



Financial Planning Association of Florida

March 22 & 23, 2010

2010 Day at Florida's Capitol

Members representing the FPA of Florida this trip:

- Allen Arntzen, FPA of Florida, Director – Tampa
- Paul Auslander, FPA National Board - Orlando
- Charlie Fitzgerald, FPA of Florida, Director, Government Relations - Orlando
- Cathy Norris, FPA of Tampa Bay, Director, Media Relations – Tampa
- Claudia Sachs, FPA of Florida, Secretary - Tallahassee

March 22, 2010

Monday 7:00 PM

Claudia Sachs hosted dinner at Georgio's (formerly Torreya Grill) on Apalachee Parkway. Joining the 5 of us for dinner were:

- Jesse Goodson, Financial Planner (incoming President for the Tallahassee FAIFA chapter)
- Bob Kenon, CFP (Cornucopia Wealth Management, Tallahassee, FL)
- Rick White, Turriss Consulting (former Director, Office of Financial Regulation).

March 23, 2010

Tuesday 8:00 AM
– Breakfast at the Capitol

FPA of Florida representatives met for breakfast at the Cafeteria in the Lower Level of the Capitol Building to prepare our agenda for the day. We reviewed our hand-out materials that we would distribute throughout the day. We brought 10 packets which included the following items:

- FPA of Florida – Legislative Awareness document
 - (1) Letter from the President, Paul Miller
 - (2) FPA of Florida Can Be A Resource To State Government
 - (3) Who We Represent (state FPA members, estimated number of clients)
 - (4) List of 2010 Directors & Officers
 - (5) List of nine State Chapters
- FPA National Capitol Update for March 2010
- Talking Points in Opposition to Services Tax on Financial Planning Services
- Financial Advisor Article, about the current Financial Reform bill through Senator Dodd's committee. The article discussed the removal of the fiduciary standard and the removal of the proposed Board to regulate Financial Planning.
- FPA of Florida – Spring 2010 Newsletter that was recently distributed to all 1,400 FPA members statewide

In addition to distributing these packets, we were looking to communicate the following points with each of our meetings:

- Introduce the FPA of Florida and our desire to be a resource to State Government

- Discuss concerns about any potential Services Tax on Financial Planning and Investment Advisory Services. We simply don't see a services tax as good public policy. If anything, the state should be looking for ways to help make planning and investment advice less expensive. Why would the State of Florida tax investment advisory fees while the Federal tax code allows Investment Advisory fees to be deducted on Schedule A?
- Discuss efforts at the federal level to introduce regulation for the practice of Financial Planning and how we would not currently be advocating for regulation at the state level, at least for now.
- Discuss our concerns to protect Florida senior citizens from abusive annuity and insurance sales practices and support legislation to clamp down on individuals and companies that are not acting in the best interest of their clients and customers.
- We advocated for a specific element of the Senate Bill 844 and House Bill 825. This bill, also known as "Safeguard Our Seniors", would give the Florida Department of Financial Services discretionary authority to suspend or revoke Florida licensed insurance agents who have committed serious violations in rules or laws under other federal agencies, state agencies, national securities exchanges, etc.



FPA of Florida members review their strategy for the day.

Tuesday 9:30 AM

– Checked in with the Florida Channel (9th Floor)

Determined the procedure to obtain a video recording of last September's Cabinet-wide Resolution for Financial Planning Week 2009. We would like to obtain this video and receive permission to post it on our FPA of Florida website.

Tuesday 9:45 AM

– House of Representatives, Floor Introduction

Each FPA of Florida representative received a personal introduction from the House Floor by **Representative Scott Plakon (District 37)**. Rep. Plakon is the state legislator who spoke at our October 2009 Florida Summit at the Renaissance Hotel at Sea World. He and his Legislative Assistant, Brandon Delanois, have been very helpful and supportive of us.

Florida House of Representatives in Session



Visited and observed the Florida 2010 Senate in Session



The current topic on the floor this morning involved lively discussion regarding how to comply with the new State Constitutional Amendment regarding public school class size limitations.

