



DAILY BRIEF

From April 13, 2011

The \$3.6 billion budget deficit facing Florida is no secret to policy makers in the Legislature; however, the answers to closing this budget gap are not as easy to come by. Today, AIF was present in a Senate Committee workshop to discuss the importance of closing a major sales tax loophole favoring online-only retailers. By compelling these out of state entities to pay their fair share of taxes the state will create jobs, save Florida's brick and mortar retailers, and bring a great deal of revenue back to the state coffers (revenue that is owed to Florida under current law). AIF is working closely this year with MyMainStreetFlorida.com – a coalition of Florida-based businesses – in effort to promote this practice that will keep jobs and investment in Florida.

AIF is closely monitoring legislation moving this session dealing with immigration and the mandating of the federal E-Verify system on all employers. Today, Majority Leader Andy Gardiner (R-Orlando) announced during a meeting of the Senate Budget Committee, that was poised to debate this issue, that the bill would not be considered until after the Easter break. The Senate will not be meeting next week and the House will only hold business during next Wednesday and Thursday. Legislators are under intense pressure from opponents and proponents of this Arizona-style bill. This will be one of the most closely watched issues during the final weeks of session.

Looking ahead, AIF will continue to see some of its top priorities moving through the Legislature, including the corporate income tax "piggy back" proposal, the State's comprehensive overhaul of the Medicaid program, and efforts to thwart the implementation of Numeric Nutrient Criteria (NNC) standards in Florida.

Seaports

Today, the Senate Budget Subcommittee on Criminal and Civil Justice Appropriations unanimously passed HB 524 by Senator Jack Latvala (R-St Petersburg) that will remove burdensome and duplicative security measures on Florida's seaports. This bill is important to the business community because it will lower the costs of doing business in Florida's ports. These cost reductions will improve Florida's competitiveness with neighboring states in our quest to expand economic development in our maritime industries. This bill is the top priority for AIF's Maritime Council. We appreciate the approval of today's committee members and the leadership of Senator Latvala.

SB 524 received the support of the business community, labor, and port authorities. The bill will now be considered by the Senate Budget Committee – the bill's final committee stop.

AIF SUPPORTS legislation to reduce red tape and regulatory burdens, such as duplicative security credentialing, which encumber businesses in their daily work. AIF commends Senator Latvala for advancing this business-friendly proposal in the Legislature.

Energy

The Senate Budget Subcommittee on General Government Appropriations unanimously passed SB 762 Relating to the Florida Climate Protection Act by Senator Alan Hays (R-Umatilla). The bill repeals the Florida Climate Protection Act, which authorized the Department of Environmental Protection (DEP) to adopt rules creating a cap-and-trade program. Additionally, it also deletes a provision allowing for cost recovery relating to greenhouse gas registries.

The Florida Climate Protection Act was created in 2008 as part of then Governor Charlie Crist's energy initiatives. The Department of Environmental Protection was slated with developing rules by January of 2010 to implement the program, while the Legislature was tasked to ratify the rules. This never occurred. Much of the debate against the bill centered on retaining the statute in the event the Federal government passed a cap-and-trade program. As expected, the bill passed along a party line vote of 4-2.

SB 762 has now advanced to the Senate Budget Committee, the bill's last stop before proceeding to the Senate floor.

AIF SUPPORTS legislation to repeal the Florida Climate Protection Act and eliminate efforts to implement a “cap-and-trade” program for the reduction of greenhouse gas emissions.

Health Care

The Senate Budget Subcommittee on Health and Human Services Appropriations unanimously approved SB 1410 by Senator Joe Negron (R-Palm City). This bill would require primary care physicians (including osteopathic physicians, and podiatrists) to publish a schedule of charges for the services they offer and to post the schedule in the reception area of their office. The schedule must include the fees that would be charged to an uninsured patient paying for medical services on their own.

The bill also provides that a primary care provider, upon request, must provide a reasonable estimate for non-emergency medical treatment to patients. Further, this estimate must be consistent with the posted schedule. Physicians in violation of this requirement would have a penalty assessed which would be determined by the physician's regulatory board.

The House companion, HB 935 by Representative Richard Corcoran (R-New Port Richey), was also considered and passed today; however, it was amended by the House Health & Human Services Committee. The new language adopted would add urgent care centers to the entities encouraged to post their prices. Also, the amended text provides that continuing medical education fees for one “two-year” cycle would be waived for physicians that choose to post their prices.

SB 1410 will now proceed to the Senate Rules Committee – its final stop before the floor. HB 935 has passed its final committee of reference and will advance to the House Calendar

AIF SUPPORTS legislation that provides accountability amongst Florida's health care providers. Providing clarity in these types of services will bring private health care providers more in line with other private-sector industries by increasing efficiency and promoting accountability.

The House Insurance and Banking Subcommittee unanimously approved HB 445 Relating to Wellness or Health Improvement Programs by Representative Clay Ingram (R-Pensacola). This bill would allow insurers to provide voluntary wellness or health improvement programs for employers and employees and to encourage participation in these programs by providing rewards or incentives. Furthermore, the bill sets out a process for verifying that an employee suffers from a condition that would inhibit participation in these programs.

HB 445 will now proceed to its last committee of reference, the House Health and Human Services Committee. The Senate measure, SB 1522 by Senator Don Gaetz (R-Niceville), is in the Senate Banking & Insurance Committee.

