



DAILY LEGISLATIVE BRIEF FROM MARCH 11, 2008

As was expected several bills of interest to AIF and the business community were debated today. In this report you will find coverage on several education and workforce bills that are supported by AIF and its Florida Council on Education and Workforce (a group of business and education leaders interested in education reforms that will lead to a better workforce for Florida).

Health care was also a big topic today as the House held an unprecedented joint meeting of all four health care related committees during which Health Care Council Chair Representative Aaron Bean (R-Fernandina Beach) unveiled the House's health insurance proposal designed to deal with the issue of Florida's uninsured.

Wednesday should be another busy day as the House considers the "guns in the workplace" legislation during the Environment & Natural Resources Council meeting.

Education and Workforce Development

Four House Education committees met today, three of which considered legislation that aligns with AIF's session priorities for 2008.

The House Postsecondary Education Committee met and work-shopped two drafts of proposed council bills on remedial education reform and dual enrollment reform.

Representative Clay Ford (R-Pensacola) presented draft language creating the Remedial Reform Pilot program with the goal of reducing the need for and cost of remedial education for recent high school graduates. On the issue of remedial education reform the committee cited rising numbers of students requiring remedial education when entering college (55% of all students needed some remediation, mostly in math, but often in multiple areas). The pilot program will be administered by the Department of Education (DOE), who will select no more than four collaborative efforts between one or more school districts and community colleges by October, 2008.

AIF supports mechanisms to align the education delivered in K-12 with the preparation required for higher education. Florida's business community needs employees who can, at a minimum, do three things: write cogently, think critically, and speak articulately. Students must also be literate in technology and multiculturalism in order to compete in a global economy.

Citing the shortened time needed for a college degree and broadened scope of curriculum available to students through accelerated college credit programs such as Advanced Placement, International Baccalaureate, and Dual Enrollment, the Postsecondary Education Committee also presented draft language for Dual enrollment reform. The proposed bill:

- Contains a diploma designation for accelerated credit (AP, IB, DE, AICE);
- Requires each district to offer at least 4 accelerated college credit courses (can be any of AP, IB, DE, AICE) in math, English, science, social studies, and four career ed dual enrollment courses;
- Requires the State Board to develop a plan to increase accelerated college credit programs;
- Requires SUS to weight Dual Enrollment comparable to AP, IB, AICE, for admission purposes'; and
- Revises the way a Dual Enrollment student is calculated for funding in the FEFP.

AIF supports increased educational opportunities for students that expand access to rigor in high school, which will prepare students for the workplace AND higher education.

The House K-12 Committee unanimously passed HB 207 Relating to Educator Certification by Representative Maria Sachs (D-Delray Beach), which aims to broaden the number of foreign languages available in Florida's schools by changing the way teachers can be certified to teach a foreign language. As originally drafted, the bill had a significant fiscal impact.

Additionally, the State Board of Education recently adopted a rule, which addressed this issue. For these reasons, the bill was amended to remove the fiscal impact and build on the recently passed State Board of Education rule.

HB 207 will now be considered by the House Schools & Learning Council.

AIF supports students having access to classes in modern languages that are used around the world for commerce. Access to these languages will give our students the foundation they need to compete in the global workforce, thus ensuring that Florida's businesses can compete with their counterparts across the world.

The House 21st Century Competitiveness Committee considered a proposed council bill relating to Class Size Reduction Implementation Flexibility. The proposed bill amends 1003.03, Florida Statutes; the section of law that implements the constitutional amendment lowering class size. The bill preserves the integrity and purpose of the amendment, while providing a detailed mechanism for flexibility. The bill contains clauses restating the Florida Supreme Court's finding that the Constitution gives latitude to the Legislature to design ways to meet the class size goals, and finding that disruptions to learning in the middle of a school year are educationally unsound and distressing.

The bill revises the schedule for class size reduction between 2008 and 2011. The main provision of the bill is a flexibility exception, which allows schools that experience unexpected student growth (after compliance has been determined) to assign students to existing classes as long as they are not more than 3 over the limit of 18 in K-3, or 5 over the limit in grades 4-12. Other methods of achieving the limit must be considered before using the flexibility option and the option expires at the end of the school year. The bill also changes accountability and enforcement for class size compliance. AIF supports added flexibility in achieving the class size limits detailed in the Constitution.

