

INTERIM UPDATE



From February 21-22, 2017

TRANSPORTATION

HB 221-Relating to Transportation Network Companies (TNC's)

On Tuesday, February 21st, **HB 221**, relating to Transportation Network Companies, sponsored by **Representative Chris Sprowls (R-Clearwater)** and **Representative James Grant (R-Tampa)**, was heard by the **House Government Accountability Committee** and passed by a vote of 21 yeas to 1 nay. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

This bill aims to establish a regulatory framework for transportation network companies and how they operate throughout communities in Florida. HB 221 defines what constitutes as a "TNC vehicle", sets in place insurance requirements and preempts authority to the state, which will allow for a streamlined set of rules to be followed throughout the state.

HB 221 will now go to the House floor.

AIF SUPPORTS statewide digital transportation service policies to create price competition, promote consumer choice, enhance customer experience, create jobs and remove anti-competitive local regulations.

HEALTH CARE/INSURANCE

SB 182 & HB 95-Relating to Consumer Protection from Nonmedical Changes to Prescription Drug Formularies

On Tuesday, February 21st, **SB 182**, relating to Consumer Protection from Nonmedical Changes to Prescription Drug Formularies, by **Senator Debbie Mayfield (R-Melbourne)**, was heard by the **Senate Committee on Health Policy** and passed with a vote of 5 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition to this bill.**

On Wednesday, February 22nd, **HB 95**, relating to Consumer Protection from Nonmedical Changes to Prescription Drug Formularies, by **Representative Ralph Massullo (R-Beverly Hills)**, was heard by the **House Health Innovation Subcommittee** and was reported favorably. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition to this bill.**

These bills addresses the ability to move or shift prescription drugs within drug formularies by health plans. Currently, health plans have the authority to move prescription drugs to different tiers within the drug formulary, or add/remove certain drugs all together. Health plans use this system if, for instance, a drug has been found to be unsafe for patients or a more cost-efficient alternative has become available. Removing this ability from health plans would not only cause the cost of healthcare to rise but could put patients at risk of taking potentially harmful medications.

SB 182 will now go to its third committee stop in the **Senate Committee on Appropriations.**

HB 95 will go to its second committee stop in the **House Insurance & Banking Subcommittee.**

AIF OPPOSES taking away the leverage health plans have to add, remove, or shift drugs within the formulary system as it will increase the cost of health care and pharmaceuticals for Florida's employer community.

SB 262-Relating to Health Insurance

On Tuesday, February 22nd, **SB 262**, relating to Health Insurance, filed by **Senator Greg Steube (R-Sarasota)**, was heard and passed by the **Senate Committee on Banking and Insurance** by a vote of 6 yeas to 3 nays. **AIF stood in opposition to this bill.**

This bill looks to create a new cause of action, including punitive damages, and holds health insurers liable when network providers are negligent in the delivery of services to recipients. This proposal will have a negative impact on the cost of health care in our state.

SB 262 will now go to the **Senate Committee on Judiciary** for its second committee hearing.

AIF OPPOSES this legislation as employers and employees ultimately bear the responsibility of these unnecessary cost increases

HB 589-Relating to Prescription Drug Price Transparency

On Wednesday, February 22nd, **HB 589**, relating to Prescription Drug Price Transparency, by **Representative Clay Yarborough (R-Jacksonville)** was heard in the **House Careers & Competition Subcommittee** and passed. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

Prescription drug costs continue to rise, and become a larger percentage of the overall health care spend in Florida. HB 589 creates more transparency in drug pricing, and will give consumers the ability to make more informed decisions regarding their health care spending. Currently, the law requires MyFloridaRX to provide the top 150 most prescribed drugs including their customary prices by pharmacies. This bill would double that number to 300 and codifies monthly reporting to the Agency for Health Care Administration ("AHCA").

HB 589 will now go to the **House Health & Human Services Committee** for its next hearing.

AIF SUPPORTS transparency in drug pricing as a tool for reducing the cost of health care coverage on Florida's employers and employees.

HB 449- Relating to Health Insurance

On Wednesday, February 22nd, **HB 449**, relating to Health Insurance, by **Representative Paul Renner (R-Palm Coast)** was heard by the **House Careers & Competition Subcommittee** and passed. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition to this bill.**

This bill creates the Patient Savings Act, which requires health insurers to create a shared savings incentive program (Program) to encourage insured individuals to shop for high quality, lower cost health care services and share any savings realized as a result of the insured's choice. While this bill has good intentions, when you look at paying an insured individual's difference in cost, the insurance company will end up paying a midway point which will in turn be pushed off onto Florida businesses.

HB 449 will now go to the **House Insurance & Banking Subcommittee** for its next hearing.

AIF OPPOSES this legislation due to the concern over cost increase to business owners across the state.

ECONOMIC DEVELOPMENT

HB 7005-Relating to Economic Programs

On Tuesday, February 21st, **HB 7005**, relating to Economic Programs, sponsored by the **House Careers & Competition Subcommittee** and **Representative Paul Renner (R-Palm Coast)**, was heard by the full **House Appropriations Committee** and passed by a vote of 18 yeas to 12 nays.

AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition of this bill.

This legislation threatens to eliminate ALL incentive programs that help many of Florida's businesses and economy thrive, specifically incentives for;

- Enterprise Florida,
- VISIT FLORIDA,
- Qualified Defense and Space Contractors tax refund,
- Qualified Target Industry business tax refund,
- the Quick Action Closing fund, and
- Office of Film & Entertainment and entertainment industry tax programs.

Enacting this legislation would be detrimental to not only our state's economy but our tourism industry, an industry that sets Florida apart from the rest.

