



# VOTING RECORDS

## *On Key Business Issues*

*2005 Regular Session  
of the Florida  
Legislature*



Jon L. Shebel  
Chief Executive Officer

# Associated Industries of Florida

## Dear Employer:

It is my pleasure to provide you with this tabulation of the voting conduct of each member of the Florida Legislature during the 2005 Session. Voting Records reports on the votes made by every legislator on bills that were lobbied, advocated, promoted or opposed by Associated Industries of Florida. By reporting on 8,092 votes on 84 bills, this publication embodies the most exhaustive and complete record of the Legislature's approach to the concerns of Florida's employers.

We go to great lengths to ensure that legislators are aware of AIF's positions on issues of great importance to the business community. Every year before the session even begins, we produce *Issue Pages*, which looks at key issues and gives our reasoning on why we support or oppose that issue. In addition, during the session we provide each legislator with a *Daily Brief* on the activities of that day highlighting bills of interest to business and our positions on those issues. From time to time, when an issue of paramount importance is scheduled for debate, we will issue a *Special Notice* to each legislator and highlight our position on the bill in question. At the end of each week we produce a *Weekly Report* which is also sent to every legislator reviewing the actions of the Legislature. Our greatest asset, however, is our experienced and accomplished legislative team which has compiled a record of success second to none. What makes them so valuable? It is their collective vast experience and incredible insight into the nuances of the issues that allows AIF to be at the forefront of the debates on business issues.

*Voting Records* is an important tool, but not the only tool, which AIF, our PAC and our members should use to decide which legislators we will support and which we will not. For example, this year 38 of the 40 Senators and 90 of the 120 Representatives, scored 75% or better. So with everyone scoring relatively high, it would be easy to assume that a low ranking would mean a "bad" voting record. In this particular session, this isn't necessarily the case. Because it is not entirely uncommon for an aberration to occur in one's voting record in just one session, we take the long view when deciding where our political support will go by looking at their voting record over several sessions. Of course, that is impossible for freshman legislators, which means that we have to consider other factors in evaluating whom to support. That's where the AIF Legislative Team plays such a vital role in helping us to understand the philosophy of the legislator and their willingness to listen to our arguments for or against a proposed bill.

Along with calculating votes, we also have the ability to document the contributions that a legislator or candidate receives, so that we can have a more complete picture of his or her candidacy. This time consuming work is invaluable to us when we make our own PAC decisions and when we make our recommendations to you. Notwithstanding that your own legislator may be a "friend," the real question is, are they a friend to the business community? All of our work and all of our efforts are geared to educating you on who is a friend and who is a foe to your efforts as an employer in this state. With the 2006 election year just around the corner, this is the most important information that you can have, and naturally our goal is to help elect the most business-friendly legislature possible so that Florida will become a more "business-friendly" state.

Visit

<http://aif.com>

to access the  
complete  
Voting  
Records  
report



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# What Lies Beneath

**A**ssociated Industries of Florida (AIF) has compiled *Voting Records* on major business issues for more than 30 years. While no compilation of objective facts can give a complete measure of a legislator's support for the business community, this publication accomplishes two important goals. First, it lets lawmakers know that we're paying attention. Second, lawmakers know that we inform the employers in their districts about how they vote on the issues and bills of importance to the business community.

Sometimes, no matter how meticulous we are in selecting individual votes or how expansive the list of important business issues becomes, there occurs a session that defies the ability of *Voting Records* to depict the treatment of priority business legislation. 2005 is one of those times.

The session you'll find enumerated in the cold, hard facts of the 2005 *Voting Records* was typical in many ways. A lot of business bills were filed. Over and over again, legislators cast their votes for or against the position of the business community. Some bills passed and some didn't. This record alone indicates that the 2005 Legislature is fairly well in tune with the concerns of

the business community.

The issue of legal reform, however, sharply divided the two legislative chambers and became the benchmark by which all employers should evaluate a legislator's performance because it goes to the core of fairness for Florida employers.

While some reforms to the state's legal system were enacted, there was only one bill that provided lasting and meaningful relief from frivolous litigation. And you won't find in these pages one Senate vote on that bill.

HB 1513, sponsored by Rep. Don Brown (R-DeFuniak Springs), contained a number of important legal reforms, including the linchpin: the elimination of joint and several liability. Under joint and several liability one defendant can be forced to pay for the negligence of other defendants who are not held accountable or who lack the financial wherewithal to shoulder the burden of their liability.

Joint and several liability foments the litigation lottery. It spurs frivolous lawsuits. Abolishing it is the one action that would bring true legal reform to Florida.

In *Voting Records* you'll find out how your representative acted when given the chance to

support HB 1513 and the elimination of joint and several liability because the bill passed three House committees and the full House of Representatives.

Nevertheless, not one vote was ever cast on HB 1513 in Florida Senate. It was never brought up in committee or on the Senate floor. For some reason, Florida's senators never got a chance to record their support of or opposition to true, meaningful, and lasting lawsuit reform.

Therefore, this publication cannot paint an accurate picture of which senators stand with and which stand against the business community on legal reform. The votes just don't exist.

We encourage all employers to read the current edition of AIF's newsletter *Employer Advocate* to get detailed analyses of what happened this session on legal reform and every other important business issue.

We also encourage you to look for the roster of 2005 *Champions for Business* award winners. This publication will identify those legislators who demonstrated true friendship with the businesses on a variety of issues, including those who stood shoulder to shoulder with the business community in the fight for a more fair and balanced legal system. ■



# 2005 FLORIDA LEGISLATURE

# VOTING RECORDS

## On Key Business Issues – by Rank

*Voting Records* is compiled using actual votes cast as reported in official state records. It does not include changed or paired votes. Some votes may be corrected by the Legislature at a later date, but those changes will not be reflected in *Voting Records*, which relies on the positions of members of the Legislature at the time the votes are recorded. Each vote cast is measured equally, with no added points to certain bills.

FLORIDA SENATE									
Rank	Name/Party	For	Against	w/AIF	Rank	Name/Party	For	Against	w/AIF
1	Bennett (R)	34	0	100%	21	Bullard (D)	28	3	90%
1	Carlton (R)	31	0	100%	21	Saunders (R)	44	5	90%
3	Clary (R)	57	1	98%	23	Margolis (D)	50	6	89%
3	Villalobos (R)	55	1	98%	23	Smith (D)	39	5	89%
3	Webster (R)	47	1	98%	25	Aronberg (D)	56	8	88%
6	Wise (R)	35	1	97%	25	Jones (R)	38	5	88%
7	Pruitt (R)	49	2	96%	25	Peaden (R)	29	4	88%
7	Sebesta (R)	44	2	96%	28	Campbell (D)	54	8	87%
9	Constantine (R)	37	2	95%	28	Rich (D)	34	5	87%
10	Alexander (R)	44	3	94%	28	Wilson (D)	27	4	87%
10	Diaz de la Portilla (R)	44	3	94%	31	Fasano (R)	36	6	86%
10	King (R)	44	3	94%	32	Garcia (R)	34	6	85%
10	Lee (R)	17	1	94%	32	Lawson (D)	47	8	85%
10	Posey (R)	65	4	94%	34	Siplin (D)	33	7	83%
15	Baker (R)	55	4	93%	35	Argenziano (R)	37	8	82%
15	Haridopolos (R)	40	3	93%	35	Klein (D)	36	8	82%
15	Lynn (R)	38	3	93%	37	Geller (D)	51	15	77%
18	Dockery (R)	36	3	92%	37	Hill (D)	30	9	77%
19	Atwater (R)	49	5	91%	39	Dawson (D)	28	10	74%
19	Crist (R)	42	4	91%	40	Miller (D)	33	13	72%

**Total Votes With AIF/Business = 90%**

# HOUSE OF REPRESENTATIVES

Rank	Name/Party	For	Against	w/AIF	Rank	Name/Party	For	Against	w/AIF	Rank	Name/Party	For	Against	w/AIF
1	Altman (R)	48	0	100%	40	Brummer (R)	79	1	99%	80	Kravitz (R)	46	4	92%
1	Arza (R)	44	0	100%	40	Domino (R)	70	1	99%	80	Kyle (R)	48	4	92%
1	Barreiro (R)	55	0	100%	40	Ross (R)	73	1	99%	83	Berfield (R)	51	5	91%
1	Baxley (R)	59	0	100%	44	Allen (R)	44	1	98%	83	Mahon (R)	53	5	91%
1	Bense (R)	41	0	100%	44	Bowen (R)	52	1	98%	85	Farkas (R)	44	5	90%
1	Benson (R)	55	0	100%	44	Cretul (R)	43	1	98%	86	McInvale (D)	63	11	85%
1	Bogdanoff (R)	64	0	100%	44	Davis, Don (R)	64	1	98%	87	Kendrick (D)	37	9	80%
1	Cannon (R)	50	0	100%	44	Galvano (R)	47	1	98%	88	Ambler (R)	40	12	77%
1	Carroll (R)	64	0	100%	44	Garcia (R)	45	1	98%	89	Henriquez (D)	34	11	76%
1	Clarke (R)	56	0	100%	44	Gardiner (R)	42	1	98%	90	Machek (D)	38	13	75%
1	Coley (R)	1	0	100%	44	Glorioso (R)	49	1	98%	91	Fields (D)	42	15	74%
1	Culp (R)	61	0	100%	44	Harrell (R)	51	1	98%	91	Sands (D)	39	14	74%
1	Dean (R)	48	0	100%	44	Hasner (R)	53	1	98%	93	Meadows (D)	24	10	71%
1	Evers (R)	51	0	100%	44	Legg (R)	45	1	98%	94	Antone (D)	29	13	69%
1	Flores (R)	47	0	100%	44	Lopez-Cantera (R)	47	1	98%	94	Greenstein (D)	37	17	69%
1	Gibson, Hugh (R)	45	0	100%	44	Murzin (R)	46	1	98%	94	Holloway (D)	41	18	69%
1	Goldstein (R)	45	0	100%	44	Needelman (R)	53	1	98%	97	Jennings (D)	34	16	68%
1	Grant (R)	66	0	100%	44	Negron (R)	50	1	98%	98	Bullard (D)	32	16	67%
1	Grimsley (R)	47	0	100%	44	Proctor (R)	46	1	98%	99	Peterman (D)	31	17	65%
1	Hays (R)	50	0	100%	44	Rice (R)	47	1	98%	99	Porth (D)	33	18	65%
1	Jordan (R)	50	0	100%	44	Robaina (R)	46	1	98%	101	Roberson (D)	30	17	64%
1	Kreegel (R)	45	0	100%	44	Williams (R)	45	1	98%	102	Cusack (D)	38	22	63%
1	Littlefield (R)	50	0	100%	63	Detert (R)	56	2	97%	102	Sobel (D)	25	15	63%
1	Llorente (R)	59	0	100%	64	Adams (R)	53	2	96%	102	Taylor (D)	30	18	63%
1	Mayfield (R)	52	0	100%	64	Bean (R)	54	2	96%	105	Brandenburg (D)	33	20	62%
1	Mealor (R)	47	0	100%	64	Davis, Mike (R)	53	2	96%	106	Vana (D)	28	18	61%
1	Patterson (R)	52	0	100%	64	Homan (R)	48	2	96%	107	Justice (D)	32	21	60%
1	Pickens (R)	69	0	100%	64	Hukill (R)	43	2	96%	108	Richardson (D)	41	28	59%
1	Poppell (R)	50	0	100%	64	Johnson (R)	50	2	96%	108	Seiler (D)	42	29	59%
1	Reagan (R)	59	0	100%	64	Kottkamp (R)	64	3	96%	110	Ryan (D)	36	26	58%
1	Rivera (R)	46	0	100%	64	Planas (R)	70	3	96%	110	Slosberg (D)	28	20	58%
1	Rubio (R)	49	0	100%	64	Quinones (R)	65	3	96%	112	Ausley (D)	32	24	57%
1	Russell (R)	50	0	100%	64	Troutman (R)	49	2	96%	112	Bendross-Mindingall (D)	28	21	57%
1	Sansom (R)	49	0	100%	64	Waters (R)	53	2	96%	112	Gannon (D)	30	23	57%
1	Simmons (R)	71	0	100%	75	Bilirakis (R)	55	3	95%	115	Gibson, Audrey (D)	28	23	55%
1	Sorensen (R)	32	0	100%	75	Goodlette (R)	42	2	95%	115	Joyner (D)	31	25	55%
1	Stargel (R)	56	0	100%	77	Attkisson (R)	48	3	94%	115	Smith (D)	23	19	55%
1	Traviesa (R)	50	0	100%	78	Anderson (R)	43	3	93%	118	Gottlieb (D)	34	29	54%
1	Zapata (R)	49	0	100%	78	Stansel (D)	51	4	93%	119	Bucher (D)	29	26	53%
40	Brown (R)	70	1	99%	80	Brutus (D)	11	1	92%	120	Gelber (D)	29	33	47%

