



WEEKLY BRIEF

From the Week of April 1 – 5, 2013

Manufacturing

On Monday, April 1st, AIF testified in support of legislation aimed at growing and developing Florida's manufacturing sector in the Senate Committee on Commerce and Tourism. SB 582, *Relating to Manufacturing Development*, by Senator Bill Galvano (R-Bradenton), is a top priority for the AIF Manufacturing, Aerospace and Defense Council. The legislation, when enacted, will be referred to as "The "Manufacturing Competitiveness Act."

The legislation authorizes local governments to voluntarily adopt, by ordinance, a Local Manufacturing Development Program that would allow manufacturers to obtain master plan approval for manufacturing sites. The agreed upon master plan would set outer limits on the site that would remain applicable over term of the master plan. Once the master plan is approved, the manufacturer would not need further local approval for future expansions or modifications (except for building code, life, or safety issues).

Manufacturers residing in participating counties will also have access to a coordinated permitting process at the state level for the most common state permits. The bill also enables participating local governments to be self-identified as having a particular interest in having manufacturing facilities in their jurisdictions. Enterprise Florida can use this information when recruiting and placing manufacturing facilities. In essence this creates some level of competition among counties for new manufacturing facilities.

Florida is among the bottom five states in the nation as a percentage of manufacturing gross state product output. The sector is a significant job creator with salaries well beyond the state average and with an every direct manufacturing job creating about three indirect jobs, the highest of any employment sector.

The bill passed through committee unanimously and will next be heard in the Senate Committee on Community Affairs.

AIF supports SB 582 because it will improve the development approval process for manufacturers in Florida.

In the same committee, AIF testified in support of SB 518, *Relating to Economic Business Incentives*, by Senator Dorothy Hukill (R-Port Orange). This bill is one of two priorities for Governor Rick Scott and is also a high priority of the AIF Manufacturing, Aerospace and Defense Council.

Currently, manufacturers must demonstrate a five percent productivity requirement to qualify for a sales tax exemption. The current situation puts Florida at a significant disadvantage among its closest competing states for the recruitment and retention of manufacturers. For many large manufacturers the imposition of the sales tax on equipment purchases is a material multi-million cost issue.

The legislation will next be heard in the Senate Subcommittee on Appropriations Subcommittee on Finance and Tax and then to the Senate Committee on Appropriations.

AIF supports SB 518 because it will substantially improve Florida's competitive edge with other states by significantly decreasing operating costs for the state's manufacturers.

Environment & Agriculture

On Monday, April 1st, in the Senate Committee on Agriculture, AIF stood in support of SB 948, *Relating to Water Supply*, by Senator Denise Grimsley (R-Sebring). This bill authorizes the Department of Agriculture and Consumer Services (DACS) to collect water use data from farmers throughout the state and provide it to Florida's water management districts. It also allows the department to create a water supply planning program. Senator Grimsley offered 5 amendments, all of which the Committee accepted.

The bill passed committee with a vote of 6-0 and will next be heard in the Senate Committee on Rules.

AIF supports legislation and state funding of scientifically based water supply planning data collection as a way to better understand Florida's long term water supply needs.

In the same committee, AIF stood in support of SB 1200, *Relating to Taxation of Property*, by Senator Wilton Simpson (R-New Port Richey). 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 the committee with a vote of 5-0 and will next be heard in the Senate Subcommittee on Appropriations Subcommittee on Finance and Tax.

AIF supports legislation that correctly classifies agriculture property for tax purposes. The "Greenbelt" law is the foundation of Florida's agriculture industry.

On Monday, April 1st, AIF stood in support of HB 7113 by Representative Matt Caldwell (R-Lehigh Acres) in the House Rulemaking Oversight & Repeal Subcommittee. This legislation exempts the Total Maximum Daily Load (TMDL) rules from legislative ratification. The TMDL process is part of the technology used in establishing numeric nutrient criteria (NNC) in a water body, stream, or river.

The bill passed the committee unanimously and will next be heard in the House State Affairs Committee.

AIF supports water quality legislation that is site specific and science-based. The TMDL program of the Florida Department of Environmental Preservation (DEP) is one of these types of programs.

