



# DAILY BRIEF

From April 1, 2013

## Manufacturing

In the Senate Committee on Commerce and Tourism, AIF testified in support of legislation aimed at growing and developing Florida's manufacturing sector. SB 582, *Relating to Manufacturing Development*, by Senator Bill Galvano (R-Bradenton), is a top priority for the AIF Manufacturing, Aerospace and Defense Council. The legislation, when enacted, will be referred to as "The Manufacturing Competitiveness Act."

The legislation authorizes local governments to voluntarily adopt, by ordinance, a Local Manufacturing Development Program that would allow manufacturers to obtain master plan approval for manufacturing sites. The agreed upon master plan would set outer limits on the site that would remain applicable over term of the master plan. Once the master plan is approved, the manufacturer would not need further local approval for future expansions or modifications (except for building code, life, or safety issues).

Manufacturers residing in participating counties will also have access to a coordinated permitting process at the state level for the most common state permits. The bill also enables participating local governments to be self-identified as having a particular interest in having manufacturing facilities in their jurisdictions. Enterprise Florida can use this information when recruiting and placing manufacturing facilities. In essence this creates some level of competition among counties for new manufacturing facilities.

Florida is among the bottom five states in the nation as a percentage of manufacturing gross state product output. The sector is a significant job creator with salaries well beyond the state average and with an every direct manufacturing job creating about three indirect jobs, the highest of any employment sector.

The bill passed through committee unanimously and will next be heard in the Senate Committee on Community Affairs.

### **AIF supports SB 582 because it will improve the development approval process for manufacturers in Florida.**

In the Senate Committee on Commerce and Tourism, AIF testified in support of SB 518, *Relating to Economic Business Incentives*, by Senator Dorothy Hukill (R-Port Orange). This bill is one of two priorities for Governor Rick Scott and is also a high priority of the AIF Manufacturing, Aerospace and Defense Council.

Currently, manufacturers must demonstrate a five percent productivity requirement to qualify for a sales tax exemption. The current situation puts Florida at a significant disadvantage among its closest competing states for the recruitment and retention of manufacturers. For many large manufacturers the imposition of the sales tax on equipment purchases is a material multi-million cost issue.

The legislation goes next to the Senate Subcommittee on Appropriations Subcommittee on Finance and Tax and then to the Senate Committee on Appropriations.

**AIF supports SB 518 because it will substantially improve Florida's competitive edge with other states by significantly decreasing operating costs for the state's manufacturers.**

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## **Environment & Agriculture**

In the Senate Committee on Agriculture, AIF stood in support of SB 948, *Relating to Water Supply*, by Senator Denise Grimsley (R-Sebring). This bill authorizes the Department of Agriculture and Consumer Services (DACS) to collect water use data from farmers throughout the state and provide it to Florida's water management districts. It also allows the department to create a water supply planning program. Senator Grimsley offered 5 amendments, all of which the Committee accepted.

The bill passed committee with a vote of 6-0 and will next be heard in the Senate Committee on Rules.

**AIF supports legislation and state funding of scientifically based water supply planning data collection as a way to better understand Florida's long term water supply needs.**

In the same committee, AIF stood in support of SB 1200, *Relating to Taxation of Property*, by Senator Wilton Simpson (R-New Port Richey). The bill would amend the agriculture "Greenbelt" law to delete some portions that are very dated. The bill also addresses issues in the value adjustment boards process, deletes requirement that a property appraiser reclassify certain non-agriculture lands that have that have been zoned as non-agriculture.

The bill passed the committee with a vote of 5-0 and will next be heard in the Senate Subcommittee on Appropriations Subcommittee on Finance and Tax.

**AIF supports legislation that correctly classifies agriculture property for tax purposes. The "Greenbelt" law is the foundation of Florida's agriculture industry.**

In the House Rulemaking Oversight & Repeal Subcommittee, AIF stood in support of HB 7113 by Representative Matt Caldwell (R-Lehigh Acres). This legislation exempts the Total Maximum Daily Load (TMDL) rules from legislative ratification. The TMDL process is part of the technology used in establishing numeric nutrient criteria (NNC) in a water body, stream, or river.

The bill passed the committee unanimously and will next be heard in the House State Affairs Committee.

**AIF supports water quality legislation that is site specific and science-based. The TMDL program of the Florida Department of Environmental Preservation (DEP) is one of these types of programs.**

AIF stood in support of HB 7115, *Relating to Numeric Nutrient Criteria*, in the House Rulemaking Oversight & Repeal Subcommittee. Florida is currently facing the possibility of having to meet strict water quality standards regarding numeric nutrient criteria (for nitrogen and phosphorous) in all water bodies as a result of a lawsuit by radical environmental organizations. The proposed criteria are technically and scientifically flawed, as well as economically unattainable by the business and public sectors. The DEP has issued new rules to help Florida achieve better water quality standards by using biological confirmation and TMDL. Since the new rule will have an impact of more than one million dollars over the next five years, the Florida Legislature will have to ratify the rule. Drew Bartlett, of the Florida DEP gave a presentation on this issue.