Tuesday 10:45AM

– Representative Scott Plakon, District 37 (parts of Orange and Seminole County)

This was our second meeting with Representative Plakon. We thanked Rep. Plakon for the floor introduction before the Florida House of Representatives. Charlie attended a fund raiser for Rep. Plakon earlier this year and will follow up with him later this summer to invite him to our 2010 Florida Summit in October.



From L to R, Charlie Fitzgerald, Allen Arntzen, Claudia Sachs, Representative Scott Plakon, Cathy Norris and Paul Auslander

Tuesday 11:30AM

– **Lunch at Andrews** (across the street from the Capitol Building)

Paul Auslander had an impromptu meeting during lunch with **Representative Scott Randolph, District 36 (parts of Orange County)**.

Tuesday 12:45 PM

– **Brief hallway visit with FAIFA Lobbyist, Timothy Meenan, Esq.**

Mr. Meenan lobbies for the Florida Association of Insurance and Financial Advisors. We talked about the “Safeguard Our Seniors” bill (HB825 and SB844). Mr. Meenan said that the insurance lobby was against the bill especially because this bill would limit surrender periods to 10 years and 10% for seniors 65 and older and that if fraud was involved with churning or twisting that this could result in a 3rd degree felony to the guilty agent. He seemed confident that the bill would not make it out of the House committee to even get to the House floor. We would agree generally with his points, but there are still other aspects of the bill that would be helpful to protect seniors and support further discussion of other elements of the bill. See notes from meeting with Rep. Maria Lorts Sachs below.

Tuesday 1:00 PM

- **League of Women Voters, Elaine Goodman, Director of Palm Beach County chapter**

Talked with Ms. Goodman about the possibility of the League of Women Voters providing a moderator to our proposed Gubernatorial Debate in October.

Tuesday 1:15 PM

– **Representative Maria Lorts Sachs, District 86 (parts of Palm Beach County)**

Rep. Sachs is the sponsor of House Bill 825 which is still stuck in the Insurance, Business and Financial Affairs Committee, chaired by Representative Pat Patterson. The companion bill has already cleared committee in the Senate. There are a few elements of this bill the FPA would not support, but there are a couple elements we would support, especially the section which gives the Department of Financial Services discretion to suspend or revoke insurance agents who have had serious violations, suspensions or revocations with other federal agencies, state agencies, national securities exchanges, etc. On this point, we provided a recent study which we performed (from September 2007 through September 2009) that matched up recent FINRA registered representative disbarments with current Florida licensed insurance agents. We found there were 29 individuals who were barred from FINRA who are still licensed to sell insurance in the State of Florida.



In center, Representative Maria Lorts Sachs

Tuesday 2:00 PM

- Department of Financial Services

Met with the Florida Department of Financial Services – Division of Consumer Services (DFS) to discuss a partnership to provide financial education to the citizens of the Sunshine State. More specifically, our meeting was with Tami Torres, Director of Consumer Services and her staff. We are pleased to announce that a partnership agreement has been reached.



Front Row L to R: Nina Banister, Amanda Lewis, Misty Cash; Back Row L to R: Charlie, Paul, Allen, Tami Torres, Deborah Cox, Iris Collier, Cathy and Claudia

The Department of Financial Services will schedule and coordinate all the events while FPA chapters will provide volunteers to present educational topics important in today's economic climate during workshop breakout sessions. Initially these events will be at Housing Help workshops in Tampa, Jacksonville, & Ft. Myers (the hardest hit areas for housing). As the process gets rolled out, more cities and events will be added. DFS will be sending their educational coordinators to our various chapter meetings to help promote the partnership and volunteer participation among CFP members. It is very important that presenters do not promote their personal businesses in any way.

