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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:

OFFICE OF FINANCIAL REGULATION

DEPARTMENT OF REVENUE

BOARD OF TRUSTEES

The above agencies came to be heard before
THE FLORIDA CABINET, the Honorable Governor Scott
presiding, in the Flagler Room of Ponce de Leon
Hall at Flagler College, 74 King Street,
St. Augustine, Florida, on Tuesday, April 2, 2013,
commencing at 9:04 a.m.

Reported by:

MARY GRAYBOSCH
Registered Professional Reporter
Certified Realtime Reporter
Notary Public

1 APPEARANCES:

2 Representing the Florida Cabinet:

3 RICK SCOTT
Governor

4 PAM BONDI
5 Attorney General

6 JEFF ATWATER
Chief Financial Officer

7 ADAM PUTNAM
8 Commissioner of Agriculture

9

10 SPEAKERS:

11 Commissioner Drew Breakspear, Office of Financial
Regulation

12 Interim Executive Director Marshall Stranburg,
Department of Revenue

13 Secretary Herschel Vinyard, Board of Trustees

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1 P R O C E E D I N G S

2 (The agenda items commenced at 10:19 a.m.)

3 GOVERNOR SCOTT: All right. Now I'd like to
4 recognize Drew Breakspear, Commissioner of the
5 Office of Financial Regulations, to present his
6 agenda.

7 Good morning.

8 MR. BREAKSPEAR: Good morning, Governor
9 Scott, Attorney General Bondi, CFO Atwater and
10 Commissioner Putnam.

11 I have a few short items here. The first is
12 the office respectfully requests approval of the
13 minutes of the September 18th and October 9th
14 meetings of the governor and cabinet acting as
15 financial services commission.

16 GOVERNOR SCOTT: Is there a motion to
17 approve?

18 ATTORNEY GENERAL BONDI: So moved.

19 GOVERNOR SCOTT: Is there a second?

20 COMMISSIONER PUTNAM: Second.

21 GOVERNOR SCOTT: Any comments or objections?

22 (No audible response.)

23 GOVERNOR SCOTT: Hearing none, the motion
24 carries.

25 MR. BREAKSPEAR: Secondly, we have -- request

1 final adoption of amendment to Rule 69B-160.034.

2 This amendment clarifies that the office may
3 rely on licensees' general history of unpaid
4 liens, judgments, repossessions, foreclosures and
5 bankruptcies to demonstrate the business -- the
6 licensee does not show financial -- does show
7 financial responsibility.

8 GOVERNOR SCOTT: All right. Is there a
9 motion to approve?

10 CHIEF FINANCIAL OFFICER ATWATER: So moved.

11 GOVERNOR SCOTT: Is there a second?

12 ATTORNEY GENERAL BONDI: Second.

13 GOVERNOR SCOTT: Any comments or objections?

14 (No audible response.)

15 GOVERNOR SCOTT: Hearing none, the motion
16 carries.

17 MR. BREAKSPEAR: Our third item on the
18 agenda, we would actually -- we'd like to withdraw
19 that.

20 GOVERNOR SCOTT: All right. Is there a
21 motion to withdraw?

22 ATTORNEY GENERAL BONDI: So moved.

23 GOVERNOR SCOTT: Is there a second?

24 CHIEF FINANCIAL OFFICER ATWATER: Second.

25 GOVERNOR SCOTT: Any comments or objections?

1 (No audible response.)

2 GOVERNOR SCOTT: Hearing none, the motion
3 carries.

4 MR. BREAKSPEAR: Thank you.

5 GOVERNOR SCOTT: Thanks for being here.

6 Next I'd like to recognize Marshall
7 Stranburg, Interim Executive Director of the
8 Department of Revenue.

9 Good morning, Marshall.

10 MR. STRANBURG: Good morning, Governor,
11 General Bondi, CFO Atwater and Commissioner
12 Putnam.

13 Our first agenda item is we respectfully
14 request approval of the minutes of the
15 December 11, 2012, meeting.

16 GOVERNOR SCOTT: Is there a motion to
17 approve?

18 ATTORNEY GENERAL BONDI: So moved.

19 GOVERNOR SCOTT: Is there a second?

20 CHIEF FINANCIAL OFFICER ATWATER: Second.

21 GOVERNOR SCOTT: Any comments or objections?

22 (No audible response.)

