OUR BUSINESS IS SMALL BUSINESS

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LEGISLATIVE SESSION WRAP-UP

The 2018 Session of the Florida Legislature began on Tuesday, January 9th and ended on Friday, March 9th. During the Session, lawmakers considered a number of business-related bills but only approved a small number of proposals. Here is a summary of the bills and whether they passed or not:

Employment Issues:

Senate Bill 66 (Rouson) and House Bill 347 (Diamond) would have prohibited hotels and restaurants from discriminating on the basis of sexual orientation and gender identity. These bills did not pass.

Senate Bill 166 (Rodriguez) and House Bill 1441 (Jacquet) would have increased the state minimum wage to \$1 an hour over what the 2018 minimum wage, and \$1.50 additional increase in 2019 and each year after that until 2023. These bills did not pass.

Taxes:

House Joint Resolution 7001 (Leek)

proposes an amendment to the State Constitution that would require any new law imposing a new tax or tax increase be approved by a super majority of the Legislature. This bill passed.

House Bill 7087 (Renner) did pass and contains 3 tax-related provisions. First, it creates a sales tax holiday for clothing and school

supplies from August 3, 2018 through August 5, 2018. Next, the bill creates a sales tax holiday for disaster preparedness supplies from June 1, 2018 through June 7, 2018.

Lastly, the bill reduces the sales tax on commercial leases from 5.8% to 5.7%.

Regulation:

Senate Bill 526 (Brandes) and House Bill 15 (Beshears) would have exempted certain professions from having to be licensed by the state Department of Business & Professional Regulation, including architecture and interior design, landscape architecture, asbestos abatement consulting/contracting. These bills did not pass.

House Bill 661 (Miller) allows employers to correct false filings made with the Florida Division of Corporations if the record contains false, misleading or fraudulent information. The Division cannot charge a fee to correct these false statements if a correction statement if filed within 15 days of the initial filing. This bill was approved.

Insurance:

House Bill 7009 (Burgess) would have made several changes to the workers' compensation system to lower the rates businesses pay, including capping attorney's fees for injured workers attorneys to \$150 an hour. This bill did not pass.

Contracting:

Senate Bill 604 (Steube) and House Bill 89 (Spano) would have provided that when a construction contractor is required to carry liability insurance and property damage insurance, but fails to do so, the contractor is personally liable for any damage that would have been covered by the insurance policy. These bills did not pass.

CONTRACTORS: DO YOU USE THE CONSTRUCTION POLICY TRACKING DATABASE?

In Florida, everyone working on a construction job site is required to be covered by workers' compensation insurance or have a valid workers' compensation exemption issued by the state Division of Workers' Compensation. If a contractor in the construction industry hires a subcontractor whose workers' compensation coverage gets cancelled and one of the sub's employees gets hurt, the responsibility for that injury can fall to the contractor and their workers' compensation insurance company. The contractor will also owe additional premium to their insurance company for that exposure.

It's the same situation if the construction contractor hires an exemption holder. If that exemption expires and the subcontractor does not renew it timely, that sub is no longer exempt. If he/she is hurt on the job after the exemption expires, a claim can be filed against the contractor's workers' compensation insurance to cover the injury.

One way contractors in the construction industry can protect themselves is by using the State of Florida's **Construction Policy Tracking Database**. This is a free service offered by the Florida Division of Workers' Compensation that will notify contractors if their subcontractors' insurance coverage or exemptions expire or are cancelled.

Contractors simply enter the workers' comp policy number or exemption information for all their subcontractors, and the database will track the subs' policies and/or exemptions and alert contractors by email if a subcontractor's policy is cancelled or if an exemption expires. The link to the Construction Policy Tracking Database is: myfloridacfo.com/WCAPPS/Contractor/I ogon.asp. If you have any questions concerning the policy information on the website, you can contact the Division of Workers' Compensation's Customer Service at 850-413-1609 or email

ContractorTracking@myfloridacfo.com.

ANNUAL REPORT REMINDER FOR CORPORATIONS & LLC's

This is another reminder that it is time for all Florida Corporations and Limited Liability Companies (LLC's) to file their Annual Report with the State of Florida. To maintain an "active status" with the Florida Department of State, corporations and LLC's must file an Annual Report with the state Division of Corporations before May 1st.

The only reminder that the State of Florida will send you about this is an email to the address the Division of Corporations has on file for you. It comes from the Florida Department of State and the subject line says "Official 2018 Annual Report Notice for: [your company name]." There is a link in the email that takes you directly to the state's official website at **sunbiz.org**.

Please beware: If you receive an email from "Reminder Department" about your Annual Report, this is from a private company and is <u>not</u> an official communication from the State of Florida.

For more information about how to file your Annual Report, you can email the Florida Division of Corporations at **corphelp@dos.state.fl.us**.