



# DAILY BRIEF

From April 2, 2013

## Insurance

In the Senate Committee on Banking and Insurance, legislators debated SB 1262, *Relating to Florida Hurricane Catastrophe Fund*, by Senator Alan Hays (R-Umatilla). Senator Hays' bill would represent a small first step to "right size" the Catastrophe Fund (Cat Fund) and reduce the likelihood of post catastrophe assessments (hurricane taxes).

Senator Jeremy Ring (D-Margate) introduced an amendment to expand the Cat Fund, to which AIF testified in opposition. Senator Ring's amendment passed by a vote of 7-5. Senator Hays moved to temporarily postpone his bill until a later meeting.

**AIF supports legislation to restore the Florida Hurricane Cat Fund to a safety buffer for Andrew-sized storms, thereby ensuring it can meet its obligations in the event of a storm and reducing the hurricane taxes funding its operations, as well as its possible deficits.**

In the House Government Operations Appropriations Subcommittee, AIF stood in support of HB 343, *Relating to Wrap-Up Insurance Policies*, by Representative Bill Hager (R-Boca Raton). The bill allows insurance companies to offer a deductible feature for a workers' compensation policy which covers all parties performing work on a major construction site. Florida businesses will have the option to substantially reduce insurance costs for new facilities' construction by purchasing a wrap-up policy with a deductible. In addition, a deductible creates a direct monetary incentive for a construction project owner or general contractor to maintain a safe work site for employees.

The bill passed without opposition and will next be heard in the House Regulatory Affairs Committee.

In the Senate Committee on Health Policy, AIF stood in support of SB 468, *Relating to Property and Casualty Insurance Rates and Forms*, by Senator Dorothy Hukill (R-Port Orange). SB 468 allows a property and casualty insurer to file a new policy or changes to an existing policy as an informational filing with the Office of Insurance Regulation (OIR) in lieu of filing for approval prior to use. The bill will substantially reduce a backlog of form filings awaiting approval by the OIR. Thus, the bill will allow insurers to react timely to the insurance needs of the business community and will enhance competition among insurers. The bill will be placed on the House Calendar for action by the full House.

The bill passed committee with a vote of 6-2 and will next be heard in the Senate Committee on Judiciary.

**AIF supports the passage of legislation improving the regulatory environment for insurers and reducing the cost of insurance to businesses.**

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## Environment & Agriculture

In the Senate Committee on Community Affairs, AIF stood in support of SB 934, *Relating to Stormwater Management Permits*, by Senator Tom Lee (R-Brandon). The bill provides that a city or county that creates a community redevelopment area is authorized to adopt storm water adaptive management plan for water quantity and quality of storm water discharges in the area and get a permit from the Water Management District (WMD) or Department of Environmental Protection (DEP). The permit has a series of requirements.

The bill passed committee unanimously and will next be heard in the Senate Committee on Rules.

**AIF supports the bill because it protects businesses who are establishing in a redevelopment area that is likely to flood.**

In the same committee, AIF stood in support of SB 754, *Relating to Water Quality Credit Trading*, by Senator Denise Grimsley (R-Sebring). This bill expands a pilot program to a statewide water quality credit trading program. Participation in this program is completely voluntary. The program is market-based and allows businesses to buy trading credits (pollutants reductions) from others which saves them money rather than implementing a more expensive cleanup project.

The bill passed unanimously and will next be heard in the Senate Committee on Appropriations.

**AIF supports this legislation because establishing a water quality credit trading program could reduce the costs of pollutant reduction activities to businesses.**

In the Senate Committee on Community Affairs, AIF stood in support of SB 554, *Relating to Brownfield Areas*, by Senator Thad Altman (R-Melbourne). The bill specifies that redeveloping Brownfield areas can be a significant element in other revitalization areas, such as community redevelopment areas, enterprise zones, and closed military bases. SB 554 requires a local government to comply with certain provisions when designating a Brownfields area. Of these provisions, it allows for a public hearing when an area is going to be classified as a Brownfield.

The bill passed committee unanimously and will next be heard in the Senate Appropriations Subcommittee on Finance and Tax.

