



# WEEKLY BRIEF

From the Week of April 22 – 26, 2013

## Health Care

On Monday, April 22nd, the Governor signed HB 239, *Relating to Practice of Optometry*, by Representative Matt Caldwell (R-Lehigh Acres). The bill allows 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.

With the Governor's signature, the bill will go into law effective July 1, 2013.

On Wednesday, the Senate unanimously passed 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.

SB 398 will next be heard by the House before it is read by the Governor. The House companion bill, HB 625 by Representative Doc Renuart (R-Ponte Vedra Beach) is on its second reading in the House.

This morning, the Senate passed HB 413, *Relating to Physical Therapy*, by Representative Travis Hutson (R-Palm Coast). The bill would allow Advanced Registered Nurse Practitioners (ARNPs) to authorize a physical therapist to implement a treatment plan for a patient.

The bill passed unanimously and will now head to the Governor.

**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.**

On Tuesday, April 23rd, during the Senate Committee on Appropriations meeting **AIF's General Counsel, Tamela Perdue**, stood in support of SB 1816, *Relating to Health Care*, by Senator Joe Negron (R-Palm City). The bill would establish a state premium assistance program, called Healthy Florida, for uninsured, low income Floridians to receive assistance in purchasing private health insurance coverage. It would also provide for Health Reimbursement Accounts (HRAs) to be used to encourage healthy behavior. Enrollees would be required to participate in cost sharing in the program.



An amendment by Senator Alan Hays (R-Umatilla) was added in the committee. The language would allow dentists who provide charity care to their patient (and are therefore protected from lawsuits for that care under sovereign immunity) to provide additional services even though the patient may pay a small co-pay for the higher level of care provided by that dentist. Further, the amendment prohibits insurers from requiring dentists to provide discounts to their patients for services that are not covered under the dental plan.

The Healthy Florida program would be administered by the Florida Healthy Kids Corporation (FHK) which offers private insurance options to children in low income families not eligible for Medicaid from birth to age 18. To be eligible for Healthy Florida, an individual must (1) be a Florida resident and meet the definition of being “newly eligible” under PPACA, (2) maintain their eligibility with the corporation, and (3) meet any renewal requirements to renew their coverage at least annually.

Implementation of the bill would require AHCA to submit a state plan amendment to the federal government for permission to use current federal Medicaid dollars to fund this new program. The submission deadline would be June 14, 2013. If the state plan was approved, enrollment would begin on October 1, 2013 with coverage being effective no earlier than January 1, 2014. The program would cover approximately 438,000 enrollees in FY 2013-14 at a cost of \$12.6 billion.

SB 1816 is largely the same as it was last week when it passed the Senate Appropriations Subcommittee on Health and Human Services. The bill passed unanimously and will now be heard on the Senate floor on Monday, April 29th.

Also in the Senate Committee on Appropriations, legislators debated SB 1844, *Relating to Health Choice Plus Program*, by Senator Aaron Bean (R-Fernandina Beach). The bill creates the Health Choice Plus (HCP) program which would be an alternative health benefits program for uninsured, low income Floridians with incomes at or below 100 percent of the federal poverty level (FPL) who meet certain eligibility criteria. Enrollees would be required to contribute at least \$20 a month to their account and the state would provide \$10 a month to each account which will be managed by Florida Health Choices (FHC). Funds from the state will be available only to the extent they are appropriated annually. Enrollees may use the funds in the accounts to purchase a range of health care products from the FHC online marketplace or to pay for other out of pocket health care costs.

If approved, the bill would take effect on July 1, 2013 and would be subject to automatic repeal on July 1, 2016, unless reenacted by the Legislature. The estimated funding for the program for the first year is \$15 million from General Revenue. No federal dollars are used for this program.

The bill passed by a vote of 12-6 and is now ready to be heard by the full Senate.

