

FLORIDA'S SMALL BUSINESS AGENDA 2017

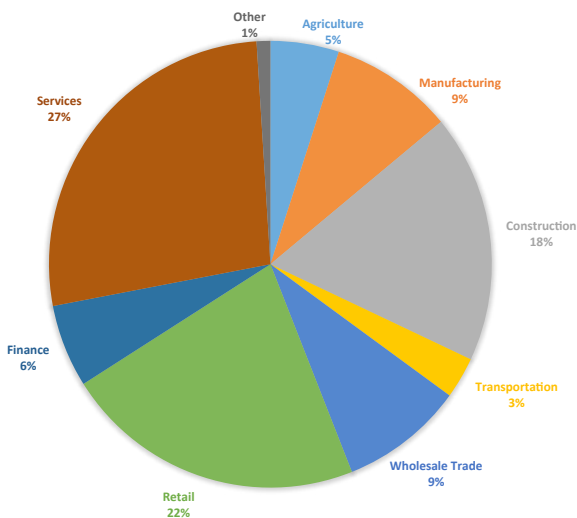


NFIB
The Voice of Small Business.®

WHO IS NFIB/FLORIDA?

NFIB is the nation's leading small business association representing our members in Washington, DC, Tallahassee and all 49 other state capitals. Founded in 1943 as a non-profit, nonpartisan organization, **NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business.**

FLORIDA MEMBERSHIP BY INDUSTRY



In Florida, there are more than 10,000 small and medium-sized business members. All NFIB member firms are independently owned and for profit. NFIB's powerful grassroots network of members send their views directly to state and federal lawmakers throughout unique member-driven ballot results. **NFIB's mission is to promote and protect the right of our members to own, operate and grow their businesses.**

OUR TEAM

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A Message from NFIB/Florida
Executive Director Bill Herrle:

Late last year, the Florida Supreme Court invalidated a key provision of the workers' compensation system. In their decision, the Court voted that capping attorneys' fees in workers' comp cases was unconstitutional, sending small business owners' workers' comp rates through the roof, along with trial attorneys' returns.

Remedying the broken workers' comp system quickly became our top legislative priority for 2017. With business owners facing a 14.5% rate increase, we've been working

with the business community to bring forth a solution that heeds the Court's guidance while stemming the skyrocketing rates. We won't stand idly by while the trial bar attempts to pull the wool over the sheep's eyes, and we won't allow the legislature to ignore the damage that will be done to our members and our economy if this rate increase stands.

The assault on workers' comp rates is a great indicator that the threat of increased liability exposure has never been more serious. This year we're seeing a surge in pro-trial lawyer legislation, and we'll be fighting to protect small business owners from everything from increased litigation costs to the creation of even more new causes of action through which business owners can be sued.

Turning to our tax reform agenda, cutting the business rent tax is again at the top of the list. With Governor Rick Scott's leadership and a cohesive business community behind the cut, this could be the year Florida's business owners see rent tax relief.

And we wouldn't be business advocates without healthcare reform on the agenda. We're working to spread the word about how much the direct primary care model can cut healthcare costs and bring preventative primary care to our employees and their families.

The 2017 session will likely prove challenging – this is a distracted legislature. We work hard to elect pro-business lawmakers, but when they get to Tallahassee, debates on issues that aren't relevant to business owners complicate our job.

Small business owners are the foundation of the economy – a line that legislators use reflexively. But the time has come to stand by it. Small business owners give to our economy, they give to our communities, and they give from their own bottom lines to create jobs and build up their neighbors. They need to know that somebody is in their corner. We are, and we hope the legislature will join us there.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Herrle".

Bill Herrle

NFIB/Florida Executive Director

REFORMING WORKERS' COMPENSATION

REMEDYING RISING WORKERS' COMP RATES (SUPPORT)

In late 2016, a 14.5% workers' compensation rate increase began hitting small business owners as a result of the Florida Supreme Court's decision invalidating the cap on attorneys' fees. With the cap removed, rates are rising and attorneys are padding their pockets with unlimited fees while business owners scramble to make ends meet. NFIB has been working with the business community to propose a solution that heeds the Supreme Court's guidance while stemming the skyrocketing rates hitting small business owners. **NFIB/Florida supports legislation to require each party to pay their own attorneys' fees in workers' compensation litigation.**

CUTTING TAXES FOR SMALL BUSINESS OWNERS

CUTTING THE BUSINESS RENT TAX (SUPPORT)

All small business owners who lease their business space pay a tax on the rent they pay. Florida is the only state that charges this 6 percent sales tax. NFIB is fighting to cut this tax, which comes directly out of Florida's small business owners' bottom lines, and hurts Florida's competitiveness with other states. **NFIB/Florida supports cutting the business rent tax.**

RENEWING THE 10% CAP ON COMMERCIAL PROPERTY TAX HIKES (SUPPORT)

In 2008, Florida voters approved of a 10% cap per year on the taxable value that can be raised by local property appraisers. Included in that constitutional amendment was a 10-year sunset provision that would automatically void this provision unless voters reauthorized this provision in 2018 at the ballot box. This amendment is critical to pass and could lead to substantial commercial property tax increases if it is not passed by the voters. **NFIB/Florida supports legislation to put this provision back in front of voters on the 2018 ballot.**

IMPROVING HEALTHCARE FOR FLORIDIANS

DIRECT PRIMARY CARE (SUPPORT)