Total Votes With AIF/Business = 88%



# 2005 FLORIDA LEGISLATURE VOTING RECORDS

## *On Key Business Issues – Alphabetically*

*Voting Records* is compiled using actual votes cast as reported in official state records. It does not include changed or paired votes. Some votes may be corrected by the Legislature at a later date, but those changes will not be reflected in *Voting Records*, which relies on the positions of members of the Legislature at the time the votes are recorded. Each vote cast is measured equally, with no added points to certain bills.

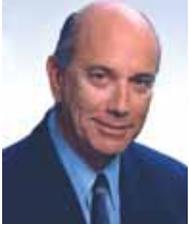
F L O R I D A S E N A T E									
Name/Party	Rank	For	Against	w/AIF	Name/Party	Rank	For	Against	w/AIF
Alexander (R)	10	44	3	94%	Jones (R)	25	38	5	88%
Argenziano (R)	35	37	8	82%	King (R)	10	44	3	94%
Aronberg (D)	25	56	8	88%	Klein (D)	35	36	8	82%
Atwater (R)	19	49	5	91%	Lawson (D)	32	47	8	85%
Baker (R)	15	55	4	93%	Lee (R)	10	17	1	94%
Bennett (R)	1	34	0	100%	Lynn (R)	15	38	3	93%
Bullard (D)	21	28	3	90%	Margolis (D)	23	50	6	89%
Campbell (D)	28	54	8	87%	Miller (D)	40	33	13	72%
Carlton (R)	1	31	0	100%	Peaden (R)	25	29	4	88%
Clary (R)	3	57	1	98%	Posey (R)	10	65	4	94%
Constantine (R)	9	37	2	95%	Pruitt (R)	7	49	2	96%
Crist (R)	19	42	4	91%	Rich (D)	28	34	5	87%
Dawson (D)	39	28	10	74%	Saunders (R)	21	44	5	90%
Diaz de la Portilla (R)	10	44	3	94%	Sebesta (R)	7	44	2	96%
Dockery (R)	18	36	3	92%	Siplin (D)	34	33	7	83%
Fasano (R)	31	36	6	86%	Smith (D)	23	39	5	89%
Garcia (R)	32	34	6	85%	Villalobos (R)	3	55	1	98%
Geller (D)	37	51	15	77%	Webster (R)	3	47	1	98%
Haridopolos (R)	15	40	3	93%	Wilson (D)	28	27	4	87%
Hill (D)	37	30	9	77%	Wise (R)	6	35	1	97%

**Total Votes With AIF/Business = 90%**

# H O U S E O F R E P R E S E N T A T I V E S

Name/Party	Rank	For	Against	w/AIF	Name/Party	Rank	For	Against	w/AIF	Name/Party	Rank	For	Against	w/AIF
Adams (R)	64	53	2	96%	Flores (R)	1	47	0	100%	Meadows (D)	93	24	10	71%
Allen (R)	44	44	1	98%	Galvano (R)	44	47	1	98%	Mealor (R)	1	47	0	100%
Altman (R)	1	48	0	100%	Gannon (D)	112	30	23	57%	Murzin (R)	44	46	1	98%
Ambler (R)	88	40	12	77%	Garcia (R)	44	45	1	98%	Needelman (R)	44	53	1	98%
Anderson (R)	78	43	3	93%	Gardiner (R)	44	42	1	98%	Negron (R)	44	50	1	98%
Antone (D)	94	29	13	69%	Gelber (D)	120	29	33	47%	Patterson (R)	1	52	0	100%
Arza (R)	1	44	0	100%	Gibson, Audrey (D)	115	28	23	55%	Peterman (D)	99	31	17	65%
Attkisson (R)	77	48	3	94%	Gibson, Hugh (R)	1	45	0	100%	Pickens (R)	1	69	0	100%
Ausley (D)	112	32	24	57%	Glorioso (R)	44	49	1	98%	Planas (R)	64	70	3	96%
Barreiro (R)	1	55	0	100%	Goldstein (R)	1	45	0	100%	Poppell (R)	1	50	0	100%
Baxley (R)	1	59	0	100%	Goodlette (R)	75	42	2	95%	Porth (D)	99	33	18	65%
Bean (R)	64	54	2	96%	Gottlieb (D)	118	34	29	54%	Proctor (R)	44	46	1	98%
Bendross-Mindingall (D)	112	28	21	57%	Grant (R)	1	66	0	100%	Quinones (R)	64	65	3	96%
Bense (R)	1	41	0	100%	Greenstein (D)	94	37	17	69%	Reagan (R)	1	59	0	100%
Benson (R)	1	55	0	100%	Grimsley (R)	1	47	0	100%	Rice (R)	44	47	1	98%
Berfield (R)	83	51	5	91%	Harrell (R)	44	51	1	98%	Richardson (D)	108	41	28	59%
Bilirakis (R)	75	55	3	95%	Hasner (R)	44	53	1	98%	Rivera (R)	1	46	0	100%
Bogdanoff (R)	1	64	0	100%	Hays (R)	1	50	0	100%	Robaina (R)	44	46	1	98%
Bowen (R)	44	52	1	98%	Henriquez (D)	89	34	11	76%	Roberson (D)	101	30	17	64%
Brandenburg (D)	105	33	20	62%	Holloway (D)	94	41	18	69%	Ross (R)	40	73	1	99%
Brown (R)	40	70	1	99%	Homan (R)	64	48	2	96%	Rubio (R)	1	49	0	100%
Brummer (R)	40	79	1	99%	Hukill (R)	64	43	2	96%	Russell (R)	1	50	0	100%
Brutus (D)	80	11	1	92%	Jennings (D)	97	34	16	68%	Ryan (D)	110	36	26	58%
Bucher (D)	119	29	26	53%	Johnson (R)	64	50	2	96%	Sands (D)	91	39	14	74%
Bullard (D)	98	32	16	67%	Jordan (R)	1	50	0	100%	Sansom (R)	1	49	0	100%
Cannon (R)	1	50	0	100%	Joyner (D)	115	31	25	55%	Seiler (D)	108	42	29	59%
Carroll (R)	1	64	0	100%	Justice (D)	107	32	21	60%	Simmons (R)	1	71	0	100%
Clarke (R)	1	56	0	100%	Kendrick (D)	87	37	9	80%	Slosberg (D)	110	28	20	58%
Coley (R)	1	1	0	100%	Kottkamp (R)	64	64	3	96%	Smith (D)	115	23	19	55%
Cretul (R)	44	43	1	98%	Kravitz (R)	80	46	4	92%	Sobel (D)	102	25	15	63%
Culp (R)	1	61	0	100%	Kreegel (R)	1	45	0	100%	Sorensen (R)	1	32	0	100%
Cusack (D)	102	38	22	63%	Kyle (R)	80	48	4	92%	Stansel (D)	78	51	4	93%
Davis, Don (R)	44	64	1	98%	Legg (R)	44	45	1	98%	Stargel (R)	1	56	0	100%
Davis, Mike (R)	64	53	2	96%	Littlefield (R)	1	50	0	100%	Taylor (D)	102	30	18	63%
Dean (R)	1	48	0	100%	Llorente (R)	1	59	0	100%	Traviesa (R)	1	50	0	100%
Detert (R)	63	56	2	97%	Lopez-Cantera (R)	44	47	1	98%	Troutman (R)	64	49	2	96%
Domino (R)	40	70	1	99%	Machek (D)	90	38	13	75%	Vana (D)	106	28	18	61%
Evers (R)	1	51	0	100%	Mahon (R)	83	53	5	91%	Waters (R)	64	53	2	96%
Farkas (R)	85	44	5	90%	Mayfield (R)	1	52	0	100%	Williams (R)	44	45	1	98%
Fields (D)	91	42	15	74%	McInvale (D)	86	63	11	85%	Zapata (R)	1	49	0	100%

Total Votes With AIF/Business = 88%



**Jon L. Shebel**

Chief Executive

Officer

of Associated

Industries of Florida

and affiliated

corporations ... more

than 36 years as

a lobbyist for

AIF ... directs AIF's

legislative efforts

based on AIF

Board of Directors'

positions ...

graduated from

The Citadel and

attended Stetson

University College

of Law.

**Issues:** General Issues

# The Bills | *Voting Records* was compiled floor votes cast on each of the

## BUSINESS REGULATION

### **HB 481 – Unlawful Use of Personal Identification Information by Rep. Leslie Waters (R-St. Petersburg)**

In response to the recent epidemic of security breaches whereby unauthorized persons gained access to personal customer information through company databases, the 2005 Florida Legislature passed House Bill 481 by Speaker Pro Tempore Leslie Waters (R-St. Petersburg). This new law requires companies to notify consumers when the consumer's unencrypted computerized personal information was acquired by an unauthorized person. Sen. Dave Aronberg (D-Greenacres) carried the legislation in the Senate (SB 284) with the help of Sen. Skip Campbell (D-Tamarac).

