



DAILY BRIEF

From April 9, 2013

Manufacturing

In the Senate Committee on Community Affairs, AIF stood 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 unanimously and will next be heard in the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development.

Later in the day, AIF stood in support of the House companion bill, HB 357 by Representative Jim Boyd (R-Bradenton) in the House Economic Affairs Committee. HB 357 also passed unanimously and will now be heard by the full House.

Members of the AIF Manufacturing, Aerospace and Defense Council (MAD) were present in both committee hearings in support of the legislation.

AIF supports these good bills because both will improve the development approval process for manufacturers in Florida.

Workers' Compensation

AIF stood in support of SB 662, *Relating to Workers' Compensation*, by Senator Alan Hays (R-Umatilla) in the Senate Banking & Insurance Committee. If enacted, the bill would address a drug repackaging loophole in Florida's workers' compensation system. SB 662 clarifies the maximum charged for the drugs will remain the same, regardless of where the drug is purchased or dispensed. Further, the legislation does not increase costs or delay medical treatment.

The bill passed by a vote of 7-2 and will next be heard in the Senate Committee on Appropriations.

Read the statement from AIF's Workers' Compensation Coalition.

AIF supports this legislation because it will address this loophole and will maintain the necessary balance to Florida's workers' compensation system.

Business Regulation

In the House Local & Federal Affairs Committee, **AIF's Senior VP of State and Federal Affairs, Brewster Bevis**, stood in support of HB 973, *Relating to Alarm Systems*, by Representative Jason T. Brodeur (R-Sanford). The bill seeks to preempt local government regulation of alarm system contracting and to make uniform the regulatory aspect of such contracting while allowing local governments to maintain varying permit fees if below a certain amount. The bill also provides an exception from alarm system regulatory requirements for certain in-state workers not accessing customer premises or alarm codes.



The bill passed unopposed and will next be heard in the House Regulatory Affairs Committee.

In the Senate Committee on Regulated Industries, AIF's Brewster Bevis stood in support of the companion bill, SB 1442 by Senator Tom Lee (R-Brandon).

SB 1442 also passed unanimously and will next be heard in the Senate Committee on Criminal Justice.

AIF supports this bill because it establishes a statewide standardized rate which would reduce the current fees imposed by certain local governments.

Also in the Senate Committee on Regulated Industries, AIF stood in support of an amendment by Senator Audrey Gibson (D-Jacksonville) to SB 1174.

SB 1174, *Relating to Liens on Personal Property in Self-service Storage Facilities and Self-contained Storage Units*, by Senator Jeremy Ring (D-Margate) allows for the advertisement of the sale or other disposition of personal property that has been kept in a self-storage facility or self-contained unit to be posted on a website accessible to the public. The bill deletes the provision requiring a physical posting in three obvious places in the neighborhood of the storage facility/unit if there is no general circulation newspaper in the area of the facility or unit.

AIF supports Senator Gibson's amendment as it requires the notice still be printed in the newspaper as well as the internet, thus closing the "digital divide."

The bill passed unopposed, with Senator Gibson's amendment, and will next be heard in the Senate Committee on Judiciary.

AIF supports requirements that public notices be printed in local newspapers as defined by Chapter 50, Florida Statutes, as well as displayed on the Internet.

Wage Theft

In the House Local & Federal Affairs Committee, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of HB 1125, *Relating to Employers and Employees* by Representative Tom Goodson (R-Titusville). HB 1125 will establish a statewide system of addressing wage theft complaints through the county courts. HB 1125 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 close vote of 10-8 and will next be heard in the House Judiciary Committee.

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.

Health Care

In the Senate Committee on Health Policy, AIF stood in support of SB 648, *Relating to Health Insurance Marketing Materials*, by Senator Dorothy Hukill (R-Port Orange)The bill repeals a health insurer's obligation to submit marketing materials to the Office of Insurance Regulation (OIR) prior to using them. Current law requires that each marketing communication to be used in the marketing of a health benefit plan be submitted for review by the OIR prior to its use. The bill maintains the authority of OIR to review the marketing communications and disclosure statements as part of complaint investigations or market conduct reviews.

The legislation passed by a vote of 8-1 and is ready to be heard on the Senate floor.

AIF supports measures that will streamline regulatory requirements on Florida businesses.

