



# DAILY BRIEF

From April 18, 2013

## Insurance

In the Senate Committee on Appropriations, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, testified in opposition to SB 1832, *Relating to Taxation*, sponsored by Senator Joe Negron (R-Palm City). The bill would eliminate premium tax credits insurance companies receive based on the aggregate salaries of their Florida employees. The salary credit was implemented in 1987 to provide an incentive for insurance companies to increase jobs in the state by locating home offices, regional service centers, and call centers in the state.



The credit is an important tool in marketing Florida and in competing with other states for insurance industry jobs. The \$220 million of additional revenue resulting from the elimination of the credit will be used by the Legislature to reduce annual vehicle registration fees.

Bevis stated that "While the goal of reducing fees on Floridian's is certainly laudable, AIF opposes the mechanism by which you are recouping the lost revenue." Bevis also went on to point out the high growth rate in Florida's insurance industry, thousands of new jobs since 2008, and stated, "One of the reasons for this large number of jobs and industry growth in the face of national economic uncertainty has been the attractiveness of Florida as a place to do business due to the premium tax credit that this bill would do away with."

The bill passed by a vote of 16-1 and will next be heard on the Senate floor.

**AIF opposes the elimination of the credit which could have the unintended consequences of reducing jobs in Florida, thus making Florida less competitive for insurance companies' jobs.**

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## Taxation

During the Senate Committee on Appropriations, AIF stood in support of SB 236, *Relating to Tax Refund Programs* by Senator Dorothy Hukill (R-Port Orange). If enacted, the bill would eliminate the maximum amount of tax refunds a business could receive over all fiscal years for the Quality Target Industry (QTI) and the Quality Defense and Space Flight Business Programs (QDSFB). Current limits imposed on the percentage of total award, and dollar amount a project could receive in a given fiscal year, would remain intact. Essentially, the bill removes the \$7 million cap and allows qualifying businesses to create more jobs and expand.

The bill passed unanimously and is now ready to be head by the full Senate.

**AIF supports the bill because the incentive has produced 19,694 high paying jobs in the defense and space sector and this change will help create more such jobs.**

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## Health Care

The Senate Committee on Appropriations discussed SB 1842, *Relating to Health Insurance* by Senator David Simmons (R-Altamonte Springs). The bill, for purposes of implementing the Patient Protection and Affordable Care Act (PPACA), addresses conflicts between the federal law and Florida law. The bill was conformed to the House companion bill, HB 7155 by Representative John Wood (R-Winter Haven) with a number of amendments. One of the amendments provides for the licensure of “navigators”, persons who will assist Floridians choosing health plans on the federal health exchange.

SB 1842 passed unanimously and will next be heard on the Senate floor.

**AIF encourages legislators to best leverage available federal funding to ensure Floridians have coverage in a manner that protects the state's financial health and helps employers avoid a possible \$1.3 billion hidden tax for uncompensated care for thousands of Floridians not qualifying for private health care or Medicaid.**

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## Environment & Agriculture

During the Senate Committee on Appropriations, AIF stood in support of SB 654, *Relating to Agricultural Storage and Shipping Containers*, by Senator Bill Montford (D-Apalachicola). This bill expands the current laws protecting owners of certain containers to include those used for storage and transportation of agricultural or other commodities. It expands protection to owners of plastic bulk containers and certain criminal penalties are provided.

The bill passed unanimously and will next be heard before the full Senate.

**AIF supports this legislation because companies are experiencing theft of their agriculture containers and expanded penalties in the bill will address this problem.**

Also in the Senate Committee on Appropriations, AIF stood in support of SB 768, *Relating to Everglades Long-term Plan*, by Senator Wilton Simpson (R-New Port Richey). Among other things, the legislation provides legislative finding that implementation of best management practices (BMPs), funded by the owners and users of land in the Everglades Agricultural Area (EAA), effectively reduces nutrients in waters flowing into the Everglades Protection Area. To date, in their continued commitment to the Everglades, farmers and landowners in the region have spent \$200 million on BMPs. The legislation also does not raise the current \$25 per acre Agricultural Privilege Tax that farmers and landowners pay the state. The legislation also moves towards completing the Everglades Restoration plan.

The bill passed unanimously and will next be heard on the Senate floor.

