



Finance and Tax Committee

Thursday, January 14, 2016

1:00 p.m. – 3:30 p.m.

Morris Hall

ACTION PACKET

REVISED

COMMITTEE MEETING REPORT

Finance & Tax Committee

1/14/2016 1:00:00PM

Location: Morris Hall (17 HOB)

Summary:

Finance & Tax Committee

Thursday January 14, 2016 01:00 pm

HB 37	Favorable With Committee Substitute	Yeas: 14	Nays: 0
HB 301	Favorable	Yeas: 13	Nays: 1
CS/HB 467	Favorable With Committee Substitute	Yeas: 14	Nays: 0
HB 565	Favorable	Yeas: 15	Nays: 0

Committee meeting was reported out: Thursday, January 14, 2016 2:31:46PM

COMMITTEE MEETING REPORT

Finance & Tax Committee

1/14/2016 1:00:00PM

Location: Morris Hall (17 HOB)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Matt Gaetz (Chair)	X		
Frank Artiles	X		
Lori Berman			X
Randolph Bracy	X		
Jason Brodeur	X		
Matt Caldwell	X		
Robert Cortes	X		
Jay Fant	X		
Jared Moskowitz			X
Ray Rodrigues	X		
José Rodríguez	X		
Hazelle Rogers	X		
Richard Stark	X		
Jennifer Sullivan	X		
John Tobia	X		
Jay Trumbull	X		
Charles Van Zant	X		
Ritch Workman			X
Totals:	15	0	3

Committee meeting was reported out: Thursday, January 14, 2016 2:31:46PM

COMMITTEE MEETING REPORT

Finance & Tax Committee

1/14/2016 1:00:00PM

Location: Morris Hall (17 HOB)

HB 37 : Direct Primary Care

☒ Favorable With Committee Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Frank Artiles	X				
Lori Berman			X		
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia			X		
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 14		Total Nays: 0			

Appearances:

Mary Thomas (Lobbyist) - Proponent

Florida Medical Association
Assistant General Counsel
1430 Piedmont Drive East
Tallahassee FL 32308
Phone: 850-224-6964

Chris Nuland (Lobbyist) - Proponent

Florida Chapter, American College of Physicians
1000 Riverside Avenue
Jacksonville FL 32204
Phone: 904-233-3051

Melissa Fause (Lobbyist) - Proponent

Americans for Prosperity
Policy Analyst
200 West College Avenue #900
Tallahassee FL 32308
Phone: 850-408-1218

Committee meeting was reported out: Thursday, January 14, 2016 2:31:46PM

Amendment No.1

COMMITTEE/SUBCOMMITTEE ACTION

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WITHDRAWN	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

1 Committee/Subcommittee hearing bill: Finance & Tax Committee
2 Representative Cortes, B. offered the following:

Amendment

5 Remove lines 72-75 and insert:

6 (i) State that the agreement does not qualify as minimum
7 essential coverage to avoid paying the penalty by satisfying the
8 individual shared responsibility provision of the Patient
9 Protection and Affordable Care Act pursuant to 26 U.S.C. s.
10 5000A. The agreement must also state that to avoid paying the
11 penalty for not having minimum essential coverage, the patient
12 will be required to purchase a companion catastrophic
13 comprehensive care policy that meets the requirements of the
14 Patient Protection and Affordable Care Act.



Committee on

FINANCE & TAX

Date

1/14/16

Action

advised w/o

HOUSE AMENDMENT FOR DRAFTING PURPOSES ONLY

(may be used in Committee, but not on House Floor)

Amendment No. 2

Bill No. HB 37

(For filing with the Clerk, Committee and Member Amendments **must** be prepared on computer)

Representative(s)/The Committee on HAZELLE ROGERS

offered the following amendment:

Amendment

on page 3, line 56-58,

Remove lines 56-58 and insert:

(c) Allow a party to terminate the Agreement
by a minimum 60 Days written notice
to the other party or as specified
in the agreement if more than
60 Days.

