



WEEKLY BRIEF

From the Week of April 12 - 16, 2010

Late on Friday, the presiding officers in the House and Senate finally announced the list of budget conferees for the 2010 session. These are the legislators who will be responsible from negotiating the differences between each chamber's budgets. The official budget conference process will begin Saturday, April 17th at 10:00 a.m. Speculation as to when the budget conference process was going to begin had been rampant throughout the week. It is still uncertain whether legislators will be able to reach an agreement on balancing the budget by the end of session, which is two weeks from today. Complicating matters is the uncertainty surrounding the disbursement of federal Medicaid matching funds, which the Senate has included in its budget.

Education

Citing problems with the policy and the process by which SB 6 – the “teacher performance pay bill” – passed the legislature, Governor Charlie Crist vetoed the controversial education reform measure by Senator John Thrasher (R-Jacksonville) on Thursday, April 15th. Creating a performance pay system for teachers to be rewarded for student learning gains, the bill was widely supported by business and education groups, including AIF. Furthermore, SB 6 was seen as a commitment to Florida's efforts to win the federal Race to the Top education funding competition. Ultimately, the veto could hurt Florida's opportunity to bring almost a billion dollars to K-12 education.

AIF SUPPORTS policies that are necessary to improve Florida's chances for success in the Race to the Top competition – a federal education grant funding competition, which could bring almost \$1 billion in new funding to Florida. SB 6 offered a more businesslike approach to teacher pay and a system that allows the BEST teachers to have a career in the Classroom.

HB 623 Relating to Instructional Materials for K-12 Public Education by Representative Rachel Burgin (R-Tampa) passed the House Education Policy Council on Friday, April 16th. This bill adds flexibility for districts to purchase hardware in the instructional materials category.

While opposed by textbook publishers, this bill has received broad support from school districts and business groups alike. With budget conference set to begin, AIF will monitor this important issue to see that it is resolved favorably.

HB 623 has passed its final committee of reference and is ready for the House calendar. The Senate companion, SB 1124 by Senator Thad Altman (R-Melbourne), has not yet moved through committee; however, the House has included this language in a budget conforming bill.

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.

Energy

On Friday, April 16th the House Select Policy Council on Strategic & Economic Planning unveiled and adopted draft legislation that would open up Florida's territorial waters to exploration and production of oil and natural gas. Opening up Florida's waters to drilling is a top priority for Associated Industries of Florida. The bill requires the governor and **Cabinet** twice a year to offer lease sales for oil and gas exploration. The bill also prevents rigs from being visible from the shore by banning permanent structures within six miles. Temporary rigs would be allowed for up to one year within three miles of the shore. The bill also requires a \$1 million fee for the nomination of a lease area and a \$500-million surety bond or line of credit is required for producing oil and gas.

Members of the environmental community including the Sierra Club, Audubon of Florida, and others spoke in strong opposition of the proposed legislation. **Barney Bishop, President & CEO of Associated Industries**, outlined a number of reasons why the business community supports drilling in Florida including its positive effect on revenues and jobs for the state of Florida. Unfortunately, any further action on this issue will have to wait until next session since the Senate has decided not to take up the issue of drilling this session.



**Barney
Bishop**

AIF SUPPORTS drilling in Florida territorial waters. We would like to thank Representative Cannon and the members of the select committee for their hours of hard work and study on the issue of drilling in Florida's waters. Opening up drilling in our waters will bring much needed revenue to our state as well as jobs in the energy industry.

Reapportionment

On Friday, April 16th the Senate Reapportionment Committee passed SB 2288 by Senator Mike Haridopolos (R-Melbourne) that clarifies the confusing and potentially contradictory language of the Fair Districts Florida amendments. Furthermore, SB 2288 will complement and supplement the Fair Districts Florida amendments should these proposed constitutional amendments pass in November. The Senate proposal resolves some of the apparent contradictions in the amendments by insuring that the Legislature can take a balanced approach to their criteria, as opposed to the seemingly arbitrary applications as they are now written. The bill also assures the protection of minority access districts and allows districting based on preserving communities of interest in addition to geographic and natural boundaries, etc. The Select Policy Council on Strategic & Economic Planning passed SSEP1, a proposed committee bill (PCB) that is identical to SB 2288, on Thursday, April 15th.