Unlike similar legislation passed in California, the new Florida legislation provides for numerous exemptions clarifying when notification is not required after a breach. These exemptions were developed to prevent notification when a determination is made by the business maintaining the computerized information that identity theft is unlikely.

**AIF supports this legislation as a fair and reasonable solution to the problem of security breaches. This bill protects consumers, but does not place unnecessary burdens on the business community.**

*HB 481 has been signed by the House and Senate Officers and presented to the Governor.*

### **CS/SB 1056 – Business Entities by the Senate Judiciary Committee and Sen. Ron Klein (D-Delray Beach)**

CS/SB 1056 seeks to harmonize many of Florida's existing statutes relating to business entities with provisions found in business friendly states such as Delaware and Nevada. This bill would affect how corporations, limited liability companies, not-for-

profit corporations, and partnerships are regulated by the State.

According to the bill's sponsor the goal of this legislation is to make Florida as attractive to new businesses as possible. The Florida Bar along with other interested parties have been working on these vast reforms for almost two years. Rep. Dudley Goodlette (R-Naples) advanced this legislation in the House by filing HB 595.

**AIF supports efforts by the legislature to bring Florida to the forefront of streamlined, business-friendly corporate environments, thereby making it attractive and as easy as possible for companies to do business in our state.**

*CS/SB 1056 has been signed by the House and Senate Officers and presented to the Governor; House companion bill HB 595 was laid on the table.*



Unless otherwise noted, AIF took the same position on the bills listed in the summary at the end of each write-up as it did on the bill in the write-up.



**Barney T. Bishop III**  
 President of Associated Industries of Florida ... former President & CEO, The Windsor Group ... former aide to state Treasurer Bill Gunter ... former executive director of the Florida Democratic Party ... more than 26 years of experience in legislative and political affairs ... areas of expertise include appropriations, criminal justice, and behavioral health care issues ... B.S. in political & judicial communication from Emerson College in Boston.  
**Issues:** Appropriations, Elections, Employment, General Government, Regulated Industries, Taxation

## using committee and following bills.

### CIVIL JUSTICE

#### **HB 135 – Street Lighting by and Rep. Dwight Stansel (R-Live Oak)**

The bill provides that a streetlight provider will receive protection from liability if it has designated procedures in place to respond to a notice that a streetlight is not working and informed its customers and the general public of those procedures. Additionally, a streetlight provider must repair the streetlight within 60 days of receipt of actual notice that the streetlight is not working, except in instances where repair is not possible due to circumstances beyond the provider's control, such as a natural disaster.

**AIF supports the concept of providing protection to utility companies that show strong corporate responsibility by repairing street lights within a reasonable time frame. The street light issue is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

*HB 135 passed both the House and the Senate and has been ordered enrolled; Companion bill SB 1790 was laid on the table.*

#### **HB 551 – Financial Responsibility/Motor Vehicle Operation by Rep. Alan Hays (R-Umatilla)**

HB 551 expands the scope of the definition of the term “rental company” to include a related rental or leasing company that is a subsidiary of the same parent company of the renting or leasing company.

Current law limits liability of a rental car company if damages are incurred while the vehicle is out of their direct control and injuries occur. However, HB 551 was filed to provide that same protection to business enti-

ties holding a motor vehicle title or equity interest pursuant to an asset-backed ownership of a fleet of motor vehicles, even though the rental car operators actually control the vehicle.

**Vicarious liability is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

*HB 551 has been approved by the Governor and assigned Chapter Law number 2005-156; Senate companion bill was CS/SB 1030 was laid on the table.*

#### **HB 785 – Asbestos Related Claims by and Rep. Dan Gelber (D-Miami Beach)**

This bill would provide liability limitation on asbestos related claims involving a successor corporation created before January 1, 1972. A “successor” is defined as a corporation that assumes or incurs, or has assumed or incurred asbestos-related liabilities as a result of purchasing or acquiring a business or corporation that was somehow involved in asbestos related claims.

The legislation would only apply to the predecessor's wrongdoing, and would not limit the liability for the successor corporation's own torts. HB 785 seeks to protect companies like Crown Cork & Seal which purchased smaller subsidiaries that may have used asbestos prior to the passage of Occupation Safety and Health Act (OSHA) safety regulations governing exposure to asbestos. Similar legislation (CS/SB 2228) was carried by Sen. Dan Webster (R-Winter Garden) in the Senate.

Several other states have passed some type of legislation aimed at addressing asbestos litigation, including Ohio, Mississippi, and Texas. It is time that Florida follow suit.

**Asbestos litigation is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability, including this protection for successor companies.**

*HB 785 was substituted by its Senate counterpart CS/SB 2228, HB 785 was laid on the table. CS/SB 2228 passed both the House and the Senate and has been ordered enrolled.*

Bill supported by AIF; Bill opposed by AIF



**Mary Ann Stiles, Esq.**

General counsel of Associated Industries of Florida ... managing partner in the law firm of Stiles, Taylor, & Grace, P.A. ... more than 32 years of legislative and lobbying expertise before the Legislature and other branches of government ... graduate of Hillsborough Community College, Florida State University, and Antioch Law School.

**Issues:** Workers' Compensation Reform

 **HB 1019 – Asbestos and Silica Claims Act by Rep. Joe Pickens (R-Palatka)**

HB 1019 is a more comprehensive piece of legal reform legislation also dealing with asbestos-related claims. This bill is a sweeping reform which will ensure that funds are available to those who are truly impaired by exposure to asbestos and silica. It will bar claims from those who are not impaired. The bill sets up strict medical criteria to determine those who are truly injured. The bill also prohibits the award of punitive damages in asbestos/silica cases and prohibits the award of damages for fear or risk of cancer. The bill also limits the circumstances under which a product seller other than the manufacturer can be held liable for an asbestos/silica related claim.

To date, 6,000 companies representing 91 percent of the industries in the US have been named as defendants in asbestos related claims. Damages from corporate defendants have cost the business community upwards of \$54 billion dollars.

In the Senate, this legislation was championed tirelessly by Sen. Dan Webster (R-Winter Garden) who filed CS/SB 2562 in hopes of helping those individuals who are truly suffering from these ailments.

**AIF supports legislation which would require those individuals bringing asbestos-related claims to prove prima facie evidence of impairment due to exposure to asbestos. Asbestos litigation is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

*HB 1019 passed both the House and the Senate and has been ordered enrolled.*

 **HB 1513 – Relating to Civil Justice Reform by Rep. Don Brown (R-DeFuniak Springs)**

According to a recent study, Florida currently ranks 42nd in legal fairness and South Florida has been labeled as “judicial hellholes”. HB 1513 was filed this session in order to address many of the legal reforms that are badly needed in Florida. The bill was strongly supported by AIF and the Florida Coalition for Legal Reform and con-

tains many of the important tort reform provisions – most importantly the elimination of joint and several liability.

As originally filed, this bill addressed twelve different subject areas of civil reform. However, due to significant negotiations with all interested parties and other legislators, Representative Brown offered a strike-all amendment during the committee process that brought the bill to three issues: the repeal of joint and several liability, liability protection for product sellers and venue reform.

HB 1513 made legal reform history when it was passed by the House of Representatives 79-32. Never in the history of the Florida legislature had a bill abolishing the doctrine of joint and several liability progressed this far. This could not have happened without Representative Brown and the support of leadership, specifically Governor Bush and Speaker Allan Bense (R-Panama City).

The Senate was a different story. HB 1513 was never heard in a standing committee or by the body of the Senate. The bill ultimately died in committee. AIF will continue to champion the repeal of joint and several liability for as long as this unfair doctrine continues to hurt Florida's large and small business owners.

**AIF supports legislation that would increase fairness and predictability in Florida's legal system. Significant legal reform must be achieved in Florida and the only way to achieve true reform is by abolishing the doctrine of joint and several liability.**

*HB 1513 died in the Senate Committee on Commerce and Consumer Services.*

 **HB 1601 – Attorney's Fee Multipliers by Rep. Fred Brummer (R-Apopka)**

HB 1601 would eliminate abuses in the award of attorney's fees in suits based on claims arising under Florida's Motor Vehicle No Fault Law. Under today's law, attorneys receive excessive fees through the attorney fee multiplier law when handling minor disputes. This multiplier results in additional costs to consumers for automobile insurance through excessive attorneys fees.



**Chris Verlander**  
Senior vice president – corporate development of Associated Industries of Florida ... more than 25 years of expertise in insurance lobbying activities ... former president (1994-1997) and vice chairman (1997-1999) of American Heritage Life Insurance Company ... B.S. from Georgia Tech and M.B.A. from the University of Florida.

**Issues:** General Issues



AIF supports legislation that would address the issue of fee multiplier effects. Currently, attorneys are being awarded disproportionately high fees in cases that deal with minor disputes, thus driving up the cost of doing business in Florida as well as the cost of insurance for our citizens.

**HB 1601 died in the House Commerce Council.**

**👍 HB 1681 – Relating to Transportation by the House Transportation Committee and Rep. Ray Sansom (R-Ft. Walton Beach)**

This is the Transportation Department's yearly omnibus bill which addresses a myriad of transportation-related issues. One of the bill's provision states that private road construction contractors are not liable to a claimant for personal injury, property damage or death arising from the

**👍 Bill supported by AIF; 🙅 Bill opposed by AIF**

performance of the contract work if at the time of the accident, the contractor was in compliance with Florida Department of Transportation (FDOT) contract documents material to the alleged condition and/or defect that was the cause of the accident.

During the final week of session HB 1681 was amended using language from its Senate counterpart CS/CS/CS/SB 460 by Senator Jim Sebesta (R-St. Petersburg) to provide limited liability for DOT contractors for accidents occurring in a construction zone when the accident was due to the driver's intoxication or recklessness. Another adopted amendment provides that if DOT and its contractors are immune from liability as provided by the bill or not named as parties to a suit, they may not be named on the jury verdict form or found to be at fault. This amendment adopts the language of the Supreme Court's *Fabre* decision.

**AIF supports the concept of protecting our state's road builders from onerous lawsuits and this issue is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

***HB 1681 passed both the House and Senate and was ordered enrolled.***

**👍 HB 1925 – Class Action Lawsuits by the House Judiciary Committee and Rep. David Simmons (R-Altamonte Springs)**

HB 1925 limits membership in any class action filed in Florida state courts to Florida residents, except in certain circumstances. The bill specifically provides that the claimant class may include nonresidents if the conduct giving rise to the claim occurred in this state. The bill also requires the complainant to present the person alleged to have committed the misconduct with an opportunity to cure the defect 60 days prior to filing a class action. HB 1925 was passed by the House 90-28 and sent to the Senate. Unfortunately, it was never taken up in Committee.

Senator Dan Webster (R-Winter Garden) carried the class action legislation in the


**Robert P. Asztalos**

Lobbied on health care issues at both the state and Federal levels since 1985.

