



WEEKLY BRIEF

From the Week of March 10 – 14, 2014

The second week of the 2014 Florida legislative session has come to a close. To introduce this week's breakdown of bills most important to Florida employers, AIF is pleased to present a short legislator interview compilation video from our March 3rd pre-session legislative reception.

View the video at <http://bit.ly/NdIVQu>

Economic Development

HB 1383 – relating to Gaming

AIF's Senior Vice President of State and Federal Affairs, **Brewster Bevis**, addressed the House Select Committee on Gaming's workshop on HB 1383, Relating to Gaming, by Representative Rob Schenck (R-Springhill). Bevis thanked the committee for creating an independent gaming commission in Florida to "wrap our arms around Florida's expansive gaming industry ." Bevis also stated AIF would like to work with the committee to include a process for the licensing and creation of two integrated resorts in Southeast Florida.

View Brewster Bevis's testimony on HB 1383 at <http://bit.ly/1qCZmWt>

AIF supports strong gaming regulation and the creation of an independent gaming commission. AIF also supports competitive bidding for a limited number of Integrated Resort Licenses in counties where Class III slot machines are currently authorized. These facilities will draw out-of-state and international tourists that will add millions of dollars to our state's economy and bolster existing businesses in the tourism and hospitality industry.

Education & Workforce

HB 541 – relating to Public-Private Partnerships

On Wednesday, March 12th, HB 541, relating to Public-Private Partnerships by Representative Greg Steube (R-Sarasota) unanimously passed the House Government Operations Subcommittee. AIF stood in support of the bill during the committee. The bill now heads to the House Appropriations Committee.

The bill is designed to help both the State University System (SUS) and the construction industry in Florida. HB 541 will allow for the private sector to offer unsolicited bids on university projects, comprehensive agreements for construction projects, and grants the Board of Governors approval authority on public-private partnership projects within the SUS.

AIF strongly supports utilization of the private sector in helping to solve public construction needs. Government's role is critical in securing and advancing our state's infrastructure.

SB 1642 – relating to Education Accountability

On Wednesday, March 12th, SB 1642, relating to Education Accountability, by the Senate Committee on Education passed the Senate Appropriations Subcommittee on Education by an 11-1 vote. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Appropriations, its last stop before the Senate floor.

The bill creates a clarified A through F and 100-point school grading system where point values, not safety nets or triggers, are the indicator of the grade earned. Under the bill, district and school grades, which would be released every year in the summer at the same time, will be simplified and transparent. No changes would be made to the current school grading system in 2013-14; however, the new 2014-15 school grades will function as an informational baseline for schools to work toward improved future performance.

AIF supports a comprehensive effort to expand economic opportunity through education. Increased transparency in school grading is a large component to making education a better value for Florida's families and taxpayers alike.

SB 790 – relating to Education

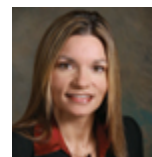
On Wednesday, March 12th, SB 790, relating to Education, by Senator John Legg (R-Lutz) passed the Senate Appropriations Subcommittee on Education by an 11-1 vote. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Appropriations, its last stop before the Senate floor.

This bill creates the Florida digital classrooms plan and allocation to establish a targeted and purposeful approach to technology enhancements in Florida's classrooms to improve student performance outcomes. The bill ties technology-enhanced classroom teaching and learning to measurable student performance outcomes and requires an independent evaluation of the school districts' outcomes and technology inventory and infrastructure needs, which the districts must report to the department. Consequently, the school districts must document how technology enhancements effect performance of students. In addition, the bill authorizes public schools to promote digital literacy and competency in Florida's schools, which will help equip Florida's students with skills to succeed in a competitive economy.

AIF supports removing all barriers for accessing all forms of innovative technology-driven education. Improving our workforce through education reforms will be a key ingredient to job creation and also ensuring businesses continue to establish in Florida.

HB 957 – relating to Local Regulation of Wage Theft

On Wednesday, March 12th HB 957, relating to Local Regulation of Wage Theft, by Representative Neil Combee (R-Auburndale) passed the House Civil Justice Subcommittee by a 7-4 vote. **AIF General Counsel, Tammy Perdue**, stood in support of the bill during the committee. The bill now heads to the House Local & Federal Affairs Committee.



