



# WEEKLY BRIEF

From the Week of April 8 – 12, 2013

## 2013 Mid-Session Briefing

On Monday, April 8th, Associated Industries of Florida (AIF) held its annual Mid-Session Briefing in downtown Tallahassee. The guest speakers, including Senator Alan Hays (R-Umatilla) and Representative Matt Hudson (R-Naples), provided attendees with a concise update on the Senate and House Session happenings.

View a short video on the Mid Session Briefing at <http://youtu.be/DYZIAF9uUK0>

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## Manufacturing

On Tuesday, April 9th, AIF stood in support of legislation aimed at growing and developing Florida's manufacturing sector during the Senate Committee on Community Affairs. 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 Florida's manufacturers.**

The next day, during the House Economic Development & Tourism Subcommittee, **AIF's Senior VP of State and Federal Affairs, Brewster Bevis**, stood in support of HB 391, *Relating to Exemptions from Tax on Sales, Use, & Other Transactions* by Representative MaryLynn Magar (R-Hobe Sound). The bill revises the exemption from the sales tax for certain business purchases of industrial machinery, equipment and spaceport activities. It removes the limitation on the maximum amount of tax refunds a business may receive under the qualified defense contractor and space flight business tax refund program as well as for qualified target industry (QTI) businesses. Further, the bill revises requirements relating to the review, approval and awarding of funds under the Innovation Incentive Program.



The bill passed with a vote of 9-3 and will next be heard in the House Finance & Tax Subcommittee.

**In order to encourage the growth of Florida's current manufacturing industry, attract new businesses to the state and create jobs for Floridians, AIF supports eliminating the sales tax on manufacturing machinery and equipment.**

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### **Workers' Compensation**

On Tuesday, April 9th, 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.**

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### **Business Regulation**

On Tuesday, April 9th meeting of 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 to SB 1174 by Senator Audrey Gibson (D-Jacksonville).

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 a 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.**

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## **Economic Development**

On Monday, April 8th, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of SB 1394, *Relating to Motorsports Entertainment Complexes*, by Senator Dorothy Hukill (R-Port Orange) in the Senate Committee on Commerce and Tourism. 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 unanimously and will next be heard in the Senate Appropriations Subcommittee on Finance and Tax.

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

In the same committee, AIF's **Brewster Bevis** also stood in support of SB 528, *Relating to Growth Management*, by Senator Wilton Simpson (R-New Port Richey). Under the bill, the local initiative and referendum processes allowed to continue are limited to those which:

- Were in effect on June 1, 2011;
- Were expressly authorized by a local government charter specifically for matters such as comprehensive plan or map amendments and development orders; and
- Affect more than 5 acres of land.

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

Today, the House unanimously passed the House companion bill, HB 537, by Representative George Moraitis (R-Ft. Lauderdale).

**AIF supports legislation that clarifies which local initiative and referendum processes relating to development orders, comprehensive plan amendments, or map amendments are not prohibited.**

On Tuesday, April 9th, 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.

In the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development, AIF stood in support of SB 1132, *Relating to the Department of Transportation*, by Senator Jeff Brandes (R-St. Petersburg). This bill is an omnibus package serving as the primary legislation for Florida Department of Transportation (FDOT) priorities for 2013. SB 1132 includes a variety of issues related to space funding, 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.

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

**AIF is a strong proponent of several measures contained in 7127, including the additional resources for Space Florida and the space industry. Additionally, AIF supports any legislation that aides in making long term decisions to enhance the state's future revenue needs for transportation infrastructure investments.**

On Wednesday, April 10th, the Senate unanimously passed SB 406, *Relating to Economic Development*, by Senator Andy Gardiner (R-Orlando). The bill streamlines the process by which all incentive program applicants are assessed by requiring all applicants be evaluated for the “economic benefits” of the proposed project and it creates a rotating 3-year review schedule for specified incentives and programs to be evaluated by the Office of Economic and Demographic Research (EDR) and the Office of Program Policy Analysis and Government Accountability (OPPAGA). The bill also requires the DEO to publish project-based information on economic development programs provided to businesses, on its website in a user-friendly format. Further, the bill specifies the meaning of the term “brownfield” for purposes of the sales tax exemption for building materials in redevelopment projects and for the brownfield redevelopment bonus.

The House took up SB 406 today and amended it with the substance of the House Economic Development package, HB 5601. The bill is now in position to be discussed in conference.