Partner with the Buigas, Asztalos & Associates and the Director of Governmental Affairs for Delta Health Group ... directed the Nursing Home profession's litigation reform campaign in 2000-2001 and served as the Director of the Heal Healthcare in Florida Coalition, consisting of health care, business and consumer groups that advocated medical liability reform legislation in 2003 ... Master's degree in Legislative Affairs and a Bachelor's degree in Political Science from George Washington University.

**Issues:** Health Care, Medical Malpractice

Senate with CS/SB 2564. The Senate bill provides that it is an "absolute defense" if the defendant did not receive the required written notice. More importantly, this bill also requires notice if the claim is a class action, and requires the class action to be limited to Florida residents. Further, this bill provides that a class action plaintiff's attorney is responsible for the defendant's reasonable costs and attorney's fees that are otherwise payable by the plaintiff.

The Senate bill was amended throughout the committee process and on the Senate floor. In its final version, SB 2564 lost many of the business friendly provisions its sponsor originally included.

**Class Action Reform is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

***HB 1925 died in the Senate Committee on Commerce and Consumer Services; companion bill CS/SB 2564 died on the Senate Calendar.***

 **CS/SB 2002 – Relating Sovereign Immunity/Law Enforcement by the Senate Judiciary Committee and Sen. Bill Posey (R-Rockledge)**

Under CS/SB 2002 a law enforcement officer would not be liable for damages to a third party for injury or death caused by a person fleeing from an officer if: (1) the pursuit is conducted in a manner that does not involve a willful or wanton disregard for the safety of people or property by the officer; and (2) the officer has a reasonable belief that the person he or she is pursuing has committed a felony.

**Sovereign immunity for law enforcement agents is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

***CS/SB 2002 died on the Senate Calendar.***

 **CS/SB 2566 – Premises Liability by the Senate Judiciary Committee and Sen. Dan Webster (R-Winter Garden)**

CS/SB 2566 deals with slip and fall cases

as well as premises liability for business owners. The original language in the bill would have provided protection to retailers in cases where a foreign transitory substance caused a person to become injured as long as the retailer did not have prior knowledge of the existence of the substance. During committee, language was added to impose so-called safe harbor provisions to limit liability for large retailers with over 150 parking spaces if certain specific security measures were implemented. However, the business community strongly opposed this provision. Such a list of required criteria actually opens businesses to more liability because anytime even a minor or irrelevant aspect of such criteria is not met; the business will be liable for any damages suffered. Implementation of such specific security measures would also be very expensive and over burdensome for large and small employers alike.

During the amendatory process on the Senate floor Senator Webster offered an amendment that would delete the "safe harbor" language and insert language allowing the intentional tortfeasor (the person who committed a crime) to be placed on the jury verdict form in order for a jury to be given the chance to fairly apportion fault. This would prevent businesses from having to pay an unfair amount of the damages just because a crime occurred on their property. The amendment would do nothing to prevent juries from finding businesses at fault if they indeed were negligent and it would protect small businesses who cannot afford to meet the complex and expensive "safe harbor" guidelines. This amendment was supported by the business community, but it was debated against by several members of the Senate and ultimately defeated.

During the final days of the session a motion was made to substitute CS/SB 2566 with its House counterpart, HB 1931 by Rep. David Simmons. The House version

 Bill supported by AIF;  Bill opposed by AIF



**Ronald L. Book, Esq.**  
Principal shareholder of Ronald L. Book, P.A. ... former special counsel in Cabinet and legislative affairs for Gov. Bob Graham ... and formerly worked for the Florida House of Representatives ... 33 years of experience in government and legislative activities representing public and private entities including many Fortune 500 Companies ... areas of expertise include legislative and governmental affairs with an emphasis on sports, health care, appropriations, education, local government, insurance, and taxation ... graduate of the University of Florida, Florida International University and Tulane Law School.  
**Issues:** Appropriations, Business Regulation, Economic Development, Education, Employment, General Government



of this legislation repeals existing law in the area of slip-and-fall and provides that a person who is injured due to a foreign object or substance must prove that a retail establishment had actual knowledge of the dangerous condition and that the condition existed for a long enough time that the retail establishment should have know about the dangerous condition. In the area of security the bill allows for damages to be apportioned between a defendant business owner and the intentional tortfeasor or person who committed the criminal act. Unfortunately, this language was not accepted and the Senate amended HB 1931 with its own, business-unfriendly, language.

HB 1931 was sent back to the House where it was amended by Representative David Simmons to remove the “safe harbor” language and require the intentional tortfeasor to be on the jury verdict form only if the criminal act occurred outdoors. The revised version of the bill was passed by the House on an 87-30 vote. HB 1931 was sent back to the Senate, but was never heard again, so it died in Senate messages.

**AIF supports establishing a legal doctrine where businesses are protected from paying for all of the damages arising from crimes committed on their premises. Business and individuals alike should only pay for the damages they cause and not for the damages**

**caused by the intentional and criminal acts of others.**

*CS/SB 2566 was substituted by its House Companion HB 1931 and laid on the table; HB 1931 died in Senate Messages.*

**👍 CS/SB 2568 – Liability for Products by the Senate Judiciary Committee and Sen. Dan Webster (R-Winter Garden)**

The bill provides that a person may not commence or maintain a civil action against a seller of a product based on any legal theory that the product caused harm unless the seller manufactured, produced, or designed the product; or altered, modified, assembled, or failed to maintain the product in that it caused harm to the claimant. There is an exception if the manufacturer of the product is not subject to personal jurisdiction in Florida.

A seller is defined as a person who sells a product as a retailer, distributor, or wholesaler, or who otherwise transfers a product to another for compensation.

During the session there was a misconception surrounding this bill that product sellers could never be liable and injured persons would have no one to sue if the bill passed. However this was not the case. The bill specifically provides that if the manufacturer cannot be sued in the United States then the product seller can be sued.



### Keyna Cory

President, Public Affairs Consultants, a public affairs and governmental relations consulting firm ... more than 20 years of experience representing a variety of clients, from small entrepreneurs to Fortune 500 companies, before the Florida Legislature ... majored in political science at the University of Florida.  
**Issues:** Environment, Finance, Natural Resources, Taxation, Transportation

As a result of committee work, the bill also contained a provision that allowed for its application only to products manufactured in the United States. This bill would insure that there is always somebody from whom an injured person can recover.

**Liability for Products is part of the overall debate on legal reform. As such, AIF is supporting changes to the current tort system that will bring about reasonableness, fairness, and predictability.**

*CS/SB 2568 died on the Senate Calendar.*

### CONSTITUTIONAL AMENDMENT REFORM

**HB 1723, HB 1727, and HB 1741 by the House Judiciary Committee and Rep. David Simmons (R-Altamonte Springs)**

This past session the Legislature proposed a “menu-like” list of joint resolutions to appear before voters on the November 2006 ballot. Their goal was to have voters pick from this “menu” of options aimed at reforming the citizen initiative process. All but one, HB 1723, failed to advance to the ballot.

HB 1723 requires that a revision must be approved by at least 60 percent of electors voting on a measure rather than by a simple majority. This higher threshold would apply to all methods by which an amendment can be placed on the ballot: citizen initiative, as a joint resolution by the legislature, or by Constitutional Revision Committee.

HB 1727 would have limited what subjects could be addressed by citizen initiative by requiring the State Supreme Court to review each proposed amendment to ensure that only those provisions or proposals that amend or repeal an existing section of the Constitution on the same subject and matter; address a right of a citizen of the state related to Article I of the Florida Constitution; or change the basic structure of state government as established in Articles II through V of the Florida Constitution. The other, HB 1741, would have required a two-thirds vote for Constitutional amendments with a fiscal impact greater than two-tenths of one percent of the state’s general revenue.

In the Senate, these measures were championed by Senators Jim King (R-Jacksonville) and Jeff Atwater (R-North Palm Beach) who filed the counterparts to the House legislation (SB 4, SB 6, and SB 2200).

**AIF supports reforms to the process for amending the state Constitution by citizen initiative. Florida’s Constitution is too easily manipulated by special interests, subverting the deliberation of public policy decisions and threatening the business community with the enactment of economically destructive programs and mandates.**

*HB 1723 has been signed by the Officers and presented to the Secretary of State. HB 1727 died on the Senate Calendar. HB 1741 died on the Senate calendar. The Senate companions SB 4, 6 and 2200 were all substituted by the House companions and laid on the table.*

### ETHICS AND ELECTIONS

**HB 1177 – Term Limits by Rep. Baxter Troutman (R-Winter Haven)**

This bill would put a Constitutional amendment on the November 2006 ballot which, if passed, would increase the term limits for members of the Legislature from eight years to twelve years. This increase in term limits would also apply to the Governor and members of the cabinet. It retains the eight year term limit for the Office of Lieutenant Governor. If passed by Florida voters, the increase in term limits would not apply to any sitting members of the legislature or executive branch.

**AIF supports giving Floridians the opportunity to decide whether their state elected officials should serve for longer periods of time. Twelve-year terms would help improve our state’s business climate because it would allow legislators to think about over-the-horizon issues and their potential solutions.**

*HB 1177 has been signed by the Officers and presented to the Secretary of State; Senate companion bill: CS/SJR 1210 was laid on table.*

Bill supported by AIF; Bill opposed by AIF



### Mark Flynn

Senior vice president, The Windsor Group and a public affairs consultant for more than a decade ... former economic development executive with extensive experience representing business on a broad range of issues ... has also worked for both a member of Congress and a member of the Florida House of Representatives ... graduate from the University of South Dakota with a B.S. in mass communications.

**Issues:** Xxxxxx



### 👍 HB 1673 – Elimination of Second Primary by Rep. Jeff Kottkamp (R-Cape Coral)

Currently, only 10 states (most of them in the South) hold a second primary or “runoff” election. Florida law requires the holding of three elections in a nine-week period. For the past two election cycles (2002 and 2004), the Legislature temporarily implemented a moratorium on the holding of the second primary. HB 1673 permanently repeals the second primary or “runoff” election in Florida. Barring any legislative action, the second primary would have returned on January 1, 2006.

**AIF supports the elimination of the second primary and applauds the Legislature for taking action. Adoption of this legislation will give Supervisors of Elections and their staff an appropriate amount of time to do their jobs efficiently and will allow voters to better concentrate on candidates and the issues. This legislation should go a long way to ensure that votes are counted in a timely and efficient manner.**

***HB 1673 passed both the House and the Senate and has been ordered enrolled; Senate companion bill CS/SB 1268 was laid on table.***

### 👍 CS/CS/SB 1996 – Relating to Petition Fraud by the Senate Judiciary Committee, the Senate Criminal Justice Committee and Sen. JD Alexander (R-Lake Wales)

CS/CS/SB 1996 imposes a series of safeguards on the initiative petition process. The bill attempts to closely regulate the petition verification process, to require that additional information be provided to a voter who signs a petition, and to regulate petition circulators, in particular paid circulators, primarily by requiring greater disclosure on the part of the circulators.

