNOLOGY				<u>1603.00.00.00</u>
BY FUND TYPE				
GENERAL REVENUE FUND	366,347-	366,347-		1000
TRUST FUNDS	540,836-	540,836-		2000
TOTAL POSITIONS.....	2.00-	2.00-		
TOTAL PROG COMP.....	907,183-	907,183-		
TOTAL SALARY RATE.....	286,687-	286,687-		

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
<u>DEPOSIT SECURITY</u>				43100200
GOV OPERATIONS/SUPPORT				16
<u>GOVERNMENTAL OPERATIONS</u>				<u>1601.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE THE QUALIFIED PUBLIC				
DEPOSITORIES PROGRAM				33V4100
SALARY RATE				000000
SALARY RATE.....	88,574-	88,574-		
	=====	=====		
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF	4.00-	4.00-		
-STATE	162,327-	162,327-		2725 1
	=====	=====		
EXPENSES				040000
TREASURY ADM/INVEST TF				
-STATE	29,350-	29,350-		2725 1
	=====	=====		
TOTAL: ELIMINATE THE QUALIFIED PUBLIC				33V4100
DEPOSITORIES PROGRAM				
TOTAL POSITIONS.....	4.00-	4.00-		
TOTAL ISSUE.....	191,677-	191,677-		
TOTAL SALARY RATE.....	88,574-	88,574-		
	=====	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #27

IT COMPONENT? NO

The elimination of Florida's Qualified Public Deposit Program would require legislative action to repeal Chapter 280, Florida Statutes, or to transfer the responsibility for administering this program to another agency. If the program were eliminated it would remove the protection from loss for Florida public deposits under Chapter 280, Florida Statutes. This would have a dramatic effect on Florida's public depositors which would be required to revert back to a process of protecting their bank deposits by directly negotiating collateral arrangements with each depository institution they use.

The Qualified Public Deposit Program was established in 1981 at the request of the banking community in Florida to provide a standardized method of protecting public monies on deposit that exceeded the Federal Deposit Insurance Corporation limits that guaranteed depositors against loss in the case of a bank failure. Chapter 280 established the administrative responsibility for the Division of Treasury to administer the program and provide for a full time staff to approve participating depositories, establish collateralization levels required to protect the deposits and for the review of the financial conditions in order to determine adequate pledge level for collateral requirements. There are currently four full time positions that administer the program that includes approving participation, review ranking



COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PROGRAM: TREASURY						43000000
DEPOSIT SECURITY						43100000
GOV OPERATIONS/SUPPORT						43100200
GOVERNMENTAL OPERATIONS						16
PROGRAM REDUCTIONS						1601.00.00.00
ELIMINATE THE QUALIFIED PUBLIC						33V0000
DEPOSITORIES PROGRAM						33V4100

changes, monitor deposit and pledge levels and act in accordance with both Chapter 280, Florida Statutes and Administrative Rule 69C-2. This reduction also includes 5,557 in recurring expenses for a bank rating service for the program and the standard recurring expenses package for the four employees.

This budget reduction issue would result in significant disruption not only for the Division of Treasury but for hundreds of governmental units in Florida at the local, county and state level and potentially put billions of dollars in public funds at greater risk of loss due to the elimination of qualified public depositories and the public deposits program.

This is 100 percent of the program resources and 10 percent of this budget entity's overall operating budget. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	4.00-	88,574-		73,753-	162,327-	0.00	162,327-
TOTALS FOR ISSUE BY FUND							
2725 TREASURY ADM/INVEST TF							162,327-
	4.00-	88,574-		73,753-	162,327-		162,327-

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDUC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PROGRAM: TREASURY						43100000
<u>DEPOSIT SECURITY</u>						43100200
GOV OPERATIONS/SUPPORT						16
<u>GOVERNMENTAL OPERATIONS</u>						<u>1601.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE THE QUALIFIED PUBLIC						
DEPOSITORIES PROGRAM						33V4100

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	4.00-	88,574-		73,753-	162,327-	0.00	162,327-
TOTALS FOR ISSUE BY FUND							
2725 TREASURY ADM/INVEST TF							162,327-
	4.00-	88,574-		73,753-	162,327-		162,327-

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TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	4.00-	191,677-	4.00-	191,677-			2000
SALARY RATE.....	88,574-		88,574-				

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
<u>ST FUNDS MGT &amp; INVESTMENT</u>				43100300
GOV OPERATIONS/SUPPORT				16
<u>GOVERNMENTAL OPERATIONS</u>				<u>1601.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE THE STATE TREASURY				
CONCENTRATION ACCOUNT CONTRACT				33V4180
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
TREASURY ADM/INVEST TF	-STATE	624,000-	624,000-	2725 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #28

IT COMPONENT? NO

Eliminate the master receipts contract (concentration account - ETR201) used by all state agencies. Agencies process all deposits through this contract which are then centralized in the State Treasury. The Division of Treasury then has access to these funds for investments. Treasury is the owner of this contract and pays for these services used by the agencies. If this contract is eliminated, agencies would then be required to pay for these services themselves. The Fiscal Year 2020-21 budget for this contract is 624,000. Elimination of this contract would push a considerable amount of costs and effort to all state agencies because they would lose discounted pricing for economies of scale. Additionally, if funds are deposited outside the State Treasury, investment earnings on the funds could be lost.

This reduction issue would cause significant problems not only within the Division of Treasury, but to the state agencies as well. Eliminating this contract would significantly reduce the amount of investment income that Treasury currently earns and increase the costs to all state agencies for banking services.

This is a 31 percent reduction in the contracted services category and 15 percent of this budget entity's overall operating budget. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
<u>SUP RETIREMENT PLAN</u>				43100400
GOV OPERATIONS/SUPPORT				16
<u>GOVERNMENTAL OPERATIONS</u>				<u>1601.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE THIRD PARTY ADMINISTRATOR				
CONTRACT				33V4120
SPECIAL CATEGORIES				100000
DEFERRED COMP ADM SVCS				100868
TREASURY ADM/INVEST TF	-STATE	408,000-	408,000-	2725 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #16

IT COMPONENT? NO

The Deferred Compensation Plan operates under s. 112.215, F.S., and is not funded by general revenue, but is instead funded by the contracted Investment Providers offering investment and education services to Participants. All assets are accumulated and held in the Deferred Compensation Trust Fund for the exclusive benefit of Participants and their beneficiaries. Due to protections of 26 U.S.C. 457(b)(6), assets of the program cannot be used for any other purposes under general revenue consideration.

This issue eliminates the Third-Party Administrator contract that supports the central location of participant data exchange and storage necessary to operate the Deferred Compensation program as a multi-vendor plan. Removal of the Third-Party Administrator would require massive system modifications to the operational features as they relate to payroll processing and transaction processing/approvals. It would affect how participant's currently view and make changes to their account(s) online. This would also significantly impair the ability for the staff of the Bureau of Deferred Compensation to offer customer service directly to participants because the day to day account activity accumulated from all of the providers into one database would no longer exist.

This reduction issue would cause significant problems external to the Division of Treasury, Bureau of Deferred Compensation. Specifically, it would alter the manner and efficiency for participating employees of the State, State University System, and participating employees of special districts, to modify or view account records and interact for customer service. It also would affect the processing of payroll contributions and require pay centers, including the Bureau of State Payrolls, to require significant system modification and reporting/settlement procedures resulting in increased expenditures for duplicative processes at the pay centers and also at the Investment Providers.

This is a 49.5 percent reduction in the deferred compensation administrative services category in this budget entity and 23 percent of this budget entity's overall operating budget. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE SALARIES AND BENEFITS				
APPROPRIATION IN DIVISION OF				
ACCOUNTING AND AUDITING				33V0250
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	187,645-	187,645-		2021 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #45

IT COMPONENT? NO

The Division of Accounting and Auditing is proposing to freeze critical vacant positions. This reduction request would place a hold on approximately three (3) vacant positions. This would be a non-recurring reduction of 187,645 from the Administrative Trust Fund in the Salaries and Benefits Category (010000).

The division, over the last few years, has had up to a 40% turnover rate. Not filling current critical vacancies and future vacancies due to turnover will adversely affect the division's operations. The overall impact will depend on which critical positions are affected by vacancies; however, the ability to make accurate payroll, retiree, and vendor payments, audit expenditures, and carry out significant CFO responsibilities may be affected or impaired.

This reduction is non-recurring. The division can take the reduction for the current fiscal year but is proposing a separate recurring reduction in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A91 - SCH VIIIIB-1 REDUC 20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS  
 OTHER SALARY AMOUNT  
 2021 ADMINISTRATIVE TRUST FUND

187,645-  
 -----  
 187,645-  
 =====

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		43000000
REDUC 20-21		NR FY20-21		ANZ FY20-21		43200000
						43200100
						16
						<u>1601.00.00.00</u>
						33V0000
						33V0250

FINANCIAL SERVICES  
 PGM: FIN ACCT/PUBLIC FUNDS  
 ST FINAN INFO/ST AGY ACCTG  
 GOV OPERATIONS/SUPPORT  
 GOVERNMENTAL OPERATIONS  
 PROGRAM REDUCTIONS  
 REDUCE SALARIES AND BENEFITS  
 APPROPRIATION IN DIVISION OF  
 ACCOUNTING AND AUDITING

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
OTHER SALARY AMOUNT						
2021 ADMINISTRATIVE TRUST FUND						
						187,645-
						-----
						187,645-
						=====

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REDUCE OPERATING EXPENDITURES FROM  
 ADMINISTRATIVE TRUST FUND IN  
 ACCOUNTING AND AUDITING  
 SALARIES AND BENEFITS

ADMINISTRATIVE TRUST FUND -STATE	141,528-	141,528-				2021 1
	=====	=====	=====			

OTHER PERSONAL SERVICES

ADMINISTRATIVE TRUST FUND -STATE	1,413-	1,413-				2021 1
	=====	=====	=====			

EXPENSES

ADMINISTRATIVE TRUST FUND -STATE	6,972-	6,972-				2021 1
	=====	=====	=====			

	COL A91	COL A92	COL A93	
	SCH VIIIB-1	SCH VIIIB-1	SCH VIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE OPERATING EXPENDITURES FROM				
ADMINISTRATIVE TRUST FUND IN				
ACCOUNTING AND AUDITING				33V0450
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	4,800-	4,800-		2021 1
LEASE/PURCHASE/EQUIPMENT				105281
ADMINISTRATIVE TRUST FUND -STATE	1,023-	1,023-		2021 1
TOTAL: REDUCE OPERATING EXPENDITURES FROM				33V0450
ADMINISTRATIVE TRUST FUND IN				
ACCOUNTING AND AUDITING				
TOTAL ISSUE.....	155,736-	155,736-		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-1 NARRATIVE:  
 PRIORITY #12

IT COMPONENT? NO

The Division of Accounting and Auditing is proposing a non-recurring reduction to the Fiscal Year 2020-2021 appropriations based upon the 6% release holdback. This budget hold back would contribute to not filling some of the vacant positions. The division operates on extremely limited funding in Expense and Contracted Services. The division's ongoing efforts to modernize and automate are severely limited. Further reductions will result in abandoning efficiency efforts already adopted and the cancellation of contracts. Certain functions, vacant positions, and normal operating costs have been cut back causing a reduction in efficiencies, automation, and improved customer service. This would be a reduction in non-recurring funds of 141,528 in the Salaries and Benefits Category (010000), 1,413 in the Other Personal Services Category (030000), 6,972 in the Expenses Category (040000), 4,800 in the Contracted Services Category (100777), and 1,023 in the Lease/Purchase/Equipment Category (105281) for a total of 155,736.

This reduction is non-recurring. The division can take the reduction for the current fiscal year but is proposing a separate recurring reduction in the Schedule VIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		
REDUC 20-21	NR FY20-21	NR FY20-21	ANZ FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES 43000000  
 PGM: FIN ACCT/PUBLIC FUNDS 43200000  
 ST FINAN INFO/ST AGY ACCTG 43200100  
 GOV OPERATIONS/SUPPORT 16  
 GOVERNMENTAL OPERATIONS 1601.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 REDUCE OPERATING EXPENDITURES FROM  
 ADMINISTRATIVE TRUST FUND IN  
 ACCOUNTING AND AUDITING 33V0450

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A91 - SCH VIIIIB-1 REDUC 20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS  
 OTHER SALARY AMOUNT  
 2021 ADMINISTRATIVE TRUST FUND

141,528-  
 -----  
 141,528-  
 =====

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS  
 OTHER SALARY AMOUNT  
 2021 ADMINISTRATIVE TRUST FUND

141,528-  
 -----  
 141,528-  
 =====

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REDUCE OPERATING EXPENDITURES FROM  
 GENERAL REVENUE FUND IN ACCOUNTING  
 AND AUDITING  
 SALARIES AND BENEFITS

33V0470  
 010000

GENERAL REVENUE FUND -STATE 366,347- 366,347- 1000 1  
 =====



COL A91		COL A92		COL A93		CODES
SCH VIIIB-1	REDC 20-21	SCH VIIIB-1	NR FY20-21	SCH VIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FIN ACCT/PUBLIC FUNDS						43200000
ST FINAN INFO/ST AGY ACCTG						43200100
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE OPERATING EXPENDITURES FROM						
GENERAL REVENUE FUND IN ACCOUNTING						
AND AUDITING						33V0470

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-1 NARRATIVE:  
 PRIORITY #47

IT COMPONENT? NO

The Division of Accounting and Auditing is proposing a non-recurring reduction of 366,347 to the Fiscal Year 2020-2021 General Revenue appropriations for Salaries and Benefits. This non-recurring reduction would contribute to not filling approximately six vacant positions during the fiscal year. The impact of a reduction would depend on which critical positions are affected by vacancies; however, the ability to make accurate payroll, retiree, and vendor payments, audit expenditures, and carry out significant CFO responsibilities may be affected or impaired.

This reduction is non-recurring. The division can take the reduction for the current fiscal year but is proposing a separate recurring reduction in the Schedule VIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A91 - SCH VIIIB-1 REDUC 20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS  
 OTHER SALARY AMOUNT  
 1000 GENERAL REVENUE FUND

366,347-  
 -----  
 366,347-  
 =====

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE OPERATING EXPENDITURES FROM				
GENERAL REVENUE FUND IN ACCOUNTING				
AND AUDITING				33V0470

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
1000 GENERAL REVENUE FUND							366,347-
							-----
							366,347-
							=====
*****							
TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND		366,347-		366,347-			1000
TRUST FUNDS		343,381-		343,381-			2000
		-----		-----			
TOTAL PROG COMP.....		709,728-		709,728-			=====

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: FIN ACCT/PUBLIC FUNDS					43200000
<u>RECOVERY &amp; RETURN OF UP</u>					43200200
GOV OPERATIONS/SUPPORT					16
<u>GOVERNMENTAL OPERATIONS</u>					<u>1601.00.00.00</u>
PROGRAM REDUCTIONS					33V0000
ELIMINATE UNCLAIMED PROPERTY FIELD					
AUDIT POSITIONS					33V0490
SALARY RATE					000000
SALARY RATE.....	120,199-	120,199-			
	=====	=====			
SALARIES AND BENEFITS					010000
UNCLAIMED PROPERTY TF	6.00-	6.00-			
-STATE	228,594-	228,594-			2007 1
	=====	=====			
TOTAL: ELIMINATE UNCLAIMED PROPERTY FIELD					33V0490
AUDIT POSITIONS					
TOTAL POSITIONS.....	6.00-	6.00-			
TOTAL ISSUE.....	228,594-	228,594-			
TOTAL SALARY RATE.....	120,199-	120,199-			
	=====	=====			

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #19

IT COMPONENT? NO

In FY 2004/2005, The Division of Unclaimed Property established a team responsible for conducting exams/audits on holder (businesses) of unclaimed property that are not complying with applicable laws. In addition to audits, the team also provides outreach/education to holders. The field audit team 300 audits this fiscal year and averages 14 educational workshops annually. Since implementation, these activities have generated more than \$79 million in additional Unclaimed Property receipts. Eliminating this team could potentially result in a reduction of unclaimed property funds remitted to the State by entities that are not reporting as they should be resulting in Florida residents and businesses not receiving funds for which they are rightfully entitled.

This issue would require six currently filled positions be vacated. This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FIN ACCT/PUBLIC FUNDS						43200000
<u>RECOVERY &amp; RETURN OF UP</u>						43200200
GOV OPERATIONS/SUPPORT						16
<u>GOVERNMENTAL OPERATIONS</u>						<u>1601.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE UNCLAIMED PROPERTY FIELD						
AUDIT POSITIONS						33V0490

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	6.00-	120,199-		108,395-	228,594-	0.00	228,594-
TOTALS FOR ISSUE BY FUND							
2007 UNCLAIMED PROPERTY TF							228,594-
	6.00-	120,199-		108,395-	228,594-		228,594-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	6.00-	120,199-		108,395-	228,594-	0.00	228,594-
TOTALS FOR ISSUE BY FUND							
2007 UNCLAIMED PROPERTY TF							228,594-
	6.00-	120,199-		108,395-	228,594-		228,594-

\*\*\*\*\*

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
<u>RECOVERY &amp; RETURN OF UP</u>				43200200
GOV OPERATIONS/SUPPORT				16
<u>GOVERNMENTAL OPERATIONS</u>				<u>1601.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE OTHER PERSONAL SERVICES				
(OPS) IN THE DIVISION OF UNCLAIMED				
PROPERTY				33V0730
OTHER PERSONAL SERVICES				030000
UNCLAIMED PROPERTY TF	-STATE	287,517-	287,517-	2007 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #18

IT COMPONENT? NO

The Division of Unclaimed Property utilizes multiple OPS employees within all three sections. Most of these positions work in OPS the Accounts Payable section assisting with customer service calls, correspondence, and claims processing. Additional positions are employed in the Accounts Receivable section for document and holder report processing as well as with the Asset Management section assisting with returned checks, cash receipts, customer service calls, and vault inventory processing. Claims have steadily become more complex in nature, significantly impacting the average claim processing time. The use of OPS resources has played a significant role in handling this growth along with the corresponding customer service calls. Additionally, OPS are critically important as they are predominantly used in the records room to prepare and image claim documentation into the Unclaimed Property Management System (UPMIS) which are needed in order for accounts payable staff to process and pay claims. More than 5,000,000 million documents were processed by the records room last fiscal year. Eliminating OPS would pose significant risks to the Division of being unable to accurately and promptly administer and meet statutory time-frame requirements, as well as being unable to meet performance expectations and customer service.

A reduction of (287,517) would equate to an estimated nine OPS positions.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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TOTAL: GOVERNMENTAL OPERATIONS				1601.00.00.00
BY FUND TYPE				
TRUST FUNDS.....	6.00-	6.00-		
	516,111-	516,111-		2000
SALARY RATE.....	120,199-	120,199-		
	=====	=====	=====	

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
FL PALM				43200300
GOV OPERATIONS/SUPPORT				16
INFORMATION TECHNOLOGY				1603.00.00.00
PROGRAM REDUCTIONS				33V0000
ELIMINATE POSITIONS IN THE PLANNING				
ACCOUNTING, AND LEDGER MANAGEMENT				
(PALM) PROJECT				33V0440
SALARY RATE				000000
SALARY RATE.....	780,724-	780,724-		
=====				
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	17.00-	17.00-	
		1,165,531-	1,165,531-	2393 1
=====				
SPECIAL CATEGORIES				100000
FLAIR SYSTEM REPLACEMENT				100781
INSURANCE REG TF	-STATE	2,279,422-	2,279,422-	
=====				
TOTAL: ELIMINATE POSITIONS IN THE PLANNING				33V0440
ACCOUNTING, AND LEDGER MANAGEMENT				
(PALM) PROJECT				
TOTAL POSITIONS.....	17.00-	17.00-		
TOTAL ISSUE.....	3,444,953-	3,444,953-		
TOTAL SALARY RATE.....	780,724-	780,724-		
=====				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #49

IT COMPONENT? YES

This issue would require 17 positions to be vacated or held vacant to reduce 1,165,531 appropriated to Florida PALM in Salaries and Benefits in FY 20-21. These positions are responsible for supporting the implementation of the new financial management solution that will replace FLAIR and CMS. This issue would also reduce non-recurring appropriations in the FLAIR System Replacement Special Category by 2,279,422. Of the reductions within the Special Category, 1,394,675 is planned for CMS readiness and Help Desk implementation, 826,371 is dedicated to five (5) support services contractors, 37,876 is planned for project administration and supplies, including software, technology and other operating costs, and 20,500 is planned for training and travel. The reduction of these positions and funding would have a severe negative impact on the Department's ability to perform negotiated Department responsibilities defined in the Florida PALM Software and System Integrator (SSI) contract (FP004), halt progress on the Project's implementation, and prevent the execution of CMS Go-Live planned for July 2021.