On Monday, April 1st, AIF stood in support of HB 7115, *Relating to Numeric Nutrient Criteria*, in the House Rulemaking Oversight & Repeal Subcommittee. Florida is currently facing the possibility of having to meet strict water quality standards regarding numeric nutrient criteria (for nitrogen and phosphorous) in all water bodies as a result of a lawsuit by radical environmental organizations. The proposed criteria are technically and scientifically flawed, as well as economically unattainable by the business and public sectors. The DEP has issued new rules to help Florida achieve better water quality standards by using biological confirmation and TMDL. Since the new rule will have an impact of more

than one million dollars over the next five years, the Florida Legislature will have to ratify the rule. Drew Bartlett, of the Florida DEP gave a presentation on this issue.

The bill passed unanimously and will next be heard in the House Agriculture & Natural Resources Appropriations Subcommittee.

AIF supports efforts by the Florida Legislature to ratify the proposed numeric nutrient criteria rule proposed by the Florida Department of Environmental Protection (DEP).

Also on Monday, in the Senate Committee on Community Affairs, AIF stood in support of SB 934, *Relating to Stormwater Management Permits*, by Senator Tom Lee (R-Brandon). 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 committee unanimously and will next be heard in the Senate Committee on Rules.

In the Wednesday, April 3rd meeting of the House State Affairs 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 these bills because they protect businesses establishing in a redevelopment area that is likely to flood.

In the same committee, AIF stood in support of SB 754, *Relating to Water Quality Credit Trading*, by Senator Denise Grimsley (R-Sebring). This bill expands a pilot program to a statewide water quality credit trading program. Participation in this program is completely voluntary. The program is market-based and allows businesses to buy trading credits (pollutants reductions) from others which saves them money rather than implementing a more expensive cleanup project.

The bill passed unopposed and will next be heard in the Senate Committee on Appropriations.

AIF supports this legislation because establishing a water quality credit trading program could reduce the costs of pollutant reduction activities to businesses.

On Tuesday, April 2nd, AIF stood in support of SB 554, *Relating to Brownfield Areas*, by Senator Thad Altman (R-Melbourne) in the Senate Committee on Community Affairs. The bill specifies that redeveloping Brownfield areas can be a significant element in other revitalization areas, such as community redevelopment areas, enterprise zones, and closed military bases. SB 554 requires a local government to comply with certain provisions when designating a Brownfields area. Of these provisions, it allows for a public hearing when an area is going to be classified as a Brownfield.

The bill passed committee unanimously and will next be heard in the Senate Appropriations Subcommittee on Finance and Tax.

In the Wednesday, April 3rd meeting of 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.

In the same committee, AIF stood in support of SB 768, *Relating to Everglades Long-term Plan*, by Senator Wilton Simpson (R-New Port Richey). Among other things, the legislation provides legislative finding that implementation of best management practices (BMPs), funded by the owners and users of land in the Everglades Agricultural Area (EAA), effectively reduces nutrients in waters flowing into the Everglades Protection Area. AIF agrees fully with this position. To date, in their continued commitment to the Everglades, farmers and landowners in the region have spent \$200 million on BMPs. The legislation also does not raise the current \$25 per acre Agricultural Privilege Tax that farmers and landowners pay the state. The legislation also moves towards completing the Everglades Restoration plan.

The bill passed unanimously and will next be heard in the Senate Committee on Appropriations.

AIF supports legislation necessary to authorize funding, to begin implementing the revised \$880 million State Everglades Restoration Plan that Florida has already committed to complete. AIF opposes any increases in the Agricultural Privilege Tax and supports the inclusion of provisions in the legislation that requires the appropriate state agency to conduct a Use Attainability Analysis at the completion of construction projects to determine if the nutrient limits are attainable.

On Tuesday, April 2nd, AIF stood in support of SB 1190, *Relating to Agricultural Lands*, by Senator Jeff Brandes (R-St. Petersburg) in the Senate Committee on Environmental Preservation and Conservation. 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 will next be heard in the Senate Appropriations Subcommittee on Finance and Tax.

The House companion bill, HB 203, by Rep. Halsey Beshears (R-Monticello), was passed unopposed Wednesday by the House State Affairs Committee.

AIF supports legislation preventing municipalities from placing another layer of regulation, currently covered by federal or state regulations, on Florida agriculture.

On Thursday, April 4th, AIF stood in support of SB 1684, *Relating to Environmental Regulation*, by Senator Thad Altman (R-Melbourne) in the Senate Environmental Preservation and Conservation Committee. The bill is the major regulation reform bill of the Session. It amends & revises numerous

provisions relating to development permit applications; marinas, boat yards, general permits for special events, well permits, regional water supply planning, and agriculture water supply demand projections.

The bill passed unanimously and will next be heard in the Senate Committee on Agriculture.

AIF supports Senator Altman's effort to help streamline the permitting process for Florida's businesses.