Initial breakout topics may include the following:

- Forging Your Financial Future
- Financial Considerations for Your Small Business
- Financially Surviving Job Loss
- Recovering from Disaster
- A Financial Fire Drill
- Intro to Financial Planning Basics
- Budgeting 101: Life's Balancing Act

Tuesday 2:00 PM

- Cabinet Meeting

After shaking hands with Deputy CFO Tammy Teston, FPA of Florida Representatives Charlie Fitzgerald and Paul Auslander met briefly with State CFO Alex Sink before today's Cabinet meeting. We told CFO Sink two things:

- (1) We were working to organize a Gubernatorial debate between her and current Republican candidate Attorney General Bill McCollum. We have already received interest from the Florida News Network to do a "radio only" debate. We are speaking to other potential sponsors and considering moderators from the League of Women Voters. The debate would be held during our 2010 Florida Summit on October 21. We are currently choosing between two sites: the Disney Swan and Dolphin Hotel or the Hilton at Downtown Disney.



- (2) We were trying to help nudge the “Safeguard Our Seniors” legislation along that she has been lobbying for heavily. We would agree with some elements of this bill, although not all of them. Thank you to Ms. Dorian Burr (Capitol photographer) for the excellent photo with the CFO.



Cabinet Meeting in progress

We will return in September 2010 for our annual Cabinet-wide Resolution for “**Financial Planning Week 2010**”

Tuesday 3:00 PM

- Office of Financial Regulation, Commissioner Thomas Cardwell

Today was our first meeting with the new Commissioner, Thomas Cardwell. We have met with his two predecessors, Don Saxon and Alex Hagar. We also met with William Spann, Chief of Staff, William Reilly, Jr., Bureau Chief of Securities Regulation and Pam Epting, Bureau Chief of Regulation. During our 45 minute meeting, we introduced the FPA and covered about a dozen relevant topics including: potential federal regulation of financial planning, fiduciary standards, our FINRA study of disbarred brokers who were still operating with Florida insurance licenses, education of the public, life settlement sales, CFP designation, NASAA, product sales incentives, and the importance of state funding to support new legislation. The Office of Financial Regulation has 465 employees and a budget of \$42M.



From L to R, Paul, Thomas Cardwell, Cathy, Pam Epting, William Reilly, Claudia, Allen, William Spann, Charlie

Tuesday 4:00 PM

- Office of the Florida Attorney General, Kent Perez, General Counsel

Met with General Counsel Kent Perez. This was our first meeting with the Attorney General's office since we started our trips to Tallahassee four years ago. Mr. Perez was very attentive in this meeting asking thoughtful questions and taking notes throughout. For our 30 minutes together we hit all of our main talking points. Mr. Perez asked if we had model legislation for the regulation of financial planning. He didn't have a concern that regulation could be done at the federal level as long as the legislation was good. We agreed to send him the model legislation that was proposed, but not used in Senator Dodd's recent financial reform legislation.

Tuesday 5:00 PM

- Representative Ronald Reagan, Speaker Pro Tempore, District 67 (parts of Hillsborough, Manatee, and Sarasota Counties)

Met with Rep. Reagan and introduced the FPA. For the brief amount of time we had during this impromptu meeting, we discussed the "Safeguard Our Seniors" bill. He encouraged us to relay word to Rep. Maria Lorts Sachs to go back to Rep. Pat Patterson and see if he would be willing to rethink this bill in his committee or at least enter it for discussion to find common elements that could be advanced. We shared our FINRA disbarment study as evidence for the need for some elements of this bill.

Tuesday 6:00 PM

- Legislative Assistant for Rep. Dean Cannon, Julie Fess, District 35 (Orange County)

Ms. Fess organized our introduction on the house floor last year. We talked briefly with her about the FPA and gave her our last hand-out packet. We took a few minutes to talk about the "Safeguard Our Seniors" bill which is hung up in committee. We told Ms. Fess that we would follow up with her after session. Rep. Cannon is Paul and Charlie's representative in Winter Park.

Submitted by Charlie Fitzgerald, Paul Auslander, Cathy Norris and Allen Arntzen
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