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FIN ACCT/PUBLIC FUNDS						43200000
FL PALM						43200300
GOV OPERATIONS/SUPPORT						16
INFORMATION TECHNOLOGY						1603.00.00.00
PROGRAM REDUCTIONS						33V0000
ELIMINATE POSITIONS IN THE PLANNING						
ACCOUNTING, AND LEDGER MANAGEMENT						
(PALM) PROJECT						33V0440

This reduction is listed as non-recurring for FY 2020-21. Part of the salary reduction is proposed as a recurring reduction in the Schedule VIIIIB-2, and the Special Category appropriation reduction is from non-recurring funding provided for FY 2020-21.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	17.00-	780,724-		384,807-	1,165,531-	0.00	1,165,531-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							1,165,531-
	17.00-	780,724-		384,807-	1,165,531-		1,165,531-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

P101 PROPOSED CLASS CODE							
C0001 001	17.00-	780,724-		384,807-	1,165,531-	0.00	1,165,531-

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FIN ACCT/PUBLIC FUNDS						43200000
FL PALM						43200300
GOV OPERATIONS/SUPPORT						16
INFORMATION TECHNOLOGY						<u>1603.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE POSITIONS IN THE PLANNING						
ACCOUNTING, AND LEDGER MANAGEMENT						
(PALM) PROJECT						33V0440

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
						1,165,531-
17.00-	780,724-		384,807-	1,165,531-		1,165,531-
=====	=====	=====	=====	=====		=====

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TOTAL: INFORMATION TECHNOLOGY						<u>1603.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....	17.00-	17.00-				2000
SALARY RATE.....	3,444,953-	3,444,953-				
	780,724-	780,724-				
	=====	=====	=====			



	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>				43300200
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE BOILER SAFETY PROGRAM				33V0090
SALARY RATE				000000
SALARY RATE.....	144,973-	144,973-		
=====				
SALARIES AND BENEFITS				010000
INSURANCE REG TF	8.00-	8.00-		
-STATE	286,801-	286,801-		2393 1
=====				
TOTAL: ELIMINATE BOILER SAFETY PROGRAM				33V0090
TOTAL POSITIONS.....	8.00-	8.00-		
TOTAL ISSUE.....	286,801-	286,801-		
TOTAL SALARY RATE.....	144,973-	144,973-		
=====				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #29

This issue eliminates the Boiler Safety Section, which includes seven filled positions and one vacant position. The Boiler Safety Program conducts inspections of all uninsured boilers located in public assembly locations, issues annual certificates of competency to inspectors working for licensed boiler insurance companies, and processes and issues certificates of compliance for all boilers in the state of Florida located in places of public assembly. Boiler safety staff consists of the Chief Boiler Inspector, five deputy boiler inspectors, and two administrative support staff. The Boiler Safety Section provides a necessary and valuable service to the citizens of the state of Florida by ensuring the safety and compliance of boilers located throughout the state in places of public assembly. Reducing this section will create a need for these services to be performed elsewhere.

This issue reflects a reduction of seven months in salaries and benefits.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		
REDUC 20-21		NR FY20-21		ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PROGRAM: FIRE MARSHAL						43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>						43300200
PUBLIC PROTECTION						12
<u>LAW ENFORCEMENT</u>						<u>1202.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE BOILER SAFETY PROGRAM						33V0090

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	8.00-	144,973-		141,828-	286,801-	0.00	286,801-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							286,801-
	8.00-	144,973-		141,828-	286,801-		286,801-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	8.00-	144,973-		141,828-	286,801-	0.00	286,801-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							286,801-
	8.00-	144,973-		141,828-	286,801-		286,801-

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	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PROGRAM: FIRE MARSHAL					43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>					43300200
PUBLIC PROTECTION					12
<u>LAW ENFORCEMENT</u>					<u>1202.00.00.00</u>
PROGRAM REDUCTIONS					33V0000
REDUCE BUREAU OF COMPLIANCE AND					
ENFORCEMENT STAFF					33V0130
SALARY RATE					000000
SALARY RATE.....	37,254-	37,254-			
	=====	=====			
SALARIES AND BENEFITS					010000
INSURANCE REG TF	5.00-	5.00-			
-STATE	116,479-	116,479-			2393 1
	=====	=====			
TOTAL: REDUCE BUREAU OF COMPLIANCE AND					33V0130
ENFORCEMENT STAFF					
TOTAL POSITIONS.....	5.00-	5.00-			
TOTAL ISSUE.....	116,479-	116,479-			
TOTAL SALARY RATE.....	37,254-	37,254-			
	=====	=====			

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #21

IT COMPONENT? NO

This issue also eliminates five License and Registration Inspectors in regional offices throughout the state. Two of these positions are currently filled. These positions provide administrative support, fire inspections, and public education support to the Fire Inspections section in the regional field offices. The License and Registration Inspector positions are entry-level inspector trainee positions, created for individuals who have not attained their fire safety inspector certification or gained sufficient inspection experience. They also conduct initial fire safety inspections of occupancies and new construction, as well as provide assistance with the regions' educational training programs for local fire services, state agencies, and the general public. The elimination of these positions will require the remaining regional staff (the Fire Protections Specialists and supervisors) to assume the workload, thereby affecting their ability to perform fire safety inspections within the statutorily mandated timeframes outlined by chapter 633.218(1)(a), F.S.

This issue reflects a reduction of seven months in salaries and benefits.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PROGRAM: FIRE MARSHAL						43000000
<u>COMPLIANCE &amp; ENFORCEMENT</u>						43300000
PUBLIC PROTECTION						43300200
<u>LAW ENFORCEMENT</u>						12
PROGRAM REDUCTIONS						<u>1202.00.00.00</u>
REDUCE BUREAU OF COMPLIANCE AND						33V0000
ENFORCEMENT STAFF						33V0130

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	5.00-	37,254-		79,225-	116,479-	0.00	116,479-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							116,479-
	5.00-	37,254-		79,225-	116,479-		116,479-
=====							
-----							
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	5.00-	37,254-		79,225-	116,479-	0.00	116,479-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							116,479-
	5.00-	37,254-		79,225-	116,479-		116,479-
=====							

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>				43300200
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE CONSTRUCTION MATERIALS				
MINING - CH 2020-180, LOF (HB 1047)				33V1140
OTHER PERSONAL SERVICES				030000
GENERAL REVENUE FUND -STATE	60,000-	60,000-		1000 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
GENERAL REVENUE FUND -STATE	980,000-	980,000-		1000 1
INSURANCE REG TF -STATE	1,000,000-	1,000,000-		2393 1
=====				
TOTAL APPRO.....	1,980,000-	1,980,000-		
=====				
TOTAL: ELIMINATE CONSTRUCTION MATERIALS				33V1140
MINING - CH 2020-180, LOF (HB 1047)				
TOTAL ISSUE.....	2,040,000-	2,040,000-		
=====				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #1

IT COMPONENT? NO

This issue eliminates funding provided to the department in chapter 2020-180, L.O.F. (HB 1047), relating to construction materials mining activities. Funds were appropriated to the Division of State Fire Marshal for the purpose of implementing the monitoring and reporting pilot program for the use of explosives in Miami-Dade County pursuant to s. 552.30(4), Florida Statutes.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91 SCH VIIIIB-1 REDUC 20-21 POS	COL A92 SCH VIIIIB-1 NR FY20-21 POS	COL A93 SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	AMOUNT	AMOUNT	CODES
FINANCIAL SERVICES							43000000
PROGRAM: FIRE MARSHAL							43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>							43300200
PUBLIC PROTECTION							12
<u>LAW ENFORCEMENT</u>							<u>1202.00.00.00</u>
TOTAL: LAW ENFORCEMENT							<u>1202.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND	1,040,000-	1,040,000-					1000
TRUST FUNDS	1,403,280-	1,403,280-					2000
TOTAL POSITIONS.....	13.00-	13.00-					
TOTAL PROG COMP.....	2,443,280-	2,443,280-					
TOTAL SALARY RATE.....	182,227-	182,227-					
=====							
<u>PROF TRAINING &amp; STANDARDS</u>							43300400
PUBLIC PROTECTION							12
<u>LAW ENFORCEMENT</u>							<u>1202.00.00.00</u>
PROGRAM REDUCTIONS							33V0000
REDUCE FIREFIGHTER ASSISTANCE GRANT							
PROGRAM							33V0280
SPECIAL CATEGORIES							100000
G/A-FIREFIGHTER ASSIST							100063
INSURANCE REG TF	-STATE	504,499-	504,499-				2393 1
=====							

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #17

In Fiscal Year 2020-21 the bureau was appropriated 1,000,000 in the Grants and Aids - Firefighter Assistance Grant Program category. This is a grant program that provides sets of Personal Protective Equipment (PPE) and Self-Contained Breathing Apparatuses (SCBA) to volunteer fire departments statewide. This reduction in grant funding will impact the ability to provide this equipment to volunteer fire departments throughout the state. This is a 54 percent reduction of the grant program in current year.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PROGRAM: FIRE MARSHAL					43300000
FIRE MRSHL ADMN & SUP SRVS					43300500
PUBLIC PROTECTION					12
LAW ENFORCEMENT					1202.00.00.00
PROGRAM REDUCTIONS					33V0000
REDUCE TRANSFER TO UNIVERSITY OF					
MIAMI - FIREFIGHTERS CANCER					
RESEARCH					33V0210
SPECIAL CATEGORIES					100000
TR/UM-SYL CAN CEN/CAN RES					100518
GENERAL REVENUE FUND	-STATE	260,000-	260,000-		1000 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #13

IT COMPONENT? NO

In Fiscal Year 2020-21, the State Fire Marshal was appropriated 2,000,000 in General Revenue for the Transfer to University of Miami - Sylvester Comprehensive Cancer Center - Firefighters Cancer Research category. The State Fire Marshal is in the process of entering into a contract with the University of Miami to fulfill the requirements outlined in proviso in Specific Appropriation 2418A.

This issue includes a reduction of 260,000 for this contract. A reduction of this contract will reduce or eliminate deliverables that have been included in the contract in previous years. The original appropriation for this contract was 965K in Fiscal Year 2015-16; 1.5M in Fiscal Year 2016-17; 1M in Fiscal Year 2017-18; and 2M from Fiscal Years 2018-19 through 2019-20. This is a 13 percent reduction in the current year appropriation.

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ELIMINATE FLORIDA FIRE INCIDENT					
REPORTING SECTION					33V0290
SALARY RATE					000000
SALARY RATE.....	56,776-	56,776-			
	=====	=====			
SALARIES AND BENEFITS					010000
INSURANCE REG TF	-STATE	3.00- 110,387-	3.00- 110,387-		2393 1
		=====	=====		
TOTAL: ELIMINATE FLORIDA FIRE INCIDENT					33V0290
REPORTING SECTION					
TOTAL POSITIONS.....	3.00-	3.00-			
TOTAL ISSUE.....	110,387-	110,387-			
TOTAL SALARY RATE.....	56,776-	56,776-			
	=====	=====			

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PROGRAM: FIRE MARSHAL						43300000
FIRE MRSHL ADMN & SUP SRVS						43300500
PUBLIC PROTECTION						12
LAW ENFORCEMENT						1202.00.00.00
PROGRAM REDUCTIONS						33V0000
ELIMINATE FLORIDA FIRE INCIDENT						
REPORTING SECTION						33V0290

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #20

IT COMPONENT? NO

This issue eliminates two filled positions and one vacant position in the Florida Fire Incident Reporting Section (FFIRS). This section was created after 2005 legislation created the Fire and Emergency Incident information Reporting Program. This section maintains computerized records of fires and other fire department incidents and collect, input, correlate and format the Division's Annual Fire Report which is distributed nationwide. This issue will eliminate the FFIRS section, which may impact the divisions ability to continue the provisions of s. 633.136(1)(a), F.S.

This issue reflects a reduction of seven months in salaries and benefits.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1001 001	3.00-	56,776-	53,611-	110,387-	0.00	110,387-
TOTALS FOR ISSUE BY FUND						
2393 INSURANCE REG TF						110,387-
	3.00-	56,776-	53,611-	110,387-		110,387-



COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		
REDUC 20-21	NR FY20-21	NR FY20-21	ANZ FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PROGRAM: FIRE MARSHAL						43000000
FIRE MRSHL ADMN & SUP SRVS						43300000
PUBLIC PROTECTION						43300500
LAW ENFORCEMENT						12
						<u>1202.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE FLORIDA FIRE INCIDENT						
REPORTING SECTION						33V0290

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1001 001						
3.00-	56,776-		53,611-	110,387-	0.00	110,387-
TOTALS FOR ISSUE BY FUND						
2393 INSURANCE REG TF						
3.00-	56,776-		53,611-	110,387-		110,387-

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CAPITAL IMPROVEMENT PLAN						9900000
GRANTS AND AIDS - FIXED CAPITAL						
OUTLAY						990B010
G/A-LOC GOV/NONST ENT-FCO						140000
GRANTS AND AIDS - FCO						140085
GENERAL REVENUE FUND	-STATE	16,250-	16,250-			1000 1
INSURANCE REG TF	-STATE	727,000-	727,000-			2393 1
TOTAL APPRO.....						
		743,250-	743,250-			

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AGENCY NARRATIVE:

SCH VIIIIB-1 NARRATIVE: GRANTS AND AIDS - FCO IT COMPONENT? NO  
 PRIORITY #14

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE MRSHL ADMN &amp; SUP SRVS</u>				43300500
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
CAPITAL IMPROVEMENT PLAN				9900000
GRANTS AND AIDS - FIXED CAPITAL				
OUTLAY				990B010

In Fiscal Year 2020-21, the State Fire Marshal was appropriated 5.4 M in General Revenue, and 11.9 M in the Insurance Regulatory Trust Fund for Specific Appropriation 2424A in the Grants and Aids to Local Governments and Nonstate Entities - FCO category.

In General Revenue, the appropriation included funding for eight local governments; however, all lines were vetoed except for 125,000 appropriated for the City of North Lauderdale. This funding is for the smoke training boxes, water lines for fire hydrant, renovation of existing indoor facility and installation of security features and fencing at a training facility in Broward County. The City of North Lauderdale will provide matching funding of 125,000. This issue reduces the state portion of the project by 16,250 (13%) which may impact the city's ability to complete the project.

In the Insurance Regulatory Trust Fund, the appropriation included funding for 17 local governments. Ten of these appropriations were vetoed leaving a balance of 5,593,000 for the remaining seven FCO projects. This issue reduces the trust fund appropriation by 13 percent. A reduction for the remaining seven FCO projects may impact the local governments' ability to complete the planned projects.

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TOTAL: LAW ENFORCEMENT				<u>1202.00.00.00</u>
BY FUND TYPE				
GENERAL REVENUE FUND	276,250-	276,250-		1000
TRUST FUNDS	837,387-	837,387-		2000
TOTAL POSITIONS.....	3.00-	3.00-		
TOTAL PROG COMP.....	1,113,637-	1,113,637-		
TOTAL SALARY RATE.....	56,776-	56,776-		
	=====	=====	=====	

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: ST PROP/CASUALTY CLMS				43400000
ST SELF-INSURED CLAIMS ADJ				43400100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSES AUTHORITY FROM				
STATE SELF INSURED CLAIMS				
ADJUSTMENT BUDGET ENTITY				33V2420
EXPENSES				040000
STATE RISK MGMT TF	-STATE	874,694-	874,694-	2078 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #9

The Division utilizes the authority in the Expenses category for multiple purposes including general expense items including, but not limited to, annual Division of Workers' Compensation assessments, rent, supplies, and property and out-of-state workers' compensation premiums.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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REDUCE PURCHASE OF EXCESS INSURANCE				
AUTHORITY STATE SELF INSURED CLAIMS				
ADJUSTMENT BUDGET ENTITY				33V2430
SPECIAL CATEGORIES				100000
EXCESS INSUR. & CLAIM SER				101221
STATE RISK MGMT TF	-STATE	7,365,000-	7,365,000-	2078 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #25

Current excess property insurance coverage was purchased in February 2020 at an annual cost of \$10,856,954. The excess insurance purchased provides \$62.75 million in coverage for named windstorms and flood, and up to \$225 million in coverage for all other named perils, excluding named windstorms and flood coverage, after the deductible provisions are met. A reduction would require a revisions to the provision in Section 216.222(2)(a and b), F.S. that allows funds to

	COL A91	COL A92	COL A93	
	SCH VIIIB-1	SCH VIIIB-1	SCH VIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: ST PROP/CASUALTY CLMS				43400000
ST SELF-INSURED CLAIMS ADJ				43400100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE PURCHASE OF EXCESS INSURANCE				
AUTHORITY STATE SELF INSURED CLAIMS				
ADJUSTMENT BUDGET ENTITY				33V2430

be transferred to the State Risk Management Trust Fund (SRMTF) to cover the current deductibles in place for excess property coverage, this section may need to be amended to remove or adjust the annual cap of \$38 million on such transfers to the SRMTF for uninsured losses to state property. If the statute is not amended, catastrophic loss payments may be delayed until sufficient funding is appropriated to pay those losses.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIB-2.

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REDUCE CONTRACTED LEGAL SERVICES -				
OFFICE OF THE ATTORNEY GENERAL				33V2440
SPECIAL CATEGORIES				100000
CONTRACT LEGAL - ATTY GEN				100904

STATE RISK MGMT TF	-STATE	600,000-	600,000-	2078	1
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-1 NARRATIVE:  
 PRIORITY #8

IT COMPONENT? NO

The Division of Risk Management has the responsibility for investigating, evaluating, negotiating, defending, and making appropriate disposition of any covered action filed against state agencies, their employees, agents, or volunteers. Claims investigations are conducted by staff and/or in concert with contracted adjusting services. Defense of litigated claims is provided by the Attorney General's Office, contracted law firms, or state agency attorneys.

The Attorney General's office handles the Federal Civil Rights (FCR) and the Workers' Compensation and Liability cases are handled by the private attorney's. A reduction in either legal service category could result in litigated cases not being timely addressed, defaults that result in large monetary judgements against state agencies, and other irreversible financial impacts to the State.

The current budget authority in the Contracted Legal Services - Office of Attorney General category is 6,645,924. A 600,000 reduction would equate to an approximate 9% reduction in funds available for FCR claims defense.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS AMOUNT
FINANCIAL SERVICES				43000000
PGM: ST PROP/CASUALTY CLMS				43400000
ST SELF-INSURED CLAIMS ADJ				43400100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED LEGAL SERVICES -				
OFFICE OF THE ATTORNEY GENERAL				33V2440

same issue code in the Schedule VIIIIB-2.

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REDUCE CONTRACTED LEGAL SERVICES				33V2450
SPECIAL CATEGORIES				100000
CONTRACTED LEGAL SERVICES				100905

STATE RISK MGMT TF            -STATE            1,000,000-            1,000,000-            2078 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #10

IT COMPONENT? NO

The Division of Risk Management has the responsibility for investigating, evaluating, negotiating, defending, and making appropriate disposition of any covered action filed against state agencies, their employees, agents, or volunteers. Claims investigations are conducted by staff and/or in concert with contracted adjusting services. Defense of litigated claims is provided by the Attorney General's Office, contracted law firms, or state agency attorneys.

The Attorney General's office handles the Federal Civil Rights (FCR) and the Workers' Compensation and Liability cases are handled by the private attorney's. A reduction in either legal service category could result in litigated cases not being timely addressed, defaults that result in large monetary judgements against state agencies, and other irreversible financial impacts to the State.

The current budget authority in the Contracted Legal Services category is 21,976,020. A 1,000,000 reduction would equated to an approximate 5% reduction in funds available for Workers' Compensation and Liability claims defense.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91 SCH VIIIIB-1 REDUC 20-21 POS	COL A92 SCH VIIIIB-1 NR FY20-21 POS	COL A93 SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	AMOUNT	AMOUNT	CODES
FINANCIAL SERVICES							43000000
PGM: ST PROP/CASUALTY CLMS							43400000
ST SELF-INSURED CLAIMS ADJ							43400100
GOV OPERATIONS/SUPPORT							16
GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	9,839,694-	9,839,694-					2000
PGM: LICNSNG/CNSMER PROTEC							43500000
INSURANCE CO REHAB/LIQDATN							43500100
PUBLIC PROTECTION							12
REGULATION AND LICENSING							<u>1204.00.00.00</u>
PROGRAM REDUCTIONS							33V0000
REDUCE REHABILITATION AND							33V6010
LIQUIDATION PROGRAM							040000
EXPENSES							
INSURANCE REG TF	-STATE	13,660-	13,660-				2393 1
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
INSURANCE REG TF	-STATE	100,000-	100,000-				2393 1
TOTAL: REDUCE REHABILITATION AND							33V6010
LIQUIDATION PROGRAM							
TOTAL ISSUE.....	113,660-	113,660-					

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #22

IT COMPONENT? NO

The Florida Department of Financial Services, Division of Rehabilitation and Liquidation is the court appointed "Receiver" and "Liquidator" for distressed insurance companies in the State of Florida. Over the last five years, the number of new receiverships have decreased and the number of estates closed has increased resulting in fewer companies in receivership to help offset administrative costs. In past years, the excess Salaries and Benefits appropriations have been transferred to Operating Capital Outlay, Expenses, and Contracted Services categories to offset the administrative costs for companies in receivership.

In Fiscal Year 2020-2021 the Legislative approved the Department's request to permanently transfer 250,000 from Salaries and Benefits to the Expenses and Lease/Lease Purchase category to reduce the impact of administrative expenses on the

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE CO REHAB/LIQDATN</u>				43500100
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE REHABILITATION AND				
LIQUIDATION PROGRAM				33V6010

estates in receivership. This reduction would reduce the flexibility the Division currently has to use state funds for administrative costs of receiverships and thus, reduce the amount of funds available to pay claimants.

Expense (040000) was reduced by \$13,660.  
 Contracted services (100777) was reduced by \$100,000.

This reduction will also eliminate the opportunity to expand The Division's storage capacity by purchasing extra SSD Storage needed to effectively manage data and records of companies ordered into Receivership and/or Liquidation.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	113,660-	113,660-		2000
	=====	=====	=====	
<u>LICENSURE, SALES/APPT/OVST</u>				43500200
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE POSITION(S) - LICENSING AND				
REGULATION OF BAIL BOND AGENTS AND				
AGENCIES				33V6120
SALARY RATE				000000
SALARY RATE.....	125,226-	125,226-		
	=====	=====	=====	
SALARIES AND BENEFITS				010000
INSURANCE REG TF	7.00-	7.00-		
-STATE	249,039-	249,039-		2393 1
	=====	=====	=====	

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
LICENSURE, SALES/APPT/OVST				43500200
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE POSITION(S) - LICENSING AND				
REGULATION OF BAIL BOND AGENTS AND				
AGENCIES				33V6120
EXPENSES				040000
INSURANCE REG TF	-STATE	24,128-	24,128-	2393 1
=====				
TOTAL: REDUCE POSITION(S) - LICENSING AND				33V6120
REGULATION OF BAIL BOND AGENTS AND				
AGENCIES				
TOTAL POSITIONS.....	7.00-	7.00-		
TOTAL ISSUE.....	273,167-	273,167-		
TOTAL SALARY RATE.....	125,226-	125,226-		
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #5

IT COMPONENT? NO

LEGISLATIVE CHANGE REQUIRED: Sections 624.501, 624.523, 626.022, 626.311, 648.27, 648.279, 648.285, 648.30, 648.31, 648.34, 648.35, 648.355, 648.36, 648.38, 648.381, 648.382, 648.383, 648.384, 648.385, 648.386, 648.387, 648.388, 648.39, 648.40, 648.41, 648.42, 648.421, 648.44, 648.441, 648.442, 648.4425, 648.45, 648.46, 648.48, 648.49, 648.50, 648.51, 648.52, 648.525, 648.53, 648.55, 648.57, 648.571, 648.58, 903.14, 903.26, 903.27, and 903.36 F.S. will need to be repealed or amended.

