



DAILY LEGISLATIVE BRIEF FROM APRIL 29, 2008

After another marathon session in the House of Representatives (which lasted past midnight) the Legislature is one step closer to bringing a number of major issues to a resolution. The House passed HB 1399 – the major transportation bill, which contains language allowing for the approval of the Central Florida Commuter Rail Project. The House also approved their version of the energy package. Both of these hotly debated bills will now be sent to the Senate for their consideration.

We are happy to report that two AIF priority bills are on their way to the Governor for his signature – SB 704 relating to reforms of the Administrative Procedures Act and SB 2438 – relating to informed consent for commercial space flight after being approved by both chambers of the Legislature.

Energy

The House of Representatives unanimously passed (118-0) HB 7135 Relating to Energy by the Environment and Natural Resources Council. This comprehensive energy policy package includes a number of changes to Florida's energy laws including provisions dealing with renewable portfolio standards, renewable fuel standards, and guidelines for energy efficiency for state buildings as well as the state's building code.

A number of mostly technical amendments were adopted during debate today. One particularly positive amendment for the business community was adopted, which would require the Florida legislature to ratify any rule that may be adopted by the Department of Environmental Affairs adopting the California motor vehicle emissions standards. The adoption of these California standards would be problematic for a number of reasons including the increase in vehicle costs associated with retrofitting cars to meet California emission standards. The fact that the Legislature would have to ratify this rule would give members of the public and representatives of the car manufacturing industry to weigh-in on the cost/benefit analysis of this proposal.

HB 7135 will now be sent to the Senate for consideration; it is expected that the Senate will pass out the House bill as amended.

AIF and its Florida Energy Council recognize the importance energy plays in keeping Florida's economy healthy and vibrant. Any recommendations considered in the formation of Florida's energy policy should allow for reasonable implementation, should support efficiencies and should ensure that undue mandates and costs are not placed on Florida's businesses and consumers, thereby creating a unilateral economic disparity. Florida should ensure that every effort is made to undertake a balanced approach that avoids unrealistic requirements on energy producers and suppliers.

Taxation

The House unanimously passed (119-0) HB 909 Relating to Value Adjustment Boards (VABs) by Representative Peter Nehr (R-Tarpon Springs). The bill implements the Auditor General's County Value Adjustment Boards performance audit that took place between July 2003 and June 2004 and was reported on in July 2005.

Representative Susan Bucher (D-West Palm Beach) asked a question regarding an amendment, which removed the provision that counties with a population of less than 75,000 shall use special magistrates. She wanted to know if counties with a population over 75,000 were required to use special magistrates. Representative Attkisson responded that the amendment altered the bill back to current law where counties with a population greater than 75,000 had to hire special magistrates to help the VAB.

In closing, Representative Peter Nehr stated that the values placed on real-estate have increased dramatically in the last few years, making citizens and small business owners file more petitions with the VAB to challenge the assessment of their property. VABs used to not even be known by citizens, but they have now become an important tool for seeking relief from property taxes.

HB 909 is now ready for consideration on the Senate floor.

AIF supports this legislation because it contains improvements favorable to the taxpayer when contesting the Property Appraiser's value of the taxpayer's property. The changes to existing law will give AIF members a more level playing field when going before the VAB.

Economic Development

The House unanimously passed (118-0) SB 432 Relating to Artificial Reefs/Placement of Vessels by Senator Mike Bennett (R-Bradenton). The bill seeks to create economic activity by allowing Florida to offer a matching grant to local governments in order to participate in the sinking of decommissioned naval vessels to serve as a tourist attraction. Administered by the Florida Fish and Wildlife Conservation Commission, these matching grants may be used for the reconditioning, towing and sinking of such vessels in Florida with the hopes that recreational divers, fishermen and swimmers will take advantage of this generating millions in state revenues to the area. As reported earlier, in 2006, the USS Oriskany was sunk off the coast of Pensacola, generating \$2 million in economic activity to Escambia County alone and a total of \$3.6 million for the area, creating almost 67 new jobs. This revenue was generated by fishing and some 4200 charter diving trips around the vessel.

There were no questions or debate on the bill and it will now be sent to the Governor for his consideration.

AIF supports this creative way to stimulate Florida's economy by using the state's natural resources.

Health Care

The House unanimously passed (119-0) SB 1012 Relating to Health Insurance Claims Payments by Senator Don Gaetz (R-Ft. Walton Beach). The bill's original language was very onerous for employers and would have prohibited the use of Silent PPOs, which are key for employers who want to "self-insure" and provide affordable health insurance benefits to their employees. The original language would have made it more difficult and more expensive for all employers (not just those who self-insure) to provide health benefits to their employees.

The bill that ultimately passed both houses, was compromise language developed by AIF, insurers and the Florida Medical Association. Associated Industries' lobbyists continually voiced their concerns in committees and directly to the bill's sponsors and are pleased with the outcome of this legislation.

SB 1012 is now ready for consideration by the Governor.

AIF no longer opposes HB 405 and SB 1012 and would like to thank Representative Galvano and Senator Gaetz for their willingness to compromise on an issue that would have increased health care costs for employers across the state.

Business Regulation

The House unanimously passed (116-0) SB 704 Relating to the Administrative Procedures Act by Senator Mike Bennett (R-Bradenton). This bill provides additional incentives for state agencies to undergo rule adoption and implementation procedures when authority for such is granted by statute. The bill is designed to prevent agencies from failing to go through the formal rule making process but implementing and enforcing policies under such statutes. The bill passed the committee unanimously and incurred no opposition.