**AIF supports any legislation promoting Florida's Brownfield Program as it provides a variety of financial and regulatory incentives encouraging parties to voluntarily clean up and redevelop Brownfield sites. By restoring Brownfield sites, the properties get back on the tax rolls quicker and become useful to the community.**

In the same committee, AIF stood in support of SB 768, *Relating to Everglades Long-term Plan*, by Senator Wilton Simpson (R-New Port Richey). Among other things, the legislation provides legislative finding that implementation of best management practices (BMPs), funded by the owners and users of land in the Everglades Agricultural Area (EAA), effectively reduces nutrients in waters flowing into the Everglades Protection Area. AIF agrees fully with this position. To date, in their continued commitment to the Everglades, farmers and landowners in the region have spent \$200 million on BMPs. The legislation also does not raise the current \$25 per acre Agricultural Privilege Tax that farmers and landowners pay the state. The legislation also moves towards completing the Everglades Restoration plan.

The bill passed unanimously and will next be heard in the Senate Committee on Appropriations.

**AIF supports legislation necessary to authorize funding, to begin implementing the revised \$880 million State Everglades Restoration Plan that Florida has already committed to complete. AIF opposes any increases in the Agricultural Privilege Tax and supports the inclusion of provisions in the legislation that requires the appropriate state agency to conduct a Use Attainability Analysis at the completion of construction projects to determine if the nutrient limits are attainable.**

In the Senate Committee on Environmental Preservation and Conservation, AIF stood in support of SB 1190, *Relating to Agricultural Lands*, by Senator Jeff Brandes (R-St. Petersburg). The purpose of this legislation is to prevent double regulations by governments. If an agricultural activity is regulated by either the federal or state governments then this bill prevents a local government from also charging a fee to regulate it. The current law applies to just Florida counties, but some municipalities have expanded their boundaries to include farm operations and are applying fees for certain activities.

The bill passed unanimously and will next be heard in the Senate Appropriations Subcommittee on Finance and Tax.

**AIF supports this bill because it would prevent municipalities from placing another layer of regulation currently covered by federal or state regulations on Florida agriculture.**

In the same committee, AIF stood in support of SB 1684, *Relating to Environmental Regulation*, by Senator Thad Altman (R-Melbourne). The bill is the major regulation reform bill of the Session. It amends & revises numerous provisions relating to development permit applications; marinas, boat yards, general permits for special events, well permits, regional water supply planning, and agriculture water supply demand projections.

The bill passed unanimously and will next be heard in the Senate Committee on Agriculture.

**AIF supports Senator Altman's effort to help streamline the permitting process for Florida's businesses.**

In the Senate Committee on Rules, legislators discussed SB 1106, *Relating to Agritourism* by Senator Alan Hays (R-Umatilla). Agritourism refers to the practice of attracting tourists to agricultural areas, usually for recreational or educational purposes. Agritourism provides Florida farmers with an alternative and innovative way to expand their incomes either through activities on the farm, or employment activities off of the farm.

SB 1106 prohibits a local government from adopting ordinances or policies designed to prohibit or limit agritourism activity on land deemed "agricultural" by the county property appraiser. The bill also clarifies the definition of "agritourism activity," and establishes a limit on the liability for the landowner and the employees if a notice of risk is posted on the land.

The bill passed unanimously and is now ready to be heard on the Senate floor.

**AIF supports any legislation that allows Florida farmers to safely expand their businesses through the use of Agritourism.**

In the Senate Committee on Community Affairs, AIF stood in support of SB 682, *Relating to Fossil Fuel Combustion Products*, by Senator Wilton Simpson (R-New Port Richey). The bill addresses the continued use of coal ash in many products and creates a regulatory program under the Department of Environmental Protection (DEP) for the beneficial use of Fossil Fuel Combustion Products. This bill would let the EPA know that Florida wants to continue to use coal ash in various types of products. It also saves energy while producing revenue by using coal ash in products rather than incurring the cost of disposal.

The bill passed unanimously and will next be heard in the Senate Committee on Rules.

**AIF supports any legislation promoting the beneficial use of Fossil Fuel Combustion Products in order to save Florida's businesses from the costly disposal of such resources.**

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## **Business Regulation**

In the Senate Committee on Transportation, AIF stood in support of SB 84, *Relating to Public Private Partnerships (PPPs)*, by Senator Alex Diaz de la Portilla (R-Miami). The bill, in its current form, allows local governments to utilize PPPs in a similar manner as state government. Essentially meaning, local governments will be able to accept unsolicited bids for infrastructure projects, etc. The current form of the bill is due to work done between Senator Diaz de la Portilla and AIF.

The bill passed unanimously with three amendments and will next be heard in the Senate Committee on Appropriations.