The bill passed unanimously and will next be heard in the House Agriculture & Natural Resources Appropriations Subcommittee.

**AIF supports efforts by the Florida Legislature to ratify the proposed numeric nutrient criteria rule proposed by the Florida Department of Environmental Protection (DEP).**

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## Legal & Judicial

In the Senate Committee on Criminal Justice, AIF stood in support of SB 874, *Relating to Open Parties*, by Senator Bill Galvano (R-Bradenton). AIF worked to amend the bill to include clarifying language that the party must be thrown by individuals on the property "lawfully." Hopefully, this amendment will clarify that the intent of the bill is to not punish large commercial landowners already taking steps to prevent trespassers on their property. AIF will continue to work with the House companion sponsor to add the clarifying language amended into the Senate version of the bill.

The bill passed unanimously and will next be heard in the Senate Committee on Judiciary.

**AIF supports legislation aiming to protect large commercial landowners and will continue to work with Legislators on the clarification of language in these bills.**

In the same committee, AIF stood in support of SB 1216, *Relating to Wage Theft* by Senator Rob Bradley (R-Orange Park). SB 1216 will establish a statewide system of addressing wage theft complaints through the county courts. The bill addresses wage protection by creating a judicial process giving workers the ability to address their grievances in our court system. It will provide consistency for both employees *and* employers.

The bill passed by a vote of 6-1 and will next be heard in the Senate Committee on Judiciary.

**AIF supports any legislation aimed at protecting the wages of Florida employees and while supporting employers in their quest to maintain a productive work environment.**

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## Insurance

In the Senate Committee on Commerce and Tourism, AIF stood in support of SB 810, *Relating to Wrap-Up Insurance Policies*, by Senator David Simmons (R-Altamonte Springs). The bill allows insurance companies to offer a deductible feature for a workers' compensation policy which covers all parties performing work on a major construction site. Florida businesses will have the option to substantially reduce insurance costs for new facilities' construction by purchasing a wrap-up policy with a deductible. In addition, a deductible creates a direct monetary incentive for a construction project owner or general contractor to maintain a safe work site for employees.

The bill passed unanimously and has not been referred to a third committee.

**AIF supports the passage of legislation improving the regulatory environment for insurers and reducing the cost of insurance to businesses.**

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## Taxation

In the Senate Committee on Communications, Energy, and Public Utilities, AIF stood in support of SB 1070, *Relating to Emergency Communication Systems*, by Senator Alan Hays (R-Umatilla). The bill would reduce the current charge for 911 services on all phone lines, including mobile, from the current \$0.050 to \$0.046. In addition, the legislation implements the findings of the E911 Board, allowing for the collection of the 911 fee at the retail point of sale for prepaid wireless phone plans. Implementing a point of sale collection method for prepaid plans and enabling the fee to be collected from everyone with access to 911 may make it possible to reduce the fee for all consumers. The bill would also put priority on allowing counties to use funds to upgrade and replace 911 systems for next generation. A strike all amendment was introduced and passed that would postpone the prohibition on collecting or assessing the E911 fee on prepaid calling arrangements until July 2015.

The bill passed committee unanimously and will next be heard in the Senate Subcommittee on Appropriations Subcommittee on Finance and Tax.

**AIF supports lessening the 911 surcharge on Florida's phone users while supporting a robust and modern emergency communications system vital to the welfare of Florida's business community.**

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## Ethics & Elections

During the Senate Committee on Ethics and Elections, Senator Tom Lee (R-Brandon) presented his bill, SB 1634, *Relating to Legislative Lobbying Expenditures*. Sen. Lee describes SB 1634 as a "tweak" to the ban on gifts to legislators by lobbyists. As adopted, the bill adds two exceptions to the otherwise-absolute ban on lobbyist gifts to legislators:

- It allows a lobbyist to buy a non-alcoholic beverage for a legislator; and
- It allows legislators who are participating in group meetings as a speaker, panel participant, etc. to consume food and drink at the event notwithstanding that the group putting on the event has a lobbyist.

Sen. Lee indicated he is working on an amendment that would add an exemption for large group functions but indicated the language has yet to be perfected.

The bill passed the Senate Committee on Ethics and Elections on an 11-0 vote. The bill now goes to the Senate Committee on Judiciary (which is chaired by Sen. Lee) and then to the Senate Committee on Rules before reaching the Senate floor.

**AIF will monitor all proposals related to public ethics and elections and advocate as necessary to protect the rights of individuals and businesses.**