

WEEKLY UPDATE



From January 22, 2016

WATER

On Thursday, January 21st, one of AIF's top priorities, **SB 552**, an act relating to Environmental Resources, was signed into law by Governor Scott. With Amendment 1 passing on the 2014 ballot, Legislators knew that passing a water package that alleviated all of Florida's water issues would be no easy task. This comprehensive water package is the first step of many in protecting Florida's most precious resource. Thoughtfulness, care, and much consideration is needed for a process such as this, and AIF would like to applaud our Legislature for exemplifying just that.

AIF's Brewster Bevis, who tirelessly supported SB 552 all the way to the finish line, was invited to see the signing of this legislation by Governor Scott.

Along with many other of Florida's business and association leaders, our President and CEO, Tom Feeney, released this statement on the signing of SB 552:

Florida Leaders Applaud Governor Scott for Signing Comprehensive Water Policy Reform into Law

Tallahassee, FL – Following Governor Rick Scott's approval of SB 552 – the most comprehensive water policy reform enacted in decades – Florida leaders expressed strong support and issued the following statements about the law:

Tom Feeney, President and CEO of Associated Industries of Florida

"Florida has taken a monumental leap forward in addressing our water quality and quantity challenges by enacting this comprehensive water policy reform. Today's bill signing is the culmination of many years of hard work and compromise from the business and environmental communities to develop a necessary water policy that will serve our state well in the coming decades. The result of these efforts was a bipartisan bill supported overwhelmingly by the Florida Legislature. On behalf of the Associated Industries of Florida and the H2O Coalition, we thank Governor Scott for signing this bill into law and for his commitment to creating a sustainable strategy that preserves and protects Florida's most precious natural resource."

Carol Dover, President and CEO of the Florida Restaurant and Lodging Association

"We commend Governor Scott for recognizing the need for a statewide water strategy, which is absolutely essential to ensure the growth of Florida's economy and specifically, our hospitality industry. Access to clean drinking water is vital for families across the state and ensures our restaurants, hotels and attractions will continue to offer exceptional experiences for residents and visitors alike."

Bill Herrle, National Federation of Independent Businesses (NFIB) Florida Executive Director

"Governor Scott's approval of this bill is yet another positive step toward preparing Florida for future economic growth. As we have seen in states like California, which has been unprepared to handle its current water shortage, a failure to adopt a comprehensive water policy can be economically damaging. We applaud Governor Scott for taking this responsible approach to the conservation and protection of Florida's natural resources."

Butch Calhoun, Florida Fruit & Vegetable Association Director of Government Relations

“On behalf of Florida Fruit and Vegetable Association, our growers applaud Governor Scott for approving this landmark water bill, which takes a long-term, comprehensive approach to water management and the protection of our natural resources. Our growers are stewards of the land we serve and we understand the importance of having access to an abundant water supply. By adopting this legislation, Governor Scott and the Legislature have ensured the practices employed by our growers are aligned to help our state find science-based, economically feasible solutions to water quality and quantity issues which work to protect Florida’s unique and diverse ecosystems.”

Barbara Sharief, President, Florida Association of Counties & Vice Mayor of Broward County

“Florida’s counties would like to thank Governor Scott for signing this comprehensive water bill. A Florida Association of Counties priority, this bill takes a significant step towards much needed springs protection and finding solutions for faulty septic tanks. Water is the lifeblood of Florida’s environment and economy and we are pleased that the Governor, legislators and county commissioners came together to protect her future.”

Barbara Miedema, VP for Public Affairs & Communications at Sugar Cane Growers Cooperative

“We applaud Governor Scott for his quick action in signing this most important piece of legislation. The bipartisan work of the Legislature represents the most comprehensive re-write of Florida water law since the 1970s. It signals that the process is working in Tallahassee and things are getting done for the benefit of all Floridians.”