AIF looks forward to working with all the partners reviewing the issue of Class Size in order to find the most effective way to meet the intent of the amendment, address the escalating costs of compliance, and focus remaining capital outlay funds where they are most needed.

Infrastructure

The Senate Transportation Committee heard and passed the first transportation package of the Session this morning. SB 1978 Relating to Department of Transportation by Senator Carey Baker (R-Eustis) does a number of good things for both those who use the roads and those that work with the Florida Department of Transportation (FDOT) on maintaining roads.

For the business community, the bill allows maintenance contractors who do repairs and attend to landscaping to be included in the State Arbitration Board process. It will add these contractors to construction contractors and others who currently use the board to work out disputes without having to file a law suit. Additionally, under certain circumstances, road improvements that require the relocation of public utilities will now be at the expense of local or state government. Previously, all of those expenses were born by utility companies.

Most of the committee's attention focused on new options that would be developed for paying tolls, giving customers choices between SunPass and video billing, which is based on reading a license tag. A number of variations would be developed to make it more convenient for users. It also allows for variable toll rates that would encourage the development of managed lanes also known as HOT lanes. These lanes would be for high occupancy vehicles, and for a variable rate depending on the traffic load at a given time of day, would allow vehicles willing to pay more to move into the faster less congested lanes. For a service provider or in many other business applications, the extra charge could be well worth getting where you need to be on time.

However, FDOT's capacity to set tolls has long been a sticking point with some legislators. Expanding the dynamics of toll facilities brought an onslaught of questions about the legislature delegating taxing authority (the ability to raise tolls) to a non-elected entity (FDOT). Some committee members wanted caps on tolls or required legislative approval of tolls changes. Opposing viewpoints were exchanged, the most dramatic of which was a series of back and forth question of FDOT by Senator Alex Villalobos (R-Miami). The Senator was visibly perturbed by what he considered was non-responsive or misleading answers.

The bill passed 5 to 3. Voting for the bill was Chairman Carey Baker and Senators Larcenia Bullard (D-Miami), Lee Constantine (R-Altamonte Springs), Gwen Margolis (D-Miami Beach) and Dan Webster (R-Winter Garden). Voting against the bill were Senators Paula Dockery (R-Lakeland), Arthenia Joyner (D-Tampa) and Alex Villalobos (R-Miami).

SB 1978 will now be considered by the Senate Finance and Tax Committee.

AIF supports legislation that has the potential to alleviate the congestion in our state's highways. Innovative solutions such as HOT lanes that allow businesses to "pay to play" in order to save valuable time should be considered by the legislature.

Health Care

Today, the Senate Banking and Insurance Committee unanimously passed SB 1022 Relating to Health Flex Plans by Senator Durell Peadar (R-Crestview). The health flex program was established in 2002 by the Legislature to provide basic affordable health care to low-income, uninsured residents. The bill extends the population that is eligible to purchase Health Flex plans by raising the income limit from 200 to 300 percent of the federal poverty level. The bill will also extend the program until 2013. The bill was heard quickly due to a long committee agenda and was met with no questions or debate.

SB 1022 will now be considered by the Senate Health and Human Appropriations Committee.

AIF supports the market-based solutions to the problem of Florida's uninsured found in the legislation. According to a study by the Agency for Health Care Administration (AHCA), approximately 19 percent of all Floridians do not have health insurance. These individuals typically rely on emergency rooms for their primary care. Unfortunately, this kind of care is the most expensive option. Expanding access for low-income employees to health flex plans is sound public policy.

All four health care committees and the Health Care Council met together as a whole today to discuss a proposal that begins to address the issue of the uninsured in Florida. The model that is being proposed is a partnership of public and private marketplace solutions, which would help to create a new environment for buying and selling health benefits. Dubbed the "Farmer's Market" plan by Health Care Council Chairman Aaron Bean (R-Fernandina Beach), this proposal would be a voluntary marketplace that would appeal to small employers and sole proprietors and create a cafeteria plan for employers to be able to offer multiple choices to their employees. Through this marketplace, the consumers would be in charge of their health benefits, and would be able to choose benefits that best suit their needs under a "mandate-free zone," meaning that the individual would have the choice to pick and chose which mandates (requirements to cover specific conditions) they would want included in their plan.