The elimination of regulation of Bail Bond agents and agencies will transfer the responsibility of oversight of the actions of these individuals to the surety companies they are contracted with, the local sheriff's offices who allow them to post bail, and to the clerks of court who handle the funds related to the bail bond process. Cutting these seven positions from the Bureau of Agent and Agency Licensing and the Bureau of Agent and Agency Investigation will reduce salaries and benefits by a prorated \$249,039 and recurring expenses by \$24,128 to reflect a reduction of seven months.

The cut of this program area is estimated to reduce annual revenue from licensing and appointment fees by \$102,283, administrative fines by \$500 and administrative actions by three.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
<u>LICENSURE, SALES/APPT/OVST</u>						43500200
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE POSITION(S) - LICENSING AND						
REGULATION OF BAIL BOND AGENTS AND						
AGENCIES						33V6120

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0441 REGULATORY SPECIALIST II							
C0003 001	1.00-	10,430-		16,371-	26,801-	0.00	26,801-
0445 REGULATORY PROGRAM SPECIALIST							
C0001 001	1.00-	15,349-		17,239-	32,588-	0.00	32,588-
3524 INSURANCE EXAMINER II							
C0002 001	5.00-	99,447-		90,203-	189,650-	0.00	189,650-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							249,039-
	7.00-	125,226-		123,813-	249,039-		249,039-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0441 REGULATORY SPECIALIST II							
C0003 001	1.00-	10,430-		16,371-	26,801-	0.00	26,801-
0445 REGULATORY PROGRAM SPECIALIST							
C0001 001	1.00-	15,349-		17,239-	32,588-	0.00	32,588-
3524 INSURANCE EXAMINER II							
C0002 001	5.00-	99,447-		90,203-	189,650-	0.00	189,650-

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES 43000000  
 PGM: LICNSNG/CNSMER PROTEC 43500000  
LICENSURE, SALES/APPT/OVST 43500200  
 PUBLIC PROTECTION 12  
REGULATION AND LICENSING 1204.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 REDUCE POSITION(S) - LICENSING AND  
 REGULATION OF BAIL BOND AGENTS AND  
 AGENCIES 33V6120

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						249,039-
2393	INSURANCE REG TF					249,039-
7.00-	125,226-		123,813-	249,039-		249,039-

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REDUCE POSITION(S) IN INSURANCE  
 AGENT PRE-LICENSING EDUCATION  
 SECTION 33V6130

SALARY RATE 000000  
 SALARY RATE..... 16,143- 16,143-

SALARIES AND BENEFITS 010000  
 INSURANCE REG TF -STATE 1.00- 1.00-  
 33,479- 33,479- 2393 1

EXPENSES 040000  
 INSURANCE REG TF -STATE 3,470- 3,470- 2393 1

TOTAL: REDUCE POSITION(S) IN INSURANCE 33V6130  
 AGENT PRE-LICENSING EDUCATION  
 SECTION  
 TOTAL POSITIONS..... 1.00- 1.00-  
 TOTAL ISSUE..... 36,949- 36,949-  
 TOTAL SALARY RATE..... 16,143- 16,143-

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
LICENSURE, SALES/APPT/OVST						43500200
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE POSITION(S) IN INSURANCE						
AGENT PRE-LICENSING EDUCATION						
SECTION						33V6130

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #2

IT COMPONENT? NO

LEGISLATIVE CHANGE REQUIRED: Sections 626.171, 626.221, 626.231, 626.2817, 626.292, 626.681, 626.731, 626.7351, 626.785, 626.7851, 626.831, 626.8311, 626.8417, 626.865, 626.927, 648.385, and 648.386, F.S. will need to be repealed or amended.

Pre-licensing courses will no longer be required of applicants prior to taking the state examination.

Elimination of Pre-licensing Education will allow licensees to qualify by passing the required state examination without first taking pre-licensing education courses. Passage of the examination is adequate to verify the applicants are qualified and competent to transact insurance. The position will no longer approve or disapprove courses applicants may wish to take prior to taking the state examination. This issue represents a prorated reduction of one position, \$33,479 in salaries and benefits and recurring expenses by \$3,470 to reflect a reduction of seven months.

In FY 2019-2020, revenue generated by pre-licensing study manual fees and royalties was \$57,492. Manuals would continue to be sold, however, the numbers would likely decrease because there would no longer be a course provider requiring the use of the current manual.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES 43000000  
 PGM: LICNSNG/CNSMER PROTEC 43500000  
LICENSURE, SALES/APPT/OVST 43500200  
 PUBLIC PROTECTION 12  
REGULATION AND LICENSING 1204.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 REDUCE POSITION(S) IN INSURANCE  
 AGENT PRE-LICENSING EDUCATION  
 SECTION 33V6130

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
3524 INSURANCE EXAMINER II							
C1000 002	1.00-	16,143-		17,336-	33,479-	0.00	33,479-
-----							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							33,479-
	1.00-	16,143-		17,336-	33,479-		33,479-
=====							

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
3524 INSURANCE EXAMINER II							
C1000 002	1.00-	16,143-		17,336-	33,479-	0.00	33,479-
-----							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							33,479-
	1.00-	16,143-		17,336-	33,479-		33,479-
=====							

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
LICENSURE, SALES/APPT/OVST				43500200
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
ELIMINATE INVESTIGATIONS LEGAL				
PROCESSING UNIT				33V6190
SALARY RATE				000000
SALARY RATE.....	56,332-	56,332-		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	3.00-	3.00-		
-STATE	110,980-	110,980-		2393 1
EXPENSES				040000
INSURANCE REG TF				
-STATE	10,428-	10,428-		2393 1
TOTAL: ELIMINATE INVESTIGATIONS LEGAL				33V6190
PROCESSING UNIT				
TOTAL POSITIONS.....	3.00-	3.00-		
TOTAL ISSUE.....	121,408-	121,408-		
TOTAL SALARY RATE.....	56,332-	56,332-		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #3

IT COMPONENT? NO

Eliminate the review program for the Bureau of Investigations, Legal Processing Unit, meaning investigative reports do not have to go through a formal in-house review process. The investigative reports will be sent directly to legal thereby reducing the time for the completion of the action. This business unit has become somewhat obsolete due to the increase in overall efficiency with the implementation of the electronic case management system and streamlined business processes. Due to this operational streamlining, the only impact on operations would be to the negotiation process which is used to settle administrative issues prior to formal administrative action. The change would possibly result in fewer settlements and additional cases going through the formal administrative action process.

Cutting three positions from the Bureau of Agent and Agency Investigations will result in reduction in salaries and benefits by \$110,980 and recurring expenses by \$10,428. The cut of these positions is prorated to reflect a reduction of seven months and is estimated to reduce Administrative Fines by \$13,540 and Recoveries by \$6,836.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
LICENSURE, SALES/APPT/OVST						43500200
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
ELIMINATE INVESTIGATIONS LEGAL						
PROCESSING UNIT						33V6190

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2236 GOVERNMENT OPERATIONS CONSULTANT II							
C0002 001	2.00-	34,812-		35,204-	70,016-	0.00	70,016-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
C0001 001	1.00-	21,520-		19,444-	40,964-	0.00	40,964-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							110,980-
	3.00-	56,332-		54,648-	110,980-		110,980-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2236 GOVERNMENT OPERATIONS CONSULTANT II							
C0002 001	2.00-	34,812-		35,204-	70,016-	0.00	70,016-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
C0001 001	1.00-	21,520-		19,444-	40,964-	0.00	40,964-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							110,980-
	3.00-	56,332-		54,648-	110,980-		110,980-

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
LICENSURE, SALES/APPT/OVST				43500200
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
ELIMINATE INSURANCE INVESTIGATION				
POSITIONS IN THE BUREAU OF				
INVESTIGATIONS				33V6200
SALARY RATE				000000
SALARY RATE.....	173,851-	173,851-		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	10.00-	10.00-		
-STATE	350,994-	350,994-		2393 1
EXPENSES				040000
INSURANCE REG TF	10.00-	10.00-		
-STATE	45,107-	45,107-		2393 1
TOTAL: ELIMINATE INSURANCE INVESTIGATION				33V6200
POSITIONS IN THE BUREAU OF				
INVESTIGATIONS				
TOTAL POSITIONS.....	10.00-	10.00-		
TOTAL ISSUE.....	396,101-	396,101-		
TOTAL SALARY RATE.....	173,851-	173,851-		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #4

IT COMPONENT? NO

Since the division must investigate all complaints the department deems justified, the workload of investigative staff could be reduced. The number of completed investigative cases dropped from 3,952 to 3,471 for FY 19/20. The current staff of investigators and administrators are able to handle the workload.

Cutting nine Insurance Examiner II's and one Insurance Regulation Administrator SES positions from the Bureau of Agent and Agency Investigation will reduce salaries and benefits by a prorated amount of \$350,994 and recurring expenses by \$45,107 to reflect a reduction of seven months.

The cut of investigative positions is estimated to reduce annual revenue from administrative fines by \$45,133.93, annual administrative actions by 62, and recoveries on behalf of consumers by \$22,788.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PGM: LICNSNG/CNSMER PROTEC						43000000
LICENSURE, SALES/APPT/OVST						43500000
PUBLIC PROTECTION						43500200
REGULATION AND LICENSING						12
PROGRAM REDUCTIONS						1204.00.00.00
ELIMINATE INSURANCE INVESTIGATION						33V0000
POSITIONS IN THE BUREAU OF						
INVESTIGATIONS						33V6200

same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
3524 INSURANCE EXAMINER II							
C0001 001	9.00-	152,347-		157,659-	310,006-	0.00	310,006-
3534 INSURANCE REGULATION ADMINISTRATOR - SES							
C0003 001	1.00-	21,504-		19,484-	40,988-	0.00	40,988-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							350,994-
	10.00-	173,851-		177,143-	350,994-		350,994-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

3524 INSURANCE EXAMINER II							
C0001 001	9.00-	152,347-		157,659-	310,006-	0.00	310,006-
3534 INSURANCE REGULATION ADMINISTRATOR - SES							
C0003 001	1.00-	21,504-		19,484-	40,988-	0.00	40,988-



COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
LICENSURE, SALES/APPT/OVST						43500200
PUBLIC PROTECTION						12
REGULATION AND LICENSING						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE INSURANCE INVESTIGATION						
POSITIONS IN THE BUREAU OF						
INVESTIGATIONS						33V6200

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
2393 INSURANCE REG TF						350,994-
10.00-	173,851-		177,143-	350,994-		350,994-
=====	=====	=====	=====	=====		=====

*****						*****
TOTAL: REGULATION AND LICENSING						<u>1204.00.00.00</u>
BY FUND TYPE						
21.00-	21.00-					
TRUST FUNDS.....	827,625-	827,625-				2000
SALARY RATE.....	371,552-	371,552-				
=====	=====	=====				

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: LICNSNG/CNSMER PROTEC					43500000
CONSUMER ASSISTANCE					43500400
PUBLIC PROTECTION					12
CONSUMER SAFETY/PROTECTION					1205.00.00.00
PROGRAM REDUCTIONS					33V0000
ELIMINATE REGIONAL MANAGERS					33V4010
SALARY RATE					000000
SALARY RATE.....	110,284-	110,284-			
	=====	=====			
SALARIES AND BENEFITS					010000
INSURANCE REG TF	7.00-	7.00-			
-STATE	231,459-	231,459-			2393 1
	=====	=====			
EXPENSES					040000
INSURANCE REG TF					
-STATE	24,288-	24,288-			2393 1
	=====	=====			
TOTAL: ELIMINATE REGIONAL MANAGERS					33V4010
TOTAL POSITIONS.....	7.00-	7.00-			
TOTAL ISSUE.....	255,747-	255,747-			
TOTAL SALARY RATE.....	110,284-	110,284-			
	=====	=====			

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #30

IT COMPONENT? NO

The Regional Managers are in Consumer Services positions, but are administratively organized under the CFO's Office and they are located in regional areas throughout the state. The Regional Managers represent the CFO and the Department in their designated regions and some of their primary duties include conducting advance work for the CFO prior to a visit to their region, promoting consumer education and outreach, establishing contacts and professional relationships with entities that align with the CFO's priorities and hosting and attending public events and forums that promote the Department's programs and services.

The elimination of the Regional Managers will have a significant impact on the CFO's Office and on the Division of Consumer Services. They are designated representatives of the CFO and the responsibilities they perform are critical to the CFO and they cannot be adequately performed by other positions. The elimination of the Regional Managers will result in the reduction of seven positions, 6 employees and one supervisor. This issue reflects a reduction of seven months, the prorated value associated with the reduction equals \$255,747.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		
REDUC 20-21		NR FY20-21		ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
<u>CONSUMER ASSISTANCE</u>						43500400
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						<u>1205.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE REGIONAL MANAGERS						33V4010

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I							
C0002 001	7.00-	110,284-		121,175-	231,459-	0.00	231,459-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							231,459-
	7.00-	110,284-		121,175-	231,459-		231,459-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I							
C0002 001	7.00-	110,284-		121,175-	231,459-	0.00	231,459-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							231,459-
	7.00-	110,284-		121,175-	231,459-		231,459-

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	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: LICNSNG/CNSMER PROTEC					43500000
CONSUMER ASSISTANCE					43500400
PUBLIC PROTECTION					12
CONSUMER SAFETY/PROTECTION					1205.00.00.00
PROGRAM REDUCTIONS					33V0000
TALLAHASSEE HELPLINE UNIT REDUCTION					33V4020
SALARY RATE					000000
SALARY RATE.....	13,426-	13,426-			
SALARIES AND BENEFITS					010000
INSURANCE REG TF	1.00-	1.00-			
-STATE	30,326-	30,326-			2393 1
EXPENSES					040000
INSURANCE REG TF					
-STATE	3,470-	3,470-			2393 1
TOTAL: TALLAHASSEE HELPLINE UNIT REDUCTION					33V4020
TOTAL POSITIONS.....	1.00-	1.00-			
TOTAL ISSUE.....	33,796-	33,796-			
TOTAL SALARY RATE.....	13,426-	13,426-			

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #33

IT COMPONENT? NO

The Tallahassee Helpline Unit answers calls received through the Division's Consumer Helplines related to insurance agent and agency licensing, unclaimed property, rehabilitation and liquidation and insurance fraud. The reduction of seven months of one position's total value associated equals \$33,796. The elimination of this vacant position will have minimal impact on the Division. The current staff will be able to absorb the workload.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
<u>CONSUMER ASSISTANCE</u>						43500400
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						1205.00.00.00
PROGRAM REDUCTIONS						33V0000
TALLAHASSEE HELPLINE UNIT REDUCTION						33V4020

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0442 REGULATORY CONSULTANT							
C0001 001	1.00-	13,426-		16,900-	30,326-	0.00	30,326-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							30,326-
	1.00-	13,426-		16,900-	30,326-		30,326-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0442 REGULATORY CONSULTANT							
C0001 001	1.00-	13,426-		16,900-	30,326-	0.00	30,326-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							30,326-
	1.00-	13,426-		16,900-	30,326-		30,326-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION OF THE COMMUNITY OUTREACH				
TEAM				33V4030
SALARY RATE				000000
SALARY RATE.....	52,770-	52,770-		
	=====	=====		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	3.00-	3.00-		
-STATE	105,546-	105,546-		2393 1
	=====	=====		
EXPENSES				040000
INSURANCE REG TF	3.00-	3.00-		
-STATE	10,409-	10,409-		2393 1
	=====	=====		
TOTAL: REDUCTION OF THE COMMUNITY OUTREACH				33V4030
TEAM				
TOTAL POSITIONS.....	3.00-	3.00-		
TOTAL ISSUE.....	115,955-	115,955-		
TOTAL SALARY RATE.....	52,770-	52,770-		
	=====	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #31

IT COMPONENT? NO

The Community Outreach Team oversees the Division's consumer education and outreach initiatives, including, the creation of consumer educational resources and videos, the creation of financial literacy programs, the planning and hosting of consumer outreach events and workshops and coordinating with the CFO's Communications Team on consumer outreach and educational correspondence and alerts. Consumer education is a significant part of the Division's mission to protect and advocate for consumers and the Community Outreach Team plays a significant role in accomplishing that mission.

The members of the Community Outreach Team have specialized experience and technical skills in graphic design, web design, video creation and animation and marketing and communication. The tasks they perform are critical to the Division and the Department and cannot be adequately performed by other positions. The elimination of the Community Outreach Team will result in the reduction of three positions. This issue reflects a reduction of seven months, the prorated value associated with the reduction equals \$115,955.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
CONSUMER ASSISTANCE						43500400
PUBLIC PROTECTION						12
CONSUMER SAFETY/PROTECTION						1205.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCTION OF THE COMMUNITY OUTREACH TEAM						33V4030

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I C0001 001	2.00-	31,325-		34,503-	65,828-	0.00	65,828-
2225 GOVERNMENT ANALYST II C0002 001	1.00-	21,445-		18,273-	39,718-	0.00	39,718-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							105,546-
	3.00-	52,770-		52,776-	105,546-		105,546-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I C0001 001	2.00-	31,325-		34,503-	65,828-	0.00	65,828-
2225 GOVERNMENT ANALYST II C0002 001	1.00-	21,445-		18,273-	39,718-	0.00	39,718-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							105,546-
	3.00-	52,770-		52,776-	105,546-		105,546-

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION OF ALTERNATIVE DISPUTE				
RESOLUTION (ADR) UNIT				33V4040
SALARY RATE				000000
SALARY RATE.....	110,721-	110,721-		
	=====	=====		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	7.00-	7.00-		
-STATE	231,974-	231,974-		2393 1
	=====	=====		
EXPENSES				040000
INSURANCE REG TF	7.00-	7.00-		
-STATE	24,287-	24,287-		2393 1
	=====	=====		
TOTAL: REDUCTION OF ALTERNATIVE DISPUTE				33V4040
RESOLUTION (ADR) UNIT				
TOTAL POSITIONS.....	7.00-	7.00-		
TOTAL ISSUE.....	256,261-	256,261-		
TOTAL SALARY RATE.....	110,721-	110,721-		
	=====	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #32

IT COMPONENT? NO

The Alternative Dispute Resolution Unit answers calls received through the Division's Consumer Helpline and assists consumers who are requesting mediation to resolve a claim dispute with their insurance company without hiring an attorney or incurring litigation costs. The Unit is comprised of seven positions, six employees and one supervisor. This issue reflects a reduction of seven months, the prorated value associated with the reduction equals \$256,261.

The elimination of this unit will eliminate the Division's ability to provide programs offering alternative dispute resolution processes for Floridians who are seeking options to resolve claim disputes with their insurance company without litigation or hiring an attorney. The Alternative Dispute Resolution Unit manages 5 insurance mediation programs statewide: residential property, commercial residential property, automobile, sinkhole and disputes between providers and residents of continuing care retirement communities. During FY 2019-2020, this unit received and processed more than 6,200 mediation requests. The unit's workload cannot be absorbed by other positions within the Division. The elimination of this unit will significantly impact Florida insurance consumers as the associated statutory mediation programs will need to be eliminated because all staffing associated with the program will be eliminated.



COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
<u>CONSUMER ASSISTANCE</u>						43500400
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						<u>1205.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION OF ALTERNATIVE DISPUTE						
RESOLUTION (ADR) UNIT						33V4040

The cut of this program area is estimated to reduce annual revenue from mediation fees by \$253,050.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0442 REGULATORY CONSULTANT							
C0001 001	4.00-	53,705-		67,599-	121,304-	0.00	121,304-
2224 GOVERNMENT ANALYST I							
C0002 001	1.00-	15,626-		17,288-	32,914-	0.00	32,914-
2225 GOVERNMENT ANALYST II							
C0003 001	1.00-	21,409-		18,309-	39,718-	0.00	39,718-
2238 GOVERNMENT OPERATIONS CONSULTANT III							
C0005 001	1.00-	19,981-		18,057-	38,038-	0.00	38,038-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							231,974-
	7.00-	110,721-		121,253-	231,974-		231,974-

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
<u>CONSUMER ASSISTANCE</u>						43500400
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						<u>1205.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION OF ALTERNATIVE DISPUTE RESOLUTION (ADR) UNIT						33V4040

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0442 REGULATORY CONSULTANT C0001 001	4.00-	53,705-		67,599-	121,304-	0.00	121,304-
2224 GOVERNMENT ANALYST I C0002 001	1.00-	15,626-		17,288-	32,914-	0.00	32,914-
2225 GOVERNMENT ANALYST II C0003 001	1.00-	21,409-		18,309-	39,718-	0.00	39,718-
2238 GOVERNMENT OPERATIONS CONSULTANT III C0005 001	1.00-	19,981-		18,057-	38,038-	0.00	38,038-
-----							
TOTALS FOR ISSUE BY FUND 2393 INSURANCE REG TF							231,974-
-----							
	7.00-	110,721-		121,253-	231,974-		231,974-
=====							

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TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE	18.00-	18.00-					
TRUST FUNDS.....		661,759-		661,759-			2000
SALARY RATE.....	287,201-	287,201-					
=====							

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: LICNSNG/CNSMER PROTEC					43500000
<u>PUBLIC ASSISTANCE FRAUD</u>					43500700
PUBLIC PROTECTION					12
<u>CONSUMER SAFETY/PROTECTION</u>					<u>1205.00.00.00</u>
PROGRAM REDUCTIONS					33V0000
REDUCTION IN PUBLIC ASSISTANCE					
FRAUD					33V6000
SALARY RATE					000000
SALARY RATE.....	111,814-	111,814-			
	=====	=====			
SALARIES AND BENEFITS					010000
INSURANCE REG TF	7.00-	7.00-			
-STATE	233,259-	233,259-			2393 1
	=====	=====			
TOTAL: REDUCTION IN PUBLIC ASSISTANCE					33V6000
FRAUD					
TOTAL POSITIONS.....	7.00-	7.00-			
TOTAL ISSUE.....	233,259-	233,259-			
TOTAL SALARY RATE.....	111,814-	111,814-			
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #24

IT COMPONENT? NO

This reduction would require seven filled positions in the Division of Public Administration Fraud be vacated. One performs field administrative support , one Investigation Manager , two first-year Financial Crime Investigator positions, one senior Financial Crime Investigator , one district Chief of Investigations, and one Senior Management Analyst Supervisor position. All positions are currently filled. To offset this loss, the division will have to restructure from three divisions to two divisions and the district areas re-drawn. It will result in the Fort Myers office aligning under the South District and the Jacksonville and Tallahassee offices aligning under the Central District that would in turn be re-designated the North District. Travel costs will increase as more overnight travel by district chiefs will be required as district areas expand. Orlando will restructure from two squads to one squad with two Financial Crime Investigator II being reassigned under the remaining Investigation Manager. Lastly, the loss of the Senior Management Analyst Supervisor in headquarters will result in reassigning to district chiefs the Statewide Investigation Unit supervision duties of Financial Crime Investigators III who direct the efforts of 10 OPS Financial Crime Investigators. This reduction of staff would come at a time when the public assistance rolls have swelled to levels not seen since the years of the Great Recession in 2009 - 2014.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
<u>PUBLIC ASSISTANCE FRAUD</u>						43500700
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						1205.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCTION IN PUBLIC ASSISTANCE						
FRAUD						33V6000

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	7.00-	111,814-		121,445-	233,259-	0.00	233,259-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							233,259-
	7.00-	111,814-		121,445-	233,259-		233,259-
-----							
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	7.00-	111,814-		121,445-	233,259-	0.00	233,259-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							233,259-
	7.00-	111,814-		121,445-	233,259-		233,259-
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	COL A91 SCH VIIIIB-1 REDUC 20-21 POS	COL A92 SCH VIIIIB-1 NR FY20-21 POS	COL A93 SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	AMOUNT	AMOUNT	CODES
FINANCIAL SERVICES							43000000
PGM: LICNSNG/CNSMER PROTEC							43500000
<u>PUBLIC ASSISTANCE FRAUD</u>							43500700
PUBLIC PROTECTION							12
<u>CONSUMER SAFETY/PROTECTION</u>							<u>1205.00.00.00</u>
TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	7.00-	7.00-		233,259-	233,259-		2000
SALARY RATE.....	111,814-	111,814-					
PGM: WORKERS' COMPENSATION							43600000
<u>WORKERS' COMPENSATION</u>							43600100
ECONOMIC OPPORTUNITIES							11
<u>WORKERS' COMPENSATION</u>							<u>1102.02.00.00</u>
PROGRAM REDUCTIONS							33V0000
TRANSFER REEMPLOYMENT CLIENT							
SERVICES PROGRAM TO PRIVATE SECTOR							33V0180
SALARY RATE							000000
SALARY RATE.....	85,747-	85,747-					
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	5.00-	5.00-		173,531-	173,531-		2795 1
OTHER PERSONAL SERVICES							030000
WORKERS' COMP ADMIN TF -STATE				193,302-	193,302-		2795 1
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
WORKERS' COMP ADMIN TF -STATE				10,203-	10,203-		2795 1
PURCHASED CLIENT SERVICES							102933
WORKERS' COMP ADMIN TF -STATE				740,000-	740,000-		2795 1
TOTAL: TRANSFER REEMPLOYMENT CLIENT							33V0180
SERVICES PROGRAM TO PRIVATE SECTOR							
TOTAL POSITIONS.....	5.00-	5.00-					
TOTAL ISSUE.....	1,117,036-	1,117,036-					
TOTAL SALARY RATE.....	85,747-	85,747-					

COL A91		COL A92		COL A93		CODES	
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1			
REDUC 20-21		NR FY20-21		ANZ FY20-21			
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT		
FINANCIAL SERVICES							43000000
PGM: WORKERS' COMPENSATION							43600000
WORKERS' COMPENSATION							43600100
ECONOMIC OPPORTUNITIES							11
WORKERS' COMPENSATION							<u>1102.02.00.00</u>
PROGRAM REDUCTIONS							33V0000
TRANSFER REEMPLOYMENT CLIENT							
SERVICES PROGRAM TO PRIVATE SECTOR							33V0180
*****							

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #23

IT COMPONENT? NO

Legislative change would be required to ss. 440.491(5) and ss. 440.491(6), F.S., for the Reemployment/Client Services transfer.

Reemployment/Client Services was transferred to the Division of Workers' Compensation from the Department of Education effective July 1, 2012. This reduction would abolish the division's responsibility in providing reemployment services to injured workers in order for them to attain suitable and gainful employment. This issue eliminates five positions received with the Reemployment/Client Services program.

These reductions represent approximately ten percent of the Bureau's positions. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	5.00-	85,747-		87,784-	173,531-	0.00	173,531-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							173,531-
	5.00-	85,747-		87,784-	173,531-		173,531-
=====							

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: WORKERS' COMPENSATION					43600000
<u>WORKERS' COMPENSATION</u>					43600100
ECONOMIC OPPORTUNITIES					11
<u>WORKERS' COMPENSATION</u>					1102.02.00.00
PROGRAM REDUCTIONS					33V0000
TRANSFER REEMPLOYMENT CLIENT					
SERVICES PROGRAM TO PRIVATE SECTOR					33V0180

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	5.00-	85,747-		87,784-	173,531-	0.00	173,531-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							173,531-
	5.00-	85,747-		87,784-	173,531-		173,531-

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ELIMINATE ADMINISTRATIVELY ASSIGNED POSITIONS							33V2210
SALARY RATE							000000
SALARY RATE.....	50,724-	50,724-					
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	3.00-	3.00-					2795 1
	103,266-	103,266-					
TOTAL: ELIMINATE ADMINISTRATIVELY ASSIGNED POSITIONS							33V2210
TOTAL POSITIONS.....	3.00-	3.00-					
TOTAL ISSUE.....	103,266-	103,266-					
TOTAL SALARY RATE.....	50,724-	50,724-					

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: WORKERS' COMPENSATION						43600000
WORKERS' COMPENSATION						43600100
ECONOMIC OPPORTUNITIES						11
WORKERS' COMPENSATION						<u>1102.02.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE ADMINISTRATIVELY ASSIGNED						
POSITIONS						33V2210

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PRIORITY #6

The three positions funded by Workers' Compensation have administratively reported to the Division of Administration, Bureau of Human Resource Management, for more than ten years. These positions support the human resource functions of the Department of Financial Services, as well as the Office of Insurance Regulation, and the Office of Financial Regulation. If these positions were eliminated, the Bureau of Human Resources would be unable to perform critical human resource functions, including those impacting employee attendance and leave, payroll, and employee relations. Additional impact would be in areas involving employee records, employment verification and screening, and benefits/retirement. Without these positions, the Bureau would likely see an increase in employee salary over payments, and significant delays in processing FMLA applications, as well as employee complaints of discrimination.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1001 001						
3.00-	50,724-		52,542-	103,266-	0.00	103,266-
TOTALS FOR ISSUE BY FUND						
2795 WORKERS' COMP ADMIN TF						
3.00-	50,724-		52,542-	103,266-		103,266-

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	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: WORKERS' COMPENSATION					43600000
<u>WORKERS' COMPENSATION</u>					43600100
ECONOMIC OPPORTUNITIES					11
<u>WORKERS' COMPENSATION</u>					<u>1102.02.00.00</u>
PROGRAM REDUCTIONS					33V0000
ELIMINATE ADMINISTRATIVELY ASSIGNED					
POSITIONS					33V2210

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	3.00-	50,724-		52,542-	103,266-	0.00	103,266-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							103,266-
	3.00-	50,724-		52,542-	103,266-		103,266-

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REDUCTION IN THE BUREAU OF FINANCIAL ACCOUNTABILITY							33V2260
SALARY RATE							000000
SALARY RATE.....	135,911-	135,911-					
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	7.00-	261,609-	7.00-	261,609-			2795 1
TOTAL: REDUCTION IN THE BUREAU OF FINANCIAL ACCOUNTABILITY							33V2260
TOTAL POSITIONS.....	7.00-		7.00-				
TOTAL ISSUE.....		261,609-		261,609-			
TOTAL SALARY RATE.....	135,911-		135,911-				

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
						43000000
						43600000
						43600100
						11
						<u>1102.02.00.00</u>
						33V0000
						33V2260

FINANCIAL SERVICES  
 PGM: WORKERS' COMPENSATION  
WORKERS' COMPENSATION  
 ECONOMIC OPPORTUNITIES  
WORKERS' COMPENSATION  
 PROGRAM REDUCTIONS  
 REDUCTION IN THE BUREAU OF  
 FINANCIAL ACCOUNTABILITY

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO

PRIORITY #35

This issue eliminates one Workers' Compensation Specialist position and one Government Analyst I position within the Self-Insurance Unit. This represents the elimination of the divisions only premium auditor in the Self-Insurance Unit, which conducts premium audits for self-insurers and provides education for self-insurers for premium audit purposes. This eliminates the position that tracks data submission, enters loss and payroll data, calculates experience rating modifications and manages FSIGA (Florida Self Insurance Guaranty Association) recommendations and works on forms submissions. The division values education and accuracy to ensure self-insured employers are correctly reporting payrolls and classifications. The unit would have to leverage more on-line education programs and cross train other staff members. Eliminating these positions will reduce premium accuracy for assessment calculation purposes which may negatively impact revenue due to, and calculated by, the division. The division may consider independent contractors for these services.

Within the Financial Accountability Section (FAS), this issue eliminates two of its eight staff members; one Professional Accountant position and one Accountant III position. The FAS Unit manages the collection of employer penalties totaling nearly 17 million dollars annually. When an employer fails to pay penalties after they have entered into a Penalty Payment Agreement, the division must move forward to reinstate the Stop Work Order, initiate collections proceedings and file liens against these employer's property. The Unit also has employees embedded in the departments Revenue Processing Unit to assure that employer payments are accurately and timely processed. Eliminating these positions will require reallocation of existing positions to ensure the department's fiduciary regulatory duties are maintained.

This issue also eliminates one Government Analyst I and one Government Analyst II within the Project Software and Data Analysis section. These positions handle data analytics and assists bureaus with making changes to their processes and systems.

Finally, this issue eliminates one Insurance Specialist III position within the Financial Unit that reconciles receipts for all of the division's cash receipt systems and processes.

This issue reflects a reduction of seven months in salaries and benefits. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: WORKERS' COMPENSATION						43600000
<u>WORKERS' COMPENSATION</u>						43600100
ECONOMIC OPPORTUNITIES						11
<u>WORKERS' COMPENSATION</u>						<u>1102.02.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION IN THE BUREAU OF						
FINANCIAL ACCOUNTABILITY						33V2260

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	7.00-	135,911-		125,698-	261,609-	0.00	261,609-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							261,609-
	7.00-	135,911-		125,698-	261,609-		261,609-
=====							
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A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	7.00-	135,911-		125,698-	261,609-	0.00	261,609-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							261,609-
	7.00-	135,911-		125,698-	261,609-		261,609-
=====							

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
<u>WORKERS' COMPENSATION</u>				43600100
ECONOMIC OPPORTUNITIES				11
<u>WORKERS' COMPENSATION</u>				<u>1102.02.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCTION IN THE BUREAU OF				
MONITORING AND AUDIT				33V2270
SALARY RATE				000000
SALARY RATE.....	231,569-	231,569-		
	=====	=====		
SALARIES AND BENEFITS				010000
	8.00-	8.00-		
WORKERS' COMP ADMIN TF -STATE	388,681-	388,681-		2795 1
	=====	=====		
TOTAL: REDUCTION IN THE BUREAU OF				33V2270
MONITORING AND AUDIT				
TOTAL POSITIONS.....	8.00-	8.00-		
TOTAL ISSUE.....	388,681-	388,681-		
TOTAL SALARY RATE.....	231,569-	231,569-		
	=====	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #37

IT COMPONENT? NO

The following reductions are proposed:

Two Insurance Specialist I positions - The Medical Services section is responsible for establishing rules and policy, implementing the Three Member Panel's uniform schedules for maximum reimbursement allowances, resolving medical reimbursement disputes between providers and payers, and providing educational assistance and consultation on issues related to medical billing and reimbursements. Eliminating these positions would affect the Division's ability to timely resolve reimbursement disputes and provide educational and administrative support for our external customers.

Three Insurance Specialist III (CPS) - The Centralized Performance System (CPS) Section is responsible for providing insurer performance information and trends that enables the Division and claim administrators to monitor performance and respond to penalty assessments for untimely filing and payment. These reductions would limit the Division's ability to timely monitor insurer performance and respond to penalty assessments.

One Audit and Evaluation Review Specialist - This position is responsible for administering and implementing training standards pursuant to chapter 440, Florida Statutes, and Rules pursuant to Florida Administrative Code, to stakeholders and within the bureau by developing comprehensive training to educate and provide technical assistance on claims administrator deficiencies, medical provider deficiencies, statutory requirements, and rule requirements. This reduction would limit the Division's ability to develop, update and maintain the bureau's external training program.

Two Government Operations Consultant II - This section is responsible for examining claims-handling practices of

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: WORKERS' COMPENSATION						43600000
<u>WORKERS' COMPENSATION</u>						43600100
ECONOMIC OPPORTUNITIES						11
<u>WORKERS' COMPENSATION</u>						<u>1102.02.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION IN THE BUREAU OF						
MONITORING AND AUDIT						33V2270

insurers, self-insurers, self-insurance funds and other claims-handling entities. Eliminating these positions would affect the number of insurers audits and examinations conducted yearly by the Division and limit the Division's ability to enforce insurer's compliance with claims-handling practices and remove the Division's Bureau of Monitoring and Audit presence in Orlando.

These reductions represents approximately 13 percent of the Bureau of Monitoring and Audit positions. This issue reflects a reduction of seven months in salaries and benefits. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	8.00-	231,569-		157,112-	388,681-	0.00	388,681-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							388,681-
	8.00-	231,569-		157,112-	388,681-		388,681-

A92 - SCH VIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	8.00-	231,569-		157,112-	388,681-	0.00	388,681-

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: WORKERS' COMPENSATION					43600000
<u>WORKERS' COMPENSATION</u>					43600100
ECONOMIC OPPORTUNITIES					11
<u>WORKERS' COMPENSATION</u>					<u>1102.02.00.00</u>
PROGRAM REDUCTIONS					33V0000
REDUCTION IN THE BUREAU OF					
MONITORING AND AUDIT					33V2270

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							388,681-
	8.00-	231,569-		157,112-	388,681-		388,681-

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REDUCTION IN THE BUREAU OF COMPLIANCE							33V2280
SALARY RATE							000000
SALARY RATE.....	205,562-	205,562-					
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	14.00-	14.00-					2795 1
	445,263-	445,263-					
TOTAL: REDUCTION IN THE BUREAU OF COMPLIANCE							33V2280
TOTAL POSITIONS.....	14.00-	14.00-					
TOTAL ISSUE.....	445,263-	445,263-					
TOTAL SALARY RATE.....	205,562-	205,562-					

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #38

IT COMPONENT? NO

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		
REDUC 20-21		NR FY20-21		ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: WORKERS' COMPENSATION						43600000
WORKERS' COMPENSATION						43600100
ECONOMIC OPPORTUNITIES						11
WORKERS' COMPENSATION						<u>1102.02.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION IN THE BUREAU OF COMPLIANCE						33V2280

The Bureau of Compliance is responsible for ensuring employers in Florida are in compliance with Florida's workers' compensation laws. Bureau personnel conduct on-site investigations and issue stop-work orders and penalties to non-compliant employers, pursuant to s. 440.107, F.S. In addition, certain personnel are responsible for reviewing, processing and issuing workers' compensation exemptions in a timely manner to qualified individuals, pursuant to s. 440.05, F.S. The Penalty Team is responsible for calculating penalties for non-compliance based on employer's business records.

Eliminating 14 positions will result in fewer employer investigations conducted and increased time to process penalties and exemptions. An overall significant reduction of revenue will occur due to less enforcement actions. These reductions represent approximately 11 percent of the Bureau of Compliance positions. This issue reflects a reduction of seven months in salaries and benefits.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	14.00-	205,562-		239,701-	445,263-	0.00	445,263-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							445,263-
	14.00-	205,562-		239,701-	445,263-		445,263-

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: WORKERS' COMPENSATION					43600000
<u>WORKERS' COMPENSATION</u>					43600100
ECONOMIC OPPORTUNITIES					11
<u>WORKERS' COMPENSATION</u>					<u>1102.02.00.00</u>
PROGRAM REDUCTIONS					33V0000
REDUCTION IN THE BUREAU OF COMPLIANCE					33V2280

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	14.00-	205,562-		239,701-	445,263-	0.00	445,263-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							445,263-
	14.00-	205,562-		239,701-	445,263-		445,263-

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REDUCTION IN THE BUREAU OF EMPLOYEE ASSISTANCE							33V2310
SALARY RATE							000000
SALARY RATE.....	65,282-	65,282-					
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	5.00-	5.00-					2795 1
	149,454-	149,454-					
TOTAL: REDUCTION IN THE BUREAU OF EMPLOYEE ASSISTANCE							33V2310
TOTAL POSITIONS.....	5.00-	5.00-					
TOTAL ISSUE.....	149,454-	149,454-					
TOTAL SALARY RATE.....	65,282-	65,282-					



COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: WORKERS' COMPENSATION						43600000
WORKERS' COMPENSATION						43600100
ECONOMIC OPPORTUNITIES						11
WORKERS' COMPENSATION						1102.02.00.00
PROGRAM REDUCTIONS						33V0000
REDUCTION IN THE BUREAU OF EMPLOYEE ASSISTANCE						33V2310

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #36

IT COMPONENT? NO

This issue eliminates one Government Analyst I position on the Ombudsman Team ; one Insurance Specialist III position located in Orlando on the Injured Worker Helpline Team; and one Insurance Specialist III position located in Tallahassee on the Injured Worker Hotline Team. These positions provide assistance to employers and to injured workers who have significant problems or questions regarding their workers' compensation claims. The Ombudsman Team handles referrals from Legislators and the Governor's Office. These reductions would reduce the number of specialists available to provide assistance to injured workers and employers. These positions handle their daily workload thru telephone calls and emails so remaining staff around the state will be required to absorb the additional workload created if these positions are eliminated.

This issue also eliminates two Insurance Specialist I positions on the Records Management Team who currently work within the subpoena and public records team responding to requests made by the general public. These reductions would result in delays in acknowledging and responding to subpoenas and public records requests and delays in mail processing.

These represents represent approximately ten percent of the Bureau of Employee Assistance positions. This issue reflects a reduction of seven months in salaries and benefits. This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIB-2.

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1001 001	5.00-	65,282-	84,172-	149,454-	0.00	149,454-

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		43000000
REDUC 20-21		NR FY20-21		ANZ FY20-21		43600000
						43600100
						11
						<u>1102.02.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION IN THE BUREAU OF EMPLOYEE						
ASSISTANCE						33V2310

FINANCIAL SERVICES  
 PGM: WORKERS' COMPENSATION  
WORKERS' COMPENSATION  
 ECONOMIC OPPORTUNITIES  
WORKERS' COMPENSATION  
 PROGRAM REDUCTIONS  
 REDUCTION IN THE BUREAU OF EMPLOYEE  
 ASSISTANCE

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
2795 WORKERS' COMP ADMIN TF						
5.00-	65,282-		84,172-	149,454-		149,454-
=====						

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

P101 PROPOSED CLASS CODE  
 C1001 001

5.00-	65,282-		84,172-	149,454-	0.00	149,454-
=====						
5.00-	65,282-		84,172-	149,454-		149,454-
=====						

TOTALS FOR ISSUE BY FUND  
 2795 WORKERS' COMP ADMIN TF

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
<u>WORKERS' COMPENSATION</u>				43600100
ECONOMIC OPPORTUNITIES				11
<u>WORKERS' COMPENSATION</u>				<u>1102.02.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCTION IN THE SPECIAL DISABILITY				
TRUST FUND				33V2320
SALARY RATE				000000
SALARY RATE.....	47,740-	47,740-		
=====				
SALARIES AND BENEFITS				010000
3.00-	3.00-			
WORKERS' COMP SPEC DISAB TF-STATE	99,756-	99,756-		2798 1
=====				
OTHER PERSONAL SERVICES				030000
WORKERS' COMP SPEC DISAB TF-STATE	17,550-	17,550-		2798 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
WORKERS' COMP SPEC DISAB TF-STATE	15,000-	15,000-		2798 1
=====				
TOTAL: REDUCTION IN THE SPECIAL DISABILITY				33V2320
TRUST FUND				
TOTAL POSITIONS.....	3.00-	3.00-		
TOTAL ISSUE.....	132,306-	132,306-		
TOTAL SALARY RATE.....	47,740-	47,740-		
=====				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #34

IT COMPONENT? NO

This issue eliminates three full time positions along with other personal services (OPS) funding within the Special Disability Trust Fund (SDTF), of the Bureau of Financial Accountability. If positions are eliminated, there will also be a reduction in contracted services.

In accordance with chapter 440.49, F.S., the above positions audit second injury reimbursement requests from carriers; processes and reconciles the SDTF payments to carriers totaling 38 million dollars annually; and handles the imaging and destruction of historic SDTF claim files. The Division has begun to see a decline in SDTF reimbursement requests; however, the proposed reductions will result in carriers experiencing long delays in the processing of their

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: WORKERS' COMPENSATION						43600000
WORKERS' COMPENSATION						43600100
ECONOMIC OPPORTUNITIES						11
WORKERS' COMPENSATION						<u>1102.02.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCTION IN THE SPECIAL DISABILITY						
TRUST FUND						33V2320

reimbursement requests, a significant increase in audit review time and extended delays in processing SDTF reimbursement payments.

