



WEEKLY BRIEF

From the Week of March 22 – 26, 2010

This week marked the end of the first half of the 2010 session. As with any competitive sport there is still much work to be done and anything can happen in the second half. Next week will be a short one as legislators will be gone Monday, Tuesday and Friday in observance of the religious holidays. They will; however, be in town Wednesday and Thursday to begin the process of debating the state budget.

Numerous AIF priorities saw action last week including the surprising passage of two major legal reforms (slip and fall protection and increased transparency in the hiring of outside attorneys by the Attorney General) that are now on the way to the Governor for his signature.

Legal & Judicial

On Monday, March 22nd the House Civil and Criminal Justice Policy Council unanimously passed HB 285 Relating to Parental Authority by Representative Mike Horner (R-Kissimmee). The bill provides conditions under which parents may waive rights to sue on behalf of their children prior to engaging in certain recreational activities.

In addition, the House committee passed an amendment which makes the bill identical to the Senate version, SB 2440 by Senator Mike Bennett (R-Bradenton), which passed through the Senate Judiciary Committee last week. SB 2440 has been placed on the Senate calendar for its second reading on the floor.

HB 285 has passed its last committee of reference and is scheduled to be heard by the full House of Representatives.

AIF SUPPORTS the right of parents to waive liability on behalf of their minor. 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.

On Thursday, March 25th the Senate passed four tort reform measures that are of great importance to the business community. AIF has worked diligently with members of the legislature, the Attorney General, and other interested parties to amend the process in which liability is determined, tax payer dollars are spent and damages are awarded. While a complete overhaul has yet to come, these changes will prove less burdensome to our business community and provide them with fair and balanced rights when faced with such situations. The following were passed by Senate members, and as noted, will proceed to Governor to be signed into law.

- HB 437 Relating to Contingency Fee Agreements Between DLA and Private Attorneys by Representative Eric Eisnaugle (R-Orlando) - Substituted for Senate companion, SB 712 by Senator John Thrasher (R-Jacksonville). The bill will now be sent to the Governor's desk to be signed into law.
- HB 689 Relating to Negligence by Representative Gary Aubuchon (R-Cape Coral) – Substituted for Senate companion, SB 1224 by Senator Andy Gardiner (R-Orlando). The bill will now be sent to the Governor's desk to be signed into law.
- SB 2440 Relating to Liability Releases by Senator Mike Bennett – Will now proceed to the House of Representatives for a full vote by its members. The House companion, HB 285 by Representative Mike Horner (R-Kissimmee), passed the House Criminal & Civil Justice Policy Council on Monday, March 22nd.
- SB 2060 Relating to Sovereign Immunity by Senator Mike Bennett (R-Bradenton) - Will now proceed to the House of Representatives for a full vote by its members. A similar measure in the House, HB 1107 by Rep. Peter Nehr (R-Tarpon Springs), has passed the Civil Justice & Courts Policy Committee.

To read more about the tort reform legislation that was passed by Senate members, please refer to Thursday's edition of the Daily Brief.

AIF salutes President Atwater for his leadership and unwavering commitment to handling the legislature's business in such an efficient manner that ensures the citizens and businesses of Florida are well served.

Insurance

On Wednesday, March 24th the Senate Banking & Insurance Committee passed SB 876 Relating to Residential Property Insurance by Senator Mike Bennett (R-Bradenton) by a 6 – 4 vote. SB 876 is a top priority for AIF because it represents an important first step towards rebuilding Florida's private property insurance market. Known as the "Consumer Choice" bill, this legislation would provide homeowners with the option of purchasing their homeowners' insurance from a private insurance company using rates higher than their approved rates in lieu of the state's insurance company, Citizens. By encouraging private insurance companies and their private claims-paying capital to return or continue to do business in Florida, this bill will help to reduce the burden of "hidden hurricane taxes" on businesses insurance premiums to fund Citizens' claims paying deficits. Many businesses are shocked to learn that TODAY - in 2010 - they are STILL paying hidden hurricane taxes to cover Citizens insured losses from the 2004 and 2005 hurricanes.