SB 704 is now ready for consideration by the Governor.

AIF supports SB 704 since it provides additional incentives for agencies to adopt their policies using the required rulemaking process. Businesses use the APA on a daily basis when interacting with state government. Any improvements to the Act are welcomed by the business community.

Environment

The Senate unanimously passed (39-0) HB 527 Relating to Brownfield Site Redevelopment by Representative Trudi Williams (R-Ft. Meyers). The Brownfields Redevelopment Program empowers communities, local governments and other stakeholders in economic development to work together to assess, clean up, and reuse brownfields. A brownfield site is property, which may be complicated by actual or perceived environmental contamination during the expansion, redevelopment or reuse of the property. The bill provides for a one-time, 25 percent tax credit of up to \$500,000 for the construction and operation of new health care facilities or health care providers on brownfield sites. Also, solid waste removal costs can be a part of the tax credits allowed under this section.

HB 527 is now ready for consideration by the Governor.

AIF supports this legislation as it will hopefully increase participation in the redeveloping of brownfield sites and therefore promote economic development efforts. The reuse of property is an important component of sound land use policy and the economic development advantage is great in promoting the growth of new jobs.

Space

The House unanimously passed (118-0) SB 2438 Relating to Spaceflight/Informed Consent by Senator Bill Posey (R-Rockledge). A significant priority for Associated Industries of Florida, SB 2438 provides that a spaceflight entity is not liable for injury to, or death of, a spaceflight participant resulting from the inherent risks of spaceflight launch activities, so long as a required warning is given to, and signed by the participant.

SB 2438 is now ready for consideration by the Governor.

AIF supports legislation which seeks to maintain and advance Florida's global leadership in the space industry. Florida must protect revenue producing industries such as aerospace and commercial space flight through implementation of legislation that will promote growth and prosperity.

Secondary Metal Theft

The Senate unanimously passed (37-0) HB 799 Relating to Theft of Copper or Other Nonferrous Metals by Representative Sandy Adams (R-Oviedo). The bill provides that a person who knowingly and intentionally takes copper or other nonferrous metals from a utility or communications service provider commits a first degree felony if the theft: damages, interrupts or interferes with the facilities or service of a utility or communications service provider.

HB 799 is now ready for consideration by the Governor.

AIF supports this legislation to help law enforcement find these thieves and make it harder for them to unload their stolen goods. Metal thieves may get a few hundred dollars for the metal they steal, but a business may have to spend 100 times that amount to repair the damage.

Transportation

Tuesday was the biggest day this session for transportation issues; however, the results are not all good. The House finally ended this week's barrage of questions and debate over HB 1399 Relating to the Department of Transportation by Representative Gary Aubuchon (R-Cape Coral) and sent it to the Senate. Unfortunately, its companion, SB 1978 by Senator Carey Baker (R-Eustis), was temporarily postponed because of a procedural motion by Senator Alex Villalobos (R-Miami) to refer the bill back to the Judiciary Committee.

Major transportation proposals considered by the Florida Legislature have a tradition of not being resolved until the last week or even the last day of the session. This year is no exception and while there are a variety of bills in play, as in previous years, no one can be certain whether any significant legislation will make it to the Governor's desk by the conclusion of session on Friday.

The list of hopefuls begins with SB 1978, which has several valuable provisions that address transportation concurrency and a plan for using the Lawton Chiles Endowment Fund to buy Florida's Alligator Alley and lease it back to the state. It would be a tremendous and immediate boost to the state's transportation trust fund.

The bill also contains other valuable provisions including language that prevents local governments from competing with private enterprise in the asphalt and concrete business; it sets a variety of new policies relating to toll facilities which will evolve toll collections and maximize the use of toll revenues including the use of variable toll lanes; adds maintenance contractors to those who have access to the State Arbitration Board for settling claims; provides that certain utility relocations will be paid for by the state or local government rather than the utility; expands the powers of transportation authorities; stipulates that energy efficient vehicles are allowed to use high occupancy vehicle lanes regardless of the number of occupants and the bill even contains a couple of measures addressing road rage.

The measure was to be discussed and debated on the floor of the Senate, when that plan was disrupted by Senator Alex Villalobos. He called a point of order claiming new provisions in the bill were never heard in the Judiciary Committee he chairs. He claimed the bill should be referred to his committee, which could kill the measure. The bill was temporarily passed with the point pending.

The House was more successful in passing HB 1399 (77-39), although it took a great deal of time. Endless repetitive questions and debate took needless hours to deliberate on the bill. The focus of controversy is an agreement with CSX Railroad that would establish a commuter rail service in central Florida.

The passage of the bill could be historic for the future of commuter rail in Florida. The complexity of this proposal has involved a great deal of cooperation from CSX and the Department of Transportation (FDOT) in a proposed purchase of a sixty-one mile rail corridor from CSX. Endless hours have been spent by those entities and legislators working on issues of shared liability, financial compensation, the cost of other corridor improvements and a host of other complicated details.

The bill passed despite a number of allegations that FDOT is not to be trusted, that the cost is too much in a tough budget year and concerns that the a parallel CSX line carry an increase in freight train traffic could have negative impacts in Polk County, especially to the city of Lakeland.

HB 1399 is now ready for consideration on the Senate floor.

AIF supports many of the transportation policy innovations contained in these omnibus transportation bills. AIF also supports efforts by DOT to ensure that critical federal dollars are leveraged for infrastructure improvements. The concept of a Central Florida commuter rail system has the potential to positively impact the region by reducing congestion, attracting more tourism, and providing an economic stimulus to the region and the state.