



WEEKLY BRIEF

From the Week of March 16 – March 20, 2009

In this edition of AIF's *Weekly Report*, we will update you on all AIF priority bills that saw action this week. Priority issues included are: workers' compensation, economic stimulus, growth management, streamlining of regulation, as well as others.

Next week looks to be another busy week with many important bills on committee agendas. Workers' Compensation will once again be a hot topic as the House is poised to consider HB 903 by Representative Anitere Flores (R-Miami) on the floor. In addition, it is quite possible that its Senate companion SB 2072 by Senator Garrett Richter (R-Naples) will be considered by the Senate Banking and Insurance Committee next week as well. AIF will continue to keep you updated on all top priority issues through our *Daily Briefs*, *Weekly Reports*, and our newest communication platform, *AIFTV*

Workers' Compensation

On Tuesday, March 17th the House general Government Policy Council passed (14-4) HB 903 Relating to Workers' Compensation Attorney's Fees by Representative Anitere Flores (R-Miami). The bill clearly and precisely corrects the statutory ambiguity identified in the workers' compensation law by the Florida Supreme Court in the Murray ruling.

Although the committee heard and debated 2 additional amendments, the only changes made to the bill were to make it identical to the Senate companion, SB 2072 by Senator Garrett Richter (R-Naples).

Prior to the end of the committee meeting, Representative Ed Hooper (R- Clearwater) made a procedural motion to guarantee that the council vote and favorable reporting of the bill would not be delayed or nullified. To do so, he moved to reconsider the vote by which HB 903 had passed. As he intended, that motion was defeated and the bill was passed.

HB 903 will next move to the floor of the House where it will be considered by all 120 members of the Florida House of Representatives.

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.

Economic Stimulus Package 2.0

On Tuesday, March 17th the Senate Commerce Committee unanimously approved SB 1502 Relating to New Markets Development Program Act by Senator Mike Fasano (R-New Port Richey). As written about in previous reports, AIF has been a strong supporter of the New Markets program and included it in the ***Economic Stimulus Package 2.0*** for the 2009 Session. This legislation is crafted to leverage the Federal New Markets investment program that would match venture capital put into Florida's lower income and depressed communities. While the federal match is available, Florida has not implemented a program that would take advantage of the match to date. Back for the second straight year, under the Florida New Markets program, state tax credits for businesses and investments would not take effect until after the venture capital has been placed into the state. This will ensure that investors make a significant commitment towards putting venture capital dollars into work in the state before they can receive a tax incentive.

SB 1502 will next be considered by the Senate Community Affairs Committee.

AIF is an ardent supporter of this legislation. Not only will this create jobs and stimulate economic activity in the state, but it will also foster growth in some of the most depressed areas of Florida. Growth and economic activity are job drivers for the state's economy and programs like the New Markets Development Program are just one way that Florida's economy can get back on track.

Insurance

The House and Senate held a series of meetings this week in an effort to come to a consensus as to how best to phase out the Cat Fund TICL layer, to provide for a Citizens rate increase glide path, and other issues necessary to help manage Florida's hurricane exposure. AIF lobbyist Gerald Wester has participated in these behind-the-scenes discussions. He anticipates a property insurance bill will surface at the House Insurance and Senate Banking & Insurance Committee meetings next week.

AIF supports these efforts which will reduce the potential for hurricane taxes on business property and casualty insurance policies.

On Tuesday, March 17th the House Insurance, Business, and Financial Affairs Policy Committee unanimously approved HB 853 by Representative Pat Patterson (R-Deland). The bill addresses the surplus lines insurance exemption from chapter 627, F.S. by providing the provisions of chapter 627, F.S. do not apply to surplus lines insurance unless a statutory section in chapter 627, F.S. specifically states it applies to such insurers. On June 26, 2008, the Florida Supreme Court ruled that surplus lines insurance is not exempt from all of these requirements. The practical impact of the Supreme Court decision is the elimination of surplus lines insurance in Florida. If this finding is not addressed legislatively, insurance will not be available for hard to place or unique commercial risks as well as high value or unique residential properties.

HB 853 will next be considered by the House General Government Policy Council.

