



WEEKLY BRIEF

From the Week of March 18 – 22, 2013

The beginning of Week 3 of the 2013 Legislative Session was dominated by health care discussion and environmental issues. Legislators were busy discussing the implementation and impact of the Patient Protections and Affordable Care Act (PPACA) as well as water quality credit trading and agricultural land legislation. In addition, the Senate Education Committee work shopped multiple charter school bills in an effort to create two comprehensive bills.

Also of note, Governor Rick Scott released a statement on the unemployment rate. Florida's unemployment rate has fallen below the national average & more than 282,000 private-sector jobs have been created since December 2010.

View AIF's Special Notice on the Governor's announcement at <http://aif.com>

Day two of the third week of Legislative Session saw multiple victories for Florida businesses. Associated Industries of Florida (AIF) testified and stood in support of various bills in front of committee today with two top priority bills passing through favorably.

With no full House or Senate Session meetings on Wednesday, various committees met to hear numerous pieces of legislation. In a tumultuous and eventful day, taxation, economic development and insurance bills were among the most contentious. AIF advocated on behalf of Florida's businesses in almost every committee meeting.

Thursday was a relatively quiet day in Florida's capital city, although environment and agricultural issues became the major topic of the day. Energy and education legislation important to AIF and members of the business community were also discussed at length. Also of note, Senator Joe Negron (R-Stuart) laid out his plan as an alternative to the expansion of Medicaid. Ethics and elections legislation also remains a constant topic of debate for the 2013 Legislative Session.

Health Care

On Monday, March 18th, the Senate Select Committee on PPACA held its final meeting to officially complete its mission. The committee acted on two remaining issues: how to address the state and federal insurance regulatory issues that are in conflict, and whether or not to provide insurance to the state's part-time or "OPS" employees.

Chair Joe Negron (R-Stuart) recommended that the Office of Insurance Regulation (OIR) continue to review health insurance policies submitted by health insurers to ensure they comply with various state regulations such as consumer protection provisions. The recommendation also called for the OIR to suspend determining if rates proposed by health insurers are fair and reasonable. The committee voted to leave that responsibility to the federal government. However, Chair Negron left the door open for OIR to resume reviewing rates once the federal government completes the rules associated with the PPACA.

The second recommendation was to offer health insurance coverage to almost 10,000 temporary state employees who work an average of 30 hours a week or more. If the state had chosen not to provide coverage for these employees, a penalty in the amount of \$318 million would be levied by the federal government. The cost of providing coverage to these employees will cost Florida \$137 million. The Senate Banking and Insurance Committee will pick up where the Select Committee has left off on the insurance regulatory matters and we expect to see specific legislative proposals in the coming weeks.

On Thursday, March 21st, in the Senate Appropriations Committee, Senator Joe Negron (R-Palm City) outlined his proposal designed to provide an alternative to the federal government's call to expand eligibility in the Medicaid program. Last week, the Senate Select Committee on PPACA, also Chaired by Sen. Negron, voted NOT to expand eligibility in that program. The components of the plan would:

- Use available federal funding to provide private health insurance for low income Floridians
- Require low income persons to pay for certain costs in the program, such as co pays and deductibles;
- Establish the current Healthy Kids Program the "procurement agent" for the program.
- Use Health Reimbursement Accounts (HRAs) that will reward persons for healthy behavior, similar to current practice with private health plans.
- Provide a 90-day "look in" period for enrollees meaning that a person has 90 days to decide whether or not they will remain in the plan;
- Allow an enrollee to change plans annually.

Sen. Negron further told members that the program would have "triggers" in order to mitigate actions that could be taken by the federal government on the promised funding for this program. PPACA Medicaid expansion promised 100% funding for expanded coverage of low income persons until 2020 at which time the federal funding would go to 90%. The proposed bill provides that if the funding goes below 100% between now and 2020, the program would simply cease at the end of the fiscal year.

Vice Chair Eleanor Sobel (D-Hollywood) discussed the makeup of the board of directors which will govern this program. The Florida Families Board would have 12 members. Four members would be appointed by the Governor. Four members would be appointed by the Senate – two from the Senate President and two by the Senate Minority Leader. Four members would be appointed by the House – two by the House Speaker and two by the House Minority Leader.