The bill also authorizes additional criminal sanctions against people who abuse the petition process, either through fraud and misrepresentation, or through the misuse of signed petitions or voter registrations. According to the sponsor, the bill is aimed at providing much needed oversight and structure in the area of petition signature gathering and the business of paying signature gatherers.

SB 1996 was a very controversial bill that brought about much debate in the Senate. Several senators expressed concern over the constitutionality of this bill more spe-


**Tamela Ivey Perdue, Esq.**

Shareholder with the law firm of Stiles, Taylor & Grace, P.A. ... more than 13 years legislative and legal experience, most recently representing insurers and the business community on workers' compensation and other legal issues ... established legal practice specializing in workers' compensation defense ... formerly worked in the Florida Senate including the Majority Office, Rules Committee and Committee on Ethics and Elections ... B.S. from Lee University and J.D. from Stetson University.

**Issues:** Workers' Compensation Reform, Tort, Civil Justice

cifically with provisions that would prohibit paying signature gatherers. This bill would not make it illegal to pay signature gatherers but it would make it illegal to pay according to the number of signatures gathered by an individual.

In the House, this legislation was carried by Rep. Dudley Goodlette who filed HB 1471. This bill passed the House and it was substituted for SB 1996 during the final days of session. The bill died on the Calendar.

**AIF supports legislation aimed at creating more oversight and regulation for petition signature gatherers. Specific guidelines and a clear process should be established so that all groups can operate under the same set of rules.**

*CS/CS/SB 1996 was substituted by House companion HB 1471 and laid on the table; HB 1471 died on the Senate Calendar.*

**👍 CS/SB 2144 & CS/SB 2146– State Budget Planning and Spending by the Senate Ways and Means Committee and Sen. Jeff Atwater (R-North Palm Beach)**

CS/SB 2144 proposes an amendment to the State Constitution relating to requirements for state budget planning, spending and accountability. The amendment would limit the amount of non-recurring general revenue that may be used to fund the recurring costs of state programs to 3 percent of total general revenue which would equate to approximately 800 million dollars. This limitation could be waived by a 3/5 vote of the Florida Legislature.

The Constitutional amendment would also require the Joint Legislative Budget Commission to issue a long-range financial outlook and establish fiscal strategies including workload and revenue estimates. Even state agencies legislative budget requests will be required to be based upon and reflect long-range financial outlook.

CS/SB 2146, also by Sen. Atwater is the implementing bill for SB 2144.

**AIF supports establishing strong guidelines on how non-recurring dollars are spent by the legislature. A strong and stable state budget is an important aspect of a strong business environment in our state.**



*CS/SB 2144 has been signed by the Officers and presented to the Secretary of State. CS/SB 2146 passed both the House and the Senate and has been ordered enrolled.*

**ECONOMIC DEVELOPMENT**

**👍 HB 1219 – Florida Youth Summer Jobs Pilot Program by Rep. Chris Smith (R-Ft. Lauderdale)**

This bill creates a pilot program which will provide summer jobs to at-risk and disadvantaged youth between the ages of 14 and 18. The Florida Youth Summer Program pilot project will be conducted through the Regional Workforce Board, more specifically District 22 which is located in Broward County. According to the bill's sponsor, this pilot program will give 500 kids an opportunity to work and learn life skills. The participants will earn minimum wage and will not be able to work more than 30 hours per week during the summer months.

**AIF supports this legislation and applauds Representative Chris Smith for putting forth a new and innovative way of not only training our future workforce but also helping youth who are at-risk or disadvantaged.**

*HB 1219 died in the House Commerce Council.*



**Jim Rathbun**  
 President of Rathbun & Associates ... more than 16 years of experience representing individuals and entities before the Legislature, state agencies, and the governor and Cabinet ... formerly worked with the Florida House of Representatives and served as staff director of the House Republican Office ... B.S. from Florida State University.  
**Issues:** Agriculture, Business Regulation, Ethics & Elections, General Government



**👍 CS/CS/CS/SB 1770 – Florida Enterprise Zone Act by the Senate Government Efficiency Appropriations Committee, the Senate Community Affairs Committee and the Senate Commerce and Consumer Services Committee**

This bill is a product of an interim project by the committee. CS/CS/CS/SB 1770 re-enacts and extends the Florida Enterprise Zone program and its related various state and local enterprise zone incentives until 2015. The bill also requires re-certification of existing zones, expands related incentives, and requires additional zone reporting requirements.

The Florida Enterprise Zone Act was created in 1994 to: “provide the necessary means to assist local communities, their residents, and the private sector in creating the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas and to provide jobs for residents of such areas”. At the end of 1994 there were 30 enterprise zones. As of July 1, 1995 there were only 19, but the law has been amended over the years and now there are

👍 Bill supported by AIF; 🗳️ Bill opposed by AIF

53 state enterprise zones, including 26 rural zones and 25 urban zones.

**AIF supports legislation that extends and expands the Enterprise Zone program. Enterprise zones help to create jobs and enhance good economic growth for Florida, especially in areas of the state that historically have not attracted industry and economic activity, by providing incentives and tax breaks to businesses that relocate to these zones.**

*CS/CS/CS/SB 1770 was substituted by House companion HB 1725 and laid on the table. HB 1725 passed both the House and the Senate and was ordered enrolled.*

#### ENVIRONMENT

**🗳️ SB 98 – 2020 Water Study Commission by Sen. Burt Saunders (R-Naples)**

This bill would have created the 2020 Water Study Commission comprised of 17 appointees by the Governor, 5 appointees by the Senate President and 5 appointees by the Speaker of the House. Appointees were to come from a balanced panel of representatives from business, agriculture, environment, community, local and regional governments as well as water resources management and planning specialist.

Currently, water policies are set by regional water management districts; this bill would have laid the groundwork for replacing the regional districts with a state wide commission. This change is not supported by most members of the business community.

**AIF opposes legislation that would give the authority to set water policies to a state-wide commission. This proposed commission would not be as responsive to local issues as the already established water management districts.**

*SB 98 received an unfavorable committee report and was laid on the table.*

**👍 HB 137 – Florida Incentive-Based Permitting Act by Rep. Dwight Stansel (R-Live Oak)**

This bill would give incentives to businesses that have a good compliance record with the Department of Environmental



**Guy Spearman, Esq.**

President, Spearman Management, Inc., government relations consulting firm ... 31 years of experience representing a variety of clients from small to large ... graduate of Auburn University and Florida State University College of Law.

**Issues:** All Major Issues



Protection (DEP). Some of the incentives include: longer duration of permits, less inspections and expedited renewal process. To obtain the compliance incentives, an applicant must affirmatively request them as part of the permit application.

HB 137 would have benefited companies who have had a good compliance record during four out of the past five years. There is nothing in this proposed legislation that would keep DEP from shutting down a bad actor or inspecting a company believed to be polluting.

**AIF supports legislation that takes into account a company's past performance in the DEP permitting process. AIF believes that regulated entities should receive some benefit for past good behavior and should not be subject to arbitrary or uncertain punishment.**

*HB 137 died on the House Calendar.*

**👍 HB 937 – Contamination Notice by Rep. Bill Galvano (R-Bradenton)**

This bill provides for contamination notification requirements when contamination has migrated beyond the property

boundary of the originally contaminated site. Once a property owner or the person providing site rehabilitation finds that contamination has reasonably migrated into any area beyond the boundaries of the property, they must give notice to the Division of Waste Management - Department of Environmental Protection (DEP) no less than 10 days after the discovery of contamination. Notice must be given via certified mail, and on a form adopted by DEP. Within 30 days after receiving the written notice, DEP is required to send a copy of the notice to all record property owners stating that contamination was discovered. DEP may collaborate with the Department of Health to develop a source of information and to establish procedures for responding to public inquiries about health risks associated with contaminated site.

**AIF supports Contamination Notification legislation. Property owners and businesses will directly benefit from this notification by having more timely and comprehensive information on the progress of the cleanup of nearby properties. AIF thanks Rep. Galvano for his cooperation with this legislation.**



**Gerald Wester**  
 Managing Partner, Capital City Consulting, LLC ... former chief deputy over Florida Department of Insurance's regulatory staff ... more than 29 years of lobbying experience ... expertise in insurance, banking, and health care issues ... Bachelor's and master's degrees from Florida State University.  
**Issues:** Health Care, Health Maintenance Organizations, Insurance, Medical Malpractice

What was a bad bill in the beginning, has now turned into a product the business community can support.

*HB 937 has been approved by the Governor and assigned Chapter Number 2005-50; Senate companion bill CS/CS/SB 330 was laid on table.*

**CS/SB 1318 – Underground Petroleum Storage Tanks by the Senate General Government Appropriations Committee and the Senate Environmental Preservation Committee**

CS/SB 1318 implements the recommendations of the Senate Environmental Preservation Committee's interim report no. 2005-153, relating to the state's underground petroleum storage tank cleanup program. Specifically, the bill is intended to encourage owners of underground petroleum storage systems to upgrade their tanks before 2009. CS/SB 1318 would also allow owners or operators to be paid \$50,000 for a single facility to remove and treat soil contamination associated with the tanks upgrades and up to \$100,000 for certain circumstances.

The Legislature enacted the State Underground Petroleum Environmental Response Act (SUPER Act) to address the problems of pollution from leaking underground petroleum storage systems. As an incentive to report and clean up contamination from leaking petroleum storage systems, the SUPER Act established the Early Detection Incentive Program or EDI. Over 18,000 petroleum sites had been identified as having been contaminated and in need of cleanup. The incentives to participate in the reimbursement program proved to be extremely successful. So much so, that the demand for reimbursement exceeded the administrative capacity of DEP and the financial resources of the state. As a result the state had to implement a prior-approval requirement before underground storage facilities could be given funds to clean up. As of today, this is the type of program in effect.

Bill supported by AIF; Bill opposed by AIF

AIF supports legislation that would encourage private owners and operators of underground petroleum storage facilities to clean up and upgrade their tanks. Providing these incentives will presumably prevent owners of underground tanks to wait until the last minute therefore, preventing a backlog in the system.

*CS/SB 1318 has been approved by the Governor and is awaiting Chapter Law number assignment; House companion bill HB 1735 was laid on the table.*

**CS/SB 1730 – Environmental Permitting Programs by the Senate General Government Appropriations Committee and Sen. Paula Dockery (R-Lakeland)**

This bill directs the Department of Environmental Protection (DEP) to develop a mechanism or plan to consolidate the federal and state wetland permitting process on or before October 1, 2005. This bill will benefit businesses who are applying for environmental resource permits from DEP and the U.S. Army Corps of Engineers for projects of 10 acres or less.

Passage of this legislation could provide a savings to those business entities needing wetlands permits from both the state and the U.S. Army Corps of Engineers because of a streamlined permit process. CS/SB 1730 will now be taken up on the floor of the Senate.