SB 2288 is now scheduled to proceed to the Senate Ethics & Elections committee. **SSEP1** has been filed as a council bill and will now be referenced as HB 7231

AIF SUPPORTS legislation that helps clarify the Fair Districts Florida amendments and allows for the legislature to balance the many requirements necessary for redistricting to take place.

Space

On Thursday, April 15th the House unanimously passed HB 451 Relating to Space Florida by Representative Steve Crisafulli (R-Merritt Island). This legislation will streamline the board of Space Florida by reducing the number of Space Florida Board members from 19 to 15 and make it a more industry-credible body with the ability to recruit and retain aerospace businesses throughout Florida.

HB 451 will now proceed to the Senate to be considered by its members.

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

Also on Thursday, the Senate Policy Committee on Ways and Means passed SB 1776 Relating to Space & Aerospace Infrastructure by Senator Thad Altman (R-Melbourne). This legislation will give Space Florida the flexibility to use dollars appropriated for Launch Complex 36 for other launch complexes or related uses. This will allow Space Florida to use the dollars in the most effective way based upon what business opportunities are available.

SB 1776 has passed its final committee of reference and is ready to be heard by the full Senate.

AIF SUPPORTS giving Space Florida the flexibility to allocate any of the un-obligated Launch Complex (LC) 36 funds for any purpose determined to have the greatest benefit to the commercial space industry in Florida.

Friday, April 16th was a big day for space-related legislation as the House Economic Development & Community Affairs Policy Council passed four memorials related to Florida’s aerospace industry.

HB 253 urges Congress to permanently house one of the retiring Space Shuttles at Kennedy Space Center, thus creating a compelling draw for tourists and honoring the contributions Florida has made to the Space Shuttle Program throughout its history. The bill was unanimously passed by the House Economic Development & Community Affairs Policy Council. An identical measure in the Senate, SB 944 by Senator Thad Altman (R-Melbourne), was passed by the Senate on Thursday, April 15th.

HB 253 is now scheduled to proceed to the House Rules & Calendar Council. SB 944 has already proceeded to the House for consideration by its members.

AIF is extraordinarily appreciative of the contributions that the space program has provided to our state. Furthermore, we commend the legislature for promoting efforts to honor their achievements in Florida.

The last three memorials passed on Friday encourage Congress to fund and support Florida’s space program and protect the jobs associated with it. In addition to HB 253, the House Economic Development & Community Affairs Policy Council passed the following measures:

HB 481 by Representative Steve Crisafulli (R-Merritt Island) urges Congress to provide sufficient funding to NASA and the John F. Kennedy Space Center and mitigate the economic impact of the 5 year gap in human space flight programs;

HB 1199 by Representative Steve Crisafulli (R-Merritt Island) urges the U.S. Congress to facilitate any commercial, civil, military, and academic endeavors, including, but not limited to, job training and placement, that are necessary to maintain the nation's highly skilled manned spaceflight operations workforce who reside in this state; and

HB 1187 by Representative Mike Horner (R-Kissimmee) requests that the U.S. Congress take a number of actions to support an American space exploration program. The memorial asks Congress to appropriate more funding to NASA for specified uses; support life sciences research into human space flight beyond low earth orbit; find ways to utilize Florida's unique aerospace workforce; and support the increased utilization and sustainable development of federal and state spaceports, so they can be used to support commercial spaceflight enterprises and research and development projects.

AIF SUPPORTS legislation that addresses the concern among Florida's aerospace industry regarding layoffs and restructuring. Following President Obama's decision to terminate the Space Shuttle program, it is more important than ever to concentrate on funding and support for Florida's space industry.

Insurance

Two weeks ago, Governor Charlie Crist testified against and pledged to veto legislation that is a top priority for AIF. SB 876 by Senator Mike Bennett (R-Bradenton), also known as the "consumer choice" bill, 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. Last week, Governor Crist expanded his veto threat to include any legislation which would raise property insurance rates. Notwithstanding the Governor's concerns, the "consumer choice" bill was unanimously passed by the Senate Policy and Steering Committee on Ways and Means on Thursday, April 15th.

SB 876 is now scheduled to proceed to the Senate floor for consideration by all members. The House companion, HB 447 by Representative Bill Proctor (R-St. Augustine), passed its final stop in the House General Government Policy Council and is ready for the House calendar.