John Hoblick, President of the Florida Farm Bureau

“Florida Farm Bureau thanks Governor Rick Scott for approving SB 552, an historic and comprehensive water policy plan for the state of Florida. Water is a vital and necessary resource for our state’s agricultural producers. We appreciate Gov. Scott’s commitment to preserving our natural resources while providing adequate and clean water to agriculture so that we may continue to produce the most affordable, safe and abundant food supply in the world.”

Ben Bolusky, CEO Florida Nursery, Growers & Landscape Association

“We appreciate Governor Scott signing this critical bill into law. Creating sustainability for Florida’s water supply is important for the businesses that make up Florida’s \$15.3 billion nursery and landscape industry. On behalf of the members of the Florida Nursery, Growers and Landscape Association (FNGLA), we commend Governor Scott for signing this good bill into law.”

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AGRICULTURE

SB 1264- Relating to Sales Tax Exemptions for Agricultural Equipment

On Tuesday, January 19th, **SB 1264**, relating to Sales Tax Exemptions for Agricultural Equipment by **Senator Wilton Simpson (R-Trilby)** was heard in the **Senate Agriculture Committee** and unanimously passed with 6 yeas and 0 nays. **AIF stood in support of this bill.**

SB 1264 increases the maximum sales price of farm trailers that are exempt from the sales and use tax from \$20,000 to \$25,000. This bill also expands the sales and use tax exemption for certain farm equipment to include:

- Hog wire and nylon mesh netting used on a farm for protection from predatory or destructive animals.
- Barbed wire fencing, including gates and materials used to construct or repair such fencing, used on a beef or dairy cattle farm.
- Compressed or liquefied oxygen used in aquaculture production

The next committee stop for SB 1264 will be in the **Senate Finance and Tax Committee.**

AIF supports the removal of sales tax on the purchase and repair of agricultural processing and packaging machinery, as well as the expansion of sales tax exemptions on items used in the production of agricultural products including fence materials, trailers and other items integral to the farm operation.

ENERGY

HB 191- Relating to Regulation of Oil and Gas Resources

On Thursday, January 21st, **HB 191**, relating to Regulation of Oil and Gas Resources, by **Rep. Ray Rodrigues (R-Fort Myers)** passed through the **House State Affairs Committee** with 12 yeas and 6 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in support of this bill.**

This bill makes many revisions to the Oil and Gas Program (program) to make this program safer and more effective for all involved. 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. In the state of Florida, according to state statutes, high pressure well-stimulation is already a legal practice. This regulatory program would amend said statute to include safer practices for conservation of oil and gas resources, correlative rights protection, maintenance of health and human safety, and environmental protection. High pressure well-stimulation will happen regardless of HB 191; the goal is to make this practice safer for all Floridians involved.

HB 191 will go to the House floor for consideration.

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 released the following statement on the passing of HB 191 on Thursday, January 21st:

AIF Statement on Onshore Oil & Gas Legislation Advancing in Florida House

Tallahassee, Fla. – The **Associated Industries of Florida (AIF)** today released the following statement attributable to its Senior Vice President of State and Federal Affairs Brewster Bevis regarding House Bill 191, sponsored by Representative Ray Rodrigues (R-Estero), which advanced in the Florida House following its passage in the State Affairs Committee.

"Representative Rodrigues, who is unparalleled in his knowledge and commitment to properly regulating the onshore oil and gas industry, has worked in good faith with all third parties to produce sound legislation that, we feel, strikes the appropriate balance to protect and preserve Florida's environment, while also allowing a responsible industry to continue to explore and produce oil and gas here in the Sunshine State.

"We do continue to have reservations about the inclusion of a study, as this industry has been a responsible producer of oil and gas for more than seven decades, which has led to jobs, diversification of our energy portfolio and a reduced reliance on foreign sources of energy; but, overall, we believe this good bill will bring needed regulatory clarity to this industry.

"We thank Representative Rodrigues, as well as members of the House State Affairs Committee for carefully considering and passing this legislation today."