SB 876 will now be considered by the Senate General Government Appropriations Committee.

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

On Thursday, March 25th the House Insurance, Business & Financial Affairs Policy Committee approved two AIF priority insurance bills during their meeting.

The first bill approved was HB 1563 Relating to Commercial Insurance by Representative Brad Drake (R-DeFuniak Springs). This legislation seeks to remove some of the regulatory rating requirements for a specific number of commercial insurance lines including:

- Excess or umbrella
- Surety and fidelity
- Boiler and machinery and leakage and fire extinguishing 41 equipment
- Errors and omissions
- Directors and officers, employment practices, and management liability
- Intellectual property and patent infringement liability
- Advertising injury and Internet liability insurance
- Property risks rated under a highly protected risks rating plan

Florida's commercial insurance market is extremely competitive. For this type of commercial insurance there are a number of providers in the market. AIF is concerned with the potential impact of government intervention in commercial rates. To attract and retain private capital to meet Florida's insurance needs, rates must be "market based" and regulated by consumers in a competitive environment, not by government.

HB 1563 will now be considered by House Government Operations Appropriations Committee.

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.

Subsequently, the committee passed HB 1181 Relating to Public Adjustors by Representative Janet Long (R-St. Petersburg). This legislation aims at reigning in unscrupulous public adjustors who entice homeowners to reopen claims against insurance companies. As a result of this practice, millions of dollars of re-opened claims from the 2004-2005 hurricane seasons are creating a financial strain on insurance companies and the state of Florida. HB 1181 would require greater disclosure to homeowners from the part of these public adjustors. It also shortens the time frame claims can be open from five years to three.

HB 1181 will now be considered by the House Government Operations Appropriations Committee.

AIF SUPPORTS legislation that attempts to regulate public adjustors and their operations in Florida. This legislation will help protect homeowners and reduce the number of frivolous claims.

Economic Development

On Wednesday, March 24th the Senate Commerce Committee passed one of AIF's priority bills for the 2010 session. SB 1430 Relating to Entertainment Industry Economic Development by Senator Mike Haridopolos (R-Melbourne) would transform an existing \$10 million incentive program for the film and entertainment industry into a \$75 million tax rebate. Currently, the Governor's Office of Film and Entertainment administer the entertainment industry financial incentive program. While this program has been successful in helping retain film and entertainment related jobs across the state, it is limited in its reach due to waning revenues from the state. SB 1430 would greatly expand the financial commitment on behalf of the state and would expand those eligible to video and digital media types.

Currently, SB 1430 is scheduled to move forward to the Senate Finance & Tax Council. Its House companion, HB 697 by Rep. Steve Precourt (R-Orlando), was passed by the House Finance & Tax Council on Thursday, March 25th.

AIF SUPPORTS passage of legislation creating a tax credit-based rebate incentive that is not subject to legislative appropriations.

Subsequently on Wednesday, the Senate Commerce Committee unanimously passed SB 1472 Relating to Research Commercialization Matching Grant Program by Senator Nancy Detert (R-Venice). This bill will enact a grant program that would help bridge the gap for start up and research related companies to reach the commercialization phase. This proposal by Senator Detert has been a perennial proposal in recent years but has yet to be passed due to the financial challenges of the state budget.

Many research and development entities do tremendous work in their missions but fail to reach the final stage of economic success, the ability to commercialize their expertise. This program would provide rewards to established Florida companies that have already received a federal grant.

SB 1472 is scheduled to be heard next by the Senate Transportation and Economic Development Appropriations Committee.

AIF SUPPORTS continued availability of state funds for enhancing economic development through incentives for start-up companies and the recruitment of new businesses and talent to Florida.

On Thursday, March 25th the Senate's massive "Job for Florida" legislation unanimously passed the full Senate and in doing so, sent an incredibly comprehensive piece of legislation to the House that carries with it a daunting price tag of just over \$187 million.

