



Finance and Tax Subcommittee

Thursday, March 13, 2014

2:00 p.m. – 5:00 p.m.

Morris Hall

ACTION PACKET

COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

Summary:

Finance & Tax Subcommittee

Thursday March 13, 2014 02:00 pm

HB 357	Favorable With Committee Substitute	Yeas: 15	Nays: 3
HB 377	Favorable	Yeas: 18	Nays: 0
HB 651	Favorable	Yeas: 17	Nays: 0
HB 657	Favorable With Committee Substitute	Yeas: 12	Nays: 6
PCB FTSC 14-04	Favorable	Yeas: 18	Nays: 0

Committee meeting was reported out: Thursday, March 13, 2014 4:39:41PM

COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Ritch Workman (Chair)	X		
Janet Adkins	X		
Lori Berman	X		
Halsey Beshears	X		
Michael Bileca	X		
Matthew Caldwell	X		
Bill Hager	X		
George Moraitis, Jr.	X		
Jared Moskowitz	X		
Daniel Raulerson	X		
Michelle Rehwinkel Vasilinda	X		
David Richardson	X		
José Rodríguez	X		
David Santiago	X		
Richard Stark	X		
John Tobia	X		
Carlos Trujillo	X		
James Waldman	X		
Totals:	18	0	0

Committee meeting was reported out: Thursday, March 13, 2014 4:39:41PM

COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

HB 357 : Water and Wastewater Utility Systems

Favorable With Committee Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Janet Adkins	X				
Lori Berman		X			
Halsey Beshears	X				
Michael Bileca	X				
Matthew Caldwell	X				
Bill Hager	X				
George Moraitis, Jr.	X				
Jared Moskowitz	X				
Daniel Raulerson	X				
Michelle Rehwinkel Vasilinda		X			
David Richardson	X				
José Rodríguez		X			
David Santiago	X				
Richard Stark	X				
John Tobia	X				
Carlos Trujillo	X				
James Waldman	X				
Ritch Workman (Chair)	X				
Total Yeas: 15		Total Nays: 3			

Appearances:

Lila Vaber (Lobbyist) - Proponent
National Association of Water Companies
215 S. Monroe Street #601
Tallahassee FL 32301
Phone: 850-521-1980

Chris Hansen (Lobbyist) - Proponent
Florida Rural Water Association
403 East Park Avenue
Tallahassee FL 32312
Phone: 850-577-0444

David Cullen (Lobbyist) - Information Only
Sierra Club Florida
1675 University Parkway #296
Sarasota FL 34243
Phone: 941-323-2404

Committee meeting was reported out: Thursday, March 13, 2014 4:39:41PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 357 (2014)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	✓	(Y/N)
FAILED TO ADOPT	—	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
2 Representative Santiago offered the following:

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Amendment (with title amendment)

Remove lines 63-95

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T I T L E A M E N D M E N T

Remove lines 8-10 and insert:

water and wastewater infrastructure projects;

Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input checked="" type="checkbox"/> (Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/> (Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/> (Y/N)
FAILED TO ADOPT	<input type="checkbox"/> (Y/N)
WITHDRAWN	<input type="checkbox"/> (Y/N)
OTHER	<input type="checkbox"/>

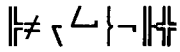
1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
 2 Representative Santiago offered the following:

4 **Amendment (with title amendment)**

5 Remove lines 195-200 and insert:

6 of the meetings. The commission shall adopt rules necessary to
 7 assess and enforce the utility's compliance with this
 8 subparagraph. The rules must prescribe penalties, including
 9 finances and reduction of return on equity of up to 100 basis
 10 points, if a utility fails to adequately address or offer
 11 solutions to the water or wastewater problems.

12 6. A utility shall be permitted to recover its prudently
 13 incurred costs and expenses to resolve deficiencies found by the
 14 commission pursuant to this subsection, or found by the
 15 Department of Environmental Protection, related to non-
 16 compliance with secondary water quality standards regarding
 17 taste, odor, color, or corrosiveness, or concerning wastewater



Amendment No. 2

18 service issues related to odor, noise, aerosol drift, or
19 lighting. Such costs shall be recoverable through a rate case
20 filed pursuant to s. 367.081 or through a separate proceeding
21 initiated by petition of the utility. In its filing, the utility
22 must describe the activities proposed or undertaken and the
23 costs projected or incurred to resolve the deficiencies found by
24 the commission or department. Such costs may be a result of
25 action agreed upon by the utility and the commission or
26 department or as a consequence of a consent order.

