



# HOUSE MAJORITY OFFICE

FLORIDA HOUSE OF REPRESENTATIVES



REPRESENTATIVE DANE EAGLE, MAJORITY LEADER

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## **House Committee Passed Bills to Reduce Regulations on Businesses**

Last week, the Business & Professions subcommittee passed HB 3 and HB 679 dealing with sunrise reviews and the preemption of occupational licensing. The bills seek to promote economic growth and opportunity for all Floridians by preventing burdensome regulations and unnecessary regulatory barriers to entry that have negative effects on consumer choice, residential mobility, and work opportunities.

Florida's current State Sunrise Act is based on the principle that regulations on occupations should only be enacted if they are needed to protect the health, safety and welfare of all Floridians, and an analysis has been completed that indicates that the benefit of the regulation outweigh the costs.

Currently, local jurisdictions do not have similar sunrise requirements.

HB 679 improves the current state sunrise review process for any proposal to create or expand the regulation of professions and occupations. The bill requires that a sunrise review be completed for legislation that substantially expands regulation of an already regulated profession or occupation and adds effective timelines for the submission of information related to such proposals.

HB 3 requires local governments to perform a sunrise review before enacting any proposed business regulation to ensure it is necessary to protect the public, unless the regulation is expressly authorized by state law. I believe businesses in our state should not have to face hundreds of regulatory systems and this bill brings uniformity to the regulatory environment. In addition, HB 3 preempts occupational licensing to the state when it is not otherwise specifically authorized by state law.

In my view, the bills ensure that our economy can thrive by providing Florida businesses and workers with an environment free from needless regulations that are out of line with any danger to the public, and simply create barriers to work. I look forward to updating you on these important bills as they go through the process.

## **Education Committee Discussed School Choice**

Last Tuesday, the Education Committee received a presentation on Florida's education system and K-12 educational choice options from the Department of Education.

The presentation highlighted that Florida's education system is among the best in the nation. In fact, Florida ranks #1 in the nation in the Parent Power Index Florida, has 5 of the top 25 school districts in the nation, ranks #1 in the nation in Advanced Placement participation, ranks #3 in the nation in Advanced Placement performance and #4 in the nation in K-12 student achievement, and had a record high 86.1%



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graduation rate in 2018. In my view, Florida's commitment to offering robust school choice options helped contribute to these numbers.

Florida has one of the most robust arrays of public and private choice programs in the nation. Florida's school choice options include, but are not limited to, magnet schools, charter schools, virtual education, high school acceleration programs, open enrollment, home education, and state scholarship programs for students. A large component of public school choice comes from charter schools. These schools tend to have better outcomes than traditional public schools when it comes to achievement, learning gains, and closing the achievement gap. I believe public school choice options have helped countless students and we must continue to support these options.

Florida also has private school choice options for low-income students and students with disabilities, and options for students who are subjected to violence or abuse, including bullying, at school. The Florida Tax Credit (FTC) Scholarship Program, the McKay Scholarship Program for Students with Disabilities, the Gardiner Scholarship Program and the Hope Scholarship Program provide scholarships to students who might otherwise not have the same opportunities in public schools. Students who participate in the FTC scholarship program are more likely to attend and graduate college than their counterparts in public school. Additionally, the McKay Scholarship Program and the Gardiner Scholarship Program offer more than 40,000 students with disabilities the opportunity to meet their individual educational needs as their parent sees fit.

I believe it is our duty as a Legislature to ensure all students, no matter their background, receive a world-class education and have the opportunity to reach their full academic potential. In my view, the presentation reaffirmed that our commitment to making Florida the best state in the nation for education is an achievable goal.

## **Florida House Appropriations Committee Voted for Responsible Medical Marijuana Smoking**

Last week, the Florida House Appropriations Committee passed HB 7015 to allow smoking of medical marijuana only in the form of pre-rolled marijuana cigarettes dispensed by Medical Marijuana Treatment Centers (MMTCs).

Additionally, the bill imposes packaging and labeling requirements for pre-rolled marijuana cigarettes and prohibits smoking as a route of administration for patients under 18 years of age. Also, the bill requires the negative health risks associated with smoking marijuana be included on the informed consent form provided to all patients. The bill prohibits smoking marijuana in an enclosed indoor workplace, but allows the use of marijuana in a nursing home, hospice, or assisted living facility if the facility does not prohibit its use and allows for a private property owner to restrict or limit smoking on his or hers private property.