This issue reflects a reduction of seven months in salaries and benefits. These reductions represent approximately 27 percent of the Special Disability Trust Fund section within the Bureau of Financial Accountability.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	3.00-	47,740-		52,016-	99,756-	0.00	99,756-
TOTALS FOR ISSUE BY FUND							
2798 WORKERS'COMP SPEC DISAB TF							99,756-
	3.00-	47,740-		52,016-	99,756-		99,756-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

P101 PROPOSED CLASS CODE							
C1001 001	3.00-	47,740-		52,016-	99,756-	0.00	99,756-

COL A91	COL A92	COL A93	
SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT
			CODES
FINANCIAL SERVICES			43000000
PGM: WORKERS' COMPENSATION			43600000
WORKERS' COMPENSATION			43600100
ECONOMIC OPPORTUNITIES			11
WORKERS' COMPENSATION			<u>1102.02.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCTION IN THE SPECIAL DISABILITY			
TRUST FUND			33V2320

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
2798	WORKERS' COMP	SPEC	DISAB	TF		99,756-
3.00-	47,740-		52,016-	99,756-		99,756-

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REDUCE STAFF AUGMENTATION CONTRACT	33V2330
SPECIAL CATEGORIES	100000
CONTRACTED SERVICES	100777
WORKERS' COMP ADMIN TF -STATE	127,247- 127,247- 2795 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #7

This issue will reduce contract services by eliminating one of the staff augmentation vendors currently used within the Division of Workers' Compensation. This vendor serves as an applications development analyst and provides .net services in upgrading current legacy programs. The services provided by this vendor could be absorbed by other staff augmentation vendors or by internal Office of Information Technology staff, which may create a delay in the overall enhancements of the older programs.

This reduction is listed as nonrecurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
<u>WORKERS' COMPENSATION</u>				43600100
ECONOMIC OPPORTUNITIES				11
<u>WORKERS' COMPENSATION</u>				<u>1102.02.00.00</u>
TOTAL: WORKERS' COMPENSATION				<u>1102.02.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	45.00-	45.00-		
SALARY RATE.....	2,724,862-	2,724,862-		2000
	822,535-	822,535-		
	=====	=====		
PGM: INVEST/FORENSIC SVCS				43700000
<u>FISCAL INTEGRITY</u>				43700400
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE THE OFFICE OF FISCAL				
INTEGRITY				33V3380
SALARY RATE				000000
SALARY RATE.....	145,448-	145,448-		
	=====	=====		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	7.00-	7.00-		
-STATE	329,400-	329,400-		2393 1
	=====	=====		
EXPENSES				040000
INSURANCE REG TF				
-STATE	29,241-	29,241-		2393 1
	=====	=====		
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF				
-STATE	4,258-	4,258-		2393 1
	=====	=====		
OPERATION/MOTOR VEHICLES				102289
INSURANCE REG TF				
-STATE	1,808-	1,808-		2393 1
	=====	=====		

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: INVEST/FORENSIC SVCS				43700000
<u>FISCAL INTEGRITY</u>				43700400
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
ELIMINATE THE OFFICE OF FISCAL				
INTEGRITY				33V3380
SPECIAL CATEGORIES				100000
SALARY INCENTIVE PAYMENTS				103290
INSURANCE REG TF	-STATE	1,820-	1,820-	2393 1
=====				
TOTAL: ELIMINATE THE OFFICE OF FISCAL				33V3380
INTEGRITY				
TOTAL POSITIONS.....	7.00-	7.00-		
TOTAL ISSUE.....	366,527-	366,527-		
TOTAL SALARY RATE.....	145,448-	145,448-		
=====				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #39

IT COMPONENT? NO

This issue proposes to eliminate the Office of Fiscal Integrity, including the seven positions included in this budget entity. This is a prorated reduction to reflect a reduction of seven months: Totaling 366,527, eliminating all five appropriation categories, included 329,400 of Salaries and Benefits, 29,241 of Expenses, 4,258 of Contracted Services, 1,808 of Operation of Motor Vehicles, and 1,820 of Criminal Justice Incentive Payments budget authority. The position reductions include a Lieutenant, three Law Enforcement Investigator II's, two Professional Accountant Specialists, and a Financial Investigator. This reduction would significantly impact the Office of Fiscal Integrity.

This reduction is listed as non-recurring for FY 2020-21 because it is part of the recurring reduction proposed in the same issue code in the Schedule VIIIIB-2.

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: INVEST/FORENSIC SVCS						43700000
<u>FISCAL INTEGRITY</u>						43700400
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						1205.00.00.00
PROGRAM REDUCTIONS						33V0000
ELIMINATE THE OFFICE OF FISCAL						
INTEGRITY						33V3380

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1007 001	7.00-	145,448-		127,382-	272,830-	0.00	272,830-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							272,830-
	7.00-	145,448-		127,382-	272,830-		272,830-
OTHER SALARY AMOUNT							
2393 INSURANCE REG TF							56,570-
							329,400-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1007 001	7.00-	145,448-		127,382-	272,830-	0.00	272,830-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							272,830-
	7.00-	145,448-		127,382-	272,830-		272,830-



COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDUC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: INVEST/FORENSIC SVCS						43700000
<u>FISCAL INTEGRITY</u>						43700400
PUBLIC PROTECTION						12
<u>CONSUMER SAFETY/PROTECTION</u>						<u>1205.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
ELIMINATE THE OFFICE OF FISCAL						
INTEGRITY						33V3380

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS  
 OTHER SALARY AMOUNT  
 2393 INSURANCE REG TF

56,570-  
 -----  
 329,400-  
 =====

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TOTAL: CONSUMER SAFETY/PROTECTION						<u>1205.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....	7.00-	366,527-	7.00-	366,527-		2000
SALARY RATE.....	145,448-		145,448-			
	=====		=====			

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSES - COMPLIANCE AND				
ENFORCEMENT				33V0230
EXPENSES				040000
INSURANCE REG TF	-STATE	391,073-	391,073-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #107

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

Issue Title: Reduction in Expenses - Compliance and Enforcement

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.5 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

A significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
COMP & ENFORCE- INSURANCE						43900110
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE EXPENSES - COMPLIANCE AND ENFORCEMENT						33V0230

back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget.

The Office's appropriated expense budget has been reduced by over \$700,000 since 2007. In an effort to comply with mission-critical travel laws and to manage these reductions, the Office has reduced travel expense utilization. A further reduction to the Office's appropriated expense allotment will result in Office staff receiving less job-specific training and may impede operations by restricting expenditures relating to postage, office supplies, records storage, equipment and pertinent legal and insurance subscriptions. A reduction would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements.

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ELIMINATE SCANNING UNIT - OFFICE OF INSURANCE REGULATION						33V0720
SALARY RATE						000000
	SALARY RATE.....	26,283-	26,283-			
SALARIES AND BENEFITS						010000
	INSURANCE REG TF	-STATE	1.00- 45,452-	1.00- 45,452-		2393 1
OTHER PERSONAL SERVICES						030000
	INSURANCE REG TF	-STATE	19,968-	19,968-		2393 1
EXPENSES						040000
	INSURANCE REG TF	-STATE	1,200-	1,200-		2393 1
TOTAL: ELIMINATE SCANNING UNIT - OFFICE OF INSURANCE REGULATION						33V0720
	TOTAL POSITIONS.....	1.00-	1.00-			
	TOTAL ISSUE.....	66,620-	66,620-			
	TOTAL SALARY RATE.....	26,283-	26,283-			

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PGM: FINANCIAL SVCS COMM						43000000
OFFICE OF INSURANCE REG						43900000
COMP & ENFORCE- INSURANCE						43900100
PUBLIC PROTECTION						43900110
REGULATION AND LICENSING						12
PROGRAM REDUCTIONS						1204.00.00.00
ELIMINATE SCANNING UNIT - OFFICE						33V0000
OF INSURANCE REGULATION						33V0720

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #106

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Eliminate Scanning Unit

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

The Office created the scanning unit three years ago to start scanning and cataloging many different types of Office documents such as Charter Files, Title Insurance documents, Financial examination reports, and Financial statements. The scanning unit utilizes the Other Personal Services (OPS) category to hire temporary staff and Expenses category. This reduction would eliminate 2 part-time OPS employee and 1 full-time FTE, which is currently filled. This issue would reduce the OPS budget category by \$19,968 and \$1,200 in Expenses. While this reduction would have a minimal impact, it would add additional duties to each business unit. They would be responsible for scanning their own documents.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
COMP & ENFORCE- INSURANCE						43900110
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
ELIMINATE SCANNING UNIT - OFFICE OF INSURANCE REGULATION						33V0720

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
NEW POSITIONS							
0120 STAFF ASSISTANT							
B0001 001	1.00-	26,283-		19,169-	45,452-	0.00	45,452-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							45,452-
	1.00-	26,283-		19,169-	45,452-		45,452-

A92 - SCH VIIIIB-1 NR FY20-21

NEW POSITIONS							
0120 STAFF ASSISTANT							
B0001 001	1.00-	26,283-		19,169-	45,452-	0.00	45,452-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							45,452-
	1.00-	26,283-		19,169-	45,452-		45,452-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION IN THE OPERATING CAPITAL				
OUTLAY CATEGORY				33V1120
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	-STATE	73,500-	73,500-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #103

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Operating Capital Category (OCO)

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the OCO appropriation primarily for its maintaining and replacing of standard laptop computers and desktop computers. The laptops are critical for the Office insurance examiners especially when they are traveling for examinations of insurance entities. This funding is also important for other necessary large I.T. equipment such as network printers and scanners. Currently, the Office receives only \$98,000 in appropriation. This reduction would have a minimal impact but would impede the fulfillment of the Office's essential regulatory and statutory requirements. The Office then would have to use the 5% transfer authority, when needed, to provide additional OCO funding as needed.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES				33V1300
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	337,253-	337,253-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #113

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Contracted Services

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services allows the Office to enable mandated data collection for insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

Therefore, cutting contracted services will significantly impede the development of new tools that would keep the Office up-to-date and provide quality customer service. These services also include other professional and technical functions needed to provide a quality level of service to policymakers, the insurance industry and to the insurance-buying public.

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES				33V1300

Reduction of the contracted services budget and resulting delay in projects would be significant and negatively impact speed-to-market of insurance products to consumers and slow job creation that results when insurers introduce new programs. Additionally, the Office, as in the past, will continue to need contracted services funding to engage economists, actuaries and other consultants to perform statutorily-required complex reporting on the insurance industry in addition to actuarial audits and studies to provide market analysis on specific issues to policymakers and the Governor and Cabinet.

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REDUCE OTHER PERSONAL SERVICES				
FUNDING				33V2240
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF	-STATE	125,464-	125,464-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #110

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Other Personal Services (OPS)

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and



	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS AMOUNT
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE OTHER PERSONAL SERVICES				
FUNDING				33V2240

marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Other Personal Services (OPS) category to hire temporary staff as needed to accomplish the mission of the Office. The Office has recently had success with the hiring of college graduates from the FSU and FAMU Career Fars. Currently, the Office only receives \$330,169 in OPS appropriation from the Insurance Regulatory Trust Fund. This reduction would have a moderate impact but would impede the fulfillment of the Office's essential regulatory and statutory requirements. The Office then would have to use the 5% transfer authority, when needed, to provide additional OPS funding as needed.

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REDUCE POSITION(S) - OFFICE OF INSURANCE REGULATION - OPERATIONAL REDUCTIONS				33V3110
SALARY RATE				000000
SALARY RATE.....	196,511-	196,511-		
=====				
SALARIES AND BENEFITS				010000
5.00-	5.00-			
INSURANCE REG TF	-STATE	303,845-	303,845-	2393 1
=====				
TOTAL: REDUCE POSITION(S) - OFFICE OF INSURANCE REGULATION - OPERATIONAL REDUCTIONS				33V3110
TOTAL POSITIONS.....	5.00-	5.00-		
TOTAL ISSUE.....	303,845-	303,845-		
TOTAL SALARY RATE.....	196,511-	196,511-		
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #112

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
						43000000
						43900000
						43900100
						43900110
						12
						<u>1204.00.00.00</u>
						33V0000
						33V3110

FINANCIAL SERVICES  
 PGM: FINANCIAL SVCS COMM  
 OFFICE OF INSURANCE REG  
 COMP & ENFORCE- INSURANCE  
 PUBLIC PROTECTION  
REGULATION AND LICENSING

PROGRAM REDUCTIONS  
 REDUCE POSITION(S) - OFFICE OF  
 INSURANCE REGULATION - OPERATIONAL  
 REDUCTIONS

Issue Title: Reduction of Vacant Positions - Compliance and Enforcement

Reference to Long-Range Program Plan:  
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates. Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

For Fiscal Year 2019-20, the Office has 283 FTE and is comprised of two budget entities: Compliance & Enforcement and Executive Direction. The Office is a small agency and has already been reduced from a high number of 315 positions in Fiscal Year 2007-08 to the current 283 positions. Any further FTE reduction will significantly impede the Office's ability to perform statutorily required functions and will decrease service to the insurance industry by slowing insurance company application reviews thereby slowing products to consumers, job creation from new products and new insurance entity licensure.

The Office makes diligent efforts to fill vacant positions quickly. Since 2007, Office personnel resources have been reduced by 32 FTE with no substantive reduction in regulatory responsibility. The Office now has regulatory responsibility for over 4,500 insurance entities which is a substantial increase since the Office's creation in 2003. Losing additional positions would have a significant impact on the core mission of the Office. If a reduction is required, for the implementation of this issue, the Office will identify the positions in the Compliance and Enforcement budget entity. Mission critical positions would be maintained. The reductions would be based on vacant positions along with the consideration of the tenure and performance of current employees, and the functions of the positions.

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF INSURANCE REG						43900100
COMP & ENFORCE- INSURANCE						43900110
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE POSITION(S) - OFFICE OF						
INSURANCE REGULATION - OPERATIONAL						
REDUCTIONS						33V3110

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
NEW POSITIONS							
P101 PROPOSED CLASS CODE							
A0005 001	5.00-	196,511-		107,334-	303,845-	0.00	303,845-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							303,845-
	5.00-	196,511-		107,334-	303,845-		303,845-

A92 - SCH VIIIIB-1 NR FY20-21

NEW POSITIONS							
P101 PROPOSED CLASS CODE							
A0005 001	5.00-	196,511-		107,334-	303,845-	0.00	303,845-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							303,845-
	5.00-	196,511-		107,334-	303,845-		303,845-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCTION OF SHREDDING SERVICES				
CONTRACT - OFFICE OF INSURANCE				
REGULATION				33V8700
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	2,072-	2,072-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #101

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Shredding Services (Contracted Services)

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services allows the Office to enable mandated data collection for insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

Due to the volume of information and data that the Office collects and receives, the Office utilizes shredding services

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
	SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1	43000000
	REDC 20-21		NR FY20-21		ANZ FY20-21	43900000
						43900100
						43900110
						12
						<u>1204.00.00.00</u>
						33V0000
						33V8700

FINANCIAL SERVICES  
 PGM: FINANCIAL SVCS COMM  
 OFFICE OF INSURANCE REG  
 COMP & ENFORCE- INSURANCE  
 PUBLIC PROTECTION  
REGULATION AND LICENSING

PROGRAM REDUCTIONS  
 REDUCTION OF SHREDDING SERVICES  
 CONTRACT - OFFICE OF INSURANCE  
 REGULATION

to destroy confidential documents, after it has been scanned for collection. Due to the COVID-19 pandemic and employees now teleworking, along with the using of more digital capabilities, the number of documents needed to be shredded this fiscal year has dramatically been reduced.

Therefore, a reduction in the current shredding services contract for the Office will have a minimal impact to the operations of the Office.

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ELIMINATION OF SUBSCRIPTION  
 SERVICES - OFFICE OF INSURANCE  
 REGULATION  
 SPECIAL CATEGORIES  
 CONTRACTED SERVICES

33V8710  
 100000  
 100777

INSURANCE REG TF                    -STATE                    2,500-                    2,500-  
 =====

2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #102

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Elimination of Subscription Service

Reference to Long-Range Program Plan:  
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
ELIMINATION OF SUBSCRIPTION				
SERVICES - OFFICE OF INSURANCE				
REGULATION				33V8710

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services allows the Office to enable mandated data collection for insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

Another use of Contracted Services is the purchase of subscriptions for our Communications unit within the Chief of Staff office. Our Communications team is critical to the Office and serves as a liaison with the media and general public to address insurance matters related to the Office. Subscriptions are used by the Office in receiving important insurance news and data that is important to the duties at the Office. Due to a review of the subscriptions that the Office uses, it has been determined that one subscription that is currently being utilized, is not needed to the Office anymore. Therefore, this non-renewal will save the Office \$2,500 annually.

Therefore, the elimination of this subscription will not have an impact to the operations of the Office.

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REDUCTION IN TRAVEL EXPENSE -				
OFFICE OF INSURANCE REGULATION				33V8720
EXPENSES				040000
INSURANCE REG TF	-STATE	112,500-	112,500-	2393 1
		=====	=====	=====

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #104

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCTION IN TRAVEL EXPENSE -				
OFFICE OF INSURANCE REGULATION				33V8720

Issue Title: Reduction in Travel Expenses - Compliance and Enforcement

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.4 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

A significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget. In an effort to comply with mission-critical travel laws and to manage these reductions, the Office has reduced travel expense utilization. A further reduction to the Office's appropriated expense allotment will result in Office staff receiving less job-specific training that is needed. This reduction would moderately impede the fulfillment of the Office's essential regulatory and statutory requirements.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION IN OFFICE SUPPLIES -				
OFFICE OF INSURANCE REGULATION				33V8730
EXPENSES				040000
INSURANCE REG TF	-STATE	30,009-	30,009-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #105

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

Issue Title: Reduction in Office Supplies Expenses

Reference to Long-Range Program Plan:  
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the regulatory and statutory requirements that it has. Currently, the Office receives \$2.4 million in Expenses appropriation. Expenditures for this category includes the office rent to DMS, which is \$1.1 million.

A portion of the Office's appropriated expense funding is used to purchase office supplies needed to operate the Office. Office supplies include consumable products such as paper, pens, postage, ink toner for printers, and other routine supplies.

The Office's appropriated expense budget has been reduced by over \$700,000 since 2007. In an effort to comply with the mission-critical duties it has, the Office is prudent with the expenditures that it incurs. A reduction to the Office's appropriated expense allotment will result in an impact on the Office's operations.

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION IN INFORMATION TECHNOLOGY				
EQUIPMENT - OFFICE OF INSURANCE				
REGULATION				33V8740
EXPENSES				040000
INSURANCE REG TF	-STATE	91,856-	91,856-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #109

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

Issue Title: Reduction in I.T. Equipment

Reference to Long-Range Program Plan:  
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.4 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, required training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

A significant portion of the Office's appropriated expense funding is used for I.T. equipment for the Office staff. These supplies include desktop computers, printers, and other important I.T. equipment. These types of equipment are

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCTION IN INFORMATION TECHNOLOGY				
EQUIPMENT - OFFICE OF INSURANCE				
REGULATION				33V8740

important also by assisting the Office's examiners for travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency.

The Office's appropriated expense budget has been reduced by over \$700,000 since 2007. In an effort to comply with mission-critical travel laws and to manage these reductions, the Office has reduced travel expense utilization. A reduction in the purchase of I.T. equipment for our employees would impede the fulfillment of the Office's essential regulatory and statutory requirements.

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REDUCTION OF SALARIES AND BENEFITS					
- OFFICE OF INSURANCE REGULATION					33V8750
SALARIES AND BENEFITS					010000

INSURANCE REG TF	-STATE	724,692-	724,692-		2393 1
		=====	=====	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #111

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reduction in Salaries & Benefits Budget - Compliance and Enforcement

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates. Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PGM: FINANCIAL SVCS COMM						43000000
OFFICE OF INSURANCE REG						43900000
COMP & ENFORCE- INSURANCE						43900100
PUBLIC PROTECTION						43900110
REGULATION AND LICENSING						12
PROGRAM REDUCTIONS						1204.00.00.00
REDUCTION OF SALARIES AND BENEFITS						33V0000
- OFFICE OF INSURANCE REGULATION						33V8750

investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

For Fiscal Year 2020-21, the Office has 283 FTE and is comprised of two budget entities: Compliance & Enforcement and Executive Direction. The Office is a small agency and has already been reduced from a high number of 315 positions in Fiscal Year 2007-08 to the current 283 positions. These important positions allow the Office's ability to perform its statutorily required and mission critical functions.

While the Office makes diligent efforts to fill vacant positions quickly, this fiscal year has been dramatically impacted by the COVID-19 pandemic. The hiring of positions has been slow due to the economy being impacted. Therefore, the Office will be able to reduce its Salaries & Benefits budget by \$724,692 for Fiscal Year 2020-21. This non-recurring reduction will have a minimal impact on operations of the Office.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A91 - SCH VIIIIB-1 REDUC 20-21

NEW POSITIONS

OTHER SALARY AMOUNT

2393 INSURANCE REG TF

724,692-

724,692-

=====

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1		43000000
REDUC 20-21		NR FY20-21		ANZ FY20-21		43900000
						43900100
						43900110
						12
						<u>1204.00.00.00</u>
						33V0000
						33V8750

FINANCIAL SERVICES  
 PGM: FINANCIAL SVCS COMM  
 OFFICE OF INSURANCE REG  
 COMP & ENFORCE- INSURANCE  
 PUBLIC PROTECTION  
 REGULATION AND LICENSING

PROGRAM REDUCTIONS  
 REDUCTION OF SALARIES AND BENEFITS  
 - OFFICE OF INSURANCE REGULATION

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21						
NEW POSITIONS						
OTHER SALARY AMOUNT						
2393 INSURANCE REG TF						
						724,692-
						-----
						724,692-
						=====
*****						
TOTAL: REGULATION AND LICENSING						<u>1204.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....	6.00-	6.00-				2000
SALARY RATE.....	2,261,384-	2,261,384-				
	222,794-	222,794-				
	=====	=====				

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>EXEC DIR &amp; SUPORT SERVICES</u>				43900120
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSES - EXECUTIVE				
DIRECTION				33V0240
EXPENSES				040000
INSURANCE REG TF	-STATE	29,636-	29,636-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #108

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Executive Direction

Issue Title: Reduction in Expenses

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.5 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, required training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

A significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
EXEC DIR & SUPORT SERVICES				43900120
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSES - EXECUTIVE				
DIRECTION				33V0240

back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget.