HB 7005 is currently not assigned to another committee of reference.

AIF OPPOSES removing agency incentives as it would result in an economic downturn for Florida.

Please see the below press release from AIF President and CEO, Tom Feeney, regarding HB 7005;

AIF Statement Regarding Economic Programs Legislation

Tallahassee, Fla. – The **Associated Industries of Florida** (AIF) today released the following statement on behalf of its President & CEO Tom Feeney regarding the opposition to House Bill 7005, by the House Careers & Competition Subcommittee, relating to Economic Programs. HB 7005 was today heard in the House Appropriations Committee, its only committee of reference.

“Enterprise Florida and VISIT FLORIDA are two public-private partnerships that have been significant contributors to our economy. Because of their value to our business community from the Panhandle to the Keys, AIF and its members oppose HB 7005.

“Eliminating these two agencies would not just put a dent in the business climate the Governor has created, it would severely crush the business opportunities this state has been able to realize because of the hard work that has gone into making Florida the No. 1 destination for job creation.

“We agree transparency and accountability is an essential practice, but these economic development programs are crucial to our Sunshine State's success.”

Known as “The Voice of Florida Business” in the Sunshine State, AIF has represented the principles of prosperity and free enterprise before the three branches of state government since 1920. A voluntary association of diversified businesses, AIF was created to foster an economic climate in Florida conducive to the growth, development, and welfare of industry and business and the people of the state.

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TAXATION

HB 21 & SB 76-Relating to Limitations on Property Tax Assessments

On Tuesday, February 21st, **HB 21**, relating to Limitations on Property Tax Assessments, by **Representative Colleen Burton (R-Lakeland)** was heard in the **House Ways & Means Committee** and was reported favorably with a vote of 16 yeas to 1 nay. **AIF stood in support of this bill.**

On Wednesday, February 22nd, **SB 76**, the Senate companion to HB 21, sponsored by **Senator Tom Lee (R-Brandon)** was heard in the **Senate Appropriations Subcommittee on Finance and Tax** and unanimously passed by a vote of 5 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

In 2008, Florida voters approved Amendment 1 which, among other things, created a 10% cap on the annual increase of property taxes for all non-homestead properties. However, this amendment included a sunset provision that goes into effect on Jan. 1, 2019. HB 21 and SB 76 propose a constitutional amendment be added to the ballot during the 2018 General Election to let the voters decide in making this cap 10% tax cap permanent.

HB 21 will go to its second committee stop in the **House Commerce Committee.**

SB 76 will also go to its second committee stop to be heard by the full **Senate Committee on Appropriations.**

AIF SUPPORTS a permanent 10% property tax cap on second homes and commercial property.

LEGAL & JUDICIAL

Legal & Judicial

SB 334-Relating to Prejudgment Interest

On Tuesday, February 21st, **SB 334**, relating to Prejudgment Interest, by **Senator Greg Steube (R-Sarasota)**, was heard by the **Senate Committee on Judiciary** and passed by a vote of 6 yeas to 2 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition to this bill.**

This bill seeks to mandate that prejudgment interest be awarded to both economic and noneconomic damages recovered. For economic damages, interest would accrue from starting the date the plaintiff incurred economic losses. For noneconomic damages, interest would accrue starting from the date the defendant received notice of a claim from the plaintiff. Currently, prejudgment interest is awardable on economic losses at the discretion of the judge. Florida businesses are gravely concerned about the addition of prejudgment interest on noneconomic losses due to the subjective nature of these costs.

SB 334 will move on to its second committee hearing in the **Senate Committee on Rules**.

AIF OPPOSES legislation that will increase the already daunting costs of litigation on Florida's businesses.

Please see below statement from AIF's President & CEO, Tom Feeney, concerning Prejudgment Interest:

AIF Statement Regarding Prejudgment Interest Legislation

Tallahassee, Fla. – The **Associated Industries of Florida** (AIF) today released the following statement on behalf of its President & CEO Tom Feeney regarding the opposition to Senate Bill 334, by Senator Greg Stuebe (R-Sarasota), relating to Prejudgment Interest. SB 334 was today heard in the Senate Judiciary Committee, its first committee of reference.

“Our court system in Florida is already overburdened. The last thing we need is to add another situation to the mix that would not only add time-consuming and burdensome measures, but also add another cost driver to Florida businesses.

“Because of the added financial pressures and court system constraints, AIF and its members oppose Prejudgment Interest legislation. SB 334 does nothing more than make attorneys richer, while making Florida employers suffer.

“As this bill moves through the process, with Senate Rules being the next committee stop, we encourage lawmakers to take a serious look at just how damaging this legislation would be to Florida businesses.”

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HB 17-Relating to Local Regulation Preemption

On Wednesday, February 22nd, **HB 17**, relating to Local Regulation Preemption, sponsored by **Representative Randy Fine (R-Palm Bay)** was heard before the **House Careers & Competition Subcommittee** and was reported favorably by a vote of 9 yeas and 6 nays.. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in support of this bill.**

This bill aims to preempt authority to the state and away from local governments when it comes to business regulations. Both big and small businesses must abide by the rules and regulations set in place by their local governments, regardless of if that rule or regulation differs from city to city, or county to county. This circumstance causes those who conduct business in multiple cities or counties throughout the state to abide by a myriad of rules that are inconsistent and must be complied with in order to continue their business. AIF believes that preempting business regulation to the state will allow for a streamline system that businesses, (old and new, small and large) can easily follow when conducting business across the State of Florida.

HB 17 will now go to the **House Commerce Committee** for a hearing.

AIF SUPPORTS legislation that will streamline business regulation throughout the state.