COMMITTEE MEETING REPORT

Finance & Tax Committee

1/14/2016 1:00:00PM

Location: Morris Hall (17 HOB)

HB 301 : Property Prepared for Tax-Exempt Use

☒ Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Frank Artiles	X				
Lori Berman			X		
Randolph Bracy		X			
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia			X		
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 13		Total Nays: 1			

Appearances:

Cleaver, Martha (Lobbyist) - Proponent
Florida Association of Property Appraisers, Inc
PO Box 11275
Tallahassee FL 32302-1275
Phone: (850)491-1945

Pitts, Brian - Information Only
Justice-2-Jesus
1119 Newton Ave. S.
St. Petersburg FL 33705
Phone: 727-897-9291

Committee meeting was reported out: Thursday, January 14, 2016 2:31:46PM

COMMITTEE MEETING REPORT

Finance & Tax Committee

1/14/2016 1:00:00PM

Location: Morris Hall (17 HOB)

CS/HB 467 : Insurance Guaranty Association Assessments

☒ *Favorable With Committee Substitute*

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Frank Artiles	X				
Lori Berman			X		
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia			X		
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 14		Total Nays: 0			

Appearances:

Reyes, Robert (Lobbyist) - Proponent
Florida Worker's Compensation Insurance Guaranty Association
1425 E Piedmont Dr Ste 201-B
Tallahassee FL 32308
Phone: (850)509-1802

Johnson, Carolyn (Lobbyist) - Proponent
Florida Chamber of Commerce
Policy Directpr
136 S Bronough Street
Tallahassee FL 32311
Phone: 850-521-1235

Committee meeting was reported out: Thursday, January 14, 2016 2:31:46PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 467 (2016)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

Committee/Subcommittee hearing bill: Finance & Tax Committee
Representative Broxson offered the following:

Amendment (with title amendment)

Remove lines 48-132 and insert:

(b) Member insurers shall collect surcharges at a uniform percentage rate on new and renewal policies issued and effective during the period of 12 months beginning on January 1, April 1, July 1, or October 1, whichever is the first day of the following calendar quarter as specified in an order issued by the office directing insurers to pay an assessment to the association. The surcharge may not begin until 90 days after the board of directors certifies the assessment.

~~2. Beginning July 1, 1997, assessments levied against self-insurance funds shall not exceed in any calendar year more than 1.50 percent of that self-insurance fund's net direct written premiums in this state for workers' compensation~~

Amendment No. 1

18 ~~insurance during the calendar year next preceding the date of~~
19 ~~such assessments.~~

20 ~~3. Beginning July 1, 2003, assessments levied against~~
21 ~~insurers and self insurance funds pursuant to this paragraph are~~
22 ~~computed and levied on the basis of the full policy premium~~
23 ~~value on the net direct premiums written in the state for~~
24 ~~workers' compensation insurance during the calendar year next~~
25 ~~preceding the date of the assessment without taking into account~~
26 ~~any applicable discount or credit for deductibles. Insurers and~~
27 ~~self insurance funds must report premiums in compliance with~~
28 ~~this subparagraph.~~

29 ~~(b) Assessments shall be included as an appropriate factor~~
30 ~~in the making of rates.~~

31 ~~(c) 1. Effective July 1, 1999, If assessments otherwise~~
32 ~~authorized in paragraph (a) are insufficient to make all~~
33 ~~payments on reimbursements then owing to claimants in a calendar~~
34 ~~year, then upon certification by the board, the office~~
35 ~~department shall levy additional assessments of up to 1.5~~
36 ~~percent of the insurer's net direct written premiums in this~~
37 ~~state during the calendar year next preceding the date of such~~
38 ~~assessments against insurers to secure the necessary funds.~~

39 ~~(d) The association may use an installment method to~~
40 ~~require the insurer to remit the assessment as premium is~~
41 ~~written or may require the insurer to remit the assessment to~~
42 ~~the association before collecting the policyholder surcharge. If~~
43 ~~the assessment is remitted before the surcharge is collected,~~

Amendment No. 1

44 the assessment remitted must be based on an estimate of the
45 assessment due based on the proportion of each insurer's net
46 direct written premium in this state for the preceding calendar
47 year as described in paragraph (a) and adjusted following the
48 end of the 12-month period during which the assessment is
49 levied.

50 1. If the association elects to use the installment
51 method, the office may, in the order levying the assessment on
52 insurers, specify that the assessment is due and payable
53 quarterly as premium is written throughout the assessment year.
54 Insurers shall collect surcharges at a uniform percentage rate
55 specified by order as described in paragraph (b). Insurers are
56 not required to advance funds if the association and the office
57 elect to use the installment option. Assessments levied under
58 this subparagraph are paid after policy surcharges are
59 collected, and the recognition of assets is based on actual
60 premium written offset by the obligation to the association.

