



WEEKLY BRIEF

From the Week of March 17 – 21, 2014

Economic Development

SB 208 – relating to Motorsports Entertainment Complexes

On Thursday, March 20th, SB 208, relating to Motorsports Entertainment Complexes, by Senator Dorothy Hukill (R-Port Orange) passed the Senate Committee on Rules by a 12-1 vote. **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 floor.



The bill would allow for a monthly distribution of a specified amount of sales tax revenue to a complex certified as a motorsports entertainment complex by the Department of Economic Opportunity while the complex upgrades its facilities.

AIF supports this measure due to the massive economic driver that motorsports are in the state of Florida. The positive economic impact to the state and the jobs created is a worthwhile return.

SB 654 – relating to Business Organizations

On Tuesday, March 18th, SB 654, relating to Business Organizations, by Senator Jeff Clemens (D-Lake Worth) unanimously passed the Senate Committee on Judiciary. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Rules, its last stop before the Senate floor.

The bill amends the Florida Business Corporation Act to allow for the creation of two new forms of corporate enterprise: the social purpose corporation and the benefit corporation. These new entities will allow businesses to engage in societal benefit programs that may not involve or satisfy the traditional corporate norm of profit maximization.

AIF supports this legislation that will attract new businesses and entrepreneurs to the state of Florida.

Education & Workforce

SB 1400/HB 851 – relating to Postsecondary Student Tuition

On Tuesday, March 18th, SB 1400, relating to Postsecondary Student Tuition, by Senator Jack Latvala (R-Clearwater) passed the Senate Committee on Education by a 5-4 vote. **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 Judiciary.

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.

These bills provide 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.

SB 850 – relating to Education

On Tuesday, March 18th, SB 850, relating to Education, by Senator John Legg (R-Lutz) unanimously passed the Senate Appropriations Subcommittee on Education. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Appropriations, its last stop before the Senate floor.

The bill expands options to elementary students, expands options and strengthens requirements for middle school and high school students, creates a new middle grades early warning system to identify at-risk students, expands and strengthens anti-hazing provisions, and requires the Florida College System (FCS) institutions to establish a collegiate high school program for students in every school district in the colleges' designated service area.

AIF supports this bill because improving our workforce through education reforms will be a key ingredient to job creation and also ensuring businesses continue to locate to Florida.

HB 377 – relating to Educational Facilities Financing

On Thursday, March 20th, HB 377, relating to Educational Facilities Financing, by Representative George Moraitis, Jr. (R-Ft. Lauderdale) unanimously passed the House Education Committee. AIF stood in support of the bill during the committee. The bill now heads to the House floor.

The bill expands the Higher Educational Facilities Financing Law (HEFFA) in two significant ways by adding non-profit, SACS accredited, K-12 schools to those institutions eligible to participate and expanding the definition of a project that can be financed with tax exempt bonds, which would include related projects such as wetland mitigation when financing a building project. HEFFA was created in Florida Statute in 2001 to give independent, non-profit, four year, SACS accredited institutions (all 31 Independent Institutions) access to the tax exempt bond market to borrow funds for capital outlay and cash flow purposes. These funds are not backed by the full faith and credit of the state, but rather by private capital and institution credit. The bill also expands the types of projects that can be financed with tax exempt bonds. An amendment was adopted by the committee, clarifying that charter schools would not be eligible for this mechanism.

AIF supports this bill and has made this expansion a priority for the 2014 legislative session. This bill will allow ICUF institutions and non-profit SACS accredited K-12 institutions to expand their capacity and access for Florida's K-20 students and at no cost to the Florida taxpayers.

Environment

SB 536/HB 601 – relating to Reclaimed Water

On Friday, March 21st, HB 601, relating to Reclaimed Water, by Representative Lake Ray (R-Jacksonville) unanimously passed the House State Affairs Committee. AIF spoke in support of the bill during the committee. The bill now heads to the House floor.

On Thursday, March 20th, SB 536, relating to Reclaimed Water, by Senator Wilton Simpson (R-New Port Richey) unanimously passed the Senate Committee on Environmental Preservation and Conservation. AIF stood in support of the bill during the committee. The bill now heads to the Senate floor.

These bills direct the Department of Environmental Protection and the Department of Agriculture & Consumer Services, in cooperation with the five Water Management Districts, to conduct a study and submit a report on the expansion of the beneficial use of reclaimed water, including stormwater and excess surface water

AIF supports state funding for alternative water supply projects. Water retention and storage are vital to expanding Florida's water supply, which will give the state a head start on economic development and jobs in the future.