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T I T L E A M E N D M E N T

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Remove line 21 and insert:

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that include fines; providing for recovery of costs prudently

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incurred by a utility to address certain findings of the

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commission or the Department of Environmental Protection;

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authorizing the commission to

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Amendment No.3

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input checked="" type="checkbox"/> (Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/> (Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/> (Y/N)
FAILED TO ADOPT	<input type="checkbox"/> (Y/N)
WITHDRAWN	<input type="checkbox"/> (Y/N)
OTHER	<input type="checkbox"/>

1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
 2 Representative Santiago offered the following:

Amendment (with title amendment)

Remove line 417 and insert:

6 (7) A water utility may file tariffs establishing a
 7 surcharge, or other method for the automatic adjustment of its
 8 rates, which shall provide for recovery of the prudently
 9 incurred fixed costs (depreciation and pretax return) of certain
 10 system improvement projects, as approved by the commission, that
 11 are completed and placed in service between base rate
 12 proceedings. Such projects shall be for the specific purpose of
 13 achieving compliance with secondary water quality standards
 14 regarding taste, odor, color, or corrosiveness. The commission
 15 shall prescribe the specific procedures to be followed in

Amendment No.3

16 establishing the sliding scale or other automatic adjustment
17 method.

18 (8)~~(7)~~ The commission shall determine the reasonableness
19 of

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T I T L E A M E N D M E N T

Remove line 35 and insert:

the act; authorizing a water utility to establish a surcharge or
other mechanism to recover the prudently incurred fixed costs of
certain system improvement projects approved by the commission;
prohibiting the commission from awarding rate

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 357 (2014)

Amendment No. 4

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input checked="" type="checkbox"/> (Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/> (Y/N)
ADOPTED W/O OBJECTION	<input type="checkbox"/> (Y/N)
FAILED TO ADOPT	<input type="checkbox"/> (Y/N)
WITHDRAWN	<input type="checkbox"/> (Y/N)
OTHER	<input type="checkbox"/>

1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
 2 Representative Santiago offered the following:

4 **Amendment (with title amendment)**

5 Remove lines 425-471 and insert:
6 establish by rule.

7 Section 5. Subsection (3) of section 367.0814, Florida
8 Statutes, is amended to read:

9 367.0814 Staff assistance in changing rates and charges;
10 interim rates.-

11 (3) The provisions of s. 367.081(1), (2)(a), (2)(c), and
12 (3), and (7) shall apply in determining the utility's rates and
13 charges.

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 357 (2014)

Amendment No. 4

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T I T L E A M E N D M E N T

Remove lines 35-46 and insert:

the act; amending s. 367.0814, F.S.; conforming a cross-
reference to changes made by the act; amending s. 403.8532,
F.S.; allowing

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 357 (2014)

Amendment No. *S*

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION _____ (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN ✓ (Y/N)
OTHER _____

1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
2 Representative Rehwinkel Vasilinda offered the following:

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4 **Amendment**

5 Remove line 476 and insert:

6 (3) The department may, consistent with s. 10, Art. VII of
7 the State Constitution, make, or request that the

COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

HB 377 : Educational Facilities Financing

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Janet Adkins	X				
Lori Berman	X				
Halsey Beshears	X				
Michael Bileca	X				
Matthew Caldwell	X				
Bill Hager	X				
George Moraitis, Jr.	X				
Jared Moskowitz	X				
Daniel Raulerson	X				
Michelle Rehwinkel Vasilinda	X				
David Richardson	X				
José Rodríguez	X				
David Santiago	X				
Richard Stark	X				
John Tobia	X				
Carlos Trujillo	X				
James Waldman	X				
Ritch Workman (Chair)	X				
	Total Yeas: 18	Total Nays: 0			

Appearances:

Bob Boyd (Lobbyist) - Proponent
Inder Colleges & Universities of Florida
660 East Jefferson Street #200
Tallahassee FL 32301
Phone: 850-412-0306

Stephen Shiver (Lobbyist) - Waive In Support
Associated Industries of Florida
215 South Monroe Street
Tallahassee FL 32301
Phone: 850-222-8900

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COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

HB 651 : Value Adjustment Board Proceedings

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Janet Adkins	X				
Lori Berman	X				
Halsey Beshears	X				
Michael Bileca	X				
Matthew Caldwell			X		
Bill Hager	X				
George Moraitis, Jr.	X				
Jared Moskowitz	X				
Daniel Raulerson	X				
Michelle Rehwinkel Vasilinda	X				
David Richardson	X				
José Rodríguez	X				
David Santiago	X				
Richard Stark	X				
John Tobia	X				
Carlos Trujillo	X				
James Waldman	X				
Ritch Workman (Chair)	X				
	Total Yeas: 17	Total Nays: 0			

Appearances:

Roger Suggs - Proponent
FL Assoc. of Property Appraisers
923 Live Oak Lane
Fleming Island FL 32003
Phone: 904-813-4024

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COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

HB 657 : Tax on Insurance Premiums

Favorable With Committee Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Janet Adkins	X				
Lori Berman		X			
Halsey Beshears	X				
Michael Bileca	X				
Matthew Caldwell	X				
Bill Hager	X				
George Moraitis, Jr.	X				
Jared Moskowitz	X				
Daniel Raulerson	X				
Michelle Rehwinkel Vasilinda		X			
David Richardson		X			
José Rodríguez		X			
David Santiago	X				
Richard Stark		X			
John Tobia		X			
Carlos Trujillo	X				
James Waldman	X				
Ritch Workman (Chair)	X				
	Total Yeas: 12	Total Nays: 6			