In the Senate Committee on Banking and Insurance, AIF stood in support of Senate Bill 536, *Relating to Physical Therapy*, by Senator Nancy Detert (R-Venice). The bill would allow Advanced Registered Nurse Practitioners (ARNPs) to authorize a physical therapist to implement a treatment plan for a patient.

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

AIF supports legislation that will facilitate the delivery of health care services in a more cost effective manner.

Also in the Senate Committee on Banking and Insurance, AIF stood in support SB 844, *Relating to Medicaid Fraud*, by Senator Denise Grimsley (R-Sebring). The bill would increase accountability in the state's Medicaid program by:

- Lengthening the time medical and Medicaid-related records are kept;
- Authorizing the Florida Agency for Health Care Administration (AHCA) to perform onsite inspections of a service location of a provider who has applied to become a Medicaid provider; and
- Expanding the list of offenses for which AHCA may terminate a provider's participation in the Medicaid program.

The bill passed without opposition and will next be heard in the Senate Appropriations Subcommittee on Health and Human Services.

AIF supports passage of legislation that would lessen incidences of fraud within the state's Medicaid program which could lower the amount by which Florida employers subsidize that program.

Economic Development

During the House Transportation & Economic Development Appropriations Subcommittee, AIF stood in support of HB 879, *Relating to Freight Logistic Zones*, by Representative Lake Ray (R-Jacksonville). The bill creates the state's first Freight Logistic Zones meant to aid logistical gains between distribution assets and the state's freight traffic. This legislation would allow a local government to apply to the Department of Transportation (DOT) for a designated freight logistics zone. The local government must submit an application that includes, but is not limited to:

- A map showing the geographic area or areas included in the designation;
- Identification of existing transportation infrastructure;
- Workforce availability;
- Workforce training for a business looking to relocate; and
- Plans including transportation movement, and identification of financial or other local government incentives.

The legislation, being presented as a strike all amendment, states that the secretary may designate up to four pilot freight logistics zones in the state consulting with the Department of Economic Opportunity (DEO) in this designation exercise.

The bill passed unopposed and will next be heard in the House Economic Affairs Committee.

AIF supports this legislation as it will help advance Florida business' investment in intermodal logistics.

In the same committee, legislators heard HB 7127, *Relating to Department of Transportation*, sponsored by Representative Frank Artiles (R-Miami). The bill includes a variety of clarifying statutory changes to the Department, including \$15 million for space funding, strategic investment initiatives, and items related to environmental mitigation and public private partnerships.

Additionally, Rep. Artiles offered amendments to the bill effectively removing several marginally controversial portions of the bill. Specifically, these provisions included the removal of noise mitigation mandates on local governments and permissive language allowing the Department of Transportation (DOT) to conduct ancillary rail corridor development without local comprehensive plan approval. Also,

the committee adopted an amendment clarifying a local government's ability to create local regional financing authorities.

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

Associated Industries is a strong proponent of several measures contained in 7127, including the additional resources for Space Florida and the space industry.

Insurance

In the House Regulatory Affairs Committee, AIF stood in support of HB 343, *Relating to Wrap-Up Insurance Policies*, by Representative Bill Hager (R-Boca Raton). 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 is now ready to be heard by the full House.

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

In the House Regulatory Affairs Committee, AIF stood in support of HB 383 by Representative Matt Hudson (R-Naples). HB 383 enacts into Florida law, the Interstate Insurance Product Regulation Compact (the Compact); a model legislation adopted by the National Association of Insurance Commissioners. The Compact provides for the development of uniform national standards for life insurance, annuity, disability income insurance, and long-term care products (including rate filings for the latter two insurance products) and application of these standards to insurer filings.

The bill passed without opposition and will next be heard on the House floor.

In the Senate Committee on Governmental Oversight and Accountability, AIF stood in support of the Senate companion bill, SB 242 by Senator Dorothy Hukill (R-Port Orange).

SB 242 passed unopposed and will next be heard in the Senate Appropriations Subcommittee on General Government.

AIF supports legislation allowing insurers to submit a single filing to the Commission rather than making separate filing in each state in which they are authorized to do business.