**AIF supports any legislation seeking to streamline the evaluation and reporting process for Florida's economic development plans.**

In the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development meeting on Thursday, April 11th, AIF stood in support SB 1012, *Relating to Economic Gardening Technical Assistance Program*, by Senator Alan Hays (R-Umatilla). The bill amends the Economic Gardening Technical Assistance Pilot Program to remove the word “Pilot,” thus making the Technical Assistance Program permanent, rather than its previous temporary status. The program has been in place since 2009, and is designed to provide low interest loans for infrastructure needs related to adding jobs and providing technical assistance to businesses with items related to the company's growth.

Different than many incentive programs, Economic Gardening is designed to increase the number of jobs by encouraging existing, smaller Florida businesses to expand. With passage of SB 1012, eligible businesses are those that have between 10-99 employees and have generated at least \$1 million but no more than \$50 million in annual revenue. It directs the Department of Economic Opportunity to form a contract with the University of Central Florida's Institute of Economic Gardening to implement the Technical Assistance Program; and revise the business eligibility requirements to accommodate slightly larger companies than previously eligible for the program.

Senator Greg Evers (R-Crestview) offered an amendment to remove the \$2 million appropriation originally associated with the bill. The amendment passed and the amended bill passed unopposed to next be heard in the Senate Committee on Appropriations.

The House companion bill, HB 663 by Representative Matt Hudson (R-Naples) was passed by the House today by a vote of 113-2.

**Economic Gardening has been an initiative AIF has supported since originally enacted in 2009. While recruiting companies to the state is a vital part of the state's economic growth, so too is helping existing small businesses expand and become economic engines in their community.**

Also in the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development, AIF stood in support of SB 1132, *Relating to the Department of Transportation*, by Senator Jeff Brandes (R-St. Petersburg). This bill is an omnibus package serving as the primary legislation for Florida Department of Transportation (FDOT) priorities for 2013. SB 1132 includes a variety of issues related to space funding, 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.

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

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

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## Wage Theft

On Tuesday, April 9th, **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) in the House Local & Federal Affairs Committee. 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.**

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## Health Care

During the Monday meeting of the Senate Committee on Judiciary, legislators heard SB 398, *Relating to Physicians Assistants*, by Senator Aaron Bean (R-Jacksonville). The bill clarifies the services physician assistants (PAs) are authorized to execute. Specifically, the bill clarifies that PAs can order medications for a supervisory physician's patient in a hospital, ambulatory surgical center, or mobile surgical facility.

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

On Tuesday, April 9th, during 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 any legislation allowing trained, professional health care providers to deliver basic care they may currently be prohibited from providing due to regulatory licensing barriers.**

Also in Tuesday's meeting of 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.**

### ***Florida Health Choices Plus House Proposal***

On Thursday, April 11th, the House released its draft plan to obtain health care for low income Floridians without expanding eligibility in the Medicaid Program. Called the Florida Health Choices Plus (FHCP) program, the proposal will be vetted on Monday, April 15th by the House Select Committee on PPACA (Patient Protection and Affordable Care Act).

The plan is designed to help low-income parents and individuals with disabilities who earn too much to qualify for Medicaid but too little to qualify for coverage through the federal exchange. House actuaries estimate that approximately 115,700 persons will use this new program which will have an annualized cost of \$237 million. The program, scheduled to begin enrollment in April 2014, is estimated to have a cost of \$12 million for fiscal year 2014.

The plan creates Contribution Amount for Responsible Expenditures (CARE) accounts in which the state will contribute \$2,000 a year (\$167/month) to each participant in the FHCP. Further, each participant is required to contribute \$25 a month which will be combined with the CARE dollars to purchase coverage through the private market. The kinds of plans participants will be able to purchase include comprehensive coverage, lower cost Health Savings Account eligible plans, basic plans with fixed dollar benefits, and short-term plans that provide coverage less than one year.

Participants will be able to shop for these products through the Florida Health Choices (FHC) website. FHC was created in 2008 to increase access to care by creating a shopping website for individuals and certain employers to purchase health insurance and health care services. In 2012, FHC rolled out the Health Insurance Marketplace, the central web portal for purchasing services and is now ready to enroll

individuals and employers. The House Florida Health Choices Plus proposal also calls for allowing all individuals and employers to shop through the marketplace.