In the Tuesday, April 2nd meeting of the Senate Committee on Rules, legislators discussed SB 1106, *Relating to Agritourism* by Senator Alan Hays (R-Umatilla). 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.

SB 1106 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 is now ready to be heard on the Senate floor.

The House companion bill, HB 927 Representative Holly Raschein (R-Key Largo) was heard Wednesday, April 3rd in the House State Affairs Committee. HB 927 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.

On Tuesday, April 2nd, AIF stood in support of SB 682, *Relating to Fossil Fuel Combustion Products*, by Senator Wilton Simpson (R-New Port Richey) in the Senate Committee on Community Affairs. The bill addresses the continued use of coal ash in many products and creates a regulatory program under the Department of Environmental Protection (DEP) for the beneficial use of Fossil Fuel Combustion Products. This bill would let the EPA know that Florida wants to continue to use coal ash in various types of products. It also saves energy while producing revenue by using coal ash in products rather than incurring the cost of disposal.

The bill passed unanimously and will next be heard in the Senate Committee on Rules.

AIF supports any legislation promoting the beneficial use of Fossil Fuel Combustion Products in order to save Florida's businesses from the costly disposal of such resources.

On Wednesday, April 3rd, the House State Affairs Committee 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.

The Senate companion bill, SB 244, by Senator Charles Dean, Sr. (R-Inverness) was passed unanimously by the Senate on its third reading Thursday afternoon.

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

On Thursday, April 4th, the Senate unanimously passed SB 364, *Relating to Consumptive Use Permits for Development of Alternative Water Supplies*, by Senator Alan Hays (R-Umatilla). Also known as the “30 year alternative water supply permitting bill,” it expands water supply and reduces the cost of bonding such projects.

AIF supports state funding for alternative water supply programs and believes the Water Protection and Sustainability Trust Fund (WPSTF) must be fully funded so alternative water supply projects, such as reclaimed water projects, desalination efforts and the collection and storage of rainwater, can be built to produce additional and sustainable future water supplies.

Health Care

On Tuesday, April 2nd, the House Select Committee on PPACA (Patient Protection and Affordable Care Act) met to address how to ensure Florida’s Insurance Code does not conflict with the new federal health care law. The committee approved proposed committee bill (PCB) **SPPACA 13-02** on a 12-5 vote, to reach that goal. Since Tuesday, the bill has been filed as HB 7155. The bill would suspend the Office of Insurance Regulation’s (OIR) authority to review health insurance and HMO rates for two years for the purpose of giving that responsibility to the federal government. The OIR would continue to review the forms used by insurers and HMOs and conduct exams of these companies to ensure they are compliant with PPACA. The OIR would inform the federal government of any violations found, but would not enforce the provisions of the federal law.

HB 7155 would also provide authority to the Division of Consumer Services of the Department of Financial Regulation (DFS) to respond to consumer complaints related to PPACA. Further, it would require health insurers and HMOs to provide a one-time notice to those persons in the health plans that describe the estimated impact of PPACA would have on monthly premiums.

Those notices are required to be used by OIR and DFS to develop a summary of the estimated impact of PPACA on monthly premiums which must be put on the agencies’ websites.

Representative John Wood (R-Winter Haven) told members that this proposed committee bill establishes the framework for implementing PPACA, but that more work would need to be done.

On the Senate side Chair Aaron Bean (R-Fernandina Beach) rolled out SPB 7144 before the Senate Committee on Health Policy this afternoon and was given the go ahead for the language to become a bill. SPB 7144 would establish the new Health Choice Plus (HCP) program as an alternative to expanding Medicaid eligibility called for in the new federal health care law.

Recently, the Senate Select Committee on PPACA voted to not to expand eligibility in the state’s Medicaid Program. The new program would be an alternative health benefits program in which uninsured Floridians with incomes at or below 100 percent of the federal poverty level (FPL) could enroll.

The program calls for the state and the enrollees would share in paying for the program and the funding by the state would be contingent on the Legislature’s appropriations each year. Further, the bill makes the Florida Health Choices Corporation (FHC), a program created several years ago by the Legislature to

serve as an online resource for employers and employees to shop for health insurance. The development of the FHC website has recently been completed and the corporation is now ready to begin enrolling employers.

