

# WEEKLY UPDATE



**From March 11, 2016**

## **DEPARTMENT OF AGRICULTURE**

### **HB 7007 & SB 1010- Relating to the Department of Agriculture and Consumer Services**

On Wednesday, March 9th, **HB 7007**, relating to the Department of Agriculture and Consumer Services, by the **House Agriculture & Natural Resources Subcommittee** and **Rep. Jake Raburn (R-Valrico)** was amended on the Senate floor and substituted for its Senate companion, **SB 1010**, by **Senator Bill Montford (D-Tallahassee)** and passed by a vote of 38 yeas to 0 nays.

Once this action was taken, HB 7007 was sent back to the House to be considered as amended. The House concurred with the two amendments to HB 7007 and passed the bill by a vote of 110 yeas to 4 nays.

HB 7007 addresses issues relating to agriculture and certain powers and duties of the Department of Agriculture and Consumer Services (DACS). Most importantly to AIF and its members, is an amendment by **Senator Alan Hays (R-Umatilla)** that addressed the regulation of the use and sale of polystyrene (Styrofoam) products. With the adoption of this amendment the bill will preempt the regulation of these Styrofoam products to DACS.

HB 7007 will now go to the desk of Governor Scott to be signed into law.

**AIF supports preempting to the state the sale and use of polystyrene (Styrofoam) products.**

## **ECONOMIC DEVELOPMENT**

### **SB 124 & HB 95- Relating to Public-Private Partnerships**

On Tuesday, March 8th, **SB 124**, relating to Public-Private Partnerships, by **Senator Greg Evers (R- Milton)** was substituted for its House companion, **HB 95**, by **Rep. Greg Steube (R-Sarasota)**, read for a third time on the House floor and passed by a vote of 116 yeas to 1 nays.

SB 124 is a top priority for AIF as it pertains to construction and infrastructure projects. This bill seeks to clarify that P3s are an alternative process for communities to expand, through partnerships with the private sector, their ability to meet current and future infrastructure needs. SB 124 also provides flexibility for local governments on procurement time lines as well as allowing local governments to collect processing fees at the time of application. The bill removes the Partnership for Public Facilities and Infrastructure Guidelines Task Force from statute as recommendations from the task force are incorporated in the bill.

AIF has strongly supported Florida's P3 process, having worked over the last year to provide options and flexibility to both the public and private sector. As Florida continues to see almost 1000 people per day moving into the state, P3s will be a critical component to solving infrastructure needs for years to come.

SB 124 will now go to Governor Scott's desk to be signed into law.

**AIF strongly supports utilization of the private sector in helping to solve public construction needs. Government's role is critical in securing and advancing our state's infrastructure.**

## ENERGY

### **SB 90- Relating to Natural Gas Rebate Program**

On Tuesday, March 8th, **SB 90**, relating to the Natural Gas Rebate Program, by **Senator Wilton Simpson (R-Trilby)** was substituted for its House companion, **HB 285**, by **Rep. Lake Ray (R-Jacksonville)**, read a third time on the floor of the House and passed by a vote of 110 yeas to 5 nays.

Since 2013 there has been a Natural Gas Fuel Fleet Vehicle Rebate Program (Program) created within the Department of Agriculture and Consumer Services (DACS) to “help reduce transportation costs in this state and encourage freight mobility investments that contribute to the economic growth of the state.” Beginning with Fiscal Year 2013-2014 and continuing through Fiscal Year 2017-2018 (five years), DACS is required to award rebates, to those eligible, for the costs of converting a diesel- or gasoline-powered motor vehicle to a natural gas fuel-powered motor vehicle on or after July 1, 2013. An applicant is eligible to receive a maximum rebate of \$25,000 per vehicle up to a total of \$250,000 per applicant per fiscal year, on a first-come, first-served basis. Any unencumbered funds can be used to award governmental applicants additional rebates which will be awarded on a first-come, first-served basis.

SB 90 will now go to Governor Scott’s desk to be signed into law.