The proposed bill will come back to the Senate Committee on Appropriations for introduction and then would be referred to committees as necessary.

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.

On Tuesday, March 19th, in the House Health Innovation Subcommittee, AIF stood in support of HB 675, *Relating to Health Insurance Marketing Materials*, by Representative Clay Ingram (R-Pensacola). 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 unanimously passed and now moves to the House Regulatory Affairs Committee. The Senate companion, SB 648 by Senator Dorothy Hukill (R-Port Orange), was passed unanimously by the Senate Banking & Insurance Committee on Wednesday.

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

On Thursday, March 21st, during the Senate Committee on Appropriations meeting, AIF stood in support of SB 278, *Relating to the Practice of Optometry*, by Senator Garrett Richter (R-Naples). The bill would allow certified optometrists who complete additional coursework and pass an examination to provide a broader range of services including administering and prescribing oral pharmaceutical agents. For the last several years, optometrists have sought to increase their scope of practice, noting they can provide additional services for patients at a lower cost. The committee's staff analysis stated passage of this bill would result in savings for the state's Medicaid program.

The bill passed unanimously and will head next to the full Senate floor.

The House companion, HB 239 by Representative Matt Caldwell (R-Lehigh Acres), was passed on the House floor today by a vote of 116-0.

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

Environment & Agriculture

In the Senate Agriculture Committee on Monday afternoon, AIF stood in support of SB 1700, *Relating to Agricultural Lands*, by Senator Jack Latvala (R-Clearwater). The bill repeals provisions requiring the Department of Economic Opportunity (DEO) to map and monitor the state's agricultural land base as neither DEO nor the previous agency responsible for this function, ever implemented the program and it is not considered essential. It is not considered necessary because the Florida Department of Agriculture and Consumer Services (DACCS) currently has several mapping programs providing this information.

The bill reported favorably out of committee by a vote of 6-0 and now goes to the Senate Commerce and Tourism Committee.

During the House Economic Development & Tourism Subcommittee, AIF stood in support of HB 4045, *Relating to Agricultural Lands*, by Representative Daniel Raulerson (R-Plant City). The bill repeals provisions requiring the Department of Economic Opportunity (DEO) to map and monitor the state's agricultural land base as neither DEO nor the previous agency responsible for this function, ever implemented the program, and it is not considered essential. It is not considered necessary because the Florida Department of Agriculture and Consumer Services (DACCS) currently has several mapping programs providing this information.

HB 4045 passed through the Committee with a unanimous vote and will next be heard in the House Transportation and Economic Development Appropriations Subcommittee.

AIF supports legislation that eliminates duplicative duties by other governmental agencies as it eliminates an unnecessary tax burden on Florida's employers.

On Monday, in the Senate Agriculture Committee, AIF was present to stand in support of SB 948, *Relating to Water Supply*, by Senator Denise Grimsley (R-Sebring). However, SB 948 was temporarily

postponed because the Senator opposing the bill is away on family business. SB 948 requires the Florida Department of Agriculture and Consumer Services (DACS) to establish a water supply planning program in order to develop data on potential agricultural water supply demand. The water management districts (WMDs) are required to consider the data supplied by DACS in order to properly prepare for future agricultural water supply demands.

AIF will be present in Committee when SB 948 is voted on in order to express our support on behalf of Florida's businesses.

AIF supports efforts by DACS to secure funding for a new agricultural water planning program.

The House Agriculture and Natural Resources Subcommittee met Monday afternoon to review CS/HB 659, *Relating to Fossil Fuel Combustion Products*, by Representative Tom Goodson (R-Titusville). The bill addresses the continued use of coal ash in many products and creates a regulatory program under the Department of Environmental Protection (DEP) for the beneficial use of Fossil Fuel Combustion Products. This bill would let the EPA know that Florida wants to continue to use coal ash in various types of products. It also saves energy while producing revenue by using coal ash in products rather than incurring the cost of disposal.

AIF stood in support and the committee passed the bill, which will next be heard in the House State Affairs Committee.