A competing proposal has been put forth by Senator Joe Negron (R-Palm City) which would allow federal Medicaid dollars to be provided to low income Floridians in the form of premium assistance. The person would use those dollars to purchase private health insurance coverage. In contrast to Sen. Bean's proposal, that has Florida Health Choices administering the program, Sen. Negron's plan uses Florida Healthy Kids Corporation (FHK) as the administrator of this program. FHK, through private insurers, offers insurance to children in low income families from birth to age 18 who are not eligible for Medicaid. Sen. Negron's proposal is scheduled to be heard later this week.

AIF encourages legislators to best leverage available federal funding to ensure Floridians have coverage in a manner that protects the state's financial health and helps employers avoid a possible \$1.3 billion hidden tax for uncompensated care for thousands of Floridians not qualifying for private health care or Medicaid.

On Thursday, April 4th, AIF stood in support of HB 939 by Representative Cary Pigman (R-Sebring) in the House Health & Human Services Committee. The bill would increase accountability in the state's Medicaid program by:

- Lengthening the time medical and Medicaid-related records are kept;
- Authorizing AHCA to perform on site inspections of a service location of a provider who has applied to become a Medicaid provider; and
- Expanding the list of offenses for which AHCA may terminate a provider's participation in the Medicaid program.

The bill passed by a vote of 14-4 and will now head to the House floor. The Senate companion bill, SB 844 by Senator Denise Grimsley (R-Sebring), is in the Senate Committee on Banking and Insurance.

AIF supports passage of legislation that would lessen incidences of fraud within the state's Medicaid program which could lower the amount by which Florida employers subsidize that program.

Also on Thursday, the Senate unanimously approved HB 239, *Relating to Practice of Optometry*, by Representative Matt Caldwell (R-Lehigh Acres), in substitution of SB 278. The bill allows certified optometrists who complete additional coursework and pass an examination to provide a broader range of services including administering and prescribing oral pharmaceutical agents. For the last several years, optometrists have sought to increase their scope of practice, noting they can provide additional services for patients at a lower cost.

AIF supports expanding the scope of practice for health care professionals in order to increase access to services and lower the cost of care.

Education

In the Thursday, April 4th meeting of the Senate Appropriations Subcommittee on Education, AIF stood in support of SB 1664, *Relating to Education Instructional Personnel and School Administrators*, by Senator John Legg (R-Lutz). SB 1664 revises the requirements for state approved educator preparation programs, educator and principal certification, and the Florida Teachers Lead Program. Specifically, the bill makes the following changes:

- Provides a new framework for the approval of teacher preparation programs based on performance outcome metrics while holding all preparation programs accountable
- Maintains three distinct program types offering high quality options for those entering the teaching profession
- Streamlines core curriculum so it is more focused and relevant, allowing for deeper preparation in standards-based instruction
- Requires candidates to demonstrate they have a positive impact on student learning growth in field experiences before the completion of a program
- Requires the State Board of Education to adopt rules allowing an individual to be eligible for temporary certificate if he or she passes the Florida Educational Leadership Examination, holds a bachelor's degree or higher and provides evidence of successful management or leadership experience
- Allows for the State Board of Education to adopt rules providing for the acceptance of college course credits recommended by the American Council for Education (ACE) to satisfy specific certification requirements shown on an ACE transcript
- Changes the name of the Florida Teachers Lead Program to the Florida Teachers Classroom Supply Assistance Program
- Requires local contribution be added to the funds allocated by the state when calculating each teacher's proportionate share

The bill passed committee by a vote of 11-2 and will next be heard in the Senate Committee on Appropriations.

AIF supports SB 1664 because it better aligns postsecondary teacher preparation programs with outcome and performance which will create a stronger and better equipped teaching workforce. This enhanced teaching workforce will ultimately lead to a better trained student with 21st Century skills to meet the global demands of Florida businesses.

In the same committee, AIF stood in support of SB 980, *Relating to Educational Personnel Evaluations*, by Senator Anitere Flores (R-Miami). The bill revises the criteria for the performance evaluation of classroom teachers and instructional personnel. The student learning growth portion of a classroom teacher's evaluation must only be based on the performance of students assigned to the teacher in the subjects taught by him or her. For instructional personnel, the student learning growth portion of the evaluation is based on performance data that reflects their actual contributions to the performance of students actually assigned to their areas of responsibility.

The bill passed committee with a vote of 11-1 and will next be heard in the Senate Committee on Appropriations.

AIF supports legislation transforming the teacher evaluation model and aligning student performance and outcomes thus yielding a better student prepared to join the workforce.

In the House Education Committee, AIF stood in support of HB 7027, *Relating to Education Accountability*. HB 7027 increases school accountability in a variety of different ways. The bill will also

require the Commissioner of Education to restructure the process to access data kept in the K-20 data warehouse by creating a “Research Engine” capable of providing access to records under the federal Family Educational Rights and Privacy Act (FERPA).

