



FROM MAY 15, 2003

Today, the Senate conducted several committee hearings to address the bills introduced by the expanded call, while the House held a committee hearing this morning and spent the afternoon in session. The following issues were heard today.

WORKERS' COMPENSATION

Source: Tammy Perdue, Stiles, Taylor and Grace, P.A.

The House passed a workers' compensation bill that will reduce costs by 14.5 percent and help Florida's employers and businesses. This bill is very similar to the bill that the House passed during the regular session (HB 1837), which the business community supported.

HB 25A is sponsored by Representative Dudley Goodlette (R-Naples) and co-sponsored by Representatives Bob Allen (R-Merritt Island), Kim Berfield (R-Clearwater), Don Brown (R-DeFuniak Springs), Donna Clarke (R-Sarasota), Mike Davis (R-Naples), Dennis Ross (R-Lakeland) and Juan Zapata (R-Miami). This bill eliminates

- all exemptions in the construction industry, except for up to three corporate officers owning at least 10 percent each
- hourly attorney fees, one of the system's largest cost drivers, with only one exception, which allows a \$1,500 fee one time per accident for a medical only petition
- application of Social Security criteria to the definition of catastrophic injury, which will curb the rate of permanent-total disability claims, which are filed at least four times more frequently in Florida than other states.

Several amendments passed today in the House, but none have been determined to reduce the cost savings. Thirty-two amendments were filed for consideration, many of which were designed to gut the bill's savings and necessary substantial reform, but, the House only heard 14 amendments and passed the following 11 amendments. With the exception of amendment 2, which was sponsored by Representative Adam Hasner (R-Delray Beach), all other amendments were sponsored by Representatives Ross, Berfield, Brown, Clarke and Goodlette ([click here for a complete report on the amendments that passed](#)).

Two amendments that failed to pass the House are of particular interest to the business community. The first, offered by Representative Jack Seiler (D-Pompano Beach), would have increased the duration of rehabilitation temporary total disability benefits to 260 weeks, which would have reduced amount of savings in the bill. An unsuccessful amendment by Representative Dan Gelber (D-Miami Beach) would have allowed hourly rate attorney fees, also increasing costs.

Upon a motion by Representative Marco Rubio (R-Miami), the House then called the question on HB 25A and did not consider any other amendments. The bill was placed on third reading and will be available, as amended, for passage in the House as early as Friday.

The governor is expected to expand the call of the special session to formally include workers' compensation. All eyes will then focus on the Senate, where every vote is important.

AIF supports legislation that controls medical expenses, reduces litigation, and corrects inefficiencies in the workers' compensation system. Above all, AIF supports remedial legislation that will provide fairer benefits to injured workers and lower costs to employers.

CIVIL RIGHTS

Today, the Senate Judiciary Committee heard and unanimously passed the bill relating to the Florida Civil Rights Act of 1992. SB 46A is sponsored by Senators Alex Villalobos (R-Miami), Lesley Miller, Jr. (D-Tampa), Rod Smith (D-Gainesville), and Alex Diaz de la Portilla (R-Miami). If passed, this legislation would give the attorney general independent authority to initiate, upon reasonable cause, a civil action for damages against any group or person that allegedly practices discrimination.

SB 46A is similar to SB 1214, heard during the regular session, with one significant change. The earlier version of the bill contained a "one-way" attorney's fee provision in favor of the attorney general. This was a matter of concern to AIF. In contrast, SB 46A awards attorney's fees and costs to the prevailing party. Therefore, a private-party defendant that successfully prevails on the merits of a civil rights lawsuit initiated by the Attorney General will be able to recover attorney's fees and costs from the state.

This afternoon the House also added the civil rights issue on the special session agenda.

AIF has no present objection to SB 46A. AIF will continue to monitor this legislation to ensure that the fairness provisions are not removed.

AUTOMOBILE INSURANCE: PERSONAL INJURY PROTECTION REFORM

The House bill relating to the motor vehicle insurance reform, HB 27A, was on the House special order calendar today. The bill was debated and amendments were adopted. This bill is sponsored by Representatives Dudley Goodlette (R-Naples), Kim Berfield (R-Clearwater), Don Brown (R-DeFuniak Springs), Donna Clarke (R-Sarasota), and Mike Davis (R-Naples).

Also today, the Senate Banking and Insurance Committee heard and unanimously passed a motor vehicle insurance reform bill, SB 32A, sponsored by Senator JD Alexander (R-Winter Haven).

SB 32A is similar to HB 27A, as originally filed, and is identical to CS/CS/SB 1202, first engrossed, that passed the Senate, with a few technical amendments, prior to the regular session's adjournment.

Key provisions of this legislation include

- upgrading criminal penalties for motor vehicle insurance fraud
- restricting improper medical billing practices and improper claims handling practices
- restricting charges for certain diagnostic tests
- provides for licensing and regulation of certain medical clinics by the Agency for Health Care Administration, instead of the Department of Health
- authorizing the Financial Services Commission to increase the basic PIP benefit from the current \$10,000 if the commission determines that the bill reduces costs such that benefits can be increased without an increase in premiums
- revising the method of calculating PIP deductibles to provide higher benefits for the insured, and eliminating the option of a \$2,000 deductible
- providing for the sunset of the no-fault law in 2007 unless reenacted by the 2006 Legislature

AIF supports reform of Florida's no-fault law to return stability to the automobile insurance market.

CHARTER SCHOOLS

In an effort to enhance the performance of charter schools, the House has introduced HB 55A, sponsored by Representative Dennis Baxley (R-Ocala), and the Senate has introduced SB 38A, by Senator Daniel Webster (R-Winter Garden). As drafted, these bills are identical.

A charter school is a public school that operates under contract (or charter) with a public sponsor. Charter schools are often free from state and local regulations and mandates, but are usually held accountable for the academic and financial performance of the school and its students. This legislation would provide guiding principles for the establishment and operation of charter schools. The proposed legislation includes the following provisions:

- sponsors must ensure that the charter school participates in the state's accountability system
- community colleges are allowed to work with school districts to develop charter schools
- modification of the charter school application and review process.
- guidelines for the content of the required annual progress report
- revisions to the administrative fees that may be withheld
- limiting certain universities to one lab school, with some specific grandfather provisions, and changing the public employer of school personnel at certain lab schools
- assurance that the primary focus of charter schools' curriculum is on reading, that curriculum and instructional strategies must be consistent with the Sunshine State Standards
- reduction in the administrative fee withheld by the school district for charter schools over 500 students
- revises the purposes for which Charter School Capital Outlay Funds can be used.

Today, the Senate Education Committee passed SB 38A with no amendments added. HB 55A was on the House special order calendar where the bill was read a second time with no amendments adopted.

AIF supports the expansion and development of charter schools in Florida. Charter schools are a cost-efficient and educationally effective way to improve the quality of education in this state.

Please send your comments or suggestions to us at 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://fbnnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.