



DAILY BRIEF

From April 30, 2009

Both the House and Senate continue to deliberate in their respective chambers as we approach what should be the last day of the 2009 session. Friday promises to be another whirlwind day as a number of AIF priorities remain in play. AIF's number one priority, the passage of workers' compensation legislation, will likely be decided tomorrow as the Senate is poised to take a vote on the version of [HB 903](#) by [Representative Anitere Flores \(R-Miami\)](#) supported by AIF. This will likely be the most critical vote of the 2009 session.

Workers' Compensation

The Florida Senate unanimously voted to approve workers' compensation legislation that is harmful to both business and workers. If the bill becomes law, Florida's employers can expect rate increases to continue to escalate uncontrollably for the foreseeable future. The crisis of affordable and available workers compensation coverage is only a few months away if this measure is allowed to proceed to becoming law. Fortunately the Florida House will now have to hear the bill again and the bill's sponsor, [Representative Anitere Flores \(R-Miami\)](#) and the [House Speaker Larry Cretul \(R-Ocala\)](#) are committed to restoring the original [HB 903](#) which will bring the immediate rate relief, fairness and predictability the Florida workers compensation system needs to continue its successful role in rebuilding Florida's economy.

Later in the day, fortunately, the Florida House refused to concur with the Senate bill. Therefore, the language of the bill remains friendly to the business community and WILL lower rates for Florida employers. The bill must be approved in this identical form by the Florida Senate before the session dismisses on Friday.

Florida employers MUST [contact each and every member of the Florida Senate](#) immediately and tell them to approve [HB 903](#) with absolutely NO amendments. These calls and visits need to start immediately and not stop until the Senate approves [HB 903](#) with NO amendments.

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.

ESP 2.0

Today, the Florida Senate unanimously approved (40-0) [HB 485](#) Relating to Fast Track Economic Stimulus for Small Businesses by [Representative Will Weatherford \(R-Wesley Chapel\)](#). This economic development tool relies on a market based approach to expand credit, capital and financial services to the state's low income communities across the state. By leveraging a \$26 billion federal program, the New Markets Tax Credit will provide a modest state-level tax credit to encourage capital investments to be made in Florida's low income communities by utilizing federal oversight and allowing Florida to implement the program with minimal state resources. The program could have a total economic impact of \$6.3 billion over the next ten years, and is expected to incite some \$250

million in private sector investment immediately. It is also expected to create almost 4000 jobs in its first year.

This legislation has been at the top of AIF's priorities this year with regard to economic development. Having testified in every committee, conducted polling and presented as part of the *ESP 2.0*, AIF will work hard to see that the bill is signed into law.

[HB 485](#) will now be sent to the Governor for his approval.

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.

Business Regulation

Today, the Florida House approved (117-1) [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. [Representative Will Weatherford \(R-Wesley Chapel\)](#) 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.

Representative Weatherford also explained that two amendments were adopted by the Senate on second reading that were very consumer friendly, which caused the AARP to become neutral on the bill. The two amendments would 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. The other amendment went back to existing law requiring the phone companies to inform the customer of the lowest priced service available.

In questions, [Representative Rick Kriseman \(D-St. Petersburg\)](#) asked about the basic service adding a vertical service such as call waiting to make it non-basic and whether the price cap of CPI minus 1 percent would still apply. **Representative Weatherford** said it would.

In debate, **Representative Kriseman** complimented **Representative Weatherford** for working with him throughout the process to improve the bill. He further commented that he voted against the bill in council meetings, but stated that he was going to vote for it today.

[Representative Ronald Brise \(D-North Miami\)](#), a co-sponsor of the bill, said that they had worked very hard getting this bill to be beneficial for communications customers, especially those who are in areas where there is no broadband available.

[SB 2626](#) will now be sent to the Senate for consideration.

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.

Energy & Environment

Today, the Florida Senate approved (37-1) [SB 1154](#) Relating to Energy by [Senator Jim King \(R-Jacksonville\)](#). This bill aims to create the Florida Clean Renewable Energy Policy. Section one establishes a Clean Portfolio Standard establishing the goal of 15 percent of power derived from clean energy by 2020. However, the bill would allow up to 25 percent of the goal to be nuclear. The bill further allows for exemptions from the requirements if there is insufficient supply of clean energy or clean energy credits or the total costs for clean energy production or credits exceeds two percent of the utility's total annual revenue. Section two would encourage utilities to pursue joint ownership of nuclear power plants and allow for utilities to purchase clean energy from out of State. Section three of the bill would create the Natural Gas Act, creating a carbon reduction fee relating to natural gas use. Section four clarifies the terms of members of the Florida Energy and Climate Commission to begin on October 1 and end on September 30.

The committee adopted five amendments to the bill. The first amendment removes language that would require an Investor Owned Utility (IOU) to purchase nuclear power to meet the goals established by the bill. The second amendment would allow for negotiations for power to be set by the free market. The third amendment clarifies and shortens, but does not substantively change the section on the Natural Gas Act. The fourth removed the controversial one penny fuel tax. And the last amendment, removed solar power from the "Siting Act."