Appearances:

Douglas Mang (Lobbyist) - Opponent
First American Title Insurance
1424 Piedmont Drive
Tallahassee FL
Phone: 850-509-2511

Sally Fiedman - Proponent
Fidelity National Financial
601 Riverside Avenue
Jacksonville FL

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 657 (2014)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	✓	(Y/N)
FAILED TO ADOPT	—	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	—	

1 Committee/Subcommittee hearing bill: Finance & Tax Subcommittee
2 Representative Davis offered the following:

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4 **Amendment (with title amendment)**

5 Remove everything after the enacting clause and insert:

6 Section 1. Subsection (8) of section 624.509, Florida
7 Statutes, is amended to read:

8 624.509 Premium tax; rate and computation.—

9 (8) ~~From and after July 1, 1980,~~ The premium tax
10 authorized by this section may shall not be imposed on: upon

11 (a) Any portion of the title insurance premium retained by
12 a title insurance agent or agency; or

13 (b) Receipts of annuity premiums or considerations paid by
14 holders in this state if the tax savings derived are credited to
15 the annuity holders. Upon request by the Department of Revenue,
16 any insurer availing itself of this provision shall submit to an
17 the department evidence that which establishes that the tax

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 657 (2014)

Amendment No. 1

18 savings derived have been credited to annuity holders. As used
19 in this paragraph subsection, the term "holders" includes ~~shall~~
20 ~~be deemed to include~~ employers contributing to an employee's
21 pension, annuity, or profit-sharing plan.

22 Section 2. Subsection (2) of section 627.7711, Florida
23 Statutes, is amended to read:

24 627.7711 Definitions.—As used in this part, the term:

25 (2) "Premium" means the charge, as specified by rule of
26 the commission, which ~~that~~ is made by a title insurer for a
27 title insurance policy, including the charge for performance of
28 primary title services by a title insurer or title insurance
29 agent or agency, and incurring the risks incident to such
30 policy, under the several classifications of title insurance
31 contracts and forms, ~~and upon which charge a premium tax is paid~~
32 ~~under s. 624.509~~. As used in this part or in any other law, with
33 respect to title insurance, the word "premium" does not include
34 a commission.

35 Section 3. This act shall take effect July 1, 2014.

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T I T L E A M E N D M E N T

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40 Remove everything before the enacting clause and insert:

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A bill to be entitled

42

An act relating to tax on insurance premiums; amending s.

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624.509, F.S.; revising provisions relating to premium taxes

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 657 (2014)

Amendment No. 1

44 paid by insurers; providing that the tax does not apply to any
45 portion of the premium retained by a title insurance agent or
46 agency; amending s. 627.7711, F.S.; conforming provisions to
47 changes made by the act; providing an effective date.

COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

PCB FTSC 14-04 : Relating to Motor Vehicle Taxes and Fees

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Janet Adkins	X				
Lori Berman	X				
Halsey Beshears	X				
Michael Bileca	X				
Matthew Caldwell	X				
Bill Hager	X				
George Moraitis, Jr.	X				
Jared Moskowitz	X				
Daniel Raulerson	X				
Michelle Rehwinkel Vasilinda	X				
David Richardson	X				
José Rodríguez	X				
David Santiago	X				
Richard Stark	X				
John Tobia	X				
Carlos Trujillo	X				
James Waldman	X				
Ritch Workman (Chair)	X				
Total Yeas: 18		Total Nays: 0			

Appearances:

Laura Lenhart - Information Only
Florida Chamber of Commerce
136 South Bronough Street
Tallahassee FL 32301
Phone: 850-521-1292

Cynthia Kelly (Lobbyist) - Proponent
Executive Office of the Governor
400 S. Monroe Street #1702
Tallahassee FL 32399
Phone: 850-717-9506

Weiss, Christian (Lobbyist) (State Employee) - Proponent
Executive Office of the Governor
400 S. Monroe Street #1702
Tallahassee FL 32399
Phone: (850)717-9390

Frank Meiners (Lobbyist) - Proponent
Associated Industries of Florida
P.O. Box 1633
Tallahassee FL 32302
Phone: 850591-0177

Committee meeting was reported out: Thursday, March 13, 2014 4:39:41PM

COMMITTEE MEETING REPORT

Finance & Tax Subcommittee

3/13/2014 2:00:00PM

Location: Morris Hall (17 HOB)

PCB FTSC 14-04 : Relating to Motor Vehicle Taxes and Fees (continued)

Appearances: (continued)

Keyna Cory (Lobbyist) - Proponent
National Waste & Recycling Association
110 East College Avenue
Tallahassee FL 32301
Phone: 850-681-1065

Committee meeting was reported out: Thursday, March 13, 2014 4:39:41PM