**AIF supports the natural gas fuel fleet vehicle rebate program, specifically the authorization of DACS to award additional rebates to applicants from unencumbered funds after each fiscal year.**

## HEALTH CARE

### **HB 7087-Relating to Telehealth**

On Friday, March 11th, **HB 7087**, relating to telehealth, by **Rep. Chris Sprowls (R-Clearwater)** was considered by the House as amended **yesterday** by the Senate. The Florida House concurred with the bill as amended by the Senate and passed HB 7087 by a unanimous vote of 118 yeas to 0 nays.

AIF congratulates the sponsors **Senator Aaron Bean (R-Jacksonville)** and Representative Chris Sprowls (R-Clearwater) on the passage of this bill.

HB 7087 will now go to Governor Scott’s desk to be signed into law.

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

### **HB 85 - Relating to Recovery Care Services**

On Friday, March 11th, **HB 85**, relating to Recovery care services, by **Rep. Heather Fitzenhagen (R-Fort Myers)** was taken up from House messages to be considered as amended by the Senate. The House refused to concur to the bill as amended and requested that the Senate recede.

The Senate did not take up HB 85 from returning messages, leaving HB 85 dead.

### **HB 221 - Relating to Out-of-Network Health Insurance Coverage**

On Friday, March 11th, **HB 221**, relating to Out-of-Network Health Insurance Coverage, by **Rep. Carlos Trujillo (R-Doral)** was considered by the House as amended. The House refused to concur to the bill as amended and requested the Senate recede.

Once the Senate received HB 221 in messages, sponsor of the Senate companion, **Senator Rene Garcia (R-Hialeah)** moved to reconsider the bill as amended with the addition of insurer’s providing coverage for children with downs syndrome. After this action the bill was sent back to the House to be considered as amended.

The House then took up HB 221 and concurred to the bill as amended. HB 221 was passed by the House chamber by a vote of 118 yeas to 1 nay.

HB 221 will now go to the desk of Governor Scott to be signed into law.

## INSURANCE

### HB 659 & SB 1036-Relating to Automobile Insurance

On Thursday, March 10th, **HB 659**, relating to Automobile Insurance, by **Rep. David Santiago (R-Deltona)** was substituted for its Senate companion, **SB 1036**, by **Senator Jeff Brandes (R-St. Petersburg)** read for a third time on the Senate floor and passed by a vote of 34 yeas to 5 nays.

HB 659 makes numerous compliance related changes to the automobile insurance statutes, and also repeals the prohibition on the use of a single zip code as a rating territory, so long as the use of a single zip code as a territory meets certain actuarial requirements. In addition, the bill requires the Division of Insurance Fraud to study the efficacy of mandatory pre insurance inspections on used vehicles in certain counties.

HB 659 will now go to the desk of Governor Scott to be signed into law.

**AIF supports smart, targeted reforms that help keep the insurance markets up to date and with the times.**

## IT GOVERNANCE

### HB 1033 & SB 7050-Relating to Information Technology Security

On Monday, March 7th, **HB 1033**, relating to Information Technology Security, by **Rep. Frank Artiles (R-Miami)** was amended, read for a third time on the House floor and passed by a vote of 111 yeas to 0 nays.

Once HB 1033 passed through the House early Monday morning, the Senate took up the House version from messages and substituted HB 1033 for its Senate companion, **SB 7050**. Following this action, a vote was taken and HB 1033 passed through the floor of the Senate unanimously with a vote of 38 yeas to 0 nays.

HB 1033 will put into place procedures to, hopefully, prevent/aide state agencies in the event of a cyber-attack. The bill requires the Agency for State Technology (AST) to establish standards and processes consistent with best practices for both information technology (IT) security and cybersecurity. It also requires AST to develop and publish guidelines and processes for an IT security framework to be used by state agencies. In part, the guidelines and processes must address completing risk assessments administered by a third party, establishing a computer security incident response team (team), and establishing an IT incident reporting process.

The bill requires the information security manager of each state agency to establish a team to respond to a suspected computer security incident. It also requires each state agency head to conduct a risk assessment administered by a third party by July 31, 2017; conduct IT security and cybersecurity training for new employees; ensure that certain personnel understand their roles and responsibilities; develop notification procedures for reporting IT security incidents and breaches; and improve organizational response activities.

The bill also requires the Technology Advisory Council within AST to have at least one member who is a cybersecurity expert.