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 Tuesday, April 13th the Senate General Government Appropriations Committee unanimously approved SB 2044 by Senator Garrett Richter (R-Naples). This bill contains provisions that would allow insurers to raise rates within certain parameters and require minimal review from the Office of Insurance Regulation (OIR). The bill contains other AIF priorities designed to improve the property insurance market such as delaying the reduction of Citizens' wind-only high risk areas and repair and replacement claims payment holdback. The bill was also amended to address concerns by the Governor, Cabinet, and the Insurance Commissioner regarding transfer of monies from domestic property insurers to affiliated servicing companies.

SB 2044 has one last stop in the Senate Rules Committee before proceeding to the Senate floor for consideration.

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.

Also on Tuesday, the Senate Judiciary Committee unanimously passed SB 2264 Relating to Public Adjustors by Senator Mike Bennett (R-Bradenton).

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. SB 2264 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.

SB 2264 will now be considered on the floor of the Florida Senate for final passage.

AIF SUPPORTS legislation that will reduce abusive practices performed by public adjusters and protect businesses from risk of excess taxation. AIF commends Senator Bennett for his legislation that affords insurers the opportunity to underwrite policies in Florida without facing burdensome assessments.

Taxation

On Tuesday, April 13th the Senate General Government Appropriations unanimously approved SB 2182 Relating to Agriculture by Senator JD Alexander (R-Lake Wales). This proposed legislation would clarify in state law that land classified as "agricultural" retains that classification when offered for sale.

AIF supports SB 2182 by Senator Alexander as it will allow owners of property formerly classified as agricultural, but being offered for sale, retain their agricultural assessments. Additionally, owners of agricultural improvements, structures, or equipment on agricultural land used as a natural conservation or to implement best management practices may be subject to lower property taxes.

SB 2182 will now head to the Senate floor for consideration.

AIF SUPPORTS legislation that reduces the burden on Florida's agricultural industry. As the second largest industry in the state, it is important that AIF take the appropriate measures to reduce assessments on Florida's farmers.

Also on Tuesday, the Senate Finance & Tax Committee unanimously approved SB 2454 Relating to Sales & Use Tax/Boat Sales by Senator Joe Negron (R-Palm City). SB 2454, otherwise known as the "Florida Maritime Full Employment Act", is designed to reinvigorate our state's boating industry. Florida's marine industry has gone from an \$18 billion economic impact to our state to \$16 billion in just a few years. Currently, SB 2454 is trying to help this industry by imposing an \$18,000 cap on the amount of tax due on each sale or use of a boat.

SB 2454 will now proceed to the Senate Policy and Steering Committee on Ways and Means, its last committee of reference before heading to the Senate floor.

AIF SUPPORTS efforts to strengthen Florida's marine industry. AIF recognizes its importance and believes that businesses will benefit from the increased expenditures on the purchase and use of boats in Florida.

On Tuesday, April 13th the Senate Finance & Tax Committee also approved two pieces of legislation concerning the implementation of Amendment 6, the constitutional amendment that deals with how working waterfront properties are appraised. Furthermore, these measures will ensure that these properties, which are defined as Working Waterfront Properties, will be assessed at current use and not highest & best use as done previously.

SB 346 by Senator Charlie Dean (R-Inverness) was approved by committee members first following a strike all amendment which clarified definitions and the assessment process. SB 1408, also relating to Working Waterfront Property, was subsequently considered and passed by members. This bill has the same definitions as SB 346; however, it expands the definition beyond those in the constitutional amendment. The bill also includes changes to the Stan Mayfield Working Waterfronts and changes who may qualify for the grants provided in this program.

SB 1408 & SB 346 are now scheduled to be heard by the Senate Policy and Steering Committee on Ways and Means.

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.

The Senate Finance and Tax Committee also considered and unanimously passed SB 1202 Relating to Prepaid Wireless/E911 fees by Senator Mike Bennett (R-Bradenton) on Tuesday, April 13th.

Senator Bennett briefly explained that the Proposed Committee Substitute (PCS) simply postpones the collection of the E911 fee on prepaid wireless until July 1, 2013 and increases the amount counties may carry forward to the next year to 30%.

SB 1202 will now go to the General Government Appropriations Committee, its final stop before reaching the Senate floor. The house measure, HB 163 by Representative Joe Gibbons (D-Pembroke Park), reported out of its last stop in the House General Government Policy Council on Wednesday, April 14th and will proceed to the House calendar.

AIF supports the bill which moves closer to determining the best and most efficient method for collecting E911 fees from prepaid wireless customers. The funds are absolutely necessary for maintaining public safety.

