



DAILY BRIEF

From January 12, 2012

As lawmakers scramble to find dollars for the state's largest programs, including funding for healthcare, transportation and education, Thursday's renewed budget forecasts have revealed a hint of good news. According to state economists, legislators will have about \$23 million more to utilize in the upcoming budget process that is slated to begin July 1.

These new found dollars are far from sufficient to plug the \$2 billion deficit; however, the forecasts provide the business community with some glaring optimism – Florida is recovering from arguably its worst economic recession by promoting pro-business policies that get our citizens back to work. Some of these policies, which are consistent with AIF's pro-growth agenda, are thoroughly detailed in this edition of AIF's daily brief.

In addition, don't forget to follow AIF on twitter to keep up with the latest legislative action, news releases and updates concerning the business community's top priorities.

Legal & Judicial

On Thursday, January 12th the Senate Judiciary Committee favorably passed SB 378 Relating to Expert Testimony by Senator Garrett Richter (R-Naples).

This legislation would require litigants to use accepted and proven scientific standards to qualify expert witnesses, and eliminates the current possibility that mere opinion and junk science can be relied upon as evidence – as Florida law currently permits. Today's discussion included the possibility of a compromise between the federal standard sought in SB 378 and current law; however, AIF is very concerned with any changes to the bill as currently written. The intended purpose of SB 378 is to create more uniformity between Florida and federal courts. If a "compromised" position were to be developed, the measure would still provide for a different standard in Florida compared to federal courts and most other states.

Ultimately, the bill passed by a vote of 5-2. The two Senators voting against the measure today were Senator Arthenia Joyner (D-Tampa) and Senator Oscar Braynon (D-Miami Gardens).

SB 378 is now slated to be heard by members of the Senate Budget Committee. The House measure - HB 243 by Representative Larry Metz (R-Eustis) – was passed on Wednesday in the House Civil Justice Subcommittee and will now proceed to the House Judiciary Committee.

AIF SUPPORTS legislation that will utilize highly regarded legal standards to ensure a level playing field during litigation. In addition, AIF congratulates Senator Richter for his leadership in bringing forth this important measure before the Legislature.

Taxation

On Thursday, January 12th the House Energy & Utilities Subcommittee took up and considered HB 133 Relating to the Assessment of Residential and Non homestead Real Property by Representative James Frishe (R-Belleair Bluffs).

During the General Election in November 2008, Florida voters approved a constitutional amendment that would grant authority to the Legislature to prohibit property assessors from considering two factors contributing to increased property values; changes or improvements made to improve a property's resistance to wind damage or the installation of a renewable energy device. HB 133 implements that authority.

There were no questions by members of the Committee. During debate, Representative Michelle Rehwinkel-Vasilinda (D -Tallahassee) praised the bill and the bill sponsor. Representative Frishe waived his close and the bill passed with unanimous consent.

HB 133 will now proceed to the House Community & Military Affairs Subcommittee for further consideration. The Senate companion – SB 156 by Senator Jack Latvala (R-St. Petersburg) – is currently in the Senate Budget Subcommittee on Finance and Tax awaiting hearing.

AIF SUPPORTS legislation that will encourage mitigation-based upgrades on real property and reduce property insurance costs for Floridians.

Environmental

On Thursday, January 12th the Senate Community Affairs Committee unanimously approved SB 716 Relating to Environmental Regulation by Senator Mike Bennett (R-Bradenton).

This legislation presents a major re-write of Florida's environmental permitting law. In order to align the bill with its House companion, a "strike everything" amendment was adopted by members of the committee to make it very similar to HB 503 by Representative Jimmy Patronis (R-Panama City). In addition, there was an amendment to the amendment adopted that removes a provision relating to septic tanks. Senator Bennett commented that he was removing this section because Senator Charlie Dean (R-Inverness) has existing legislation dealing with onsite sewage treatment and disposal systems inspections.

Keyna Cory, AIF's Senior Lobbyist, spoke in favor of SB 716. During testimony she referred to AIF's 2012 Session Priorities publication and noted that SB 716 by Senator Bennett is one its top priorities.



SB 716 will now advance to the Senate Environmental Preservation & Conservation Committee. The House proposal – HB 503 by Representative Patronis – was passed in the House Rulemaking & Regulations Subcommittee on Tuesday and will proceed to the House Agriculture & Natural Resources Appropriations Subcommittee.