HB 853's Senate companion, SB 1894 by Senator Mike Bennett (R-Bradenton), was retained in the Senate Banking and Insurance Committee with a pending amendment by Senator Jeremy Ring (D-Margate), which if adopted would gut the bill. SB 1894 will be the first bill on their Wednesday agenda. The trial lawyers have launched a full court press to amend the bill removing the retroactive applicability provision and to make several provisions of Chapter 627 apply to surplus lines insurers. It appears that we have the votes to defeat the trial lawyers' amendment or to force its sponsor to withdraw it and to pass it out of the Banking & Insurance Committee on Wednesday. AIF is now focusing its efforts on the next committee of reference for the Senate bill, the Finance & Tax Committee, which will be a very difficult committee for us. AIF supports this bill which will preserve the surplus lines market which is critical to over 15% of AIF's members in securing necessary property and casualty insurance.

AIF supports these measures to ensure the continued accessibility of Surplus Lines insurance in Florida. Approximately fifteen percent of Florida businesses procure their property and liability insurance through the Surplus Lines insurance market. Without this, market insurance will not be available to many of these businesses with hard to place risks and unique insurance needs.

On Tuesday, March 17th the Senate Banking and Insurance Committee passed SB 2282 Relating to First Responder Services by Senator Mike Bennett (R-Bradenton) by a 6 to 2 margin. The bill prohibits counties and cities from imposing taxes or fees and from obtaining reimbursement for costs incurred for services provided by first responders (law enforcement officers, firefighters or emergency medical technicians or paramedics), including volunteer first responders, in response to motor vehicle accidents, fires, or other emergencies. An amendment was adopted by the committee, which clarified some provisions and provided some compromise for the local governments which are opposed to the bill.

Throughout Florida, more and more local governments are implementing a hidden fee, or accident tax, for emergency response services. Faced with budget deficits, many local governments are using accident fees as an opportunity to increase revenues without raising taxes.

SB 2282 will now be considered by the Senate Community Affairs Committee.

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.

Card Check

Legislation that would place a proposed constitutional amendment before voters in 2010 that would protect secret ballot elections for determining union representation progressed in both the House and Senate on Wednesday, March 18th. The [Senate Ethics and Elections Committee](#) passed [Senate Joint Resolution 1908](#) Relating to Guaranteeing the Right to Vote by Secret Ballot by [Senator Garret Richter \(R-Naples\)](#) by a 6 to 3 vote. The bill proposes the creation of Section 28 of Article I of the Florida Constitution to provide that voting by secret ballot is a fundamental right of all individuals. The proposed constitutional amendment provides that the right of individuals to vote by secret ballot is guaranteed where local, state, or federal law requires elections for public office, requires public votes on initiatives or referenda, or requires designations or authorizations of employee representation.

Representatives from the business community including AIF were on hand to testify in support of the joint resolution. [SJR 1908](#) will now be considered by the [Senate Judiciary Committee](#).

Its House companion, [HJR 1013](#) by [House Majority Leader Adam Hasner \(R-Delray Beach\)](#) passed its final committee of reference – the [House Policy Council](#) – and is now ready to be considered on the floor of the House.

Both bills are a top priority for AIF as they provided Floridians the opportunity to vote in favor of protecting the right to a secret ballot. Without this legislation and with the potential passage of the federal Employer Free Choice Act or EFCA, employees in Florida will be subject to intense pressure and harassment from union bosses to sign pledge cards in support of union representation.

AIF supports these measures and their efforts to protect the secret ballot process in Florida. Passage of this proposed constitutional amendment will allow voters in Florida to decide whether they want to enshrine the use of secret ballots in elections in our state's top document.

Education

On Wednesday, March 18th the [House PreK-12 Committee](#) passed [HB 1293](#) Relating to High School Graduation by [Representative Erik Fresen \(R-Miami\)](#). The bill creates the 21st Century Diploma Initiative, which raises high school graduation standards to ensure Florida's students are prepared to enter the increasingly competitive global economy.

The initiative raises the bar on math and science requirements for high school graduation, requires students to achieve a grade-level score on the 10th grade FCAT, and aligns requirements for the Bright Futures Scholarship Program with new graduation requirements. AIF's top education priority this session is the passage of this bill.

[HB 1293](#) will next be considered by the [House Education Policy Council](#).