On Friday, April 16th the House Economic Development & Community Affairs Policy Council heard and unanimously approved HB 7215 Relating to Property Taxation by Representative Ellyn Bogdanoff (R-Ft. Lauderdale). Chair of the Finance & Tax Council, Representative Bogdanoff explained that the bill makes changes to several areas dealing with property taxation.

Under current law, non-homestead property that has benefited from the 10 percent annual assessment increase limitation must be reassessed when there is a change of ownership or control. One way in which a change of ownership or control occurs is when there is a cumulative transfer of more than 50 percent of the ownership of the legal entity that owns the property. The bill provides that, for a publicly traded company, a change of ownership or control does *not* occur when the cumulative transfer of 50 percent of the ownership of the entity occurs through the buying and selling of shares of the company on a public exchange. This exception does not apply to transfers made through a merger or acquisition. Owners of property to which the 10 percent limitation applies are required to notify the property appraiser when there is a change of ownership or control. Furthermore, the bill provides that if the change of ownership is recorded by a deed or other instrument in the public records of the county where the property is located, the recorded instrument serves as notice to the property appraiser. The bill directs the Department of Revenue (DOR) to produce a form that can be used by a property owner to provide notice to multiple property appraisers of all Florida property that the owner owns or controls for which a transfer of ownership or control has occurred.

HB 7215 will now proceed to the House Calendar to be heard on the floor of the House.

AIF SUPPORTS HB 7215 because without this needed change, publicly traded companies will no longer be eligible for the 10% assessment cap that they are entitled to. A change in cumulative ownership due to a change in stock holder control is not a feasible method for encumbering businesses with additional assessments.

Environmental

On Tuesday, April 13th the Senate Commerce Committee unanimously passed SB 544 Relating to Brownfield Development by Senator Lee Constantine (R-Altamonte Springs). Back in 1997, Florida started the “Brownfield’s Redevelopment” Act to encourage the clean up and redevelopment of Brownfield sites, especially those which are complicated by real or perceived environmental contamination. SB 544 makes changes to the current program by specifying that Brownfield projects are eligible for funding and priority ranking when they meet existing statutory criteria under the state’s Water Pollution Control Financial Assistance Revolving Loan Program. Additionally, it provides that recommendations for potential improvements to Florida’s Brownfield program be included in the Florida Department of Environmental Protection’s (DEP) annual Brownfield report.

SB 544 is now scheduled to progress to the Senate Finance & Tax Committee for further consideration by its members.

AIF SUPPORTS SB 544 because of its capability to create jobs and restore property to be developed that was at one time not usable.

Two very important pieces of recycling legislation to AIF this session saw action on Wednesday, April 14th in both the House and Senate. First, SB 570 by Senator Lee Constantine (R-Altamonte Springs) was passed unanimously in the Senate Community Affairs Committee. On the House side, the General Government Policy Council also approved their version of the recycling bill unanimously – **GGPC 02**. The proposed committee substitute amended the bill to be virtually identical to its Senate counterpart.

To learn more about the recycling provisions found within SB 570/GGPC 02, please refer to Wednesday’s edition of the Daily Brief

SB 570 is scheduled to be heard by the Senate General Government Appropriations Committee on Monday, April 19th.

AIF believes that Florida can increase its recycling rate, but the management of waste is much more than recycling. Additionally, AIF SUPPORTS the creation of the Recycling Business Assistance Center as it has the potential of creating jobs; however, we will continue to oppose mandates. We want to thank Senator Constantine for his work on this important bill.

Also on Wednesday, the House General Government Policy Council considered two memorials to Congress on its agenda. HB 1365 by Representative Juan Zapata (R-Miami) and HB 1589 by Representative John Legg (R-Port Richey) were combined into one memorial to Congress urging them to require the US Environmental Protection Agency (EPA) to subject its proposed numeric nutrient criteria rule to peer review by the Agency's Science Advisory Board and receive the Board's peer review report prior to the rule's finalization. The House Memorial urges Congress to require EPA to subject the proposed rule to review by the third party, such as the Congressional Budget Office (CBO) to assess the economic impact of the proposed rule on Florida and adjoining states, particularly those which impact local governments, small businesses, and Floridians living below the poverty level or fixed incomes. Furthermore, the memorial requests that such review compare the proposed rule to Florida and not assume only indirect impacts.

