



DAILY BRIEF

From May 1, 2009

The 2009 Legislative Session has come to a close – at least partially since legislators still have to come back next week to vote on the budget. This was an incredibly successful session for AIF, even in light of the state's precarious financial situation. A number of AIF priorities, including our number 1 priority – Workers Compensation – are on the way to the Governor for his approval. Among AIF's legislative victories this year:

- Passage of Workers Compensation legislation which will protect the savings achieved by employers – [HB 903](#);
- Successful efforts to avoid passage of costly corporate income tax changes including "a Unitary Tax" – [SB 2546](#) and [SB 2270](#);
- Passage of a "presumption of correctness" bill that levels the playing field for employers challenging property appraisers – [HB 521](#);
- Passage of property insurance reform legislation that will help bring back the private insurance market to Florida – [HB 1495](#) & [HB 1171](#);
- Passage of economic development legislation that will draw down federal dollars for low income communities in Florida – [HB 485](#);
- And much more!

AIF will be releasing its 2009 Session Wrap-Up Publication in the days to come, which will re-cap all of AIF's Session Priorities.

Workers Compensation

Today, the Florida Senate gave final approval to meaningful workers' compensation legislation that will reduce workers' compensation premiums and guarantee fairness and predictability in litigated claims. [HB 903](#) passed the Senate by a vote of 22 -16. This bill was championed in the Senate by [Senator Garrett Richter \(R-Naples\)](#) and in the House by [Representative Anitere Flores \(R-Miami\)](#). AIF applauds the leadership and courage of **Senator Richter** and **Representative Flores** for heralding this critical legislation that will save Florida jobs and keep Florida's businesses working.

It should also be noted that in the final debate on the Senate floor, where several Democrats attempted to derail the passage of this important bill for the business community, Senators [Don Gaetz \(R- Ft. Walton Beach\)](#) and [JD Alexander \(R-Winter Haven\)](#) were strong supporters of our position that this bill is important to the ability of employers in Florida to continue to fight through this very bad economy.

A last minute attempt by [Senator Larcenia Bullard \(D-Miami\)](#) to reconsider the vote by which the bill was passed was unsuccessful as the bill was sent to the House immediately.

We look forward to the Governor signing this good bill into law and allowing Florida's employers to avoid damaging, escalating rates for their workers' compensation insurance.

AIF SUPPORTS efforts to pass workers' compensation legislation that clarifies the intent of the 2003 reforms and prevents Florida's workers' compensation system from deteriorating to pre-2003 status.

Insurance

Today, the Florida Senate approved (32-6) [HB 1495](#) Relating to Insurance by [Representative Bryan Nelson \(R-Apopka\)](#). The bill contains provisions that will help restore Florida's private property insurance market. Most importantly, the bill contains a "glide path" for Citizens Insurance premium increases that will bring rates closer to actuarial soundness. This bill was one of AIF's top priorities for the 2009 session.

[HB 1495](#) will now be sent to the Governor for his approval.

AIF supports this legislation as a way to remove and increase Citizens' rates; reduce Cat Fund coverages; continue the state's home hurricane loss mitigation program, My Safe Florida Home; and encourage the restoration of Florida's private property insurance market.

Today, the Florida House approved (102-15) [SB 2282](#) Relating to First-responder Services by [Senator Mike Bennett \(R-Bradenton\)](#). Known fondly as the bill to eliminate the "crash tax," this legislation would prohibit local governments from imposing a fee when responding to a motor vehicle accident, fire or other emergency situation.

[SB 2282](#) will now be sent to the Governor for his approval.

AIF supports efforts to prohibit local governments from charging Floridians and businesses an accident tax simply in response to emergency services being provided. Floridians already pay property taxes, which are designed to pay for government services. This practice is nothing more than double taxation.

