



DAILY BRIEF

From March 16, 2010

The House has begun to do much of the heavy lifting as it relates to this session's tort reform legislation. During the House session this afternoon, two legal reform bills were debated, which are top priorities for Associated Industries and the rest of the business community. The first, HB 437 by Representative Eric Eisnaugle (R-Orlando), enacts greater transparency in the hiring of outside attorneys by the office of the Attorney General. The other legal reform bill, HB 689 by Representative Gary Aubuchon (R-Cape Coral) restores greater fairness for businesses as it relates to "slip and fall" lawsuits. Both bills are now ready for final passage in the House and we expect them to be voted on Thursday of this week.

The Senate was also in session on Tuesday. Much of their time was spent on debating a proposed constitutional amendment (SB 10) touted by Senate President Jeff Atwater (R-North Palm Beach) and House Speaker Larry Cretul (R-Ocala), which urges the U.S. Congress to call a constitutional convention for the purpose of proposing amendments to the Constitution of the United States to provide for a balanced federal budget and limit the ability of Congress to dictate to states requirements for the expenditure of federal funds. The debate on this proposed amendment was pointed and mostly along party lines. In the end, the measure passed by a 28 – 12 vote. Two Democrats, Senators Charlie Justice (D-St. Petersburg) and Jeremy Ring (D-Margate) sided with the Republican majority.

Legal & Judicial

Today the Florida House of Representatives heard two important legal reform bills on their special order calendar. HB 689 Relating to Negligence by Representative Gary Aubuchon (R-Cape Coral) addresses litigation procedures in slip and fall cases resulting from injuries at a Florida business establishment. The bill requires the plaintiff to prove that the employer had constructive knowledge of any alleged condition on its premises that caused the injury. Representative Aubuchon explained how important this bill is to Florida businesses since our litigation costs over these types of cases have been over 60% greater than those borne by businesses in our neighboring states over the past decade. Several House members asked questions about the requirements for evidence preservation under this bill. Those requirements are not changing from current law, and safety regulations are also not changing or loosening under this bill.

Please contact your local representative and urge them to vote for this important bill for Florida businesses.

The House is scheduled to hear this bill for final passage when it convenes again on Thursday, March 18th

AIF SUPPORTS legislation which protects business owners from costly and frivolous litigation. Additionally, we salute Representative Aubuchon for his vision and leadership in bringing this bill before the House floor today

Another bill bringing legal reform attention to the House floor today was HB 437 Relating to Contingency Fee Agreements between the Department of Legal Affairs and Private Attorneys by Representative Eric Eisnaugle (R-Orlando) which limits the amount of a contingency fee that an attorney can be paid when the Florida Attorney General hires outside counsel. The bill sets this cap at \$50 million plus costs and filing fees. The bill's nickname, Transparency in Private Attorney Contracting, or TPAC, will ensure that tax dollars are wisely spent and not wasted on costly attorney's fees.

Like HB 689, the House is scheduled to hear this bill for final passage when it convenes again on Thursday, March 18th

AIF SUPPORTS efforts to add transparency and accountability to the hiring of outside counsel by the Attorney General's office. Furthermore, AIF commends Representative Eisnaugle for bringing this good bill before the full Florida House today and urges every member of the Florida House of Representatives to vote for its final passage when it is presented for a vote.

Health Care

Today, the House Health Care Regulation Committee approved HB 591 Relating to Health Insurance by Representative Yolly Roberson (D-North Miami Beach). This bill mandates that health insurers include antiretroviral (ARV) drugs on their drug formulary or preferred drug list. Further, it would prohibit insurers from using the important cost efficiency tool called "prior authorization" for any ARV drugs. The committee's staff analysis noted that this mandate would cost the state money if the mandate is included in the state's Medicaid Program. As a result, an amendment was offered to take out the provision to include Medicaid. The fact that the mandate would have had a cost impact on the State of Florida only served to make the argument for the employer organizations and health insurers. The bottom line, they argued, was that the mandate would increase the cost of health insurance.

After considerable concerns were raised by many members of the committee, the bill was approved on a 7-5 vote. **Jose Gonzalez, Vice President of Associated Industries of Florida**, was prepared to testify in opposition to the bill but was unable to do so due to the committee's lack of time.

HB 591 will now move to the House Insurance, Business & Financial Affairs Policy Committee for further consideration.

AIF OPPOSES any health insurance mandate that makes healthcare coverage less affordable and accessible to Florida employers. Furthermore, AIF calls for the Legislature to acknowledge and use the current statutory requirement for any proposed mandate to have a cost study conducted prior to its approval.

Economic Development

The House Transportation and Economic Development Appropriations Committee met this afternoon to discuss the proposed committee budget for 2010-11.

Before the budget discussion began, Representative Rob Schenck (R-Springhill) passed HB 1229 Relating to the New Markets Development Program. HB 1229 is a “glitch bill” dealing with last year’s New Markets Tax Credit Program, a top economic development priority for AIF last session. This bill will simply bring the New Markets Tax Credit, which is aimed at the state’s low income business community, in compliance with recent federal changes.

HB 1229 will now move to the Economic Development & Community Affairs Policy Council, its final committee of reference before consideration on the House floor.

AIF SUPPORTS HB 1229 and the “New Markets” Tax Credit program because of its potential to create jobs and stimulate economic activity in areas of the state that need it most.

As the committee moved to approve the budget recommendations, the testimony focused on **TEDA9**, a proposed committee bill (PCB) to “sweep” \$426 million from the State Transportation Trust Fund. A number of representatives from the road building industry and the business community were present to speak in opposition to this raid of the transportation trust fund. The first speaker was **Jose Gonzalez, AIF’s Vice President of Governmental Affairs**. Mr. Gonzalez provided testimony before the committee in opposition to the transfer. He effectively pointed out that this “sweep” will cost the state thousands of jobs at a time when unemployment is at its highest rate in Florida history. Furthermore, Mr. Gonzalez testified that AIF’s members want to see new jobs created in the road building industry, completion of infrastructure projects that are vital to our state’s economic development efforts and that our road system continues to be one of the best in the country.



**Jose
Gonzalez**

TEDA 9 will remain in the House Transportation and Economic Development Appropriations Committee for further consideration by its committee members.

AIF SUPPORTS the use of Transportation Trust Fund dollars for the purposes of industry-related projects. AIF recognizes the importance of constructing new roads and bridges, funding needed infrastructure projects and perhaps most importantly, putting the road building industry back to work.

Education

The Senate Policy and Steering Committee on Ways and Means considered SB 4 Relating to Education Accountability by Senator Nancy Detert (R-Venice) which contains the increased high school graduation standards, a top priority of AIF. The bill increases standards for high school graduation to include Algebra 2 and specific science courses. The bill also replaces the high school FCAT with end-of-course exams in specific courses such as Algebra 2, Biology, and Chemistry. The bill passed with 17 affirmative votes, largely along party lines. As college and career readiness remain a top priority for AIF, SB 4 makes significant improvements to a student’s ability to obtain the needed skills to compete in the global marketplace.

Having passed all assigned committees of reference, SB 4 will move to be heard on the Senate floor.

AIF SUPPORTS a continued emphasis on increasing the rigor of high school course offerings and graduation requirements.