



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

MAY 2017

Volume XXVII, No. 5

LEGISLATIVE SESSION UPDATE

The Florida Legislature ended its 2017 Regular Session on Monday, May 8th. During the Session, lawmakers considered many proposed laws that would impact Florida businesses. A summary of these proposals follows:

Workers' Compensation

House Bill 7085 (Burgess) would have addressed rising workers' compensation costs by restricting attorney fees and changing the way hospitals are paid for treating injured workers. This bill also would have allowed insurance companies to give policyholders a 5% rate reduction from the state workers' compensation rates. **Senate Bill 1582 (Bradley)** also addressed attorney fees but did not provide as many restrictions on them as the House Bill.

Neither of these bills passed.

Taxes

House Bill 7109 (Boyd) was approved by the Legislature and will make a number of changes to taxes affecting businesses, if signed into law by the Governor.

- **Tax on Commercial Leases:** The bill reduces the tax rate businesses pay on commercial leases and rental of real property from 6% to 5.8%.
- **Back-to-School Sales Tax Holiday:** The bill creates a 3-day sales tax holiday on

August 4th through August 6th. During these 3 days, clothing, footwear and back packs priced at \$60 or less per item will be exempt from the state sales tax. School supplies valued at \$15 or less will also be tax-exempt, as well as first \$750 of the price of personal computers and computer-related accessories.

- **Disaster Preparedness Sales Tax Holiday:** The bill creates another 3-day sales tax holiday for disaster supplies. From June 2nd through June 4th, the following items will be exempt from the state sales tax: portable self-powered lights selling for \$20 or less from sales tax; portable self-powered radios, two way radios or weather band radios selling for \$50 or less; tarps selling for \$50 or less; first aid kits selling for \$30 or less; anchor or tie down kits selling for \$50 or less; gas tanks selling for \$25 or less; batteries (excluding boat and car) selling for \$30 or less; coolers selling for \$30 or less; and portable generators selling for \$750 or less.

Employment Issues

Senate Bill 160 (Rodriguez) and House Bill 109 (Jacquet) would have increased the state minimum wage to \$1 an hour over what the normal increase for the rate of inflation for 2017 will be, and \$1.50 plus the increase in the

rate of inflation for 2018 and each year after that until 2022. **This bill did not pass and will not become law.**

Senate Bill 370 (Stargel) was approved by the Legislature and, if approved by the Governor, will require Florida businesses with 15 or more employees to provide up to 15 days of unpaid leave to any senior member of the Florida Civil Air Patrol. An employer cannot require the employee to use accrued vacation time for this leave and cannot retaliate against an eligible employee for taking Civil Air Patrol leave.

Senate Bill 410 (Stewart) and House Bill 319 (Berman) would have prohibited discrimination in the workplace based on an employee's gender identity or expression, and would have prevented employers from asking prospective employees about their wages and benefits from prior employers. **This bill did not pass and will not become law.**

House Bill 443 (Gruters) would have required Florida employers to verify the identification of all newly-hired employees using the E-Verify system through the federal government. **This bill did not pass and will not become law.**

Unemployment Compensation

House Bill 671 (La Rosa) was approved by the Legislature and becomes law July 1st. It will reduce fraud by people falsely claiming unemployment benefits by using someone else's identity. The bill gives the Florida Department of Economic Opportunity access to drivers' license photos of individuals claiming unemployment benefits to help prevent identity theft.

Senate Bill 1148 (Rader) would have allowed for an alternative base period to be used to calculate eligibility for re-employment assistance, which could result in more employees qualifying for unemployment benefits. The bill would have also required employers to provide

wage information to the state sooner than they have to do now and would have penalized employers not responding timely. **This bill did not pass and will not become law.**

Regulation

Senate Bill 162 (Rodriguez) and House Bill 93 (Richardson) would have allowed local governments to create a pilot program to regulate or ban the use of disposable plastic shopping bags. **This bill did not pass and will not become law.**

House Bill 17 (Fine) would have prevented local governments from imposing regulations on businesses after July 1, 2017. **This bill did not pass and will not become law.**

COURT UPHOLDS WORKERS' COMP RATE INCREASE

As we have told you in prior editions of this newsletter, the workers' compensation rates paid by Florida businesses increased by 14.5% in December 2016. This rate increase was challenged in court but allowed to remain in effect pending the court's decision. Earlier this month, the First District Court in Tallahassee upheld the 14.5% rate increase, which means the higher rates will stay in effect and apply to policies as they are issued or renewed.

NEWSLETTER AVAILABLE VIA EMAIL

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