Business Regulation

Today, the Florida Senate approved (36-2) [SB 2626](#) Relating to Telecommunications Companies by [Senator Mike Haridopolos \(R-Melbourne\)](#). The bill allows for the competitive market to serve as the regulator of non-basic telecommunications service, but continues to have Public Service Commission (PSC) regulation over basic service. Senator Haridopolos stated that government regulation is a substitute for competition and as long as there was a monopoly government regulation was required, but since there is pervasive competition throughout the state, continuing PSC regulation on non-basic service was unnecessary. He further said the legacy regulatory policy was from the time when there was only one monopoly provider and telecommunications has changed dramatically with 91 percent of the zip codes in Florida having at least four telecommunications providers.

The measure would also allow for the continuation of the price cap of CPI minus 1 percent on basic service to apply even when a customer added a non-basic service. This was a change from a two year period to forever for this price cap.

[SB 2626](#) will now be sent to the Governor for his approval.

AIF supports this measure because it brings fair competition to the communications industry by creating a level playing field among the many providers of telecommunications services in Florida, including wireless, cable, VoIP and the incumbent local exchange carriers. The open competition will benefit our members with new and innovative services that may not be offered without a level playing field among the competitors.

Taxation

Today, members of the Florida Senate & House approved passage of [HB 521](#) Relating to Ad Valorem Tax Assessment Challenges by [Representative Carlos Lopez-Cantera \(R-Miami\)](#). This bill levels the playing field between property appraisers and property owners. The current property appraisal system is weighed heavily on the side of property appraisers. This legislation would require property appraisers to prove that their assessment of a property's value was arrived at by complying with all Florida laws.

AIF, with the outstanding support of [Senator Mike Fasano \(R-New Port Richey\)](#), worked to defeat bad amendments by [Senator Al Lawson \(D-Tallahassee\)](#) that would have gutted the bill and allowed property appraisers the unfettered discretion to declare that a taxpayer's tangible personal property tax return is deficient. Additionally, the Lawson amendments would have taken away the rights of taxpayers to seek redress in the courts, if a property appraiser deemed that a tax return was inadequate, thereby, stripping away any ability to challenge any over-assessment of property taxes.

[HB 521](#), which was one of AIF's 2009 Session Priorities, is strongly supported by Florida's employers, who for many decades have suffered at the hands of a process that makes it nearly impossible to challenge any assessments on property owned by a business or citizen. AIF would like to thank the members of the Florida Legislature and Governor Charlie Crist for their support of this pro-business, pro-homeowner legislation.

[HB 521](#) will now be sent to the Governor for his approval.

AIF supports legislation that addresses ad valorem assessment value challenges including revising the burden of proof and the presumption of correctness to level the playing field for tax payers.

Health Care

Today, the Florida Legislature approved a bill that will result in higher health insurance premiums for employers and individuals. [SB 1122](#) by [Senator Don Gaetz \(R-Ft. Walton Beach\)](#) would require a health insurer to pay an out of network provider directly if the patient assigns his or her benefits. Currently, a health plan provides payment to the patient, if that patient chooses to receive services from a provider that does not have a contract with the plan. This is because the insurer's contract, and therefore, responsibility is to the insured. AIF opposes this bill because it will result in the following:

- *Higher out of pocket costs for consumers.* Health plans contract with providers and in those contracts the providers agree to accept the reimbursement rate AND not balance bill the patient for any additional costs. Out of network providers have no such agreement. Network providers will now receive the same reimbursement from the insurer and then can bill the remainder of what that provider decides to charge for his services to the employee
- *Higher premiums for Employers and Individuals.* Health plans provide cost savings by negotiating discounts with providers who contract with them in return for paying them directly. If an out of network provider can receive the same reimbursement and be paid directly, the incentive to contract with insurers will disappear. The network system is the way insurers are able to realize and pass discounts on to employers and their employees.

[SB 1122](#) will now be sent to the Governor for his approval.

AIF opposes legislation that would erode the important savings achieved by health plans through the establishment of provider networks. Businesses in Florida are struggling more than ever to keep providing health insurance for their employees; this legislation has the potential to increase health insurance premiums.