The Governor's office is also working on a health insurance proposal that would provide affordable options for coverage for Floridians who are uninsured. Chairman Bean acknowledged that the two plans are somewhat different, but that he intends to work with the Governor's staff on consolidating the two.

AIF is pleased that the Legislature and Governor's office are working on plans to develop affordable health insurance coverage for those Floridians that need it the most. Businesses in Florida, especially those with 25 employees or less, would like to offer their employees some type of health insurance coverage, but because of the high cost of these plans it is simply impossible for them to do so. AIF and its *Health Care Task Force* look forward to working with policy makers on market-based options for health insurance coverage that begin to address the issue of the uninsured in Florida.

The Senate Commerce Committee unanimously approved SB 1012 Relating to Health Insurance Claims Payments by Senator Don Gaetz (R-Ft. Walton Beach) today despite the concerns raised by AIF. SB 1012 has three main provisions that concern AIF:

- Requiring insurers to accept mandatory assignment to out-of-network providers;
- prohibiting the use of "silent PPOs;" and
- shortening the look back period insurers use to recover employers' dollars which were previously incorrectly paid to physicians.

AIF's General Counsel, Tammy Perdue, testified that employers are increasingly finding it harder and harder to provide health benefits to their employees. She stated that these provisions would result in higher premiums for all employers - even self-insured employers. The Florida Association of Health Plans echoed AIF's comments about increasing premiums and referred to the committee's staff analysis as well as the bill analysis performed by the Office of Insurance Regulation, which warned about increasing costs.

A representative of Blue Cross Blue Shield, which provides the administrative services for the State Employees Group Health Insurance plan, testified that the measure would increase premiums; although an exact amount was impossible to calculate.

However, they did calculate that even a 1 percent increase in the state employee's premiums would result in a \$5.3 million hit to the state budget.

The bill will now move to the Senate Health Regulation Committee. The House companion is HB 405 by Representative Bill Galvano (R-Bradenton); it is currently in the House Policy & Budget Council.

AIF opposes legislation that prohibits silent PPOs. The search for ways to expand the availability of health care coverage to Floridians is an important endeavor. But almost as important is ensuring that Floridians who currently have health care coverage are not threatened by proposals that ultimately drive up the cost of coverage. Placing additional requirements on health insurers and HMOs, such as "Any Willing Provider", inhibit their ability to provide the most cost-efficient, quality care. As a result, insurance premiums will increase; thereby, affecting the number of Floridians who can continue to purchase coverage.

Business Regulation

The House [Policy](#) and Budget Council, unanimously passed [HB 147](#) Relating to Expedited Permitting Process for Economic Development Projects by [Representative Rob Schenck \(R-Spring Hill\)](#). The bill requires the state Department of Environmental Protection (DEP) and water management districts to create a 45-day expedited permitting process for businesses that have been identified as a target industry business by the state Office of Tourism, Trade and Economic Development. [HB 147](#) was filed to help assist businesses through the often frustrating task of getting wetland or storm water permits.

The bill also requires a mandatory pre-application review process to reduce permitting conflicts by providing guidance to applicants regarding the permits needed from each agency and governmental entity, site planning and development, site suitability and limitations, facility design, and steps the applicant can take to ensure expeditious permit application review.

HB 147 is now ready to be considered on the floor of the House of Representatives.

AIF supports legislation aimed at improving the permitting process for existing businesses in Florida and for those companies looking to invest in our state. Any legislation that helps this process will have a dramatic effect on helping to stimulate our economy.

Environment

HB 547 Relating to Water Pollution Control by Representative Paige Kreegel (R-Punta Gorda) was unanimously approved today by the House Policy and Budget Council. The bill is now ready to be considered by the full House. This legislation will set up a trial water quality credit trading program for the Lower St. Johns River Basin.

According to the staff analysis *“Water quality credit trading is a voluntary, market-based approach to promote protection and restoration of Florida’s rivers, lakes, streams and estuaries that enhance other voluntary, regulatory and financial assistance programs already in place.”*

HB 547 is now ready to be considered on the floor of the House of Representatives.

AIF supports this legislation because trading could lead to reduce the costs of pollutant reduction activities to businesses, industries, agriculture, and all taxpayers.