

WEEKLY UPDATE



From March 20, 2015

ENERGY

HB 1205- Relating to the Regulation of Oil and Gas Resources

On Tuesday, March 17th, **HB 1205**, relating to the Regulation of Oil and Gas Resources, by **Rep. Ray Rodrigues (R-Fort Myers)** passed through the **House Agriculture & Natural Resources Subcommittee** with 10 yeas and 2 nays.

The Department of Environmental Protection's (DEP) Mining and Minerals Regulation Program in the Division of Water Resource Management (Division) oversees permitting for oil and gas drilling, production, and exploration within Florida through its Oil and Gas Program (Program). The Program's primary responsibilities include conservation of oil and gas resources, correlative rights protection, maintenance of health and human safety, and environmental protection. This bill makes many revisions to the Oil and Gas Program to make this program safer and more effective for all involved. HB 1205 will now move on to its second stop in the House, the **House Agriculture & Natural Resources Appropriations Subcommittee**. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in support of this bill.**



AIF supports the need to maintain appropriate permitting laws to protect the environment, to enhance efficiency between industry and the state, and to ensure appropriate standards are clearly communicated.

AIF sent out the following press release regarding the support of HB 1205:

AIF Applauds Lawmakers on House Agriculture & Natural Resources Subcommittee for Passage of House Bill 1205

Tallahassee, Fla. – The **Associated Industries of Florida (AIF)** today released the following statement attributable to its Senior Vice President of State & Federal Affairs, Brewster Bevis, applauding lawmakers on the House Agriculture & Natural Resources Subcommittee for passing House Bill 1205, relating to the regulation of oil and gas resources.

“The onshore oil and gas industry needs and deserves certainty; and, this bill, HB 1205 by Representative Rodrigues, is a good first step in providing this sector of Florida’s economy with a proper, fair and consistent regulatory framework.”

“Through our Florida Mineral Rights Working Group, AIF will be advocating for legislation this session that ensures certainty for operators and mineral owners and which will not hinder their ability to grow within this industry space, and will also encourage other businesses to enter Florida.”

“We thank Representative Rodrigues and his fellow committee members for their consideration of this bill; and, look forward to working with members of the House and Senate in order to pass common-sense legislation that provides for the proper oversight of the oil and gas industry, while at the same time allowing for the growth of this industry which will add jobs and revenue to Florida’s bottom line.”

For more information on AIF, please visit **AIF.com** and follow **@VoiceofFLBiz**.

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HEALTH CARE

SB 7044- Relating to Health Insurance Affordability Exchange

On Tuesday, March 17th, **SB 7044**, relating to Health Insurance Affordability Exchange, by the **Senate Health Policy Committee** unanimously passed through its second stop in the **Senate Appropriations Subcommittee on Health and Human Services** with 8 yeas and 0 nays.

This bill will make health care coverage available to almost 1 million more working Floridians through the creation of the Florida Health Insurance Exchange (FHIX). The bill now moves on to its final step in the Senate, the **Senate Appropriations Committee**. **AIF's General Counsel, Tammy Perdue, stood in support of the measure.**



AIF will focus its efforts on proposals that seek to increase the accessibility and affordability of quality health care for Florida residents.

AIF released the following statement applauding its passage in today's hearing:

AIF Commends Senate Appropriations Subcommittee on Health and Human Services for Passing FHIX

Tallahassee, Fla. – The **Associated Industries of Florida (AIF)** today released the following statement attributable to Tamela Perdue, general counsel for AIF, commending the Senate Appropriations Subcommittee on Health and Human Services for unanimously passing Senate Bill 7044, the “Florida Health Insurance Affordability Exchange” (FHIX).

“We commend members of the Senate Appropriations Subcommittee on Health and Human Services for passing FHIX, a Florida-centric plan to expand health care coverage to nearly one million Floridians by drawing down our state’s share of federal dollars in a thoughtful and Florida-specific manner.