Furthermore, the bill requires physicians who certify smoking as a route of administration for qualified patients, other than for terminally ill patients, to document their clinical decision-making process to the Board of Medicine and Board of Osteopathic Medicine. Over time, this documentation will be used by the Boards to establish practice standards for physicians. I believe it is critical that we have strong clinical standards for this treatment, and this information will help us get there.



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Finally, the bill establishes the Consortium for Medical Marijuana Clinical Outcomes Research consisting of public and private universities. The Florida Board of Governors will designate a state university to house the consortium, which will create a research plan that includes research on clinical outcomes, side effects, certification and dosing standards, and routes of administration and efficacy of medical marijuana, including the effects of smoking marijuana to treat debilitating medical conditions. I believe this research will be helpful in advancing the cause of providing the safest forms of medical marijuana for patients.

I will continue to ensure that medical marijuana in all its usage is operated securely and safely in our communities.

## **Florida House Health Market Reform Subcommittee Scrutinized the Effects of Hospital Conglomeration**

Last week, the Health Market Reform Subcommittee heard two presentations on the effect of hospital vertical integration in the healthcare marketplace – that is, hospitals buying up non-hospital providers like physician offices and imaging centers.

Members heard from Jeffrey C. Bauer, PhD, FAANP, Health Futurist & Medical Economist, who explained that the current structure of healthcare is outdated and is corrupted by monopoly powers that restrict the flow of services and reduce affordability. Every level of market interaction is plagued by the powers that seek to stop caregivers from having unsupervised, full scope-of-practice authority and limit consumer choice.

Second, Thomas Greaney, Professor of Law, University of California Hastings School of Law, explained the healthcare market performs poorly due to the current trend of medical monopolies. For example, hospital control of physician practices raises prices 8-26%. He proposed many options for state legislators, including increasing antitrust enforcement, repealing statutory market barriers, updating obsolete scope of practice laws, and more consumer price transparency.

Our state is increasingly burdened by these monopoly forces that distort the true purpose of healthcare - to help you. This must end. Now is the time to bring healthcare competition and free market reform principles to the forefront of our healthcare system.

Floridians deserve free market hospitals that compete for your interests. The Florida House will remove harmful health care market regulations and prevent anti-competitive monopolies, so the entire healthcare industry can provide services and access for the modern era.

## **Florida House Ways & Means Committee Discussed State and Local Taxation Transparency Concepts**

Last week, the House Ways & Means Committee discussed a legislative proposal to bring transparency and accountability to both state and local taxation.

The Committee has been steadily working on a proposal to more accurately describe certain state and local government revenues as “taxes.” The titles given to state and local government levies are not always



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fully transparent or straightforward. Often times levies that are arguably taxes are presented to Floridians as “fees,” “assessments,” “surcharges,” or other descriptions. These taxes, masquerading under other names, are often government extractions of your money to pay for governmental goods or services that are distantly related to the activity, person, or entity being taxed. Taxation by any other name, is still a tax. The only intent of the proposed legislation is to rename select state and local “levies” as taxes, instead of their current titles as fees, surcharges, assessments or similar terms. Truth in taxation is critical for our state to hold public servants accountable.

I look forward to supporting this legislation and ending this taxation charade that has plagued local communities and Floridians throughout our state.

## **Civil Justice Subcommittee Discussed Tort Reform**

Last Wednesday, the Civil Justice Subcommittee heard presentations on Florida’s current civil (non-criminal) climate and discussed its impact on everyday Floridians.

Tort law aims to provide compensation to individuals, groups, or businesses for unjust harm caused by others. Tort law can be created by judges (common law) and the Legislature (statutory law). Over the past several years, Florida courts have often created common law to expand tort liability. The expansion of liability has led to an increase in litigation costs and has strongly influenced the insurance market.

The subcommittee discussed how tort reform can provide reasonable constraints and limitations on liability created by common law to help reduce the costs of insurance. The high cost of insurance is a problem that affects every day Floridians.

The subcommittee also received a presentation on how medical malpractice reform can lead to lower healthcare costs. Florida doctors are paying significantly more on minimal insurance coverage than the national average. When Florida doctors choose to pay for average insurance coverage, they are paying 86% more on premiums than the national average. As a result, doctors are choosing to work without insurance and are practicing defensive medicine. The practice of defensive medicine incentivizes doctors to avoid high risk procedures and practice specialties, which leads to higher healthcare costs and fewer treatment options for Floridians.