**AIF has always supported a streamlined permit process, and CS/SB 1730 will provide savings to businesses who can take advantage of this permitting process.**

*CS/SB 1730 was substituted for by House companion HB 759 and was laid on the table. HB 759 passed both the House and the Senate and was ordered enrolled.*

**HB 1857 – Redevelopment of Brownfields by the House Committee on Environmental Regulation and Rep. Mitch Needelman (R-Palm Bay)**

HB 1857 makes changes to the Brownfield's Redevelopment Act. This Act was established by the Florida Legislature in 1997. It was designed to encourage local governments and responsible persons to



### Mike Zagorac

Former senior vice president, public affairs for Hill & Knowlton, Inc. ... former vice president of public affairs for the Jack Eckerd Corporation and vice president of the National Association of Chain Drug Stores ... more than 35 years of experience in media and public relations, community affairs, and environmental issues ... Bachelor's degree from Purdue University and M.B.A. degree from American University.

**Issues:** All Major Issues

voluntarily clean up and redevelop abandoned and underused commercial and industrial sites.

Some of the changes proposed include an increase of the percentage of costs for voluntary cleanup activity from 35 percent to 40 percent when obtaining a tax credit against intangible personal property tax or corporate income tax. It also included an increase in the dollar cap on the 10 percent completion incentive tax credit from \$50,000 dollars to \$250,000 dollars.

**AIF supports this proposal because increasing these tax credit provisions will create additional incentives for businesses to voluntarily cleanup eligible contaminated sites. Cleaning up brownfields increases future job opportunities and economic growth for area residents while at the same time restoring a region's environmental integrity.**

*HB 1857 died on the House Calendar.*

### GROWTH MANAGEMENT

 **HB 1173 – Local Government Land Development Requirements by Rep. Donna Clarke (R-Sarasota)**

This bill codifies case law as it relates to local government's collection of impact fees. This bill establishes a uniform standard for the collection of impact fees in an effort to rein in the excessive assessments by local governments which drive up the cost of new development in our state. The bill requires local governments to assess impact fees based on the most recent accurate and relevant data available; the lack of consistent criteria to determine the collection of fees results in unfair and inappropriate fees. Often, local governments collect impact fees to pay for capital improvements based on the impacts of the new development and, then tax these same homeowners via ad valorem taxes to pay twice for the same capital improvements.

The bill corrects this disparity by providing for a credit against impact fees paid by the fee payer or property owner, to the local government or other service provider by providing financial relief by means of impact fee credits to homeowners who are

also paying local government taxes for the same improvements or services provided by the local government. The bill also requires that the fees collected be spent to address the impacts the local government incurs or to benefit the new development or fee, not in some other jurisdiction of a county which is not remotely impacted by the new development.

The companion measure, CS/CS/SB 2302, was sponsored by Sen. Mike Bennett (R-Bradenton).

**AIF supports legislation that improves Florida's growth management process. As Florida continues to grow by nearly 1000 people per day, we must ensure affordable housing is available for all residents. The wide disparity and inconsistency of collecting impact fees has led to exorbitant increases in the cost of housing in several areas throughout the state; this bill begins to address these disparities.**

*HB 1173 died in the House Local Government Council. Senate companion CS/CS/SB 2302 died in the Senate Government Efficiency Appropriations Committee.*

 **HB 1865 – Growth Management Incentives by the House Growth Management Committee and Rep. Randy Johnson (R-Winter Garden)**

This was the House's comprehensive growth management package. The bill's sponsor along with Rep. Mike Davis (R-Naples), who also played a big role in the development of this legislation, received praised and appreciation for their commitment and long hours of work dedicated to this project.

The bill creates the "Sustainable Florida Act of 2005" and declares urban infill and redevelopment as a high state priority and promotes such development through relaxed procedures and state funding incentives. The bill strengthens concurrency requirements (concurrency is the practice of ensuring that new developments are surrounded by the necessary roads, schools,

 Bill supported by AIF;  Bill opposed by AIF



and water), creates certain financial feasibility requirements, and strengthens inter-governmental coordination requirements, for schools, roads and water to mitigate issues resulting from continued growth in the state's population.

To ensure that these strengthened concurrency requirements do not result in forcing development out of urbanized areas and into undeveloped rural or agricultural areas, the act creates incentives to encourage urban infill and redevelopment. The bill provides for proportionate-share mitigation (or pay-as-you-go) to make sure that current development is not constrained by, or assessed for, impacts related to system backlogs and facilities deficits.

Under this proposal, the state will provide local communities with millions of dollars in funding towards infrastructure, schools, roads, and technical assistance as long as local governments match some of this funding. Local governments are given full autonomy to decide on how to come up with the matching funds. This bill would provide \$450 million dollars to-

wards roads, \$50 million dollars towards bridges, \$100 million dollars for sustainable water programs, \$50 million dollars for education, and approximately \$3 million dollars in the form of technical assistance to local governments so that they could learn how to draw down these dollars.

Finally, the bill calls for the creation of a Century Commission composed of elder statesmen whose job it would be to study growth in Florida and develop a plan for the future of our state. This commission would be required to present their plan to a joint meeting of the Senate and House of Representatives.

**AIF supports any piece of legislation which encourages smart, sustainable growth. HB 1865 is only a first step albeit a giant step towards addressing some of the backlog in Florida's infrastructure needs. Florida's cities and counties must provide the roads, bridges, and water necessary for businesses to grow and flourish, while at the same time preserving the natural beauty that makes Florida such a unique state.**

***HB 1865 died on the House Calendar.***

## HEALTH CARE

### **CS/CS/SB 838 – Medicaid Program by the Senate Ways and Means Committee, the Senate Health Care Committee and Sen. Durell Peadar (R-Crestview)**

CS/CS/SB 838 is the Medicaid reform bill that creates two pilot programs that will test innovative ways to provide health care services in the future.

The bill creates a Medicaid managed care pilot program in Broward, Duval, Baker, Clay and Nassau counties. All Medicaid recipients in these counties will be offered flexible health plans to meet their needs or they will be enrolled in various managed care programs.

The bill also creates a second pilot program that will focus on long-term care services and be conducted in a rural and urban county to be determined at a later date. House members debated the bill for nearly 5 hours and adopted several amendments that added many safeguards and legislative reviews for the programs. This reflects the “go slow” approach legislators have demonstrated because of concern over changing our health care delivery system for Florida’s elderly and vulnerable populations. It is hoped that the pilots will demonstrate innovative ways to provide services more efficiently and stem the rising Medicaid costs that affect Florida’s budget.

**AIF supports market based reforms to the Medicaid program so long as they continue to ensure that the truly needy have access to quality care.**

*CS/CS/SB 838 has been approved by the Governor and assigned Chapter Law number 2005-133.*

### **HB 1621 – Medical Malpractice Insurance by Rep. Rene Garcia (R-Hialeah)**

HB 1621 addresses the issue of high liability premiums for physicians employed by Florida teaching hospitals, and patient safety provisions. The bill encourages Florida teaching hospitals to implement an array of patient protection measures that are prescribed in statute in order to allow them to assume enterprise liability. Upon

determination by AHCA that the hospital meets compliance with enterprise-wide patient safety measures and requirements – the hospitals may assume legal liability for all acts of medical negligence committed in the premises. Under this arrangement the hospital becomes the only named defendant to any medical malpractice lawsuit. All other statutory provisions pertaining to medical malpractice actions against licensed health care facilities remain intact, including the pre-suit arbitration process, the \$750,000 limitation on non-economic damages, and sovereign immunity where applicable.

Statutory limits on recovery are increased from \$100,000 to \$150,000 per person, and from \$200,000 to \$300,000 per incident, in medical malpractice actions against any “enterprise liability hospital” that is subject to sovereign immunity. The bill also provides authority for affected hospitals and medical staffs to enter into enterprise agreements to share relevant expenses (insurance premiums) and to assure accountability of individual physicians.

HB 1621 applies to eight hospitals in the state. The hospitals include: the six statutorily defined “teaching hospitals” (Jackson Memorial Hospital, Mount Sinai Medical Center, Orlando Regional Medical Center, Tampa General Hospital, Shands Jacksonville, and Shands at the University of Florida) and two hospitals that are wholly owned by a university medical school (Anne Bates Leach Eye Hospital and Sylvester Comprehensive Cancer Clinic at the University of Miami).

**AIF supports legislation that addresses and provides solutions to the problem of high liability premiums for doctors working in Florida’s teaching hospitals.**

*HB 1621 passed the House but died in Senate messages.*

## INSURANCE

### **CS/SB 318 – Cystic Fibrosis Treatment/Insurance by the Senate Health Care Committee and Sen. Gwen Margolis (D-Miami Beach)**



CS/SB 318 would require health insurers to cover all home health care for policyholders with cystic fibrosis even if not medically necessary as long as their doctor orders the care. Proponents of the bill brought several high profile personalities including former Miami Dolphins quarterback, Jay Fiedler, to testify on behalf of the bill.

**AIF consistently opposes additional mandated coverages because the resultant cost increases could force some insurers out of the marketplace and raise the minimum price of health care insurance for employers and businesses.**

*CS/SB 318 died in the Senate General Government Appropriations Committee.*

**👍 HB 1503 – Health Insurance by Rep. Frank Farkas (R-St. Petersburg)**

This bill, among other things, ensures that Health Savings Accounts (HSAs) in Florida will comply with federal law and

**👍 Bill supported by AIF; 🗳️ Bill opposed by AIF**

will remain available to Floridians and re-opens the Health High Risk Pool with any deficits being funded by general revenue dollars.

The bill was amended during the committee process to mandate direct payment of claims by insurers to emergency room physicians even if no contract exists between the insurer and the emergency room. Representatives from the insurance industry opposed this amendment and worded to remove it because it provides a disincentive for emergency room providers to negotiate rates with insurers. The consequence of these providers not negotiating and contracting with insurers is that the cost of providing health insurance increases, thereby, raising insurance rates for the consumer.

**AIF supports the provisions in HB 1503 which allow Florida's uninsured population to have access to some type of health coverage and increases the options available to these consumers.**

*HB 1503 died on the House Calendar.*

 **HB 1745 – Residential Property Insurance by Rep. Dennis Ross (R-Lakeland)**

HB 1745 implements some of the recommendations of the Joint Select Committee on Hurricane Insurance contained in their February 25, 2005, report to the presiding officers of the Florida Legislature. The bill provides for a lower retention (deductible) for the Florida Hurricane Catastrophe Fund (FHCF) in the amount of \$4 billion for an insurer's largest two events during a contract year. Subsequent retentions (deductibles) for insurers are triggered at 1/3 of the full retention. The bill authorizes insurers to offer a 10% hurricane deductible. It restricts an insurer from canceling or non-renewing a personal or commercial homeowner's policy until 90 days after the damaged property is repaired, with specified exceptions. Also, limits cancellation or non-renewal during a designated time frame of a pending hurricane.