23 GOVERNOR SCOTT: Hearing none, the motion
24 carries.

25 MR. STRANBURG: Thank you. Our second item

1 is, again, we respectfully request adoption of and
2 final approval to file and certify with the
3 Secretary of State under Chapter 120 Florida
4 Statutes, 39 rules identified during the 2011
5 comprehensive rule review as unnecessary or
6 obsolete.

7 These are rules in our general tax program
8 and our child-support-enforcement program.

9 GOVERNOR SCOTT: Is there a motion to
10 approve?

11 ATTORNEY GENERAL BONDI: So moved.

12 GOVERNOR SCOTT: Is there a second?

13 CHIEF FINANCIAL OFFICER ATWATER: Second.

14 GOVERNOR SCOTT: Any comments or objections?

15 (No audible response.)

16 GOVERNOR SCOTT: Hearing none, the motion
17 carries.

18 MR. STRANBURG: Thank you. Our third item is
19 we respectfully request adoption and approval to
20 file and certify with the Secretary of State under
21 Chapter 120 Florida Statutes rules that were
22 identified during our 2011 comprehensive rule
23 review as needing to be updated, clarified or
24 revised to remove outdated provisions.

25 Most of these were as a result of the

1 previous item when we repealed rules and needed to
2 correct rules to eliminate cross-references,
3 update cross-references, things of that nature.

4 These, again, are on our
5 child-support-enforcement program and our general
6 tax administration program.

7 GOVERNOR SCOTT: Is there a motion to
8 approve?

9 ATTORNEY GENERAL BONDI: So moved.

10 GOVERNOR SCOTT: Is there a second?

11 CHIEF FINANCIAL OFFICER ATWATER: Second.

12 GOVERNOR SCOTT: Any comments or objections?

13 (No audible response.)

14 GOVERNOR SCOTT: Hearing none, the motion
15 carries.

16 MR. STRANBURG: Thank you. And our fourth
17 item that we respectfully request approval to --
18 and authority to publish a notice of proposed rule
19 to the Florida Administrative Register concerning
20 the clarification of documentary stamp tax and
21 bankruptcy proceedings.

22 GOVERNOR SCOTT: Is there a motion to
23 approve?

24 CHIEF FINANCIAL OFFICER ATWATER: So move --

25 ATTORNEY GENERAL BONDI: So moved.

1 CHIEF FINANCIAL OFFICER ATWATER: Second.

2 GOVERNOR SCOTT: Any comments or objections?

3 (No audible response.)

4 GOVERNOR SCOTT: Hearing none, the motion
5 carries.

6 MR. STRANBURG: Thank you. I -- I'd like to
7 take now a couple minutes to give you a brief
8 update on some things we've had going on at the
9 Department of Revenue and also to -- to further go
10 on with what exactly Jesse Panuccio was pointing
11 out to show the success that the state has been
12 having through the -- over the last few years as
13 we've been creating more jobs and increasing
14 our -- from our perspective, our tax revenues.

15 The first slide we have up here -- and let me
16 see if I can get that to pop up. Well, we went a
17 little too far.

18 Yeah. Chris, if you -- thank you. If you go
19 forward, our first slide shows our sales-tax
20 collections.

21 And I think, as most of you already realize,
22 sales tax is the lifeblood of a general revenue
23 stream.

24 It's approximately 70 percent -- 73 percent
25 of our general revenue stream. As you can see,

1 over the last few years and what we project
2 through the rest of this year, we've had some very
3 solid growth, about 5- to 6-percent growth in
4 sales-tax receipts.

5 And the thing, I think, that's important to
6 point out with respect to this growth and the
7 growth we're going to talk about in the next few
8 slides is it's a result of economic activity.

