



DAILY BRIEF

From April 13, 2009

Legislators were back in action on Monday following an extended spring recess in observance of the Passover and Easter holidays. Councils in the House met for most of the afternoon hearing bills dealing with streamlining of permits, affordable housing, and court funding.

Also, don't miss this week's episode of AIFTV. We have a special three-part roundtable discussion featuring some of AIF's lobby team members discussing the progress of the top issues affecting businesses this year including taxes, workers' compensation, growth management, and the state's budget.

[View this special episode of AIFTV.](#)

Business Regulation

AIF has been actively working on ways to reduce the permitting, regulation and fees that businesses in Florida face on a daily basis. The [House Finance & Tax Council](#) unanimously passed [HB 1133](#) Relating to Agriculture by [Representative Ralph Poppell \(R-Titusville\)](#), which covers all three and helps the agriculture industry. First, the bill prohibits counties from imposing an assessment or fee for storm water management on land classified as agriculture if the agricultural operation has a National Pollutant Discharge Elimination System (NPDES) permit, an environmental resource permit (ERP), a works-of-the-district permit, or implements best management practices (BMPs). Some counties are imposing storm water utility fees on agricultural lands where the farm operation has an agriculture discharge permit or implements BMPs. Currently eleven counties have storm water utilities; six exempt agricultural parcels from the fees they charge and five do not.

The bill also creates the "Agricultural Land Acknowledgement Act" which requires a political subdivision, prior to issuing a local land use permit, building permit, or certificate of occupancy for nonagricultural land located within 1,000 feet of agricultural land, to have the applicant for the permit or certificate sign and submit to the political subdivision a written acknowledgement of neighboring agricultural land. Georgia has a similar law – "Model Land Use Management Code."

Also [HB 1133](#) clarifies that nonresidential farm buildings are exempt from building codes. Some local governments are assessing impact fees and/or requiring permits for nonresidential farm buildings, even though the buildings are never inspected. The bill also exempts farm fences from the Florida Building Code and exempts them from county or municipal codes and fees. Farmers in South Florida had to apply for "ZIP" – a zoning improvement permit and the only reason for the permit is to generate revenue for the local government.

[HB 1133](#) is now ready to go to the full House for final consideration.

AIF supports the reduction in permitting, regulation and fees whenever possible. Florida's second largest industry is agricultural and CS/CS/HB 1133 helps our farmers save money and time.

Court Funding

Today, the [House Criminal and Civil Justice Appropriations Committee](#) approved (7-1) [HB 1121](#) Relating to Disposition of Court Fees by [Representative Ellyn Bogdanoff \(R-Fort Lauderdale\)](#). This bill creates a better mechanism for funding of Florida's court system by placing more legislative oversight for the court fees and fines that are collected by the clerks of courts. This will provide more adequate funding directly to the court system, which will help ensure that cases are heard and decided more efficiently and quickly. The bill does not remove or terminate employees in the clerks of courts offices around the state as some had feared earlier in the committee process. This is a significant change in the state's court funding policy and process and is the result of a lot of negotiation between the courts and clerks, as well as members of the committee.

A similar measure, [SB 2108](#) Relating to State Court Funding by [Senator Ken Pruitt \(R-Port St. Lucie\)](#), passed its last committee of reference in the Senate last week . [HB 1121](#) will now be considered by the [House Civil Justice and Courts Policy Committee](#), but still has two additional committee stops after that. Given the limited time left in the session, it may be withdrawn from one or more of the future committees because it now represents a compromise version of the legislation.

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. We would like thank Representative Bogdanoff for her leadership on this important policy matter.

Health Care

Today, the [House Health Care Appropriations Committee](#) unanimously approved [HB 285](#) Relating to Medicaid Low-Income Pool and Disproportionate Share Program by [Representative Jimmy Patronis \(R-Panama City\)](#). The bill aims to modify the makeup of the Low Income Pool (LIP) Council. The LIP Council is currently made up of representatives from the hospitals that receive income from the \$1 billion in Federal funds it draws down yearly. The bill also ensures that no registered lobbyist can serve on the council, as well as expands membership to non-hospital representatives.

[Representative Kevin Ambler \(R-Tampa\)](#) complemented the sponsor on finding a compromise. He said it did not make everyone happy so it must be right. [HB 285](#) will now be considered by the [House Full Appropriations Council on General Government and Health Care](#).

AIF SUPPORTS legislation that eliminates the Low Income Pool (LIP) Council and places responsibility for recommendation and distribution of these funds in the hands of the Legislature and experts at the Agency for Health Care Administration (AHCA).

Affordable Housing

Today, the [House Finance and Tax Council](#) unanimously approved [HB 267](#) Relating to Affordable Housing by [Representative Keith Fitzgerald \(D-Sarasota\)](#). The measure 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. The effect on trust property is a reduction in the assessment on those properties, thereby enhancing Florida's affordable housing stock.

[Representative Ron Shultz \(R-Homosassa\)](#) noted that some of the language may create an inconsistency. [Representative Fitzgerald](#) agreed to address this issue.

AIF, the Brevard County Property Appraisers, the Florida Association of Realtors, and 1,000 Friends of Florida all testified in support of the bill. [HB 267](#) will now be considered on the House floor.