HB 487 – relating to Agricultural Industry Certifications

On Tuesday, March 18th, HB 487, relating to Agricultural Industry Certifications, by Representative Jake Raburn (R-Valrico) unanimously passed the House Agriculture & Natural Resources 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 would develop a pathway for students to show their expertise in the agricultural industry. The bill requires the Department of Agriculture and Consumer Services (DACCS), in cooperation with the Institute of Food and Agricultural Science at the University of Florida and the College of Agriculture and Food Sciences at Florida Agriculture and Mechanical University, to annually provide to the state board and the Department of Education information and industry certifications for farm occupations to be considered for placement on the Industry Certification Funding List and the Postsecondary Industry Certification Funding List.

AIF supports adding agriculture to industry certifications because it recognizes the critical need for agricultural careers in the state of Florida.

SB 1576 – relating to Springs

On Thursday, March 20th, SB 1576, relating to Springs, by Senator Charles Dean, Sr. (R-Inverness) unanimously passed the Senate Committee on Environmental Preservation and Conservation. AIF testified in support of the bill during the committee and pledged to continue to work on the bill. The bill now heads to the Senate Committee on Appropriations.

The bill provides for the protection of springs in Florida. Specifically, the bill provides for funding from documentary stamp revenues to pay for changes to the makeup and mission of the Acquisition and Restoration Council (ARC) and requires the establishment of minimum flows and levels (MFLs) in Outstanding Florida Springs (OFSs). The bill also requires a study of nutrient reduction improvements for row crops and the beneficial use of reclaimed water, stormwater, and excess surface water.

AIF supports funding science-based programs and projects to improve the water quality and water quantity of Florida's major first-magnitude springs. AIF also supports state funding for alternative water supply projects.

Health Care

SB 278 – relating to Pharmacy

On Thursday, March 20th, SB 278, relating to Pharmacy, by Senator Denise Grimsley (R-Sebring) unanimously passed the Senate Committee on Regulated Industries. **AIF General Counsel, Tammy Perdue**, stood in support of this bill during the committee meeting. The bill now heads to the Senate Committee on Rules, its last stop before the Senate floor.



The bill would remove the cap of three pharmacy technicians that the Board of Pharmacy may authorize one pharmacist to supervise. Further, the bill would revise the composition of the board to increase the pharmacists representing both community and institutional class II pharmacies from a minimum of one in each category to a minimum of three each.

AIF supports access for Floridians to high-paying jobs, such as pharmacy technician.

SB 248 – relating to Assisted Living Facilities

On Tuesday, March 18th, SB 248, relating to Assisted Living Facilities, by the Senate Committee on Children, Families, and Elder Affairs unanimously passed on the Senate floor. The bill will now be sent to the House for consideration.

The bill strengthens the enforcement of current regulations for assisted living facilities by revising fines imposed for licensure violations, clarifying existing enforcement tools, and requiring an additional inspection for facilities having significant violations. The bill is estimated to have a net positive fiscal impact of approximately \$1 million on the AHCA's Health Care Trust Fund.

AIF supports this bill because Florida's seniors deserve assisted living facilities that operate with high standards and provide quality healthcare.

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.

HB 565 – relating to Insurance

On Thursday, March 20th, HB 565, relating to Insurance, by Representative David Santiago (R-Deltona) unanimously passed the House Regulatory Affairs Committee with 21 amendments. AIF stood in support of the bill during the committee. The bill now heads to the House floor.

This legislation makes changes to the boiler inspection law. The changes made should allow more persons to be eligible to inspect boilers in Florida while maintaining the inspector competency requirement in current law. The changes also mean insurers writing boiler and machinery insurance no longer have to maintain a certificate of authority to transact insurance in Florida in order for boiler inspectors employed by the insurer to be authorized to inspect boilers in Florida. However, the insurer must hold an insurance license in another state or Canadian province. The changes made by the bill to the use of retrospective rating in workers' compensation may reduce workers' compensation premiums for some employers which provides sensible regulatory reform for the insurance marketplace.

AIF supports this bill because it provides sensible regulatory reform for the insurance marketplace. Also, the changes made by the bill to the use of retrospective rating in workers' compensation may reduce workers' compensation premiums for some employers.