9 It's not a result of us broadening our tax
10 base. It's not a result of us increasing our tax
11 rate as you've seen in some other states.

12 We've stayed the course. We've done the
13 right thing, and we're finding now that --

14 GOVERNOR SCOTT: No new taxes.

15 MR. STRANBURG: -- the -- no new taxes -- are
16 working for us.

17 We are -- we are growing. Our economy is
18 increasing.

19 And -- and I think we need to thank you all
20 for the leadership that you've shown on this issue
21 that -- that proves that it is working for us.

22 Now, this next slide shows our
23 documentary-stamp-tax collections. Documentary
24 stamp tax is collected in two major areas.

25 One is on real-estate transfers and the

1 second area then is on the value of notes,
2 mortgages, things of that nature.

3 Again, you can see things are increasing.
4 Things are going up.

5 No increase in the tax rate. No increase in
6 what we're taxing.

7 This is showing us that, yes, we are coming
8 out of our housing slump. Things are getting
9 better. People are purchasing houses.

10 There is credit available for people who
11 either buy a house or, for those who need to
12 refinance their house, money is becoming available
13 to refinance.

14 So, again, we want to show you things --
15 things are progressing upward there.

16 And -- and our next slide also reflects that,
17 as well. It's the mortgage intangible
18 collections.

19 And, again, this is on mortgages, notes,
20 things of that nature. And, again, you see an
21 increase in that activity.

22 And it's really been going up in the last --
23 last year and a half. So we're very optimistic,
24 again, that this is showing that our -- our
25 housing market is coming back and is starting to

1 recover.

2 I'm going to move on now to -- to talk about
3 some -- some things we're doing in our
4 child-support program.

5 If you flip to the next slide, Christian, it
6 shows what we're really focusing on here. And
7 some of the things that I'm going to be talking
8 about are some key factors.

9 One is our customers' expectation in the
10 child-support program that they get quick access.
11 They get electronic access to information and
12 assistance from the Department of Revenue.

13 GOVERNOR SCOTT: Drew [verbatim], what
14 percentage of child-support payments come through
15 the department? Do you know the percentage?

16 MR. STRANBURG: Well, almost all
17 child-support payments come through us through our
18 partners, the clerk of the courts.

19 So even if the -- if a case is not
20 technically one of our cases, our partner, the
21 clerk of the courts, are receiving those payments.

22 There -- there's only a very small number of
23 payments that I would characterize as private
24 payments where one parent is paying another parent
25 that doesn't either flow through our system or the

1 clerks' system.

2 GOVERNOR SCOTT: I don't think most people
3 realize that.

4 MR. STRANBURG: The second thing we're
5 looking at is we're trying to improve the
6 efficiency of our walk-in services.

7 We have a number of our customers who will
8 come to our service centers and who want to find
9 out information about their cases.

10 And we're looking at ways to create more
11 efficient use of our -- not only our space, but
12 also our time and our resources.

13 We're also looking at producing a number of
14 options for our customers to utilize. We're
15 looking at, as I talked about previously,
16 achieving cost savings in what we do.

17 And last, but certainly not least, we're
18 looking at ways of reducing the burdens on our
19 businesses who are partnered with us -- and I'll
20 talk about this a little bit later -- a
21 significant partner with us in collecting child
22 support.

23 Our next slide is -- shows you what we have
24 done to change our walk-in service and delivery
25 model. We are reconfiguring our service centers.

1 You can see up in the upper left-hand corner,
2 the before model was a very old traditional model
3 where you have a waiting area and then our
4 customers would go off to individual interview
5 rooms.

6 We've started reconfiguring some of our
7 larger service centers to -- to increase the
8 efficiency by having it be a walk-up counter
9 model, similar to what you see in banks,
10 historically.

11 GOVERNOR SCOTT: Marshall, are you doing --
12 are you doing private companies? Are they doing
13 this also, places like Amscot and places like
14 that? Do they --

15 MR. STRANBURG: Yeah. I think that's what
16 we're seeing. That's really who we -- we kind of
17 stole this idea from.

18 It's what a lot of private companies are
19 doing. Again, it's getting people in quicker.
20 It's getting them to -- to a service counter
21 faster.

