

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



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Wednesday marked the first day both the House and Senate were in session for the majority of the day. The only committee meeting was the House Policy & Budget Council, which held their final meeting of the year. Council members had just an hour and half to get through more than 20 bills. Thanks to Chairman Ray Sansom's (R-Ft. Walton Beach) skills as parliamentarian the Council was able to get through their full agenda, much to the delight of bills sponsors and lobbyists. Critical bills for AIF dealing with the Governmental Accountability Act and Transportation were passed out of their respective chambers. Details on these and other bills of importance to the business community can be found in today's report.

Negotiations on property tax reform started out on a positive note this morning with the Senate trying to move closer to the House's position on a statutory rate roll-back that would produce savings for Florida's tax payers. Unfortunately, moods began to sour later in the evening as little progress was achieved after the House was given all afternoon to consider the Senate's offer of focusing on the rate rollback (HB 7001). According to House Conference Committee Chairman Dean Cannon (R-Winter Park) the "House cannot respond to an offer that was not made" referring to the Senate's unwillingness to provide a specific year for rolling back taxes and a specific dollar amount of savings for Florida's taxpayers. From the very beginning of negotiations, the House has set a goal of \$1,200 in savings for homestead properties, \$750 for non-homestead properties, and \$3,300 for commercial and industrial real estate. The tension was palpable upon adjournment this evening. Negotiations will resume on Thursday.

Government Accountability

The House passed HB 7177 Relating to Florida Government Accountability Act by the House Policy & Budget Council on almost a strict party line vote of 78 – 36. This Act provides for a periodic review process for the continuation, modification, or abolition of many of the state agencies currently in existence. The Act also establishes an eight-year review schedule under which each state agency is given a termination date. This is important to the business community because employers interact with state agencies on a daily basis through the application of permits or through enforcement of licensure.

This year the legislature is considering HB 7177, which strengthens and modifies many of the provisions in the original bill. For starters, it changes the existing review committee to a commission. This subtle change allows the new entity to be statutorily created and not be subject to the rules of standing legislative committee, in other words it is given a much higher

authority. In addition, this year's legislation makes changes to the agency review schedule by grouping agencies according to subject matter so that the review commission can consider the, across a common policy arena.

Much of the debate on this bill took place yesterday when the House considered HB 7177 for the first time on the floor. Representative Kevin Ambler (R-Tampa) has taken the lead on this bill and it was up to him to field the many questions asked by members of the Democratic Party. Most questions centered on why it was necessary to make the changes outlined in this year's bill. Representative Ambler explained that it was his goal to increase the efficiency of the Act's many provisions and that one way of doing this was by grouping state agencies together that share common policy areas so that they could be considered as a whole.

HB 7177 will now be sent to the Senate for consideration. One interesting thing about this bill is that there is no Senate companion as of this date. Bills must have a companion in each chamber in order to become law. HB 7177 is one of Speaker Rubio's 100 Ideas for Florida's Future; it will be interesting to see what happens as the final days of session roll on.

AIF supports the strengthening and continuation of the Florida Government Accountability Act. Curbing unnecessary government expansion is wise public policy. Businesses and employers in Florida must be lean and efficient. Holding state agencies to this standard is not only appropriate, but also necessary for Florida's economy to continue to prosper.

Transportation

The House of Representatives passed (78-37) HB 985 Relating to Transportation & Infrastructure by Representative Rich Glorioso (R-Plant City) after hours of debate. This bill has become what most people familiar with the legislative process call a "train" meaning that it has received numerous amendments from multiple legislators because of the bill's great chance to pass this session. HB 985 is the Florida Department of Transportation's legislative package for the 2007 session and it contains numerous provisions dealing with roads, transportation authorities, public-private partnerships for road building, just to name a few. Please refer to the April 24th edition of AIF's Daily Brief for a complete description of the bill.

HB 985 will now be sent to the Senate for consideration.

AIF supports many of the provisions found in this comprehensive bill, especially the concept of P3s as an alternative for dealing with Florida's huge backlog of transportation infrastructure projects. This legislation provides increased flexibility for the private sector to partner with local and state government to create a model transportation system that will benefit all Floridians. In addition, we support the inclusion of the aggregate issue in his omnibus transportation package. Florida's businesses and contractors depend on this raw material for building and road projects.

On the Senate side, SB 506 Relating to Tampa Bay Area Regional Transportation was passed unanimously (40-0) this afternoon. The objective of the legislation is to create a new entity able

to overcome the parochial pitfalls of addressing infrastructure needs on a county by county basis. The authority's purview would include entering into public-private partnerships (P3s), building limited access toll expressways, developing mass transit and more.

The bill will now be sent to the House for consideration. SB 506's House companion, HB 251 by Representative Bill Galvano (R-Bradenton) is on the House calendar waiting to be considered for final passage.

AIF supports the ability of multi-county areas in Florida to form regional transportation authorities, empowered to implement infrastructure improvements and to increase consideration for vital transportation corridors, seaports, airports and other regionally significant business centers.