“Uncompensated health care accounts for an extraordinary amount of money that is currently being born by Florida’s businesses, the economic engine of our state; and, this plan is a free-market, consumer choice health care system that seeks to alleviate that economic strain.

“And, while there is no silver bullet in achieving the goal of making affordable health care available to all Floridians, AIF, along with 700 business owners, 20 local chambers of commerce and 112,000 individuals, supports SB 7044, as it is essential for the business community in Florida to have a meaningful policy discussion on expanding health care to Floridians, in order to ultimately reduce this hidden tax on businesses that drives up health insurance premiums and stifles the growth of businesses here in the Sunshine State.

“On behalf of AIF, I thank Senate President Andy Gardiner and the Florida Senate for continuing their leadership and dialogue on this critically important Florida health reform initiative.”

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LEGAL & JUDICIAL

HB 921- Relating to Motor Vehicle Manufacturers, Factory Branches, Importers and Dealers

On Tuesday, March 17th, **HB 921**, relating to Motor Vehicle Manufacturers, Factory Branches, Importers and Dealers, by **Rep. Carlos Trujilo (R-Doral)** unanimously passed through its first stop, the **House Business & Professions Subcommittee** with 12 yeas and 0 nays.

Although this House Bill passed unanimously, AIF is in **opposition**.

This bill is very detrimental to consumers for the following reasons; it will ease the restrictions on exporting new cars, will make fewer new cars available in Florida, allow dealers to capture incentives twice for one time facility improvements, increases new

car prices, limit the ability of manufacturers to audit warranty work, which encourages fraud and may result in inability to verify safety related issues. The bill provides nothing but unnecessary protections for dealers, no added benefits for consumers, drives up the costs and limits the availability of cars in Florida. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in opposition of this bill.**

AIF opposes any legislation that creates an unfair playing field for Florida's businesses and consumers.

HB 163- Relating to Public Records/Contractors

On Tuesday, March 17th, **HB 163**, relating to Public Records/Contractors, by **Rep. Halsey Beshears (R-Monticello)** unanimously passed through the **House Government Operations Appropriations Subcommittee** with 13 yeas and 0 nays.

This bill addresses the procedure for obtaining records relating to a public agency's contract for services with a private contractor. As it stands today, the Florida Constitution provides every person the right to inspect or copy any public record made or received in connection with the official business of any public body, officer, or employee of the state, or of persons acting on their behalf. However, the issue is who the party responsible for providing these public records is. If this bill becomes law, requests for records relating to a public agency's contract for services must be made to the public agency instead of the contractor. An agency who receives a request for records possessed by a contractor must attempt to obtain the records from the contractor.

HB 163 will now head to its last stop in the House, the **House State Affairs Committee**. **AIF stood in support of this bill.**

AIF supports legislation that reduces frivolous law suits against Florida businesses.

ECONOMIC DEVELOPMENT

HB 451- Relating to Entertainment Industry Tax Credit Program

On Wednesday, March 18th, **HB 451**, relating to Entertainment Industry Tax Credit Program, by **Rep. Mike Miller (R-Orlando)** passed through its first stop in the **House Economic Development & Tourism Subcommittee** with 11 yeas and 2 nays. The bill proposes significant modifications to the current incentives and benefits the state offers for companies within the film and entertainment industry. HB 451 both modifies the processes by which companies may receive such tax credits and exemptions and creates an additional incentive, the "Production Action Fund."

The next stop for HB 451 is the **House Finance & Tax Committee**. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**



AIF supports the Entertainment Tax Credit Program due to the jobs a more robust film industry would produce here in the state of Florida.

SB 7014- Relating to Corporate Income Tax

On Monday, March 16th, **SB 7014**, relating to the Corporate Income Tax, by the **Senate Finance and Tax Committee** unanimously passed with 7 yeas and 0 nays.

This bill updates Florida's Corporate Income Tax Code by adopting the Internal Revenue Code as in effect on January 1, 2015. SB 7014 will now move on to the **Senate Fiscal Policy Committee**. **AIF stood in support of this bill.**

AIF supports continuing to phase out the corporate income tax.