This bill preempts any wage theft ordinance that was not enacted before January 1, 2014 and provides guidelines that a county must follow in order to establish a local wage theft ordinance. Employers need this framework throughout the state so that one policy covers each location in Florida in which a business operates.

AIF supports this bill because wage protection laws should be consistent throughout the state in order to achieve fairness for both employees and employers.

HB 377 – relating to Educational Facilities Financing

On Thursday, March 13th, HB 377, relating to Educational Facilities Financing, by Representative George Moraitis, Jr. (R-Ft. Lauderdale) unanimously passed the House Finance & Tax Subcommittee. AIF stood in support of the bill during the committee. The bill now heads to the House Education Committee, its last stop before the House floor.

The bill expands the Higher Educational Facilities Financing Law (HEFFA) in two significant ways by adding non-profit, SACS accredited, K-12 schools to those institutions eligible to participate and expanding the definition of a project that can be financed with tax exempt bonds, which would include related projects such as wetland mitigation when financing a building project. HEFFA was created in Florida Statute in 2001 to give independent, non-profit, four year, SACS accredited institutions (all 31 Independent Institutions) access to the tax exempt bond market to borrow funds for capital outlay and cash flow purposes. These funds are not backed by the full faith and credit of the state, but rather by private capital and institution credit.

AIF supports this bill and has made this expansion a priority for the 2014 legislative session. This bill will allow ICUF institutions and non-profit SACS accredited K-12 institutions to expand their capacity and access for Florida's K-20 students and at no cost to the Florida taxpayers.

Energy

SB 1070 – relating to Fuel Terminals

On Tuesday, March 11th, SB 1070, relating to Fuel Terminals, by Senator Wilton Simpson (R-New Port Richey) unanimously passed the Senate Committee on Community Affairs. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Transportation, its last stop before the Senate floor.

The bill would declare fuel terminals located in or next to Florida's ports as critical state infrastructure. The bill would also limit local governments' regulation of the existing terminals and prohibit them from declaring the terminals illegal or non-conforming. It goes further to allow for expansion of existing fuel terminals within the terminals property boundaries, while limiting local governments' regulation of permitting although nothing in the bill will prevent local government from enforcing state and federal safety standards.

AIF supports terminals being designed as critical infrastructure preempting local governments from changing the land use designation. Terminals are essential components to petroleum logistics, and Florida's energy portfolio, enabling the bulk transfer of the 27 million gallons of gasoline and diesel into Florida each day for further distribution.

SB 1076 – relating to Electrical Power or Energy

On Tuesday, March 11th, SB 1076, relating to Electrical Power or Energy, by Senator Anitere Flores (R-Miami) unanimously passed the Senate Committee on Communications, Energy, and Public Utilities. **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis,** stood in support of this bill during the committee. The bill now heads to the Senate Appropriations Subcommittee on Finance and Tax, its second of three committee stops.



The bill provides tax relief to Florida's businesses by decreasing the sales tax rate on electricity to zero over a three-year period. Under this legislation, revenue will shift to the Public Education Capital Outlay fund which will result in an increased investment in schools, technology and other education

infrastructure. The bill also goes one step further in benefiting Florida consumers by providing for a sales tax holiday weekend for energy-efficient appliance purchases.

AIF supports the reduction of the state sales tax on commercial electricity consumption. The state sales tax rate on electricity is 7% while the rate on general sales is 6%. The use of energy is a major expense for Florida businesses and paying a rate higher than the general sales tax rate makes Florida less attractive to companies looking to relocate or start a business in the state.

Environment

HB 771 – relating to Secondary Metal Recyclers

On Tuesday, March 11th, HB 771, relating to Secondary Metal Recyclers, by Representative Neil Combee (R-Auburndale) passed the House Agriculture & Natural Resources Subcommittee. AIF stood in support of the bill during the committee. The bill now heads to its second of three stops in the House Appropriations Committee.

The bill makes major changes to governing secondary metals recyclers which subsequently strengthens the law on the books. The key part of the bill shifts authority of the secondary metal recyclers program from the Department of Revenue to the Department of Agriculture and Consumer Services, which has law enforcement capabilities.

AIF supports a well regulated secondary metal recyclers program that will reduce the likelihood of metal theft in the state.

