



DAILY BRIEF

From April 7, 2010

The three major pieces of education reform legislation pending before the Legislature had their day of debate in the House of Representatives today. The House held another marathon session of questions, amendments and debate, which lasted until 10:00 pm. All three bills (SB 2 the Right Size the Class Size constitutional amendment, SB 4 Relating to College and Career Readiness, and SB 6 Relating to Teacher Tenure) were rolled to third reading meaning that after hours of debate they are now ready to be voted on. It is expected that the House will vote on the bills during its scheduled session Thursday afternoon. Associated Industries of Florida is in strong support of all three of these bills because of the positive impact they will have on the future of Florida's students.

We strongly encourage all AIF members to contact their state representative and ask them to vote YES on all three bills.

On Thursday, the House and Senate are poised to debate another major issue dealing with the proposed Seminole Indian Gaming Compact, which was recently signed by Governor Charlie Crist. The Gaming Compact has the potential to bring the state of Florida over \$1 billion in new revenue over the span of five years. Unfortunately, as currently drafted it also has the potential to destroy our state's pari-mutuel industry. Pari-mutuel facilities have been around for decades and they represent about 30,000 jobs across the state. AIF distributed a special *Communiqué* to all members of the Legislature urging them to protect this important industry.

Ports

Today, the Senate Commerce Committee met and unanimously passed SB 1992 Relating to Florida Ports Investments by Senator Jeremy Ring (D-Margate). As a top priority of the AIF Florida Maritime Council (FMC), this measure creates a new section of law entitled the "Florida Ports Investment Act." The bill identifies a new funding source for Florida port projects through incentivizing insurance companies to make investments in exchange of future insurance premium tax credits. Such investments are desperately needed to expand the role Florida's ports play in moving goods into Florida directly, rather than utilizing other state's facilities and businesses to facilitate our state's commerce. During public testimony on the bill, Governor Crist appeared before the committee and urged members to pass the bill.

This bill has already passed the House. It is scheduled to be heard next in the Senate Banking & Insurance Committee.

AIF commends Senator Ring for his vision and leadership in developing this legislation to help Florida's port businesses expand Florida's position as an international commerce leader.

In addition, the Senate Community Affairs Committee met to consider SB 274 Relating to Growth Management by Senator Mike Bennett (R-Bradenton). This measure allows military bases to comment on local government land use decisions affecting lands adjacent to those bases, and providing for mediation in case of disagreement. Senator Bennett offered an amendment to the bill that further aligns Florida's security standards and background check requirements with federal law. The bill passed unanimously with without debate or controversy. AIF has been a strong supporter of reducing the duplicitous security requirements at our ports because of the high costs and regulatory burdens associated with them. As of now, there is no House companion to this bill, but we will continue to track this piece of legislation for our members.

SB 274 is scheduled to proceed to the Senate Environmental Preservation and Conservation Committee for further consideration.

AIF strongly SUPPORTS legislation significantly reduces the costs to employers conducting business at Florida's public seaports.

Affordable Housing

The House Economic Development & Community Affairs Policy Council unanimously approved HB 665 Relating to Affordable Housing by Representative Gary Aubuchon (R-Cape Coral). This legislation includes a segment to remove the cap on the Housing Trust fund, also known as the Sadowski Trust Fund. A portion of documentary stamp taxes are placed in this fund to be used for affordable housing activities. Currently, there is a statutory cap on how much of the trust fund can be allocated toward affordable housing. HB 665 allows the cap to be lifted and all monies collected within the Sadowski Trust Fund can be used to fund affordable housing.

Later in the day, members of the Sadowski Coalition held a rally on the steps of the Old Capitol to recognize a number of legislators including Representative Aubuchon who have been champions for affordable housing.

HB 665 is now ready to be considered on the floor of the House of Representatives.

AIF SUPPORTS legislation that repeals the Housing Trust Fund cap and appropriates all doc stamp revenue toward affordable housing. AIF has worked closely with the Sadowski Coalition in effort to allocate these funds for which they were originally intended.

Elections

Late yesterday evening, Governor Crist unexpectedly vetoed HB 1207 Relating to Campaign Financing by Representative Seth McKeel (R-Lakeland). This bill reenacts the regulation of electioneering communications organizations (ECOs) after a federal court decision in 2008. Additionally, this bill authorized the establishment of "Affiliated Party Funds" to require discrete and transparent reporting by so-called "leadership funds" that now operate under the reporting umbrella of the respective parties.

The Governor's decision to veto the measure was based on the "leadership fund" provision within the bill. Governor Crist stated that they were the political equivalent of slush funds and were a step backward in the area of campaign reform. Those knowledgeable about the provision disagree with the Governor's perception and speculated whether the veto was based on his misunderstanding of the bill or his desire to curry the favor of the press. His veto also spurred very strong negative reactions by the legislative leaders supporting the legislation.

The fate of ECO regulation is still in doubt. Legislative leadership is debating whether to attempt the reenact the ECO provisions of the bill before the end of the Session.

