



DAILY BRIEF

From March 7, 2013

On the third day of the 2013 Legislative Session, a number of important bills saw action in both the House and Senate. To name a few, Associated Industries of Florida (AIF) supported legislation in the areas of environmental sustainability, health care, workforce, transportation and others passed by their respective committees.

Environment & Agriculture

During the House State Affairs Committee AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis spoke in Support of Proposed Committee Bill (PCB) 1, *Relating to Everglades Improvement and Management*, by Representative Matt Caldwell (R-Lehigh Acres). 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. AIF agrees fully with this position. 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, which AIF supports. Bevis stated: "Associated Industries has long advocated for a healthy business environment as well as a healthy natural environment. AIF believes this bill addresses both." The legislation passed with a unanimous vote of 17 yeas and 0 nays. We believe the bill will next be heard in the House Finance and Tax Subcommittee.

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.

In the House Agriculture & Natural Resources Subcommittee, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of HB 659, *Relating to Fossil Fuel Combustion Products*, by Representative Tom Goodson (R-Titusville). The legislation would allow for the use of waste from the burning of fossil fuel, primarily coal ash, to be used in road building materials and other beneficial uses. The legislation passed by a vote of 11 yeas and 2 nays. The bill next will be heard in House Agriculture & Natural Resources Appropriations Subcommittee.



The Senate Environmental Preservation and Conservation Committee met this morning and heard Senator Denise Grimsley (R-Sebring) present SB 948, *Relating to Water Supply*. AIF was present in the committee and spoke in support of the bill. This bill authorizes the Department of Agriculture and Consumer Services 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. All committee members voted in favor of the bill it now moves to the Senate Agriculture Committee, scheduled to meet Monday, March 11th.

The House Committee on State Affairs met to take up HB 109, *Relating to Consumptive Use Permits for Development of Alternative Water Supplies*, by Representative Dana Young (R-Tampa). AIF waived in support of the bill before it passed unanimously. This bill allows a water management district to grant 30 year consumptive use permits for alternative water supply projects. This bill is similar to SB 364 by Senator Alan Hays (R-Umatilla) which passed a Senate committee earlier this week. Both are important because they expand the "water pie" and make financing projects less expensive. These savings can be passed on to consumers and businesses in lower rates.

AIF supports state funding for alternative water supply programs and believes the Water Protection and Sustainability Trust Fund (WPSTF) must be fully funded so alternative water supply projects, such as reclaimed water projects, desalination efforts and the collection and storage of rainwater, can be built to produce additional and sustainable future water supplies.

Health Care

AIF stood in support of Senate Bill 536, *Relating to Physical Therapy*, by Senator Nancy Detert (R-Venice) at the Health Policy Committee this morning. 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 now head to the Senate Banking and Insurance Committee, scheduled to meet Thursday, March 14th. AIF also stood in support of the House companion, HB 413 by Representative Travis Hutson (R-Palm Coast), which was approved later today in the House Health and Human Services Committee and is now ready to be heard by the full House.

Later in the day, AIF supported a bill in the Health and Human Services Committee that was later approved. HB 239 by Representative Matt Caldwell (R-Ft. Myers) passed with only two dissenting votes. A strike all amendment was approved which represents a compromise developed between those groups representing optometrists and ophthalmologists. The bill would allow an optometrist who, has taken additional coursework and has passed an examination, to administer and prescribe ocular pharmaceutical agents in pill form. Currently an optometrist is only permitted to administer and prescribe topical ocular pharmaceutical agents.

AIF supports expanding the scope of practice for health care professionals in order to increase access to services and lower the cost of care.