In Thursday's Senate Committee on Environmental Preservation and Conservation meeting, AIF stood in support of CS/HB 659's Senate companion SB 682. The bill passed without opposition and will next be heard in the Senate Committee on Community Affairs.

AIF supports any legislation promoting the beneficial use of Fossil Fuel Combustion Products in order to save Florida's businesses from the costly disposal of such resources.

On Monday, the House Agriculture and Natural Resources Subcommittee heard CS/HB 713, *Relating to Water Quality Credit Trading*, by Representative Cary Pigman (R-Sebring). This bill expands a pilot program to a statewide water quality credit trading program. Participation in this program is completely voluntary. The program is market-based and allows businesses to buy trading credits (pollutant reductions) from others which saves them money rather than implementing a more expensive cleanup project.

AIF stood in support and the bill passed unanimously. The bill now goes to the House Committee on State Affairs.

AIF supports this legislation because establishing a water quality credit trading program could reduce the costs of pollutant reduction activities to businesses.

On Wednesday, March 20th in the Senate Community Affairs Committee, AIF demonstrated its support for Senator Alan Hays' (R-Umatilla) SB 1106, *Relating to Agritourism*. Agritourism refers to the practice of attracting tourists to agricultural areas, usually for recreational or educational purposes. Agritourism provides Florida farmers with an alternative and innovative way to expand their incomes either through activities on the farm, or employment activities off of the farm.

Under current Florida law, also known as the *Greenbelt Law*, agricultural operative properties are taxed according to the "use" value of these operations rather than the developmental value. SB 1106 prohibits a local government from adopting ordinances or policies designed to prohibit or limit agritourism activity on land deemed "agricultural" by the county property appraiser. The bill also clarifies the

definition of “agritourism activity,” and establishes a limit on the liability for the landowner and the employees if a notice of risk is posted on the land.

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

AIF supports any legislation that allows Florida farmers to safely expand their businesses through the use of Agritourism.

On Wednesday, March 20th AIF stood in support of **PCB SAC2**, *Relating to Numeric Nutrient Criteria* (NNC) in the House Committee on State Affairs. 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 unanimously and will either go to one more committee or straight to the House floor for consideration.

The following day, AIF stood in support of **PCB SAC2’s** Senate companion, SB 7034, *Relating to Numeric Nutrient Criteria* (NNC) in the Senate Committee on Environmental Preservation and Conservation. The bill passed unanimously and will either go to one more committee or straight to the Senate floor for consideration.

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

On Wednesday, March 20th, in the House Agriculture and Natural Resources Subcommittee, AIF stood in support of multiple bills including HB 183, *Relating to Stormwater Management Districts*, by Representative Daniel Raulerson (R-Plant City). Additionally, Committee members heard HB 1063, *Relating to Water Supply* by Representative Travis Hutson (R-Palm Coast) and HB 1393, *Relating to Agricultural Storage and Shipping containers* by Representative Halsey Beshears (R-Monticello).

HB 183, *Relating to Stormwater Management*, provides that a city or county that creates a community redevelopment area is authorized to adopt storm water adaptive management plan for water quantity and quality of storm water discharges in the area and get a permit from the Water Management District (WMD) or Department of Environmental Protection (DEP). The permit has a series of requirements.

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

AIF supports the bill because it protects businesses who are establishing in a redevelopment area that is likely to flood.

House Bill 1063, *Relating to Water Supply*, by Representative Travis Hutson (R-Palm Coast) is the Department of Agriculture and Consumer Services (DACS) water planning bill for this session. This bill authorizes 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.

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

On Thursday, AIF stood in support of Senator Alan Hays' (R-Umatilla), 30 year alternative water supply permitting bill, SB 364 in the Senate Committee on Appropriations. The bill expands water supply and reduces the cost of bonding such projects.

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

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.

The final bill heard was HB 1393, *Relating to Agricultural Storage and Shipping*, by Representative Halsey Beshears (R-Monticello). 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. Certain criminal penalties are provided.

HB 1393 also passed unopposed and will next be heard in the House Criminal Justice Subcommittee.

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

On Wednesday, March 20th, in the Senate Community Affairs Committee, AIF stood in support of SB 1200, *Relating to Taxation of Property*, by Senator Wilton Simpson (R-Trilby). 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.

