

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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*(Today's report also includes highlights from some March 1<sup>st</sup> committee hearings)*

The 2004 legislative session kicked-off today amidst a flurry of activity in the Capitol that included a march on the Capitol in protest to some of the Governor's policies. The highlight of the day's activities was the State of State address given by Governor Jeb Bush. In his speech, the Governor outlined his most important policy initiatives for this year's session which included: education, diversifying Florida's economy, family values, and availability of healthcare. The Governor's speech applauded the efforts of Senate and House leadership to reform KidCare and specifically challenged both chambers to pass legislation as soon as possible that will provide health coverage to more children.

For a transcript of the State of the State Address please go to:  
<http://www.fbnnet.com/2004Articles/2004StateofState.htm>

Today also marks the beginning of AIF's daily coverage of the legislature. Our goal is to provide our members, the business community, and the legislature with the best coverage on issues affecting Florida's employers. In addition to our daily briefs, AIF will also publish a weekly report synthesizing the week's most important developments.

## **NURSING HOMES**

On Monday, March 1<sup>st</sup> members of the Joint Select Committee on Nursing Homes passed the final draft of their report, concluding the bulk of their work. The committee's report outlines the current crisis facing nursing homes. While the 2001 Nursing Home Reform bill improved quality care in nursing homes, it has not brought back affordable liability insurance. The report found general agreement among committee members that:

- Any insurance solution should be comprehensive, linking more tort reform with minimum insurance requirements
- Funding for nursing homes and staff increases should be remain at current levels
- Action must be taken against chronically poor performing facilities

Chairman Dudley Goodlette (R-Naples) said he hoped the report could serve as a basis for legislation in each chamber. While House leadership is sympathetic to additional litigation reforms, the fate of any nursing home bill would be precarious in the Senate.

For a copy of the committee's final report please go to  
<http://www.flsenate.gov/data/committees/joint/jsnh/FinalReport.pdf>

**AIF wholeheartedly supports the efforts to craft legislation that will ensure quality of care to seniors.**

## KIDCARE

Also on Monday, lawmakers in the House Appropriations Committee and the Senate Appropriations Committee approved spending \$6.5 million in state money and millions more in federal dollars to provide subsidized health insurance for up to 90,000 children on a waiting list for the popular KidCare program. The approved bills HB 1073 and SB 2000 change the eligibility standards which limited the number of those eligible for the program. Children whose parents could purchase insurance through their employer would not be eligible unless they met income level qualifications.

While SB 2000 passed the Senate Appropriations Committee without much controversy, the House version of the bill (HB 1073) passed under extensive opposition from Democratic members. The passage of HB 1073 was facilitated by an amendment that would soften some of the program's cutbacks in the original language. The amendment provides dental benefits (although subject to appropriations) and outreach programs to citizens during open enrollment.

**AIF supports expanding access to KidCare by minimizing the waiting list.**

## COMPREHENSIVE PLANNING

The Senate Comprehensive Planning Committee met on Monday, March 1<sup>st</sup> and passed SB 162 by Senator Mike Bennett (R-Bradenton). Basically, this proposed legislation says that if you buy a parcel of property with specific zoning, the zoning should not change. Anyone who wants to purchase property should have some guarantee that the original zoning classification remains unchanged for a specific period of time. The bill will now make its way to the Senate Judiciary Committee.

**AIF supports any measure that would guarantee zoning classifications and prohibit any changes after a purchase is completed.**

## COMMERCE

On Tuesday March 2<sup>nd</sup> the Senate Commerce, Economic Opportunities and Consumer Services Committee passed SB1072 (12-1) by Senator Skip Campbell (D-Tamarac) relating to Streamlined Sales and Use Tax, with Senator Mike Haridopolos (R-Melbourne) as the lone dissenter. Senator Campbell sponsored this bill last year and it was passed out of the Senate on a vote of 40-0.

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 resident 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 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.

This legislation adopts procedures to streamline the collection process, like several other state have; however, the legislature would still need to implement the collection process. Representative Jack Seiler (D-Pompano Beach) has filed the companion measure in the House; however, the bill has not been referenced to date. Along with AIF, several organizations expressed their support of this measure including, the Retail Federation, NFIB, Badcock Furniture Corporation, the Florida Association of Counties, and the Florida League of Cities.

**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, the State of Florida could equalize the treatment of all retail vendors regarding the assessment and collection of state sales tax.**

The Senate Commerce committee also heard three Community Contribution Tax Credit bills which allow businesses, insurance companies and individuals to receive a tax credit for making donations to certain low-income and very low-income housing and community development projects.

The first bill was SB 2066 by Senator David Aronberg (D-Greenacres) which would allocate up to 25% of the annual credit (currently \$10 million) to rural counties. This bill was temporarily passed on a request by Senator Aronberg. The second bill was CS/SB 330 by Senator Burt Saunders (R-Naples) which would delete the expiration date of this entire program which was originally set for June 30, 2005. The bill passed unanimously. The last bill on this topic was SB 1210 by Senator Steve Wise (R-Jacksonville). His bill would increase the annual tax credit from a total of \$10 million to \$20 million. After two amendments were accepted, the bill passed unanimously as a committee substitute.

**Tax credits that encourage businesses, insurance companies and individuals to invest in low-income housing programs and community development projects encourage investments in Florida's infrastructure needs. Not only does AIF support the expansion of this program but also supports deleting the expiration date of the program indefinitely.**

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