AIF SUPPORTS efforts to streamline permitting across all state agencies. AIF would like to thank Representative Patronis for his commitment to work with all stakeholders on a bill that will streamline the permitting process. Time is money and Florida businesses are spending too much time on a permitting process that includes duplications and burdensome regulations.

Business Regulation

The Senate Community Affairs Committee considered and unanimously approved SB 292 by Senator Mike Bennett (R-Bradenton) on Thursday, January 12th.

As originally filed, SB 292 would allow local governments to place public notices on their websites instead of in newspapers. A “strike everything” amendment was adopted that made significant changes to the original bill. The new language allows the placement of public notices in both newspapers and on websites. AIF supports the amendment and no longer opposes the bill.

Local newspapers offer citizens a single, convenient location to find public notices in contrast to government entities publishing notices on their respective websites.

SB 292 will now advance to the Senate Judiciary Committee for consideration by its members.

AIF SUPPORTS legislation that requires all public notices be printed in local newspapers and posted on the Internet. AIF would like to thank Senator Bennett for his leadership and support on this very important issue.

Energy

In the House Subcommittee on Energy and Utilities on Thursday, Agriculture Commissioner Adam Putnam outlined his recommendations for an energy policy for the State of Florida. Commissioner Putnam stated that the package he proposed is designed to increase diversity in the State's energy portfolio, advance renewable energy production, encourage the development of home-grown technologies and promote energy efficiency. He further said that his recommendations for energy policy are “market driven, in the public interest and are designed to have the least possible impact on the customer.”

Commissioner Putnam offered eleven proposals for the Legislature to consider. Among those are proposals for:

- Infrastructure investment
- Reporting requirements
- Power plant need determination
- Public interest determination for renewable energy projects
- Energy efficiency; and
- The removal of barriers to future investments.

Many of these proposals would place new requirements on the Department of Agriculture & Consumer Services and the Public Service Commission to evaluate and make a determination of the various issues outlined above. A full copy of Commissioner Putnam’s recommendations can be found [here](#).

AIF commends Commissioner Putnam for offering a comprehensive proposal that will address the future of Florida’s energy policy. Furthermore, AIF looks forward to working with Commissioner Putnam and his department to adequately address our state’s energy needs.

Space

On Thursday, January 12 the House Transportation & Economic Development Appropriations Subcommittee passed HB 59 Relating to Spaceport Facilities presented by Representative Lake Ray (R – Jacksonville).

HB 59 designates certain real property within the boundaries of Cecil Airport and the Cecil Commerce Center as spaceport territory. In addition to Cecil Field, the bill also provides that the board of directors for Space Florida may designate real property within the state as spaceport territory. In addition, HB 59 provides a tax exemption for machinery and equipment purchased for a new or expanding business in a spaceport territory. This bill will allow new and expanding businesses located at Cecil Airport and Cecil Commerce Center, or on property licensed as a FAA spaceport, to be eligible for this exemption. In order to qualify, a business must be engaged in spaceport activities.

HB 59 has one remaining stop in the House Economic Affairs Committee. The Senate companion – SB 110 by Senator Stephen Wise (R-Jacksonville) – is now in the Senate Budget Subcommittee on Finance and Tax.

AIF supports the expansion of spaceport facilities and applauds Representative Ray’s continued leadership on this bill.

Health Care

On Thursday, January 12th the House Health & Human Services Quality Subcommittee took up and considered HB 711 Relating to Sale or Lease of a Public Hospital by Representative Ed Hooper (R-Clearwater).

Currently, the authority to sell or lease a county, district or municipal hospital is provided to its governing board. HB 711 amends current law to require that the governing board of a county, district or municipal hospital, prior to completing a proposed sale or lease of the public hospital, receive approval from a majority of registered voters in the county, district or municipality. Alternatively, the governing board may submit a petition for approval of sale or lease to the circuit court. This change would allow for more transparency in the governing board's decision-making process when deciding to agree to the sale or lease, and would further allow for more public input into the proposed sale or lease. During debate, some concerns were raised about the concept of “fair market value” which is included in the bill in order for public hospitals to be sold for appropriate amounts. The issue of who is allowed to make that determination was at the heart of the debate. Representative Hooper vowed to continue to work with all interested parties on tightening the bill.