Workforce

AIF spoke in the House State Affairs Committee in support of HB 655, *Relating to Political Subdivisions*, by Representative Steve Precourt (R-Orlando). HB 655 amends current law to further restrict political subdivisions from requiring an employer to provide employment benefits not required by state or federal law. The bill is designed to block local governments from enacting sick-time rules, such as the one pending in Orange County. This legislation is necessary to avoid what could become a patchwork of wage and benefit rules that may drive businesses away from Florida. The committee adopted one amendment that exempts any living wage ordinance in effect as of July 1, 2013, but then repeals those as of July 1, 2016. The amendment also permanently exempts domestic violence ordinances, orders, rules or policies. HB 655 passed 12-4 and is now headed to the House floor.

The Senate Community Affairs Committee was slated to hear SB 726, *Relating to Regulation of Family or Medical Leave Benefits for Employees*, by Senator David Simmons (R-Altamonte Springs). 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. However, the bill goes on to mandate employers provide a minimum sick leave policy. AIF is opposed to this mandate. The legislation was temporarily postponed in the committee due to time constraints. The committee is slated to meet next on Thursday, March 14th.

AIF looks forward to working with Senator Simmons on addressing the concerns found within the legislation.

Transportation

The Senate Transportation Committee met to hear SB 1132, *Relating to the Department of Transportation*, by Senator Jeff Brandes (R-St. Petersburg), an omnibus package serving as the primary legislation for Florida Department of Transportation (FDOT) priorities for 2013. The bill includes a variety of issues related to space funding, local government noise mitigation, strategic investment initiatives and other clarifying statutory language revisions. Specifically, the bill will allow the FDOT to allocate funding for space related projects after collaboration with local input and other related industries including Space Florida. In response to Senator Tom Lee (R-Brandon) who questioned whether this was actually an economic development incentive as opposed to a transportation initiative, FDOT Secretary Ananth Prasad explained that in fact these funds being made available would be limited and come from the public transportation portion of the State Transportation Trust Fund only after careful collaboration and consideration with all state stakeholders.

Additionally, the bill addresses several provisions related to regional transportation authorities, including the creation of the Florida Regional Toll Way Authority Act which would allow counties to form regional tolling authorities that can build and operate transportation projects in a particular region. It also creates three new regional transportation authorities that would be located in Escambia, Okaloosa and Citrus counties as well as moving the transfer of governance for the Mid Bay Bridge Authority to the newly created regional authority in Okaloosa County.

AIF supports any legislation that aides in making long term decisions to enhance the state's future revenue needs for transportation infrastructure investments.

During the 2012 Session, language was approved by the Legislature and signed into law which required visitors from outside the United States to have an International Driving Permit (IDP) to drive lawfully in Florida. These permits can only be obtained in the person's country, not after they enter the United States. The new law caused a stir among the state's tourist industry such as rental car companies, hotels, and attractions because it made Florida look less "tourist friendly." This could have disastrous effects on our economy as our state relies heavily on the dollars spent by tourists. AIF joined the coalition of businesses calling for the repeal of the language.

Today, the House Economic Affairs Committee and the Senate Transportation Committee passed proposals to repeal the onerous language. Both proposals are now ready to head to their respective Chambers, as early as next Tuesday, so the issue can be remedied quickly. The Governor has given his assurance that he will sign the measure as soon as the final bill is presented to him.

AIF supports any legislation repealing this harmful language as it directly damages Florida's businesses relying on tourism.

Economic Development

AIF stood in support of SB 562, *Relation to Tax-exempt Income*, by Senator Dorothy Hukill, (R-Port Orange) in the Senate Banking and Insurance Committee. Senator Hukill said this bill increases the level of income that is exempt from the Florida corporate income tax. Florida imposes a 5.5 percent tax on the net income of corporations doing business in Florida. Currently, however, the first \$50,000 of a corporation's income that is subject to Florida tax is exempted from the tax. This bill increases the exemption from \$50,000 to \$75,000. The bill passed unanimously and moves to the Senate Appropriations Subcommittee on Finance and Tax, scheduled to meet Wednesday, March 13th.

AIF supports the increase to \$75,000 of tax exempt income as promoted by Governor Rick Scott. This exemption will make Florida more desirable to both existing businesses in Florida and those looking to locate in Florida.

