



# DAILY BRIEF

From April 3, 2013

## Environment & Agriculture

In the House State Affairs Committee, AIF stood in support of HB 203, *Relating to Agricultural Lands*, by Rep. Halsey Beshears (R-Monticello). The purpose of this legislation is to prevent double regulations by governments. If an agricultural activity is regulated by either the federal or state governments then this bill prevents a local government from also charging a fee to regulate it. The current law applies to just Florida counties, but some municipalities have expanded their boundaries to include farm operations and are applying fees for certain activities.

The bill passed unanimously and has been placed on the calendar for its second reading.

**AIF supports this bill because it would prevent municipalities from placing another layer of regulation currently covered by federal or state regulations on Florida agriculture.**

Also in the House State Affairs Committee, AIF stood in support of HB 1193, *Relating to Taxation of Property*, by Representative Halsey Beshears (R-Monticello). The bill would amend the agriculture "Greenbelt" law to delete some portions that are very dated. The bill also addresses issues in the value adjustment boards process, deletes requirement that a property appraiser reclassify certain non-agriculture lands that have that have been zoned as non-agriculture.

The bill passed unanimously and will next be heard on the House floor.

**AIF supports any legislation promoting Florida's Brownfield Program as it provides a variety of financial and regulatory incentives encouraging parties to voluntarily clean up and redevelop Brownfield sites. By restoring Brownfield sites, the properties get back on the tax rolls quicker and become useful to the community.**

The House State Affairs Committee also heard HB 7, *Relating to Water Management Districts*, by Representative Elizabeth Porter (R-Lake City). The bill addresses several water management district issues. It provides for adoption of water reservations and minimum flows and levels by FDEP, recovery and prevention strategies adopted by FDEP. The bill also provides for districts to work together on the water supply component of the regional water supply plans.

The bill passed unanimously and is now ready to be heard before the full House.

**AIF supports legislation providing water management districts (WMDs) with guidance on minimum flows and levels, reservations, recovery and prevention strategies and multi-district projects.**

In the same committee, legislators heard HB 183, *Relating to Stormwater Management*, by Representative Daniel Raulerson (R-Plant City). The bill provides that a city or county that creates a community redevelopment area is authorized to adopt storm water adaptive management plan for water quantity and quality of storm water discharges in the area and get a permit from the Water

Management District (WMD) or Department of Environmental Protection (DEP). The permit has a series of requirements.

The bill passed unanimously and has been placed on the calendar for its second reading.

**AIF supports the bill because it protects businesses who are establishing in a redevelopment area that is likely to flood.**

Legislators also discussed HB 927, *Relating to Agritourism*, by Representative Holly Raschein (R-Key Largo) in the House State Affairs Committee. Agritourism refers to the practice of attracting tourists to agricultural areas, usually for recreational or educational purposes. Agritourism provides Florida farmers with an alternative and innovative way to expand their incomes either through activities on the farm, or employment activities off of the farm.

HB 927 prohibits a local government from adopting ordinances or policies designed to prohibit or limit agritourism activity on land deemed “agricultural” by the county property appraiser. The bill also clarifies the definition of “agritourism activity,” and establishes a limit on the liability for the landowner and the employees if a notice of risk is posted on the land.

The bill passed unanimously and will next be heard on the House floor.

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

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## Insurance

In the Senate Committee on Appropriations, AIF stood in support of SB 1770, *Relating to Property Insurance* by the Senate Banking & Insurance Committee. Among other things the bill:

- Renames the Florida Hurricane Catastrophe Fund Finance Corporation to the State Board of Administration Finance Corporation.
- Creates a Florida Catastrophe Risk Capital Access Facility within the State Board of Administration to help insurers identify global capital available for additional coverage options around the various layers of the Florida Hurricane Catastrophe Fund (CAT Fund).
- Subjects Citizens Property Insurance Corporation to bad faith claims.
- Exempts Citizens from “exchange of business” restrictions, to facilitate the operations of the clearinghouse.
- Requires the Office of Insurance Regulation (OIR) to calculate and publish an annual property insurance inflation factor where property insurance rates filed below the inflation factor are to be deemed non-excessive by the OIR.
- Redefines Citizens’ mission to be non competitive through the use of a clearinghouse to ensure Citizens’ coverage is only available to eligible applicants.
- Reduces the maximum Citizens’ policy limit from \$2 million to \$1 million, and further reduces this amount by \$100,000 a year for five years.
- Prohibits Citizens from covering structures commencing construction after July 1, 2013, that are seaward of the coastal construction control line, unless built to code-plus.
- Clarifies a private company’s offer within 15 percent of Citizens’ rate makes both new and renewal policies ineligible for Citizens.
- Requires agents to certify and document a continued effort to seek private market placement for their policyholders that are in Citizens.