SB 1752 by Senator Don Gaetz (R-Destin) is a combination of several pieces of standalone legislation and has been the product of the Senate's Select Committee on Florida Economy for several weeks. The bill has been widely lauded by the business community, including AIF, as well as manufacturers, retailers and other outside groups. Perhaps of greatest importance to AIF is the \$30 million that will be allocated into Space Florida and other space related industries.

SB 1752, nonetheless, has not been without controversy. As originally drafted, the bill contained provisions that some say would strip local control for permitting, as well as mandated expedited permitting of environmental agencies to less than 30 days. This language was strongly opposed by local governments and members of the environmental community. In light of this controversy, the Senate adopted amendments that stripped these provisions out of the bill and in doing so alleviated many concerns that had arisen.

To learn more about the “Jobs for Florida” package, please refer to Thursday’s edition of the Daily Brief.

SB 1752 will now move to the House of Representatives for consideration by its members.

AIF is incredibly supportive of many of these provisions in the bill. While on their own they are important, when packaged together and utilized most of these incentives are an invaluable tool for businesses looking to locate or expand in Florida. We will continue to support measures in the House that mirror SB 1752 and will continue to work towards providing our members with the tools necessary to successfully grow in our state.

On Thursday, March 25th the House Economic Development Policy Committee unanimously passed HB 773 Relating to Expedited Permitting by Representative Paige Kreegel (R-Punta Gorda) that would work towards expediting permitting for projects and jobs deemed to have an economic impact on the local community.

Currently, Florida statute allows for an expedited permitting of targeted economic development projects that meet certain job creation requirements. While good in theory, very few permit applications have benefited from this process with only three projects utilizing the process over the last four years. In practice, HB 733 would reduce the job creation requirements from 100 jobs to 50 jobs. It also broadens the eligibility to renewable energy projects that meet the job requirements. Lastly, the oversight of the permitting remains at the Department of Environmental Protection (DEP) while the economic development analysis will be administered by the Governor's Office of Tourism Trade and Economic Development (OTTED).

The bill will now be reported to the House Agriculture & Natural Resources Policy Committee.

AIF SUPPORTS legislation that removes unnecessary levels of government oversight from the expedited permitting process. Removing OTTED from the environmental aspects of the expedited permit review chain may lead to streamlining of expedited permit and comprehensive plan amendment reviews by the DEP. Businesses would then need to execute only one agreement with the DEP, not separate ones with each agency or governmental entity.

Space

On Wednesday, March 24th the Senate Commerce Committee took up several bills related to the space and aerospace industry. As a major proponent for space commerce this session, AIF is delighted to report that each of these measures was passed successfully. A list of these bills, including their subsequent committee of reference, is provided below:

- SB 2606 Relating to Space Florida by Senator Lee Constantine (R-Altamonte Springs); this bill is now scheduled to progress to the Senate Governmental Oversight and Accountability Committee;
- SB 1188 Relating to Commercial Launch Zone Tax Incentives by Senator Thad Altman (R-Melbourne); this bill will now move to the Senate Finance and Tax Committee;
- SB 2500 Relating to Space and Aerospace Infrastructure by Senator Thad Altman (R-Melbourne); this bill is scheduled to be heard by the Senate Transportation and Economic Development Appropriations Committee; and
- **(PCB) FTC 10-11** Relating to Economic Development by the House Finance & Tax Council; this bill has not yet been assigned to additional committees of reference.

For a detailed report of each bill, including testimony provided by AIF President & CEO Barney Bishop, please refer to Wednesday's edition of the Daily Brief.

AIF is a strong supporter of legislation that will ensure that Florida maintains its leadership position in space-related activities.

Education

On Friday, March 26, 2010 the House Pre-K – 12 Appropriations committee unanimously passed HB 623 Relating to Instructional Materials by Representative Rachel Burgin (R-Tampa). The bill provides flexibility for school districts to purchase IT hardware in the instructional materials category so that students have more access to technology in the classroom.

AIF SUPPORTS the increase of technology use in K-12 public education to better prepare students for jobs in the future. In the 21st century's digital economy, such materials will provide our students with a competitive edge on a global scale.