AIF strongly supports increased standards for high school graduation so that students will graduate from high school ready for college and work. This bill increases the value of a Florida high school diploma – for businesses, for colleges, and most importantly, for the students of Florida.

Court Funding

On Wednesday, March 18th the [Senate Judiciary Committee](#) unanimously passed [SB 2108](#) Relating to Court Related Transfer/Fee Disposition by [Senator Ken Pruitt \(R-Port St. Lucie\)](#). This bill seeks to alter the responsibilities and funding arrangements between the court system and the clerks of court.

The committee adopted a strike all amendment, offered by **Senator Pruitt**, which removes many of the bill's controversial elements. The bill as passed does not transfer various clerk functions to the courts. It requires the Office of Program Policy and Government Analysis (OPPAGA) to determine if cost savings could be generated if some of the record keeping and other court-related duties currently performed by the clerks were transferred to the courts.

The bill also gives the Legislature the same budget oversight authority over the clerks' budgets regarding their court-related functions that it currently has over the courts, public defenders, state attorneys, and all other state agencies that receive substantial state funds. It also redirects certain traffic and criminal fines from the court system trust fund to general revenue. This will eliminate any appearance of "cash register justice" or judges benefiting directly from imposing fines.

[SB 2108](#) will next be considered by the [Senate Finance and Tax Committee](#).

AIF strongly encourages the Florida Legislature to fund the court system adequately and swiftly at a level equivalent to the judiciary's status as the third equal branch of government.

Economic Development

On Wednesday, March 18th the House Economic Development Policy Committee unanimously passed [House Memorial 1483](#) Relating to the United States-Colombia Free Trade Agreement by [Representative Juan Zapata \(R-Miami\)](#). [House Memorial 1483](#) urges the United States Congress to support the establishment of a free trade agreement between the United States and Colombia and requires delivery of the Memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

The pending approval of this free-trade agreement is dependent upon prompt action by members of congress. The Florida legislature should send a strong message of support for this very important free trade agreement. In addition to helping our friends abroad, this agreement will significantly aid both national and Florida economies at a time an economic boost is greatly needed. Florida's 14 deep water ports would see an influx of commerce with our proximity to Colombia and this opportunity cannot be overlooked. Colombia is one of Florida's top trade partners and thus legislators should do everything in their power to advocate for the approval of this agreement.

AIF strongly supports HM 1483 and applauds Representative Zapata for his commitment to this issue. Exports out of Florida are one of the few bright spots in our state's economy and approval by the US Congress of this free trade agreement would be in instant boost for business in Florida.

Legal & Judicial

On Thursday, March 19th, after three tries, the House Insurance, Business, and Financial Affairs Policy Committee passed (16-4) HB 363 Relating to Parental Authority by Representative Mike Horner (R-Kissimmee). The bill aims to reinstate a parent's right to waive liability for their minor children.

Last year, the Supreme Court of Florida, in the case of *Kirton vs. Fields*, ruled that parents do not have the right to release a provider from liability for injury on behalf of a child. The Court did not cite any statute in support their decision. Instead, the Court pointed to a doctrinal argument mainly applicable to dependency and juvenile delinquency proceedings—*parens patriae*—which stands for the proposition that “parental rights are not absolute and the state may, in certain situations, usurp parental control.” HB 363 codifies in Florida law the authority of a parent to waive liability on behalf of their minor child.

Because the bill had been heard in two prior committee meetings, the Chairman recognized Representative Horner on the bill and then immediately recognized Representative Nelson for a motion. Representative Nelson moved the previous question – a procedural move that forced a shortened debate and then an immediate vote on the bill. The final vote was 16 – 4, with 4 Democrats voting in favor of the bill: Representatives Joseph Abruzzo (D-Wellington), Dwayne Taylor (D-Daytona Beach), Pricilla Taylor (D-Riviera Beach), and Janet Long (D-St. Petersburg).

AIF supports the right of parents to waive liability on behalf of their minor children and thanks Representative Horner for taking on this important issue. Without liability protection from a waiver, many businesses, particularly in the recreation and sports industries, will not allow minors to participate. Since many of these businesses cater to families, tourism, or directly to minors, this could impact their ability to stay in business at all.