The bill passed unanimously and is ready to be heard before the full Senate.

## **Taxation**

The House Appropriations Committee heard the House corporate income tax “piggy back” bill, HB 7099, *Relating to Corporate Income Tax* sponsored by Chairman Ritch Workman (R-Melbourne). Chair Workman explained that the bill updates the Florida Income Tax Code to reflect changes Congress made to the U.S. Internal Revenue Code by adopting the Internal Revenue Code as in effect on January 1, 2013. The change will apply retroactively to January 1, 2013. However, the bill contains provisions that do not adopt the federal bonus depreciation and enhanced expensing provisions. The bill accomplishes this by extending current statutory provisions adopted by Florida in both 2009 and 2011 to decouple from similar bonus depreciation and enhanced expensing provisions enacted by Congress in 2008, 2009 and 2010.

The bill passed unanimously and will next be heard by the full House.

**AIF supports the bill because it prevents Florida businesses from having to keep two sets of books even though the bill does not couple with the Federal changes in bonus depreciation and enhanced expensing provisions. The expenses will still exist, just taken over seven years.**

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## **Legal & Judicial**

In the House Judiciary Committee, AIF stood in support of HB 7015, *Relating to Expert Testimony*, by Rep. Larry Metz (R-Groveland) which aligns Florida’s evidentiary standard for expert witness testimony with that of the federal courts. Currently, Florida is an outlier among states in its use of the outdated *Frye* standard for admissibility of expert witness testimony. The bill would align Florida with other leading states that utilize the *Daubert* standard, therefore ensuring that “junk science” is not admitted into our courts. This issue is important to the business community because Florida-based companies are regularly joined into costly and unnecessary lawsuits so that trial lawyers may gain access to our courts, thereby increasing the cost of doing business in Florida. Rep. Metz has carried and passed this legislation off the House floor for the last two Legislative Sessions.

The bill passed out of committee by a vote of 12-5 and will next be heard before the House floor.

**AIF supports legislation to adopt the *Daubert* standard for expert witness testimony and to align Florida courts with the Federal Rules of Evidence utilized in federal courts and adopted by a majority of state courts.**

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## **Telecommunications**

In the House Economic Affairs Committee, AIF stood in support HB 13, *Relating to the Use of Wireless Communications Devices While Driving* by Representative Doug Holder (R-Sarasota) The bill provides for secondary enforcement of a ban on texting-while-driving. Specifically, a driver must be first pulled over for a violation of another traffic law before that driver may be cited for violating the texting-while-driving ban. Also, graduated penalties and exceptions are provided. Further, the bill allows for a driver may still text when legally parked. The bill also provides that a driver’s wireless billing records and testimony from those receiving messages are admissible as evidence in a proceeding to determine

whether a violation has been committed. HB 13 also now applies to the use of tablets as well as wireless cell-phones. The bill may generate additional revenues for local and state governments as a result of the penalties.

The bill passed by a vote of 17-1 and will next be heard before the full House.

**AIF supports HB 13 because both will effectively decrease automobile accidents thus lowering insurance costs for Florida's businesses.**

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### **Information Technology Governance**

In the House Appropriations Committee, Chairman Clay Ingram (R-Pensacola) introduced **PCB APC 13-02, *Relating to Information Technology Governance***. He explained that the bill abolishes the Agency for Enterprise Information Technology (AEIT) and establishes a successor agency, the Agency for State Technology (AST). Further, the bill authorizes a type two transfer of the Northwood Shared Resource Center (NSRC) and the Southwood Shared Resource Center (SSRC) to the AST and creates the state data center. The bill also amends the data center consolidation schedule, clarifies the role of the Florida Department of Law Enforcement (FDLE) in the handling of information technology security. The PCB also repeals sections of law relating to the establishment of AEIT, financial and cash management system task force, assignment of information technology, development and submission of AEIT work and implementation plans and policy recommendations; establishment of the NSRC and the SSRC as primary data centers, energy efficient standards for data centers, and statewide e-mail service.

Rep. Ingram continued, saying the bill conforms to the proposed Fiscal Year 2013-2014 House General Appropriations Act which provides \$2,473,738 in general revenue funding for the establishment of the AST and \$61,126,867 in trust fund authority for the type two transfers of the NSRC and the SSRC to the AST. The net fiscal impact of the bill is \$625,872 in general revenue funding and \$1,624,001 in trust fund authority over Fiscal Year 2012-2013.

The bill is effective July 1, 2013, except as otherwise provided.

The bill passed unanimously. As a conforming bill to the House budget, it will be on the floor for passage along with the budget next week.

**AIF supports the establishment of an enterprise IT governance structure, but feels this bill is too prescriptive and does not give the new Chief Information Officer enough authority. AIF prefers the approach the Senate is taking and hope in budget conference the House moves toward the Senate bill.**