

T H E C A B I N E T
S T A T E O F F L O R I D A

Representing:

FINANCIAL SERVICES COMMISSION, OFFICE OF
FINANCIAL REGULATION

BOARD OF TRUSTEES, INTERNAL IMPROVEMENT TRUST FUND

STATE BOARD OF ADMINISTRATION

The above agencies came to be heard before
THE FLORIDA CABINET, Honorable Governor Crist
presiding, in the Cabinet Meeting Room, LL-03,
The Capitol, Tallahassee, Florida, on Tuesday,
October 13, 2009, commencing at 9:05 a.m.

Reported by:
JO LANGSTON
Registered Professional Reporter

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APPEARANCES:

Representing the Florida Cabinet:

CHARLIE CRIST
Governor

CHARLES H. BRONSON
Commissioner of Agriculture

BILL McCOLLUM
Attorney General

ALEX SINK
Chief Financial Officer

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P R O C E E D I N G S

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(Agenda Items Commenced at 9:45 a.m.)

GOVERNOR CRIST: Financial Services Commission, Office of Financial Regulation, Tom Cardwell. Good morning, Tom.

MR. CARDWELL: Good morning, Governor Crist, Attorney General McCollum, CFO Sink, Commissioner Bronson. We have two items before you this morning. The first is the request for the approval of the minutes of August 11th, 2009, and August 25th, 2009.

CFO SINK: Move it.

COMMISSIONER BRONSON: Second.

GOVERNOR CRIST: Moved and seconded. Show the minutes approved without objection.

MR. CARDWELL: Thank you. The second item is a request for approval of a notice for rules. The rule is 69W-600.0021. In the last legislative session, it was passed and the Governor signed into law a salutary bill doing further regulation for those who are registered for selling brokerage services.

The statute bars registration of persons who have been convicted or pled guilty to crimes and

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1 sets time limits for their being able to get back
2 into the industry. In order to implement that, the
3 Office of Financial Regulation has promulgated rules
4 for the guidance -- or a notice of proposed rules
5 for the guidance of those in the industry, and for
6 that we request approval today.

7 ATTORNEY GENERAL McCOLLUM: I move Item 2.

8 COMMISSIONER BRONSON: Second.

9 GOVERNOR CRIST: Moved and seconded. Show it
10 approved without objection. Thank you very much.

11 MR. CARDWELL: Thank you.

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1 GOVERNOR CRIST: Board of Trustees, Secretary
2 Mike Sole. Good morning, Mike.

3 MR. SOLE: Governor, Cabinet members, good
4 morning. Item Number 1 is submittal of the minutes
5 of the August 25th, 2009, Cabinet meeting.

6 GOVERNOR CRIST: Is there a motion on the
7 minutes?

8 ATTORNEY GENERAL MCCOLLUM: I move it.

9 COMMISSIONER BRONSON: Second.

10 GOVERNOR CRIST: Moved and seconded. Show the
11 minutes approved without objection.

12 MR. SOLE: Thank you. Item Number 2, this item
13 was deferred from the September 29th Cabinet
14 meeting. And it's a request from Hall of Fame
15 Associates in Broward County for an after-the-fact
16 modification to a 25-year sovereignty submerged land
17 lease. This is an existing marina facility. It's
18 open to the public. It currently has 43 slips.

19 The basis for the modification was an expansion
20 of the preempted area. This application is being
21 brought before the Cabinet in light of the fact that
22 the preemption is greater than ten percent and was
23 identified as a result of noncompliance.

24 This noncompliance was discovered in 2006.
25 Subsequently, in 2008, we entered into a temporary

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1 use agreement with Hall of Fame Associates and are
2 bringing this item forward for your consideration.
3 As part of the TUA, Governor and Cabinet, the
4 Department did identify a value associated with what
5 we call lease fees in arrears. But because Hall of
6 Fame Associates' six percent supplemental payment to
7 the trustees far exceeds that amount, basically
8 there was not a -- basically the State of Florida
9 was compensated in accordance with the existing
10 preempted area.