Today, the House approved the House health care proposal, HB 7169 by Representative Travis Cummings (R-Orange Park). The bill would create the Florida Health Choices Plus Program (FHC Plus) designed to provide health care to low income persons without expanding eligibility in the state’s Medicaid Program. Persons eligible for the FHC Plus program would be parents and Social Security Income-eligible disabled adults with incomes under 100% of poverty who are not eligible for Medicaid. It is estimated that the program would cover approximately 115,000 Floridians.

HB 7169 will next be heard by the Senate. The Senate has not expressed support for this measure and has advanced its own proposal, SB 1816 by Senator Joe Negron (R-Palm City).

The Senate also passed SB 1842, *Relating to Health Insurance* by Senator David Simmons (R-Altamonte Springs). The bill, for purposes of implementing the Patient Protection and Affordable Care Act (PPACA), addresses conflicts between the federal law and Florida law.

Today, the House approved SB 1842 by a vote of 78-36 and the bill will now be sent to the Governor to be signed into law.

**AIF supports SB 1816 by Senator Negron. SB 1816 is the only proposal addressing the inordinate hidden tax that Florida employers pay to cover the cost of care provided to uninsured Floridians. AIF strongly urges the Legislature to continue its focus on developing sound health care reform that will alleviate this financial encumbrance by best leveraging available federal funds to safeguard Florida's future economic success.**

In the same Appropriations Committee, 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:

- Increase the length of time for retaining all medical and Medicaid related records from 5 to 6 years for Medicaid providers;
- Require Medicaid providers to report a change in any principal of the provider to the Agency for Health Care Administration in writing no later than 30 days after the change occurs;
- Provide a definition for principals of a provider with a controlling interest for hospitals and nursing homes for purposes of conducting criminal background checks;
- Authorize, rather than require, AHCA to perform onsite inspections of a service location of a provider applying for a provider agreement before entering into the agreement;
- Require AHCA to impose the sanction of termination for cause against a provider that voluntarily relinquishes their Medicaid provider number when being investigated;
- Clarify the scope of immunity from civil liability for persons who report fraudulent acts or suspected fraudulent acts and providing a definition of fraudulent acts;

A number of clarifying amendments were added, including one by Representative Mia Jones (D-Jacksonville), which would allow AHCA to enroll Florida-licensed out-of-state providers if they are providing expert opinions through telemedicine. The bill passed unanimously and is ready to be heard by the full Senate.

The House companion bill, HB 939 by Representative Cary Pigman (R-Sebring) was unanimously passed by the House on Wednesday, April 24th. HB 939 will now join SB 844 in the Senate.

**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.**

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## **Manufacturing**

During the Tuesday, April 23rd meeting of the Senate Committee on Appropriations, AIF stood in support of SB 582, *Relating to Manufacturing Development*, by Senator Bill Galvano (R-Bradenton). The bill is a top priority for the AIF Manufacturing, Aerospace and Defense Council and, when enacted, it 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 every direct manufacturing job creating about three indirect jobs, the highest of any employment sector.

Senator Bill Galvano (R-Bradenton) introduced an amendment to make SB 582 identical to the House companion bill, HB 357 by Representative Jim Boyd (R-Bradenton), which is already in the Senate. The amendment was adopted and the bill passed unanimously. SB 582 now moves to the Senate floor where it will join its House companion for final legislative action prior to being sent to the Governor.

**AIF supports SB 582 and HB 357 because both will improve the development approval process for Florida's manufacturers.**

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## **Insurance**

On Wednesday, April 24th, the Senate unanimously passed SB 1832, *Relating to Taxation*, sponsored by Senator Joe Negron (R-Palm City). The bill eliminates premium tax credits insurance companies receive based on the aggregate salaries of their Florida employees. The salary credit was implemented in 1987 to provide an incentive for insurance companies to increase Florida jobs by locating home offices, regional service centers, and call centers in the state.

