



From April 19, 2017

LEGAL & JUDICIAL

HB 775-Relating to Motor Vehicle Warranty Repairs and Recall Repairs

On Wednesday, April 19th, HB 775, by Representative Manny Diaz (R-Hialeah Gardens), was heard before the House Commerce Committee and passed by a vote of 29 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, spoke in opposition to this bill.**

This bill prohibits a licensee, except as authorized by law, from denying a dealer's claim, reducing the dealer's compensation, or processing a chargeback to a dealer for performing covered warranty or recall repairs on a used motor vehicle under specified circumstances. The bill alters the playing field and may have a chilling effect on manufacturing in general. The complex issue surrounding safety recalls should be a federal matter, better addressed at the national level with the goal of creating uniform public policy that improves motor vehicle safety, encourages technological innovation, and protects our planet.

HB 775 will now go to the House floor to be heard.

AIF OPPOSES legislation that would intervene in any contractual agreement between a dealer franchise and an auto manufacturer, voluntarily entered by each party, and dictate new terms and conditions of such mutual agreement that favor one party over the other.

HB 1175-Relating to Motor Vehicle Manufacturers and Dealers

On Wednesday, April 19th, HB 1175, by Representative Manny Diaz (R-Hialeah Gardens), was heard before the House Commerce Committee and passed by a vote of 24 yeas to 3 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in opposition to this bill.**

The bill provides additional grounds to deny, suspend, or revoke a license held by a motor vehicle manufacturer, factory branch, distributor, or importer ("manufacturer") within their contractual agreement. The bill prohibits manufacturers from taking certain actions against motor vehicle dealers and requires certain procedures be followed by the manufacturer when dealing with motor vehicle dealers.

HB 1175 will go on to the House floor to be heard.

AIF OPPOSES legislation that would intervene in any contractual agreement between a dealer franchise and an auto manufacturer, voluntarily entered by each party, and dictate new terms and conditions of such mutual agreement that favor one party over the other.

SB 388-Relating to Beverage Law

On Wednesday, April 19th, SB 388, by Senator Travis Hutson (R-Palm Coast), was read for a third time on the Senate floor and passed by a vote of 36 yeas to 1 nay.

Florida's "Tied House Evil Law," s. 561.42, F.S., prohibits a manufacturer or distributor of alcoholic beverages from having a financial interest, directly or indirectly, in the establishment or business of a licensed vendor, and prohibits a manufacturer or distributor from giving gifts, loans, property, or rebates to retail vendors.

The bill exempts financial transactions between a vendor and a manufacturer from all tied evil house prohibitions if the following conditions are met:

- The financial transaction must be negotiated at arm's length for fair market value between a manufacturer of beer or malt beverages, and
- The financial transaction cannot involve, either all or in part, the direct sale or distribution of beer or malt beverages between the manufacturer and the licensed vendor.

SB 388 will now go to the House floor for consideration.

AIF SUPPORTS this legislation because it would remove unnecessary and outdated regulations on Florida's businesses.

SB 832-Relating to Drones

On Wednesday, April 19th, SB 832, by Senator Dana Young (R-Tampa) was heard in Senate Committee on Communications, Energy, and Public Utilities and passed by a vote of 5 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

This bill will ensure a consistent framework for the use of drones. As the use of drones becomes increasingly more common in many different sectors of the business community throughout the state, implementing statewide regulations will establish safeguards while operating drones.

SB 832 will go to the Senate Committee on Rules for its third hearing.

AIF SUPPORTS legislation that will streamline business regulation throughout the state.

ECONOMIC DEVELOPMENT

HB 853-Relating to Beer or Malt Beverages

On Wednesday, April 19th, HB 843, by Representative Tom Goodson (R-Merritt Island), was heard by the House Commerce Committee and passed by a vote of 19 yeas to 9 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

Currently, vendors must purchase glassware from distributors for use in their establishments. This bill allows for beer distributors to provide beer or malt beverage branded glassware to vendors for their use, cutting down on the vendors over all costs.

HB 853 will now go on to the House floor to be heard.

AIF SUPPORTS legislation that will reduce costs on Florida's businesses by allowing distributors to provide vendors, at no cost, glassware to use in their establishments.

AGRICULTURE

HB 1231-Relating to Agricultural Practices

On Wednesday, April 19th, HB 1231, by Representative Jake Raburn (R-Valrico), was heard before the House Commerce Committee and passed by a vote of 20 yeas to 0 nays. **AIF stood in support of this bill.**

This bill clarifies that livestock, poultry, and aquaculture medical supplies are exempt from sales tax. The bill repeals a supplemental pesticide registration fee which was added to bi-annual pesticide registrations. The bill also expands the travel radius limitations on the state restricted agricultural tag from "150" miles to statewide.

HB 1231 will now go to the House floor to be heard.

AIF SUPPORTS the various provisions of this bill which help our agricultural industry remain competitive and continue to be a driving force in Florida's economy.