The Office's appropriated expense budget has been reduced by over \$700,000 since 2007. In an effort to comply with mission-critical travel laws and to manage these reductions, the Office has reduced travel expense utilization. A further reduction to the Office's appropriated expense allotment will result in Office staff receiving less job-specific training and may impede operations by restricting expenditures relating to postage, office supplies, records storage, equipment and pertinent legal and insurance subscriptions. A reduction would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements.

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REDUCTION IN CONTRACTED SERVICES -				
EXECUTIVE DIRECTION - OFFICE OF				
INSURANCE REGULATION				33V8760
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	46,355-	46,355-	2393 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE:  
 PRIORITY #114

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Executive Direction

Issue Title: Reduction in Contracted Services

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627,

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PGM: FINANCIAL SVCS COMM						43000000
OFFICE OF INSURANCE REG						43900000
EXEC DIR & SUPORT SERVICES						43900100
PUBLIC PROTECTION						43900120
REGULATION AND LICENSING						12
PROGRAM REDUCTIONS						<u>1204.00.00.00</u>
REDUCTION IN CONTRACTED SERVICES -						33V0000
EXECUTIVE DIRECTION - OFFICE OF						
INSURANCE REGULATION						33V8760

628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services allows the Office to enable legislative mandated data collection for insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

Therefore, cutting contracted services will significantly impede the development of new tools that would keep the Office up-to-date and provide quality customer service. These services also include other professional and technical functions needed to provide a quality level of service to policymakers, the insurance industry and to the insurance-buying public. Reduction of the contracted services budget and resulting delay in projects would be significant and negatively impact speed-to-market of insurance products to consumers and slow job creation that results when insurers introduce new programs. Additionally, the Office, as in the past, will continue to need contracted services funding to engage economists, actuaries and other consultants to perform statutorily-required complex reporting on the insurance industry in addition to actuarial audits and studies to provide market analysis on specific issues to policymakers and the Governor and Cabinet.

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TOTAL: REGULATION AND LICENSING						<u>1204.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....	75,991-	75,991-				2000
	=====	=====	=====	=====		

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: FINANCIAL SVCS COMM					43900000
OFFICE OF FINANCIAL REG					43900500
SFTY & SOUND ST BKG SYST					43900530
PUBLIC PROTECTION					12
REGULATION AND LICENSING					1204.00.00.00
PROGRAM REDUCTIONS					33V0000
REDUCE OTHER PERSONAL SERVICES					
(OP) EXAMINERS AND ASSOCIATED					
EXPENSES					33V0510
OTHER PERSONAL SERVICES					030000
FINANCIAL INST REG TF	-STATE	554,100-	554,100-		2275 1
=====					
EXPENSES					040000
FINANCIAL INST REG TF	-STATE	119,771-	119,771-		2275 1
=====					
TOTAL: REDUCE OTHER PERSONAL SERVICES					33V0510
(OP) EXAMINERS AND ASSOCIATED					
EXPENSES					
TOTAL ISSUE.....		673,871-	673,871-		
=====					

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005XXXXXXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System  
 43900530 502275001

Issue Title: Reduction in OPS Contract Examiners and Related Expenses

Priority #14

Reference to Long-Range Program Plan:  
 Goal #1: Improve Taxpayer Value  
 Goal #2: Deliver Value to Businesses  
 Goal #3: Promote a Safe and Sound Financial Marketplace



	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE OTHER PERSONAL SERVICES				
(OPS) EXAMINERS AND ASSOCIATED				
EXPENSES				33V0510

Issue Description/Need: OPS Contract Examiners - Currently within the Division, OPS Contract Examiners provide institutional examination services on a variable and "as needed" basis. OPS Contract Examiners provide an excellent "variable" workforce alternative and provide an exceptional stop-gap during times of peak work load or FTE attrition. These OPS examiners are typically tenured and retirees from federal and state financial institution regulatory agencies and represent an experienced and well-trained work force who are able to handle a diverse workload from a less complex financial institution examination to the most complex. They can deploy to a financial institution examination quickly and with little to no lead time.

The Division of Financial Institutions has been accredited with the Conference of State Bank Supervisors (CSBS) since 1986 and accredited with the National Association of State Credit Union Supervisors (NASCUS) since 2004. The status of both the CSBS and NASCUS accreditations will be at risk due to the reductions in regulatory resources and inability to meet our accreditation "Best Practice" standards related to trained and knowledgeable examiners. It is imperative that this status of good standing be maintained in order to satisfy the regulatory requirements of our federal counterparts (FDIC, Federal Reserve Bank (FRB), Office of the Comptroller of the Currency (OCC) and the National Credit Union Association (NCUA).

Ultimate Outcome: A reduction within the OPS Contract Examiner Program will have a moderate impact on the Division's ability to provide financial institution examinations according to the statutory mandate and will moderately diminish the Division's ability to promote a safe and sound financial marketplace in Florida.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Reduction in the contract examiner program	(\$554,100)	(\$554,100)

Expenses:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				
				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
<u>PUBLIC PROTECTION</u>				
				12
<u>REGULATION AND LICENSING</u>				
				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				
				33V0000
REDUCE OTHER PERSONAL SERVICES				
(OPS) EXAMINERS AND ASSOCIATED				
EXPENSES				
				33V0510
	Reduction in			
	expenses	(\$119,771)	(\$119,771)	
	Issue Total	(\$673,871)	(\$673,871)	
*****				
REDUCE EXAMINER(S) - OFFICE OF				
FINANCIAL REGULATION - FINANCIAL				
INSTITUTIONS				
				33V0550
SALARY RATE				
				000000
SALARY RATE.....	37,297-	37,297-		
	=====	=====	=====	
SALARIES AND BENEFITS				
				010000
FINANCIAL INST REG TF	1.00-	1.00-		
-STATE	58,410-	58,410-		2275 1
	=====	=====	=====	
EXPENSES				
				040000
FINANCIAL INST REG TF	1.00-	1.00-		
-STATE	1,800-	1,800-		2275 1
	=====	=====	=====	
TOTAL: REDUCE EXAMINER(S) - OFFICE OF				
FINANCIAL REGULATION - FINANCIAL				
INSTITUTIONS				
TOTAL POSITIONS.....	1.00-	1.00-		
TOTAL ISSUE.....	60,210-	60,210-		
TOTAL SALARY RATE.....	37,297-	37,297-		
	=====	=====	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 8.5% PROPOSED REDUCTIONS FOR FY 2020-21

COL A91	COL A92	COL A93	CODES			
SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1				
REDUC 20-21	NR FY20-21	ANZ FY20-21				
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
SFTY & SOUND ST BKG SYST						43900530
PUBLIC PROTECTION						12
REGULATION AND LICENSING						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE EXAMINER(S) - OFFICE OF						
FINANCIAL REGULATION - FINANCIAL						
INSTITUTIONS						33V0550

\*\*KEY REC\*\*43900530XXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System  
 43900530 502275001

Issue Title: Deletion of one position

Priority #16

Reference to Long-Range Program Plan:

Goal #1: Improve Taxpayer Value

Goal #2: Deliver Value to Businesses

Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: This issue proposes a reduction of one position and the associated budget from the Division of Financial Institutions. The Division is responsible for examining all state chartered financial institutions to ensure they are operating in a safe and sound manner. Examinations are mandated by statute and can also occur due to a decline in economic conditions, or elevated risks in a financial institution or the financial institutions industry. The Division's examination team is a key part in meeting examination mandates and needs. According to F.S. 655.045, "The Office may accept an examination of a state financial institution made by an appropriate federal regulatory agency or may conduct a joint or concurrent examination of the institution with the federal agency." The Division works to minimize the impact on financial institutions by coordinating examination schedules with our Federal counterparts, and alternating examinations whenever possible. More recently our Federal counterparts reprioritized their examination priorities and have not been conducting as many examinations on smaller institutions located in Florida. Currently, COVID-19 related stresses in the financial institutions industry are being monitored for potential impact to the financial institutions industry and examination requirements. Due to the reprioritization to a true alternating examination schedule by our Federal counterparts, and COVID-19 related stresses, more independent examinations will be required by the Division in order to meet the mandated examination requirements.

Ultimate Outcome: Since the "Great Recession" financial institutions have strengthened their capital levels and overall performance. These improvements have led to more independent examinations. Currently, we and the financial institutions we regulate continue to assess the impact of COVID-19 related stresses on the local, state, national and global economy.

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
						43000000
						43900000
						43900500
						43900530
						12
						<u>1204.00.00.00</u>
						33V0000
						33V0550

FINANCIAL SERVICES  
 PGM: FINANCIAL SVCS COMM  
 OFFICE OF FINANCIAL REG  
 SFTY & SOUND ST BKG SYST  
 PUBLIC PROTECTION  
REGULATION AND LICENSING  
 PROGRAM REDUCTIONS  
 REDUCE EXAMINER(S) - OFFICE OF  
 FINANCIAL REGULATION - FINANCIAL  
 INSTITUTIONS

43000000  
 43900000  
 43900500  
 43900530  
 12  
1204.00.00.00  
 33V0000  
 33V0550

Depending on the impact there may be increased demand of examiners in the future. In addition, the Division recently transferred ten vacant positions to other divisions within OFR. Therefore, the loss of this position will have a critical impact on the Division. Retaining a strong examination team is crucial in overseeing the safety and soundness of the financial institutions industry and associated salaries and benefits expenditure authority is a key part to retention.

Detail of Costs:

SALARIES and BENEFITS:

Quantity	Description	Amount	Non-Recurring
(1)	Reduce FEA II, PG 023 @ \$58,410 each Salaries and Benefits	(\$58,410)	(\$58,410)

EXPENSES:

Quantity	Description	Amount	Non-Recurring
(1)	Reduce Expenses @ \$1,800	(\$1,800)	(\$1,800)

Issue Total (\$60,210) (\$60,210)

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
SFTY & SOUND ST BKG SYST						43900530
<u>PUBLIC PROTECTION</u>						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE EXAMINER(S) - OFFICE OF						
FINANCIAL REGULATION - FINANCIAL						
INSTITUTIONS						33V0550

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	1.00-	37,297-		21,113-	58,410-	0.00	58,410-
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							58,410-
	1.00-	37,297-		21,113-	58,410-		58,410-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	1.00-	37,297-		21,113-	58,410-	0.00	58,410-
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							58,410-
	1.00-	37,297-		21,113-	58,410-		58,410-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES				
APPROPRIATION - OFFICE OF FINANCIAL				
REGULATION - BANKING				33V0630
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
FINANCIAL INST REG TF	-STATE	162,294-	162,294-	2275 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005XXXXXXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System  
 43900530 502275001

Issue Title: Reduction in Contracted Services

Priority #6

Reference to Long-Range Program Plan:  
 Goal #1: Improve Taxpayer Value  
 Goal #2: Deliver Value to Businesses  
 Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: Contracted Services The Division of Financial Institutions contains a Licensing and Chartering section which receives and processes new charters and licenses of state-chartered financial institutions which include banks, credit unions, international banking corporation offices, trust companies and family trust companies. This chartering and licensing process requires the parties to submit an application for charter or licensure for consideration and approval by the Division. A critical component to this application process is a background check of all parties who are substantially involved with the financial institution for whom the application has been received. Applications are received for (1) changes in control of ownership, (2) new financial institutions, (3) charter conversions from national to state charter, (4) mergers and acquisitions of institutions, (5) change of officers and directors of the institution, and (6) new appointment of officers and directors of the institution.

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES				
APPROPRIATION - OFFICE OF FINANCIAL				
REGULATION - BANKING				33V0630

These background checks are a critical component in the application process to assure that the individuals who own or manage a state financial institution are of good moral and ethical character and without a criminal history or a history of causing financial loss to a financial institution.

In addition to the chartering and licensing duties, Contracted Services also includes costs associated with legal matters such as expert witnesses, court reporting and required public notifications regarding applications filed with the Office. Expert witnesses are a key component when the Division is involved with litigation, with court reporting a required part of litigation. Public notifications are required by law when processing applications filed with the Office.

A reduction within the Contracted Services will limit the Division's ability to thoroughly conduct application background checks which would compromise the ability of the Division to assure that state-chartered institutions are held and managed in a safe and sound manner. A reduction would impact the ability of the Office to verify that individuals who have a criminal or questionable history or are of unethical, immoral, or questionable character are excluded from holding or managing a financial institution. The Division of Financial Institutions has experienced an increase in the number of background checks performed due to ongoing merger and acquisition activity, conversions of charters, and new charter activity in Florida. The Division expects the increase in application activity to continue. A reduction within contracted services at a time when licensing and chartering activities are expected to increase will have a moderate impact on the ability of the staff to perform their duties and may jeopardize the safety and soundness of Florida's financial institutions.

Ultimate Outcome: The loss or reduction of regulatory resources such as background checks will result in a number of moderate undesired outcomes and increased exposure to risk for state chartered financial institutions. Inadequate regulatory oversight of Florida's financial institution industry will moderately impact the citizens of Florida and the industry as a whole; increase the likelihood of unsafe and unsound institutions; erode general confidence in Florida's financial institution industry; and jeopardize regulatory accreditations which will damage the working relationship between federal regulators and the Division. Ultimately, the regulatory reputation of the Division will be harmed by its failure to comply with the requirements of statute related to background checks and processing applications before the Office.

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
SFTY & SOUND ST BKG SYST						43900530
<u>PUBLIC PROTECTION</u>						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE CONTRACTED SERVICES						
APPROPRIATION - OFFICE OF FINANCIAL						
REGULATION - BANKING						33V0630

Reduction in the  
 Contracted services (\$162,294) (\$162,294)

Issue Total (\$162,294) (\$162,294)

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REDUCTION IN EXPENSES BUDGET  
 AUTHORITY - OFFICE OF FINANCIAL  
 REGULATION - FINANCIAL INSTITUTIONS  
 EXPENSES

						33V0740
						040000

FINANCIAL INST REG TF	-STATE	100,000-	100,000-			2275 1
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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005XXXXXXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System  
 43900530 502275001

Issue Title: Reduction in Expenses

Priority #10

Reference to Long-Range Program Plan:  
 Goal #1: Improve Taxpayer Value  
 Goal #2: Deliver Value to Businesses



	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCTION IN EXPENSES BUDGET				
AUTHORITY - OFFICE OF FINANCIAL				
REGULATION - FINANCIAL INSTITUTIONS				33V0740

Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: Expenses The expense category is used for travel, association dues, training, etc.

Travel is extensive within the Division of Financial Institutions. Prior to the logistical challenges presented by COVID-19, the Division has always looked at ways to minimize costs related to examinations and training. However, a large portion of the expense budget is used for transportation, hotel and meal costs, for travel to examinations and training. Additionally, the expense budget is utilized for procurement of supplies and non-operating capital outlay equipment needed for safety and soundness oversight of financial institutions.

The Division of Financial Institutions has been accredited with the Conference of State Bank Supervisors (CSBS) since 1986 and accredited with the National Association of State Credit Union Supervisors (NASCUS) since 2004. The accreditation process entails yearly surveys and an in depth audit every five years. In order to uphold the accreditation, yearly dues are required above and beyond the audits. Further, to achieve accreditation the Division is required to maintain certain standards regarding the ability to conduct quality examinations and maintain teams of trained examiners. Portions of the accreditation recommended best practices are related to budget and expenditures committed to education and training.

In order for an examiner to have a full understanding of the entire examination process, they must complete a combination of on the job training and federally sponsored schools. In the best scenarios, this takes 2 - 3 years depending on the examiner and training schedules. The Division of Financial Institutions has always relied heavily on the NCUA and FDIC Examiner Training Programs to complete this training. These training programs are recognized by CSBS and NASCUS as important to maintaining trained examiners. A recommended best practice by CSBS is to dedicate 10 percent of the Division's expense budget to training related expenses. The Division is working to enhance its examinations of regulated financial institutions to include a component related to cybersecurity and information technology risk management practices. The training associated with this oversight will increase the Division's training expenditures, but is a necessary cost to incur, due to increased and prevalent risks associated with cybersecurity and information technology impacting the financial services industry. Further, due to the impact of COVID-19 related stress on the financial services industry, additional expenditures related to oversight and training are anticipated.

Ultimate Outcome: A reduction of funding designated for expenses of Division staff will have a moderate impact to the Division of Financial Institutions. The Division's federal counterparts have reprioritized their examination process and will not be conducting as many examinations on the smaller institutions that are located in Florida. Therefore, more examinations will be required by the Division to meet the statutorily mandated 18-month time frame between examinations. In addition, federal counterparts rely on the Division to examine institutions and will periodically accept our reports of examination instead of conducting their own examination of an institution. Without the funds, examiners would not be

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
REGULATION AND LICENSING				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCTION IN EXPENSES BUDGET				
AUTHORITY - OFFICE OF FINANCIAL				
REGULATION - FINANCIAL INSTITUTIONS				33V0740

able to travel and would not be properly trained. Additionally, with a decline in the ability to conduct examinations and a decline in the quality of examinations, the Division would be at risk to lose the long-standing accreditation with CSBS and NASCUS. Inadequate regulatory oversight of Florida's financial services industry will moderately impact the citizens of Florida and the industry as a whole; increase the likelihood of unsafe and unsound financial institutions and erode general confidence in Florida's financial institution industry. This will be of greater importance given potential impact of COVID-19 related stress on the financial services industry in the future.

Detail of Costs:

Expenses	Quantity	Description	Amount	Non-Recurring
	-----	-----	-----	-----
		Reduction in the		
		examiner training program	(\$100,000)	(\$100,000)
		Issue Total	(\$100,000)	(\$100,000)

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TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	1.00-	1.00-	996,375-	996,375-
SALARY RATE.....	37,297-	37,297-		2000
	=====	=====	=====	=====

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: FINANCIAL SVCS COMM					43900000
OFFICE OF FINANCIAL REG					43900500
FINANCIAL INVESTIGATIONS					43900540
PUBLIC PROTECTION					12
REGULATION AND LICENSING					1204.00.00.00
PROGRAM REDUCTIONS					33V0000
REDUCE POSITIONS(S) - OFFICE OF					
FINANCIAL REGULATION - FINANCIAL					
INVESTIGATIONS					33V0520
SALARY RATE					000000
SALARY RATE.....	148,445-	148,445-			
	=====	=====			
SALARIES AND BENEFITS					010000
ADMINISTRATIVE TRUST FUND -STATE	4.00- 232,766-	4.00- 232,766-			2021 1
	=====	=====			
EXPENSES					040000
ADMINISTRATIVE TRUST FUND -STATE	7,200-	7,200-			2021 1
	=====	=====			
TOTAL: REDUCE POSITIONS(S) - OFFICE OF					33V0520
FINANCIAL REGULATION - FINANCIAL					
INVESTIGATIONS					
TOTAL POSITIONS.....	4.00-	4.00-			
TOTAL ISSUE.....	239,966-	239,966-			
TOTAL SALARY RATE.....	148,445-	148,445-			
	=====	=====			

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Bureau of Financial Investigations  
 43900540

Issue Title: Reduction of Four Financial Investigators

Priority #19

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

Goal #1: Improving tax payer value;

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
	SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1	
	REDC 20-21		NR FY20-21		ANZ FY20-21	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
FINANCIAL INVESTIGATIONS						43900540
PUBLIC PROTECTION						12
REGULATION AND LICENSING						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE POSITIONS(S) - OFFICE OF						
FINANCIAL REGULATION - FINANCIAL						
INVESTIGATIONS						33V0520

Goal #3: Promoting a safe and sound marketplace;

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts criminal investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the OFR. A reduction in four Financial Investigators would reduce recurring program costs totaling by \$239,822. The Bureau currently has 45 FTEs. In the 2012 GAA, the Bureau's budget was reduced by 34% (from \$4,564,720 to \$3,013,227) and its FTEs were cut by 43% (from 63 to 36). The reduction of four investigators would critically impact the Bureau's ability to combat investment fraud due to the reduction in resources. The reduction of 4 FTEs could decrease the number of investigations completed and the number of perpetrators sent to prison. Most of the Bureau's resources are used to combat investment fraud. Retirees and senior citizen are commonly targeted by financial conmen because they have large nest eggs. It is estimated that over 20% of Florida citizens are over age 65. However, the Bureau would continue to prioritize its resources such that it focuses on cases that pose the highest risks to Florida citizens including cases involving egregious conduct, on-going harm and/or those cases that are broader in scope in terms of the number of vicitms and the dollar amounts involved.

Ultimate Outcome: The reduction of four Financial Investigators would critically impact and reduce the Bureau's ability to combat investment fraud and unlicensed activity due to the reduction in resources.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
(2)	Reduce FICE, PG 025 \$63,375 each Salaries and Benefits	(\$126,750)	(\$126,750)
(2)	Reduce FI, PG 021 \$53,008 each Salaries and Benefits	(\$106,016)	(\$106,016)
	Total Salaries and Benefits	(\$232,766)	(\$232,766)
(4)	Reduce Expenses \$1,800 each	(\$7,200)	(\$7,200)
	Issue Total	(\$239,966)	(\$239,966)

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COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
FINANCIAL INVESTIGATIONS						43900540
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE POSITIONS(S) - OFFICE OF						
FINANCIAL REGULATION - FINANCIAL						
INVESTIGATIONS						33V0520

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	4.00-	148,445-		84,321-	232,766-	0.00	232,766-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							232,766-
	4.00-	148,445-		84,321-	232,766-		232,766-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	4.00-	148,445-		84,321-	232,766-	0.00	232,766-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							232,766-
	4.00-	148,445-		84,321-	232,766-		232,766-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
FINANCIAL INVESTIGATIONS				43900540
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSE - OFFICE OF				
FINANCIAL REGULATION - FINANCIAL				
INVESTIGATIONS				33V0530
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	105,000-	105,000-		2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PROPOSED 8.5% REDUCTIONS FOR FY 2020-2021

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Bureau of Financial Investigations  
 43900540

Issue Title: Reduction of Expense Allocation

Priority #3

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

- Goal #1: Improving tax payer value;
- Goal #3: Promoting a safe and sound marketplace;

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the OFR. The Bureau proposes a \$105,000 reduction to Expenses. While the Expense category reverted 45.4% of its allocation in FY 19/20, the additional funding is necessary to allow immediate reaction to emergent issues. This reduction would have a minimal impact to its investigations.