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

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HEALTH CARE

SB1084- Relating to Health Care Protocols

On Tuesday, January 19th, **SB 1084**, relating to Health Care Protocols, by **Senator Don Gaetz (R-Destin)** was heard by the **Senate Banking and Insurance Committee** and passed with 10 yeas and 0 nays. **AIF's General Counsel, Tammy Perdue, spoke in opposition of this bill.**

SB 1084 requires Medicaid managed care plans, health maintenance organizations (HMOs), and insurers that restrict medications by a step-therapy or fail-first protocol to have a clear and convenient process to request an override of the

protocol. The bill requires these entities to grant an override of the protocol within 24 hours if, based on sound clinical evidence or medical and scientific evidence, the prescribing provider:

- Concludes that the preferred treatment required under the fail-first protocol has been ineffective in the treatment of the enrollee's disease or medical condition; or
- Believes that the preferred treatment required under the fail-first protocol is likely to be ineffective given the known relevant physical or mental characteristics and medical history of the enrollee and the known characteristics of the drug regimen or will cause or is likely to cause an adverse reaction or other physical harm to the enrollee.

AIF believes this action to be redundant and unnecessary given that insurers already have a protocol in place if incidents, such as ineffective treatment of the enrollee's disease or medical condition, occurs.

SB 1084 will now go to **Senate Health Policy Committee**.

AIF opposes legislation that will negatively impact the standards of care that are currently in place based on real-time protocols that are centered on evidence-based research.

AIF's General Counsel, Tammy Perdue, released this statement Tuesday, January 19th, regarding step-therapy:

AIF Statement in Opposition of Step Therapy Legislation

Tallahassee, Fla. – The **Associated Industries of Florida (AIF)** today released the following statement attributed to its General Counsel Tamela Perdue in opposition to Senate Bill 1084, which would change the current, effective method of prior authorization, step therapy and fail-first protocols.

"AIF today opposed SB 1084 because it would negatively impact the standards of care that are currently in place and based on real-time protocols that are centered on evidence-based research. By changing the current, effective methods – which are used for the safest, most cost-effective drug and permit processing – it would force insurers and consumers to purchase the most expensive drugs and treatments even when equally effective drugs and treatments are available at much lower costs. "AIF supports continued flexibility for health plans to ensure consumers receive high quality, high value and affordable care, through continued use of innovative plan designs to achieve this balance. AIF opposes this legislation because we believe it would only increase costs, regulation and bureaucratic red tape."

Senate Bill 1084 has also been referred to the Senate Committee on Health Policy and Senate Appropriations.

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

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SCAHA1-Relating to Telehealth

On Wednesday, January 20th, **SCAHA1**, relating to Telehealth sponsored by the **House Select Committee on Affordable Healthcare Access** was heard in front of the House Select Committee on Affordable Healthcare Access and passed with 14 yeas and 0 nays. **AIF's General Counsel, Tammy Perdue, stood in support of this bill.**

The bill would authorize Florida licensed health care providers to use telehealth to deliver services within their scopes of practice. It would also allow out-of-state providers to deliver services through telehealth to Florida patients if they register with the Department of Health (DOH) or the applicable board, meet specific eligibility requirements, and pay an established fee. The out of state telehealth provider would be prohibited from opening an office in Florida and from providing in-person health care services to patients located in the state.

Additionally, a telehealth provider would be required to conduct an in-person physical exam prior to providing services through telehealth, unless the provider is capable of conducting a patient evaluation in a manner consistent with the applicable standard of care sufficient to diagnose and treat the patient when using telehealth.

SCAHA1 will now go to the House floor for consideration.

AIF supports legislation that permits an unfettered role for telehealth services that will allow our citizens access to better quality care at lower costs.

LEGAL & JUDICIAL

SB 642- Relating to Drones

On Tuesday, January 19th, **SB 642**, relating to Drones, by **Senator Miguel Diaz de la Portilla (R-Miami)** was heard in its second committee stop of the process in the **Senate Commerce and Tourism Committee** and passed with 6 yeas and 1 nay. Last November, AIF reported on a Senate committee hearing where a harmful tort measure was passed that re-opened the doctrine of joint and several liability. The measure was amended to a bill relating to the operation of drones but that amendment attracted the attention of the business community and several senators spoke against the measure before its approval by the committee. **AIF's General Counsel Tammy Perdue** led that opposition effort, stressing to the committee the importance of a fair and stable legal climate to Florida's continued economic success.