22 It's allowing us also to better utilize our
23 space because we're not having to have individual
24 interview rooms where people have to go to.

25 And what we're finding is we're decreasing

1 our wait times in our service centers from 47
2 minutes to approximately 18 minutes.

3 And we're doing this, again, by reducing the
4 amount of space we have, so we're saving the state
5 money by being able to reduce our -- the space
6 we're utilizing already from -- from some of the
7 private landlords where we have leases.

8 We've now got this model in place in
9 Orlando, Tampa and Crestview.

10 And over this next year, we're going to
11 be expanding to Jacksonville, Clearwater,
12 Port Richey, Cocoa and Fort Lauderdale.

13 So we're very excited about that, and folks
14 are really pleased with -- with the ability to
15 quickly serve our customers.

16 And, also, we're really pleased that we're
17 able to get them serviced quicker and also show
18 some savings to the state by reducing our lease
19 costs.

20 The next thing that we have done is we
21 started a pilot project from a federal grant that
22 we received from the Department of Health and
23 Human Services Office of Child Support
24 Enforcement, our federal partners, to do a
25 web-chat program.

1 And what we were able to do with our web-chat
2 program is when our child-support customers have a
3 question, if they want to know when am I going to
4 be -- if they're a custodial parent, when am I
5 going to be receiving a payment; if they are a
6 payor, has my payment reached my account; has it
7 made it to my -- my child yet.

8 Instead of either having to pick up the phone
9 and call us or having to come in to one of our
10 service centers, they can go on line and have a
11 web chat with one of our agents.

12 We're finding, again, that that is a much
13 more popular way that our society is moving to
14 have information transmitted.

15 And what we also have found is it's much more
16 effective for our service personnel to engage in
17 web chats rather than phone conversations.

18 They can engage in -- in about eight chats
19 per hour, whereas if they were picking up and
20 answering the phone, they could only answer about
21 six phone calls per hour.

22 So we're also -- we're able to decrease our
23 customer-service wait time. Instead of having to
24 wait approximately, on average, about 15 to 20
25 minutes to talk with someone, once they engage in

1 the web chat, they're getting a response within
2 three minutes.

3 COMMISSIONER PUTNAM: People are waiting 20
4 minutes?

5 MR. STRANBURG: Unfortunately, that's what
6 they'd have to do a lot of times. We try to
7 convert them to self-service options if possible,
8 but if they actually want to physically talk to
9 someone, the volume of calls we receive and the
10 number of call agents we have, we find that,
11 unfortunately, sometimes they have to wait upwards
12 of 15 minutes before they can actually talk.

13 COMMISSIONER PUTNAM: What's the trend on
14 that?

15 MR. STRANBURG: The trend, oh, definitely
16 downward. And -- and you can see it's downward
17 'cause, again, we're trying to push more people to
18 some of these self-service options that I'll be
19 talking about in the next slide through the web
20 chats.

21 Also, if they want to come in to our offices,
22 they can come in and talk with us face to face
23 and, again, decrease that wait time.

24 COMMISSIONER PUTNAM: How does that compare
25 to other states?

1 MR. STRANBURG: I -- I think we are -- we are
2 lower than -- from some of our partner states,
3 what we benchmark ourselves against, but, again,
4 it's a matter of we're trying to get more people
5 to realize now it's going to be much more
6 efficient, much more effective.

7 And everybody now, you know, as all of us
8 know, your phone -- your phone is such a
9 tremendous computing device.

10 We're trying to get more people to understand
11 that instead of using that as the phone to call
12 us, you can use that as a tool to either chat with
13 us, as a tool to access your -- your account
14 information, do it that way.

15 I think, as we find more people who we
16 encourage to do that and start doing that, you're
17 going to see our phone times go down, as well,
18 even more than what they have gone down in the
19 past few years.