AIF's top education priority, SB 4 Relating to Education Accountability by Senator Nancy Detert (R-Sarasota) passed the full Senate on Wednesday, March 24th by a bi-partisan vote of 36-1. The bill raises high school graduation requirements to include Algebra II, Geometry, and more rigorous sciences such as Biology and Chemistry. Research shows that these courses are needed so that Florida's high school graduates are prepared for both higher education and jobs in the 21st century economy.

AIF has prioritized college readiness for three years and has supported these increased standards for the past two years. SB 4 makes important improvements in Florida's graduation requirements so that students are prepared for the needs of employers and able to compete in a global workforce.

SB 4 will proceed to the House of Representatives for a full vote by its members.

SB 4's companion, HB 7053 by Representative John Legg (R-Port Richey), is ready for its final committee stop before a vote on the House floor.

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

The full Senate voted Thursday, March 25th to pass Senate Joint Resolution 2 by Senator Don Gaetz (R-Destin) by a vote of 26-12. This bill would place the Class Size mandate back on the ballot for voters to consider and allow a modification that would increase flexibility in implementing the requirement. The debate and subsequent vote were largely along party lines, with Democrats opposing the measure.

Senate Joint Resolution 2 will now proceed to the House of Representatives for a vote by its members.

AIF SUPPORTS the measure because it does not go backward on class size achievements to date. Additionally, the proposed amendment supports ensures that Florida's children have access to rigorous or specialty courses such as AP, arts, etc. which we believe are essential to providing well rounded and prepared graduates.

Health Care

On Monday, March 22nd the House Health & Family Services Policy Council addressed HB 1561 Relating to Federal Healthcare Legislation by Representative Eric Eisnagle (R- Orlando). This bill encourages Florida's Attorney General to file suit against the federal government on the constitutionality of the reform package that requires all Americans to purchase health insurance by a certain date.

The debate and subsequent vote followed party lines with Republicans supporting the measure and Democrats voting against. Some Democrats suggested that this bill was politically motivated against the current Administration. HB 1561 passed on a 7 to 5 vote.

The bill is currently scheduled to move to the Rules and Calendar Council.

AIF is OPPOSED to the dangerous and radical proposals passed by Congress to overhaul our nation's health care system. AIF commends Representative Eisnagle for introducing legislation that will protect Florida consumers from the overreaching arm of federal healthcare.

The next bill stemming from the federal health care reform debate – HB 37 Relating to Healthcare by Representative Scott Plakon (R-Longwood) was also approved on Monday by the House Health Care Regulation Committee. The joint resolution would add to the Florida Constitution language related directly to health care. Specifically, the language would allow employers, individuals and health care providers to opt-out of the federally mandated insurance provision. It would maintain the availability of private health insurance coverage and would protect employers and individuals from fines or penalties that the federal government may attempt to levy for non-compliance. As with Representative Eric Eisnaugle's (R- Orlando) bill, the joint resolution was approved on a 10-3 vote with the Republicans voting favorably and Democrats voting against the bill. If approved by the legislature, this proposed constitutional amendment would require 60 percent approval by voters during the upcoming November general election.

HB 37 will now move to the House Criminal & Civil Justice Policy Council for further consideration.

AIF OPPOSES federal mandates that force Florida's citizens & business owners to purchase health insurance. AIF salutes Representative Plakon for his proactive legislation that will soften the blow from federally mandated healthcare.

Following HB 37 Monday, the House Health Care Regulation Committee approved HB 107 Relating to Autism by Representative Marti Coley (R-Marianna). This bill looks to expand a costly health benefit mandate that employers and their employees have no ability to turn down. HB 107 would expand the current mandate to cover persons with autism by giving direct access, for a minimum of three visits per year, to any specialist in the health plan's provider network. Furthermore, a strike everything amendment was adopted to conform to its Senate companion, SB 214 by Senator Jeremy Ring (D- Margate), which subsequently passed. As a result, both versions will now contain a mandate to include persons with cerebral palsy and Down's syndrome.