61 2. If the association elects to require insurers to remit
62 the assessment before surcharging the policyholder, the
63 following shall apply:

64 a. The levy order shall provide each insurer so assessed
65 at least 30 days written notice of the date the initial
66 assessment payment is due and payable by the insurer.

67 b. Insurers shall collect surcharges at a uniform
68 percentage rate specified by the order, as described in
69 paragraph (b).

Amendment No. 1

70 c. Assessments levied under this subparagraph are paid
71 before policy surcharges are billed and result in a receivable
72 for policy surcharges to be billed in the future. The amount of
73 billed surcharges, to the extent it is likely that it will be
74 realized, meets the definition of an admissible asset as
75 specified in the National Association of Insurance
76 Commissioners' Statement of Statutory Accounting Principles No.
77 4. The asset shall be established and recorded separately from
78 the liability. If an insurer is unable to fully recoup the
79 amount of the assessment, the amount recorded as an asset shall
80 be reduced to the amount reasonably expected to be recouped.

81 3. Insurers must submit a reconciliation report to the
82 association within 120 days after the end of the 12-month
83 assessment period and annually thereafter for a period of three
84 years. The report must indicate the amount of the initial
85 payment or installment payments made to the association and the
86 amount of written premium pursuant to paragraph (a) for the
87 assessment year. If the insurer's reconciled assessment
88 obligation is more than the amount paid to the association, the
89 insurer shall pay the excess surcharges collected to the
90 association. If the insurer's reconciled assessment obligation
91 is less than the initial amount paid to the association, the
92 association shall credit the insurer that amount against future
93 assessments.

94 -----
95

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 467 (2016)

Amendment No. 1

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

Remove lines 3-7 and insert:

assessments; amending s. 631.914, F.S.; requiring the Office of Insurance Regulation to levy assessments for certain purposes; revising and providing requirements for the levy of assessments; requiring insurers and self-insurance funds to report certain premiums; requiring insurers to collect policy surcharges and pay

COMMITTEE MEETING REPORT

Finance & Tax Committee

1/14/2016 1:00:00PM

Location: Morris Hall (17 HOB)

HB 565 : Redevelopment Trust Fund

☒ Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Frank Artiles	X				
Lori Berman			X		
Randolph Bracy	X				
Jason Brodeur	X				
Matt Caldwell	X				
Robert Cortes	X				
Jay Fant	X				
Jared Moskowitz			X		
Ray Rodrigues	X				
José Rodríguez	X				
Hazelle Rogers	X				
Richard Stark	X				
Jennifer Sullivan	X				
John Tobia	X				
Jay Trumbull	X				
Charles Van Zant	X				
Ritch Workman			X		
Matt Gaetz (Chair)	X				
Total Yeas: 15		Total Nays: 0			

Appearances:

Pitts, Brian - Information Only
Trustee-Justice-2-Jesus
1119 Newton Avenue South
S. Petersburg Florida 33705
Phone: 727-897-9291

McGhee, Darrick (Lobbyist) - Proponent
Halifax Health
537 East Park Avenue
Tallahassee FL 32301
Phone: (850)321-6489