SB 642 was amended and we are pleased to report that our opposition last fall and our commitment to working with the bill sponsor, Senator Miguel Diaz de la Portilla, paid dividends and the harmful attack on joint and several liability was removed from the bill in committee today. The bill is now completely contained in the statute regulating drones and not related to negligence. We thank Senator Diaz de la Portilla for his commitment to working with AIF in correcting this bill's focus and preserving the important balance of legal fairness in our state.

The next and final committee stop for this bill will be the **Senate Rules Committee**.

SB 562- Relating to Consumer Debt Collection

On Tuesday, January 19th, **SB 562**, relating to Consumer Debt Collection, by **Senator Kelli Stargel (R-Lakeland)** was also heard in front of the **Senate Banking and Insurance Committee** and passed with 7 yeas and 3 nays. **AIF stood in support of this bill.** SB 562 provides that, when the person collecting a debt is aware that the consumer is represented by an attorney with respect to the debt, the debt collector would only be prohibited from contacting the consumer when the debt collector "has knowledge of" the name and address of the debtor's attorney. The issue with the statute is that it does not define how a consumer or a consumer attorney should put the person that is attempting to collect the money owed on notice of the attorney representation, therefore, prohibition of contacting a consumer of monies owed **does not** apply if:

- The consumer's attorney fails to provide notice of representation to the person collecting the debt at the address designated by the person collecting the debt.
- The consumer or his or her attorney fails to send the notice by certified mail to the person collecting the debt at the address designated by the person that the debtor is represented by an attorney. The bill also allows the Office of Financial Regulation to adopt rules for notice of representation and receipt of response

This bill will now proceed to its second committee stop in the **Senate Commerce and Tourism Committee**.

AIF supports this legislation that eliminates a current scam against Florida's employers while also protecting legitimate debt collection processes by companies.

HB 761-Relating to Fraudulent Activities Associated with Payment Systems

On Tuesday, January 19th, **HB 761**, relating to Fraudulent Activities Associated with Payment Systems, by **Rep. Dana Young (R-Tampa)** was heard before the **House Criminal Justice Subcommittee** and unanimously passed with 11 yeas and 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

HB 761 addresses "skimming" at gas stations, specifically at gas pumps themselves, which has become a significant issue in the state of Florida. "Skimmers" are typically found on the gas pumps themselves, disguised as the usual everyday credit card reader. Unbeknownst to the customer, their credit card information is stolen.

During recent investigations, the Department of Agriculture and Consumer Services (DACS) has found that skimmed payment information is being used as part of elaborate fraud schemes to purchase hundreds of gallons of gas that is pumped into unapproved, hidden gas tanks in vans, SUVs, and trucks. Such gas is then usually resold by the criminals to independent truck drivers at a fraction of its usual cost.

To establish greater protection for consumer payment information and enhance penalties for crimes involved in the fraud schemes, the bill:

- Requires owners and operators of retail fuel pumps in this state to install a security measure that hinders or prohibits the unauthorized opening of the panel on the fuel pump which leads to the scanning device used for customer payment.
- Increases the penalty for the offense of unlawfully conveying and fraudulently obtaining fuel from an unranked third degree felony to a second degree felony ranked as a Level 5 offense on the Offense Severity Ranking Chart (OSRC).
- Reduces the number of counterfeit credit cards or related specified documents required to constitute second degree felony trafficking from 10 to five and ranks this felony as a Level 5 offense on the OSRC.
- Creates a second degree felony ranked as a Level 5 offense on the OSRC for the offense of possessing five or more counterfeit credit cards or related specified documents.

HB 761 will now go to the **House Appropriations Committee**.

AIF supports this legislation due to it cracking down on theft from Florida retailers while also protecting Florida's consumers.