Energy

The House unanimously passed (116-0) HB 7123 Relating to Energy by the House Environment & Natural Resources Council and House Energy Committee Chairman Bob Allen (R-Merritt Island). This is the House's omnibus energy policy bill which includes numerous provisions dealing with energy production, alternative energy, incentives for renewable energy development, and energy efficiency buildings.

The bill was amended by Representative Curtis Richardson (D-Tallahassee) to include, among its many provisions, a Green Schools Pilot Program. This pilot program would require selected school districts to use Leadership in Energy and Environmental Design (LEED) standards when constructing new buildings or renovating old buildings.

HB 7123 will now be sent to the Senate for consideration.

AIF supports many of the provisions in this comprehensive energy bill, especially the provisions that offer great incentives for the development of alternative energy sources. Florida is the 3rd largest consumer of energy in the country, as such we should look for ways to partner with the energy industry so that Florida's businesses and consumers have access to reliable and affordable energy.

Information Technology

The Senate took up SB 1974 Relating to State Information Technology by the Governmental Operations Committee on Second Reading today. Senator Al Lawson (D-Tallahassee), Chairman of the Governmental Operations Committee, explained that the bill makes significant changes to the way enterprise information technology is governed in the state. Currently, the actual practice of IT governance does not conform to the law because there is no State Technology Officer even though there is one in the law. It creates a new agency called the Agency on Enterprise Information Technology located in the Executive Office of the Governor but headed by Governor and Cabinet. It is controlled by an extraordinary vote of the Cabinet, with Governor on prevailing side. It is headed by a specifically credentialed agency executive director. The focus

of the agency is on enterprise issues, not day-to-day management and operations. That is left to the agencies and their secretaries/executive directors.

During debate on the bill, Senator Ronda Storms (R-Brandon) rose to commend Senator Lawson for his hard work on such a good bill for the state of Florida. She went on to say that this bill will move state government into the 21st Century regarding services to our citizens via Information Technology (IT) at less cost and better quality.

Senator Nancy Argenziano (R-Crystal River) also rose to commend not only Senator Al Lawson, but the staff as well, especially Mr. Ray Wilson, Staff Director of the Governmental Operations Committee for their untiring efforts to develop this complex IT governance issue.

Senator Lawson graciously thanked the members and stated that this good bill was a priority of Senate President Ken Pruitt.

The bill was rolled over to Third Reading, meaning that it is now ready to be voted on for final passage.

SB 1974's House companion, HB 1557 by Representative Will Weatherford (R-Zephyrhills) was unanimously passed earlier today by the House Policy & Budget Council. HB 1557 is now ready to be considered on the floor of the House for final passage.

AIF and its Information Technology (IT) Council support this major overhaul of how IT systems are managed by the State. This bill represents a real improvement in enterprise IT governance and a real improvement in agency chief information officer training and responsibilities.

Taxation

The Senate unanimously passed (40-0) SB 90 Relating to Motor Fuel Taxes/Commercial Aviation by Senator Jim King (R-Jacksonville). This bill provides a refund of the motor fuel sales tax to companies that purchase and use motor fuel to operate aviation ground support vehicles. The only stipulation is that these vehicles not operate on public roads.

AIF supports providing refunds on motor fuel taxes to the airline industry as an incentive for these companies to perhaps expand their services in the future.

SB 1456 Relating to Sales Tax/School Supplies & Clothing by Senator Dan Webster (R-Winter Garden) was unanimously passed (114-0) by the House. This bill establishes a ten-day period (August 4, 2007 - August 13) during which certain school supplies under \$50 are exempt from sales tax.

AIF supports increasing business activity by allowing Floridians to purchase essential hurricane and school supplies without having to pay sales tax.

Business Regulation

HB 1399 Relating to Regulation of Building Inspection Professionals by Representative Carl Domino (R-Juno Beach) unanimously passed the House Policy and Budget Committee, its last committee of reference, this morning. The bill seeks to give the Department of Business and Professional Regulations (DBPR) authority to regulate and license private home inspection services around the state as well as mold assessors and remediators. The bill further seeks to exempt from this law building code administrators, architects, engineers, real estate appraisers, FHA inspectors and fire safety inspectors. To receive a license to provide home inspections one would have to pass an examination for licensure that includes the completion of a 120 hour course of study, and to keep their license each year one would be required 14 hours of CE every 2 years.

In previous committee stops there had been some concern that the bill needed to allow individuals already practicing these professions to be "grandfathered" in as long as the individual completes the required licensure terms with the department. There were two amendments adopted to HB 1399 that would address this concern and would also give individuals until 2010 to comply with the DBPR's requirements.

HB 1399 will now be placed on the House calendar for final passage.

The bill's Senate companion, SB 2234 by Senator Steve Wise (R-Jacksonville) has been placed on the Senate's Special Order Calendar for Friday, April 27th.

AIF supports this measure since it would provide accountability to home inspectors and mold remediators and would assist insurance companies to better assess the risks of certain homes that are affected by mold, thereby, potentially reducing the amount of litigation associated with this problem.

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