

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



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Monday was a particularly busy day for the Florida Senate as several high profile committees held meetings in the afternoon. Of particular note for the business community was the meeting of the Senate Banking and Insurance Committee. Chairman Bill Posey (R-Rockledge) rolled out several highly anticipated property insurance reform bills, each of which was approved during the proceedings. SB 1866 is the Senate's version of the HB 1A "glitch" bill. As you may recall, HB 1A was the controversial property insurance reform bill that was passed during this year's Special Session on Property Insurance Reform. SB 1864 deals with hurricane mitigation. Both of these bills resemble their House counterparts somewhat. We expect intense negotiations to see which proposals are ultimately passed.

The meeting of the Senate Banking & Insurance Committee also featured a rare appearance by Governor Charlie Crist (R) who attended in order to testify in support of SB 2498 Relating to Citizens Property Insurance Company by Senator Rudy Garcia (R-Miami). This bill further sets Citizens apart from private insurance companies and provides even more options for the expansion of this government-run insurance company. The bill also outlaws PUP companies and requires the Office of Insurance Regulation (OIR) to take into consideration the profits of parent companies when approving insurance rates. AIF will be following these bills closely as the move through the process.

Workforce Development

Today, the Senate Commerce Committee unanimously approved SB 1222 Relating to Student Financial Assistance by Senator Jeremy Ring (D-Margate). The bill creates the Sure Futures Postgraduate Scholarship Program to match private-sector businesses with students who are seeking advanced degrees and employment. A corporate sponsor would provide a scholarship for a student, who would agree to work for the corporate sponsor for a minimum of 4 years after graduation. In return, the corporate sponsor becomes eligible for a credit against its corporate income tax liabilities equal to the donation. The maximum corporate income tax credits available the first 2 years of the program shall be \$10 million annually, minus the costs to administer the scholarship program. The bill also creates a non-profit board of directors to administer the program.

During debate, Senator Evelyn Lynn (R-Ormond Beach) asked the bill sponsor whether the bill specified that this program should be geared toward hi-tech fields. Senator Ring was not sure if the bill did so and agreed with Senator Lynn that the emphasis should be on hi-tech jobs.

AIF supports legislation that strengthens the quality of Florida’s workforce by encouraging the state’s best and brightest to remain in state and work for business and corporations based in Florida. In addition, the bill has the potential to increase the number of post-graduate degrees being awarded in Florida by allowing businesses in Florida to pay students to obtain these advanced degrees.

Economic Development

The Senate Commerce Committee unanimously passed SB 856 Relating to Economic Development by Senator Alex Diaz de la Portilla (R-Miami). The bill would create a pilot Super Enterprise Zone in the Overtown area of Miami Dade County. Businesses that operate or relocate to this Super Enterprise Zone would be effectively free of taxes.

Senator Diaz de la Portilla offered a “strike-everything” amendment that made the Senate bill identical to its House companion, HB 1503 by Representative David Rivera (R-Miami).

The next stop for SB 856 is the Senate Transportation and Economic Development Appropriations Committee.

AIF supports the concept of establishing Super Enterprise Zones. There are several examples from states with similar programs that show that these Super Enterprise Zones are successful in attracting new investment and new companies to areas that need it the most. The potential for increased job creation and higher wages makes this idea good public policy.

Health Care

The Senate Banking & Insurance Committee approved SB 366 Relating to Infant Eye Care by Senator Frederica Wilson (D-Miami). This bill requires a certain type of eye examination for all infants born in Florida hospitals. SB 366 also requires health insurance policies and health maintenance contracts to provide coverage for an eye examination performed using an ophthalmoscope and dilation of the pupils at birth, at 6 to 8 weeks of age, and at 6 to 9 months of age to detect pediatric congenital and ocular abnormalities and developmental abnormalities.

The bill requires follow-up visits that may not be medically necessary and may also increase health insurance costs. These costs would ultimately be passed on to consumers in the forms of higher premiums.