Taxation

On Monday, March 16th, the House Finance and Tax Council held a workshop on HB 329 Relating to Streamlined Sales and Use Tax Agreement by Representative Michelle Rehwinkel Vasilinda (D-Tallahassee). The workshop lasted for nearly three whole hours. The Department of Revenue (DOR) gave a detailed presentation and responded to many questions from committee members. Overall, most members seemed favorable on the issue, but wanted to know what the net impact on state and local governments would be. Unfortunately, no one could give a definitive answer to that question.

Florida TaxWatch testified that the net impact for FY 2005-2006 was a deficit of \$41.5 million on the state level and a surplus of \$41.1 million for local governments, totaling a net loss of \$400,000.

AIF will work with other business associations to support a joint resolution to encourage Congress to pass legislation to require internet retailers to pay state sales taxes in all states that have passed the Streamline Sales and Use Tax Compact bill, regardless of their nexus in those states.

The council also continued their discussion on a repeal of sales tax exemptions. House Finance and Tax Council Chair, Representative Ellyn Bogdanoff (R-Ft. Lauderdale), told all members last week to submit a list of exemptions they wished to see repealed by no later than noon on Friday, March 13th.

Even though no Democratic members of the council submitted an exemption to be reviewed, they publicly stated the need to repeal sales tax exemptions as a source for generating new revenue.

Chair Bogdanoff responded to this statement by asking that, "If Democratic members wanted sales taxes repealed, why did they not suggest any for review?" As quickly as her public reprimand began, Chair Bogdanoff ended the council meeting without any further discussion or debate.

AIF SUPPORTS a careful review of Florida's sales tax exemptions, but not an automatic sunset of these important tax policies. Legislators should proceed under the impression that each exemption is worthy and serves a public purpose. Exemptions should be repealed only when no evidence of public purpose is found.

On Tuesday, March 17th the Senate Community Affairs Committee unanimously approved SB 532 Relating to Rental Property Assessments/Homestead Exemption by Senator Evelyn Lynn (R-Daytona Beach). The bill amends sections 4 and 6 of Article VII of the State Constitution, to give another homestead exemption to first-time homebuyers and to change the cap on non-homestead real property from 10 percent to 5 percent. The committee adopted a "strike everything" amendment, offered by Senator Lynn, which makes the language the same as the Governor's proposal.

SB 532 will now be considered by the Senate Finance and Tax Committee.

AIF supports lowering the current cap on non-homestead properties to 5 percent from 10 percent. However, this cap should apply to all non-homestead property, not just real property. This provision will help AIF members control their costs of doing business and will allow them to be more competitive in the market place.

The committee also unanimously approved SB 1006 Relating to Ad Valorem Assessments/Challenges by Senator Mike Fasano (R-New Port Richey). The bill amends s. 194.301 to add provisions governing the presumption of correctness and the burden of proof. Under today's law, the taxpayer has the burden of proving, by a preponderance of evidence, that the assessment exceeds just value when challenging assessments.

The measure also creates legislative intent that states that the taxpayer never has the burden of proving that the property appraiser's assessment is not supported by any reasonable hypothesis of a legal assessment.

SB 1006 will now be considered by the Senate Judiciary Committee.

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.

On Tuesday, March 17th the Senate Community Affairs Committee unanimously approved SB 1468 Relating to Working Waterfront Property by Senator Charlie Dean (R-Inverness). This legislation implements the constitutional amendment that changes the way working waterfronts are being assessed by property appraisers. Thanks to the Taxation & Budget Reform Commission (TBRC), Amendment 6 was placed on the 2008 General Election ballot to make this change in order to save working waterfronts from being taxed at its highest & best use. Now legislation is need to implement it.

A strike-everything after the enacting clause amendment was offered by Senator Gary Siplin (D-Orlando) to make a series of technical changes to the bill.

A representative from the Miami River Group spoke in favor of the legislation but asked the committee to add language to the bill to include all of the Miami River properties. However, these properties were not part of the original constitutional amendment. This may cause problems to the bill if added.

SB 1468 will next be considered by the Senate Finance & Tax Committee.

On Thursday, March 19th the House Agriculture and Natural Resources Policy Committee passed (15-1) SB 1468's House companion, HB 825 Relating to Ad Valorem Taxation of Working Waterfront Property by Representative Julio Robaina (R-Miami).