Health Care

SB 278 – relating to Pharmacy Technicians

On Tuesday, March 11th, SB 278, relating to Pharmacy Technicians, by Senator Denise Grimsley (R-Sebring) unanimously passed the Senate Committee on Health Policy. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Regulated Industries.

This bill allows a pharmacist to supervise up to six pharmacy technicians, unless otherwise permitted by the Board of Pharmacy. Currently, the law authorizes a pharmacist to supervise one pharmacy technician, but the board may authorize supervision of two more for a total of three. The bill also removes the cap on the number of pharmacy technicians the Board can authorize a pharmacist to supervise which takes into account the changes in technology and the new role of the pharmacist.

AIF supports access for Floridians to high-paying jobs, such as pharmacy technician.

SB 488 – relating to Out-of-network Physician Charges

On Tuesday, March 11th, SB 488, relating to Out-of-network Physician Charges, by Senator Jeremy Ring (D-Margate) unanimously passed the Senate Committee on Health Policy. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Children, Families, and Elder Affairs.

The bill requires health care facilities to provide a patient with a document notifying the patient that he or she may be charged for out-of-network physician services. The bill also amends the Florida Patient's Bill of Rights and Responsibilities to make patients responsible for reviewing a document presented

upon admission informing the patient that he or she may be charged for out-of-network physician services.

AIF supports measures that help Floridians become better health care consumers by increasing transparency in pricing and the provision of health care services.

Telemedicine

In case you missed it, **AIF's General Counsel, Tammy Perdue**, testified in the House Select Committee on Health Care Workforce Innovation on HB 751, relating to Telemedicine.

You may view the video below at : <http://youtu.be/NuAdiOTZWKc>.

Insurance

SB 1308 – relating to Insurer Solvency

On Tuesday, March 11th, SB 1308, relating to Insurer Solvency, by Senator David Simmons (R-Altamonte Springs) unanimously passed the Senate Committee on Banking and Insurance. The bill now heads to the Senate Committee on Judiciary.

The bill adopts several updates from the National Association of Insurance Commissioners (NAIC). Specially, the bill adds additional protections for holding company systems, updates requirements for life insurance reserves, and improves actuarial information provided to OIR from insurers.

AIF supports legislation that modernizes insurance regulation and takes steps to achieve uniformity with other states, creating consistent regulations and a more efficient allocation of capital, which improves Florida's insurance marketplace for business and personal lines policyholders.

HB 187 – relating to Civil Remedies Against Insurers

On Wednesday, March 12th, HB 187, relating to Civil Remedies Against Insurers, by Representative Kathleen C. Passidomo (R-Naples) passed the House Civil Justice Subcommittee by an 8-4 vote. **AIF General Counsel, Tammy Perdue**, stood in support of the bill during the committee. The bill now heads to the House Insurance & Banking Subcommittee.



Below is a press release AIF released today regarding this bill:

Tallahassee, Fla. – *The Associated Industries of Florida (AIF) today commended the House Civil Justice Subcommittee for advancing legal reform legislation – House Bill 187, by Representative Kathleen Passidomo (R-Naples), relating to civil remedies against insurers.*

“AIF supports this good piece of legislation by Representative Passidomo aimed at making our state’s legal climate a friendlier place to do business,” said AIF President & CEO Tom Feeney. “We believe any legal reform that decreases the cost of litigation and removes unfair and unpredictable barriers to growth are necessary to cultivate a healthy and prosperous arena for commerce to thrive.”

HB 187 establishes a 60-day time-frame during which an insurer may investigate and, if warranted, tender policy limits to settle a liability. Feeney commented, “An unbalanced civil justice system in Florida dampens the ability of employers to recover from the economic downturn and create new jobs. AIF supports HB 187 that will give businesses and insurers reasonable time to settle a liability claim without litigation.”

“We applaud the House Civil Justice Subcommittee for passing this important legal reform bill and look forward to the continued discussion on how Florida can have a clear and level playing field in the courtroom.”

HB 187 is now slated to advance to the House Insurance & Banking Subcommittee.

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Legal & Judicial

HB 413 – relating to Consumer Collection Practices

On Wednesday, March 12th, HB 413, relating to Consumer Collection Practices, by Representative David Santiago (R-Deltona) unanimously passed the House Regulatory Affairs Committee. The bill now heads to the House floor.