11 The State did collect \$2,500 in administrative
12 fees. And as part of this item, the Department is
13 recommending a \$2,500 additional penalty for this
14 facility. Unfortunately, this is the maximum amount
15 of fine that the Department can assess as a result
16 of existing rules in 18-14. However, pursuant to
17 that rule, the Cabinet can also provide supplemental
18 penalties. And the Department is also recommending
19 that the Cabinet provide an additional \$14,221
20 penalty in association with their noncompliance.

21 So this item is broken down into two requests.
22 The first request is authorizing the modification to
23 allow the expansion of the preempted area, some
24 31,500 square feet. And it includes our \$2,500
25 maximum penalty that we can assess. The second item

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1 is requesting the Board of Trustees to consider an
2 additional \$14,221 additional penalty.

3 CFO SINK: Governor?

4 GOVERNOR CRIST: Any questions? Yes, CFO.

5 CFO SINK: I just do want to make a comment and
6 thank you, Mike, and your staff for working on this
7 particular arrangement because, as you know, I'm
8 concerned about leveling the playing field between
9 people who are violators and those who are following
10 the law.

11 And I feel that this proposal represents a fair
12 approach to enable the marina to continue operating,
13 of course, which is important, but at the same time
14 recognizing that there have been violations for
15 years in the past. And it seems to me that -- I'm
16 also pleased that you have had the idea to require
17 the owners to sign a statement of compliance every
18 year as well as to submit photographs.

19 Since we don't have the resources necessarily
20 to send human beings out to check every one of these
21 leases, the suggestion to have them submit
22 photographs so that we can compare whether or not it
23 appears that there may be some infractions or
24 violations is a good, practical solution.

25 So I move the resolution, or both -- the

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1 combined resolutions, Governor.

2 GOVERNOR CRIST: Very good.

3 ATTORNEY GENERAL McCOLLUM: Second.

4 GOVERNOR CRIST: Moved and seconded. Show it
5 approved without objection. Thank you for your good
6 work, Secretary.

7 MR. SOLE: Yes, sir.

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1 GOVERNOR CRIST: State Board of Administration,
2 Ash.

3 MR. WILLIAMS: Good morning, Governor,
4 Trustees.

5 GOVERNOR CRIST: Good morning.

6 MR. WILLIAMS: Item 1 is the minutes. We'd
7 like to defer the minutes, if we could, and clarify
8 them. Just want to make sure they're exactly right.

9 GOVERNOR CRIST: Is there a motion to defer the
10 minutes?

11 CFO SINK: I move it.

12 ATTORNEY GENERAL McCOLLUM: Second.

13 GOVERNOR CRIST: Moved and seconded. Show the
14 minutes deferred without objection.

15 MR. WILLIAMS: Thank you. Item 2 is a request
16 to file for notice proposed amendments to five rules
17 for the Florida Retirement System's Investment Plan.
18 These are essentially technical in nature and
19 largely increase web-based access for plan
20 participants.

21 They also take better advantage of the skill
22 set of our new service provider, Hewitt Associates,
23 which by the way is based in Orlando.

24 ATTORNEY GENERAL McCOLLUM: So move Item 2.

25 CFO SINK: Second.

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1 GOVERNOR CRIST: Moved and seconded. Show it
2 approved without objection. Thank you, Ash.

3 MR. WILLIAMS: Thank you.

4 GOVERNOR CRIST: Our work here is done.

5 (Whereupon, the meeting was concluded at 9:55
6 a.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

Reporter,

counsel

I, Jo Langston, Registered Professional

do hereby certify that the foregoing pages 4 through 11,
both inclusive, comprise a true and correct transcript of
the proceeding; that said proceeding was taken by me
stenographically and transcribed by me as it now appears;
that I am not a relative or employee or attorney or
of the parties, or a relative or employee of such attorney
or counsel, nor am I interested in this proceeding or its
outcome.

IN WITNESS WHEREOF, I have hereunto set my hand
this 29th day of October 2009.

JO LANGSTON
Registered Professional Reporter

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