AIF supports any legislation promoting Florida's Brownfield Program as it provides a variety of financial and regulatory incentives encouraging parties to voluntarily clean up and redevelop Brownfield sites. By restoring Brownfield sites, the properties get back on the tax rolls quicker and become useful to the community.

On Thursday, March 21st, in the Senate Committee on Environmental Preservation and Conservation, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis** stood in support of SB 768, *Relating to Everglades Long-term Plan*, by Senator Wilton Simpson (R-Trilby). 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.



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

The house companion, HB 7065 by Representative Matt Caldwell (R-Lehigh Acres), was Thursday and Friday on the House floor and rolled to a second and then third reading.

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.

Insurance

On Tuesday, March 19th, the House Insurance and Banking Subcommittee met to consider HB 819, *Relating to Florida Commission on Hurricane Loss Projection Methodology*. 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 will next be heard in the House Government Operations Appropriations Subcommittee.

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

Also on Tuesday, in the Senate Appropriations Subcommittee on General Government, AIF stood in support of SB 1770, *Relating to Property Insurance* by the Senate Banking & Insurance Committee. Among other things the bill:

- Renames the Florida Hurricane Catastrophe Fund Finance Corporation to the State Board of Administration Finance Corporation.
- Creates a Florida Catastrophe Risk Capital Access Facility within the State Board of Administration to help insurers identify global capital available for additional coverage options around the various layers of the Florida Hurricane Catastrophe Fund (CAT Fund).
- Subjects Citizens Property Insurance Corporation to bad faith claims.
- Exempts Citizens from "exchange of business" restrictions, to facilitate the operations of the clearinghouse.
- Requires the Office of Insurance Regulation (OIR) to calculate and publish an annual property insurance inflation factor where property insurance rates filed below the inflation factor are to be deemed non-excessive by the OIR.
- Redefines Citizens' mission to be non competitive through the use of a clearinghouse to ensure Citizens' coverage is only available to eligible applicants.
- Reduces the maximum Citizens' policy limit from \$2 million to \$1 million, and further reduces this amount by \$100,000 a year for five years.
- Prohibits Citizens from covering structures commencing construction after July 1, 2013, that are seaward of the coastal construction control line, unless built to code-plus.
- Clarifies a private company's offer within 15 percent of Citizens' rate makes both new and renewal policies ineligible for Citizens.
- Requires agents to certify and document a continued effort to seek private market placement for their policyholders that are in Citizens.

The bill received extended debate and passed with a vote of 8-4. SB 1770 will next be heard in the Senate Appropriations Committee.

On the Wednesday, March 20th meeting of the House Government Operations Appropriations Subcommittee, AIF stood in support of HB 835, *Relating to Citizens Property Insurance Corporation* by Representative John Wood (R-Winter Haven). The bill contains numerous changes to Citizens Property Insurance Corporation, including:

- Creating an Inspector General for Citizens who reports to the Financial Services Commission,
- Precluding Citizens' policyholders from renewing insurance with Citizens if an insurer in the private market will insure the property for a premium up to five percent more than the Citizens' renewal premium,
- Precluding Citizens from insuring property with a dwelling replacement cost or a condominium unit that has a dwelling and contents replacement cost of \$500,000 or more, implemented over a six year period,
- Precluding Citizens from insuring major structures for which a building permit for new construction is applied for on or after July 1, 2014, or for which a building permit for a substantial improvement of the structure is applied for on or after July 1, 2014, and which is located seaward of the coastal construction control line or within the Coastal Barrier Resources System,
- Authorizing Citizens to require repair of damaged property, instead of paying to replace it, and
- Authorizing insurers taking policies out of Citizens to use Citizens' policy forms for three years which will allow these insurers to insure the property with reduced coverage and to require repair of the property instead of paying to replace it.

The bill would effectively reduce the number of policies held by Citizens. Further, the bill reduces the potential losses for Citizens, thus decreasing the likelihood and amount of a deficit in Citizens causing assessments on Citizens' and non-Citizens' policyholders.

The bill passed with a vote of 10-1 and will next be heard in the House Regulatory Affairs Committee.