HB 825 will next be considered by the House General Government Council.

AIF was actively involved with the passage of Amendment 6 and is supporting these measures to implement it. Working waterfront properties should be taxed at their current use and not at the highest and best use as they are today. The marine industry has an economic impact of approximately \$18 billion per year and employees over 220,000 people in our state. This industry is too important to lose to other states because of our property tax system.

Business Regulation

On Tuesday, March 17th the House Agriculture and Natural Resources Committee unanimously approved HB 1123 Relating to Environmental Permitting by Representative Trudi Williams (R-Ft. Myers). This session the Legislature is looking at ways to streamline the permitting process and HB 1123 would help the process when it comes to wetland permitting.

Under this proposed legislation the Florida Department of Environmental Protection (DEP) would be able to perform certain permitting duties instead of the Army Corp of Engineers, which should eliminate certain duplicative steps without harming the environment.

HB 1123 will next be considered by the House General Government Policy Council.

AIF supports efforts to streamline the permitting process whenever possible and applauds Representative Williams for sponsoring this legislation. As the saying goes, time is money and the longer it takes to go through the permitting process, the more money you are going to spend. Duplication of the regulatory system, at any level, is not a good use of taxpayers' time or money.

On Tuesday, March 17th the House General Government Policy Council unanimously passed one of AIF's priority bills for the 2009 Legislative Session, HB 73 Relating to Expedited Permitting for Targeted Industries by Representative Robert Schenck (R-Springhill). This legislation is meant to help encourage business growth and expansion by stipulating that state required permits for storm water and environmental resource permits be approved or denied within 45 days, rather than the current policy of 90 days upon submission. HB 73 implements policies to expedite these permits for targeted industries as identified by local governments and seeks to reduce an often labor intensive and time consuming process that businesses are forced to deal with.

HB 73 will next be considered by the House Policy Council

HB 73's Senate companion, SB 852 by Senator Mike Fasano (R-New Port Richey), was temporarily passed by the Senate Environmental Preservation and Conservation Committee. AIF will continue to keep you updated on the bill at its next committee stop.

AIF SUPPORTS legislation aimed at improving the permitting process for existing businesses in Florida and for those companies looking to invest in our state.

On Thursday, March 19th the House Agriculture and Natural Resources Committee held a workshop on the much anticipated streamlined permitting proposed committee bill (PCB). The PCB includes provisions that would:

- Provide for a three year extension for permits
- Prohibit a county from requiring as a condition of approval for a development permit that an applicant obtain a permit or approval from any other state or federal agency
- Prohibit a municipality from requiring as a condition of approval for a development permit that an applicant obtain a permit or approval from any other state or federal agency
- Require governing boards of water management districts to delegate certain duties to the executive director
- Authorize DEP and the governing boards of water management districts to grant permits as incentives for landowners to pursue alternative water supply projects; providing requirements for such permits
- Make repairs or replacement of docks more streamlined
- Make changes to the current expediting permitting law by substituting the Secretary of DEP or designee for OTTED
- Provide a 3 year moratorium on more stringent or additional permitting standards, regulations or criteria related to construction, development, building or land use activity shall be adopted or enforced by the state or any local government entity, with the exception of rules necessary to retain federal delegation to, or assumption by, the State of the authority to implement a federal law or program
- Require DEP to amend its rules for calculating square footage for a Sovereignty Submerged Lands Leases to exclude a boat lift, davits, and a boat lift covering that provides the boat with reasonable protection from the elements

Chair Williams asked committee members to review changes and be ready to discuss them at the next committee meeting during which the PCB will be officially submitted as legislation for the 2009 session.

AIF is still reviewing the PCB. We are very happy to see many of our suggestion added to the PCB and look forward to working with the committee on this important bill. Anything the Legislature can do to streamline the permitting process will help businesses get projects moving. Also, for those who have permits in place and cannot build due to the bad economy, their permits will stay intact for a three year period.

AIF SUPPORTS legislation aimed at improving the permitting process for existing businesses in Florida and for those companies looking to invest in our state. A number of the proposals included are part of [*AIF's Economic Stimulus Package 2.0*](#).