**AIF supports legislation necessary to authorize funding, to begin implementing the revised \$880 million State Everglades Restoration Plan that Florida has already committed to complete. AIF opposes any increases in the Agricultural Privilege Tax and supports the inclusion of provisions in the legislation that requires the appropriate state agency to conduct a Use Attainability Analysis at the completion of construction projects to determine if the nutrient limits are attainable.**

AIF stood in support of a third agricultural bill in the Senate Committee on Appropriations, SB 948, *Relating to Water Supply*, by Senator Denise Grimsley (R-Sebring). This bill authorizes the Department of Agriculture and Consumer Services (DACCS) 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.

The bill passed unanimously and will next be heard on the Senate floor.

**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.**

The House passed HB 203, *Relating to Agricultural Lands* by Representative Halsey Beshears (R-Monticello). The purpose of this legislation is to prevent double regulations by governments. For example, if an agricultural activity is regulated by either the federal or state governments then this bill prevents a local government from also charging a fee to regulate it. The current law applies to just Florida counties, but some municipalities have expanded their boundaries to include farm operations and are applying fees for certain activities.

**AIF supports legislation preventing municipalities from placing another layer of regulation, currently covered by federal or state regulations, on Florida agriculture.**

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## **Legal & Judicial**

The House passed HB 7015, *Relating to Expert Testimony*, by Representative Larry Metz (R-Groveland) which aligns Florida's evidentiary standard for expert witness testimony with that of the federal courts. Currently, Florida is an outlier among states in its use of the outdated *Frye* standard for admissibility of expert witness testimony. The bill would align Florida with other leading states that utilize the *Daubert* standard, therefore ensuring that "junk science" is not admitted into our courts. This issue is important to the business community because Florida-based companies are regularly joined into costly and unnecessary lawsuits so that trial lawyers may gain access to our courts, thereby increasing the cost of doing business in Florida. Rep. Metz has carried and passed this legislation off the House floor for the last two Legislative Sessions.

**AIF supports legislation to adopt the *Daubert* standard for expert witness testimony and to align Florida courts with the Federal Rules of Evidence utilized in federal courts and adopted by a majority of state courts.**

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## **Workforce**

In the Senate Committee on Appropriations, AIF stood in support of SB 726, *Relating to Regulation of Family or Medical Leave Benefits for Employees*, by Senator David Simmons (R-Altamonte Springs). SB 726 creates a task force to analyze employer sponsored family or medical leave benefits and the impact of state preemption of the regulation of such benefits. Further, the legislation prohibits local governments from passing any mandatory sick leave ordinances, ensuring that we will avoid a scenario where businesses could face 67 different rules and mandates in 67 different counties.

The bill passed on a party line vote of 13-6 and will next be heard on the Senate floor.

**AIF supports providing one uniform law with which all businesses in Florida will be required to comply. Preemption guarantees that we will have uniformity in the labor market in Florida.**

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## **Ethics & Elections**

The Senate Committee on Appropriations met and discussed SB 1382, *Relating to Campaign Finance*, by Senator Jack Latvala (R-Clearwater). The Senate bill is now very similar to its House counterpart, HB 569 by Representative Rob Schenck (R-Spring Hill) except in the area of limitations on campaign contributions. The Senate version sets the limits at \$3,000 for statewide candidates but leaves them at \$500 for all other candidates. The House bill sets statewide limits at \$5,000 and increases the limits for all other candidates to \$3,000. There are other relatively minor differences that should be resolved without difficulty. In addition to the changes in contribution limits, both Senate and House versions of the bill:

- Abolish committees of continuous existence (CCEs) but allow existing CCEs to convert to political committees.
- Per the bills, a political committee will have virtually all of the features of a CCE but will have the additional ability to spend money on campaign advertising for candidates of its choice.
- Increases the number and frequency of reports of contributions and expenditures by candidates and committees in the period immediately preceding and election.

The bill passed unopposed and will be taken up by the full Senate.

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

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### **Bills Voted on House Floor**

- HB 7015 - Relating to Expert Testimony by Representative Larry Metz (R-Groveland)...(75-42)
- HB 203 - Relating to Agricultural Lands by Representative Halsey Beshears (R-Monticello)...(113-3)