TRANSPORTATION

HB 221-Relating to Transportation Network Companies (TNCs)

On Wednesday, April 19th, HB 221, by Representative Chris Sprowls (R-Clearwater) and Representative James Grant (R-Tampa), was substituted for its Senate companion, SB 340 by Senator Jeff Brandes (R-St. Petersburg), was then read for a third time on the Senate floor and passed by a vote of 36 yeas to 1 nays.

This bill aims to establish a regulatory framework for Transportation Network Companies (TNCs) and how they operate throughout communities in Florida. HB 221 defines what constitutes as a “TNC vehicle”, sets in place insurance requirements and preempts authority to the state, which will allow for a streamlined set of rules to be followed throughout the state.

HB 221 will now go to the desk of the Governor.

AIF SUPPORTS statewide digital transportation service policies to create price competition, promote consumer choice, enhance customer experience, create jobs and remove anti-competitive local regulations.

INSURANCE

HB 7085-Relating to Workers’ Compensation

Yesterday, Tuesday, April 18th and today, Wednesday, April 19th, HB 7085, by Representative Danny Burgess (R-Zephyrhills) and the House Insurance & Banking Subcommittee, was amended, read for a third time on the House floor and passed by a vote of 82 yeas to 37 nays.

During the amending process on the House floor, several amendments were defeated that would have eroded the bills ability to reduce workers’ compensation rates.

This legislation addresses the issues within Florida’s Workers’ Compensation law that have deemed the law unconstitutional, specifically the issue of rate increases, attorney fees, claimant benefits, etc.

Provisions for HB 7085 include:

- Permitting direct payment of attorneys by or for claimants making the injured worker responsible for any remaining attorney fees if required by their retainer agreement. Retainer agreements must be filed with a JCC;
- Increasing total combined TTD/TPD benefits from 104 weeks to 260 weeks;
- Closing benefit gaps occurring when TTD/TPD ends, but the injured worker is not at overall maximum medical improvement (MMI) and/or no overall permanent impairment rating;
- Requiring claimants to be notified that they may be responsible for their own attorney’s fees if they do not prevail;
- Requiring more specificity on a petition and requires a JCC to dismiss a petition for lack of specificity, without prejudice, within 10 days or 20 days, depending upon whether a hearing is required;
- Requiring claimants’ attorneys to detail hours worked in the form of an attestation to a JCC at certain intervals before a hearing on a petition for benefits (PFB);
- Requiring a good faith attempt to resolve issues before a PFB is filed and allows JCCs to dismiss PFBs when a good faith effort was not made;

- Allowing deviations from the current statutory fee schedule (departure fee) if the fees under the schedule are less than 40 percent or greater than 125 percent of the customary fee when the amount allowed under the fee schedule is converted to an hourly rate;
- Requiring a JCC, when determining the departure fee, to consider certain factors, and compute a new hourly rate capped at \$150/hour which is the average hourly rate of defense attorneys;
- Allowing employers and carriers to contest departure fees within 20 days of an award which will be reviewed by a JCC in another district;
- Eliminating carrier paid attorney fees for services occurring before the filing of a petition and attaches attorney fees 45 days following the filing of a petition;
- Allowing insurers to uniformly reduce premiums by no more than five percent, if they file an information-only notice within 30 days, subject to regulatory oversight;
- Creating a mechanism to fill vacancies on the Three-Member Panel (Panel) and grants the Panel authority to fill gaps in statutory reimbursement when adopting schedules of maximum reimbursement allowances for medical care;
- Eliminating the charge-based reimbursement of health care facility outpatient medical care in favor of reimbursing them at 200 percent (unscheduled care) and 160 percent (scheduled surgery) of Medicare. If no Medicare fee exists, then current reimbursement standards apply, which are incorporated into statute;
- Requiring authorization or denial of medical care authorization requests, unless there is a material deficiency; and
- Requiring vacancies on the Three-Member Panel to be filled by the Governor within 120 days, and if the Governor does not fill the vacancy within that time period, the Chief Financial Officer (CFO) would appoint a new member.

HB 7085 will now head to the floor of the Senate for consideration.

AIF SUPPORTS this legislation as we believe it is postured to be a fix to Florida’s Workers’ Compensation system fair to every person and or entity involved.

Please see the below statement from our President & CEO, Tom Feeney, regarding the passage of HB 7085:

AIF Commends Florida House on Passing Badly Needed Workers’ Comp Reforms

Tallahassee, Fla. – The Associated Industries of Florida (AIF) today released the following statement on behalf of its President & CEO Tom Feeney, who also serves as the chair of its “Florida Workers’ Compensation Strategic Task Force,” commending the Florida House for passing House Bill 7085, by the House Insurance & Banking Subcommittee and Representative Danny Burgess, relating to Workers’ Compensation. HB 7085 will now head to the full Senate.

“AIF applauds members of the Florida House for passing HB 7085 today. We also thank Representative Burgess and House Leadership for their work on this good bill.