On Thursday, March 19th the House Energy & Utilities Policy Committee passed HB 1465 Relating to Telecommunications Companies by Representative Will Weatherford (R-Zephyrhills). The only no vote on the bill was from Representative Rick Kriseman (D-St. Petersburg). This bill seeks to bring about deregulation for all but the most basic phone service in Florida. Passage of this legislation will help level the playing field for telecommunication companies who are currently regulated by the Public Service Commission (PSC), while their major competitors, the cable companies, are not. Florida customers have many choices for their telecommunications needs, with providers ranging from satellite to terrestrial wireless, Voice over Internet Protocol (VOIP), and traditional wireline providers. Yet, only traditional wireline providers face regulation by the PSC. Competition in communications delivers new and better choices to consumers and brings about lower prices as well.

A strike-everything amendment was offered by Representative Weatherford and adopted by the Committee, which includes consensus language agreed to by the phone and cable companies. Representatives from both the telecommunications and cable industry were on hand to support the bill.

HB 1465 will now be considered by the House General Government Policy Council.

AIF SUPPORTS legislation that promotes more competition and choice in telecommunications. Florida communication laws need to be updated to ensure that there is an even playing field for communication providers to deliver more and better choices to Florida consumers and businesses.

Energy & Environment

On Thursday, March 19th the House Energy & Utilities Policy Committee passed House Memorial (HM) 21 Relating to Energy Security by Representative Seth McKeel (R-Lakeland) on a 15 to 6 vote. HM 21 urges the U.S. Congress to support the expiration and removal of the moratorium prohibiting exploration and production of domestic supplies of oil and natural gas in federal waters surrounding Florida, and to include Florida in revenue sharing resulting from the production of oil and natural gas in federal waters surrounding Florida.

AIF's Vice President of Governmental Affairs, Jose Gonzalez, testified in support of the memorial and shared the most recent results of AIF polling on off shore drilling. In a February, statewide poll conducted by AIF – over 78% of respondents indicated that they supported some type of off shore drilling in Florida waters. Of that 78%, nearly a quarter would allow drilling anywhere off the coast.

Some of the debate during the committee meeting focused on the need for Florida to begin to receive its fair share of revenues from drilling. States like Texas, Alabama, and Louisiana currently received royalties from drilling operations in their waters. Those voting against the bill were concerned with the environmental impact of additional oil and natural gas production in the Gulf.

HM 21 will now be considered by the House General Government Policy Council.

AIF and its Florida Energy Council (FEC) SUPPORT the passage of a Memorial to Congress encouraging increased exploration and production of oil and natural gas in the Eastern Gulf of Mexico.

On Thursday, March 19th the House Agriculture and Natural Resources Policy Committee unanimously approved HB 1229 Relating to Contamination Notification by Representative Rick Kriseman (D-St. Petersburg). This proposed legislation changes how the notification process is handled when contamination is found and increases the requirements.

Even though the bill passed, Representative Kriseman said it has a long way to go and has agreed to continue to work with all of the interested parties. The bill now goes to the House General Government Council.

At this time AIF opposes this measure. We will continue work with the bill's sponsor and the DEP to see if there is a way to craft legislation to give adequate notice to property owners who may be affected by the spread of contamination.

Growth Management

On Tuesday, March 17th the House Civil Justice and Courts Policy Committee unanimously approved HB 227 Relating to Impact Fees by Representative Gary Aubuchon (R-Cape Coral). The bill changes the burden of proof for a challenger to merely a preponderance of the evidence, thus alleviating a local government's presumption of correctness that currently attaches to impact fee ordinances.

There were no questions or the debate on the bill by committee members before passage. HB 227 will next be considered by the House Economic Affairs and Community Policy Council.

AIF SUPPORTS legislation that eases the burden of proof on impact fee challenges. This statutory fix will level the playing field for businesses in any court challenge so that governments are not presumed correct in their methodology when increasing an impact fee, or crafting a new one.

On Tuesday, March 17th the House Government Accountability Act Council considered proposed committee bill (PCB) GAAC 09-04 Relating to Community Affairs. The measure is designed to transfer the functions of the Department of Community Affairs (DCA) to the Department of State (DOS).

The House Military & Local Affairs Policy Committee passed a similar measure last week, proposed committee bill (PCB) MLA 09-01. AIF testified at length on the bill, urging the House to make substantive changes to the growth law, rather than simply changing who administers the act and expect the permitting process to improve appreciably.