20 I kind of got ahead of myself talking about
21 our next slide, which talks about our e-services.

22 Again, what we are doing is we are
23 encouraging our folks to access an e-services
24 portal where they can go in and it's a secure
25 system. It's a password and user identification

1 system where they can go in and find out
2 information about their account.

3 They can find out when that payment has been
4 made, when they will be receiving that support
5 payment that's been made to them; if they are a
6 payor, if they've got a delinquency, what their
7 delinquency amount may be.

8 We right now have about 180,000 of our
9 customers that utilize our e-services model. It's
10 an increasing model.

11 We had in February about 10,000 new customers
12 signed up for it. So, Commissioner Putnam, you
13 can see we're trying to get more people to get
14 their information this way.

15 And more people are willing to get their
16 information about their accounts through our
17 e-services portal rather than picking up the phone
18 and calling us on the phone.

19 We also have -- in our service centers, we
20 also have terminals available for those folks who,
21 if they come into a service center and they want
22 to look up the information rather than talk to an
23 agent, if they might not have the ability to
24 access through -- if they have -- if they don't
25 have a phone that allows them to access the

1 Internet, they can come to the service center and
2 do it at a service center rather than having to
3 go -- if they want to go to a library or one of
4 the public places.

5 They can feel more secure doing that at a
6 Department of Revenue site than elsewhere.

7 The next slide talks about some things that
8 we are doing for our employers that we partner
9 with.

10 We collected approximately 1.6 billion
11 dollars worth of child support last year. And of
12 that, you can see, an overwhelming majority of it,
13 968 million, was sent to us by employers through
14 income-deduction orders, income-withholding
15 orders, things of that nature.

16 So what we're do -- looking to do is to try
17 to make the -- those businesses that are our
18 partners have an easier interaction with us.

19 And one of the things that we've done, if you
20 want to flip to the next slide, please, Christian,
21 is we've done what we call EWIO, which is
22 electronic income withholding order program.

23 And this is a program that we've partnered
24 with the federal government to have a format that
25 is a nationwide format so that all businesses can

1 do that with all child-support-enforcement
2 agencies in all the states to submit and have --
3 have the state submit to them, in an electronic
4 format, information about withholding orders that
5 they need to withhold amounts from their employees
6 to pay child support.

7 I think you can see, from the quote we have
8 up there, one company that, when we put up our --
9 started our program and they started to
10 participate in it, they were very happy to -- to
11 do that because prior to having it being done
12 electronically, this was a paper-generating
13 process whereby we would have to send them
14 something in the mail, they would have to then
15 take the time to input all that information into
16 their system.

17 It's coming to them now electronically, if
18 they so wish, popping into their systems. And
19 they can do those -- those deductions
20 automatically, have them start right away.

21 So we're very positive about this. We're
22 looking at adding more and more people every day.
23 And we're looking, as the slide indicates, to have
24 almost 450 companies on board with us in the next
25 couple months.

1 The last thing I want to talk about is the
2 employer services web site that we are going to be
3 bringing up in the next -- probably a little bit
4 later this month.

5 And, again, what we're looking to do is to
6 make it easier for businesses to interact with us.

7 As -- as I talked about, we do have a lot of
8 interaction with businesses.

9 When they hire someone, if they have a
10 support obligation, we want to make sure that we
11 know about that so that we're -- the proper amount
12 of support can be paid so that the child receives
13 it timely.

14 And one of the ways in which we do that is to
15 interact with them and have them provide us their
16 new employee information electronically.

17 We can then get back to them and let them
18 know, hey, this is what you need to do as far as
19 withholding, deductions, things of that nature.

20 If an employee leaves a particular company,
21 we know, okay, we no longer need to expect a
22 payment coming in from you.

23 So, again, we're trying to make it much more
24 easier for businesses to do things electronically.

25 It's much -- as you know, it's much more

1 efficient and much more cost-effective to do it
2 electronically than to do it by paper.

3 So we're working on things to try to make it
4 much more easier, much more efficient and -- and,
5 again, be responsive to businesses as they partner
6 with us to collect child support.