AIF supports legislation to return Citizens to an insurer of last resort. Reducing the exposure of Citizens will substantially reduce the likelihood of claims-paying deficits and thus, hurricane taxes on insurance premiums for Florida's employers.

Also on Wednesday, in the Senate Banking & Insurance Committee, AIF stood in support to SB 648, *Relating to Health Insurance Marketing Materials*, by Senator Dorothy Hukill (R-Port Orange). The bill would repeal the requirement on health insurers to submit the marketing materials they will use for their health insurance products, prior to their use. The bill would allow health insurers to get their products into the market sooner.

The bill passed unanimously and will next be heard in the Senate Health Policy Committee.

AIF supports streamlining the regulations that create unnecessary barriers to ensure employers have options for coverage from which to choose.

Workers' Compensation

On Wednesday, March 20th, 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 10-1 and will next be heard in the Senate Health Policy Committee.

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

Manufacturing

On Tuesday, March 19th, AIF testified in the House Economic Development and Tourism Subcommittee, to support legislation aimed at growing and developing Florida's manufacturing sector. HB 357, *Relating to Manufacturing Development*, by Representative Jim Boyd (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.

House Bill 357 passed unanimously and now moves to the House Transportation and Economic Development Appropriations Subcommittee.

AIF supports HB 357 because it will improve the development approval process for manufacturers in Florida.

Economic Development

On Wednesday, March 20th, during the House Transportation and Highway Safety Subcommittee, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of HB 319, *Relating to Community Transportation Projects*, by Representative Lake Ray (R-Jacksonville). The legislation would provide guidance for alternative transportation funding systems. It would also ensure that new developments are not required to fund corrections to current backlogs.



The bill passed Committee by a vote of 12-1 and will next be heard in the House Economic Affairs Committee.

Also on Wednesday, AIF stood in support of SB 972, *Relating to Transportation Development*, by Senator Dorothy Hukill (R-Port Orange) in the Senate Community Affairs Committee. The bill includes an amendment providing clarification to the concurrency laws for those jurisdictions who retain transportation concurrency, and provides minimum guidance for any alternative system utilized by the local government to replace concurrency. AIF members like this amendment because it makes the transportation for developers more affordable for their impacts, not others.

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

AIF supports statutory guidance to provide a consistent set of rules on transportation funding systems.

In the Wednesday meeting of the House Finance & Tax Subcommittee, AIF stood in support of HB 1049, *Relating to Motorsports Entertainment Complexes*, by Representative David Santiago (R-Deltona). This proposed Motorsports Entertainment Complex project calls for the redevelopment of the Daytona track and an accompanying mixed-use facility that will serve as a year-round tourist destination while providing space for offices, light manufacturing, research and development, residential, hotel and retail. In the current economic climate, Florida should take advantage of this opportunity to attract new businesses and an increased number of tourists.

The bill passed committee with a 14-3 vote and will next be heard in the House Economic Affairs Committee.

AIF supports any legislation attracting new businesses to the state as well as legislation benefiting Florida's tourism industry.

During the Wednesday Senate Banking and Insurance Committee meeting, AIF spoke in opposition the SB 1666, *Relating the Mortgage Foreclosures*, by Senator Jack Latvala (R-Clearwater) due to a provision within the legislation that would allow notices to be posted online in lieu of publication in any other form of media.

The bill passed by a vote of 7-3 and will next be heard in the Senate Committee on Judiciary.

To promote greater transparency and acknowledge the "digital divide," AIF continues to support requirements that public notices be printed in local newspapers as defined by Chapter 50, Florida Statutes, as well as displayed on the Internet.

Workforce

On Wednesday, March 20th, in the Senate Health Policy Committee, 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 by a vote of 6-3 and will next be heard in the Senate Judiciary Committee.

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.

Education

On Monday, March 18th, the Senate Education Committee held a workshop on twelve separate charter school bills and announced that parts and provisions of all of these bills will be rolled into two separate proposed committee bills (PCBs). The first PCB deals with charter school accountability and will be sponsored by Senator Kelli Stargel (R-Lakeland). The other PCB will focus on district charter innovations and be sponsored by Senator Bill Montford (D-Tallahassee). The chairman of the Committee, Senator John Legg (R-Lutz), made it clear that some of the provisions in the bills were in direct opposition to each other and should be prepared to file amendments. He indicated the bills would be on the Committee agenda the week of April 1st.