SB 366 will now be heard by the Senate General Government Appropriations Committee where we expect some tough questions will be asked regarding the bill’s fiscal impact on health insurance plans.

AIF consistently opposes additional mandated coverages because the resultant cost increases could force some insurers out of the market and price health care insurance out of the reach of many employers and businesses.

Business Regulation

Today, the Senate Regulated Industries Committee unanimously passed SB 2234 presented by Senator Steve Wise (R-Jacksonville) which would provide licensure and regulation of private home inspections services while exempting from law engineers, architects, building code administrators, real estate appraisers, and fire safety inspectors. The bill would also require examination for licensure that includes the completion of a 120-hour course of study, and require 14 hours of continuing education every 2 years. SB 2234 also would provide for licensure of mold assessors and remediators exempting certain contractors, engineers, architects and pest control agents to name a few.

Currently, there are numerous companies in Florida that hold themselves as mold assessors or mold remediators yet there is no state licensure or regulatory requirements for these companies. Although home inspectors frequently advertise themselves as “certified” or “licensed” the only certification programs offered to home inspectors in Florida are the voluntary programs offered by one of hundreds of organizations that offer this type of training. As a result, consumers’ are often led to believe that the state has adopted legally mandated requirements for home inspectors in order to protect consumers and the general public against fraud and unscrupulous trade practices.

Senator Jim King (R-Jacksonville) asked the sponsor if there was the ability to "grandfather in" existing businesses that are already practicing as home inspectors or mold assessors. Senator Wise responded by stating that existing businesses have until 2008 to comply and meet the certification needs.

SB 2234 will now be considered by the Senate Criminal Justice Committee.

AIF supports establishing a regulatory process for home inspectors, mold assessors, and mold remediators. These guidelines would protect both consumers and businesses from those who practice this trade fraudulently.

General Business

The Senate Commerce Committee considered SB 736 Relating to Trespass on Commercial Premises by Senator Steve Oelrich (R-Gainesville). This was the second time the bill was being considered by the Committee since the bill had been temporarily postponed at the previous meeting because of some problems with the scope of the bill. In general, the bill prohibits a person from remaining on any property or in any structure that is open to the public for commercial purposes if the owner or owner’s agent has ordered the person to leave the premises due to activity deemed detrimental to the commercial purpose of the property.

During the meeting Senator Oelrich presented a “strike-everything” amendment, which sought to more narrowly define the provisions in the bill and included some anti-discrimination language. As amended, the bill would continue to give property owners the right to determine

which groups, if any, would be allowed to come onto a commercial property to gather petitions, solicit donations, or undertake any other non-commercial activities.

According to the sponsor, the intent of this legislation is to clarify and codify into statutes the rights of property owners when it comes to what they can do with individuals who come onto their property to engage customers in any manner.

Several speakers representing the AFL-CIO, ACCORN and the League of Women Voters testified in opposition to the bill stating that this and other similar legislation would have a chilling effect on citizen participation in the democratic process. Members of the business community, including AIF's Jose Gonzalez spoke in support of the bill reminding committee members of the importance property rights play in the everyday life of Floridians. Furthermore, the point was driven home that no business owner should have put up with citizens harassing their customers or gathering signatures on issues that could be contrary to that business owner's business model or philosophy.

In the end, Senator Oelrich's "strike-everything" amendment was defeated on a 5-3 vote and Chairman Alex Diaz de la Portilla (R-Miami) offered to once again temporarily postpone the bill. Senator Oelrich agreed. Those voting against the amendment and against the business community were Senators Burt Saunders (R-Naples), Victor Crist (R-Tampa), Jeremy Ring (D-Margate), Charlie Justice (D-St. Petersburg), and Gary Siplin (D-Orlando). Those voting for the amendment and with the business community were Senators Alex Diaz de la Portilla, Steve Oelrich, and Evelyn Lynn (R-Ormond Beach).

AIF supports legislation that codifies the property rights of business owners and the rights of patrons to engage in commerce. Business owners have the right to determine which groups, if any, are authorized to conduct any activity other than commercial endeavors on their property.

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.