AIF supports all efforts to improve Florida's affordable housing stock. Affordable housing remains a factor in stimulating the larger housing market. Additionally, it has direct implications on Florida's workforce, which is particularly important because of the state's emphasis on stimulating and sustaining economic activity.

Governmental Outsourcing

Today, the [House Human Services Appropriations Committee](#) unanimously approved [HB 7103](#) Relating to Mental Health by [Representative William Snyder \(R-Stuart\)](#). This bill is the result of over two years of studies since the Florida Supreme Court published its study titled, *Mental Health, Transforming Florida's Mental Health System*.

According to the report, Florida spends approximately a quarter of a billion dollars annually to treat roughly 1,700 individuals under forensic commitment; most of whom are receiving services to restore competency so that they can stand trial on criminal charges and, in many cases, be sentenced to serve time in state prison. All of this treatment is funded entirely by state general revenue funds, because federal law prohibits Medicaid from providing payment for psychiatric services rendered in such institutional settings. Thus, the state is investing enormous sums of taxpayer dollars into costly, back-end services that may render a person competent to stand trial, but will do nothing to provide the kind of treatment needed to facilitate eventual community reentry and reintegration.

The bill lists several goals ranging from supporting collaboration among the various stakeholders responsible for implementing diversion programs and policies that reduce the demand for mental health placement, ensuring that mental health competency services are provided in the least restrictive, least costly and most effective environment. The bill also seeks to reduce the rate of arrests, incarceration and recidivism as well as increase outreach and services that divert individuals from the juvenile, criminal justice and the forensic health mental health systems. The bill defines a comprehensive continuum of care supported by evidence based best practices that address co-occurring mental health and substance abuse disorders and directs the Department of Children and Family Services to implement its provisions. The bill also specifies that the court appointed evaluators must be licensed psychologists or psychiatrists. This provision proved to be somewhat controversial to the broader spectrum of community mental health and substance abuse

providers. Organizations representing them testified in support of the bill but seek an expansion of who can evaluate.

George Sheldon, the Department's Secretary, spoke in favor of the bill which will significantly lower the costs associated with providing these services at the state and local level. The Department also anticipates lower demand for costly services in jails, emergency rooms and other crisis settings, less crime, enhanced public safety, fewer injuries to law enforcement officers, and decreased rates of chronic homelessness.

[Representative Yolly Roberson \(D-North Miami Beach\)](#) urged for the expansion of the potential evaluator pool based on her experience as a forensic mental health nurse. [Representative Charles Van Zant \(R-Palatka\)](#) requested that the committee ban smoking in substance abuse and mental health centers based on research that show a large percentage of the patients use cigarettes.

AIF supports this bill because its provisions tremendously streamline current practices, lowers costs associated with these services, and provides a comprehensive continuum of mental health and substance abuse care based on evidence based best practices. Since forming the Government Outsourcing Council (GOC) two years ago, AIF has actively sought legislation to accomplish what this bill portends. The GOC will continue to monitor and support this legislation which promotes efficiency in contract monitoring, thereby reducing costs to the state and providers, while enhancing services.

Gaming Facilities

Today, the [House Select Committee on Seminole Indian Compact Review](#) approved (16-4) proposed committee bill (PCB) **SICR 09-02** Relating to Pari-mutuel Permit Holders. Generally, the bill proposes to level the playing field for the pari-mutuel industry in response to the Seminole Indian Gaming Compact, which if approved, provides authority to the Governor to enter into new compact with the Seminole Tribe. Highlights of the PCB include:

- Closing a quarter horse loophole and subjects quarterhorse permitholders to the same permit and licensure requirements as other horse racing permitholders;
- Reducing the annual slot machine license fee from \$3 million to \$2 million;
- Replacing the current tax rate on slot machines (18 percent) to twice (36 percent) the revenue sharing rate applicable to the Tribe set forth in the original Compact or a minimum of \$140 million for slot machine tax collections;
- Extending the hours of operations for card rooms from 12 hours to 24 hours; and
- Increasing wager limits for various card games.

Two amendments, offered by [Representative Jim Waldman \(D-Coconut Creek\)](#), were withdrawn.

Members raised a number of clarification questions concerning specific provisions within the PCB. Of particular importance, [Representative Joe Gibbons \(D-Pembroke Park\)](#) asked who would be responsible for filling the gap if the minimum (\$140 million) was not covered. This would be the responsibility of the pari-mutuel interests.

[Representative Alan Hays \(R-Umatilla\)](#) argued that the bill's provisions did in fact expand gambling activities, pointing to the extension of hours of operation and increase in wager allowances. [Representative Yolly Roberson \(D-North Miami Beach\)](#) noted that she supports the bill, but still is unclear regarding how much revenue the pari-mutuel industry will generate as a result of this PCB.

The four dissenting votes on the measure were cast by Representatives [Marti Coley \(R-Marianna\)](#), [Alan Hays](#), [Will Weatherford \(R-Wesley Chapel\)](#), and [Juan Zapata \(R-Miami\)](#).

This is an important issue for AIF to monitor, particularly on behalf of its members in, and affected by, the pari-mutuel industry. These bills will have a dramatic effect on the business model of individual businesses and industries as well as the regulatory framework of gambling in Florida. The Compact remains a complicated issue with significant implications for industry practices and policy development. We will continue to monitor and update our members as the measure sees action.