



# DAILY BRIEF

From January 24, 2012

Picking up momentum this week, many of the business community's top priorities – from across the spectrum – saw progress in the Legislature on Tuesday. Some of the proposals include:

- HB 1491 by Representative Eric Eisnaugle (R-Orlando) creates the state's first Florida Infrastructure Fund Partnership and institutes a tax credit program designed to leverage private investment in state infrastructure projects.
- HB 1127 by Representative Ben Albritton (R-Bartow) allows emergency assessments, otherwise known as "hurricane taxes", to be spread out over multiple years reducing the financial burden on businesses and insurers.
- **Proposed Committee Bill (PCB) ANRS 7** by the House Agriculture & Natural Resources Subcommittee will protect Florida's objective of a unitary, state-run nutrient program by implementing numeric nutrient criteria that are both cost efficient and environmentally friendly.

This momentum will certainly carry on throughout the week as more of AIF's top priorities are slated to move through the committee process. For a sneak preview of legislation scheduled to be heard, visit AIF's "Upcoming Votes" page that notifies you (as-it-happens) of legislation scheduled to be voted on by members of the House & Senate.

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## Growth Management

On Monday, January 23rd the Senate Community Affairs Committee heard SB 842 Relating to Growth Management by Senator Mike Bennett (R-Bradenton). Slated as this year's premier growth management legislation, this bill makes a number of non-substantive modifications and clarifications to ch. 2011-139, L.O.F, "The Community Planning Act" (the Act) that were compiled through various discussions and feedback received from stakeholders including the state land planning agency and local governments.

Modifications include fixing cross-references, updating outdated language, and removing provisions throughout the statutes that the Act made obsolete. Such references include the twice-a-year limitation on adopting plan amendments that no longer exists and references to the evaluation and appraisal report that are no longer required.

SB 842 also requires a regional planning council to determine before accepting a grant that the purpose of the grant is in furtherance of its functions, prohibiting a regional planning council from providing consulting services for a fee to any local government for a project for which the council will serve in a review capacity, prohibiting a regional planning council from providing consulting services to a private developer or landowner for a project for which the council may serve in a review capacity in the future.

The bill passed on a 7-1 vote and now will proceed to the Senate Commerce and Tourism Committee.

**AIF SUPPORTS efforts to clarify "The Community Planning Act" so as to guarantee that those developers can proceed with certainty.**

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## Economic Development

On Tuesday, January 24th the House Business & Consumer Affairs Subcommittee – Chaired by Representative Doug Holder (R-Sarasota) – passed one of AIF’s top legislative priorities this session. HB 1491 by Representative Eric Eisnaugle (R-Orlando) creates the state’s first Florida Infrastructure Fund Partnership and institutes a tax credit program designed to leverage private investment in state infrastructure projects. By creating a public-private partnership fund, the intent of the legislation is to seek outside investor commitments to build capital infrastructure projects during a time when state resources to do so are dwindling. Authorized to raise up to \$700 million in private funds to help build water and wastewater systems, power systems, roads and other strategic infrastructure needs, this proposal would couple private sector investing to meet the needs of public sector infrastructure projects.

AIF stood in support of this very good bill today and congratulates Representative Eisnaugle on this bill. Innovative ideas like this which leverage public and private sector resources to meet the needs of the state and the business community are paramount to AIF and its members. AIF would also encourage the Florida Senate to begin moving Senate Bill 1472 by Senator Garrett Richter (R-Naples) which is the companion bill to HB 1491.

This legislation passed the full House last year but the Senate failed to act. By its passage today, the legislation will now be reported on to the House Finance & Tax Committee for further consideration

**AIF SUPPORTS legislation that will provide tax incentives to leverage private investment in state infrastructure projects.**

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## Insurance

On Tuesday, January 24th the House Insurance & Banking Subcommittee approved HB 1127 Relating to Citizens Property Insurance Corporation by Representative Ben Albritton (R-Bartow).

This legislation reduces the Citizens Property Insurance Corporation’s (Citizens) maximum regular assessment from 6 percent to 2 percent which may be levied on most businesses’ property and liability insurance premiums for claims paying deficits resulting from a hurricane. Current law requires insurers to pay the regular assessment within 30 days which in turn surcharge their customers to recoup amounts paid. The reduction of the regular assessment will not reduce the overall assessment authority of Citizens. Greater levies will be imposed through emergency assessments which are spread out over multiple years reducing the financial burden on businesses and insurers.

HB 1127 will now advance to the House Government Operations Appropriations Subcommittee for further consideration. The Senate companion measure – SB 1346 by Senator Steve Oelrich (R-Gainesville) – was approved by the Senate Banking and Insurance Committee last week and is scheduled for hearing in the Senate Budget Subcommittee on General Government Appropriations on Thursday, January 26th

**AIF SUPPORTS legislation to return Citizens to an insurer of last resort. AIF also SUPPORTS restoring the Florida Hurricane Catastrophe Fund (Cat Fund) to a safety buffer for Andrew-sized storms.**

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## Taxation

On Tuesday, January 24th Chair Ellyn Bogdanoff (R-Ft. Lauderdale) called on Senator Thad Altman (R-Melbourne) to present SB 170 Relating to Transfer of Tax Liability.