Committee meeting was reported out: Thursday, January 14, 2016 2:31:46PM

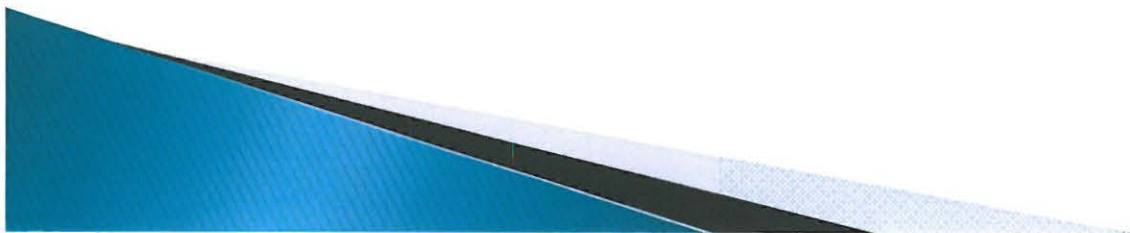
Tourist Development Tax

Draft Concepts



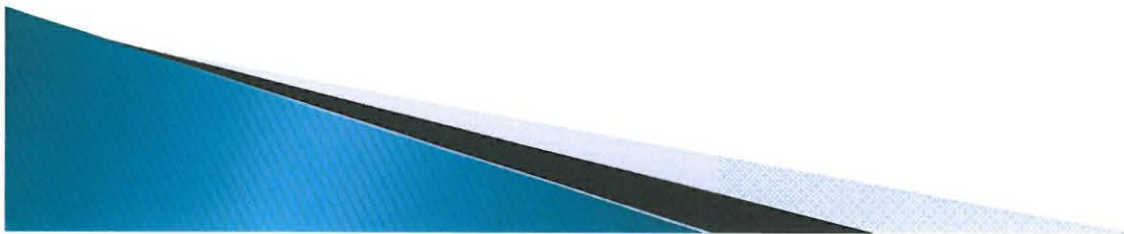
WRITTEN PROPOSAL

- ▶ ...the Tourist Development Council or a member of the public must submit a written proposal to the governing board of the county. The governing board of each county may determine what must be included in the written proposal, but at a minimum each proposal must include a description of the proposed use and an estimate of the cost. (Lines 280–286)



ROI FOR EXPENDITURES

- ▶ Prior to expending any revenues from a tourist development tax on a use authorized in subparagraph (a)3. or paragraph (b) in excess of \$100,000, the governing board of a county or a person authorized by the governing board must commission or perform a return-on-investment analysis for the proposed use. The return-on-investment analysis must be performed by an individual who has received a Ph.D. in economics from a regionally accredited university.(Lines 287-294)



DEFINITIONS

- ▶ “Advertise” means to advise, announce, give notice of, publish, or call attention to by use or oral, written, or graphic statement, disseminated in any manner or by any means, for the purpose of increasing tourist-related business activities in this state. (Lines 33–37)
- ▶ “Promote” means the expenditure of tax revenues for special tourism events of seven days or less in duration, one of the main purposes of which must be to increase tourist-related business activities in this state as evidenced by the promotion of the event. (Lines 38–42)



INJUNCTIVE RELIEF

- ▶ As an additional means of enforcing the prohibition of paragraph (f), any interested organization may file an action for injunctive relief to compel the county to limit the use of future funds collected pursuant to this section to those uses authorized by this section, and to require repayment of past funds appropriated for unauthorized uses. A prevailing interested organization shall be awarded the reasonable costs of the action plus attorney's fees. For purposes of this paragraph only, the term "interested organization" shall mean any county tourism promotion agency, any organization whose main purpose is the promotion of tourism, any trade organization of providers of tourism goods or services, or any local chamber of commerce or similar organization, provided that any such organization operates in or has a reasonable relationship to that county and its tourism activities. A city within the county may be an "interested organization" but its recovery shall be limited to injunctive relief only. (Lines 300–316)



LAW ENFORCEMENT

- ▶ Up to 10 percent of the revenues may be used to provide emergency medical services, as defined in s. 401.107(2), or law enforcement services that are needed for enhanced emergency medical or public safety services related to increased tourism and visitors to an area. (Lines 186–190)



40% MINIMUM FOR MARKETING

- ▶ No less than 40 percent of the revenues must be used for promotion as permitted under this section. For purposes of this subparagraph the term “promotion” does not include any expenditures made pursuant to subsection (9). (Lines 182–185)



IMPAIRMENT OF BONDS

- ▶ Revenues from tourist development taxes that are pledged to secure and liquidate revenue bonds issued pursuant to subparagraph 1. that are outstanding as of January 12, 2016, shall be first made available to make payments when due on the outstanding bonds before any other uses of the tax revenues. (Lines 273–277)



REFUND OR CREDIT OF TAX

- ▶ In the event a purchaser subsequently resells an admission to an entity which has obtained a valid sales tax exemption certificate from the department, the purchaser may seek a refund or credit from its vendor. Upon an adequate showing of the ultimate exempt nature of the transaction, the vendor may allow a refund or credit of the tax paid by the purchaser, and the vendor may then seek a refund or credit of the tax from the department based on the ultimate exempt nature of the transaction. (Lines 333–341)