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

On Friday, April 26th, the House Appropriations Committee took up SB 1832. During the committee, a strike all amendment that phases in the vehicle regulation reductions over five years using state general revenue funds—with all current tax incentives remaining intact. The amendment passed by a voice vote with only one objection.

**AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of the bill as amended and it passed unanimously. Next, SB 1832 will be heard on the House floor.

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

On Tuesday, April 23rd, the Senate Committee on Appropriations discussed SB 242, *Relating to Interstate Insurance Product Regulation Compact*, by Senator Dorothy Hukill (R-Port Orange). The bill 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 unanimously and will next be heard by the full Senate.

**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.**

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

SB 648 will next be heard by the House and its House companion, HB 675 by Representative Clay Ingram (R-Pensacola) is on the calendar for its second reading.

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

On Thursday, April 24th, the Senate narrowly passed SB 1770, *Relating to Property Insurance* by the Senate Banking & Insurance Committee. Among other things the bill:

- Creates a Citizens' clearinghouse to limit new Citizens policies;
- Requires actuarially sound rates for new policyholders (but not based upon the top 20% of private insurers);
- Continues the 10% glide path for existing policyholders; and
- Reduces the eligibility for Citizens coverage.

The bill contains one provision that could prove problematic:

- Authority for Citizens to enter into risk-sharing (reinsurance) agreements with private insurers to reduce Citizens risk.

As written, AIF believes this provision authorizes Citizens to sell excess of loss reinsurance. This would be an expansion of the role of Citizens.

SB 1770 will next be heard by the full House.

In addition, the Senate heard two public records exemption bills, SB 1848 and SB 1850, both by the Senate Committee on Banking and Insurance. Both bills are linked to SB 1770, which enacts numerous changes to the property insurance laws including Citizens Property Insurance Corporation as mentioned above.

Both SB 1848 and SB 1850 passed and will next be heard by the House.

**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.**

The Senate also passed SB 468, *Relating to Property and Casualty Insurance Rates and Forms*, by Senator Dorothy Hukill (R-Port Orange). SB 468 allows a property and casualty insurer to file a new policy or changes to an existing policy as an informational filing with the Office of Insurance Regulation (OIR) in

lieu of filing for approval prior to use. The bill will substantially reduce a backlog of form filings awaiting approval by the OIR. Thus, the bill will allow insurers to react timely to the insurance needs of the business community and will enhance competition among insurers.

The bill will next be heard on the House Floor.

The Senate passed a third insurance bill, HB 341, *Relating to Uninsured Motorist Insurance Coverage* by Representative Clay Ingram (R-Pensacola). 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.

Next, HB 341 will be sent to the Governor to be signed into law.

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

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## **Business Regulation**

On Tuesday, April 23rd, during the Senate Committee on Appropriations, AIF stood in support of SB 84, *Relating to Public Private Partnerships (PPPs)*, by Senator Miguel Diaz de la Portilla (R-Miami). The bill, amended in committee to conform with its House counterpart, HB 85 by Representative Greg Steube (R-Sarasota), allows local governments to utilize PPPs in a similar manner as state government, for public projects, infrastructure and transportation needs. Essentially meaning, local governments will be able to accept unsolicited bids from the private sector for projects that the local government may not have the financial capacity to advance at this time. Additionally, the bill creates a Public Private Partnership task force composed of private sector and public officials alike, and is meant to advance potential policies and enhancements over the next two years to help the state take advantage of this new policy.

The bill passed unanimously and will next be heard before the full Senate. The House companion bill, HB 85 by Representative Greg Steube (R-Sarasota) passed the House floor by a vote of 98-19 on Thursday.

**AIF supports SB 84 & HB 85 and the sponsors' intentions to encourage private sector investment into local infrastructure projects across the state. Public Private Partnerships have proven successful in aiding government needs for infrastructure project advancement utilizing private contractors, financiers and related industries.**

On Wednesday, April 24th, the House unanimously passed HB 973, *Relating to Low-Voltage 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.