Senator Altman explained that the bill changes the process for purchasing a business that may have an unpaid tax. Currently, the transferee assumes the tax liabilities unless an exception applies. Today there are three different statutes that apply to tax liability, one for sales tax liability, and one for communications services tax and another for state taxes in general. The bill repeals the two specific statutes and amends the statute relating to all taxes owed to the state.

The bill allows the transferee to take the business without assuming the transferor's liability under either of these circumstances:

- If the transferor obtains a certificate of compliance for the Department of revenue that the business owes no back taxes, *or*;
- If the transferee requests an audit by the Department of Revenue within 90 days to find out that the transferor is not liable for any outstanding taxes.

There were no questions by the members of the committee. Associated Industries of Florida, the Business Section of the Florida Bar, and the Bankers' Association all waived their time in support of the bill.

The committee passed the bill unanimously. SB 170 will now proceed to the Senate Budget Committee. The House companion – HB 103 by Representative John Wood (R-Haines City) – has passed all committees of reference and is on the House Calendar. Having been placed on the calendar this early in the Session indicated that bill will most likely pass this session.

**AIF supports the bill because it makes Florida more attractive for potential buyers of businesses that have closed by providing certainty on not having to assume any outstanding tax liabilities or clarifying the maximum tax liability if the buyer agrees to assume them.**

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## Environmental

AIF has been leading the efforts of the Numeric Nutrient Criteria Task Force, a large broad based coalition of businesses, regulated industries, agriculture, utilities (both public and private) as well as local governments. The Environmental Regulations Commission (ERC) approved the state's numeric nutrient criteria program on December 8, 2011 and now the Legislature needs to take action on the rule so that the program can be considered by the US Environmental Protection Agency (EPA) for review purposes.

On Tuesday, January 24th the House Agriculture & Natural Resources Subcommittee unanimously approved proposed committee bill **(PCB) ANRS 7**. The PCB language will accomplish the following:

- Provides the required legislative approval of the Florida Department of Environmental Protection's Numeric Nutrient Rules.
- Directs the Department to submit its rules to EPA for review under the Clean Water Act.
- Protects Florida's objective of a unitary, state-run nutrient program.

**Keyna Cory, Senior Lobbyist for AIF** spoke in favor of **ANRS7**. "Today we are asking you, the Florida Legislature, to take action on the rule approved by the Environmental Regulations



Commission so that it can be sent to the EPA. Once the rule is reviewed the EPA will determine whether Florida has a mechanism in place to accomplish the correct numeric nutrient criteria for our state. If EPA does not approve the rule, they will set our water standards,” said Ms. Cory.

Following passage, the proposed committee bill was refilled as HB 7051 and will be heard by the House State Affairs Committee on Thursday, January 26th.

In the Senate, the Environmental Preservation and Conservation Committee heard a presentation by Drew Bartlett with the Department of Environment Protection on the status of the numeric nutrient criteria rule. After the presentation Senator Charlie Dean (R-Inverness), the Chair of the committee, presented an amendment to their proposed committee bill similar to HB 7051 – **PCB 7184**. The committee approved the amended proposed committee bill and the bill has been refilled at SB 2060.

**AIF ENCOURAGES the Florida Legislature to ratify the proposed numeric nutrient criteria rule proposed by the Florida Department of Environmental Protection.**

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## **Education**

On Tuesday, January 24th the House K-20 Innovation Subcommittee passed two of AIF’s top education priorities for 2012. Proposed Committee Bill (**PCB**) **KINS1** and HB 1191 by Representative Michael Bileca (R-Miami) were passed with overwhelming support today.

**KINS1** provides student and parent empowerment relating to the eligibility of Florida Virtual School full-time students to participate in interscholastic extracurricular activities at certain public schools. Specifically, the measure provides that the Florida Virtual School may provide part-time instruction for students in kindergarten through grade 12.

HB 1191 enables parents, by petition, to request that the school district implement a parent-selected turnaround option if a school in the lowest performing category does not improve performance in the initial year of implementing a turnaround option selected by the school district. 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, i.e., students enrolled in the school or students who are scheduled for assignment to the school in the following school year

Within 30 days of receiving notice from the Department of Education (DOE) that the school did not improve performance under the preceding turnaround option, each school district must notify parents that they may submit a petition requesting that a parent-selected turnaround option be implemented for the school in the following school year

AIF was present to testify in support of both proposals as an effective method of ensuring that Florida’s workforce is adequately prepared to meet the demands of a competitive workforce.

Passing by a wide margin of 11-3, HB 1191 will now advance to the House Rulemaking & Regulation Subcommittee. **KINS1** was submitted as a committee bill by a vote of 12-2 and will now be refilled and referenced to additional committees for consideration.

**AIF will continue to SUPPORT legislative changes that will increase digital learning and improve foundational skills and readiness for college and careers.**