SB 1086-Relating to Prejudgment Interest

On Wednesday, January 20th, **SB 1086**, relating to Prejudgment Interest by **Senator Rob Bradley (R-Orange Park)** was heard in the **Senate Judiciary Committee** and passed with 9 yeas and 1 nay after much debate and the adoption of two significant amendments.

The bill would apply pre-judgment interest to any negligence action where the plaintiff is entitled to recover economic/monetary damages. The two amendments adopted excluded attorney's fees from the interest application and removed provisions from the bill which applied its measures retroactively. **AIF General Counsel, Tammy Perdue**, testified in opposition to the bill since it will drive the cost of litigation and force defendants to pay greater damage amounts due to delays that their actions did not cause or that could be deliberately incurred by the plaintiff simply to drive up the interest award. AIF was pleased that several senators today noted concerns with the bill and anticipate additional improvements prior to it reaching the full Senate floor.

SB 1086 will head to its second committee stop in the **Senate Appropriations Subcommittee on Criminal and Civil Justice**.

AIF opposes legislation that will increase the already daunting costs of litigation on Florida's businesses.

SB 196- Relating to Public Records/State –Funded Infrastructure Bank

On Wednesday, January 20th, **SB 196**, relating to Public Records/State-funded Infrastructure Bank, by **Senator Travis Hutson (R-Palm Coast)** was heard today in the **Senate Rules Committee**, this bill's last committee stop, and reportedly favorably with a vote of 11 yeas to 2 nays. **AIF stood in support of this bill.**

Currently, the state-funded infrastructure bank (SIB) is housed within Department of Transportation (department). The SIB provides loans and credit enhancements to public and private entities for constructing and improving transportation facilities. This bill creates a public record exemption for the financial statements or other financial information that is required for the application to the SIB. However, the public records exemption does not apply to the financial records of an applicant who is in default of an SIB loan.

This exemption is subject to the Open Government Sunset Review Act and will be repealed on October 2, 2021 unless this bill is reenacted by the Legislature.

SB 196 will now go to the Senate floor for consideration.

AIF supports protecting the financial information of private companies.

HB 273- Relating to Public Records

On Thursday, January 21st, **HB 273**, relating to Public Records, by **Rep. Halsey Beshears (R-Monticello)** was considered by the **House State Affairs Committee** and passed with 15 yeas and 1 nay. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

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 contracting agency. An agency who receives a request for records possessed by a contractor must then attempt to obtain the records from the contractor.

HB 273 also provides that if a civil action is filed to compel production of public records, the court must assess and award against the contractor the reasonable costs of enforcement, including attorney fees, if the court determines that a contractor unlawfully refused to comply with the public records request within a reasonable time, and the plaintiff provided written notice of the public records request to the public agency and the contractor. The notice must be sent at least 8 business days before the plaintiff files the civil action. The bill specifies that a contractor who complies with the public records request within 8 business days after the notice is sent is not liable for the reasonable costs of enforcement.

This bill will now head to the House floor for consideration.

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

WORKFORCE

HB 887- Relating to Computer Coding Instruction

On Wednesday, January 20th, **HB 887**, relating to Computer Coding Instruction sponsored by **Rep. Janet Adkins (R-Fernandina Beach)** was heard before the **House K-12 Subcommittee** and passed unanimously with 12 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

HB 887 would allow high school students the option of taking computer coding courses along with a related industry certification to satisfy the foreign language requirement currently in place. Under this bill high schools will provide students the opportunity to substitute two credits in computer coding and a related industry certification for two credits sequential foreign language courses (i.e. Spanish I and Spanish II; Latin I and Latin II; French I and French II; etc.).

The bill would require each district school board to submit a plan for offering computer coding to the Education Commissioner, Senate President, and Speaker of the House of Representatives by January 1, 2017.

Furthermore, HB 887, would require the Florida College System institutions and state universities to acknowledge computer coding course credits as foreign language credits.

This bill will now proceed to its next committee stop in the **House Education Appropriations Subcommittee.**

AIF supports legislation that will provide Florida's students the opportunity to become proficient in computer coding, which will in turn prepare our states next generation for a technology driven economy.