Ultimate Outcome: The reduction of expense funding will reduce funds available for staff training, lessen the bureau's ability to equip it's computer forensics lab and hinder the bureau's ability to pay for subpoenaed records and investigator travel. However, the Bureau would continue to prioritize its resources and apply them to areas that pose the highest risks to Florida citizens.

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>FINANCIAL INVESTIGATIONS</u>						43900540
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE EXPENSE - OFFICE OF						
FINANCIAL REGULATION - FINANCIAL						
INVESTIGATIONS						33V0530

Expenses:	Quantity	Description	Amount	Non-Recurring
		Reduce Expenses	(\$105,000)	(\$105,000)
		Issue Total	(\$105,000)	(\$105,000)

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TOTAL: REGULATION AND LICENSING						<u>1204.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....	4.00-	344,966-	4.00-	344,966-		2000
SALARY RATE.....	148,445-		148,445-			
	=====		=====			

<u>EXEC DIR &amp; SUPPORT SERVICE</u>						43900550
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE OTHER PERSONAL SERVICES						
(OPS) APPROPRIATION - OFFICE OF						
FINANCIAL REGULATION - EXECUTIVE						
DIRECTION AND SUPPORT SERVICES						33V0640
OTHER PERSONAL SERVICES						030000
ADMINISTRATIVE TRUST FUND -STATE	140,000-		140,000-			2021 1
	=====		=====			

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PROPOSED 8.5% REDUCTION EXERCISE FOR FY 2020-21

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>EXEC DIR &amp; SUPPORT SERVICE</u>						43900550
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE OTHER PERSONAL SERVICES						
(OPS) APPROPRIATION - OFFICE OF						
FINANCIAL REGULATION - EXECUTIVE						
DIRECTION AND SUPPORT SERVICES						33V0640

\*\*KEY REC\*\*439005501204XXXXXXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Executive Direction and Support Services  
 43900550

Issue Title: Reduction of Executive Direction's Other Personal Services

Priority #15

Reference to Long-Range Program Plan: This request will impact the Office's ability to reach the following goals:

- GOAL #1: Improving taxpayer value
- GOAL #2: Delivering value to businesses
- GOAL #3: Promoting a safe and sound financial marketplace
- GOAL #4: Improving customer service

Issue Description/Need: Following an 18.5% FTE reduction for OFR in FY 2012-13, Executive Direction was given \$150,000 in Other Personal Services to allow flexibility for unforeseen circumstances arising in Executive Direction and throughout the OFR. In FY 2013-14, an additional \$100,000 was moved from Safety and Soundness of State Banking System funding to Executive Direction's OPS funding to be used when peak workloads are encountered in OFR that the current staffing levels are not able to handle. Additionally, almost all data related to the OFR's licensees and their examinations is stored in the Regulatory Enforcement and Licensing (REAL) System. If an issue arises with REAL, OPS allocation must be available for unanticipated expenses associated with peak period maintenance or the need to hire temporary workers to bring the REAL system back online. Should REAL not work, the OFR will not be able to perform its statutorily mandated regulatory and enforcement duties without access to this data. Reducing the Executive Direction's OPS budget allocation by \$140,000 will leave Executive Direction with an annual allocation of \$111,917 and that will not give Executive Direction the flexibility to handle normal OPS hires, temporary personnel hires associated with emergent issues.

Ultimate Outcome: This reduction will moderately impact Executive Direction. Reducing the Other Personal Services budget allocation by \$140,000, may not give OFR's Executive Direction the flexibility to handle the normal OPS workloads, peak workloads, or emergent issues as they arise in OFR, Executive Direction.

Detail of Costs:



	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>EXEC DIR &amp; SUPPORT SERVICE</u>				43900550
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE OTHER PERSONAL SERVICES				
(OPS) APPROPRIATION - OFFICE OF				
FINANCIAL REGULATION - EXECUTIVE				
DIRECTION AND SUPPORT SERVICES				33V0640

OPS:	Quantity	Description	Amount	Non-Recurring
	-----	-----	-----	-----
		Reduce OPS Allocation	(\$140,000)	(\$140,000)
		Issue Total	(\$140,000)	(\$140,000)

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REDUCE CONTRACTED SERVICES  
 APPROPRIATION - OFFICE OF FINANCIAL  
 REGULATION - EXECUTIVE DIRECTION  
 AND SUPPORT SERVICES 33V0650  
 SPECIAL CATEGORIES 100000  
 CONTRACTED SERVICES 100777

ADMINISTRATIVE TRUST FUND -STATE 25,000- 25,000- 2021 1  
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO

PROPOSED 8.5% REDUCTION FOR FY 2020-21

\*\*KEY REC\*\*439005501204XXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Executive Direction and Support Services  
 43900550

Issue Title: Reduction of Executive Direction's Contracted Services Category Allocation

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
	SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1	
	REDUC 20-21		NR FY20-21		ANZ FY20-21	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>EXEC DIR &amp; SUPPORT SERVICE</u>						43900550
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE CONTRACTED SERVICES						
APPROPRIATION - OFFICE OF FINANCIAL						
REGULATION - EXECUTIVE DIRECTION						
AND SUPPORT SERVICES						33V0650

Priority #13

Reference to Long-Range Program Plan: This request will impact the Office's ability to reach the following goals:

- GOAL #1: Improving taxpayer value
- GOAL #2: Delivering value to businesses
- GOAL #3: Promoting a safe and sound financial marketplace
- GOAL #4: Improving customer service

Issue Description/Need: Following an 18.5% reduction in FTE for OFR in FY 2012-13, Executive Direction was given additional funding in Contracted Services to allow for flexibility for unforeseen circumstances arising in Executive Direction and throughout the OFR. Executive Direction was provided an additional \$50,000 in the Contracted Services category in the 2013 GAA to be used to hire contractors when peak workloads are encountered in OFR that the current staffing levels are not able to handle. Additionally, almost all data related to the OFR's licensees and their examinations is stored in the Regulatory Enforcement and Licensing (REAL) System. If an issue arises with REAL, the Contracted Services allocation must be available to cover any peak period maintenance costs or to hire temporary contracted workers to bring the REAL system back online. Should REAL not work, the OFR will not be able to perform its statutorily mandated regulatory and enforcement duties without access to this information. Reducing the Executive Direction's Contracted Services allocation by \$25,000 will leave Executive Direction with an annual allocation of \$36,048, which will not give Executive Direction the flexibility to handle emergent issues as they arise nor the capability to handle any peak period emergencies with REAL, effectively shutting down the OFR.

Ultimate Outcome: This reduction will moderately impact Executive Direction. Reducing the Contracted Service allocation by \$25,000, may not give OFR's Executive Direction the flexibility to hire contractors to handle the peak workloads or emergent issues as they arise in OFR, Executive Direction.

Detail of Costs:

Expenses:	Description	Amount	Non-Recurring
Quantity	-----	-----	-----
	Reduce Contracted Services Allocation	(\$25,000)	(\$25,000)

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>EXEC DIR &amp; SUPPORT SERVICE</u>						43900550
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE CONTRACTED SERVICES						
APPROPRIATION - OFFICE OF FINANCIAL						
REGULATION - EXECUTIVE DIRECTION						
AND SUPPORT SERVICES						33V0650

Issue Total (\$25,000) (\$25,000)

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REDUCE EXPENSES APPROPRIATION						
- OFFICE OF FINANCIAL REGULATION -						
EXECUTIVE DIRECTION AND SUPPORT						
SERVICES						33V0660
EXPENSES						040000

ADMINISTRATIVE TRUST FUND -STATE	160,000-	160,000-				2021 1
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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTION FOR FY 2020-21

\*\*KEY REC\*\*439005501204XXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Executive Direction and Support Services  
 43900550

Issue Title: Reduction of Executive Direction's Expense Category Allocation

Priority #12

Reference to Long-Range Program Plan: This request will impact the Office's ability to reach the following goals:

- GOAL #1: Improving taxpayer value
- GOAL #2: Delivering value to businesses
- GOAL #3: Promoting a safe and sound financial marketplace
- GOAL #4: Improving customer service

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>EXEC DIR &amp; SUPPORT SERVICE</u>				43900550
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSES APPROPRIATION				
- OFFICE OF FINANCIAL REGULATION -				
EXECUTIVE DIRECTION AND SUPPORT				
SERVICES				33V0660

Issue Description/Need: Following an 18.5% reduction in FTE for OFR in FY 2012-13, Executive Direction was given additional funding in Expenses to allow flexibility for unforeseen circumstances arising in Executive Direction and throughout the OFR. Executive Direction has approximately \$275,000 in additional funding in the Expense category to pay for unanticipated expenses, such as the need to hire OPS or contractors during peak workloads or emergency situations that the current staffing levels are not able to handle. Additionally, almost all data related to the OFR's licensees and their examinations is stored in the Regulatory Enforcement and Licensing (REAL) System. If an issue arises with REAL, Expense allocation must be available for unanticipated expenses associated with peak period maintenance or the need to hire temporary contracted workers to bring the REAL system back online. Should REAL not work, the OFR will not be able to perform its statutorily mandated regulatory and enforcement duties without access to this data. Reducing the Executive Direction's Expense allocation by \$160,000 will leave Executive Direction with an annual allocation of \$255,548. This may not give Executive Direction the flexibility to handle emergent issues as they arise nor the capability to handle any peak period emergencies.

Ultimate Outcome: This reduction will moderately impact Executive Direction. Reducing the Expense allocation by \$160,000, may not give OFR's Executive Direction the flexibility to pay for contractors' expenses to handle the peak workloads or emergent issues as they arise in OFR, Executive Direction.

Detail of Costs:

Expenses:	Quantity	Description	Amount	Non-Recurring
	-----	-----	-----	-----
		Reduce Expenses Allocation	(\$160,000)	(\$160,000)
		Issue Total	(\$160,000)	(\$160,000)

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TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	325,000-	325,000-		2000
	=====	=====	=====	

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCE REGULATION</u>				43900560
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES IN				
FINANCE REGULATION				33V0310
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
REGULATORY TRUST FUND	-STATE	50,000-	50,000-	
				2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005601204XXXXXXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance  
 43900560 502573002

Issue Title: Contracted Services Reduction in Consumer Finance Recurring Program Costs

Priority #1

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:  
 Goal #1: Excellence in all OFR does;  
 Goal #2: Enforce compliance with state laws related to the financial industry;  
 Goal #3: Examine regulated companies and individuals; and  
 Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Contracted Services allocation. The division implemented a new fee netting process that allows Bank of America to collect credit card service fees on behalf of the division and use them to offset costs for accepting credit card payments online. This new program began in September 2015.

Impact: This division experienced a cost savings of approximately \$50,000 during FY 2019-20. The impact is minimal.

Ultimate Outcome: The fee netting process createa an annual cost savings to the division of approximately \$50,000. The Contracted Service Funds normally used to cover the costs for credit card services fees, would not be required. This cost savings would allow a portion of Contracted Services funding to be reduced from recurring program costs.

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCE REGULATION</u>				43900560
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES IN				
FINANCE REGULATION				33V0310

Detail of Costs:

Contracted  
 Services:

Quantity	Description	Amount	Non-Recurring
	Contracted Services	(\$50,000)	(\$50,000)
	Issue Total	(\$50,000)	(\$50,000)

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REDUCE EXPENSES BUDGET AUTHORITY IN  
 FINANCE REGULATION  
 EXPENSES

33V0370  
 040000

REGULATORY TRUST FUND -STATE 328,587- 328,587-

2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005601204XXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance  
 43900560 502573002

Issue Title: Expense reduction in Consumer Finance Recurring Program Costs

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCE REGULATION</u>				43900560
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSES BUDGET AUTHORITY IN				
FINANCE REGULATION				33V0370

Priority #11

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry;
- Goal #3: Examine regulated companies and individuals; and
- Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Expense allocation.

Impact: The Division is charged with examining six (6) different financial services industries in order to determine compliance with Florida laws and rules. The examinations also further the agency's mission to protect citizens and promote a safe and sound financial marketplace. Reducing funding in this category would moderately impair the Division's ability to conduct examinations of financial services companies under the Division's regulatory responsibilities. The division is required to conduct in-state and out-of-state examinations of money services businesses including payday lenders under Chapter 560, Florida Statutes, on a mandated five (5) year cycle. This reduction could moderately impact the division's ability to comply with the mandated examination cycle resulting in little to no examinations being conducted in the other five (5) industries where an exam is not mandated. This could leave the division without the resources to handle unforeseen circumstances or trends and prevent it from protecting consumers.

Ultimate Outcome: Reducing Expense funds by \$328,587 from recurring program costs would moderately impair the division's ability to travel and perform examinations to ensure compliance with Florida laws as well as handle any unforeseen circumstances or emergent issues. Overall, these limitations would reduce the division's ability to protect the consumers it serves and comply with statutorily mandated examinations.

Detail of Costs:

Expenses:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Reduce Expenses	(\$328,587)	(\$328,587)

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
	SCH VIIIIB-1		SCH VIIIIB-1		SCH VIIIIB-1	
	REDUC 20-21		NR FY20-21		ANZ FY20-21	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
FINANCE REGULATION						43900560
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE EXPENSES BUDGET AUTHORITY IN						
FINANCE REGULATION						33V0370

Issue Total (\$328,587) (\$328,587)

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REDUCE APPROPRIATION IN THE						
DEFERRED PRESENTMENT PROVIDER						
DATABASE CONTRACT CATEGORY						33V0540
SPECIAL CATEGORIES						100000
DEFER PRESENTMENT CONTRACT						100513
REGULATORY TRUST FUND	-STATE	150,000-	150,000-			2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005601204XXXXXXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance  
 43900560 502573002

Issue Title: Deferred Presentment Program (DPP) Database Reduction in Consumer Finance Recurring Program Costs

Priority #4

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

Goal #1: Excellence in all OFR does;

Goal #2: Enforce compliance with state laws related to the financial industry;

Goal #3: Examine regulated companies and individuals; and

Goal #4: Register or chartered institutions, companies and individuals.



	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCE REGULATION</u>				43900560
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE APPROPRIATION IN THE				
DEFERRED PRESENTMENT PROVIDER				
DATABASE CONTRACT CATEGORY				33V0540

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its DPP Database allocation. The division is statutorily mandated to maintain a common database with real-time access through an Internet connection for deferred presentment providers. The database is accessible to the office and the deferred presentment providers to verify a consumer's eligibility to obtain a deferred presentment transaction by determining whether or not a consumer has an outstanding deferred presentment transaction. There is a \$1.00 fee imposed per transaction for data that must be submitted by a deferred presentment provider. Payments to the vendor for use and support of the DPP database are based on a contractual agreement for payment based on a tiered pricing scale, which averaged \$0.35 per transaction for FY 2019-20.

Impact: This reduction would have a minimal impact. The Division projects an unstable market for deferred presentment transactions (A.K.A. payday loans) for the next fiscal year. The Consumer Financial Protection Bureau adopted new rules in the small dollar lending industry that could impact traditional payday loan volume by imposing criteria such as ability to repay and other conditions. The rules are currently set to be implemented in August 2019. Furthermore, Senate Bill 920 (effective July 1, 2019) was passed during the 2018 legislature which created an installment payday loan transaction for a term of 60 to 90 days. It is anticipated that the volume of installment payday loans could offset a portion of the traditional single payment payday loans. The uncertainty of this market and the potential need for changes to the deferred presentment provider database create considerable risk when contemplating a reduction of funds in this category. Reducing funds in this category may limit the division's ability to properly make contractual payments to vendor, Veritec Solutions, Inc.

Ultimate Outcome: Reducing DPP Database funds by \$150,000 in this category would have a minimal impact on the division's ability to properly make contractual payments to vendor, Veritec Solutions, Inc.

Detail of Costs:

Deferred  
 Presentment  
 Database:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	DPP Database	(\$150,000)	(\$150,000)

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
FINANCE REGULATION				43900560
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE APPROPRIATION IN THE				
DEFERRED PRESENTMENT PROVIDER				
DATABASE CONTRACT CATEGORY				33V0540

Issue Total (\$150,000) (\$150,000)

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REDUCE OTHER PERSONAL SERVICES				
(OPS) - OFFICE OF FINANCIAL				
REGULATION - FINANCE				33V0560
OTHER PERSONAL SERVICES				030000
REGULATORY TRUST FUND -STATE	154,000-	154,000-		2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005601204XXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance  
 43900560 502573002

Issue Title: Reduce OPS Recurring Program Costs

Priority #2

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry;
- Goal #3: Examine regulated companies and individuals; and
- Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCE REGULATION</u>				43900560
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE OTHER PERSONAL SERVICES				
(OPS) - OFFICE OF FINANCIAL				
REGULATION - FINANCE				33V0560

its OPS allocation. On July 1, 2012 the division's total FTE's were reduced from 120 to 87. OPS funding was increased to assist in handling any emergent issues or unforeseen circumstances that would require hiring temporary staff.

Impact: Reducing funding in this category would have a minimal impact on the division's ability to hire additional OPS staff to quickly react to emergent issues or unforeseen circumstances and may impair the division's ability to protect the consumers this division serves.

Ultimate Outcome: Reducing OPS funds by \$154,000 from recurring program costs would have a minimal impact on the division's ability to hire additional OPS staff to quickly react to emergent issues or unforeseen circumstances that may occur.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Reduce OPS	(\$154,000)	(\$154,000)

Issue Total (\$154,000) (\$154,000)

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REDUCE POSITIONS FOR ENFORCEMENT -				
OFFICE OF FINANCIAL REGULATION -				
FINANCE REGULATION				33V0670
SALARY RATE				000000
SALARY RATE.....	186,485-	186,485-		
	=====	=====	=====	

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: FINANCIAL SVCS COMM					43900000
OFFICE OF FINANCIAL REG					43900500
FINANCE REGULATION					43900560
PUBLIC PROTECTION					12
REGULATION AND LICENSING					1204.00.00.00
PROGRAM REDUCTIONS					33V0000
REDUCE POSITIONS FOR ENFORCEMENT -					
OFFICE OF FINANCIAL REGULATION -					
FINANCE REGULATION					33V0670
SALARIES AND BENEFITS					010000
REGULATORY TRUST FUND	5.00-	5.00-			
-STATE	292,050-	292,050-			2573 1
EXPENSES					040000
REGULATORY TRUST FUND	9,000-	9,000-			
-STATE					2573 1
TOTAL: REDUCE POSITIONS FOR ENFORCEMENT -					33V0670
OFFICE OF FINANCIAL REGULATION -					
FINANCE REGULATION					
TOTAL POSITIONS.....	5.00-	5.00-			
TOTAL ISSUE.....	301,050-	301,050-			
TOTAL SALARY RATE.....	186,485-	186,485-			

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

\*\*KEY REC\*\*439005601204XXXXXXXXXXXXX (Completed by Budget Office)

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance  
 43900560 502573002

Issue Title: Eliminating five (5) Examiners in the Division's Bureau of Enforcement

Priority #17

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

Goal #1: Excellence in all OFR does;

Goal #2: Enforce compliance with state laws related to the financial industry;

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCE REGULATION</u>				43900560
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE POSITIONS FOR ENFORCEMENT -				
OFFICE OF FINANCIAL REGULATION -				
FINANCE REGULATION				33V0670

Goal #3: Examine regulated companies and individuals; and  
 Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes the reduction of five (5) Examiner positions in the Bureau of Enforcement which includes three (3) examiners in the consumer complaint unit.

Impact: By eliminating three (3) Examiner positions in consumer complaints, PG 023, the division would discontinue the servicing of approximately 1,900 priority complaints. The division would no longer provide individual assistance to consumers. Consumers would only receive an acknowledgement of their complaint and OFR would not attempt to resolve their concerns. This would impair the division's ability to protect the consumers it serves. In addition, these reductions would reduce the amount of funds recovered by the Complaint Unit. Consequently, the division would only receive, record, and categorize incoming complaints for statistical purposes.

In addition, the office would need to seek changes to Part VI of Chapter 559, Florida Statutes, to repeal a mandate to investigate consumer collection agency complaints.

The reduction of two (2) examiners in the Bureau of Enforcement would impair the Division's ability to fulfill the agency's mission to protect the public. The division is charged with conducting examinations under six (6) different statutes including Chapter 494 (Mortgage Brokering and Lending), Chapter 516 (Consumer Finance Companies), Chapter 520 (Retail Installment Sellers), Chapter 537 (Title Loan Lenders), Chapter 559, Part IV (Consumer Collections), and Chapter 560 (Money Services Businesses including payday lending), Florida Statutes. The Division is mandated to conduct Money Services Business examinations once every five (5) years whereas examinations for the other chapters are conducted based on risk. The Division has also been increasing its examination efforts in the mortgage and consumer collections industries given the greater risk to consumers for improper or illegal activities.

Examinations are a vital means for the state to ensure that businesses treat consumers fairly, operate in a compliant manner, and are held accountable for improper or illegal activity. Examinations allow the division to seek remedies for violative behavior such as denial, revocation, or suspension of a license, an administrative fine, or injunctive relief such as appointing a receiver. Reducing two (2) examiners in the Bureau of Enforcement would moderately reduce the ability for the division to conduct examinations in these statutes and have an impact the division's ability to meet statutory mandates.

