



DAILY BRIEF

From March 5, 2012

As we kick off the 9th and final week of the 2012 legislative session, the House & Senate have finalized the state's budget for the next fiscal year. In addition, policymakers await a ruling from the Florida Supreme Court on the fate of the new districts recently submitted by the Legislature. Contingent upon the court's interpretation of the legislative maps, coupled with policy matters that may extend beyond the regular 2012 legislative session, we are poised to for a "special session" called upon the direction of House & Senate leadership.

In addition, be sure to check out this week's edition of AIFTV. We have covered a number of priorities that are anticipated to see final passage this year, including:

- HB 119 Relating to Motor Vehicle Insurance by Representative Jim Boyd (R-Bradenton) is a meaningful reform proposal that will provide a viable alternative to Florida's Personal injury Protection system that is currently riddled with fraud.
- SB 1416 Relating to Unemployment Compensation by Senator Ellyn Bogdanoff (R-Ft. Lauderdale), upon its passage, will provide significant tax relief to all Florida businesses on their unemployment compensation taxes this year.
- HB 1003 Relating to Tangible Personal Property Tax Exemptions by Representative Eric Eisnagle (R-Orlando) would provide an additional exemption from ad valorem taxes on tangible personal property valued between twenty-five thousand and fifty thousand dollars.
- HB 7087 Relating to Economic Development by the House Finance & Tax Committee contains a number of important provisions for the business community including tax incentives for the aerospace and manufacturing sectors and the reauthorization of the New Markets Development Program.

Economic Development

On Monday, the House passed HB 1399 Relating to Transportation by Representative Jeff Brandes (R-St. Petersburg).

HB 1399 touched upon numerous issues; however, from an economic development standpoint this bill looks to create jobs and fund infrastructure projects at Florida's 14 deepwater ports.

Florida statutes require that a minimum of \$8 million per year be made available from the State Transportation Trust Fund (STTF) to fund the Florida Seaport Transportation and Economic Development (FSTED) Program. HB 1399 increases the minimum FSTED funds available from \$8 million to \$15 million per year. HB 1399 also provides that the FSTED program may be used to finance port projects that retain or enhance the creation of jobs in all areas of the state. HB 1399 also removes the limit of a single port's distribution of funds to \$7 million during one calendar year or \$30 million during any five calendar year period.

Secondly, HB 1399 will create the Strategic Port Investment Initiative within DOT, which calls for a minimum of \$35 million to be made available annually from the State Transportation Trust Fund for the

initiative. DOT is required to work with the deepwater ports to develop and maintain a priority list of strategic projects that meet the state's economic development goal of becoming a hub for trade, logistics, and export oriented activities.

Finally, HB 1399 creates the Intermodal Logistics Center Infrastructure Support Program within DOT, to provide funds to local governments and seaports thereby enabling the state to respond to private sector market demands and meet the state's economic development goal of becoming a hub for trade, logistics, and export-oriented activities. Beginning in fiscal year 2012-2013, up to \$5 million per year shall be made available from the STTF for the program.

Representative Lake Ray (R-Jacksonville) offered an amendment on the floor calling for a Freight Mobility and Trade Plan, which would promote increasing the flow of international trade throughout the state, increasing the development of manufacturing industries in the state and reducing transportation cost for businesses. The amendment was adopted. Discussion was very limited among members and the bill received overwhelming bi-partisan support.

HB 1399 will now proceed to the Senate for further consideration by its members. The Senate companion – SB 1866 by Senator Jack Latvala (R-St. Petersburg)) also awaits hearing in the Senate.

AIF will continue to SUPPORT legislation that focuses on the development and expansion of Florida's 14 deepwater ports.

Space

On Monday, the Senate unanimously passed SB 110 Relating to Spaceport Facilities by Senator Stephen Wise (R-Jacksonville).

SB 110 designates certain real property within the boundaries of Cecil Airport and the Cecil Commerce Center as spaceport territory. In addition to Cecil Field, the bill also provides that the board of directors for Space Florida may designate real property within the state as spaceport territory. In addition, SB 110 provides a tax exemption for machinery and equipment purchased for a new or expanding business in a spaceport territory. This bill will allow new and expanding businesses located at Cecil Airport and Cecil Commerce Center, or on property licensed as a FAA spaceport, to be eligible for this exemption. In order to qualify, a business must be engaged in spaceport activities.

SB 110 was substituted for its House companion – HB 59 by Representative Lake Ray (R-Jacksonville) – and approved on final passage. HB 59 will now proceed to the Governor for final approval.

AIF supports the expansion of spaceport facilities and applauds the leadership of Rep. Ray & Sen. Wise on this very important legislation.