HB 107 is now scheduled for consideration by the House Insurance, Business & Financial Affairs Policy Committee.

On Wednesday, March 24th the Senate companion, SB 214 by Senator Jeremy Ring (D- Margate), passed the Senate Banking and Insurance Committee. The bill is now scheduled to be heard by the Governmental Oversight and Accountability Committee.

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.

Information Technology

On Tuesday, March 23rd the Government Oversight and Accountability Committee passed SB 1706 Relating to State Financial Matters by Senator JD Alexander (R- Lake Wales).

This bill enhances the authority of the Legislature over agency contracting that affects the state budget. It prohibits agencies from entering into a contract that:

- Requires the state to pay liquidated damages or early termination fees;
- Requires the state to pay interest if the agency has insufficient budget to pay; and
- Binds the state to make future-year payments to offset payments not made in a prior year,

SB 1706 would also require the legislature to approve any lease or lease purchase agreement of \$500,000 or more. It requires the agency heads to sign contracts in excess of \$25,000. In general, this bill gives the legislature the authority to oversee most agencies' contracting to protect the budgetary process.

While presenting the bill, Senator Alexander explained that after the Governor vetoed the bill last session, he met with several parties over the summer, including Associated Industries of Florida (AIF). Even though the bill is the same this session, Senator Alexander has expressed willingness to make some accommodations.

Barney Bishop, AIF's President & CEO, testified in opposition to the bill. He was respectful of the Ways and Means Chair by explaining that AIF's opposition was more about the logistics of implementing the provisions of the bill, rather than the concept.



**Barney
Bishop**

To read more about this contracting legislation, including detailed testimony provided by Mr. Bishop, please refer to Tuesday's edition of the daily brief.

SB 1706 will now progress to the Senate Policy and Steering Committee on Ways and Means, its last committee stop before the Senate floor.

AIF's IT Council was one of the most vocal OPPONENTS of this legislation during the 2009 session. AIF continues to be OPPOSED because this bill will place an inordinate amount of restrictions on businesses contracting with the state. AIF will continue to monitor this legislation closely in order to protect businesses that contract with the state.

On Friday, March 26th the Senate Policy and Steering Committee on Ways and Means unanimously passed SB 2020 Relating to IT Governance by Chairman JD Alexander (R-Lake Wales).

Chairman Alexander explained that the bill revises the duties of the Agency for Enterprise Information Technology (AEIT) by expanding its role in purchasing IT products for enterprise services. It establishes a competitive solicitation process for procuring a statewide consolidated email service and requires the consolidation of SUNCOM Network services by October 2010. Additionally, it places requirements on the consolidation of the data centers.

There were two amendments added by Senator Mike Fasano (R-New Port Richey). One appropriated \$300,000 for three full time employees of the AEIT to carry out its additional duties and the other was to remove the requirement of the Department of State to contract with the Northwood Shared Resource Center for the operation of the statewide voter registration system.

There were no questions or debate and Senator Alexander closed by saying that this bill continues with changes that were proposed when retired Senator Lisa Carlton chaired this committee. The changes will bring needed savings to the state through greater efficiency and procurement improvements.

AIF's Information Technology Council (ITC) will continue to monitor this legislation carefully and offer improvements as needed. This bill makes needed revisions to the AEIT that AIF supports.

Seaports

On Tuesday, March 23rd the Senate Environmental Preservation and Conservation Committee unanimously passed SB 2000 Relating to Florida Seaports by Senator Jeremy Ring (D-Margate). Senator Ring explained that this bill will enhance the positioning of our state's seaports as global economic drivers of the future – particularly in light of the upcoming expansion of the Panama Canal and the resulting increased international trade activity in the ports. SB 2000 has passed unanimously each time it has been heard.

The bill is now scheduled to be considered by the Senate Committee on Community Affairs.

The House companion, HB 963 by Representative Lake Ray (R-Jacksonville), was passed Thursday, March 25th in the House Economic Development Policy Committee.