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

AIF supports legislation creating a uniform system of accountability and incentivizing educational institutions to use Common Course Numbering.

The House passed HB 21, *Relating to Background Screening for Noninstructional Contractors on School Grounds*, by Representative Keith Perry (R-Gainesville). The legislation would require the Department of Education to create a uniform, statewide identification badge to be worn by non-instructional contractors signifying that a contractor has met specified requirements and background checks.

AIF supports this legislation because it streamlines and makes uniform the ID requirements for non-instructional contractors working on school grounds.

The House passed HB 7029, *Relating to Digital Learning*, by Representative Manny Diaz, Jr. (R-Hialeah). HB 7029 includes several provisions increasing access to digital and blended learning options by:

- Expanding the pool of eligible applicants who can apply for state-level approval to include individuals or organizations who provide individual online courses, including, but not limited to, massive open online courses (MOOCs) that are measured by state assessments.
- Creating a district innovation school pilot program that encourages schools to engage in a whole school transformation using blended learning models in exchange for flexibility and exemption from certain statutes.
- Allowing districts and providers to offer part-time virtual instruction for K-12 students in all courses, rather than only those courses that are measured through statewide assessments or end-of-course-exams.
- Providing an opportunity for providers without sufficient prior, successful experience in offering online courses to receive conditional approval from the Department of Education to offer only courses measured through statewide assessments or end-of-course exams. The conditional approval is only effective until the provider has sufficient data to apply for provider approval in accordance with current law and State Board of Education rule.
- Allowing students enrolled in one school district to enroll in an online course offered by any other district in the state, without limitations.
- Prohibiting a school district from requiring a public school student to take a virtual course outside the school day or on the school grounds.
- Clarifying, for home school students, that eligibility be verified upon enrollment, for purposes of funding through the FEFP. Home education students must still meet applicable eligibility criteria for participation in virtual education courses.

AIF supports establishing a Digital Learning Initiative to offer infrastructure, bandwidth, and mobile devices equipping all Florida students with access to quality, digital learning opportunities.

The House also passed HB 7009, *Relating to Charter Schools*, by Representative George Moraitis (R-Ft. Lauderdale). The bill includes several provisions that increase charter school accountability and transparency while also offering more flexibility:

- Prohibiting a charter school, upon termination of the charter, from expending more than \$10,000 without prior written permission from the sponsor, unless such expenditure was included within the annual budget submitted to the sponsor, or is for reasonable attorney's fees and costs during the pendency of an appeal, or is for reasonable fees and costs to conduct an independent audit.
- Requiring an audit to be completed by an independent third party within 30 days after a charter school is notified of non renewal, closure, or termination.
- Prohibiting charter schools from executing contracts that contain acceleration clauses requiring expenditure of funds based on closure, or notification of non renewal or termination and from executing contracts that extend beyond the term of the school's contract with its sponsor.
- Providing claw back power to the sponsor in case of violation of contract provisions.
- Providing disclosure requirements for charter applicants of previous charter schools that were subject to corrective action or financial emergency recovery plans.
- Requiring sponsors to submit to DOE specific information for each application received to be compiled in a summary report regarding the number of applications received, approved, denied and withdrawn each year.
- Prohibiting employees of the charter school or the charter management organization and their spouses, from serving on the charter school governing board.
- Requiring DOE to develop a proposed statewide standard charter contract by consulting and negotiating with school districts and charter schools and to provide it to the Governor, the Speaker of the House of Representatives, and the President of the Senate by November 1, 2013.

The bill also includes several provisions to expand charter school growth and flexibility, such as:

- Allowing charter applicants to submit a draft charter by May 1 each year, with an application fee, and to receive district feedback on material deficiencies by July 1, prior to final submission on August 1.
- Allowing high-performing charter schools to determine their own capacity and enrollment caps and allowing them to increase those caps under certain circumstances.
- Providing statutory clarification that provisions affecting instructional personnel contracts and establishing that they are at will employees.
- Clarifying that district K-12 educational facilities not being used to support public education be made available to charters, and requiring the charter school to pay maintenance costs of the facility.
- Authorizing out-of-state operators to qualify for high-performing status to operate schools or systems in Florida under certain circumstances; requiring the State Board of Education to adopt the review and qualification process in rule.

Rep Moraitis introduced an amendment that eliminated the ability of a charter school to access unused and under used school district facilities. The amendment passed unanimously.