On Friday, the Senate also unanimously passed HB 973 and it will now be sent to the Governor to be signed into law.

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

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## **Economic Development**

On Wednesday, April 24th, the House passed 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 was unanimously passed by the Senate on the following day and will now be sent to the Governor for his signature.

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

On Thursday, April 25th, the House passed HB 7127, *Relating to Department of Transportation*, 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.

In a previous committee, Rep. Artiles had adopted several amendments effectively removing 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 bill includes provisions clarifying a local government's ability to create local regional financing authorities.

The bill will next be heard by the full Senate.

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

On the same day, the Senate unanimously passed HB 537, by Representative George Moraitis (R-Ft. Lauderdale). 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 is now ready to be sent to the Governor for a signature.

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

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## Workers' Compensation

On Tuesday, April 23rd, AIF stood in support of SB 662, *Relating to Workers' Compensation*, by Senator Alan Hays (R-Umatilla) in the Senate Committee on Appropriations. If enacted, the bill would address a drug repackaging loophole in Florida's workers' compensation system. SB 662 establishes the maximum charges permitted for prescription medications. Further, the legislation does not increase costs or delay medical treatment to injured workers. AIF has been diligently working throughout this session to reach the agreement contained in the strike all amendment that was adopted today which will provide savings to Florida's employers.

The bill passed unopposed and is now ready to be heard on the Senate floor. A House companion measure, HB 605 by Representative Matt Hudson (R-Naples) is waiting to be heard by the House Health & Human Services Committee.

**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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## Workforce

Today, the Senate passed HB 655, *Relating to Political Subdivisions*, by Representative Steve Precourt (R-Orlando). HB 655 amends current law to further restrict political subdivisions from requiring an employer to provide employment benefits not required by state or federal law. The bill is designed to block local governments from enacting sick-time rules, such as the one pending in Orange County. This legislation is necessary to avoid what could become a patchwork of wage and benefit rules that may drive businesses away from Florida.

Senator David Simmons (R-Altamonte Springs) amended the bill to delete the preemption of living wage ordinances. In addition to the preemption language, the senate version includes a task force to study the issue and report back to the legislature.

The bill will now be sent to the Governor to be signed into law.

**AIF supports this amended legislation because it is necessary to avoid what could become a patchwork of wage and benefit rules that may drive businesses away from Florida.**

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## Taxation

In the Tuesday, April 23rd meeting of the Senate Committee on Appropriations, legislators discussed SB 916, *Relating to Tax on Sales, Use, and Other Transactions*, by Senator Anitere Flores (R-Miami). Sen. Flores explained that the bill provides an exemption from state and local sales tax during the 3-day period beginning at 12:01 a.m. on August 2, 2013, through 11:59 p.m. on August 4, 2013, on purchases of clothing costing \$75 or less per item, school supplies costing \$15 or less per item, and computers costing \$750 or less per item.

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

**AIF supports the sales tax holiday as it helps Florida businesses by stimulating sales while also helping Florida families with school age children.**



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 Governor for his signature.

**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.**

Today, the House unanimously passed 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 bill will next be heard by the Senate before it can be signed by the Governor.

**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.**

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## **Environment & Agriculture**

On Tuesday, April 23rd, AIF stood in support of SB 1190, *Relating to Agricultural Lands*, by Senator Jeff Brandes (R-St. Petersburg) in the Senate Committee on Appropriations. 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 unanimously and will next be heard on the Senate floor.

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

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.

The bill passed unopposed and is now ready to be heard on the Senate floor.

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

Also in the Senate Committee on Appropriations, AIF stood in support of SB 1684, *Relating to Environmental Regulation*, by Senator Thad Altman (R-Melbourne). 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 13-3 and will next be heard on the Senate floor.