**AIF supports many of the provisions in HB 1745 as a way for legislators to improve Florida's property insurance market after the devastating effects of the four named storms which hit our state in 2004.**

*HB 1745 passed the House but died in Senate messages.*

#### LEGAL AND JUDICIAL

 **HB 1935 – Article V Revision by the House Judiciary Committee and Rep. David Simmons (R-Altamonte Springs)**

HB 1935 relates to the continuing implementation of Revision 7, Article 5. In 1998, Florida voters approved a Constitutional Amendment known as Revision 7 which shifted primary funding responsibility for the state's court system from counties to state government.

The bill primarily covers 4 areas: (1) methods for the payment of court costs, (2) payment of fees by indigent parties, (3) relationship between the chief judges of each circuit and the clerks of courts, and (4) technical issues (grammar, typographical issues, and statutory references).

Improper funding of the court system will lead to lost profits, increased insurance

premiums, additional costs for litigation, and lost productivity for Florida's businesses. Florida has a vibrant economy; it cannot afford to suffer the ill effects associated with a poorly funded court system.

**The business community depends on the court system to resolve property disputes, contract disputes, and other civil matters. In fact, most of the court system's time is business-to-business activity. Therefore, AIF supports any effort by the Legislature to sufficiently fund our Florida's court system.**

*HB 1935 has been signed by the House and Senate Officers and presented to the Governor.*

 **CS/CS/CS/SB 2048 – Relating to Judges by the Senate Ways and Means Committee, the Senate Justice Appropriations Committee, the Senate Judiciary Committee and Sen. Victor Crist (R-Tampa)**

This bill deals with the certification of circuit court, county court, and district



 Bill supported by AIF;  Bill opposed by AIF

court judges. Currently, there is a paramount need for more judges in our court system. SB 2048 addresses this critical shortage by creating an additional 55 new judges.

The bill also appropriates the sums of \$8,203,458 in recurring funds and \$306,659 in nonrecurring funds from the General Revenue Fund to the circuit and county courts. During the next year an additional 55 judges will be authorized bringing the total number of new judges to 110.

Intense negotiations were held between the Senate and the House on the actual number of judges that were needed. Rep. Bruce Kyle (R-Ft. Myers) carried the legislation, HB 263, in the House.

**The business community depends on the court system to resolve property disputes, contract disputes, and other civil matters. In fact, most of the court system's time is business-to-business activity. Therefore, AIF supports any effort by the Legislature to sufficiently fund our state's court system.**

*CS/CS/CS/SB 2048 has been approved by the Governor and assigned Chapter Law number 2005-150.*

## TAXATION

 **HB 27 – Sales Tax Exemption for Machinery and Equipment by Rep. Matt Meadows (D-Lauderhill)**

HB 27 broadens an existing sales tax exemption for industrial machinery and equipment purchased for use in an expanding facility engaged in spaceport activities or for use in an expanding manufacturing facility, by eliminating a requirement that the business pay the first \$50,000 in sales taxes. This bill provides a full, rather than partial, sales tax exemption for industrial machinery and equipment purchases, when the business can demonstrate that the items will be used to increase productive output at the facility by at least 10 percent.

The state of Florida currently has over 16,000 manufacturing facilities; roughly 14,000 have 10 employees or less. Therefore, this type of exemption provides a much needed incentive to retain the current

manufacturing facilities in our state as well as recruit new manufacturing plants to our state. Manufacturing inputs are currently assessed sales tax in Florida and the final product is taxed as well. This is not the case in several neighboring states, including Georgia, which have these exemptions on the books thereby creating an un-level playing field for our manufacturers.

**AIF supports eliminating the requirement that businesses pay the first \$50,000 in sales taxes per calendar year on manufacturing inputs. Eliminating this requirement would level the playing field for Florida manufacturers and would improve Florida's ability to compete for higher paying jobs, which would lead to an overall net increase in state revenues.**

*HB 27 died in the Senate Commerce and Consumer Services Committee.*

 **CS/SB 56 – Streamlined Sales & Use Tax by the Senate Government Efficiency Appropriations Committee and Sen. Skip Campbell (D-Tamarac)**

SB 56 would bring Florida law into compliance with the provisions of the national Streamlined Sales and Use Agreement and enables Florida to petition for membership in the Agreement.

This bill adopts definitions and procedures to streamline Florida's sales tax system as it relates to e-commerce. Thirty-nine states and the District of Columbia have already adopted such legislation. This legislation will put Florida businesses on a level-playing field with out-of-state companies who are selling products to Florida's residents via the internet, mail order, etc. by requiring these entities to collect and remit Florida sales tax to the Department of Revenue. Currently, Florida businesses are losing customers to these virtual businesses because consumers are not being assessed sales tax on e-commerce purchases. Although, Florida law requires consumers to pay such taxes, few are aware that they are required to pay, or that there is a penalty for not paying sales tax at the time of purchase.

**AIF supports implementation of the statutory mechanisms needed to allow Florida to**

enter into the Streamlined Sales and Use Tax Agreement with other states. If a uniform national collection system is developed, Florida could equalize the treatment of all retail vendors regarding the assessment and collection of state sales tax. Further, the state treasury would benefit since the use tax currently levied but not collected on catalog and Internet sales would be collected and remitted to the state.

*CS/SB 56 died in the Senate Ways and Means Committee.*

 **HB 81 – Relating to Tax on Research/Machinery and Equipment by Rep. John Quiñones (R-Kissimmee)**

HB 81 exempts machinery and equipment used predominately (at least 50 percent of the time) for research and development from sales and use tax. There is a review provision in this bill allowing the Legislature to review the exemption by July 1, 2015. Enterprise Florida and the Office of Program Policy Analysis and Government Accountability (OPPAGA) are charged with studying the effect of the exemption and reporting back to the Legislature.

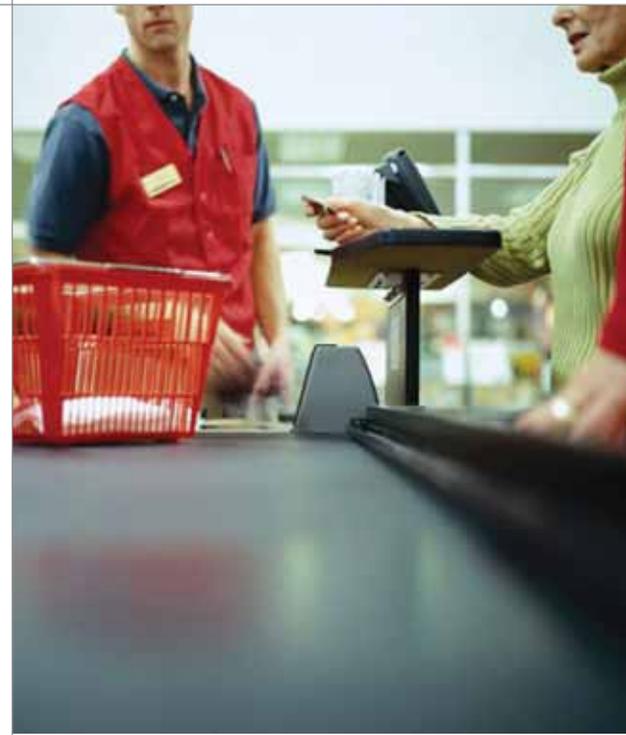
One provision of the bill would allow businesses to designate one or more state universities or community colleges as recipients to receive up to 100 percent of the exemption. In order for these institutions to receive these funds they must agree to match the funds on a one-to-one basis in the form of cash or access to special research and development equipment such as labs, facilities, etc.

**AIF supports removing taxes on machinery and equipment used for research and development because it is sensible tax policy and would improve Florida's ability to compete for higher paying jobs, which would lead to an overall net increase in state revenues.**

*HB 81 died in the House Education Appropriations Committee; its Senate counterpart CS/CS/SB 2362 died in the Senate Government Efficiency Appropriations Committee.*

 **HB 101 – Sales Tax Relief on School Supplies by Rep. Ray Sansom (R-Ft. Walton Beach)**

Since 1998 some version of this legisla-



tion has been filed in order to provide a period of time during which clothing valued under \$100 and school supplies valued under \$10 are to be exempt from any sales tax. The nine-day period would extend from July 23 through July 31. Similar legislation was passed during last year's session. HB 101's Senate counterpart, CS/SB 476, was substituted for the House version during the last week of session.

**AIF supports increasing business activity by allowing Floridians to purchase essential school supplies without having to pay sales tax.**

*HB 101 passed both the House and the Senate and was ordered enrolled; Senate companion bill CS/SB 476 was laid on the table.*

 **HB 1597 – Hydrogen Energy Technology by Rep. Adam Hasner (R-Delray Beach)**

Governor Jeb Bush has publicly stated his support for innovation in hydrogen technologies. In February of this year, Governor Bush was present at the ground breaking of Florida's first hydrogen energy station located in Orlando, Florida.

HB 1597 provides for grants for demonstration and commercialization projects and for research and development relating to hydrogen energy technologies and elec-

trical grid optimization. The proposed grants program would be administered by the Department of Environmental Protection (DEP).

In addition, the bill provides an exemption from the sales tax for the sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of equipment, machinery, and other materials for hydrogen energy technologies. This exemption would last until July 1, 2009.

The bill also creates the hydrogen energy technologies investment tax credit, which provides a credit against Florida corporate income tax equal to 75% of the eligible costs of an investment in hydrogen energy technologies.

**AIF supports legislation aimed at providing companies in Florida with incentives to develop alternate fuel technologies. These industries will place Florida at the leading edge of technology and provide the state with much needed high-wage jobs.**

***HB 1597 died in the Senate Communications and Public Utilities Committee.***

**👍 SB 1798 – Relating Corporate Income Tax/ 2005 IRS Code by Sen. Jeff Atwater (R-North Palm Beach)**

Florida's Corporate Income Tax Code follows the Federal Internal Revenue Code by using federal rules and starting with federal income as the tax base for the Florida Income Tax. This legislation also known as the "Corporate Piggyback" bill updated the Florida Income Tax Code to reflect changes Congress made to the US Internal Revenue Code of 1986 during 2004, by adopting the Internal Revenue Code as in effect on January 1, 2005. The passage of SB 1798 ensures that corporations which are subject to Florida corporate income tax can base their calculations on current IRS rules. If the Legislature had not passed this legislation, corporations would have had to keep two sets of records: one for Florida and one for IRS.

During the last week of session SB 1798

substituted its House counterpart, HB 1809 by Rep. Fred Brummer (R-Apopka).

