



# DAILY BRIEF

**From March 19, 2009**

The big announcement today came from House Speaker Larry Cretul who released a memo indicating that next week would be the last week of regular committee meetings. House councils will continue to hold meetings throughout the remainder of session. The memo from Speaker Cretul also announced the dates of the religious holiday break. The House will not be meeting April 8<sup>th</sup> through April 13<sup>th</sup>. The Senate has yet to make any announcement regarding their Passover and Easter break.

Friday will be a light day as only the House Select Committee on Seminole Indian Compact Review and the Revenue Estimating Conference will be meeting.

## **Energy**

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.

As discussions regarding domestic exploration for oil and natural gas off Florida's coast grip the nation's attention, recent polling commissioned by AIF continues to demonstrate a significant increase in the percent of Floridians in favor of drilling off the state's coast over the percent of those in favor this time last year.

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.

AIF was the first business association in the state to endorse more exploration and production of oil and natural gas in the Eastern Gulf of Mexico. According to the federal Minerals Management Service (MMS), there are currently approximately 86 billion barrels of oil and 420 trillion cubic feet of natural gas technically recoverable from all federal offshore areas; that is equivalent to three times the oil resources of Canada and Mexico combined and almost 6 times the natural gas resources of these two countries. Allowing environmentally-sensitive access to these resources is not only in our national interest as a means of improving energy security, diversifying supply, and enhancing economic development; it also can serve as an important and much needed method for generating new revenues for the state of Florida.

Some of the debate during today's 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.**

### **Business Regulation**

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 since it was just released today. 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 today get project 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](#).**

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.**

### **Economic Development**

Today, the Senate Transportation and Economic Development Appropriations Committee met to discuss the additional 10 percent budget reduction exercise for the current fiscal year. For the Governor's Office of Tourism, Trade and Economic Development, Director Dale Brill covered the following agencies with whom his office has a public-private partnership:

Visit Florida would face an additional \$3.65 million budget reduction. Director Brill offered to close the four Florida Welcome Centers, operated by Visit Florida, at I-10, I-75, I-95, and SR 231, as well as reduce their employees from 115 down to 22.

The Florida Sports Foundation would face an additional \$500,000 budget reduction. Director Brill noted that all salaries from the Florida Sports Foundation are covered by private partnerships.

Enterprise Florida (EFI) would face an additional \$980,000 budget reduction. EFI noted that they have already closed four foreign offices as a result of the earlier budget cuts, and would potentially continue to focus on their international outreach efforts as a means to achieve the budget reduction.

The most concerning discussion of the committee hearing was a pronouncement from Chairman Mike Fasano (R-New Port Richey) that he currently has zero dollars in the 2009-10 start-up "base" budget for OTTED and their economic development programs.

## **Energy & Environment**

Today, 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.

Keyna Cory, AIF's Chief Lobbyist, told the committee that AIF still has concerns about the bill, especially with the distance selected for notification. The bill would increase the notification to property owners located within a 500-foot radius of a contamination location and public schools, to within a 1-mile radius. Cory testified that the distance does not relate to any scientific reason and may cause a property owner to receive a notification even though there is no way for the contamination to spread to their parcel.

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**

Today, 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

Today, the Senate Health and Human Services Appropriations Committee held budget discussions and considered legislation. Chair Durell Peaden (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.

Phil Williams, with the Agency for Health Care Administration (AHCA), offered the committee budget-cut options, which achieve a 10 percent reduction in the AHCA budget. The state cannot cut eligibility for services, and must continue the Meds for Aged and Disabled (MEDS-AD) and Medically Needy programs in order to receive federal stimulus funds. Thus, the bulk of savings must come from an across-the-board, 12 percent, provider rate cuts plus program and optional service eliminations. The House Appropriation Committees also met, but did not direct state agencies to conduct a similar budget exercise.

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 4<sup>th</sup>, 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.**

## Legal & Judicial

Today, 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 if the bill.

**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**

Today, the House Agriculture and Natural Resources Policy Committee passed (15-1) HB 825 Relating to Ad Valorem Taxation of Working Waterfront Property by Representative Julio Robaina (R-Miami). This is the bill to implement the constitutional amendment approved by voters last November, which changes the way working waterfronts are assessed by property appraisers. With this change, true working waterfronts will be assessed at current use instead of the highest and best use standards.

Ken Wilkinson, Lee County Property Appraiser and member of the Taxation & Budget Reform Commission (TBRC), was on hand to discuss the bill and answer questions. Mr. Wilkinson was one of the primary sponsors of Amendment 6 during the TBRC proceedings.

Keyna Cory, AIF’s Chief Lobbyist, spoke in favor of the legislation and thanked Commissioner Wilkinson and the other TBRC Commissioners who were co-sponsors of Amendment 6 – former Senator and Broward County Commissioner Jim Scott and former Representative Carlos Lacasa.

Representative Robaina has worked on similar legislation for three years and he was happy to see the bill pass the committee with only 1 no vote. Representatives Ron Schultz (R-Homosassa) voted against the bill because of his concerns with the formula that will be used to appraise working waterfront properties and how it could possibly hurt businesses in small counties.

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 this measure 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.**

## **Water**

Today, 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.

Keyna Cory, AIF's Chief Lobbyist, spoke in favor of the PCB. While showing the committee a copy of AIF's *2009 Session Priorities*, she noted that water was a high priority for AIF, especially the funding of the alternative water supply programs, which is a recommendation included in AIF's and the business community's [\*Economic Stimulus Package 2.0\*](#). Cory also told committee members about the Florida Water Alliance, a coalition of businesses, environmental groups, local governments, and waste management districts that work together in the legislative process on funding for the WPSTF. Over the past few years, we have seen the amount of money designated from the trust fund for alternative water supply programs decrease from \$60 million to approximately \$17.7 million.

**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.**