HB 1033 will now go to Governor Scott's desk to be signed into law.

**AIF supports legislation that will bring our states cyber security measures up to date to protect Floridians and Florida's businesses from potential cyber-attacks.**

### HB 1195-Relating to Technology

On Monday, March 7th, **HB 1195**, relating to Technology, by **Rep. James Grant (R-Tampa)** was read for a third time on the floor of the House and passed by a vote of 110 yeas to 1 nay.

HB 1195 establishes a chief data officer (CDO) within AST; requires AST to create reporting format for certain data & publish such data in indexed catalog; requires that government entities annually provide indexed list of certain data to AST; provides list requirements. Once the CDO is in place, that position must request and receive data from any state or local government entity, as needed, to establish the interoperability of public data, for the purpose of maintaining and updating the data catalog.

HB 1195 was not considered by the Senate, leaving this bill dead for the 2016 Session.

**AIF supports legislative changes that will designate systems and processes to be implemented and operated at an enterprise (statewide or agency grouping) level and provide operational authority and funding to the AST.**

## LEGAL & JUDICIAL

### **SB 912 & HB 761- Relating to Fraudulent Activities Associated with Payment Systems**

On Tuesday, March 8th, **SB 912**, relating to Fraudulent Activities Associated with Payment Systems, by **Senator Anitere Flores (R-Miami)** was substituted for its House companion, **HB 761**, by **Rep. Dana Young (R-Tampa)**, read for a third time on the House floor and passed by a vote of 111 yeas to 1 nay.

This bill 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.

SB 912 addresses fraudulent activity occurring at fuel stations by:

- Increasing from a third degree felony (maximum penalty of 5 years in state prison) to a second degree felony (maximum penalty of 15 years in state prison) for the unlawful conveyance of fuel;
- Requiring a retail petroleum fuel measuring device to have affixed to or installed onto the measuring device at least one security measure described in the bill and authorizing the Florida Department of Agriculture and Consumer Services, under certain circumstances, to prohibit further use of the measuring device until a security measure is installed, replaced, or repaired;
- Indicating that possession of counterfeit cards is unlawful (not specified in current law); and
- Increasing the offense severity level ranking for unlawful conveyance of fuel and trafficking in or possession of counterfeit credit cards.

SB 912 will now go to the desk of Governor Scott to be signed into law.

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

## TAXATION

### **HB 7099- Relating to Taxation**

On Friday, March 11th, **HB 7099**, relating to Taxation, by the **House Finance & Tax Committee** was amended and read for a third time on the Senate floor and passed by a vote of 35 yeas to 4 nays. HB 7099 was then sent to the House chamber to be considered as amended.

The House then took up HB 7099, concurred with the bill as amended and passed HB 7099 by a vote of 105 yeas to 9 nays.

HB 7099 aims to cut taxes in the state of Florida for the 2016-2017 fiscal year by a grand total of \$991.7 million. Much like last year’s House tax package, this legislation will encompass some of our top taxation priorities that are of the utmost importance to our member, such as: makes sales tax exemptions for certain manufacturing machinery and equipment purchased by any eligible manufacturing businesses permanent; and provides a ten-day “back-to-school” holiday for clothing, footwear, school supplies and computers; a one-day “technology” sales holiday on computers and related accessories; and a one-day “small business” holiday for sales by small businesses.

This tax package will now go to the desk of Governor Scott to be signed into law.

**AIF supports tax cuts for Florida’s consumers and businesses.**

Below is a statement released from our President & CEO, Tom Feeney, commending the Legislature on the passage of HB 7099:

## AIF Statement on Tax Package Passing Florida Legislature

### *Tax Package to Repeal Manufacturing Equipment Sales Tax Heads to Governor*

**Tallahassee, Fla.** – The **Associated Industries of Florida (AIF)** today released the following statement attributed to its President & CEO Tom Feeney regarding the tax package passing the Florida Legislature. AIF applauds the inclusion of language to repeal the manufacturing equipment sales tax, which now heads to the Governor for his signature.

“AIF applauds the Florida House and Senate for passing the tax package today, which includes language to eliminate the sales tax on manufacturing machinery and equipment.