EDUCATION

SB 118- Relating to Voluntary Contributions for Public Education Facilities

On Monday, March 16th, **SB 118**, relating to Voluntary Contributions for Public Education Facilities, by **Senator Alan Hays (R-Umatilla)** unanimously passed through its first stop in the **Senate Finance and Tax Committee** with 7 yeas and 0 nays.

This bill sets up a process for businesses to solicit and collect voluntary contributions for the construction and maintenance of public education facilities. Under the bill, participating businesses are required to remit the contributions to the Department of Revenue for deposit into the Public Education Capital Outlay and Debt Service (PECO) Trust Fund.

SB 118 will now head to the **Senate Appropriations Subcommittee on Education** on Education. **AIF stood in support of this bill.**

AIF supports legislature to ensure that Public Education Facilities receive the funding they need for their facility costs.

ENVIRONMENT & AGRICULTURE

SB 398- Relating to Agriculture Tax Exemptions

On Monday, March 16th, **SB 398**, relating to Agriculture Tax Exemptions, by **Senator Kelli Stargel (R-Lakeland)** unanimously passed through its second stop in the **Senate Finance and Tax Committee** with 7 yeas and 0 nays.

SB 398 expands the sales tax exemption on certain farm equipment to include; equipment used for the storage of raw products on a farm, irrigation equipment, trailers used in agricultural production and transportation, stakes used by farmers to support plants during agricultural production, and the repairing of power farm equipment and irrigation equipment.

This bill will now head to its last stop in the **Senate Appropriations Committee**. **AIF stood in support of this bill.**

AIF supports the Agriculture Tax Exemption Bill. Florida's farmers are at a competitive disadvantage to farmers in neighboring states who do not pay sales tax on equipment used for the harvesting and production of crops.

HB 569- Relating to Agritourism

On Thursday, March 19th, **HB 569**, relating to Agritourism, by **Rep. Neil Combee (R-Auburndale)** unanimously passed through its final stop in the House, the **House State Affairs Committee** with 16 yeas and 0 nays

This bill would remove the ability of local governments to regulate the activities of Agritourism.

HB 569 has now been placed on the calendar for its second reading. **AIF stood in support of this bill.**

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

HB 137- Relating to Civil Liability of Farmers

On Tuesday, March 17th, **HB 137**, relating to the Civil Liability of Farmers, by **Rep. Kevin Rader (D-Boca Raton)** unanimously passed through the **House Civil Justice Subcommittee** with 13 yeas and 0 nays.

This bill addresses an exemption from civil liability for farmers who allow citizens onto their land to harvest excess crops. **AIF stood in support.**

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

INSURANCE

HB 669- Relating to Insurance Claims

On Wednesday, March 18th, **HB 669**, relating to Insurance Claims, by **Rep. John Tobia (R-Melbourne Beach)** passed through the **House Insurance & Banking Subcommittee** with 10 yeas and 3 nays.

This bill explains that the Assignments of Benefits (AOB's) are the latest cost driver to break through the insurance market and is a scheme perpetrated by a cottage industry. Essentially, instead of just having a mechanism to get paid, contractors—with coaching from plaintiffs' attorneys—are encouraged to take full legal standing away from policyholders. This is because the one-way attorney fee statute is transferable to these business assignees who then threaten or initiate litigation to put pressure on the insurer to pay them a higher reimbursement—or face attorney fee exposure. However, AIF is concerned at the **House Insurance & Banking Subcommittee's** adoption of proposed committee substitute this week, which includes arbitrary and restrictive time frames for insured and insurer communication.

AIF will be working with the sponsors and key legislators to improve this legislation so that the cost drivers associated with the proliferation of AOBs can be stamped out, and so that insurers in the marketplace can have necessary flexibility to deliver optimal claims service.

AIF supports all efforts to stamp out cost drivers and control attorneys' fees for the benefit of premium payers statewide.