Ultimate Outcome: Deleting five (5) examiner positions in the Bureau of Enforcement would critically impact the division's ability to assist consumers. Consumer complaints would only be recorded for statistical purposes and the division would cease consumer complaint resolution activities. Furthermore, deleting positions dedicated to examinations in the Bureau of Enforcement would moderately impact and impair the division's ability to conduct examinations to ensure compliance with Florida laws for all the industries under its jurisdiction and impact its ability to meet statutory

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
FINANCE REGULATION				43900560
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
PROGRAM REDUCTIONS				33V0000
REDUCE POSITIONS FOR ENFORCEMENT -				
OFFICE OF FINANCIAL REGULATION -				
FINANCE REGULATION				33V0670

mandates. Overall, these limitations would critically impede the division's ability to protect the consumers it serves and leave Floridians vulnerable to either unlicensed or licensed businesses that violate Florida laws.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
(5)	Reduce FEA II, PG 023 \$58,410 each Salaries and Benefits	(\$292,050)	(\$292,050)
(5)	Reduce Expenses \$1,800 each	(\$9,000)	(\$9,000)
	Issue Total	(\$301,050)	(\$301,050)

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	5.00-	186,485-		105,565-	292,050-	0.00	292,050-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							292,050-
	5.00-	186,485-		105,565-	292,050-		292,050-

=====

	COL A91	COL A92	COL A93		
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1		
	REDUC 20-21	NR FY20-21	ANZ FY20-21		
POS	AMOUNT	POS	AMOUNT	POS	
				AMOUNT	
				CODES	
FINANCIAL SERVICES					43000000
PGM: FINANCIAL SVCS COMM					43900000
OFFICE OF FINANCIAL REG					43900500
FINANCE REGULATION					43900560
PUBLIC PROTECTION					12
REGULATION AND LICENSING					<u>1204.00.00.00</u>
PROGRAM REDUCTIONS					33V0000
REDUCE POSITIONS FOR ENFORCEMENT -					
OFFICE OF FINANCIAL REGULATION -					
FINANCE REGULATION					33V0670

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A92 - SCH VIIIIB-1 NR FY20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	5.00-	186,485-		105,565-	292,050-	0.00	292,050-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							292,050-
	5.00-	186,485-		105,565-	292,050-		292,050-

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TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	5.00-	983,637-	5.00-	983,637-			2000
SALARY RATE.....	186,485-		186,485-				
=====			=====				

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SECURITIES REGULATION</u>				43900570
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE CONTRACTED SERVICES BUDGET				
AUTHORITY IN SECURITIES REGULATION				33V0350
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
REGULATORY TRUST FUND	-STATE	280,266-	280,266-	2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities  
 43900570 502573005

Issue Title: Decrease Contracted Services Allocation in the Regulatory Trust Fund

Priority #9

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry; and
- Goal #3: Examine regulated companies and individuals.

Issue Description/Need: Reduction of the Division's contracted services fund that provides necessary operational resources to support items including, but not limited to, court reporters, subpoena and research services, and legal contract services, would have a moderate impact on the Division's operating budget with a reduction in the amount of \$280,266. The Bureau of Enforcement is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (Act). Securities examinations are commonly broad in scope, complex and time-consuming. To address the complexity of these examinations, the Bureau of Enforcement may utilize the Regulatory Trust fund to pay for these specialized services. The Division of Securities generally goes first to the Anti-Fraud Trust fund to cover these services. But, due to limited budget in this area, the Division finds it necessary to maintain sufficient budget in the Regulatory Trust fund to ensure adequate resources are available to support the complexity of these examinations. Contractors utilized in these cases provide assistance during the examination process by providing technical assistance and investigative guidance. This assistance has become particularly valuable in a world of increasingly complex financial products. The use of outside experts and contracted services strengthens the ability of the Bureau of Enforcement by providing expertise, knowledge and experience that are beyond the skill set of the



COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PGM: FINANCIAL SVCS COMM						43000000
OFFICE OF FINANCIAL REG						43900000
SECURITIES REGULATION						43900500
PUBLIC PROTECTION						43900570
REGULATION AND LICENSING						12
PROGRAM REDUCTIONS						<u>1204.00.00.00</u>
REDUCE CONTRACTED SERVICES BUDGET						33V0000
AUTHORITY IN SECURITIES REGULATION						33V0350

examiners. Having adequate funding in contracted services is critical to the operations of the Division of Securities and its ability to bring enforcement actions against those who violate the law. A reduction in the amount of \$280,266 would have a moderate impact on the Division's operations.

Ultimate Outcome: A decrease in the appropriation for contracted services moderately lessens the Office's enforcement ability to handle unforeseen circumstances and emergent situations. Consumer protections, restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

Detail of Costs:

Contracted Services:	Quantity	Description	Amount	Non-Recurring
	-----	-----	-----	-----
		Contracted Services	(\$280,266)	(\$280,266)
		Issue Total	(\$280,266)	(\$280,266)

\*\*\*\*\*

REDUCE OTHER PERSONAL SERVICES						
(OPS) - OFFICE OF FINANCIAL						
REGULATION - SECURITIES REGULATION						33V0580
OTHER PERSONAL SERVICES						030000
ANTI-FRAUD TRUST FUND	-STATE	15,000-	15,000-			2038 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO  
 PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>SECURITIES REGULATION</u>						43900570
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE OTHER PERSONAL SERVICES						
(OPS) - OFFICE OF FINANCIAL						
REGULATION - SECURITIES REGULATION						33V0580

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities  
 43900570 502038001

Issue Title: Reducing OPS Allocation in the Anti-Fraud Fund

Priority #7

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

Goal #1: Excellence in all OFR does;

Goal #2: Enforce compliance with state laws related to the financial industry; and

Goal #3: Examine regulated companies and individuals.

Issue Description/Need: Reduction of the Division's OPS funding that provides necessary operational resources to support the Bureau of Enforcement including the review and reconciliation of investment advisers' financial statements and other documentation vital to securities examinations would have a moderate impact on the Division's ability to hire additional OPS staff. The Bureau of Enforcement is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (Act). Securities examinations are commonly broad in scope, complex and time-consuming. To address the complexity of these examinations, the Bureau of Enforcement utilizes the OPS staff for these specialized services. Due to the large volume of data being reviewed as part of the examination review, OPS funding is vital in order to effectively and efficiently complete the required exams of both registered individuals and firms in the fiscal year as well as assist in handling any unexpected events that would require hiring additional OPS staff.

Ultimate Outcome: Reducing OPS funds by \$15,000 from recurring program costs would moderately restrict the division's ability to hire additional OPS staff to handle any unforeseen circumstances that may occur. Overall, this limitation could ultimately limit the division's ability to protect the public it serves.

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
----------	-------------	--------	---------------

COL A91		COL A92		COL A93		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
SECURITIES REGULATION						43900570
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE OTHER PERSONAL SERVICES						
(OPS) - OFFICE OF FINANCIAL						
REGULATION - SECURITIES REGULATION						33V0580

Reduce OPS Funding	(\$15,000)	(\$15,000)
--------------------	------------	------------

Issue Total	(\$15,000)	(\$15,000)
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REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - SECURITIES SALARY RATE						33V0590 000000
--	--	--	--	--	--	-------------------

SALARY RATE.....	196,057-	196,057-				
	=====	=====				

SALARIES AND BENEFITS						010000
REGULATORY TRUST FUND -STATE	5.00- 303,311-	5.00- 303,311-				2573 1
	=====	=====				

EXPENSES						040000
REGULATORY TRUST FUND -STATE	9,000-	9,000-				2573 1
	=====	=====				

TOTAL: REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - SECURITIES						33V0590
TOTAL POSITIONS.....	5.00-	5.00-				
TOTAL ISSUE.....	312,311-	312,311-				
TOTAL SALARY RATE.....	196,057-	196,057-				
	=====	=====				

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-1 NARRATIVE: PROPOSED 8.5% REDUCTIONS FOR FY 2020-21  
 IT COMPONENT? NO

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>SECURITIES REGULATION</u>						43900570
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE POSITION(S) - OFFICE OF						
FINANCIAL REGULATION - SECURITIES						33V0590

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities  
 43900570 502573005

Issue Title: Eliminating five (5) FTEs within the Division of Securities

Priority #18

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry; and
- Goal #3: Examine Regulated companies and individuals.
- Goal #4: Register companies and individuals.

Issue Description/Need: The loss of five FTE positions in the Bureau of Enforcement, Bureau of Registration and the Division's legal unit would hamper the Division of Securities' ability to protect the public. The public will be more vulnerable to fraudulent and unlawful conduct and schemes by unscrupulous firms and individuals. The division's Bureau of Enforcement protects Florida's citizens by handling consumer complaints, conducting examinations and investigations to detect violations before they result in investor harm, and bringing enforcement actions to stop the unlawful conduct and penalize the violators. Remedies include denial, revocation, or suspension of a registration, a civil or administrative fine or penalty, and injunctive remedies such as freezing assets or appointment of a receiver.

The Division's legal unit provides legal advice and counsel, and processes the administrative actions necessary to enforce Chapter 517, Florida Statutes, and the promulgated Florida Administrative Code rules. The loss of staffing would result in significant adverse harm to the Division's ability to carry out this element of our mission. Florida citizens would be negatively impacted by fewer cases enforced and longer times to bring enforcement actions. With fewer enforcement cases being brought, resulting in violative action continuing in the marketplace, Florida citizens will remain vulnerable to these actions.

The Bureau of Registration ensures that only applicants who meet the registration requirements and who do not have serious disciplinary history are allowed to conduct business in Florida. Through its substantive review process, regulatory staff acts to prevent firms and individuals who are threats to the public from being registered to do business in Florida. Registration with the Office is required prior to conducting business in Florida. Delay in approval of applications prevents qualified applicants from beginning work and earning a living.

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
<u>SECURITIES REGULATION</u>						43900570
PUBLIC PROTECTION						12
<u>REGULATION AND LICENSING</u>						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE POSITION(S) - OFFICE OF						
FINANCIAL REGULATION - SECURITIES						33V0590

Ultimate Outcome: Eliminating five FTE positions would critically impact the division's ability to promote growth in the securities industry, conduct examinations, investigations, and to bring enforcement actions to protect investors from unlawful activity and fraudulent schemes by unscrupulous firms and individuals.

Detail of Costs:

Salaries and Benefits:

Position	Title and Pay Grade	Amount	Non-Recurring
(2)	Financial Examiner/Analyst II PG 023 \$58,410 each	(\$116,820)	(\$116,820)
(1)	Financial Specialist PG 025	(\$62,242)	(\$62,242)
(1)	Senior Attorney PG 230	(\$72,764)	(\$72,764)
(1)	Financial Examiner/Analyst I PG 020	(\$51,485)	(\$51,485)
	Salary and Benefits Total	(\$303,311)	(\$301,311)
(5)	Expense 4 \$1,800 each	(\$9,000)	(\$9,000)
	Issue Total	(\$312,311)	(\$312,311)

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COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1 REDUC 20-21 POS	AMOUNT	SCH VIIIIB-1 NR FY20-21 POS	AMOUNT	SCH VIIIIB-1 ANZ FY20-21 POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
SECURITIES REGULATION						43900570
PUBLIC PROTECTION						12
REGULATION AND LICENSING						1204.00.00.00
PROGRAM REDUCTIONS						33V0000
REDUCE POSITION(S) - OFFICE OF						
FINANCIAL REGULATION - SECURITIES						33V0590

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A91 - SCH VIIIIB-1 REDUC 20-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	5.00-	196,057-		107,254-	303,311-	0.00	303,311-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							303,311-
	5.00-	196,057-		107,254-	303,311-		303,311-

A92 - SCH VIIIIB-1 NR FY20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	5.00-	196,057-		107,254-	303,311-	0.00	303,311-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							303,311-
	5.00-	196,057-		107,254-	303,311-		303,311-

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	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDUC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SECURITIES REGULATION</u>				43900570
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSE - OFFICE OF				
FINANCIAL REGULATION - SECURITIES				33V0600
EXPENSES				040000
ANTI-FRAUD TRUST FUND				
-STATE	29,206-	29,206-		2038 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities  
 43900570 502038001

Issue Title: Reduction in Expense Recurring Program Costs in the Anti-Fraud Fund

Priority #8

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry;
- Goal #3: Examine regulated companies and individuals; and
- Goal #4: Register companies and individuals.

Issue Description/Need: The Division proposes reduction of the Expense category which includes rent, travel and training. This would have a moderate impact on the Division's operating budget with a reduction in the amount of \$29,206. Chapter 517, Florida Statutes, requires that the Division of Securities examine the books and records of each registered entity and individual to determine compliance with this act. As the sole regulator of state registered investment advisory firms with up to \$100 million in assets under management, the Bureau of Enforcement ("Enforcement") has undertaken an initiative to examine all registered investment advisory firms on a seven year cycle while still conducting regular examinations of registered broker dealer firms, their branch office locations and associated persons. During the preceding two fiscal years, the Bureau of Enforcement has experienced staff turnover. Enforcement must have well-trained examiners that can identify and assess matters involving significant complexity. The Bureau of Enforcement has a need to compress the amount of time it takes to fully train an examiner and must continue to have the resources to provide for staff training and development. Adequate resources to provide for staff training and travel are essential to the Division fulfilling this responsibility. The Bureau of Registration processes applications of individuals, companies

	COL A91	COL A92	COL A93	
	SCH VIIIIB-1	SCH VIIIIB-1	SCH VIIIIB-1	
	REDC 20-21	NR FY20-21	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SECURITIES REGULATION</u>				43900570
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM REDUCTIONS				33V0000
REDUCE EXPENSE - OFFICE OF				
FINANCIAL REGULATION - SECURITIES				33V0600

and branches to promote growth in the securities industry. Chapter 517, Florida Statutes, requires applications to be processed in a timely manner. The Bureau of Registration must have well-trained analysts to process applications and ensure compliance with Chapter 517, Florida Statutes.

Ultimate Outcome: A decrease in the appropriation for expenses moderately affects the Office's enforcement ability by hindering staff training and staff travel to examine registered entities and individuals. A decrease in the appropriation for expenses moderately hinders the Bureau of Registration's ability to have the resources for well-trained analysts and ensure applications are processed in a timely manner to promote growth in the securities industry. Consumer protections, restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

Detail of Costs:

Expenses:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Reduce Expenses	(\$29,206)	(\$29,206)
	Issue Total	(\$29,206)	(\$29,206)

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REDUCE CONTRACTED SERVICES - OFFICE				
OF FINANCIAL REGULATION -				
SECURITIES				33V0610
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777

ANTI-FRAUD TRUST FUND	-STATE	50,000-	50,000-	2038	1
=====					



COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						
PGM: FINANCIAL SVCS COMM						43000000
OFFICE OF FINANCIAL REG						43900000
SECURITIES REGULATION						43900500
PUBLIC PROTECTION						43900570
REGULATION AND LICENSING						12
PROGRAM REDUCTIONS						<u>1204.00.00.00</u>
REDUCE CONTRACTED SERVICES - OFFICE						33V0000
OF FINANCIAL REGULATION -						
SECURITIES						33V0610

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PROPOSED 8.5% REDUCTIONS FOR FY 2020-21

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities  
 43900570 502038001

Issue Title: Reduce Contracted Services Allocation in the Anti-Fraud Fund

Priority #5

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

Goal #1: Excellence in all OFR does;

Goal #2: Enforce compliance with state laws related to the financial industry; and

Goal #3: Examine regulated companies and individuals.

Issue Description/Need: Reduction of the Division's contracted services fund that provides necessary operational resources to support items including but not limited to, court reporters, subpoena and research services, and legal contract services, would have a moderate impact on the Division's operating budget with a reduction in the amount of \$50,000. The Bureau of Enforcement is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (Act). Securities examinations are commonly broad in scope, complex and time-consuming. To address the complexity of these examinations, the Bureau of Enforcement may utilize the Regulatory Trust fund to pay for these specialized services. The Division of Securities generally goes first to the Anti-Fraud Trust fund to cover these services. But, due to limited budget in this area, the Division finds it necessary to maintain sufficient budget in the Regulatory Trust fund to ensure adequate resources are available to support the complexity of these examinations. Contractors utilized in these cases provide assistance during the examination process by providing technical assistance and investigative guidance. This assistance has become particularly valuable in a world of increasingly complex financial products. The use of outside experts and contracted services strengthens the ability of the Bureau of Enforcement by providing expertise, knowledge and experience that are beyond the skill set of the examiner. Having adequate funding in contracted services is critical to the operations of the Division of Securities and its ability to bring enforcement actions against those who violate the law. A reduction in the amount of \$50,000 would have a moderate impact on the Division's operations.

COL A91		COL A92		COL A93		CODES
SCH VIIIIB-1	REDC 20-21	SCH VIIIIB-1	NR FY20-21	SCH VIIIIB-1	ANZ FY20-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PGM: FINANCIAL SVCS COMM						43900000
OFFICE OF FINANCIAL REG						43900500
SECURITIES REGULATION						43900570
PUBLIC PROTECTION						12
REGULATION AND LICENSING						<u>1204.00.00.00</u>
PROGRAM REDUCTIONS						33V0000
REDUCE CONTRACTED SERVICES - OFFICE						
OF FINANCIAL REGULATION -						
SECURITIES						33V0610

Ultimate Outcome: A decrease in the appropriation for contracted services moderately lessens the Office's enforcement ability to handle unforeseen circumstances and emergent situations. Consumer protections, restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
	Contracted Services	(\$50,000)	(\$50,000)

Issue Total (\$50,000) (\$50,000)

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TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	5.00-	686,783-	5.00-	686,783-
SALARY RATE.....	196,057-		196,057-	2000
	=====	=====	=====	=====

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* BPEADL01                                STATISTICAL INFORMATION                                10/14/2020 17:34:20 *
* BUDGET PERIOD: 2008-2022                EXHIBIT A, D AND D-3A LIST REQUEST                TJM 43      SP      *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                                PAGE:      1      *
*****
*                                     SAVE INITIALS:                SAVE DEPARTMENT: 07      SAVE ID: S8B1
* -----
* SELECT CODES AND ACCUMULATION LEVELS WHERE ALLOWED.  WHEN NO CODE IS SELECTED, ALL CODES WILL BE REPORTED.
* ITEMIZATION OF EXPENDITURE:                IOE ACCUMULATION LEVEL: 0 (1=OPER/FCO, 2=IOE, 0=MERGED)
* MERGE GROUPS (Y/N): Y
* BUDGET ENTITY OR GROUP/ACCUMULATION LEVEL (DEP, DIV, BUR, SUB, LBE, MRG):
*   1-7:                LBE
*   8-14:
*   15-21:
*   22-27:
* EXCLUDE:
*
* PROGRAM COMPONENT/ACCUMULATION LEVEL (1, 2, 3, 4 OR 5 FOR 2, 4, 6, 8 OR 10 DIGITS, 6=MERGE POLICY, 0=MERGED):
*   5
*
* APPROPRIATION CATEGORY OR GROUP/ACCUMULATION LEVEL (1=MAJOR, 2=MINOR, 0=MERGED):
*   2
*
* FUND GROUPS SET:                OR FUND:                FUNDING SOURCE IDENTIFIER:                MERGE FSI (Y/N): N
* FCO (Y/N): Y                FTE (Y/N): Y                SALARY RATE (Y/N): Y
* -----
* ISSUE CODE OR GROUP/ACCUMULATION LEVEL (1, 2 OR 3 FOR 1, 3 OR 7 CHARACTERS, 0=MERGED):
*   3
*
* REPORT OPTION: 1                COLUMN SELECTION: A91                A92                A93                CODES
* 1=EAD REPORT
* 2=SCHEDULE IV/IT ISSUES                REPORT COLUMNS WITH CALCULATION DIFFERENCE ONLY (Y/N): N  THAT EXCEED:
* 3=STATEWIDE ISSUES
* 4=SCHEDULE VIIIA ISSUES
* SCHEDULE VIIIA ISSUES SPREADSHEET (Y/N): N
*
* LEVELS OF TOTALS: (N=NO TOTAL, L=LINE TOTAL, T=BY FUND TYPE, D=BY DETAIL FUND, B=BY DETAIL FUND AND FUND TYPE,
* G=FUND GROUP LINE TOTALS, E=BY DETAIL FUND AND FUND GROUP)
* RUN: N                ITEM OF EXP: N                GROUP: N                DEPARTMENT: N                DIVISION: N                BUREAU: N
* SUB-BUREAU: N                LBE: T                POLICY AREA: N                PROG COMP: T                D3A SUM ISSUE: N                D3A DETAIL ISSUE: L
* MAJOR APP CAT: N                MINOR APP CAT: D
*
* APPROPRIATION CATEGORY TITLES: S (S=SHORT, L=LONG)                REPORT SEQUENCE: DEPT/BUDGET ENTITY: N  A=ALPHABETICAL
*                                     PROGRAM COMPONENT: N  N=NUMERICAL
* -----
* DEPARTMENT NARRATIVE SET:
* BUDGET ENTITY NARRATIVE SET:                PROGRAM COMPONENT NARRATIVE (Y/N): N
*
* ISSUE/ACTIVITY NARRATIVE SET: A4                PRIORITY ISSUE NARRATIVE SET (1-9):
*
* INCLUDE POSITION DATA (Y/N): Y
*
* INCLUDE COLUMN CODES (Y/N): Y
*
* OUTPUT FORMAT: L                PAGE BREAKS:
* L=LANDSCAPE                (IOE, GRP, DEP, DIV,                REPORT HEADING:                SCHEDULE VIIIB-1
* P=PORTRAIT                BUR, SUB, LBE, PRC,                PRIORITY LISTING FOR POSSIBLE REDUCTION
*                                     SIS, ISC)                FOR CURRENT YEAR
* -----

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* BPEADL01                               STATISTICAL INFORMATION                10/14/2020 17:34:20 *
* BUDGET PERIOD: 2008-2022                EXHIBIT A, D AND D-3A LIST REQUEST          TJM 43      SP    *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                    PAGE:      2    *
*****
*
* TOTAL RECORDS READ FROM SORT:           185
* TOTAL RECORDS READ FROM CARD:           43
* TOTAL PAF RECORDS READ:                 86
* TOTAL OAF RECORDS READ:                 10
* TOTAL IEF RECORDS READ:                 0
* TOTAL BGF RECORDS READ:                 0
* TOTAL BEF RECORDS READ:                 59
* TOTAL PCF RECORDS READ:                 54
* TOTAL ICF RECORDS READ:                 110
* TOTAL INF RECORDS READ:                 2,343
* TOTAL ACF RECORDS READ:                 22
* TOTAL FCF RECORDS READ:                 12
* TOTAL FSF RECORDS READ:                 10
* TOTAL PCN RECORDS READ:                 0
* TOTAL BEN RECORDS READ:                 0
* TOTAL DPC RECORDS READ:                 172
* TOTAL RECORDS IN ERROR:                 0
*
*****
* BUDGET ENTITIES SELECTED:
*   1-9: 43
*  10-18:
*  19-27:
*
*****

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