Under the direct primary healthcare model, small businesses can contract with a primary care physician and pay a manageable monthly membership fee to provide primary care services to employees. These contracts would be supplemented with a “wraparound” insurance policy that provides catastrophic coverage for employees who have major medical emergencies. This model gives business owners and their employees access to primary care, including many clinical procedures offered by primary care physicians, at a fraction of the cost of traditional health insurance policies. **NFIB/Florida supports legislation to clarify that direct primary care arrangements are not classified as health insurance to allow more physicians to offer these discounted services to business owners.**

ELIMINATING CERTIFICATE OF NEED (SUPPORT)

The Certificate of Need (CON) program is a burdensome regulatory process that requires certain healthcare providers to obtain state approval before offering certain new or expanded services. The CON program currently regulates hospices, skilled nursing facilities, intermediate care facilities for the developmentally disabled, new hospitals and certain hospital services. **NFIB/Florida supports the repeal of this unnecessary regulation that stifles competition and drives up medical costs by creating monopolies and allowing costs to spiral out of control.**

CURBING LAWSUIT ABUSE

PREJUDGMENT INTEREST (OPPOSE)

Trial lawyers are constantly looking for ways to make more money off the backs of small business owners. This legislation would allow interest to be charged on damages, attorney’s fees, and court costs from the date the injury or tort occurred, not from the date the damages were awarded. Delays in the legal system, which might not be due to the defendant, will only further drive up the cost of personal injury lawsuits against small businesses.

This will force more companies to settle, regardless of the merit of the complaint, to avoid increased legal costs because of additional interest. **NFIB/Florida opposes legislation that would force businesses to settle frivolous lawsuits.**

ACCURACY IN MEDICAL DAMAGES (SUPPORT)

Under current law, attorneys defending businesses in medical damages tort cases are prohibited from presenting to juries the medical expenses paid by the plaintiff and/or their insurer. Juries are typically presented with the medical expenses as billed by the provider, but the plaintiff's medical bills are often separately settled between the plaintiff and their insurer for less. In these circumstances, the defendant often ends up paying for medical damages that have never been paid and will never be paid.

NFIB/Florida supports legislation that allows juries to see medical expenses actually paid by plaintiffs and their insurers when awarding compensation in medical damages cases.

BAD FAITH REFORM (SUPPORT)

Plaintiff's attorneys have come up with a system to gain awards in excess of a policy's stated limits by gaming the system by setting up the insurer for a "bad faith" lawsuit. Insurance rates are determined by many variables that consider all of the costs associated with pooling the risk of those insured and paying claims. The rates that business owners pay is based on the amount of coverage they decide to purchase. Any insurance system where insurers are compelled to pay awards beyond the stated limits in a policy is an untenable insurance system in the long run. **NFIB/Florida supports legislation to limit the practice of suing for "bad faith" where the intent of the plaintiff's attorney is to cancel policy limits.**

DEFENDING SMALL BUSINESS OWNERS FROM GOVERNMENT INTRUSIONS

LOCAL REGULATION PREEMPTION (SUPPORT)

Overregulation is a major hardship for small business owners, and the challenge often stems from the duplicative web of local regulations and fees. The hodgepodge of local regulations throughout the state hinder business growth, and make it difficult for small businesses to operate across city and county lines. **NFIB/Florida supports legislation to prevent local governments from enacting new regulations, that aren't in state statute, on businesses.**

PROHIBITING EMPLOYERS FROM INQUIRING ABOUT AN APPLICANT'S CRIMINAL HISTORY (OPPOSE)

Business owners have the right to know if a person they are interviewing for a job in their small business is not a convicted, and possibly violent, felon. **NFIB/Florida opposes efforts to shield an applicant's violent criminal history from a prospective employer prior to a face-to-face interview.**

MANDATORY PAID FAMILY LEAVE (OPPOSE)

Under current federal law, employers with 50 or more employees are required to provide up to 12 weeks of unpaid leave upon the birth or adoption of a child. This type of mandate would cripple small businesses and lead to many of them shutting down. **NFIB/Florida opposes mandatory paid leave.**

INCREASING THE MINIMUM WAGE (OPPOSE)

NFIB believes that market forces, not government regulation, should dictate the wages that employers must pay. Studies have shown that when the government artificially increases the minimum wage, employers are forced to do more with less which causes employers to lay off workers. While a higher minimum wage helps a few, others are pushed completely out of their jobs. **NFIB/Florida opposes efforts to artificially raise the minimum wage.**

NFIB Centers, Foundations, and Programs:

NFIB | Small Business The Voice of Small Business. Legal Center

The Voice of Small Business in the nation's courts. The Legal center is involved in over 30 cases a year from state courts to the U.S. Supreme Court, protecting small business from unconstitutional and harmful legislation such as the Individual Health Care Mandate.

NFIB | Research The Voice of Small Business. Foundation

Researches policy-related small business problems and affects public debate by making its findings widely available.

- It provides a wealth of over 30 years of research findings covering a range of topics including economic trends and the financial impact of federal regulations on small business.
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NFIB | Young Entrepreneur The Voice of Small Business. Foundation

Raises awareness among the nation's youth of the critical role that private enterprise and entrepreneurship play in the building of America. It also supports educational activities that expand the entrepreneurial opportunities of all citizens.

- To date, the Foundation has awarded over \$2,500,000 in scholarships to graduating high school seniors.
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NFIB | SAFE The Voice of Small Business. Trust

The most powerful and effective small business political action committee in the country. Through voluntary contributions of NFIB members, the SAFE Trust supports pro-small business candidates at the state and federal level.

- \$23.7 million raised since 2000.
 - An endorsed candidate winning record of 84%.
 - In the last election cycle, 25 NFIB members were elected to Congress.
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