There were also presentations addressing the issue of third-party bad faith claims. Third-party bad faith claims allow an individual that is not a direct party to an insurance contract to sue the insurer. More importantly, the amount of recovery on bad faith claims is not capped at a certain amount, and allows a third party to be compensated for an amount that exceeds the policy limit. Also, the subcommittee received evidence supporting the idea that insurers are settling claims at a higher frequency and amount to avoid third-party bad faith claims.

I look forward to supporting measures that will help reduce the costs of litigation, lower the cost of healthcare, and make insurance more affordable for Florida consumers and businesses.



## **Gaming Control Subcommittee Passed Lottery Warning Bill**

Last Wednesday, the Gaming Control subcommittee passed HB 629 that inform players of the Florida Lottery about the potential risks of gambling and ensure that Lottery games stay in paper form, as intended.

The Lottery is a state-run enterprise offering games that can cause addiction or compulsive behavior for some players. Currently, the Lottery urges customers to “Play Responsibly,” and encourages problem gamblers to seek help, but it does not do enough to warn players about the specific risks associated with gambling. This bill ensures that Floridians and visitors to our state are informed about the potential risks of playing the Lottery and clarifies that Lottery games are paper-based only.

I believe it is our responsibility to put standards in place to better inform Floridians and our many visitors about the potential risks of playing the Lottery and to keep Lottery games from expanding beyond what the voters approved when they authorized the Lottery.

## **Florida House Health Market Reform Subcommittee Examined Florida’s Hospital Charity Tax Exemptions**

Last week, the Health Market Reform Subcommittee examined Florida’s Hospital Charity Tax Exemptions for Property and Tangible Personal Property.

The Committee heard from Jim Zingale, PhD, Executive Director of the Florida Department of Revenue, on property tax exemptions for non-profit hospitals. Last year, non-profit hospitals received over \$200 million in charity tax exemptions for property and tangible personal property. Currently, hospitals don’t have to demonstrate how much charity care they provide – if any at all – to earn that tax exemption. This meeting revealed the need for additional criteria for property tax exemptions for non-profit hospitals, including documentation requirements and auditing.

Floridians deserve free market hospitals that do not abuse our charity tax exemption law.

## **Local, Federal & Veterans Affairs Subcommittee Passed “Nexus Test”**

Last Wednesday the Local, Federal & Veterans Affairs Subcommittee passed HB 207, which concerns impact fees. Impact fees are charges imposed by local governments to fund local infrastructure required to provide for increased local service needs caused by new growth. The bill prohibits any local government from requiring payment of impact fees any time prior to issuing a building permit. It also codifies the dual rational nexus test, which requires impact fees to bear a rational nexus both to the need for additional capital facilities and to the expenditure of funds collected and the benefits accruing to the new construction.

I support this bill and any legislation that takes a rational and appropriate stance on impact fees. I look forward to updating you as it moves through the process.



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## **Florida House Ways & Means Committee Examined the Impact of the Tax Cuts and Jobs Act of 2017**

Last week, the House Ways & Means Committee examined the impact of the federal Tax Cuts and Jobs Act of 2017.

The Committee learned that the Tax Cuts and Jobs Act of 2017 significantly broadened the federal business tax base and lowered the tax rate, resulting in a net tax decrease. Because of the close linkage between the federal tax base and Florida's corporate income tax base, the federal changes can directly impact Florida's tax revenues. Given the very short time frame between the federal changes becoming law and the 2018 legislative session, the Legislature took action and passed HB 7093 last session. The bill conformed our state's tax law with most of the federal tax base expansion measures, with the understanding that more work would need to be done this year to assure that there are no unintended consequences for Florida's taxpayers.

Additionally, the Florida Department of Revenue presented their report on "the Examination of the Impact of the Tax Cuts and Jobs Act of 2017". The report discusses effects on the state corporate income tax structure and revenue, and provides options for changes the Legislature could make to best integrate the new law. This upcoming session the Florida House will once again have an opportunity to review and consider a bill that reaffirms our commitment to reducing your tax burden and allowing small and large businesses to create jobs in Florida.

I am committed to supporting the Florida House's next effort to reduce your tax burden and that of small and large businesses. As public servants we must never forget we are stewards of your tax dollars.