HB 1589, the bill that substantively replaces HB 1365, will now proceed to the House Rules & Calendar Council.

AIF commends Representatives Zapata & Legg for sponsoring this memorial to Congress. Presently, EPA is conducting public hearings on the new proposed numeric nutrient criteria. If enacted, the new EPA rules could cost businesses millions of dollars to implement water standards that are not necessary to all water bodies.

Health Care

On Tuesday, April 13th the Senate Banking and Insurance Committee passed SB 182 Relating to Coverage for Mental and Nervous Disorders by Senator Victor Crist (R-Tampa). This bill would require all small and large group health insurance policies to offer coverage for mental and nervous disorders, as well as substance abuse. The federal government recently passed a mental health parity act which applies only to large groups; therefore, SB 182 will have the greatest impact on Florida's small employers and their employees. The committee's staff analysis of the legislation noted that private insurance premiums could increase as a result of this bill. The report further indicated that for each percentage point that premiums increase due to expanded coverage of mental and nervous disorders, the cost of an average family policy will increase by \$10 per month or \$120 per year.

SB 182 is now scheduled to be heard by the Senate Health Regulation Committee on Monday, April 19th. The House companion, HB 7 by Representative Ed Homan (R- Temple Terrace), is currently in the House Insurance, Business & Financial Affairs Policy Committee.

AIF will continue to OPPOSE mandates that drive up costs for Florida's businesses. In addition, AIF will continue to work with legislative members to fight these mandates and protect the state's commerce from rising premiums that they simply cannot afford.

On Thursday, April 15th the House Rules & and Calendar Council approved proposed committee bill **(PCB) RCC5**, legislation that would provide Attorney General and gubernatorial candidate Bill McCollum more authority to bring legal action against the recently passed Federal Health Care Reform. McCollum, along with 18 other Attorneys General across the country, contend that the reform package's mandate for individuals to purchase health care coverage is unconstitutional.

AIF is OPPOSED to the dangerous and radical proposals passed by Congress to overhaul our nation's health care system. AIF commends Attorney General McCollum for his efforts to fight onerous healthcare reform that Floridians can simply not afford.

Economic Development

During a meeting of the Senate Finance and Tax Committee on Tuesday, April 13th, members unanimously passed a priority bill for AIF. SB 1430 by Senator Mike Haridopolos (R-Melbourne) creates the Entertainment Industry Incentive Program, an extension of a current grant program administered by the Office of Tourism Trade and Economic Development (OTTED). This measure provides a corporate income and use tax credit for expenditures made towards creating film, entertainment and digital productions in the state of Florida. This program is scheduled to begin in 2011 and will sunset in 2014. Furthermore, the total commitment annually towards this program is \$75 million. The committee adopted a committee substitute making several changes, including a cap for single recipients of \$8 million. This bill still has two committee stops left; however, the measure proposals put forth in SB 1430 are also found in SB 1752, also known as the *Jobs for Florida* package by Senator Don Gaetz (R-Niceville).

SB 1430 is scheduled to move forward to the Senate Transportation and Economic Development Appropriations Committee. The House measure, HB 697 by Representative Steve Precourt (R-Orlando), is waiting to be heard by the Senate.

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

Also on Tuesday, the Senate Transportation and Economic Development Appropriations Committee passed SB 1856 Relating to the Qualified Target Industry (QTI) Tax Refund Program by Senator Rudy Garcia (R-Miami). QTI is a widely used incentive program administered by OTTED that awards businesses incentives for creating high wage jobs and expanding their workforce in the state. QTI is probably the most popular incentive program utilized by businesses and industries that focuses on creating jobs in a defined sector of the economy, known as qualified targeted industries. SB 1856 will extend the program another 10 years to 2020, implement several accountability measures meant to ensure that state resources are being used wisely and will require post award reports/studies for each project to give a glimpse of the effectiveness of the incentives.

SB 1856 now moves on to the Senate Ways and Means Committee and then to the Senate floor for a final vote. The House companion, HB 7109 by the House Economic Development Policy Committee, is now awaiting a floor vote.

AIF has made job creation and economic development its top priority for the 2010 session. We fully embrace these initiatives and will continue to ask the legislature to support these as well. Florida, more than ever, must pay particular attention to our economic development policies and in doing so nurture our existing businesses.