Also discussed in the House Regulatory Affairs Committee was HB 819, *Relating to Florida Commission on Hurricane Loss Projection Methodology*, by Representative Holly Raschein (R-Key Largo). In 1995, the Legislature established the Florida Commission on Hurricane Loss Projection Methodology to serve as an independent body within the State Board of Administration. The Commission adopts findings on the accuracy or reliability of the methods, standards, principles, models and other means used to project hurricane losses. Individual insurers are required to use the Commission's findings in order to support or justify a rate filing. The Commission is currently comprised of 11 members. This bill adds another member to the Commission, who will be appointed by the Chief Financial Officer.

The bill passed unanimously and is now ready to be heard by the full House.

Currently, AIF is monitoring the bill due to the Commission's impact on rate filings for insurers.

The Senate Committee on Governmental Oversight and Accountability heard two public records exemption bills, SB 1848 and SB 1850, both by the Senate Committee on Banking and Insurance and both are linked to SB 1770. SB 1770, *Relating to Property Insurance*, by the Senate Committee on Banking and Insurance enacts numerous changes to the property insurance laws including Citizens Property Insurance Corporation.

Both SB 1848 and SB 1850 passed and will next be heard in the Senate Committee on Rules.

AIF supports legislation to restore the Florida Hurricane Cat Fund to a safety buffer for Andrew-sized storms, thereby ensuring it can meet its obligations in the event of a storm and reducing the hurricane taxes funding its operations, as well as its possible deficits.

Environment & Agriculture

In the Senate Committee on Governmental Oversight and Accountability, AIF stood in support of SB 1806, *Relating to Total Maximum Daily Loads*, by the Senate Committee on Environmental Preservation and Conservation. 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 unopposed and will next be heard in the Senate Committee on Rules.

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.

In the Senate Committee on Community Affairs, AIF stood in support of SB 1808, *Relating to Numeric Nutrient Criteria* (NNC), by the Senate Environmental Preservation and Conservation Committee. 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 Department of Environmental Protection (DEP) has issued new rules to help Florida achieve better water quality standards by using biological confirmation and Total Maximum Daily Loads (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 unopposed and will next be heard in Senate Committee on Rules.

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

Education

In the House Education Appropriations Subcommittee, AIF stood in support of HB 1031, *Relating to Instructional Materials for K-12 Public Education*, by Representative Elizabeth Porter (R-Lake City). The bill eliminates state instructional materials adoption and instead provides for review of instructional materials by either DOE or school boards. School districts are authorized to evaluate instructional materials submitted by publishers or refer submitted materials to DOE for review. The bill establishes standards for district and DOE review of instructional materials and authorizes the collection of fees from publishers who submit materials for review.

The bill passed unanimously and is now ready to be heard before the full House.

AIF supports this good bill as it dramatically remakes the decision making process for instructional materials and strongly encourages better alignment with digital learning which is the way our students learn and interact in an academic setting. Through this modernization of the procurement of instructional materials our student will be better prepared for post secondary education and the workforce.

In the House Education Committee, AIF stood in support of proposed committee bill (PCB) **EDC 13-02**, *Relating to Early Learning*. Chairwoman Marlene O'Toole (R-Lady Lake) presented the PCB which includes new accountability measures on early learning coalitions. A number of amendments were adopted including one that phases in a cap on administrative spending.

The PCB passed unanimously and will now head to the house floor to be voted on by the full chamber.

AIF supports early learning as there is a direct correlation between a quality early learning program and higher graduation rates which leads to a well-educated workforce.

Energy

In the House Regulatory Affairs Committee, AIF stood in support of HB 579, *Relating to Natural Gas Motor Fuel*, by Representative Lake Ray (R-Jacksonville). HB 579 would replace the annual decal and fee system with a motor fuel equivalent gallon form of taxation beginning January 1, 2019. The bill would further require anyone selling natural gas fuel in Florida to obtain a natural gas retailer license from the Department of Revenue. There are currently 32 natural gas fueling stations in Florida and with the development in the United States of proved reserves of natural gas, the potential for a less expensive and cleaner alternative to other motor fuels is expanded in this legislation.

The bill passed unanimously and is now ready to be heard on the House floor.

AIF supports any efforts by the Legislature to provide Florida's businesses with a less expensive and cleaner alternative motor fuel and will continue to monitor this legislation.