“Since the Florida Supreme Court ruled Florida’s workers’ compensation system unconstitutional, AIF’s workers’ compensation task force has been saying we need solid measures that address Florida’s floundering system.

“Floridians deserve a stable, self-executing and affordable workers’ compensation system, not one that leaves injured employees at the mercy of unscrupulous trial lawyers. HB 7085 will help give Florida’s business community the tools needed to ensure injured workers are receiving benefits in a timely manner and at affordable prices to employers.

“AIF looks forward to continuing the dialogue on this good bill as it heads to the full Senate for their consideration.”

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SB 1582 -Relating to Workers’ Compensation Insurance

On Wednesday, April 19th, SB 1582, by Senator Rob Bradley (R-Orange Park), was heard before the Senate Committee on Rules and passed by a vote of 10 yeas to 0 nays. **Jim McConnaughay spoke in opposition to this bill on behalf of AIF.**

This legislation seeks to address the issues within Florida’s Workers’ Compensation law that have deemed the law unconstitutional; specifically, the issue of rate increases, attorney fees, claimant benefits, etc. AIF hopes to continue to work with the Legislature as we are confident that there is a solution that will address all aspects of the workers’ compensation system in Florida so that Floridians can avoid unnecessary, costly and time consuming litigation and receive the benefits they need if injured at work as quickly as possible.

SB 1582 will move on to the Senate floor for consideration.

AIF OPPOSES this piece of legislation as it does not adequately address the rising cost of workers’ compensation rates on Florida’s employers due to increased costs of attorney fees.

HB 1421-Relating to Property Insurance Assignment Agreements

On Wednesday, April 19th, HB 1421 by Representative James Grant (R-Tampa) was heard by the House Commerce Committee and passed by a vote of 21 yeas to 7 nays. **AIF’s Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

The legislation seeks to address the fraud and abuse within the process of assignment of benefits (AOB) by removing the one-way attorney fee, which will reduce AOB lawsuits that drive up property insurance costs on Florida’s businesses and homeowners. AOB is a practice whereby lawyers and contractors convince homeowners to sign over their right to sue insurers

for certain kinds of home damage. Insurers typically settle these claims to avoid protracted and expensive court battles, and by current Florida law they're on the hook for attorney fees too.

HB 1421 will now go to the House floor for consideration.

AIF SUPPORTS reforms to the assignment of benefits process to protect consumers against these abuses.

Please see the below statement from our President & CEO, Tom Feeney, regarding HB 1421:

AIF: Florida Must Get to Heart of Abuse in Florida's Property Insurance Market

Tallahassee, Fla. – The Associated Industries of Florida (AIF) today released the following statement on behalf of its President & CEO Tom Feeney regarding House Bill 1421, by Representative James Grant, relating to Property Insurance Assignment Agreements. HB 1421 was today heard in the House Commerce Committee, its second and last committee of reference.

"AIF supports getting rid of abusive cost drivers in our state's property insurance marketplace, and reforming assignment of benefits this session is one way to stamp out the bad actors that are creating a crisis for Florida homeowners.

"Floridians deserve an insurance marketplace free from unnecessary litigation over auto glass repair and property water damage, which needlessly inflates insurance premiums. While this bill improves the current state of the property insurance marketplace, there are opportunities to create even more cost savings for consumers.

"AIF is hopeful that as this bill advances to the House floor, it will continue to improve its chances of meaningfully reducing costs for premium payers."

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HEALTH CARE

SB 182-Relating to Consumer Protection from Nonmedical Changes to Prescription Drug Formularies

On Thursday, April 19th, SB 182, by Senator Debbie Mayfield (R-Melbourne), was heard by the Senate Committee on Rules and passed with a vote of 11 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in opposition to this bill.**

This bill addresses the ability to move or shift prescription drugs within drug formularies by health plans. Currently, health plans have the authority to move prescription drugs to different tiers within the drug formulary, or add/remove certain drugs all together. Health plans use this system if, for instance, a drug has been found to be unsafe for patients or a more cost-efficient alternative has become available. Removing this ability from health plans would not only cause

the cost of healthcare to rise but could put patients at risk of taking potentially harmful medications.

SB 182 will now go to the Senate floor for consideration.

AIF OPPOSES taking away the leverage health plans have to add, remove, or shift drugs within the formulary system as it will increase the cost of health care and pharmaceuticals for Florida's employer community.

TELECOMMUNICATIONS

SB 596-Relating to Utilities

On Thursday, April 19th, SB 596, by Senator Travis Hutson (R-Palm Coast), was heard by the Senate Committee on Rules and passed by a vote of 12 yeas to 0 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

This bill creates the Advanced Wireless Infrastructure Deployment Act which would ultimately allow for 5G technology throughout the state of Florida.

SB 596 will now go to the Senate floor to be heard.

AIF SUPPORTS legislation that accommodates for the increasing need for reliable wireless networks to help support communities and businesses of the future.