7 GOVERNOR SCOTT: All right, Marshall. Thank
8 you very much.

9 Anybody have any questions?

10 MR. STRANBURG: Did you want me to give you
11 just you a brief update on our one-stop --

12 GOVERNOR SCOTT: Absolutely.

13 MR. STRANBURG: -- the project where I'm at?

14 I think, as most of you know, we discovered,
15 in looking at what businesses had to do in order
16 to register in the State of Florida, they had many
17 different places they had to go.

18 They might have to do a registration with the
19 Department of Revenue, with the Department of
20 Business and Professional Regulation, and it was a
21 very fragmented process.

22 It really was hard for businesses to know
23 what they needed to do, who they needed to do it
24 with, and they were having to enter the same
25 information over and over and over again.

1 Really, it was not a very efficient and
2 business-friendly process for folks who were
3 coming to the State of Florida.

4 So we got tasked last year in the legislative
5 session with being the lead agency in spearheading
6 an effort that we'd already been working on with
7 some of our sister agencies and with the
8 leadership of some of your folks, as well, to
9 create a one-stop business portal.

10 And what we're looking to do is we're looking
11 to ease governmental burdens on businesses to
12 improve government efficiency and create an
13 environment for economic growth in Florida by
14 making the registration system very simple and
15 very easy for businesses here.

16 So we were given a 3-million-dollar
17 appropriation last year to have something up and
18 running by January 1, 2013.

19 Well, right after the point in time we got
20 that money, we got that legislation passed, we
21 realized -- and it's easy for me to stand here and
22 say now -- January 1 of 2013 really wasn't a
23 realistic goal for getting something up and
24 running, I think for a couple reasons.

25 One was we were going to have to get a vendor

1 to assist us in doing that, and we wanted to make
2 sure that we did what we needed to do to make sure
3 that that procurement was done correctly, that we
4 got the best deal for the state and that we have
5 the necessary information from all of our sister
6 agencies to know what our vendor was going to need
7 to do.

8 And then, secondly, we also looked at it from
9 a point of view -- we could have put up something
10 by January 1 of 2013, but it wouldn't have been a
11 very robust system.

12 And we looked at it from a perspective of --
13 it's just like building any kind of building. We
14 wanted to build a good solid foundation in -- in
15 building this portal that we could grow on 'cause
16 we see this as something that not only is a
17 benefit for new businesses, but we think it could
18 serve a lot of other existing businesses in the
19 state.

20 We can expand it to where we can push and
21 pull information from businesses.

22 So we wanted to be sure we're building this
23 correctly, we're building it the right way, and so
24 we realized that we needed to maybe take a step
25 back and do it right rather than rush something

1 out there.

2 So what we've done is we've put together a
3 phased approach in building this. We have -- we
4 have our core initial agencies that we've been
5 working with on this project:

6 Business and professional -- Department of
7 Business and Professional Regulation, Department
8 of Lottery, Department of Management Services,
9 Department of Lottery, and we have been working
10 with them over -- over the last year to get up and
11 running the one-stop portal.

12 In December of last year, we entered into a
13 contract with E-Government Solutions to be the
14 vendor to assist us in building the portal.

15 And we're very excited about that. We
16 started work on it in January. Again, I want to
17 thank those agencies that have been partnering
18 with us, Business and Professional Regulation,
19 Lottery, Department of State, Department of
20 Management Services.

21 And we're also starting to reach out. We've
22 reached out to some of the folks in your office,
23 CFO Atwater, about -- about getting information to
24 your office on workers'-comp area.

25 And we're going to be reaching out to

1 Executive Director Panuccio about bringing DEO
2 into the mix, as well.

3 And what we're going to be creating is we're
4 going to be creating a step-by-step -- what we
5 call a wizard program where businesses will be
6 able to enter information to a series of
7 questions.

8 It will guide them through the questions they
9 need to answer. And when they've answered all the
10 questions, it's going to tell them, okay, based
11 upon your answers, you need to get a dealer
12 registration with the Department of Revenue.