After much debate, the PCB was approved, close to party lines. GAAC 09-04 will now be filed as a bill and referenced to committees. Clearly the House is moving toward such a change, while the Senate has shown little desire to follow.

AIF supports this measure as a way to stimulate Florida's economy through low cost regulatory measures that seek to reduce unnecessary government oversight.

On Thursday, March 19th the Senate Policy and Steering Committee on Ways and Means passed (14-3) SB 360 Relating to Growth Management by Senator Mike Bennett (R-Bradenton), which has been dubbed the "Community Renewal Act". The bill has changed somewhat from its original filing, in that the exemption for projects from both transportation concurrency and the DRI process is now limited to urban service boundary areas of those defined counties and cities. The bill still enjoys broad, although somewhat muted support from large developers. This is because some of the largest projects are beyond the urban service boundaries. Overall, the legislation remains a bill that its sponsors say cannot be amended for fear of losing DCA support.

HB 360 is scheduled on to be heard on Special Order for March 24th by all 40 members of the Florida Senate.

AIF supports SB 360 and its House companion as a way to stimulate Florida's economy through low cost regulatory measures that seek to reduce unnecessary government oversight.

Health Care

On Tuesday, March 17th the Senate Banking and Insurance Committee passed SB 354 Relating to Mental and Nervous Disorders by Senator Victor Crist (R-Tampa). SB 354 expands the benefits that insurers and HMOs are required to offer to group policyholders for a specific set of mental, nervous, and substance-related disorders. The bill specifies that the benefit limits for these listed mental health and substance-related disorders may not be more restrictive than the treatment limitations and cost-sharing requirements under the plan that are applicable to other diseases, illnesses, and medical conditions. The bill also specifies that health plans may have benefit limits for all other mental health disorders not specifically listed in the bill lower than those for physical illnesses generally within certain parameters. An amendment was approved in committee, which provides that a group insurance plan would not have to provide the increased coverage if the additional benefits cause an increase in costs of over 2%.

The bill will now advance to the Senate Health Regulation Committee. The House companion, HB 147 by Representative Ed Homan (R-Temple Terrace) has not yet been heard.

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

On Thursday, March 19th the Senate Health and Human Services Appropriations Committee held budget discussions and considered legislation. Chair Durell Peadar (R-Crestview) opened the meeting by stating that there is a \$3.1 billion deficit in the budget, even after stimulus money is factored in. He intends to have a budget prepared for consideration by next Thursday.

The committee also unanimously approved SB 556 Relating to Medicaid Program/Low-Income Pool Council by Senator Don Gaetz (R-Ft. Walton Beach).

The committee rejected an amendment, offered by Senator Nan Rich (D-Sunrise), which aimed to expand the council's membership. Senator Gaetz opposed the amendment, stating that it would allow lobbyists to serve on the council. The bill passed is the "compromise" passed by the Senate Health Regulation Committee on March 4th, which would prohibit registered lobbyists from serving on the council; designate that the Chair must be the AHCA Secretary or a staff designee; and add six new council members from the public, 2 of which are licensed physicians.

SB 556 will next be considered by the Senate Policy & Steering Committee on Ways and Means.

AIF SUPPORTS legislation that eliminates the Low Income Pool (LIP) Council and place responsibility for recommendation and distribution of these funds in the hands of the Legislature and experts at the Agency for Health Care Administration (AHCA). The compromise language brings us one step closer to achieving this ultimate goal. We look forward to working with all interested parties and Senator Gaetz on this important business issue.

Affordable Housing

On Wednesday, March 18th the [House Military and Local Affairs Policy Committee](#) unanimously approved [HB 161](#) Relating to Affordable Housing by [Representative Gary Aubuchon \(R-Cape Coral\)](#). This bill has been proclaimed as the affordable housing package for the 2009 session. It is the companion to [SB 1040](#), which passed the [Senate Community Affairs Committee](#) on Tuesday, March 17th. Some of the bills highlights include provisions:

- Defining "moderate rehabilitation" for the Florida Housing Finance Corporation (FHFC);
- Developing criterion of preference for Florida builders;
- Incorporating energy efficiency standards for SAIL funding; and
- Requiring certain entities to plan and implement strategies to address and increase housing opportunities for youth transitioning from the child welfare system.