**AIF continues to urge the Legislature to develop a comprehensive plan that provides health care coverage to Floridians in a manner that alleviates the inordinate financial burden Florida's employers currently shoulder to cover the cost of care for the uninsured.**

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## Taxation

In the Thursday, April 11th, meeting of the Senate Appropriations Subcommittee on Finance and Tax **AIF's Senior VP of State & Federal Affairs, Brewster Bevis**, testified in support of SB 316, *Relating to Taxes*, by Senator Nancy Detert (R-Venice). Senator Detert explained that the bill requires out of state retailers conducting business online to collect and remit Florida sales and use tax on sales to Florida customers by revising the definition of dealers.



Senator Gwen Margolis (D-Miami) who has sponsored a similar bill and is co sponsoring this one, presented a friendly strike-all amendment, supported by sponsor Senator Detert, removing the manufacturing tax break from the bill. The strike-all still lowers the communication services tax (CST) rate and the back-to-school tax holiday.

**AIF has long supported this important piece of legislation. This legislation is a fairness issue for the "brick and mortar" retailers in our state and their employees.**

On Wednesday, April 10th, the Senate passed SB 1516, *Relating to Internal Revenue Code*, sponsored by the Senate Committee on Appropriations. Senator Dorothy Hukill (R-Port Orange) explained that the bill updates the Florida Income Tax Code to reflect changes Congress made to the U.S. Internal Revenue Code by adopting the Internal Revenue Code as in effect on January 1, 2013. The change will apply retroactively to January 1, 2013. However, the bill contains provisions that do not adopt the federal bonus depreciation and enhanced expensing provisions. The bill accomplishes this by extending current statutory provisions adopted by Florida in both 2009 and 2011 to decouple from similar bonus depreciation and enhanced expensing provisions enacted by Congress in 2008, 2009 and 2010.

Today, the House passed the bill unanimously and it will now go to the Governor's desk for his signature.

**AIF supports the bill because it prevents Florida businesses from having to keep two sets of books even though the bill does not couple with the Federal changes in bonus depreciation and enhanced expensing provisions. The expenses will still exist, just taken over seven years.**

Today, the Senate passed HB 4013, *Relating to Tax Refund Programs*, by Representative David Santiago (R-Deltona). Rep. Santiago explained that the bill eliminates the maximum amount of tax refunds a business could receive over all fiscal years for both the Qualified Target Industry and Qualified Defense and Space Flight Business Programs. The current limits imposed on the percentage of total award and the dollar amount a qualifying project could receive in a given fiscal year would remain in effect. He added that these programs are subject to annual appropriation by the Legislature.

The bill will be sent to the Senate where its companion SB 518 - General Economic Business Incentives by Senator Dorothy Hukill (R-Port Orange) is in Senate Committee on Appropriations.

**AIF supports this bill because it has created many jobs in Florida in the space and defense industries and the elimination of the live time cap will foster even further job growth.**



## Environment & Agriculture

On Monday, April 8th, AIF stood in support of SB 1684, *Relating to Environmental Regulation*, by Senator Thad Altman (R-Melbourne) in the Senate Agriculture Committee. The bill is the major regulation reform bill of the Session. It amends & revises numerous provisions relating to development permit applications; marinas, boat yards, general permits for special events, well permits, regional water supply planning, and agriculture water supply demand projections.

The bill passed by a vote of 4-2 and will next be heard in the Senate Appropriations Subcommittee on General Government.

The House companion, HB 999 by Representative Jimmy Patronis (R-Panama City) was discussed in the House Agriculture & Natural Resources Appropriations Subcommittee later in the same day.

AIF stood in support and the bill passed by a vote of 9-3 and will next be heard in the House State Affairs Committee.

### **AIF supports Senator Altman & Rep. Patronis' effort to help streamline the permitting process for Florida's businesses.**

In the Monday, April 8th, meeting of the House Agriculture and Natural Resources Appropriations Subcommittee, AIF stood in support of 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 and certain criminal penalties are provided.

The bill passed by a vote of 12-0 and will next be heard in the House State Affairs Committee.

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

On the Tuesday, April 9th, meeting of 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 Tuesday meeting of 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 NNC (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).**

In the Thursday meeting of the Senate Appropriations Subcommittee on Finance and Tax, AIF stood in support of SB 554, *Relating to Brownfield Areas*, by Senator Thad Altman (R-Melbourne). The bill specifies that redeveloping Brownfield areas can be a significant element in other revitalization areas, such as community redevelopment areas, enterprise zones, and closed military bases. SB 554 requires a local government to comply with certain provisions when designating a Brownfields area. Of these provisions, it allows for a public hearing when an area is going to be classified as a Brownfield.