Legal & Judicial

SB 670/HB 569 – relating to Nursing Home Litigation

On Tuesday, March 18th, SB 670, relating to Nursing Home Litigation, by Senator John Thrasher (R-St. Augustine) passed the Senate Committee on Judiciary by an 8-1 vote. **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 floor.



On Friday, March 21st, HB 569, relating to Nursing Home Litigation, by Representative Matt Gaetz (R-Shalimar) unanimously passed the House Judiciary Committee. AIF stood in support during the committee. The bill now heads to the House floor.

These bills provide that the statutory cause of action is the exclusive remedy against a nursing home licensee, its management or consulting company, managing employees, and direct caregivers alleging direct or vicarious liability for the recovery of damages for the personal injury or death of a nursing home resident arising out of negligence or a violation of a resident's statutory rights.

AIF supports the streamlining of litigation in order to preserve the growth of the nursing home industry while protecting our vulnerable elderly.

HB 387 – relating to Malt Beverage Tastings

On Thursday, March 20th, HB 387, relating to Malt Beverage Tastings, by Representative Kathleen C. Passidomo (R-Naples) unanimously passed the House Regulatory Affairs Committee. **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 House floor.

The bill, which would allow for retailers that are licensed to sell malt beverages for off premise consumption only to have manufacturers and distributors conduct beer tastings at their retail locations. Some issues were raised during the committee meeting related to ensuring the integrity of the tastings and making sure the practice is not abused. The legislation passed unanimously and now heads to the House Government Operations Appropriations Subcommittee.

AIF supports this legislation because it creates a level playing field here in the state for beer manufacturers.

SB 1138/HB 1135 – relating to Civil Liability of Farmers

On Monday, March 17th, SB 1138, relating to Civil Liability of Farmers, by Senator Greg Evers (R-

Crestview) unanimously passed the Senate Committee on Agriculture. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Judiciary, its last stop before the Senate floor.

On Tuesday, March 18th, HB 1135, relating to Civil Liability of Farmers, by Representative Kevin Rader (D-Boca Raton) unanimously passed the House Agriculture & Natural Resources Subcommittee. AIF stood in support of the bill during the committee. The bill now heads to the House Judiciary Committee, its last stop before the House floor.

These bills exempt a farmer from civil liability if he gratuitously allows a person to come onto his/her land to remove farm produce or crops at any time. Presently the exemption applies only when that activity takes place after harvesting.

AIF supports legislation that will reduce the number of frivolous lawsuits brought against Florida's business owners.

HB 379 – relating to Damages for Medical or Health Care Services

On Tuesday, March 18th, HB 379, relating to Damages for Medical or Health Care Services, by Representative Charles David Hood, Jr. (R-Daytona Beach) passed the House Civil Justice Subcommittee by a 9-4 vote. AIF stood in support of the bill during the committee. The bill now heads to the House Judiciary Committee, its last stop before the House floor.

AIF released the following press release today regarding HB 379.

***Tallahassee, Fla.** – The Associated Industries of Florida (AIF) today released the following statement attributed to its General Counsel Tammy Perdue regarding the passage of legal reform legislation, House Bill 379 by Representative David Hood (R-Daytona Beach), relating to damages for medical or health care services, by the Florida House Civil Justice Subcommittee.*

“AIF applauds the House Civil Justice Subcommittee for advancing Representative Hood’s legislation, addressing accuracy in medical damages, making certain medical treatments are indeed medically necessary.

“AIF supports HB 379 and believes Florida law should require that if medical expenses have already been paid, only evidence of the amount actually paid for medically necessary treatments should be admissible at trial.

“We look forward to continuing the discussion on how Florida can have a clear and level playing field in the courtroom, and advocating for legislation that makes Florida’s legal climate a better place to do business.”

HB 379 is now slated to move onto the House Judiciary Committee.

For more information on AIF, please visit AIF.com and follow [@VoiceofFLBiz](https://twitter.com/VoiceofFLBiz).

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Taxation & Budget

HB 4017 – relating to Cable and Video Services

On Tuesday, March 18th, HB 4017, relating to Cable and Video Services, by Representative Ray Wesley Rodrigues (R-Fort Myers) unanimously passed the House Energy & Utilities Subcommittee. **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 House Regulatory Affairs Committee, its last stop before the House floor.



The bill repeals a study by the Office of Program Policy Analysis & Government Accountability on the status of video competition in Florida. This is a study that duplicates an annual national study done by the Federal Communications Commission and is an unnecessary expense for government and for companies to compile and submit proprietary information.