AIF supports legislation aimed at improving Florida's affordable housing laws.

The committee also unanimously approved [HB 267](#) Relating to Affordable Housing by [Representative Keith Fitzgerald \(D-Sarasota\)](#). This bill seeks to clarify language regarding taxation of Community Land Trusts. Currently, land trusts are being taxed at full value. The bill would require that assessments be based on the land lease value.

There was no opposition and no amendments were proposed. The Florida Association of Realtors, Florida Housing Finance Corporation, and the Florida League of Cities each were in support of the bill.

AIF supports this legislation because it creates sustainable affordable housing for Florida's workforce, while correctly addressing the issue created in assessing property taxes.

Information Technology

On Wednesday, March 18th the [Senate Governmental Oversight and Accountability Committee](#) unanimously approved [SB 2694](#) Relating to State Financial Matters by [Senator JD Alexander \(R-Winter Haven\)](#). The bill was designed to strengthen the Legislature's authority over agencies contracting that effects state budgets. The bill's sponsor gave examples of contracts that various agencies had entered into, which ultimately cost the state substantial sums of money due to the provisions that the bill will prohibit.

The bill specifies that the Legislature must grant specific authority in General Appropriations Act before an agency may make transfers. It further provides that an agency may not enter into a contract that obligates the state to pay liquidated damages resulting from a breach or early termination by the agency unless the Legislature authorizes it; requires the state to pay interest to another party because the agency has insufficient budget to pay the underlying obligation; and binds the state to make future-year payments to offset payments not made in the current year unless the Legislature authorizes it.

Senator Alexander stated that the bill provides for agencies to report to the Governor, Senate President and Speaker of the House 30 days before entering into a contract for more than \$5 million in any fiscal year and for other specific type of contracts.

[SB 2694](#) will next be considered by the [Senate Policy & Steering Committee on Ways and Means](#).

AIF opposes this bill because it severely restricts the private sector from doing business with the state by having such punitive provisions on contracting.

Water

On Thursday, March 19th the House Natural Resources Appropriations Committee unanimously approved proposed committee bill (PCB) NRAC 09-01 Relating to Recreate the Water Protection and Sustainability Program Trust Fund. This measure aims to recreate the Water Protection and Sustainability Program Trust Fund (WPSTF). If not re-enacted, the trust fund would terminate on July 1, 2009. This trust fund receives its money from a portion of doc stamp revenues and was created to fund alternative water supply, the total maximum daily load program, and the Disadvantaged Small Community Wastewater Grant Program.

AIF supports efforts to reinstate the annual state funding for alternative water supply development and water quality improvements funding. The recreation of the WPSTF is the first step and now we need to find the funding for it.

Ethics & Elections

On Wednesday, March 18th the [House Governmental Affairs Policy Committee](#) passed [HB 497](#) Relating to Paid Petition Circulators by [Representative Chris Dorworth \(R-Heathrow\)](#) by a 9 to 3 vote. The bill addresses the process by which citizens may propose amendments to the state constitution, particularly the procedures involving signature-gathering by paid petition circulators and expressly prohibits:

- A paid petition circulator from collecting petitions in Florida without first registering with the Department.
- Anyone from paying or providing other valuable consideration to a petition circulator who is not registered with the Department.
- A paid petition circulator from continuing to perform any duties permitted under the bill if any of the requirements for registration can no longer be satisfied.
- Registrants from circulating petition forms until the forms have been registered with the Department.

In addition, the bill specifies that a person cannot engage in the activities as a paid petition circulator nor be registered with the Department as a paid petition circulator unless the person:

- Has registered with the Department as prescribed in law and rule, including completion of training;
- Is a legal resident of this state for purposes of s. 97.041(1)(a)3., F.S.;
- Certifies under penalty of perjury that he or she has not been convicted of a criminal offense in Florida or any other state or under federal law involving fraud, deceit, forgery, perjury, or identity theft within 5 years preceding the date of application; and
- Does not receive compensation based upon the number of initiative petition signatures obtained.

[HB 497](#) will now be considered by the [House Civil Justice & Courts Policy Committee](#).

AIF supports legislation that would bring about increased accountability for paid petition signature gatherers.