On Wednesday, April 24th, the House debated HB 999, *Relating to Environmental Regulation*, by Representative Jimmy Patronis (R-Panama City). 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.

An AIF-backed amendment was introduced by Representative Jake Raburn (R-Valrico) that proposes the creation of the Florida Fertilizer Regulatory Review Council. The Council would be established to review the fertilizer issue by focusing on available scientific data. Provisions of the amendment specify that while the Council is reviewing issues, any local government that has adopted an ordinance before March 4, 2013 will be able to keep their existing ordinance and that the proposed Council will have until 2016 to review findings and issue a report. While the Council is developing this report, a moratorium on new fertilizer related ordinances will be put in place for local governments that have not adopted an ordinance before March 4, 2013.

The amendment passed and the amended bill was passed by a vote of 98-20 on Thursday on the House floor. The Senate will next hear the bill before it can be sent to the Governor for a signature.

**AIF supports Rep. Raburn's amendment as it takes the Legislature out of the fertilizer debate for the next three years in order for a the Council to produce a cohesive report on the matter.**

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

Also on Wednesday, the Senate passed SB 1808, *Relating to Numeric Nutrient Criteria (NNC)*, by the Senate Committee on Environmental Preservation and Conservation. 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.

The bill will next be heard by the House before it can be sent to the Governor for a signature.

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

The Senate passed another environmental bill Wednesday, SB 1806, *Relating to Total Maximum Daily Loads*, sponsored 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 will next be heard before the House.

**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.**

Also passing through the Senate Wednesday was SB 682, *Relating to Fossil Fuel Combustion Products*, by Senator Wilton Simpson (R-New Port Richey). 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.

The bill will next be heard by the full House.

**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 Wednesday, the House passed 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 in which participation is completely voluntary. The program is market-based and allows businesses to buy trading credits (pollutants reductions) from others which saves them money rather than implementing a more expensive cleanup project.

HB 713 was unanimously passed by the Senate earlier today. It will next be sent to the Governor's desk for a signature.

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

Also on the House floor that day, legislators unanimously passed 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.

This morning the Senate took up and passed HB 1393 by a unanimous vote. The bill will next be sent to the Governor to be signed into law.

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

On the following day, the House unanimously passed SB 364, *Relating to Consumptive Use Permits for Development of Alternative Water Supplies*, by Senator Alan Hays (R-Umatilla). Also known as the "30 year alternative water supply permitting bill," it expands water supply and reduces the cost of bonding such projects.

SB 364 will next head to the Governor's desk to be signed.

**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.**

## Energy

Earlier today, the Senate unanimously passed CS/SB 1472, *Relating to Nuclear and Integrated Gasification Combined Cycle Power Plants*, by Senator John Legg (R-Lutz); this bill:

- 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 “prudency 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
- Would not allow a utility, which does not complete construction of a nuclear power plant, to recover or retain any rate of return for that plant and must refund any costs recovered for rate of return to its customers.

On its second reading, an amendment was added to deal with a utility deciding not to build the nuclear power plant, refunding its customers the rate of return collected on costs. This would not apply to contracts and costs incurred after July 2013. A technical amendment was presented on third reading and adopted.

**AIF is monitoring this bill as it could have generational consequences to both users and ratepayers as well as to the returns for some of Florida’s largest corporations.**

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## Wage Theft

On Thursday, April 24th, after much debate, the House passed HB 1125, *Relating to Employers and Employees* by Representative Tom Goodson (R-Titusville). The bill 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.

Now HB 1125 will be heard by the Senate before it can be sent to the Governor’s desk.

**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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## Education

On Monday, April 22nd, Governor Rick Scott signed into law 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.

Now that it has been signed by the Governor, it will go into law July 1, 2013.

**AIF's President and CEO, Tom Feeney** spoke during the press conference commending those involved for passing the legislation. Feeney said "Florida's talent pipeline begins in the classroom. As new industries emerge and others, such as manufacturing, welcome a resurgence, we must prepare our students for a job market that increasingly requires highly skilled and trained employees."



