

ASSOCIATED INDUSTRIES OF FLORIDA

# LEGISLATIVE DAILY BRIEF



P.O. Box 784 • Tallahassee, FL 32302 • Phone: (850) 224-7173 • Fax: (850) 224-6532 • Internet: <http://aif.com> • [fbnnet.com](http://fbnnet.com)

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## AT MID-POINT

As we approach the halfway point in the 60-day Legislative Session, fewer bills have been passed by both chambers than at any other time in recent memory. Despite the control of the Legislature by the so-called Republican monolith, opposed only by a supposedly weakened Democratic party, the House and the Senate have yet to find grounds for compromise on a number of key issues.

There are several reasons for the apparent legislative impasse:

- With money tight, many bills with a fiscal impact are in a logjam. Those bills won't go anywhere until lawmakers get down to the serious business of deciding how to spend taxpayers' money and how much money, if any, will be set aside for new initiatives.
- The House and Senate are divided on some important issues, and neither side wants to blink first.
- Lawmakers must tackle an array of complex and controversial subjects. Such matters tend to get bogged down in committee and often do not get resolved until the very end of the session.

The major issues remaining include workers' compensation, medical malpractice, and no-fault automobile coverage. In addition, lawmakers must take action this year to implement constitutional amendments approved by voters, including the high-speed train system, the class-size mandate, universal pre-kindergarten, and smoke-free workplace - which is a major compliance issue for employers in the State of Florida. In addition to these marquee items, lawmakers must complete work on their one constitutionally assigned annual duty: preparation of a spending plan for state government. Both the House and Senate versions of the general appropriations act are expected to reach the respective chambers later this week.

Taken together, this means that the pace is going to increase for the last half of the legislative session if legislators are to stand any chance of finishing the session on time. The latter part of the session may become fierce and frenzied, as all this blocked up legislation starts flowing downstream. Some minor bills — and maybe even some not-so-minor bills — may get lost in the last minute legislative shuffle.

Will lawmakers get their work done in 90 days allotted to them? Maybe yes. Maybe no. It is still too early to say. If the pace does not pick up soon — especially with regard to the critical must-pass bills — an extended session and/or one or more special sessions may be inevitable.

Florida legislators could be facing a long, hot Tallahassee summer. Whatever happens, Associated Industries of Florida (AIF) will keep you abreast of all the important developments.

## **SMOKE-FREE WORKPLACE**

At center stage today was one of the must-pass issues that is demonstrating the deep divide between the House and the Senate. By a vote of 93 to 23 the full House gave its approval to HB 1757, which seeks to implement Amendment 6, the anti-smoking amendment of the state Constitution approved by voters in last year's general election.

*Please refer to the March 27 Daily Brief to read an analysis of HB 1757.*

The amendment allows smoking in a limited number of venues, including stand-alone bars; exactly what qualifies as a stand-alone bar has opened a great divide between the House and the Senate. HB 1757 would outlaw smoking in all bars, while the Senate would allow smoking in bars that sell food, as long as the food sales do not account for 30 percent or more of revenues. Smokers will have to wait a little while longer to find out where they'll be able to light up over cocktails.

The legislation that is eventually passed will include the steps businesses must follow in developing and implementing their new no-smoking policies, which may include procedures to take when a customer violates the no-smoking law. As soon as the details are available AIF will report on them to you.

**This is an issue that affects all businesses in Florida, not just restaurants and bars. Although the constitutional amendment leaves little room for doubt as to the ultimate impact on most all workplaces in this state, AIF will continue to monitor Amendment 6 implementation bills to ensure that the final enactment does not place an undue burden on employers and their ability to conduct business.**

## **ECONOMIC DEVELOPMENT**

Today, the Senate Committee on Commerce, Economic Opportunities, and Consumer Services voted 11 to zero in favor on two bills that expand the availability of certain tax incentives and revise several existing economic development programs. The members voted to combine SB 2252 by Senator Lesley Miller Jr. (D-Tampa) with another bill sponsored by Senator Burt Saunders (R-Naples) To create CS/SB 2328.

Most notably, the CS/SB 2328 provides economic-development tax incentives for companies that purchase equipment and machinery, including molds and dies, for the purpose of research and development.

The bill also

- expands the tax exemption for items of business property for use in an enterprise zone to include items priced at \$500 or greater
- revises the eligibility criteria for an area to be designated as an urban-job tax area to include factors other than crime rates
- expands the types of businesses eligible to receive the capital-investment tax credit for new or expanding facilities that create at least 100 new jobs in this state to include any business that may qualify as a qualified target-industry business and export at least 50 percent of their products or services outside of Florida
- authorizes Enterprise Florida to provide managerial, technological, scientific, and financial expertise directly to businesses without using a subcontractor
- limits the liability of Enterprise Florida for loan guarantees under a technology program to funds within the Florida Technology Research Investment Fund

CS/SB 2328 will next be heard in the Senate Committee on Comprehensive Planning.

**AIF supports CS/2328. Florida should exempt from the sales-and-use tax all items of tangible personal property that are purchased specifically for use in research and development activities. Legislation of this nature pays big dividends to Florida, because it makes the state's business climate much more attractive to high-paying high-tech industries.**

Please send your comments or suggestions to us at [aif@aif.com](mailto:aif@aif.com) or call the Governmental Affairs department at (850)224-7173.

- For more information on all of the important legislative information concerning the business community, go to our "members only" Florida Business Network web site at <http://fbnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.