



From February 21, 2014

With the 2014 legislative session two weeks away, Associated Industries of Florida (AIF) is pleased to present its weekly update containing bills and proposed legislation most important to Florida employers. The bills outlined in this report were considered and/or voted on in committee hearings during the week of February 17th through 21st.

Economic Development

SB 372 – Relating to Developments of Regional Impact

On Wednesday, February 19th, AIF stood in support of SB 372, relating to Developments of Regional Impact, by Senator Bill Galvano (R-Bradenton). The Development of Regional Impact (DRI) Review process was created in 1972 in order to ensure that developers and local governments take the necessary steps to ensure that large developments will not have negative impacts on the environment or public safety. Currently, 8 counties and 242 cities qualify as a Dense Urban Land Area (DULA), exempting them from DRI review because of the sophistication of their local planning personnel and policies. This legislation will add an additional seven counties and 20 cities to those that are exempt from DRI review as a DULA.

AIF supports this good legislation that will reduce bureaucracy and red tape for businesses in Florida.

Environment

SB 536 – Relating to Reclaimed Water

The Senate Committee on Agriculture unanimously passed SB 536, relating to Reclaimed Water, by Senator Wilton Simpson (R-New Port Richey), on Monday, February 17th. The bill would create a reclaimed water study commission. The commission would look at how to expand the use of reclaimed water throughout the state. A report would have to be submitted by December 1, 2015. AIF testified in favor of the bill.

AIF supports state funding for alternative water supply projects.

Health Care

SB 670 – Relating to Nursing Home Litigation

On Tuesday, February 18th, **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of SB 670, relating to Nursing Home Litigation, by Senator John Thrasher (R-St. Augustine). The bill passed the Senate Committee on Health Policy (8-1) and was amended to reflect the compromise reached by the Florida Justice Association (FJA) and the Florida Healthcare Association. This is a historic agreement by both sides that have been fighting for over a decade. The unscrupulous practice of naming parties to lawsuits such as GE Capital that exert no control or has a standard of care to Nursing home residents places a chilling effect on the ability of the nursing home industry to secure financing for new nursing homes as well as the retrofitting of older ones.



AIF supports this streamlining of litigation in order to preserve the growth of the nursing home industry while protecting our vulnerable elderly.

SCHW1 – Relating to Advanced Practice Registered Nurses

On Wednesday, February 19th, the House Select Committee on Health Care Workforce Innovation approved the proposed committee bill led by Representative Cary Pigman (R-Sebring). Following a lengthy discussion, the measure was approved on a vote of 15 to 2. The proposed committee bill would change the term “Advanced Registered Nurse Practitioners” (ARNPs) to “Advanced Practice Registered Nurse” (APRN) which is a term used in many other states. It would also authorize APRNs to:

- Prescribe controlled substances if allowed under a written protocol signed by the supervising physician;
- Certify a person to be involuntarily examined under the Baker Act; and
- Examine persons admitted into receiving facilities under the Baker Act and approve their releases (if the APRN is nationally certified as psychiatric-mental health advanced practice nurses)

The bill also sets out provisions for allowing an APRN to prescribe a controlled substance and also sets up criteria for “Independent Advanced Practice Registered Nurses”, who, among other things, would be allowed to perform services allowed by the nursing act without physician supervision. The APRNs would be required to register with the Board of Nursing.

Certain physician groups, including the Florida Medical Association, continue to oppose this measure. The bill will be given a number and referred to committees. Thus far, this issue has not been advanced in the Senate.

AIF supports this bill because it removes regulatory scope of practice obstacles for qualified health care professionals and ensures greater access to quality care for more Floridians at more affordable costs.

Workforce

SB 636 – Relating to Public Utility Suppliers

On Tuesday, February 18th, the Senate Committee on Communications, Energy, and Public Utilities unanimously passed SB 636, by Senator Oscar Braynon (D-Miami Gardens), requiring certain public utilities, defined as regulated companies, to submit a plan for increasing procurement from businesses owned and controlled by women, minorities, and service-disabled veterans. The legislation would require the Public Service Commission (PSC): to establish guidelines to assist the regulated companies in establishing the plans; and to develop an outreach program to inform and encourage women, minorities and disabled-veteran business enterprises to apply for procurement contracts. Though the staff analysis pointed out some potential constitutional and regulatory deficiencies in the legislation, no one asked a question or spoke against the bill. The bill would take effect July 1, 2014. At this time there is no House companion.

AIF opposes the government mandating purchases of private businesses. Allowing the market to decide vendors has proven much more effective for the free marketplace. Adding additional laws, rules and regulations on certain regulated utilities only increases the cost of doing business for the affected companies and ultimately increases the cost of energy to consumers.

SB 198 – Relating to Social Media Privacy

On Monday, February 17th, **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis**, spoke in opposition to SB 198, relating to Social Media Privacy, by Senator Jeff Clemens (D-Lake Worth), in the Senate Committee on Commerce and Tourism. The bill, which passed on a 7-2 vote, prohibits employers from requiring or requesting that an employee or a prospective employee provide a user name, password, or other means of accessing a social media account, unless it is an account used for business purposes. It goes on to say that an employer cannot fire an employee or refuse to hire a prospective employee based on a refusal to provide access to social media accounts. Under the bill, employers found guilty of violating these provisions would be required to pay the employee \$500 for each offense. Following its passage in the Senate Committee on Commerce and Tourism, the bill is scheduled to be heard in three additional committees.