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

On the following day, during the Senate Committee on Appropriations, AIF stood in support of SB 1722, *Relating to Early Learning*, by Senator John Legg (R-Lutz). The bill's main provisions mirror many aspects of its House companion bill, HB 7165, with some differences. Several amendments were passed in committee essentially bringing the House and Senate bills even closer together. The amendments to SB 1722 took out the funding formula for the school readiness program and adjusted the prioritizing requirements. Also, an amendment by Senator Jack Latvala (R-Clearwater) was passed which removed the provision of the bill amending the educational property exemption section of the Florida Statutes.

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

On Wednesday, April 24th, the House unanimously passed HB 7165, *Relating to Early Learning*, by Chair Marlene O' Toole (R-Lady Lake). The bill focuses on three items: governance of the Office of Early Learning, accountability for Early Learning Coalitions, the Office of Early Learning and providers across the state, and transparency in spending for all three regarding the use of public funds. Currently, Chairman O'Toole's bill would place the Office of Early Learning within the Department of Education (DOE), while granting autonomy from much of the DOE oversight structure. The bill also establishes statute roles and responsibilities for the Office of Early Learning, Early Learning Coalitions and program providers, which were previously left to the Office in rulemaking authority. The bill also phases in spending caps and restrictions for Coalitions across the state.

HB 7165 will next be heard before the full Senate.

**AIF supports early learning programs as they are essential to providing support to working families across the state as well as developing a productive future Florida workforce.**

On Tuesday, April 23rd, AIF stood in support of another education bill in the Senate Committee on Appropriations, SB 1630 by Senator John Legg (R-Lutz). A major amendment by Senator Aaron Bean (R-Jacksonville) was attached to the bill in committee. As amended, the bill eliminates artificial enrollment caps for high performing charter schools, creates a standard model contract; requires school districts to share federal funds with charter schools, and provides accountability and transparency for charter schools.

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

**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.**

Also in the Senate Committee on Appropriations, legislators discussed SB 862, otherwise known as the "Parent Trigger Bill," by Senator Kelli Stargel (R-Lakeland). The bill enables parents, by petition, to request that the school district implement a parent-selected turnaround option if a school earns a grade of "F". The turnaround option requested by parents must be considered for implementation by the district school board at a publicly noticed meeting if the petition is signed and dated by a majority of the parents of eligible students.

The bill passed committee by a vote of 13-6 and will next be heard by the full Senate.

**Currently, AIF does not have a position on the bill, but has been monitoring it as it directly pertains to Florida's future workforce.**

On Thursday, April 24th, the Senate took up and unanimously passed HB 21, *Relating to Background Screening for Noninstructional Contractors on School Grounds*, by Representative Keith Perry (R-Gainesville). 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 will now be sent to the Governor to be signed into law.

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

## Legal & Judicial

Today, the Senate passed HB 7015, *Relating to Expert Testimony*, by Representative Larry Metz (R-Groveland) and Senator Garrett Richter (R-Naples). The bill was amended on second reading to delete references to certain case law, but otherwise still adopts the Daubert standard for expert witness testimony. By adopting the Daubert standard for expert witness testimony, Florida courts will now be aligned with the federal courts. This will ensure that "junk science" stays out of our courtrooms and will discourage forum shopping by unscrupulous trial lawyers.

The amended bill then bounced back to the House floor where it passed by a vote of 70-41. The bill will now be sent to the Governor's office where we expect Governor Scott will sign the bill.