AIF supports equitable funding for public charter schools as well as removing artificial enrollment caps preventing public charter schools from meeting the demand of students on waiting lists.

On Tuesday, March 19th, legislators in the House Education Appropriations Subcommittee debated a variety of education bills including HB 7027, *Relating to Education Accountability*, by the House Choice & Innovation Subcommittee. Additionally, Committee members heard HB 7029, *Relating to Digital Learning* by the House Choice & Innovation Subcommittee and HB 7091, *Relating to K-20 Education*, by the House.

HB 7027, *Relating to Education Accountability*, increases school accountability in a variety of different ways. The bill will also require the Commissioner of Education to restructure the process to access data kept in the K-20 data warehouse by creating a "Research Engine" capable of providing access to records under the federal Family Educational Rights and Privacy Act (FERPA).

AIF stood in support and the bill passed unanimously and will next be heard in the House Education Committee.

AIF supports legislation creating a uniform system of accountability and incentivizing educational institutions to use Common Course Numbering.

HB 7029, *Relating to Digital Learning*, seeks to increase access to digital learning and mixed learning options. First, the bill will allow districts to provide part-time visual instruction for K-12 students in all courses, rather than only those courses measured through a statewide assessment. The bill would also remove blended learning courses from the definition of core-curricula classes and clarify that district innovation schools are exempt from class size requirements.

AIF stood in support and the bill passed by a vote of 8-5 and will now move to the House Education Committee.

On Wednesday, March 20th, in the House Choice and Innovation Subcommittee, AIF stood in support of HB 843, *Relating to Education*, by Representative Matt Gaetz (R-Ft. Walton Beach). The bill provides more digital and online choices for Florida students.

The bill passed committee with a vote of 10-3 and will next be heard in the House Education Appropriations Subcommittee.

AIF supports establishing a Digital Learning Initiative to offer infrastructure, bandwidth, and mobile devices equipping all Florida students with access to quality, digital learning opportunities.

HB 7091, *Relating to K-20 Education*, creates three new standard high school diploma designations: College and Career, Industry, and Scholar. By creating these separate designations, it establishes a system to develop career education courses enabling students to earn credit in career courses while earning core academic credit for graduation. The bill also includes a financial literacy requirement as a .5 credit hour course.

AIF supports legislation that promotes an increased course offering, preparing Florida's students for the workforce.

The majority of the Committee's time was devoted to HB 867, *Relating to Parent Empowerment in Education*, by Representative Carlos Trujillo (R-Doral) which is commonly referred to as the "Parent Trigger Bill." Essentially, the bill would give parents a say in the governing structure of a failing school. There was substantial public testimony more opposing the bill than supporting the bill, but, the bill passed along partisan lines.

Currently, AIF does not have a position on the bill, but will continue to monitor it as it directly pertains to Florida's future workforce.

During the Senate Committee on Appropriations' Thursday meeting, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of SB 318, *Relating to Background Screening for Noninstructional Contractors on School Grounds*, by Senator Denise Grimsley (R-Sebring). The legislation would require the Department of Education to create a uniform, statewide identification badge to be worn by non-instructional contractors signifying that a contractor has met specified requirements and background checks.

The bill passed unanimously and was placed on the Special Order Calendar for March 27th.

AIF supports this legislation because it streamlines and makes uniform the ID requirements for non-instructional contractors working on school grounds.

Pension Reform

On Wednesday, the Senate Community Affairs Committee met and discussed SB 1392, *Relating to Retirement*, by Senator Wilton Simpson (R-New Port Richey). The bill, which doesn't go as far as the House bill relating to retirement, reduces state budget risk relative to the state retirement system. AIF was in committee to stand in support of this good bill, however, due to time constraints, meeting attendees were not allowed to stand or speak.

The bill passed with a vote of 6-3 and will next be heard in the Senate Appropriations Committee.