The bill passed by a vote of 9-1 and will next be heard in the Senate Committee on Appropriations.

**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.**

In the same committee, AIF stood in support of SB 1190, *Relating to Agricultural Lands*, by Senator Jeff Brandes (R-St. Petersburg). The purpose of this legislation is to prevent double regulations by governments. 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.

The bill passed unopposed and will next be heard in the Senate Committee on Appropriations.

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

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

Senator Jeremy Ring (D-Margate) offered two amendments to the bill and both passed. The amended bill passed unanimously and will next be heard in the Senate Committee on Appropriations.

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

Also on Thursday, the Senate unanimously passed SB 934, *Relating to Stormwater Management Permits*, by Senator Tom Lee (R-Brandon). The bill 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.

**AIF supports this bill because it protects businesses establishing in a redevelopment area that is likely to flood.**

With no dissenting votes, the Senate passed SB 1106, *Relating to Agritourism* by Senator Alan Hays (R-Umatilla) on Thursday, April 11th. 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.

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.

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

On the same day, the Senate unanimously passed 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 (DACS) currently has several mapping programs providing this information.

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

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## **Insurance**

On Monday, April 8th, the Senate Committee on Judiciary met and discussed SB 706, *Relating to Uninsured Motorist Insurance Coverage*, by Senator Bill Montford (D-Tallahassee). The bill reverses a recent court decision which deleted the option for the purchaser of an automobile insurance policy to sign a waiver of rights to combine policy limits from multiple vehicles for uninsured motorists (UM) coverage. By restoring this option, the bill allows businesses and other purchasers of UM coverage who exercise this option to save 20% or more in premiums.

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

On Tuesday, April 9th, AIF stood in support of HB 343, *Relating to Wrap-Up Insurance Policies*, by Representative Bill Hager (R-Boca Raton) in the House Regulatory Affairs Committee. 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.

The Senate companion bill, SB 810 by Senator David Simmons (R-Altamonte Springs), was passed unanimously by the Senate on Thursday.

Also on Tuesday, April 9th, AIF stood in support of SB 648, *Relating to Health Insurance Marketing Materials*, by Senator Dorothy Hukill (R-Port Orange) in the Senate Committee on Health Policy. 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.**

Also on Tuesday, April 9th, AIF stood in support of HB 383 by Representative Matt Hudson (R-Naples) in the House Regulatory Affairs Committee. 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.

Later that day, 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.**

Also meeting on Tuesday, 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 of the bill 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. Read more on SB 1770.

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

On Wednesday, April 10th, AIF stood in support of HB 1107, *Relating to Florida Hurricane Catastrophe Fund*, by Representative Bill Hager (R-Boca Raton) during the House Government Operations Appropriations Subcommittee. Rep. Hager's bill would incrementally reduce the size of Florida's Hurricane Catastrophe Fund (FHCF) so it more accurately reflects current economic reality. Also, the bill would reduce the likelihood of post "catastrophic events" assessments that would be passed onto all property casualty lines of insurance (except workers' compensation and medical malpractice).

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

**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.**

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## Energy

On Monday, April 8th, the Senate Committee on Communications, Energy, and Public Utilities unanimously passed SB 1472, *Relating to Nuclear and Integrated Gasification Combined Cycle Power Plants*, by Senator John Legg (R-Lutz). Through an amendment by Senator Wilton Simpson (R-New Port Richey) and two amendments to the amendment by Senator Anitere Flores (R-Miami) and Senator Simpson, the bill, as a committee substitute (CS):

- Breaks the preconstruction period into licensing and other preconstruction, and limits the types of costs that could be recovered during the licensing phase;
- Requires the Public Service Commission (PSC) find that the projected costs for the plant are reasonable and that there is still a need for the plant, prior to the preconstruction phase and the construction phase;
- Provides that in order to preserve the opportunity for future cost recovery, a utility must begin construction within ten years after the date on which it obtains a license or petition the PSC and evidence ongoing intent to build the plant;
- Establishes that twenty years after the date a utility obtains a license, the utility may not recover future costs relating to that plant;
- Adds a "prudence review" by the PSC if the date has been extended for more than six years, or the costs of the plant have risen by more than fifty percent; and
- Deletes the provision of an automatic repeal in the original bill.