**AIF supports the passage of this bill so that Florida corporations do not have to endure the burdensome task of filing duplicate tax records.**

***SB 1798 has been approved by the Governor and has been assigned Chapter Law number 2005-112; House companion bill HB 1809 was laid on the table.***

**👍 HB 1803 – Taxation on Alcoholic Beverages by the House Finance and Tax Committee and Rep. Fred Brummer (R-Apopka)**

This bill would eliminate the surcharge on alcoholic beverages sold on a vendor's premises. Back in 1990, Florida enacted a law that taxed the retail sale of alcoholic beverages. A move to eliminate this "drink" tax has taken some time. The tax was reduced by one-third in 1999 and again by one-half in 2000.

HB 1803 would eliminate the remainder of the tax and reduce the burdensome record-keeping required of businesses that sell alcoholic beverages. This so-called "sin tax" is poor public policy originally adopted as a "quick fix" source for additional state revenue.

Two similar bills were filed in the Senate: SB 666 by Senator Bill Posey (R-Rockledge) and SB 1658 by Senator Mike Fasano (R-New Port Richey).

**AIF supports the final repeal of this tax to eliminate a cumbersome, expensive, and regressive burden on both Florida's hospitality establishment and Florida's consumers.**

***CS/HB 1803 died in the Senate Regulated Industries Committee. SB 666 and SB 1658 both died in the Senate Government Efficiency Appropriations Committee.***

**👍 CS/SB 2070 – Relating to Substitute Communications System Tax by the Senate Communications and Public Utilities Committee and Sen. Lee Constantine (R-Altamonte Springs)**

This bill would repeal a sales tax on substitute communications systems that could cost businesses billions of dollars. This tax, which originally passed in 1985, has not been enforced since its inception but recent

👍 Bill supported by AIF; 🗑️ Bill opposed by AIF

efforts by the Department of Revenue (DOR) to implement the tax have led to the efforts to repeal it. Implementation would effectively result in the imposition of a new tax on virtually every business and many households in the state. According to Florida Statutes, a substitute communications system is a stand alone system providing its own exclusive communications service, examples include: two way radios, computer networks, and intercom systems.

CS/SB 2070 as passed by the Legislature contains not only the repeal of the tax, but also creates a nine-member task force to consider how communications services should be taxed. The bill appropriates \$100,000 for task force members' expenses and \$500,000 to pay for experts, consultants, and services needed to carry out the task force's mission.

A similar measure, HB 49 by Rep. John Stargel (R-Lakeland) was unanimously passed by the House during the first week of session.

**AIF supports total repeal of the substitute communications system tax because as the law is now written, any business with a computer network or an in-house telephone system may become subject to the communications services tax.**

*CS/SB 2070 has been approved by the Governor and is awaiting Chapter Law assignment.*

 **CS/SB 2348 – Intangible Personal Property Tax by the Senate Government Efficiency Appropriations Committee and Sen. Mike Haridopolos (R-Melbourne)**

Florida is at a disadvantage by having an intangible tax since only three other states have a similar tax. If this legislation is passed approximately 320,000 taxpayers will be removed from the tax rolls representing a recurring tax savings of \$293.8 million dollars.

CS/SB 2348 reduces to 0.5 mill the rate of annual (recurring) tax imposed on stocks, bonds, notes, and other intangible property, and provides for the tax to be repealed effective January 1, 2007. Currently, Florida has a 1.0 mill rate tax on intangible prop-

erty. No change is made to the 2 mills non-recurring tax imposed upon obligations secured by liens on Florida property.

A similar bill, HB 963 by Rep. Fred Brummer (R-Apopka), passed the House but died in the Senate Government Efficiency Appropriations Committee. This bill would have gone further than CS/SB 2348 by completely repealing the 1 mill recurring tax.

**AIF supports the repeal of the intangible tax. Reducing the tax rate to 0.5 mills is a good first step, but the tax must be repealed outright. It is wrong to penalize businesses and individuals who save or invest their money. We need to make Florida competitive with other states and by removing this bad tax.**

*CS/SB 2348 passed both the Senate and the House and has been ordered enrolled.*

 **HB 6001 – Hurricane Preparedness by the House Finance and Tax Committee, Rep. Holly Benson (R-Pensacola) and Rep. Ron Greenstein (D-Coconut Creek)**

HB 6001 provides that no sales tax will be collected between June 1, 2005 and June 12, 2005: (1) on any portable, self-powered light source selling for \$20 or less; (2) on any portable, self-powered radio, two-way radio, or weather band radio selling for \$50 or less; (3) on any tarpaulin or other flexible waterproof sheeting selling for \$50 or less; (4) on any self-contained first-aid kit selling for \$30 or less; (5) on any ground anchor system or tie-down kit selling for \$50 or less; (6) on any gas or diesel fuel tank selling for \$25 or less; (7) on any package of AA-cell, C-cell, D-cell, 6 volt, or 9 volt batteries, excluding auto and boat batteries, selling for \$30 or less; (8) on any non-electric food storage cooler selling for \$30 or less; and (9) on any portable generator selling for \$500 or less to provide light, communications, or food preservation.

**AIF supports increasing business activity by allowing Floridians to purchase essential hurricane supplies without having to pay sales tax.**

*HB 6001 (combined with SB 638) has been approved by the Governor and assigned Chapter Number 2005-40.*



## TELECOMMUNICATIONS

### **HB 1325 – Relating to Local Government Economic Development by Rep. Frank Attkisson (R-Kissimmee)**

HB 1325 prevents governmental authorities from providing certain covered services such as high speed internet access service, cable service or telecommunications services unless they are unable to find a private sector provider. Governmental authorities must do research and hold public hearings before providing such services.

Many private sector companies have to compete against governmental entities for business. AIF believes that governmental entities should stick to providing law enforcement, fire fighting, and other public services and not use tax dollars to provide telecommunication services.

**For years AIF has supported legislation that would place businesses on a level playing field**

 Bill supported by AIF;  Bill opposed by AIF

with local governments when they compete to provide services. AIF was the only business association to be an active part of the Fair Competition Law passed in 2000 for the solid waste industry. We applaud Rep. Attkisson for proposing this legislation.

*HB 1325 passed the House and was substituted for its Senate counterpart combined CS/CS/SB 2072 and 1714. HB 1325 died on the Senate Calendar.<sup>1</sup>*

## TRANSPORTATION

### **HM 985 – Transportation Equity Act for the 21<sup>st</sup> Century by Rep. Ray Sansom (R-Ft. Walton Beach)**

This House Memorial urges the President and the Congress to expedite reauthorization of the Transportation Equity Act for the 21st Century also known as TEA-21 and guarantee that Florida and the other 49 states receive at least a 95 percent rate of return on all federal transportation funds distributed. TEA-21 was enacted by Congress in 1998 and authorized both substantive law and program funding for federal highways, bridge repair, public transit, and highway congestion and safety initiatives for a six-year period (1998-2003). Unfortunately TEA-21 expired on September 30, 2003 but Congress has maintained short-term funding for the last 18 months by 6 extensions. The current extension expires May 31, 2005.

Currently Florida gets only 86 cents in federal transportation funding for every one dollar in federal transportation taxes and fees that it collects and remits. This House Memorial is requesting at least 95 cents.

**AIF supports HM 985 so that Florida can receive its fair share of transportation dollars. The increase in funding will generate jobs and help build roads to move people and goods in a more efficient manner.**

*HM 985 died in the House Rules and Calendar Council.*

## UNEMPLOYMENT COMPENSATION

### **HB 1693 – Relating to Unemployment Compensation by the House Economic Development, Trade and Banking Committee and**

<sup>1</sup> A substantial portion of HB 1325 was amended onto HB 1322 which passed both the House and Senate and was ordered enrolled.

**by Rep. Gus Bilirakis (R-North Palm Harbor)**

The bill enacts federally mandated changes to state unemployment compensation tax law required by the “SUTA Dumping Prevention Act of 2004.” Conforming to the new federal law will ensure that Florida does not jeopardize its federal grant for the administration of the program, which annually provides \$64 million to the state.

The unemployment tax rate charged to a business is based on the unemployment claims related to the business. SUTA dumping occurs when a business uses mergers, transfers, shell entities, and other schemes to dump employees from a high rate business entity to a low rate entity. The bill discourages SUTA dumping by altering the formula, and by providing civil and criminal penalties for SUTA dumping. This bill creates a third degree felony related to SUTA dumping.

The bill also creates new provisions designed to combat fraud in the unemployment compensation system, including the creation of a third degree felony related to certain fraudulent activities that defraud the unemployment claims system.

**AIF supports legislation that would bring Florida in compliance with Federal regulations as it relates to unemployment compensation. This legislation would provide valuable barriers to fraud in this arena which will ultimately help those employers who are fair and honest.**

*HB 1693 has been approved by the Governor and awaiting Chapter Law assignment.*

**WORKERS’ COMPENSATION**

**👎 HB 35 – Relating to Workers’ Compensation for First Responders by Rep. Sandy Adams (R-Oviedo)**

There were several problems with this bill; most important of which is that the bill provides for the beginning of a separate workers compensation system for first responders. Under the bill as it is currently written, volunteer firefighters are considered first responders when engaged by state or local governments. The other provision which was of great concern is proposed language which would amend cur-



rent law regarding to mental or nervous injury. This provision allows for a mental or nervous injury to be compensable even absent a physical injury. There is also a provision exempting first responders from the provisions of chapter 440 of the Florida Statutes which would limit the amount of temporary benefits that a claimant can receive for a mental injury and also exempts them from the limitation in impairment benefits for a psychiatric rating.

Based on the very nature of the bill, which is to extend workers’ compensation benefits beyond those currently allowed by law, it would seem counterintuitive that there would be any costs savings. Also, independent studies have indicated it will instead cause a rate increase in workers’ compensation insurance.

**AIF strongly opposes legislation that would create a separate workers’ compensation system for first responders. AIF recognizes the great job performed by our state’s first responders but is opposed to re-opening chapter 440 of Florida’s statutes – the chapter which deals with Workers’ Compensation. The workers’ compensation reforms of 2003 have produced significant rate decreases and should be left as is.**

*HB 35 died in the House Insurance Committee; its Senate counterpart CS/SB 1744 died in the Senate Community Affairs Committee.*

# AIF Voting Records On-Line

The annual legislative voting records and rankings have been a mainstay of AIF's services for many years. Now, that service has reached a new level that will allow the business community not only to see how their legislators are voting on business issues in the current session, but how they have voted throughout their entire legislative career.

Available on the "Members Only" Web site at (<http://fbnnet.com>) is a historical voting record section that allows you to research trends in the Florida Legislature back over 25 years. There are several search methods available, including:

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- by Subject Category
- by Chamber (House or Senate)
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The AIF vote record is also available on the AIF home page (<http://aif.com>). From the AIF home page, click on "AIF Information Center" and in the lefthand menu you can click on "Voting Records."



**Why is this such a great tool for the business community? Because all of the votes cast in one year don't always give a total indication of the voting habits of a legislator. However, when you are able to see what percentage of the time a legislator voted for the business position over multiple years on various bills, then you truly have the kind of information you need to decide if your legislator is pro-business or not.**

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