AIF SUPPORTS these measures because of their potential to positively impact Florida's 14 deep-water ports. AIF salutes Senator Ring & Representative Ray for sponsoring legislation that recognizes the need to enhance Florida's seaports for a more prosperous future.

On Thursday, March 25th the House Finance and Tax Council unanimously passed HB 1169 Relating to Florida Ports Investments by Representative Lake Ray (R-Jacksonville). This legislation is a priority of AIF's Florida Maritime Council (FMC) as it establishes a unique and creative way to fund infrastructure investments in Florida's 14 deep water ports. The bill creates an incentive for insurance companies to make investments in an administrative entity created by the bill in exchange of future insurance premium tax credits. The entity will make subsequent investments in port projects upon application by ports. The total amount of tax credits which may be allocated may not exceed \$100 million. Participating insurance companies may use no more than \$10 million annually.

During his presentation on the bill, Representative Ray explained that Florida must prepare for the expansion of the Panama Canal, which is currently underway. The future investments created by this bill would allow Florida ports to be deepened in order to receive these larger vessels. Florida must take advantage of its geographic advantage and drive as much economic activity from this expansion to our Florida ports. The bill was strongly supported by members of the business community, including AIF.

Having passed all its committees of reference, HB 1169 is now ready to be considered by the full House of Representatives.

AIF and its Florida Maritime Council strongly SUPPORT legislation that creates mechanisms for infrastructure investments in our state's ports. Trade with our regional partners in Central, and South America is one of the strongest areas of our economy. This legislation will ensure that Florida is a leader in world trade.

Transportation

On Tuesday, March 22nd the House Full Appropriations Council on Education & Economic Development met for a marathon meeting lasting over 6 hours to discuss and debate the House's version of the budget. Among the conforming bills debated and passed was HB 5503 Relating to Transportation Revenue by the Transportation and Economic Development Appropriations Committee. This budget conforming bill includes a raid of the state's Transportation Trust Fund of over \$430 million dollars. Representatives from the business community were in attendance to once again speak in opposition to this trust fund sweep. **Jose Gonzalez, VP of Governmental Affairs for AIF**, explained that while the focus of this session has been on job creation – this proposed raid would do just the opposite. Spending on transportation projects is one of the most proven ways to create jobs immediately.



**Jose
Gonzalez**

HB 5503 has passed its only committee of reference and will move to the House floor for a second reading on Wednesday, March 31st.

AIF OPPOSES the use of transportation trust fund dollars on anything other than transportation projects. This proposed million-dollar sweep of the transportation trust fund will cost the state thousands of jobs and will endanger countless road projects.

Wednesday, March 24th marked a busy day in the Senate Transportation Committee as members experienced a jam packed agenda. With the absence of Chairman Andy Gardiner (R-Apopka), the committee ran well under the leadership of Vice-Chair Larcenia Bullard (D-Miami). The committee commenced with the passage of the Florida Department of Transportation's 2010 legislative package, SB 2362 by Chairman Gardiner (R-Orlando). Debate was exclusively focused on a provision to increase the scale tolerance of commercial motor vehicles – allowing trucks to carry up to 88,000 lbs on state and local roadways. Both the American Automobile Association and the Secretary of the Florida Department of Transportation testified in opposition to the additional trucks weights provision. While the AAA voiced safety concerns, Secretary Stephanie Kopelousos argued that the additional weight tolerance will have a fiscal impact to her agency of over \$400 million. After lengthy debate, and a close vote, the provision was removed from the bill.

SB 2362 is now scheduled for consideration by the Senate Community Affairs Committee.

AIF SUPPORTS raising the weight limit on commercial trucks using state and local roadways to weight limits that are equal to those of our surrounding states. Furthermore, we believe that increased truck weight limits will have a positive effect for the Florida business community by reducing the shipping costs for moving goods, and aligning Florida's current weight limits with those of our surrounding southern states.