AIF SUPPORTS the enactment of Electioneering Communications Organizations (ECO) legislation that follows the guidelines established by federal courts.

Space

Today, HB 451 Relating to Space Florida by Representative Steve Crisafulli (R-Merritt Island) passed unanimously through the House Economic Development & Community Affairs Council. This measure seeks to realign the Space Florida board membership and revise the organization in a number of ways, most notably by reducing the number of Space Florida Board members from 19 to 15 to include more aerospace industry representation. This should result in a more nimble board, better able to respond to the needs of the aerospace industry and better prepare Florida to compete with other states and nations.

HB 451 has passed its final committee of reference and is ready to be considered by the full House of Representatives.

AIF SUPPORTS legislation to reorganize the board structure of Space Florida – the state's aerospace development organization.

Taxation

Today, the Senate Community Affairs Committee passed SB 1408 Relating to Working Waterfront Property by Senator Thad Altman (R-Melbourne). SB 1408 provides for the classification of designated waterfront property as "working waterfront property". In 2008, voters approved the passage of Amendment 6 that was designed to implement this constitutional amendment language. AIF was actively involved with the passage of this amendment and worked closely with the "Save Our Waterfronts" coalition, a broad based union of businesses, associations, local governments and environmental organizations who wanted to ensure that waterfront properties were assessed on the current use of the property.

During today's meeting, members adopted an amendment to the bill that includes language outside the scope of Amendment 6. **Keyna Cory, Senior Lobbyist for AIF and coordinator of the Save Our Waterfronts Coalition**, spoke in favor of the proposed legislation but opposed the expansion of the bill since the definitions of working waterfront properties have been expanded outside of what is in the constitutional amendment. If there is a legal challenge on the additional properties listed, the main part of the legislation is protected through the severability clause.



**Keyna
Cory**

SB 1408 is scheduled to proceed to the Senate Finance & Tax Committee for consideration by its members.

AIF supports efforts to pass implementing legislation from Amendment 6; however, work is still needed to develop definitions for marinas and navigable waters. We must be careful to craft legislation that will not harm those who really deserve the working waterfront tax classification. AIF is working adamantly to stay within the spirit of the language approved by voters in 2008.

Insurance

Today, the Senate Banking & Insurance Committee considered and passed SB 2108 Relating to Insurance by Senator Garrett Richter (R-Naples). AIF has long supported insurance premium discounts for residential property owners who install construction mitigation features. SB 2108 provides such discounts when features are added to a home that effectively reduces the amount of damage taken during a hurricane. Furthermore, abuses by home mitigation inspectors in falsifying the existence of loss mitigation features to qualify for discounts have greatly increased. During today's meeting, the committee adopted a priority amendment that provides administrative sanctions in addition to the existing criminal penalties for home mitigation inspectors who do not personally inspect the home, or otherwise falsify inspection reports.

SB 2108 is scheduled to proceed to the Senate General Government Appropriations Committee for further consideration by its members.

AIF SUPPORTS legislation which makes competition the primary determinant of insurance rates, including consumer choice for homeowners, flex rating for insurers and the exemption from prior OIR approval of rates for certain commercial policies.

Following the passage of SB 2108, the Senate Banking & Insurance Committee unanimously approved SB 2176 Relating to Commercial Insurance Rates by Senator Durell Peadar (R-Crestview). This bill exempts certain commercial insurance products from the State's rate filing and prior approval process. Nonetheless, an insurer must notify the Office of Insurance Regulation (OIR) of any changes to rates for these exempted types of insurance within 30 days after the effective date of the change. The bill specifies the information that must be included in the notice, and requires that underwriting files, premiums, and loss and expense statistics must be maintained by the insurer and subject to review by the OIR.

SB 2176 is scheduled to move to the Senate Commerce Committee for consideration by its members.

AIF SUPPORTS legislation aimed at de-regulating commercial insurance lines in Florida. Competition should be the primary determinant of insurance rates especially for commercial insurance, which is typically purchased by sophisticated business entities.

Growth Management

The Senate Judiciary Committee met today to consider and pass SB 2452 Relating to Growth Management, otherwise known as the "bridge bill", by Senator Mike Bennett (R-Bradenton).

SB 2452 provides a safety net for developers who have relied on certain provisions of last year's landmark growth management bill (SB 360), which is currently being challenged in state courts. Known as the "Community Renewal Act," SB 360 offered larger developments the option of avoiding the Developments of Regional Impact (DRI) process in certain densely populated areas, as defined by legislation. Should the challenge be successful and the bill be declared unconstitutional, numerous developers would face a regulatory nightmare for having followed the provisions of the bill, particularly as it relates to Developments of Regional Impact (DRI).

As expected, the bill passed without discussion or amendment by a vote of 7-2.

After passing its final committee of reference, SB 2452 is ready to be heard on the floor by the full Senate.

In the event that 2009's SB 360 is found unconstitutional, AIF SUPPORTS the addition of language which clarifies that a developer still has the opportunity to re-enter the process without penalty. (View the AIF position on this issue)