On Wednesday, April 14th the House Finance & Tax Council, chaired by Representative Ellyn Bogdanoff (R-Ft. Lauderdale), took up HB 1509 Relating to Economic Developments by Representative Will Weatherford (R-Wesley Chapel). Branded as the “*Jobs Package*” in the House, several provisions were added today that caused a bit of controversy among Democratic members of the committee. The committee took up a strike-all amendment that added several new provisions to the bill that would extend permits to developers for another year and ask state government for an inventory of surplus properties. These changes compliment the already existing provisions of the bill that lower job requirements for qualifying business for existing state incentives, expands the Qualified Target Industry program for businesses in high-impact business sectors, and allows the Office of Tourism Trade and Economic Development (OTTED) to renegotiate contracts for Quick Action Closing funds for businesses unable to meet the original criteria due to market conditions.

HB 1509 will now be eligible for a floor vote pending its assignment to the House calendar. The Senate’s version of the multi-faceted “*Jobs Package*”, SB 1752 by Senator Don Gaetz (R-Niceville), has already passed the full Senate and is waiting to be heard in the House.

AIF SUPPORTS comprehensive efforts that will put Floridians back to work while proactively keeping business doors open. Additionally, providing needed assistance to the space industry will keep Florida at the peak of aerospace research and technology.

Ports

On Friday, April 16th the House Economic Development and Community Affairs Council passed HB 1271 by Representative Mike Horner (R-Kissimmee), also known as the House’s version of the annual Transportation package. Council members unanimously adopted an amendment by Representative Rich Glorioso (R-Plant City) relating to the regulation of Florida’s harbor pilots. The amendment establishes a new committee as part of the Board of Pilot Commissioners. This new committee will be tasked with setting rates and their decisions are not appealable to the Board. The Governor shall appoint this new committee by October 1st.

This amendment is a significant work product that represents many hours of negotiations with the maritime industries and the harbor pilot representatives. This amendment is important to continue to enhance Florida’s positioning as a global maritime leader and its impact will serve to keep Florida ports as an attractive and affordable place for domestic and international business.

HB 1271 is now ready to proceed to the House floor for consideration by all members

AIF proudly salutes Representative Glorioso for his diligent work in crafting this legislation. AIF strongly urges our members to thank Representative Glorioso for today’s success since it would not have been achieved without his leadership.

The Senate Banking & Insurance Committee unanimously passed SB 1992 Relating to Economic Development for Florida’s seaports by Senator Jeremy Ring (D-Margate). This bill 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 ports play in moving goods into Florida directly, rather than utilizing other state’s facilities and businesses to facilitate our state’s commerce.

SB 1992 is now scheduled to be heard by the Senate Transportation Committee on Monday, April 19th. The House companion, HB 1169 by Representative Lake Ray (R-Jacksonville), has already passed the full House and is waiting to be heard by Senate members.

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

Another piece of legislation that Senator Ring is sponsoring, SB 2000 Relating to Florida's Ports, unanimously passed through the Senate Transportation and Economic Development Appropriations Committee. This critical bill enhances 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 is scheduled to be heard next in the Senate Policy & Steering Committee on Ways & Means on Tuesday, April 20th. The House companion, HB 963 by Representative Lake Ray (R-Jacksonville), has passed its final stop in the House Economic Development & Community Affairs Policy Council and will now proceed to the House floor.

AIF SUPPORTS legislation that eases the regulatory and permitting burdens of our state's 14 deep water ports.

During a meeting of the House General Government Policy Council on Wednesday, April 14th, members passed HB 821 Relating to International Arbitration by Representative Perry Thurston (D-Ft. Lauderdale). This bill adopts the "International Arbitration Model Act" for arbitration involving international transactions. This measure will allow Florida companies that are engaged in international commerce to conduct their arbitrations in Florida on a more regular basis, thereby decreasing their costs while at the same time boosting Florida's reputation as an international leader in this field. HB 821 is a session priority that AIF's Florida Maritime Council (FMC) has followed very closely this legislative session.

HB 821 has passed its final committee of reference and is ready to be heard on the House floor. Its Senate companion, SB 1114 by Senator Dan Gelber (D-Miami Beach), has been withdrawn from the Senate Rules Committee and placed on the Senate calendar.

AIF and its Florida Maritime Council (FMC) SUPPORT this legislation because it will make Florida a more attractive location for international business. Businesses look for the familiar, and the acceptance of the Model Law in so many jurisdictions around the world could be a positive consideration in deciding where to locate international companies and conduct business transactions.