**AIF supports SB 84 and the sponsor's intention to encourage private sector investment into local infrastructure projects across the state. Public Private Partnerships have proven successful in aiding government needs for infrastructure project advancement utilizing private contractors, financiers and related industries.**

In the same committee, AIF stood in support of SB 972, *Relating to Transportation Development*, by Senator Dorothy Hukill (R-Port Orange). The bill includes an amendment providing clarification to the concurrency laws for those jurisdictions who retain transportation concurrency, and provides minimum guidance for any alternative system utilized by the local government to replace concurrency. AIF members like this amendment because it makes the transportation for developers more affordable for their impacts, not others.

The bill passed unanimously and will next be heard in the Senate Committee on Rules.

**AIF supports statutory guidance to provide a consistent set of rules on transportation funding systems.**

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## **Legal & Judicial**

AIF stood in support of SB 550, by Senator Wilton Simpson (R-New Port Richey). The legislation would allow Florida employers to recover payments from worthless checks and other transactions without the sending of a specified letter if the business has a notice posted at point of sale or on invoice. If enacted, this bill would allow Florida businesses to collect money due to them in a timelier manner.

The bill passed unanimously and will next be heard in the Senate Committee on Commerce and Tourism.

**AIF supports legislation that makes it easier for Florida employers to collect payment due to them.**

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## Health Care

The House Select Committee on PPACA (Patient Protection and Affordable Care Act) met to address how to ensure Florida's Insurance Code does not conflict with the new federal health care law. The committee approved, on a 12-5 vote, a proposed committee bill (PCB) to reach that goal. The PCB would suspend the Office of Insurance Regulation's (OIR) authority to review health insurance and HMO rates for two years for the purpose of giving that responsibility to the federal government. The OIR would continue to review the forms used by insurers and HMOs and conduct exams of these companies to ensure they are compliant with PPACA. The OIR would inform the federal government of any violations found, but would not enforce the provisions of the federal law.

The PCB would also provide authority to the Division of Consumer Services of the Department of Financial Regulation (DFS) to respond to consumer complaints related to PPACA. Further, it would require health insurers and HMOs to provide a one-time notice to those persons in the health plans that describe the estimated impact of PPACA would have on monthly premiums. Those notices are required to be used by OIR and DFS to develop a summary of the estimated impact of PPACA on monthly premiums which must be put on the agencies' websites.

Representative John Wood (R-Winter Haven) told members that this proposed committee bill establishes the framework for implementing PPACA, but that more work would need to be done. The 12 to 5 vote followed party lines with Republicans voting for the bill and Democrats voting against.

Chair Aaron Bean (R-Fernandina Beach) rolled out SPB 7144 before the Senate Committee on Health Policy this afternoon and was given the go ahead for the language to become a bill. SPB 7144 would establish the new Health Choice Plus (HCP) program as an alternative to expanding Medicaid eligibility called for in the new federal health care law. Recently, the Senate Select Committee on PPACA voted to not to expand eligibility in the state's Medicaid Program. The new program would be an alternative health benefits program in which uninsured Floridians with incomes at or below 100 percent of the federal poverty level (FPL) could enroll.

The program calls for the state and the enrollees would share in paying for the program and the funding by the state would be contingent on the Legislature's appropriations each year. Further, the bill makes the Florida Health Choices Corporation (FHC), a program created several years ago by the Legislature to serve as an online resource for employers and employees to shop for health insurance. The development of the FHC website has recently been completed and the corporation is now ready to begin enrolling employers.

A competing proposal has been put forth by Senator Joe Negron (R-Palm City) which would allow federal Medicaid dollars to be provided to low income Floridians in the form of premium assistance. The person would use those dollars to purchase private health insurance coverage. In contrast to Sen. Bean's proposal, that has Florida Health Choices administering the program, Sen. Negron's plan uses Florida Healthy Kids Corporation (FHK) as the administrator of this program. FHK, through private insurers, offers insurance to children in low income families from birth to age 18 who are not eligible for Medicaid. Sen. Negron's proposal is scheduled to be heard later this week.

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## **Ethics & Elections**

The Senate Committee on Rules was scheduled to hear SB 1382, *Relating to Campaign Finance*, by Senator Jack Latvala (R-Clearwater). This bill is a major restructuring of the state's regulation of campaign finance regulation.

SB 1382 was temporarily postponed until the next committee meeting.

**AIF will monitor all proposals related to public ethics and elections and advocate as necessary to protect the rights of individuals and businesses.**