AIF SUPPORTS legislation will lead to a healthier workforce and lower premiums. Costs to insurers could be offset by a reduction in the insurer's medical expenses due to having a healthier insured population. Furthermore, this legislation will offer these incentives without mandating coverage on the backs of Florida's Insurance providers.

Economic Development

The Senate Budget Subcommittee on Tourism, Trade, and Economic Development unanimously passed SB 1318 Relating to Tax Refund Program for Qualified Target Industry Businesses by Senator Lizbeth Benacquisto (R-Wellington).

As one of the state's lead economic development incentives, the Qualified Target Industry Tax Refund Program (QTI) is intended to attract businesses that offer high-wage jobs to relocate in Florida. This is effectively done by providing refunds on corporate income, sales, ad valorem, and certain other taxes to the relocating businesses.

The QTI program provides several criteria for the Governor's Office of Tourism, Trade, and Economic Development (OTTED) and Enterprise Florida to review when establishing the list of target industries for the incentive. SB 1318 revises the criteria of QTI's by providing special consideration to industries that strengthen the state's position as a global trade and logistics hub, which may have the effect of encouraging private sector economic activity in that particular industry.

SB 1318 passed without debate or opposition and will now proceed to the Senate Budget Committee for further consideration. The House companion, HB 879 by Representative Eric Eisnagle (R-Orlando), passed the House Economic Affairs Committee this week and is ready for floor action.

AIF SUPPORTS continued availability of state funds for creating incentives that will stimulate economic development and recruit businesses to Florida – a top priority for Governor Rick Scott.

Ethics & Elections

Today, the Senate Budget Committee took up and passed SB 830 by Senator John Thrasher (R-Jacksonville) following passionate, yet largely misunderstood debate. The bill prohibits state and local governments from automatic payroll deductions for membership dues and Political Action Committee (PAC) contributions for members of public employee unions such as teachers, police, etc. The measure also allows a union member who has contributed to his or her union's PAC to request and receive a pro-rated refund of their contribution at any time during the year.

Members of the committee heard extensive testimony from representatives of various unions who harshly criticized the bill as targeting unions and attempting to restrict their rights to conduct political activity. Chairman JD Alexander (R-Lake Wales) allowed members of the business community to address the issue, including AIF's Special Counsel on Election, John French who shed some light on the amount of political activity these unions undertake each cycle. Mr. French supported the legislation stating that unions "shouldn't be given special benefits."



Committee members largely approved the measure along party lines. SB 830 has passed its final committee of reference and will now proceed to the Senate floor. A similar proposal in the House, HB 1021 by Representative Chris Dorworth (R-Heathrow), has already passed the full House.

AIF SUPPORTS efforts to give union members more of a say on how their union dues are spent. At a time when dollars are scarce, union members should be allowed to keep their hard-earned money if they decide not to support their union's political activity.

Education

In the Senate Higher Education Committee this morning, Senator Evelyn Lynn (R-Daytona Beach) presented SB 1732 Relating to Postsecondary Education, with two amendments. SB 1732 requires the Higher Education Coordinating Council to produce a report, with input from the State Board of Education and the Board of Governors, to:

- Establish performance outputs and outcomes designed to meet annual and long-term state goals;
- Evaluate Florida's articulation policies and practices;
- Establish a plan that aligns school district and Florida College System (FCS) workforce development education programs and improves the consistency of workforce education data collection and reporting by colleges and school districts; *and*
- Recommend a plan for addressing baccalaureate degree authorization and production.

Its House companion, HB 7151 by Representative Kelli Stargel (R-Lakeland), was also heard this afternoon in the House Education Committee. There was minimal discussion on both bills, with only Representative Dwight Bullard (D-Miami) expressing concerns about the potential for heightened competition among institutions within the Florida College System. Ultimately, all amendments were adopted and SB 1732 and HB 7151 were reported favorably.

SB 1732 will now advance to the Senate Budget Committee for further deliberation. HB 7151 has passed its only committee of reference and is ready to proceed to the floor.

AIF SUPPORTS greater accountability in higher education that will adequately prepare Florida's students for the workforce.

Legal & Judicial

The full Senate Budget Committee unanimously passed SB 998 Relating to Property Rights by Senator David Simmons (R-Altamonte Springs) today.

This bill amends the “Bert Harris Act” to make the following changes to Florida’s statutory protections on real property rights. In 1995, the Bert Harris Act was enacted by the Legislature to provide a new cause of action for private property owners whose property has been “inordinately burdened” by state and local government action that may not rise to the level of a “taking” under the State or Federal Constitution. The inordinate burden applies either to an existing use of real property or a vested right to a specific use.

SB 998 specifies that a moratorium on a development that is in effect for longer than 1 year is not a temporary impact to real property and may constitute an “inordinate burden.” Further, the bill expands the options for private property owners to obtain compensation or another remedy for governmental action that inordinately burdens real property. Provisions within SB 998 make it clear that certain moratoria lasting more than one year are not necessarily “temporary”, so as to be excluded from the definition of inordinate burden.

Following its final committee of reference, SB 998 will now proceed to the Senate Calendar. The identical measure in the House, HB 701 by Representative Eric Eisnaugle (R-Orlando), has been placed on the House’s special order calendar for Thursday, April 14th

AIF SUPPORTS legislation that pre-empts state and local governments from infringing on private property rights. By providing more clarity in these types of cases, Florida will offer a far more stable atmosphere for conducting business and encouraging growth.