“As Florida’s leader in manufacturing and Florida’s affiliate for the National Association of Manufacturers, AIF supports the repeal of this pro-business tax cut that will energize manufacturing and grow high-wage and high-value added jobs in the Sunshine State.

“We look forward to Governor Rick Scott signing this good tax reducing measure into law.”

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## TRANSPORTATION

### **HB 7027-Relating to the Department of Transportation**

On Friday, March 11th, **HB 7027**, relating to the Department of Transportation, by the **House Transportation & Ports Subcommittee** and **Rep. Patrick Rooney Jr. (R-Palm Beach Gardens)** was taken up by the House as amended by the Senate, and concurred with four out of the five amendments adopted. The House passed HB 7027 by a vote of 118 yeas to 0 nays, but refused to concur with amendment 208434. Therefore, HB 7027 returned to the Senate chamber for them to recede amendment 208343.

The Senate then received HB 7027 from messages, receded amendment 208343 and passed the bill by a unanimous vote of 40 yeas to 0 nays.

HB 7027, which is one of two substantial transportation and port related bills moving through the House, contains a number of important provisions for AIF and its members.

One of AIF’s top transportation priorities, the Florida Seaport Transportation and Economic Development Program (FSTED), is increased by \$10million (\$25 million) in HB 7027. This program which supports growth and economic activity at the state’s ports serves as an important program and one that has been extremely successful for the state. Additionally, the bill aids some of the state’s smaller contractors by creating the Business Development Program which is designed to help companies navigate procurements for road projects while increasing competition for the work.

HB 7027 creates a state FDOT Financing Corporation which will serve as a financing mechanism for Public Private Partnerships (P3s) across the state. By creating the FDOT Financing Corporation, the state would offer a mechanism to provide reliable, state bonds for up front financing of P3 projects in the state. In doing so, the Department believes this approach would leverage lower capital costs provided to the municipal bond markets as an option for securing financing for the upfront costs of P3 projects. Several members of the committee expressed concerns about this proposal however, citing existing state programs and financing options as being already available for P3 projects.

HB 7027 will now go to the desk of Governor Scott to be signed into law.

**AIF supports increasing the FSTED funding and spending cap levels from \$15 million to \$25 million, a very important provision for Florida’s ports. AIF also supports creating the FDOT Business Development Program as a mechanism to help educate and provide expertise to Florida’s small businesses looking to do work in the Department’s often-complex procurement process.**

## WORKERS' COMPENSATION

### **SB 1402 & HB 7073-Relating to Ratification of Department of Financial Services Rule**

On Tuesday, March 8th, **SB 1402**, relating to Ratification of Department of Financial Services Rule, by **Senator David Simmons (R-Longwood)** was substituted for its House companion, **HB 7073**, by the **House Rulemaking Oversight & Repeal Subcommittee** and **Rep. Lake Ray (R-Jacksonville)**, read for a third time on the House floor and passed by a vote of 116 yeas to 0 nays.

SB 1402 addresses adoption of the current version of the Florida Worker's Compensation Healthcare Provider Reimbursement Manual. This manual has not been adopted or updated since 2008, leaving Florida well behind every other state in the amount of reimbursement it pays to healthcare providers for the treatment of injured workers.

SB 1402 bill will now go to the desk of Governor Scott to be signed into law.

**AIF supports legislation that will keep Florida's Workers' Compensation system a stable and self-executing mechanism that benefits both injured workers and Florida's employers.**

## **WORKFORCE**

### **HB 1133- Relating to Applicability of Revenue Laws to Out-of-state Businesses During Disaster-Response Periods**

On Monday, March 7th, **HB 1133**, relating to relating to Applicability of Revenue Laws to Out-of-state Businesses During Disaster-Response Periods, by **Rep. Dana Young (R-Tampa)** was read for a third time on the Senate floor and passed by a unanimous vote of 37 yeas to 0 nays.

This legislation would remove hindrances, such as taxes and regulations that in any other situation would be the normal course of business for out of state companies coming to Florida to assist with emergency response during a disaster situation.

HB 1133 will now go to the desk of Governor Scott to be signed into law.

**AIF supports legislation that will remove the loop holes' businesses would ordinarily have to go through when coming to Florida to aide in a state of emergency.**