Information Technology

In the Senate Governmental Oversight and Accountability Council, Chair Jeremy Ring (D-Margate) introduced his own legislation, SPB 7024, *Relating to State Technology*. Senator Ring explained that the bill substantially revises how the state organizes and operates its information technology resources. The bill creates a Department of State Technology (DST) as an executive agency under the Governor. The defunct Agency for Enterprise Information Technology is abolished by the bill, and its duties, and all technology and telecommunications duties of the Department of Management Services, are transferred to the DST. The DST is given extensive authority to set state technology policy, and manage state enterprise IT services and procurements. The Northwood and Southwood shared resource centers are transferred to the DST.

Senator Aaron Bean (R-Jacksonville) asked why it was necessary to create a new agency and hire 14 people. Senator Ring responded that the state was a \$70 billion operation and he did not know of any business of nearly that size that did not have an IT department. We have a poor record of utilizing IT in our business processes in Florida and this is a step toward solving that. He added that this modest expenditure will save the state hundreds of millions of dollars.

AIF testified in support of the bill and thanked Senator Ring for his continued efforts in IT governance. AIF believes this legislation will move Florida forward in its ability to properly utilize IT in producing its many business process much more efficiently.

The bill passed with only dissenting vote. The bill will now become a committee bill with a new number and be re referenced but will not come back to this committee.

AIF's Information Technology Council strongly supports the bill because it allows the state to begin to make informed decisions on its IT spend. Moreover it will improve the efficiency of the state's operations.

Insurance

The House Government Operations Appropriations Subcommittee approved CS/HB 335, *Relating to Property and Casualty Insurance Rates and Forms*, by Representative Jim Boyd (R-Bradenton). The bill allows a property and casualty insurer to file a new policy or changes to an existing policy as an informational filing with the Office of Insurance Regulation (OIR) in lieu of filing for approval prior to use. The bill will substantially reduce a backlog of form filings awaiting approval by the OIR. Thus, the bill will allow insurers to react timely to the insurance needs of the business community and will enhance competition among insurers. Representative Boyd's bill passed unanimously and now heads to its last stop in the House, the Regulatory Affairs Committee on Thursday, March 14th.

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

Early this morning, AIF attended the Senate Banking and Insurance Committee to stand in support of SB 7018, *Relating to Property Insurance*, filed to reform Citizens Property Insurance Corporation. Many of the provisions of SB 7018 were part of the reform proposal AIF presented to the committee earlier this year. One of the more notable provisions requires Citizens rates must be actuarially sound and noncompetitive with the private market. This should significantly reduce the likelihood of future assessments on non-Citizens policyholders. Other provisions of the bill would limit eligibility of certain high value properties over time. The bill passed with only one dissenting vote.

AIF supports legislation to return Citizens to an insurer of last resort.

Legal & Judicial

The Senate Committee on Regulated Industries unanimously passed 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 now moves to the Senate Criminal Justice Committee, scheduled to meet Monday, March 11th.

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

Telecommunications

In the House Transportation & Highway Safety Subcommittee, AIF waived in support of Representative Doug Holder's (R-Sarasota) HB 13, *Relating to the Use of Wireless Communications Devices While Driving*. Representative Holder explained that the bill provides for secondary enforcement of a ban on texting-while-driving. Specifically, a driver must be first pulled over for a violation of another traffic law before that driver may be cited for violating the texting-while-driving ban. He said that graduated penalties and exceptions are provided. A driver may still text when legally parked. The bill also provides that a driver's wireless billing records and testimony from those receiving messages are admissible as evidence in a proceeding to determine whether a violation has been committed. The bill may generate additional revenues for local and state governments as a result of the penalties. The bill passed unanimously as a committee substitute and will be re-referred but most likely will go to House Civil Justice Subcommittee next. The Senate companion, SB 52, has passed out of two committees and is now in the Senate Judiciary Committee.

AIF supports HB 13 because it will effectively decrease automobile accidents thus lowering insurance costs for Florida's businesses.