[SB 1154](#) will now be sent to the House for consideration.

AIF is continuing to monitor the progress of this bill and its goal to establish a Renewable Portfolio Standard in Florida.

Growth Management

Today, the Florida House approved (107-10) [HB 227](#) Relating to Impact Fees by [Representative Gary Aubuchon \(R-Cape Coral\)](#). The bill changes the burden of proof for a business who challenges a local government's enactment of an impact fee to merely a preponderance of the evidence, thus alleviating a local government's presumption of correctness that currently attaches to impact fee ordinances. In addition, the bill includes legislation to implement a two-year freeze on impact fees.

[HB 227](#) will now be sent to the Governor for his approval.

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.

Taxation

Today, the Florida Senate unanimously approved (38-0) [SB 1468](#) Relating to Working Waterfront Property by [Senator Charlie Dean \(R-Inverness\)](#). This legislation implements the language of the constitutional amendment approved by voters in the November 2008 General Election. Amendment 6 changes the way businesses located on working waterfronts are assessed property taxes. Currently, they are being assessed at "highest and best use," but the constitutional amendment changes it to "current use."

There were two amendments adopted to the bill. The first amendment, by **Senator Dean** and [Senator Mike Bennett \(R-Bradenton\)](#), make technical changes. The second amendment, by [Senator Thad Altman \(R-Melbourne\)](#), would give property owners an alternative method of being assessed

so they could use either the income approach if appropriate so that we captured all working waterfront properties as defined in the constitution

[SB 1468](#) will now be sent to the House for consideration.

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.

Court Funding

Today, the Florida Senate unanimously approved (39-0) [SB 2108](#) Relating to State Court Funding by [Senator Ken Pruitt \(R-Port St. Lucie\)](#). This bill creates a better mechanism for funding of Florida's court system by placing more legislative oversight on 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 quickly and more efficiently. 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 with the senators.

[SB 2108](#) will now be sent to the Governor for his approval.

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 Senator Pruitt for his leadership on this important policy matter.

Privacy

Today, the Florida Senate unanimously approved (38-0) [HB 7051](#) Relating to OGSR/Social Security Numbers by the [House Governmental Affairs Policy Committee](#). The bill provides for access to social security numbers contained in public records for commercial activity. As originally drafted, the bill severely restricted commercial access to social security numbers and would have made credit checks, background checks, UCC filings, insurance reports, etc. more difficult to track for commercial purposes.

In committee, AIF was able to work with the committee chairs and their staff to develop a compromise that would still allow access for legitimate commercial purposes and federal law.

[HB 7051](#) will now be sent to the Governor for his approval.

AIF supports efforts to ensure that businesses have access to important personal information for commercial purposes. Social security numbers are an individual's only unique identifier and are vital to matching public records documents to the correct person when making commercial decisions. Restricting access to such information could increase the cost of doing business and require costly changes in commercial operation.

Transportation

Today, the Florida Senate brought up a transportation bill, [SB 424](#) by [Senator Andy Gardiner \(R-Orlando\)](#), and attempted to adopt an amendment that would allow the Florida Department of Transportation to begin construction of the Central Florida commuter rail also known as SunRail. [Senator Lee Constantine \(R-Altamonte Springs\)](#), who is the sponsor of the original legislation, offered the amendment in hopes of persuading the Chamber to support the historic transportation project.

Entering today's session it was anticipated that the Senate would debate the measure despite rumors that the vote would be close. For weeks the primary opponent of the project, [Senator Paula Dockery \(R-Lakeland\)](#), has told lobbyists, members of the Legislature and the media that the Senate did not have enough votes to support the measure. Meanwhile, members of congress, local elected leaders and civic groups alike who support the measure have championed the project as the next great step for Florida's transportation system.

In introducing the amendment **Senator Constantine** touted the project's benefits, creation of 6,100 jobs and the continuation of another 100,000 construction jobs as a ripple effect. He asked the Senate to consider the state's need for innovative ways to move citizens and create mass transit.

Senate members immediately questioned the project and asked about the costs of the project. Some asked for the actual details behind the financial terms of the deal, while others honed in on the liability assigned in case of an accident.

The Senate deliberated for over an hour with **Senator Constantine** fielding many questions from obvious supporter and opponents. Ultimately time ran out on the Senate as budget conferences were scheduled to begin at 7:00 p.m. **Senator Constantine** stopped his pursuit of the adoption of the amendment and withdrew the measure leaving in doubt the possibility of the commuter rail for this session.

AIF SUPPORTS efforts to approve the Central Florida Commuter Rail Project. This project will not only create jobs in the Orlando area, but throughout the state of Florida while injecting over \$1.2 billion into the economy over the next 18-24 months. This project will lay the foundation for improved passenger transportation and freight distribution in Florida, thus ensuring our state's ability to remain competitive and meet the challenges of expanded global trade.