HB 711 was unanimously approved and the bill will now advance to the House Community & Military Affairs Subcommittee for further consideration.

An identical measure in the Senate – SB 464 by Senator Rene Garcia (R-Hialeah) – was also slated to be heard on Thursday in the Health Regulation Committee; however, it was temporarily postponed until further notice. Senator Don Gaetz (R-Niceville) has a similar piece of legislation (SB 1568). There is a possibility that both Senate bills will be combined into one bill.

AIF SUPPORTS legislation that will ensure that the taxpayer and the community are protected by ensuring that full and fair market value is received in exchange for the sale and/or lease of public hospitals.

Growth Management

On Thursday, January 12th the Senate Community Affairs Committee took up and unanimously passed SB 704 Relating to Building Construction and Inspection by Senator Mike Bennett (R-Bradenton).

SB 704 bill provides in part that if a building code administrator or building official provide for electronic filing, then construction plans, drawings, specifications, reports, final documents, or documents prepared or issued by a licensee may be dated and electronically signed and sealed by the licensee and transmitted electronically to the building code administrator or building official for approval.

In addition, the bill also expands the definition of “contractor” to include those persons or businesses that contract to demolish any residence or building. Currently, contractor licensure to demolish buildings and residences only applies when these particular structures are over three stories tall.

The bill passed unanimously and without controversy. SB 704 will now move forward to its final stop in the Senate Budget Committee. An identical measure in the House – HB 651 by Representative Daniel Davis (R-Jacksonville) – is scheduled to be heard in the House Business & Consumer Affairs Subcommittee on Tuesday, January 17th at 12:30 pm.

AIF SUPPORTS legislation that will generate cost savings resulting from efficiencies associated with electronic filing.

Education & Workforce

The House Economic Affairs Committee, chaired by Representative Dorothy Hukill (R-Port Orange), took up and passed HB 7023 Relating to Regional Workforce Boards on Thursday, January 12th. The legislation codifies tighter state fiscal and administrative control of the state’s 24 regional workforce boards. The legislation is a priority of Governor Rick Scott, who spoke about the issue in his State-of-the-State address to a Joint Session of the Legislature on opening day.

The legislation, sponsored by Representative Jason Brodeur (R-Sanford), passed on a partisan vote of 10-6, with Democrats arguing that the bill unnecessarily expands the state’s role into local decisions.

Specifically, HB 7023 will:

- Cap the membership of the state’s regional workforce boards to the limits in Federal law.
- Require the authorization of the Governor to appoint additional members beyond the cap.
- Require the boards to have their respective budgets ultimately approved by Workforce Florida, Inc., a statewide public-private partnership charged with overseeing the state’s workforce system.
- Require regional workforce board members to file financial disclosures.
- Permit the Governor to remove any board member for cause.
- Enjoin the new Dept. of Economic Opportunity to conduct annual performance reviews of each board with Workforce Florida, Inc., *and*
- Direct Workforce Florida, Inc., to evaluate the means to establish a single, statewide workforce system brand for Florida by June 1, 2012.

The bill would also have required regional workforce board chairs and the respective executive directors to serve at the approval and pleasure of the Governor; however, the bill was amended today to omit the requirement to have the Governor “approve” those selections while retaining the provision for service at the pleasure of the Governor.

The bill was further amended to clarify the types of expenditures permitted and not permitted using federal and state funds. Transparency in contracting provisions was also added to the bill.

Florida's regional workforce boards are principally responsible for providing workforce services directly to Florida's businesses and job seekers at local levels. They operate service centers that include job placement and recruitment assistance, and funding for skills training. Regional board efforts are often geared toward specific industries or targeted populations.

The Legislature's attention has turned toward workforce services delivery and governance in response to the recent controversy surrounding regional workforce boards, whose members were cited for giving contracts to board members themselves and their families. A state audit revealed that the boards doled out more than \$7.5 million in contracts to entities involving board members during the period 2008 to 2010. As a result, Gov. Rick Scott made reformation and heightened accountability of the boards a 2012 legislative priority.

HB 7023 will now head to the House Floor for consideration by its members.

AIF supports legislation that will bring greater accountability and efficiency to the workforce system.