AIF supports removing artificial enrollment caps that prevent charter schools from meeting the demand of students on waiting lists.

The House passed HB 867, otherwise known as the "Parent Trigger Bill," by Representative Carlos Trujillo (R-Doral). The bill enables parents, by petition, to request that the school district implement a parent-selected turnaround option if a school earns a grade of "F". The turnaround option requested by

parents must be considered for implementation by the district school board at a publicly noticed meeting if the petition is signed and dated by a majority of the parents of eligible students.

Currently, AIF does not have a position on the bill, but has been monitoring it as it directly pertains to Florida's future workforce.

On Thursday, April 4th, the House Education Committee held a brief discussion regarding the draft proposed committee bill (PCB) on Early Learning. Committee Chair, Representative H. Marlene O'Toole (R-The Villages) opened up the discussion with a summary of the draft bill. This bill would create the Office of Early Learning within the Department of Education, and would be administered by an executive director directly accountable to the education commissioner.

Chair O'Toole made it very clear that the Office of Early Learning will not be construed as part of the K-20 program, and will be placed in charge of adopting rules for the operation of school readiness and Voluntary Pre-K programs. Once established, these rules will be submitted to the state board of education for their approval or denial however, the board cannot amend these rules in any way. The Office is also in charge of administering the programs at the state level.

Before concluding the discussion Chair O'Toole mentioned that staff would need to notice the bill by Friday, April 5th for it to become a committee bill. She told the members of the committee that they would each have a chance on Monday to give their final input and if there is none she will assume they are good with the bill as it stands.

AIF supports early learning as it is imperative to developing a productive future Florida workforce.

Business Regulation

On Tuesday, April 2nd, AIF stood in support of SB 84, *Relating to Public Private Partnerships (PPPs)*, by Senator Alex Diaz de la Portilla (R-Miami) in the Senate Committee on Transportation. The bill, in its current form, allows local governments to utilize PPPs in a similar manner as state government. Essentially meaning, local governments will be able to accept unsolicited bids for infrastructure projects, etc. The current form of the bill is due to work done between Senator Diaz de la Portilla and AIF.

The bill passed unanimously with three amendments and will next be heard in the Senate Committee on Appropriations.

AIF supports SB 84 and the sponsor's intention to encourage private sector investment into local infrastructure projects across the state. Public Private Partnerships have proven successful in aiding government needs for infrastructure project advancement utilizing private contractors, financiers and related industries.

In the same committee, AIF stood in support of SB 972, *Relating to Transportation Development*, by Senator Dorothy Hukill (R-Port Orange). The bill includes an amendment providing clarification to the concurrency laws for those jurisdictions who retain transportation concurrency, and provides minimum guidance for any alternative system utilized by the local government to replace concurrency. AIF members like this amendment because it makes the transportation for developers more affordable for their impacts, not others.

The bill passed unanimously and will next be heard in the Senate Committee on Rules.

AIF supports statutory guidance to provide a consistent set of rules on transportation funding systems.

Legal & Judicial

On Monday, April 1st, AIF stood in support of SB 874, *Relating to Open Parties*, by Senator Bill Galvano (R-Bradenton) in the Senate Committee on Criminal Justice. AIF worked to amend the bill to include clarifying language that the party must be thrown by individuals on the property "lawfully." Hopefully, this amendment will clarify that the intent of the bill is to not punish large commercial landowners already taking steps to prevent trespassers on their property. AIF will continue to work with the House companion sponsor to add the clarifying language amended into the Senate version of the bill.

The bill passed unanimously and will next be heard in the Senate Committee on Judiciary.

AIF supports legislation aiming to protect large commercial landowners and will continue to work with Legislators on the clarification of language in these bills.

In the same committee, AIF stood in support of SB 1216, *Relating to Wage Theft* by Senator Rob Bradley (R-Orange Park). SB 1216 will establish a statewide system of addressing wage theft complaints through the county courts. The bill addresses wage protection by creating a judicial process giving workers the ability to address their grievances in our court system. It will provide consistency for both employees *and* employers.

The bill passed by a vote of 6-1 and will next be heard in the Senate Committee on Judiciary.

AIF supports any legislation aimed at protecting the wages of Florida employees while supporting employers in their quest to maintain a productive work environment.

On Tuesday, April 2nd, AIF stood in support of SB 550, by Senator Wilton Simpson (R-New Port Richey) in the Senate Banking & Insurance Committee. The legislation would allow Florida employers to recover payments from worthless checks and other transactions without the sending of a specified letter if the business has a notice posted at point of sale or on invoice. If enacted, this bill would allow Florida businesses to collect money due to them in a timelier manner.