**AIF has been a leading advocate for passage of this important legislation for the past several years. We salute Senator Richter and Representative Metz for their steadfast leadership and commitment to bringing fairness and predictability to our courtrooms which also enhances our business climate. We also thank their colleagues in the Florida Legislature who voted for this important legislation today.**

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## State Contracting

The Senate unanimously passed SB 1150, *Relating to Government Accountability* by Senator Lizbeth Benacquisto (R-Ft. Myers). Senator Jeff Brandes (R-St. Petersburg) presented the bill in her absence. He said the bill revises provisions relating to state agency contracting and related duties of the Department of Management Services (DMS), and creates new duties for the Chief Financial Officer (CFO) in the state agency contracting process. The bill:

- Deletes a requirement that the DMS maintain a vendor list;
- Deletes contract documentation requirements for specified agreements;
- Requires that invitations to bid must be awarded to the responsible and responsive vendor who submits the lowest responsive bid;
- Deletes a requirement that agencies seek approval of the DMS for single source purchases;
- Requires that specified accountability provisions be included in grant agreements; · Requires certified grant managers on grant agreements valued over \$35,000;
- Permits the CFO to audit grant agreements before execution, and requires the CFO audit of grant agreements after execution;
- Permits the CFO to audit certain agency contracts before execution, and requires a CFO audit of certain agency contracts after execution;
- Requires that every contract of more than \$100,000 must have a certified contract manager; and
- Specifies the types of information that agencies must make available on the contract tracking system.

The bill will be engrossed and sent to the House.

**AIF has some concerns with the bill but overall it improves the procurement process which is vital to the business community.**

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## Ethics & Elections

On Wednesday, April 24th, the Senate and House reached a sweeping pair of compromises that resulted in both the Senate ethics bill, SB 2 by the Senate Committee on Ethics and Elections, and the House campaign finance bill, SB 569 by Representative Rob Schenck (R-Springhill), being passed by both chambers and sent to the Governor that day. The notable provisions of each bill are as follows:

- Closes the legislative "revolving door" through which legislators whose terms expire immediately begin lobbying by prohibiting them from lobbying either the legislative or executive branch for a period of two years;
- Prohibits public officials from accepting second jobs with public agencies solely because of their official status;
- Allows referrals to the Ethics Commission by the Governor, U.S. Attorneys, state attorneys, and FDLE;
- Raises the \$500 limit on campaign contributions to \$3,000 for statewide candidates and \$1,000 for all others;
- Abolishes committees of continuous existence on September 30 of this year but allows them to convert their structure and their existing funds to political committees; and
- Increases the numbers and frequency of reports of contributions and expenditures by candidates, political committees, and electioneering communications organizations.

Governor Scott has already announced his disapproval in the increase on campaign contributions, therefore raising the specter of a veto of the campaign spending bill. However and in a display of political hardball, the Senate and House decision to pass both bills and send them to the Governor with 9 days still remaining in the Session creates the possibility of a legislative override of a veto since Governor must either sign or veto both bills within the next seven days and thus with two days left in the Session.

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

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## House & Senate Floor Votes

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

- HB 1393 Relating to Agricultural Storage and Shipping Containers by Representative Halsey Beshears (R-Monticello)
- HB 713 Relating to Water Quality Credit Trading by Representative Cary Pigman (R-Sebring)
- HB 7015 Relating to Expert Testimony by Representative Larry Metz (R-Groveland)...(30-9)
- SB 1472 Relating to Nuclear and Integrated Gasification Combined Cycle Power Plants by Senator John Legg (R-Lutz)
- HB 413 Relating to Physical Therapy by Representative Travis Hutson (R-Palm Coast)
- HB 655 Relating to Political Subdivisions by Representative Stephen Precourt (R-Orlando)...(25-13)
- HB 4013 Relating to Tax Refund Programs by Representative David Santiago (R-Deltona)
- SB 1842 Relating to Health Insurance by Senator David Simmons (R-Altamonte Springs)... (78-36)
- HB 7169 Relating to Florida Health Choices Plus Program by Representative Travis Cummings (R-Orange Park)...(71-45)
- HB 807 Relating to Emergency Communication System by Representative Greg Steube (R-Sarasota)