Growth Management

On Monday, the House took up and unanimously passed HB 651 Relating to Building Construction and Inspection by Representative Daniel Davis (R-Jacksonville).

SB 704 authorizes local building code administrators and building officials, and fire code officials to accept electronic submission documents and allows licensees to electronically seal documents, Furthermore, the bill also preempts to the state and prohibits local regulation of hoisting equipment,

unless the regulation is otherwise federally preempted by the Occupational Safety and Health Administration, thus ending a disagreement between commercial builders and several local governments, primarily Dade County. The bill also encompassed many technical amendments to various laws dealing with construction.

During consideration, HB 651 was substituted by its Senate companion – SB 704 by Senator Mike Bennett (R-Bradenton) – and approved on final passage. SB 704 will now be sent to the Governor for his final approval.

AIF SUPPORTS legislation that will generate cost savings resulting from efficiencies associated with electronic filing.

Environmental

AIF and the Floridians for Copper & Metal Crime Prevention Coalition are pleased to announce that HB 885 by Representative Clay Ford (R-Pensacola) was unanimously approved by the Florida House of Representatives on Monday.

HB 885 aims to prevent metal theft by clarifying permissible types of personal identification necessary for the legal sale of regulated metal. This legislation prohibits cash transactions on restricted regulated metal property and for those which require proof of ownership, prohibits checks for metal purchases to be sent to a PO Box, and implements a statewide stand to keep metal thefts from “shopping” stolen properties to cities and counties with less onerous penalties.

Metal theft is plaguing our state and AIF has been working with the Floridians for Copper & Metal Crime Prevention Coalition since 2008 fighting this crime. AIF believes that the precautionary actions contained within HB 885 will help deter thieves from bringing stolen items to a legitimate secondary metal dealer and stop this crime that affects business across the state.

HB 885 will now proceed to the Senate for consideration by its members. A similar measure in the Senate – SB 540 by Senator Chris Smith (D-Oakland Park) – is currently in the Senate Budget Committee.

AIF and the Floridians for Copper & Metal Crime Prevention Coalition SUPPORT legislation that will enact precautionary methods to help deter the removal of metal from private property and government structures, causing economic loss for both the private and public sectors.

Energy

On Monday, the House took up and passed HB 7117 Relating to Energy by the House Energy & Utilities Subcommittee.

This legislation is the energy package that began as a number of proposals from Adam Putnam, Commissioner of Agriculture and Consumer Services.

Specifically, HB 7117 would:

- Revise the ten-year site plan process to specifically require electric utilities to provide information concerning actual and planned renewable energy production.
- Reinstate and revise the sales tax exemption for renewable energy technologies; the renewable energy technologies investment corporate income tax credit; and the renewable energy production corporate income tax credit.
- Clarify that renewable energy producers not licensed as electric utilities are qualified to receive a tax refund.
- Require the Department of Economic Opportunity (DEO) to prepare an economic impact study for certain renewable energy projects prior to a public interest determination by the Public Service Commission (PSC).
- Require the PSC to consider the need for fuel diversity to foster fuel supply reliability and rate stability when considering the need for a proposed power plant larger than 75 megawatts.
- Streamline the permitting process for bio-fuel feedstock crops and revise financial assurance requirements.
- Require the Department of Agriculture and Consumer Service (DACS) to conduct a statewide forest inventory analysis.
- Authorize DACS to establish a website regarding cost savings associated with energy efficiency and conservation measures.
- Provide that the rates, terms and conditions of electric vehicle charging services by a non-utility are not subject to regulation by the PSC.
- Require DACS to adopt rules related to sales at electric vehicle charging stations (labeling, price posting, methods of sale, etc.). Further, it would direct the PSC to conduct a study on the potential effects of electric vehicle charging stations on both energy consumption and the electric grid.
- Require coordination between the Department of Management Services and DACS in further developing the state energy management plan for state buildings over 5,000 square feet.
- Expand the use of the local government infrastructure surtax proceeds, if a local government ordinance authorizing such use is approved by referendum.
- Expand the Renewable Fuel Standard to include —alternative fuel, as defined in the bill; clarifies that retail dealers are not prohibited from selling or offering to sell unblended gasoline; and directs DACS to compile a list of retail dealers that sell or offer to sell unblended gasoline in the state and post the list on the department’s website.

SB 7117 will now proceed to the Senate for consideration by its members.

AIF commends Commissioner Putnam for offering a comprehensive proposal that will address the future of Florida’s energy policy. Furthermore, AIF looks forward to working with Commissioner Putnam and his department to adequately address our state’s energy needs.