The bill passed unanimously and will next be heard in the Senate Committee on Commerce and Tourism.

AIF supports legislation that makes it easier for Florida employers to collect payment due to them.

In the Wednesday, April 3rd meeting of 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.

Insurance

On Tuesday, April 2nd, the Senate Committee on Banking and Insurance debated SB 1262, *Relating to Florida Hurricane Catastrophe Fund*, by Senator Alan Hays (R-Umatilla). Senator Hays' bill would represent a small first step to "right size" the Catastrophe Fund (Cat Fund) and reduce the likelihood of post catastrophe assessments (hurricane taxes).

Senator Jeremy Ring (D-Margate) introduced an amendment to expand the Cat Fund, to which AIF testified in opposition. Senator Ring's amendment passed by a vote of 7-5. Senator Hays moved to temporarily postpone his bill until a later meeting.

In the Wednesday, April 3rd meeting of 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.

AIF supports legislation to restore the Florida Hurricane Cat Fund to a safety buffer for Andrew-sized storms, thereby ensuring it can meet its obligations in the event of a storm and reducing the hurricane taxes funding its operations, as well as its possible deficits.

On Monday, April 1st, AIF stood in support of SB 810, *Relating to Wrap-Up Insurance Policies*, by Senator David Simmons (R-Altamonte Springs) in the Senate Committee on Commerce and Tourism. The bill allows insurance companies to offer a deductible feature for a workers' compensation policy which

covers all parties performing work on a major construction site. Florida businesses will have the option to substantially reduce insurance costs for new facilities' construction by purchasing a wrap-up policy with a deductible. In addition, a deductible creates a direct monetary incentive for a construction project owner or general contractor to maintain a safe work site for employees.

The bill passed unanimously and has not been referred to a third committee.

The House companion bill, HB 343 by Representative Bill Hager (R-Boca Raton), passed unopposed in Tuesday's meeting of the House Government Operations Appropriations Subcommittee and will next be heard in the House Regulatory Affairs Committee.

On Tuesday, April 2nd, AIF stood in support of SB 468, *Relating to Property and Casualty Insurance Rates and Forms*, by Senator Dorothy Hukill (R-Port Orange) in the Senate Committee on Health Policy. SB 468 allows a property and casualty insurer to file a new policy or changes to an existing policy as an informational filing with the Office of Insurance Regulation (OIR) in lieu of filing for approval prior to use. The bill will substantially reduce a backlog of form filings awaiting approval by the OIR. Thus, the bill will allow insurers to react timely to the insurance needs of the business community and will enhance competition among insurers. The bill will be placed on the House Calendar for action by the full House.

The bill passed committee with a vote of 6-2 and will next be heard in the Senate Committee on Judiciary.

AIF supports the passage of legislation improving the regulatory environment for insurers and reducing the cost of insurance to businesses.

Taxation

On Monday, April 1st, AIF stood in support of SB 1070, *Relating to Emergency Communication Systems*, by Senator Alan Hays (R-Umatilla) in the Senate Committee on Communications, Energy, and Public Utilities. The bill would reduce the current charge for 911 services on all phone lines, including mobile, from the current \$0.050 to \$0.046. In addition, the legislation implements the findings of the E911 Board, allowing for the collection of the 911 fee at the retail point of sale for prepaid wireless phone plans. Implementing a point of sale collection method for prepaid plans and enabling the fee to be collected from everyone with access to 911 may make it possible to reduce the fee for all consumers. The bill would also put priority on allowing counties to use funds to upgrade and replace 911 systems for next generation. A strike all amendment was introduced and passed that would postpone the prohibition on collecting or assessing the E911 fee on prepaid calling arrangements until July 2015.

The bill passed committee unanimously and will next be heard in the Senate Subcommittee on Appropriations Subcommittee on Finance and Tax.

The House companion bill, HB 807 by Representative Greg Steube (R-Sarasota), was passed unanimously by the House Regulatory Affairs Committee on Thursday. The bill now moves to the House calendar for its second reading.

AIF supports lessening the 911 surcharge on Florida's phone users while supporting a robust and modern emergency communications system vital to the welfare of Florida's business community.

In the Wednesday's, April 3rd meeting of the House Appropriations Committee 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.

