



# DAILY BRIEF

From March 19, 2014

## Education & Workforce

### **HB 851 – relating to Postsecondary Education Tuition and Fees**

On Wednesday, March 19th, HB 851, relating to Postsecondary Education Tuition and Fees, by Representative Jeanette M. Nuñez (R-Miami) was read a second time on the House floor and placed on third reading for Thursday, March 20th.

The bill provides that students, regardless of immigration status, who attend a Florida high school for 3 consecutive years and enroll in an institution of higher education within 24 months after graduation are not required to pay out-of-state fees, provided they submit their high school transcript as documentary evidence of attendance and graduation. While these students are not classified as residents for tuition purposes, they may be reported for purposes of state funding.

AIF supports legislation that would allow all Florida high school graduates to qualify for in-state tuition at our public colleges, universities and independent universities regardless of their immigration status, subject to meeting all admission standards.

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## Insurance

### **HB 1271 – relating to Insurer Solvency**

On Wednesday, March 19th, HB 1271, relating to Insurer Insolvency, by Representative Clay Ingram (R-Pensacola) unanimously passed the House Insurance & Banking Subcommittee. AIF stood in support of the bill during the committee. The bill now heads to the House Regulatory Affairs Committee, its last stop before the House floor.

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.

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## Taxation & Budget

### **SB 596 – relating to Defense Contracting**

On Wednesday, March 19th, SB 596, relating to Defense Contracting, by Senator Greg Evers (R-Crestview) unanimously passed the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security. **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.

The bill provides tax breaks to prime defense contractors who use Florida-based subcontractors. The bill would allow a prime contractor to reduce its taxable income 4 percent for each subcontract it awards.

AIF supports this bill because reducing the corporate tax liability would likely encourage prime contractors to award more subcontracts to small businesses in Florida.

#### **SB 266 – relating to Communications Services Taxes**

On Wednesday, March 19th, SB 266, relating to Communications Services Taxes, by Senator Dorothy Hukill (R-Port Orange) unanimously passed the Senate Appropriations Subcommittee on Finance and Tax. **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 Appropriations.

The legislation would reduce the communications services tax (CST), which shows up on cellular telephone bills as well as cable and satellite television bills, by 2 percent from 10.8 percent to 8.8 percent. According to Bevis, passage of this legislation would save employers with ten telephone lines and cable service approximately \$265 a year.

AIF supports reducing this tax burden, currently the third highest rate in the nation for CST, on Florida's businesses. Subsequently, businesses could utilize this tax savings to reinvest in their business.

#### **SB 792 – 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 Appropriations Subcommittee on Finance and Tax. **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 Appropriations, its last stop before the Senate floor.

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.

#### **HB 567 – relating to Hurricane Preparedness**

On Wednesday, March 19th, HB 567, relating to Hurricane Preparedness, by Representative Matt Gaetz (R-Shalimar) unanimously passed the House Economic Development & Tourism Subcommittee. AIF stood in support of the bill during the committee. The bill now heads to the House Appropriations Committee, its last stop before the House floor.

The bill establishes a sales tax exemption for specified items related to hurricane preparedness beginning on June 1, 2014, and ending on June 12, 2014. These items include flashlights, radios, first-aid kits, batteries, small coolers, generators and various other items.

AIF supports sales tax holidays for hurricane supplies. This tax holiday is a win-win for customers and the state as sales tend to increase more than they would without the tax holiday.