On Thursday, April 11th, the House Energy & Utilities Subcommittee discussed a bill that will likely be the companion to SB 1472, PCB **EUS 13-01**, the PCB was amended during the committee by Chairman Jose Felix Diaz (R-Miami) and provides that:

- Places a moratorium on any new nuclear projects;
- Provides that recoverable carrying costs on the construction costs associated with the project must be calculated based on the utility's PSC-approved pre-tax allowance for funds during construction (AFUDC);
- Allow for the Public Service Commission (PSC) to approve recovery of costs after final licensure of a plant by the Nuclear Regulatory Commission (NRC) only upon finding, after taking into account updated cost estimates, construction schedules and feasibility analyses, that construction of the plant provides needed base load capacity;
- Improves the balance of fuel diversity and enhances the long term stability and reliability of the electric grid; and
- Limits the availability of advanced recovery of costs until the nuclear power plant is placed in service or until December 31, 2025, whichever occurs first.

Representative Michelle Rehwinkel Vasilinda (D-Tallahassee) presented an amendment adding a review of reasonably incurred costs to the prudency review and additional language requiring the PSC to take into account the utility's consumer.

A number of other amendments by Representatives Rehwinkel Vasilinda were defeated and a few were withdrawn with the understanding that she would work with the Chair as the bill moves forward. Representative John Wood (R-Winter Haven) filed two handwritten amendments to make sure the Integrated Gasification Combined Cycle power plants would continue to be allowed to recover advanced costs. These were withdrawn with an understanding that he would work with Chairman Diaz as the bill goes to the next Committee.

The bill passed out of committee with only one dissenting vote. Now filed as HB 7167, it will first be heard in the House Regulatory Affairs Committee.

**Currently, AIF does not have a position on either of the bills, but is monitoring it because both could have generational consequences to both users and ratepayers as well as to the returns for some of Florida's largest corporations.**

On Tuesday, April 9th, during the House Regulatory Affairs Committee meeting, 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.**

Today, the House passed 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. Specifically, the bill provides that thefts of utility services are punishable as theft under the general theft statute. As a result of this change, persons committing theft of utilities will not necessarily commit a first degree misdemeanor. The bill also increases the civil penalty for a person violating the utility theft statute from the current three times the value of stolen services or \$1,000 (whichever is greater) to three times the value stolen or \$3,000 (whichever is greater).

The bill will now go to the Governor's desk and, if signed, will take effect October 1, 2013.

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

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## Education

On Tuesday, April 9th, AIF stood in the House Education Appropriations Subcommittee to 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.**

During Tuesday's meeting of the House Education Committee, AIF stood in support of 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 is now HB 7165 and has been referred to the House Appropriations Committee.

**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.**

On the following day, the Senate passed President Don Gaetz's (R-Destin) career education legislation and number one education priority, SB 1076, *Relating to K-20 Education*, by Senator John Legg (R-Lutz). The bill revises current career education programs and target funding in an effort to better prepare and align Florida students to join the workforce. Specifically, the bill would encourage students' development of technology knowledge in prekindergarten through grade 12, thus effectively increasing opportunities in which students earn industry certifications in high school and beyond.

Further, it designates three areas for university performance funding: computer and information technology (IT), high demand programs as identified by the Board of Governors (BOG) using a gap analysis; and cloud virtualization or related large data management. The bill specifically requires:

- The State Board of Education to designate multiple pathways for demonstrating the skills required for high school graduation, including earning industry certifications for high school credit;
- Adult education students to complete a planning exercise called Action Steps to Career Readiness;
- Financial literacy to be included in high school graduation requirements, as part of required credit in economics, and requires an emphasis on entrepreneurship in the career education and planning course in middle school;
- Creation of new designations for students to earn high school course and credit accomplishments that indicate their eligibility for scholar and gold designations;
- Steps for transition to the Next Generation Sunshine State Standards and related assessments;
- Development of a Postsecondary Industry Certification Funding List for industry certifications that may be funded for school district workforce programs, Florida College System institutions, and state universities;
- Development of a Florida Cyber Security Recognition and a Florida Digital Arts Recognition for elementary school students with awarding of a Florida Cyber Security designation for the school for each year in which 75 percent of the students earn the recognitions; and
- Development of a Florida Digital Tools Certificate for middle school students with bonus.