13 If you want to sell lottery tickets, you need
14 to get -- get good with the lottery.

15 If you have a professional license you have
16 to get, you have to get that license through DBPR.

17 They will then send that information to those
18 respective agencies, populate their systems and
19 pop that registration, pop that permit, pop
20 that -- that approval back to that business from
21 those various agencies.

22 I think the key thing here is we are going to
23 be populating the systems of those agencies.

24 We're not asking them to change their systems
25 because I think it would have been the worst thing

1 in the world for us to create this system and have
2 to come back to you or the legislature to say we
3 need money to have DBPR or DBO, the lottery, to
4 change their systems as part of the one-stop
5 effort.

6 That's not at all what we're going to do.
7 We're going to build a system that's going to be
8 able to interact with their systems and get that
9 information in to those agencies.

10 So I would be remiss if I didn't, at this
11 point, just give kudos to the Department of State.
12 They've been a very good partner with us.

13 They're going to be the first agency we bring
14 on board this summer in the system. They've done
15 a lot to do some things that will allow us to use
16 their single business identifier.

17 They're opening themselves up to a whole new
18 world. They've been dealing with business
19 entities for a number of years.

20 Well, now they've got to deal with something
21 they've never dealt with before, sole
22 proprietorships at the Department of State. So
23 they're doing that.

24 We're going to bring them on board in June;
25 the Department of Revenue in July; DFS, we're

1 going to have information to you guys beginning in
2 July; lottery in August; September, management
3 services; December, business and professional
4 regulation.

5 And as we're bringing them all up, we're
6 going to be planning our phase two to reach out to
7 our other sister agencies and also the local
8 governments.

9 We're bringing them on board, too, because
10 they're another key player in this. You need to
11 also know what you need to do with local
12 governments as well as the state government.

13 So that's just a quick update on what we're
14 doing. We're very excited about the progress
15 we've made.

16 And we look forward to bringing this in for a
17 successful landing and to really do some good, not
18 only for the state and for the businesses that are
19 coming to Florida, but also we think down the
20 road, the businesses are that here, allowing them
21 one place they can go to interact with the state
22 instead of having to go to multiple agencies.

23 So with that, I'll answer any questions if
24 you'd like.

25 GOVERNOR SCOTT: Well, I think it's a big

1 opportunity on one stop, not just at the state
2 level, but at the local level, also, over time.

3 MR. STRANBURG: Yes.

4 GOVERNOR SCOTT: The way you're doing it
5 makes all the sense in the world.

6 MR. STRANBURG: And we've got a lot of local
7 governments already reaching out to us, wanting to
8 know when we're going to come to them with that.

9 And we've told them, we'll be there soon.
10 Just be patient, but you know you're an important
11 part of this effort.

12 COMMISSIONER PUTNAM: I'd like -- I'd like
13 our folks to be in phase two.

14 We have -- have a fair number of businesses
15 that only have to register.

16 There's no -- there's no permit. There's no
17 license. There's no double-checking anything.
18 There's no making sure they have a handwashing
19 sink. There's none of that.

20 It's just simply registering to do business
21 in the State of Florida.

22 It would, I would think, easily be a part of
23 your next round of expansion.

24 MR. STRANBURG: Definitely, Commissioner. We
25 do have you on our radar screens. We know that

1 you're another one of those agencies that we'll be
2 reaching out to in phase two.

3 So, as I said, as we get deeper into the
4 summer, that's when we're going to be reaching out
5 to some of the phase-two agencies and start
6 interacting with them, see what their needs are,
7 learn more about your systems, what need -- what
8 information you need so that, again, we can adapt
9 that registration system and be able to get that
10 information to -- to your agencies as part of
11 one-stop.