AIF opposes the bill because privacy protections for employee social media accounts must be balanced in specific contexts with other important considerations, such as employee compliance with laws, protecting the security of employer networks, and protecting against theft of trade secrets or sensitive personal information by employees. This piece of legislation does not strike that balance.

Taxation

SB 134 – Relating to Tax-exempt Income

One of the Governor's tax priorities, SB 134 by Senator Dorothy Hukill (R-Port Orange), was heard by the Senate Committee on Banking and Insurance on February 18th. The bill increases the level of income that is exempt from the Florida corporate income tax. Florida imposes a 5.5 percent tax on the net income of corporations doing business in Florida. Currently the first \$50,000 of a corporation's income that is subject to Florida tax is exempted from the corporate income tax. This bill increases the exemption from \$50,000 to \$75,000. **Frank Meiners**, representing AIF, stood in support of the bill. The bill passed 11 to 0 and will now go to the Senate Appropriations Subcommittee on Finance and Tax which Sen. Hukill chairs.



AIF supports Governor Scott's proposed increase of the exempt income amount from the current \$50,000 to the proposed \$75,000. This allows a great incentive for small businesses to expand in Florida and for companies looking to relocate here.

HB 175/SB 294 – Relating to Emergency Communication System

On Wednesday, February 19th, AIF stood in support of HB 175, Relating to Emergency Communication System, by Representative Greg Steube (R-Sarasota) in the House Finance & Tax Subcommittee. The bill would reduce the current charge for 911 services on all phone lines, including mobile, from the current \$0.50 to \$0.46. In addition, the legislation implements the findings of the E911 Board, allowing for the collection of the 911 fee at the retail point of sale for prepaid wireless phone plans. Implementing a point of sale collection method for prepaid plans and enabling the fee to be collected from everyone with access to 911 may make it possible to reduce the fee for all consumers. The bill would also put priority on allowing counties to use funds to upgrade and replace 911 systems for next generation.

The legislation passed committee with a 17-0 vote and will next be heard in the House Regulatory Affairs Committee.

On Wednesday, February 19th, AIF stood in support of SB 294, Relating to Emergency Communication System, by Senator Alan Hays (R-Umatilla) in the Senate Appropriations Subcommittee on Finance and Tax. The bill mirrors HB 175 listed above.

The legislation passed committee unanimously and will next be heard in the full Senate Committee on Appropriations.

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.

SB 118 – Relating to National Retail Sales Tax

SB 118, by Senator Alan Hays (R-Umatilla), is a memorial that urges the United States Congress to enact H.R. 25, the Fair Tax Act of 2013, which would impose a national retail sales tax and eliminate the federal personal income tax, the alternative minimum tax, the estate tax, the gift tax, the capital gains tax, the federal corporate income tax, the self-employment tax, and the employee and employer payroll tax. The federal government would then collect revenue through a national retail sales tax of 23%. In addition, the states could elect to collect this tax for a small fee to the federal government.

AIF supports the memorial because the current federal tax system hinders economic growth and the country's competitiveness by imposing unnecessary administrative and compliance costs on both individual and business taxpayers, subsequently hindering Florida's international competitiveness.

SB 196 – Relating to the Marketplace Fairness Act of 2013

SB 196 by Senator Gwen Margolis (D-Miami), includes Common sense updates can and should be made to Florida's tax system to level the playing field for all retailers selling goods in Florida. Today the "brick and mortar" retailers are at a disadvantage to out-of-state, online-only retailers concerning the collection of state sales tax. Under current law, online retailers that do not have a nexus in Florida forgo collecting sales tax at the point of purchase despite the fact that it is still due, and the burden is passed on to unknown consumers. This is not a new tax; instead, this is simple enforcement of existing law.

AIF supports efforts to enforce the fair collection of the state sales tax.

APC 2 – Relating to Information Technology Governance

On Wednesday, February 19th, **Frank Meiners** representing AIF, testified in support of **APC2**, relating to Information Technology Governance, during the House Appropriations Committee. The bill establishes an enterprise information technology (IT) governance structure within the executive branch, administered by the Agency for State Technology (AST) created through the bill. The AST would be responsible for managing and securing state government data and identifying opportunities for standardization and consolidation of IT services that support common business functions. A chief information officer position would be created through the bill and would be appointed by the Governor. The bill appropriates a total of \$3.2 million and 27 full-time equivalent positions for Fiscal Year 2014-2015. Mr. Meiners mentioned that if the state were a \$70 billion private business, all departments without exception would fall under the CIO's policies and direction. The bill passed unanimously on a 25-0 vote and will be now be given a bill number and referenced to committees or go directly on the House calendar.



AIF supports a strong Chief Information Officer in the Executive branch to provide the leadership needed to allow the state to provide quality services to the citizens in the most cost efficient way possible. AIF strongly believes information technology will offer the tools to re-engineer the state's business processes to accomplish this goal. In order to gain the benefits of IT, there must be significant changes in IT Governance in Florida; today Florida is ranked at the bottom of all states in Information Technology. This bill accomplishes these goals.