AIF supports eliminating duplicative laws that put an unnecessary compliance burden on Florida's businesses and government.

SB 596/HB 155 – 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.

On Friday, March 21st, HB 155, relating to Defense Contracting, by Representative Jimmie Smith (R-Lecanto) passed the House Economic Affairs Committee by an 11-2 vote. AIF stood in support of the bill during the committee. The bill now heads to the House floor.

These bills provide 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 175 – relating to Emergency Communication System

On Thursday, March 20th, HB 175, relating to Emergency Communication System, by Representative Greg Steube (R-Sarasota) unanimously passed the House Regulatory Affairs Committee. **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 House floor.

The bill would reduce the current charge for 911 services on all phone lines, including mobile, from the current \$0.50 to \$0.46. In addition, the legislation implements the findings of the E911 Board, allowing for the collection of the 911 fee at the retail point of sale for prepaid wireless phone plans. Implementing a point of sale collection method for prepaid plans and enabling the fee to be collected from everyone with access to 911 may make it possible to reduce the fee for all consumers. The bill would also put priority on allowing counties to use funds to upgrade and replace 911 systems for next generation.

AIF supports lessening the 911 surcharge on Florida's phone users as well as supports a robust and modern emergency communications system vital to the welfare of Florida's business community.

SB 1342 – relating to Nonresidential Farm Buildings

On Monday, March 17th, SB 1342, relating to Nonresidential Farm Buildings, by Senator Charles Dean, Sr. (R-Inverness) unanimously passed the Senate Committee on Agriculture. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Community Affairs.

The bill exempts nonresidential farm buildings from county or municipal assessments in addition to the presently exemption from county and municipal codes or fees.

AIF supports reducing taxes on Florida's farming families and on Florida businesses in general. Reduced taxes make Florida more attractive for families and businesses to relocate.

HB 7123 – relating to Motor Vehicle and Mobile Home Taxes, Fees and Surcharges

On Thursday, March 20th, HB 7123, relating to Motor Vehicle and Mobile Home Taxes, Fees and Surcharges, by House Finance & Tax Subcommittee unanimously passed on the House floor. This is the identical bill of SB 156 that the Senate passed earlier this week. The bill will now become law if the Governor approves it.

The bill reduces some of the fees required to register a motor vehicle, vessel or mobile home, and returns them to the amount required prior to September 1, 2009. The fee reductions result in a \$12 per year savings in the amount paid to register a motor vehicle, \$2.00 to register a vessel, and either \$4.50 or \$9.00 to register a mobile home.

AIF supports the roll back in fees and surcharges imposed on motorist when they buy, replace or transfer a license plate or register their vehicle with the state.

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.

SB 776 – relating to Business Entities

On Thursday, March 20th, SB 776, relating to Business Entities, by Senator Wilton Simpson (R-New Port Richey) unanimously passed the Senate Committee on Governmental Oversight and Accountability. AIF stood in support of the bill during the committee. The bill now heads to the Senate Committee on Appropriations, its last stop before the Senate floor.

The bill decreases and standardizes filing fees and costs for documents filed with the Department of State. Specifically, the repeal of the \$88.75 supplemental corporate fee will likely result in a net savings of \$13.75 for an LLC, \$25 for a for-profit corporation, and \$286.25 for an LP or LLLP due to a net reduction in fees when an annual report is filed.

AIF supports this bill because it will likely reduce costs for LLCs, for-profit corporations, not-for-profit corporations and partnerships that operate in Florida.

Transportation

HB 947- Relating to Fuel Terminals

On Tuesday, March 18th, HB 947, relating to Fuel Terminals, by Representative Lake Ray (R-Jacksonville) passed the House Transportation & Highway Safety Subcommittee by a 13-1 vote. AIF stood in support of the bill during the committee. The bill now heads to the House Local & Federal Affairs Committee.

The bill would declare fuel terminals located in or next to Florida's ports as critical state infrastructure. The bill would also limit local governments' regulation of the existing terminals and prohibit them from declaring the terminals illegal or non-conforming. It goes further to allow for expansion of existing fuel terminals within the terminals property boundaries, while limiting local governments' regulation of permitting although nothing in the bill will prevent local government from enforcing state and federal safety standards.

AIF supports terminals being designed as critical infrastructure preempting local governments from changing the land use designation. Terminals are essential components to petroleum logistics, and Florida's energy portfolio, enabling the bulk transfer of the 27 million gallons of gasoline and diesel into Florida each day for further distribution.