Also on Wednesday, the Senate Transportation Committee passed SB 2036 Relating to Motor Vehicle Operation Fees by Senator Don Gaetz (R-Niceville) that would reverse a percentage of the tag and title fee increases that passed during the 2009 session. A provision of the bill would also credit taxpayers who paid the higher fee this past year. With very little discussion, and an obvious recognition that the fee increase from last year was a mistake, the members unanimously passed SB 2036.

SB 2036 will now proceed to Senate Finance and Tax for further consideration.

AIF SUPPORTS efforts to reduce last year's increase on tag and title fees and will work to return all the tag and title fee increases from the 2009 session to the State Transportation Trust Fund.

Environmental

On Tuesday, March 23rd the Senate Environmental Preservation & Conservation Committee approved SB 550 Relating to Land Conservation by Senator Lee Constantine (R-Altamonte Spring). Dubbed the "Mega Water bill", this comprehensive bill deals with multiple water issues wrapped into one. **Keyna Cory, Senior Lobbyist for AIF** testified on the bill. Cory pointed out there are several sections of the bill that are important to AIF members, such as the reorganization of 373, F.S. and creating a new Part VII.



**Keyna
Cory**

Consolidating all water supply-related sections currently spread throughout Chapter 373 into a new Part VII makes sense. Funding for alternative water supply projects through the State Board of Administrations is an interesting concept, but according to Ms. Cory, more information on how the process will work is needed.

To read more about Ms. Cory's testimony surrounding SB 550, please read Tuesday's edition of the Daily Brief.

SB 550 will now be considered by the Senate Community Affairs Committee.

AIF supports legislation that protects Florida's water resources. However, we want to make sure unreasonable regulations do not unfairly target or place undue burdens on citizens and businesses.

On Thursday, March 25th the House General Government Council unanimously approved HB 1109 Relating to Water Supply by Representative Trudi Williams (R-Ft. Meyers). The proposed legislation consolidates all water supply-related sections such as water supply policy, planning, production and funding currently spread throughout Chapter 373 and into a new Part VII of that Chapter. This measure will centralize water supply provisions into one location and will lead to a more efficient management and administration of water law.

After its passage in the House General Government Council, HB 1109 will now proceed to the House floor for consideration by all members.

AIF SUPPORTS state funding for alternative water supply programs. Furthermore, AIF commends Representative Williams for the recognizing the importance of funding water supply projects under the Water Protection and Sustainability Program.

Also on Thursday, the House Agriculture and Natural Resources Policy Committee considered HB 1559 Relating to Recycling by Representative Michelle Rehwinkel-Vasilinda (D-Tallahassee). This is a major piece of recycling legislation that AIF is watching closely this session.

Chair Trudi Williams (R-Ft. Meyers) and other members of the committee expressed displeasure with many of the mandates they saw in the proposed legislation. Chair Williams is a strong supporter of recycling but was concerned that the strike all amendment to the bill would have unintended consequences.

Unfortunately, some of the members of the committee were confused by the public testimony provided by other interested parties. Representative Jimmy Patronis (R-Panama City) made the motion to temporarily postpone the bill and the motion was adopted. Under ordinary circumstances, this motion is accepted as common practice; however, given the fact that there may not be any more committee meetings for the rest of the 2010 session, it could mean that the bill is dead. Representative Dwight Bullard (D-Miami) made a motion for reconsideration, but the members voted against the amendment and decided to let the bill remain temporarily postponed.

AIF believes that Florida can increase its recycling rate, but the management of waste is much more than recycling. AIF SUPPORTS the creation of a Recycling Business Assistance Center; however, we will continue to oppose any mandates on the private sector.

Business Regulation

On Wednesday, March 24th the Senate Commerce Committee approved SB 152 Relating to Sales Tax Exemption/Drinking Water in Containers by Senator Evelyn Lynn (R-Daytona Beach). An amendment to the bill was passed favorably that includes an “environmental surcharge” of 6% on each bottle of water sold by retailers in the state. The funds generated by this surcharge would be deposited into the Ecosystem Management & Restoration Trust Fund within the Department of Environmental Protection (DEP).

SB 152 is now scheduled to be considered by the Senate Finance & Tax Committee.