The House passed the bill unanimously today and it will now go to the Governor's desk. If signed, it will go into law July 1, 2013.

**AIF supports any legislation geared toward preparing Florida's students for a successful transition into the workforce.**

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## Telecommunications

On Monday, April 8th, AIF stood in support of SB 52, *Relating to the Use of Wireless Communications Devices While Driving*, by Senator Nancy Detert (R-Venice) in the Senate Committee on Judiciary. 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.

Also, graduated penalties and exceptions are provided. Further, the bill allows for 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. Like its House companion, HB 13, this bill also now applies to the use of tablets as well as wireless cell-phones. The bill may generate additional revenues for local and state governments as a result of the penalties.

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

**AIF supports SB 52 because it will effectively decrease automobile accidents thus lowering insurance costs for Florida's businesses.**

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## Technology

On Wednesday, April 10th, the Senate unanimously passed SB 1762, *Relating to State Technology*, by the Senate Committee on Governmental Oversight and Accountability. Currently, the state is a \$70 billion business without an information technology (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 Northwood and Southwood shared resource centers are transferred to the DST. Senator Alan Hays (R-Umatilla) introduced a substantive amendment which exempts the Division of Administrative Hearings from date consolidation.

Today, the House unanimously passed SB 1762 and it will now head to the Governor's desk for his signature.

**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.**

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## Workforce

On Monday, April 8th, 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) in the Senate Committee on Judiciary. 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.

An amendment introduced by Senator Arthenia Joyner (D-Tampa) failed in committee. Senator Joyner's amendment would remove the preemption found within the underlying legislation once the task force created in the bill is completed with its work. **AIF is opposed to the amendment.**

After extensive public testimony, the bill passed by a vote of 6-3 and will next be heard before the full Senate.

**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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## Legal & Judicial

On Thursday, April 11th, the Senate unanimously passed SB 186, *Relating to Jurisdiction of the Courts*, by Senator Miguel Diaz de la Portilla (R-Miami). The bill strengthens Florida's choice of law provisions in contracts and clarifies the use of international arbitration in the state. We salute Senator Diaz de la Portilla for his leadership on this issue and encourage the Florida House to pass its companion measure, HB 775 by Representative David Santiago (R-Deltona) as soon as possible.

**AIF has advocated and supported this issue for several years as such laws create a more predictable and efficient legal climate, making Florida a better place to conduct business.**

Today, the House passed HB 457, *Relating to Collection of Worthless Payment Instruments*, 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.

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

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## State Contracts

Today, the House unanimously passed HB 5401, *Relating to Transparency in State Contracting*, by Representative Clay Ingram (R-Pensacola). Chairman Ingram explained that the bill requires state agencies to upload contracts that have been redacted to exclude confidential or exempt information to the contract management website within 30 days after execution. In addition to uploading the redacted contract, the agency must provide on the website information pertaining to the contract, including the following information:

- The names of the contracting entities;
- Procurement method;
- Contract beginning and ending dates;
- The nature or type of the commodities or services purchased;
- Applicable contract unit prices and deliverables; total compensation to be paid and received under the contract;
- All payments made to the contractor to date; and
- Applicable contract measures.

**AIF supports this bill as it requires the posting of contracts on the web which will add requirements to redact proprietary confidential information.**

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## House & Senate Floor Votes

***Unless otherwise indicated, all bills passed unanimously***

- HB 5401 - Relating to Transparency in State Contracting, by Representative Clay Ingram (R-Pensacola)
- HB 4013 - Relating to Tax Refund Programs, by Representative David Santiago (R-Deltona). (110-4)
- HB 457 - Relating to Collection of Worthless Payment Instruments, by Representative MaryLynn Magar (R-Hobe Sound) (96-18)
- HB 537 - Relating to Growth Management by Representative George Moraitis (R-Ft. Lauderdale)
- SB 338 - Relating to Theft of Utility Services, by Senator Wilton Simpson (R-New Port Richey) (90-25)
- HB 663 - Relating to Economic Gardening Technical Assistance Program by Representative Matt Hudson (R-Naples) (113-2)
- SB 1076 - Relating to K-20 Education by Senator John Legg (R-Lutz)
- SB 406 - Relating to Economic Development by Senator Andy Gardiner (R-Orlando)
- SB 1516 - Relating to Internal Revenue Code by the Senate Committee on Appropriations.
- SB 1762 - Relating to State Technology by the Senate Committee on Governmental Oversight and Accountability

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