The bill subjects “control persons” of consumer collection agencies (CCAs) to state and federal criminal background checks, and subjects these persons to disqualifying periods based on the severity and recency of a criminal conviction. The bill enhances the authority of the Office of Financial Regulation (OFR) to register, investigate, examine, and bring enforcement actions against consumer collection agencies. The bill requires CCA registrants to report criminal convictions, changes from the initial application, and changes to the controlling persons of a CCA agency.

AIF supports this bill because they give businesses more confidence in turning over their debt to a Florida Debt Collector who must follow the new requirements of this bill.

SB 198 – relating to Social Media Privacy

On Thursday, March 13th, SB 198, relating to Social Media Privacy, by Senator Jeff Clemens (D-Lake Worth) unanimously passed the Senate Committee on Governmental Oversight and Accountability. **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis,** stood in opposition of this bill during the committee. The bill now heads to the Senate Committee on Judiciary.



The bill 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.

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.

IT Governance

SB 1010 – relating to Cable and Video Services

On Tuesday, March 11th, SB 1010, relating to Cable and Video Services, by Senator Garrett Richter (R-Naples) unanimously passed the Senate Committee on Communications, Energy, and Public Utilities. **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of this bill during the committee. The bill now heads to the Senate Committee on Commerce and Tourism, its last stop before the Senate floor.



The bill repeals a study by the Office of Program Policy Analysis & Government Accountability on the status of video competition in Florida. This is a study that duplicates an annual national study done by the Federal Communications Commission and is an unnecessary expense for government and for companies to compile and submit proprietary information.

AIF supports eliminating duplicative laws that put an unnecessary compliance burden on Florida's businesses and government.

SB 928 – relating to State Technology

On Thursday, March 13th, SB 928, relating to State Technology, by the Senate Committee on Governmental Oversight and Accountability unanimously passed the Senate Committee on Appropriations. AIF stood in support of the bill during the committee. The bill now heads to the Senate floor.

HB 7073 – relating to Information Technology Governance

On Wednesday, March 12th, HB 7073, relating to Information Technology Governance, by House Appropriations Committee passed unanimously on the House floor. The bill will become law if the Senate passes an identical bill and the Governor signs the legislation.

Both SB 928 and HB 7073 substantially revise how the state establishes information technology (IT) policy and procedures. The bill creates the Agency for State Technology (AST), administratively housed in the Department of Management Services. The defunct Agency for Enterprise Information Technology is abolished by the bill, and its duties are transferred to the AST. The AST is given extensive authority to set state technology policy and perform project oversight of large IT projects.

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. 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 and this bill does just that. Today Florida is ranked at the bottom of all states in Information Technology.

Taxation & Budget

SB 792 – relating to Tax on Sales, Use, and Other Transactions

On Monday, March 10th, SB 792, relating to Tax on Sales, Use, and Other Transactions, by Senator Anitere Flores (R-Miami) unanimously passed the Senate Committee on Commerce and Tourism. **AIF Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of this bill during the committee. The bill now heads to its second of three committees in the Senate Appropriations Subcommittee on Finance and Tax.



The bill outlines an August back-to school tax holiday. It provides for a state and local sales tax exemption for a 3-day period from August 1 through August 3, 2014, for the purchases of clothing costing \$75 or less, school supplies costing \$15 or less, and personal computers and related accessories costing \$750 or less.

AIF supports sales tax holidays for school and hurricane supplies. Tax holidays are a win-win for Florida families and the state as sales tend to increase more than without the tax holiday.

SB 156 – relating to Motor Vehicle License Taxes

On Thursday, March 13th, SB 156, relating to Motor Vehicle License Taxes, by Senator Joe Negrón (R-Palm City) unanimously passed the Senate Committee on Appropriations. AIF stood in support of the bill during the committee. The bill now heads to the Senate floor.

The bill reduces some of the fees required to register a motor vehicle, vessel or mobile home, and returns them to the amount required prior to September 1, 2009. The fee reductions result in a \$12 per year savings in the amount paid to register a motor vehicle, \$2.00 to register a vessel, and either \$4.50 or \$9.00 to register a mobile home.

AIF supports the roll back in fees and surcharges imposed on motorists when they buy, replace or transfer a license plate or register their vehicle with the state.