AIF OPPOSES any tax that further encumbers businesses in Florida, especially when assessments are proposed in addition to existing taxes. AIF will continue to fight this bill so that companies have reasonable access to the state’s water supply.

On Wednesday, March 24th the House Governmental Affairs Policy Committee narrowly passed HB 1511 Relating to Effective Public Notices by Governmental Entities by Representative Ritch Workman (R-Melbourne) by a vote of 8 to 6. The bill would allow local governments to publish public notices on their websites instead of newspapers. HB 1511 also allows local governments to email or send notices to the residents who requested public notices by first class mail.

Representative Workman argued that newspapers are a dying industry and more people are using the internet for their information. Representatives from the newspaper industry claimed that 62% of adults over 65 do not use the internet; 36% of Hispanics do not use the internet; and 30% of African Americans do not use the internet. Therefore, newspapers are still a viable and inexpensive way to receive news.

HB 1511 will now proceed to the House Military & Local Affairs Policy Committee for further consideration.

AIF OPPOSES legislation that requires all public notices to only be published on the internet. Local newspapers offer citizens a single, convenient location to find all public notices as opposed to government entities publishing notices on their respective web sites.

On Thursday, March 25th the House Energy and Utilities Policies Committee unanimously passed HB 163 Relating to Prepaid Wireless Communication by Representative Joe Gibbons (D-Pembroke Park) after adopting an amendment that resulted from negotiations between the telecommunications industry and retailers. Last week, the bill was temporarily postponed by the Chairman.

As originally drafted, the bill would implement a system for collecting E911 fees from the sale of prepaid wireless phones by requiring retailers who sell these phones to remit the \$.50 cent per phone fee to the state. As amended currently, the bill delays the collection of the fees until 2013.

HB 163 will now be considered by the House Finance & Tax Council. Its Senate companion, SB 1202 by Senator Mike Bennett (R-Bradenton), was unanimously passed by the Senate Judiciary Committee.

AIF SUPPORTS legislation that will help maximize the recovery of E911 fees which support public safety in Florida.

Gaming

On Wednesday, March 24th the Senate Regulated Industries Committee unanimously passed SB 622 Relating to Gambling by Dennis Jones (R-Seminole). The bill voids any existing compact with the Seminole Tribe of Florida and expresses the intent of the legislature to review and approve any future compact. The passage of this bill is actually indicative of the fact that legislative negotiators are close to announcing a deal with Seminole Tribe on a new compact that will bring approximately \$400 million in revenue to the state, while at the same time providing some protections to Florida's existing pari-mutuel industry.

The bill sets an immediate effective date for last year's SB 788. Over 23 sections of SB 788 are set not to go into effect unless a compact was ratified. Among other things, these sections contain provisions related to:

- A reduction of the tax rate on pari-mutuel revenues;
- A reduction of the slot license fees and use in a progressive system;
- An expansion of slots operations and no limit poker; and
- It expands the operational hours of card rooms.

SB 622 will now proceed to the Senate General Government Appropriations Committee for further consideration.

AIF SUPPORTS efforts to enact a Seminole Gaming Compact that protects the pari-mutuel industry, dramatically increases revenues for the state, and creates more jobs across Florida.

Taxation

On Thursday, March 25th the House Finance and Tax Council unanimously approved legislation creating a three-day sales tax holiday in Florida. HB 483 by Representative David Rivera (R-Miami) and HB 469 by Representative Anitere Flores (R-Miami) were combined into one bill by the committee. The bills do away with sales tax on books, clothing, wallets, or bags, including handbags, backpacks, fanny packs, and diaper bags, but excluding briefcases, suitcases, and other garment bags, having a sales price of \$50 or less. The same sales tax exemption would apply to school supplies valued under \$10 dollars. The proposed sales tax holiday would take place August 13-15, 2010.

HB 483 will now be considered by the House Policy Council.

AIF SUPPORTS the enactment of a sales tax holiday for school supplies. Research has shown that customers increase their spending during these tax-free periods; therefore, stimulating economic activity in our state.