Transportation

On Tuesday, April 13th the Senate Transportation and Economic Development Appropriations Committee passed SB 2362 by Senator Andy Gardiner (R-Orlando). SB 2362 is known as the Transportation package for the House this session.

To read more about the provisions found within the House's Transportation package, please refer to Tuesday's edition of the daily brief.

SB 2362 has passed its final committee of reference and will proceed to the Senate calendar.

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.

Growth Management

On Thursday, April 15th the House unanimously passed HB 7099 Relating to Legislative Reauthorizations by Representative Dorothy Hukill (R-Port Orange). Known as the "bridge bill", HB 7099 will protect developers who have relied on provisions in last year's growth management bill (SB 360) which allowed them to forego the Developments of Regional Impact (DRI) process in designated areas of Florida. Developers, as well as local governments who have amended comprehensive plans in reliance on the bill's provisions, would be held harmless, should a court declare last year's legislation unconstitutional.

The legislation also holds in place the extension of certain Department of Environmental Protection (DEP) permits, as well as water management district authorizations for a two year period that had been granted by the bill last year.

HB 7099 has been removed from its assigned committees of reference in the Senate and substituted for its Senate companion, SB 2452 by Senator Mike Bennett (R-Bradenton). The bill was subsequently read a second time on Friday, April 16th.

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.

Seminole Gaming Compact

On Thursday, April 15th the Florida Senate passed SB 622 Relating to Gaming by Senator Dennis Jones (R-Seminole) by a vote of 29 to 9. As AIF reported last week, the compact gives the Seminoles exclusive gaming rights for 20 years with a review in five years to run banked card games at 5 of its 7 existing casinos and slot machines at four casinos outside Miami-Dade and Broward Counties.

Furthermore, the compact includes provisions that guarantee the State of Florida a billion dollars over the next five years, with over \$437 million coming this year. Other provisions include mandatory 2 day, 10 hour monthly inspections at a capped cost of \$250,000 per year to be paid by the tribe, tort liability and non-smoking facilities, and a mechanism for the tribe to waive its sovereign immunity. For existing pari-mutuel facilities in Dade and Broward Counties, the bill reduces their tax rate from 50 to 35 percent; and tracks and frontons statewide would get expanded gaming hours and higher betting limits. Although the provisions do not prohibit Florida from permitting other gaming activities, the state would forfeit revenue sharing if it did so.

Associated Industries of Florida has closely monitored the debate in the legislature for the past two years and has supported fair and equitable gaming in Florida. We have grave concerns about the compact as it is currently formulated and urge the legislature to promulgate uniform pari-mutuel statutes, rules and regulations.

Business Regulation

On Friday, April 16th the House Economic Development and Community Affairs Policy Council unanimously passed HB 1565 Related to Rulemaking by Representative Chris Dorworth (R-Heathrow) and the House's newest member Representative Matt Gaetz (R-Ft. Walton Beach).

HB 1565 requires an agency to prepare a statement of estimated regulatory costs (SERC) prior to the adoption, amendment, or repeal of any rule, not just on those having an impact on small business or those requested by a substantially affected person. Additionally, the measure would also cause an agency's failure to prepare a SERC on any rule to be a material failure. The bill also expands SERC requirements to include an economic analysis that demonstrates if a rule:

- Creates a regulatory environment that impedes or hinders economic growth and private-sector job creation;
- Expands the growth of state government that is not provided in the enabling statute for the rule;
- Increases regulatory costs to small businesses; and
- Is likely to adversely impact private-sector job creation or result in higher unemployment.

The bill requires the Joint Administrative Procedures Committee (JAPC) to determine whether a SERC prepared by an agency complies with the requirements for an economic analysis, as well as existing requirements for a SERC. If the economic analysis portions of the SERC indicate the proposal will perform any of the actions reviewed in the economic analysis, the rule may not take effect until it is submitted to the legislature for review at the next regularly scheduled session. The legislature may reject, modify, or take no action pertaining to a rule. If the legislature takes no action, the rule will take effect upon adjournment sine die by the Legislature. Furthermore, this bill signals a warning to state agencies that do not fully contemplate and report the implications that administrative rules have on Florida's economic freedom.

HB 1565 is now ready to proceed to the House floor.

AIF applauds Representatives Chris Dorworth & Matt Gaetz for their commitment to creating a regulatory environment that is not destructive, but rather complementary to the Florida business community.