On Thursday, March 21st, HB 7011, *Relating to Retirement*, was read for a second time on the House Floor and rolled to third reading. The bill, which would significantly change the state retirement system by requiring all new state employees to enroll in a 401k style investment plan, attracted numerous questions from Democrats in favor of retaining a pension option for state workers. AIF has consistently supported this bill as it moves the state retirement system toward a private sector model reduces the long term financial risk to tax payers and finally will result in a more stable budget environment for the state, which translates into more stable business environment.

AIF supports legislation reducing the burden Florida's taxpayers are shouldering, due to these state and local government pension plans, by closing the current pension program.

Energy

During the Thursday meeting of the Senate Committee on Appropriations, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of SB 338, *Relating to Theft of Utility Services*, by Senator Wilton Simpson (R-New Port Richey). The legislation would increase criminal penalties for the theft of utility services.

The bill passed unopposed and was placed on the Special Order Calendar for March 27th.

AIF supports this legislation because it will hopefully dissuade would be thieves from targeting Florida businesses.

Technology

On the Tuesday, March 19th meeting of the Senate Appropriations Subcommittee on General Government, AIF testified in support of SB 1762, *Relating to State Technology*, by Senator Jeremy Ring (D-Margate). Currently, the state is a \$70 billion business without an information technology (IT) department. Senator Ring explained no business of this size, or even smaller, operates without an IT department. This bill creates the Department of State Technology (DST) as an executive agency under the governor. Further, the bill would abolish the outdated Agency for Enterprise Information Technology (AEIT) and all of its duties, as well as all technology and telecommunications duties of the Department of Management Services (DMS) will be transferred to DST.

The bill passed by a vote of 11-1 and will next be heard in the Senate Appropriations Committee.

AIF supports the bill because it allows the state to begin making informed decisions on its IT spending. Moreover, it will improve the efficiency of the state's operations.

Taxation

In the Tuesday, March 19th meeting of the Senate Appropriations Subcommittee on Transportation, Tourism and Economic Development, 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 by a unanimous vote of 12-0 and will next be heard in the Senate Appropriations Committee.

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.

In the Wednesday, March 20th meeting of the House Finance & Tax Subcommittee, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of HB 807, *Relating to Emergency Communication System*, by Representative Greg Steube (R-Sarasota). 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.



The legislation passed committee unanimously and will next be heard in the House Regulatory Affairs Committee.

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

Legal & Judicial

On Wednesday, March 20th, in the House Business and Professional Regulation Subcommittee AIF stood in support of HB 457, by Representative MaryLynn Magar (R-Hobe Sound). The legislation would allow Florida employers to recover payments from worthless checks and other transactions without the sending of a specified letter if the business has a notice posted at point of sale or on invoice. If enacted, this bill would allow Florida businesses to collect money due to them in a timelier manner.

The bill passed without opposition and will next be heard in the House Judiciary Committee.

AIF supports legislation that makes it easier for Florida employers to collect payment due to them.

Ethics & Elections

On Tuesday, March 19th, the House Ethics and Elections Subcommittee unanimously adopted proposed committee bill **(PCB) EES 2**, a comprehensive rewrite of Florida's ethics laws regulating the conduct of public officials. The bill is now similar to its Senate counterpart, SB 2, which passed the Senate on the first day of Session.

The difference in the two bills is the "revolving door" prohibition in the Senate bill that prohibits legislators and former officials from commencing lobbying activities for two years after leaving office. The House version limits the ban to the Senate President and the House Speaker. The other differences in the two bills are relatively minor. It is anticipated that all of the differences will be negotiated out over the next few weeks and that there will be no need for a formal conference committee.

On Wednesday, March 20th, the Senate Community Affairs Committee heard 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 unanimously and will next be heard in the Senate Appropriations Committee, its last stop before being heard by the full Senate.

The House version of campaign finance legislation, HB 569 by Representative Rob Schenck (R-Springhill), was on second reading in the House today. After extensive questioning of the sponsor, four Democratic amendments were defeated on party-line votes.

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

National Association of Manufacturers

The National Association of Manufacturers (NAM) will be hosting its annual Public Affairs Conference at the Eden Roc Renaissance Miami Beach hotel in Miami, Florida from April 14th -16th. The conference is the nation's leading annual gathering of public affairs and government relations professionals.

To read more on the Conference or to register, go to <http://aif.com>