

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



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Workers' Compensation Reform

Reps. Dennis Ross (R-Lakeland), Leslie Waters (R-Largo) and J.D. Alexander (R-Winter Haven) guided the workers compensation reform bill, CS/HB 1927, safely past a stack of hostile amendments in the House Thursday. The bill now is in good shape for a final House vote, which is likely to be next week. Rep. Ross persuasively and concisely batted away amendments written to strike critical provisions in the bill such as; elimination of the Social Security standard on permanent total disability; restrictions on changes of doctors and specialty examinations; and changes in the psychiatric impairment standard. Rep. Tim Ryan (D-Dania Beach), an attorney, tried unsuccessfully to reinstate hourly fees for the attorneys and to increase their fees. Rep. Jack Seiler (D-Fort Lauderdale), also an attorney, offered several damaging amendments which failed.

In committee after committee and finally on the floor, the conundrum for opponents of the bill as always been between the way things really are and the way things ought to be.

The “ought to be” crowd as consistently sought to amend the bill with changes that, though well intended, would simply bankrupt the system. In a perfect world the claimants attorneys could make \$1000 an hour working their cell phone from a boat, the injured employees could receive treatment on a Caribbean island and the employers could pay their premiums with nickles and dimes fished out of their pockets. In fact, it would be wonderful if employees never got injured again. Unfortunately, back on planet earth, that is not the way things are. The bill has been crafted to restore balance to a system dangerously out of kilter and creaking with more expense every day. The bill addresses critical problems with the current system by dealing with the delays in the hearings and procedural process, cracking down on fraud, reigning in attorneys' fees and increasing benefits to injured employees.

The system was originally designed to be largely self-executing between the employer and the injured employees. The injured employee wants to get the necessary care and treatment and get back to work. The employer wants the injured employee healthy and back to work. This bill makes these two simple impulses all the more possible. **Opponents of the bill would do well to remember three things; employees are flesh and bone and they will get injured; employers do not have the authority under Federal law to print money in their basements; insurance carriers will always have to manage this thing known as a “loss ratio.” This is how things really are. AIF supports CS/HB 1927 and the excellent work on the House floor of Reps. Alexander, Ross and Waters.**

Nursing Home Care Reform

The Senate worked through more than 35 amendments today during second reading of CS/CS/CS/SB 1202 and the bill is ready for a final vote tomorrow on third reading. (“Second reading,” by rule, is when a bill is subject to serious amendatory consideration. By rule, amendments are much more difficult on third reading and the bill typically suffers final debate and consideration as written.) The bill, written to reform Florida’s failing nursing home care system, addresses the critical issues of quality care and “tort” or lawsuit reform.

The Senate agreed to move up the effective date for litigation reforms in the bill by *Sen. Ginny Brown-Waite (R-Brooksville)*. The Senate approved Sen. Brown-Waite’s amendments to apply the new tort standard to suits filed after May 15, 2001, rather than July 1, 2001. This closes a window that trail attorneys might have exploited by slinging as many lawsuits they could between now and July 1, 2001. However, to help nursing homes withstand the assault of \$1 billion in pending suits, the bill pending in the House, HB1879, makes the new reforms *retroactive*.

No change was made in the plan to establish a joint underwriters association except to clarify that any assessments to support the JUA would go against commercial multi-peril and commercial liability, not homeowners or auto insurance. The Senate also accepted an amendment by *Sen. Daryl Jones (D-Miami)* to lower the standard for imposing punitive damages to include knowingly allowing a dangerous situation as well as taking an active part.

Senator Ginny Brown-Waite’s efforts on this bill today were heroic, as they have been all session. She and Senate President John McKay (R-Bradenton) are to be congratulated for steering a difficult, controversial and highly technical bill through a process fraught with varying interests, intense press attention and desperate stakes, all without forgetting the end goal is to assist Florida’s elder citizens. They have handled the pressure with poise and focus.

Constitutional Amendments Election Procedure

The Senate amended SJR 1426 by *Sen. Bill Posey (R-Rockledge)* to require that constitutional amendments be approved by 60 percent of the voters, rather than the original 66 percent. The bill faces a problem when it comes up for third reading. The amendment passed only 21-17 and final approval on a proposed constitutional amendment takes a three-fifths vote, or 24 senators. The measure is an outgrowth of voter approval of the bullet-train constitutional amendment last November.

Election Reform

In consideration of an election reform bill, CS/SB 1118 by the Committee on Ethics and Elections, the Senate rejected an amendment to preserve the little-known second or “runoff” primary required under current law in state elections. Currently, in a first election primary, which may have many candidates, if one candidate does not receive more than 50% of the vote, a second primary is held between the two top finishers. Historically, the second primary has suffered from a virtual boycott by voters, with turnout being in the single digits. Members of the Senate, many of whom benefited from or survived the second primary process, had understandable affection for the process and sought to preserve it by amendment. The amendment failed.

This report was prepared by Curt Leonard, Manager – Governmental Affairs at Associated Industries of Florida (AIF) and Jere Moore, AIF Reporter. Please send your comments or suggestions to us at aif@aif.com or call the Governmental Affairs department at (850)224-7173.

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