12 Thank you very much.

13 GOVERNOR SCOTT: Thank you, Marshall.

14 All right. Now I'd like to recognize
15 Herschel Vinyard, Secretary of the Department of
16 Environmental Protection.

17 MR. VINYARD: Good morning and welcome to
18 northeast Florida.

19 GOVERNOR SCOTT: Your hometown.

20 MR. VINYARD: Yes, yes, just up the road.

21 All right. There are three items on today's
22 agenda.

23 The first one is the submittal of minutes
24 from your March 7 cabinet meeting. We recommend
25 approval.

1 GOVERNOR SCOTT: Is there a motion to
2 approve?

3 ATTORNEY GENERAL BONDI: So moved.

4 GOVERNOR SCOTT: Is there a second?

5 CHIEF FINANCIAL OFFICER ATWATER: Second.

6 GOVERNOR SCOTT: Any comments or objections?

7 (No audible response.)

8 GOVERNOR SCOTT: Hearing none, the motion
9 carries.

10 MR. VINYARD: Item number two is the LATAM
11 Telecommunications AMX-1 cable system. It's a
12 private easement.

13 This is an application for a ten-foot wide,
14 five-mile long submerged-land easement for
15 fiber-optic cable in Broward County.

16 The good thing is it will be installed within
17 an existing AT&T conduit that's in the same
18 location.

19 The cable will originate in Hollywood,
20 Florida, and link the United States with the
21 Dominican Republic, Puerto Rico, Brazil, Colombia,
22 Guatemala and Mexico.

23 It will help meet the growth in Internet and
24 data and voice traffic and the increased demands
25 that those foreign countries expect to have with

1 the 2014 World Cup and the Summer Olympics in
2 2016.

3 In order to offset some minor impacts to
4 offshore reefs, the company will be removing 400
5 tires from -- that are in place on a reef offshore
6 Broward County.

7 There's been no objections to this project,
8 and the department recommends approval.

9 GOVERNOR SCOTT: Is there a motion to
10 approve?

11 ATTORNEY GENERAL BONDI: So moved.

12 GOVERNOR SCOTT: Is there a second?

13 COMMISSIONER PUTNAM: Second.

14 GOVERNOR SCOTT: Any comments or objections?

15 (No audible response.)

16 GOVERNOR SCOTT: Hearing none, the motion
17 carries.

18 MR. VINYARD: Governor, our last item is the
19 City of Gulfport mooring field. This is a
20 ten-year sovereign-submerged-land lease of 17 and
21 a half acres for a public mooring field located in
22 Pinellas County.

23 The -- the -- in 2005, the city began having
24 problems with unauthorized mooring. And it
25 resulted in unlawful discharge of waste, derelict

1 vessels and damage to sea grass. This project
2 should eliminate those problems.

3 Upland facilities will have showers, rest
4 rooms, garbage disposal. And the -- any vessel
5 staying in the mooring field more than three days
6 will be required to have a pump-out.

7 This is a great environmental project, and
8 the department recommends approval.

9 GOVERNOR SCOTT: Is there a motion to
10 approve?

11 ATTORNEY GENERAL BONDI: So moved.

12 GOVERNOR SCOTT: Is there a second?

13 COMMISSIONER PUTNAM: Second.

14 GOVERNOR SCOTT: Any comments or objections?

15 (No audible response.)

16 GOVERNOR SCOTT: Hearing none, the motion
17 carries.

18 Thank you very much.

19 MR. VINYARD: Thank you.

20 GOVERNOR SCOTT: This concludes our cabinet
21 meeting.

22 And I want to thank everybody at Flagler
23 College for your hospitality and everybody in
24 St. Augustine.

25 Our next meeting will be Tuesday, April 23,

1 at 9 a.m. in Tallahassee.

2 We are adjourned. Thank you very much.

3 (The proceedings concluded at 10:47 a.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF ST. JOHNS)

I, MARY GRAYBOSCH, Registered Professional Reporter, Certified Realtime Reporter, certify that I was authorized to and did stenographically report the State of Florida Cabinet Meeting held on April 2, 2013, and that the transcript is a true record of my stenographic notes.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties nor am I financially interested in the action.

Dated this 9th day of April, 2013.

MARY GRAYBOSCH, RPR, CRR
Notary Public - State of Florida
My Commission No.: EE 041245
Expires: January 28, 2015