Workforce

On Thursday, April 4th, the House passed HB 655, *Relating to Political Subdivisions*, by Representative Steve Precourt (R-Orlando). HB 655 amends current law to further restrict political subdivisions from requiring an employer to provide employment benefits not required by state or federal law. The bill is designed to block local governments from enacting sick-time rules, such as the one pending in Orange County. This legislation is necessary to avoid what could become a patchwork of wage and benefit rules that may drive businesses away from Florida.

AIF supports this legislation because it is necessary to avoid what could become a patchwork of wage and benefit rules that may drive businesses away from Florida.

Energy

On Thursday, April 4th, the Senate unanimously passed SB 338, *Relating to Theft of Utility Services*, by Senator Wilton Simpson (R-New Port Richey). The legislation would increase criminal penalties for the theft of utility services. Specifically, the bill provides that thefts of utility services are punishable as theft under the general theft statute. As a result of this change, persons committing theft of utilities will not necessarily commit a first degree misdemeanor. The bill also increases the civil penalty for a person violating the utility theft statute from the current three times the value of stolen services or \$1,000 (whichever is greater) to three times the value stolen or \$3,000 (whichever is greater). The bill would take effect October 1, 2013.

AIF supports this legislation because it will hopefully dissuade would be thieves from targeting Florida businesses.

Telecommunications

On Wednesday, April 3rd, AIF stood in support HB 13, *Relating to the Use of Wireless Communications Devices While Driving* by Representative Doug Holder (R-Sarasota) In the House Economic Affairs Committee. 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.

State Contracts

On Thursday, April 4th, the House passed HB 1309, *Relating to Procurement of Commodities and Contractual Services* by Representative Ben Albritton (R-Bartow). Effective July 1, 2013, the bill makes the following revisions to provisions governing state agency procurement and contracting, including, but not limited to:

- Renames chapter 287, F.S., as "Procurement of Commodities and Contractual Services";
- Revises contract manager, grant manager, or contract negotiator qualifications and training requirements;
- provides that DMS may delegate the purchase of insurance to agencies;
- modifies the process for suspending a vendor from the vendor list maintained by DMS;
- Requires that invitations to bid be awarded to the lowest responsive bidder;
- Permits DMS to lead joint agreements with governmental entities;
- Allows agencies to combine funds for purchases of commodities and services;
- Removes the requirement that an agency head certify emergency procurement documents; and
- Repeals contract negotiation team requirements.

On second reading, Representative Alan B. Williams (D-Tallahassee) offered a lengthy amendment on human trafficking, requiring state contractors to ensure they are not doing business with any company engaging in human trafficking. The amendment was adopted and is now engrossed in the bill as passed by the House. **AIF opposes the amendment as it would be extremely difficult to set up procedures make such an assurance to the state.**

AIF opposes this bill as it has at least 6 areas that are unclear and may not do what is the intent of the bill sponsor.

Information Technology Governance

On Wednesday, April 3rd, the House Appropriations Committee heard Representative Seth McKeel (R-Lakeland) introduce **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. McKeel 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 passed unanimously. As a conforming bill to the House budget, it will be on the floor for passage along with the budget next week.

Since the bill passed committee, it has been filed as HB 5009 and has been referred to the House calendar.

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.

Ethics & Elections

During the Monday, April 1st meeting of the Senate Committee on Ethics and Elections, Senator Tom Lee (R-Brandon) presented his bill, SB 1634, *Relating to Legislative Lobbying Expenditures*. Sen. Lee describes SB 1634 as a "tweak" to the ban on gifts to legislators by lobbyists. As adopted, the bill adds two exceptions to the otherwise-absolute ban on lobbyist gifts to legislators:

- It allows a lobbyist to buy a non-alcoholic beverage for a legislator; and
- It allows legislators who are participating in group meetings as a speaker, panel participant, etc. to consume food and drink at the event notwithstanding that the group putting on the event has a lobbyist.

Sen. Lee indicated he is working on an amendment that would add an exemption for large group functions but indicated the language has yet to be perfected.

The bill passed the Senate Committee on Ethics and Elections on an 11-0 vote. The bill now goes to the Senate Committee on Judiciary (which is chaired by Sen. Lee) and then to the Senate Committee on Rules before reaching the Senate floor.

On Tuesday, April 2nd, the Senate Committee on Rules was scheduled to hear SB 1382, *Relating to Campaign Finance*, by Senator Jack Latvala (R-Clearwater). This bill is a major restructuring of the state's regulation of campaign finance regulation.

SB 1382 was temporarily postponed until the next committee meeting.

AIF will monitor all proposals related to public ethics and elections and advocate as necessary to protect the rights of individuals and businesses.