



DAILY BRIEF

From March 6, 2012

With just 3 days remaining in the 2012 Legislative Session, the House & Senate are poised for a dramatic finish. The budget was released this afternoon for members' review and requires a 72-hour "cooling off" period before members can vote on the spending plan for 2012-2013. To obscure matters, the Leon County Circuit Court has ruled that last year's 3% public employee pension contribution requirement – which passed at the behest of Governor Scott & Republican leadership – is unconstitutional. The implications of this ruling remain uncertain; however, the subsequent appeals process is likely to bring this issue to the forefront in the coming months.

Nonetheless, AIF's top priorities continue forward and are on track for final passage. For example, the Senate Budget Committee will hold an exclusive meeting tomorrow morning to deliberate a significant economic development package – HB 7087 by the House Finance & Tax Committee. This legislation has a number of economic development issues important to AIF including the reauthorization of the New Markets Tax Credit program as well as an expansion of the state's corporate income tax exemption, and incentives for the manufacturing industry.

Education

On Tuesday, the full House of Representatives took up and passed HB 7063 Relating to Digital Learning by Representative Kelli Stargel (R-Lakeland) by a vote of 100-16.

The legislation will expand digital learning options for students in public schools by allowing students entering kindergarten through grade 5 to participate in Florida Virtual School Full Time (FLVS FT), full-time district virtual instruction programs, and full-time virtual charter schools. Furthermore, the measure expressly prohibits any individual from knowingly and willfully taking an online course or examination on behalf of another person for compensation. Any individual that violates this provision commits a misdemeanor of the second degree.

HB 7063 removes the student eligibility requirement for courses delivered in the traditional school setting thereby allowing school districts to offer virtual and blended courses delivered in the traditional school setting to its students who may have been unable to take such courses due to the eligibility criteria.

With no amendments, HB 7063 will now proceed to the Senate and is expected to be passed before the end of the 2012 Session.

AIF will continue to SUPPORT legislative changes that will increase digital learning and improve foundational skills and readiness for college and careers.

Environmental

On Tuesday, the Senate unanimously approved HB 7003 Relating to Environmental Resource Permitting by Representative Steve Crisafulli (R-Merritt Island).

The proposed legislation allows the Department of Environmental Protection (DEP) to create a statewide Environmental Resource Permitting (ERP) system. The new statewide rule will be similar to the current DEP and water management district existing rules, except to reconcile differences and conflicts that are not based on geographic differences in physical or natural characteristics. Instead of having 5 different interpretations and inconsistent applications, there will be one interpretation guided by DEP.

This legislation is a high priority of the Florida Department of Environmental Protection (DEP) and the business community.

AIF and its Environmental Sustainability Council support a statewide Environmental Resource Permit. With a statewide ERP no longer will we see different outcomes for similar projects. Instead, employers will have consistent, predictable outcomes no matter where your business may be located.

Upon its final passage today, HB 7003 will now proceed to the Governor for his approval.

AIF SUPPORTS the Florida Department of Environmental Protection's proposal to have a statewide Environmental Resource Permit (ERP).

Insurance

The Florida Senate began the process of debating and hopefully passing one of this year's top priorities for Governor Rick Scott and the business community – SB 1860 Relating to Automobile Insurance Fraud by Senator Joe Negron (R-Palm City). During second reading, over 30 amendments were considered during a contentious floor debate today. The bill is an attempt to get at the rampant fraud that is plaguing Florida's Personal Injury Protection (PIP) system. Due to the complexity and the number of interested parties on this issue this bill has become one of the more hotly contested pieces of legislation. Debate on the amendments lasted over three hours today and led to the adoption of several provisions that significantly reduced the ability to combat the cost drivers that have led to Florida having some of the highest auto insurance rates in the nation.

It is expected that the Senate will pass a PIP bill tomorrow. How effective the Senate's version will be is unknown. The Governor has made it clearly known that he wants a bill that will bring about real, meaningful reform to Florida's PIP system. The House has passed a much stronger version of reform. That bill is awaiting action in the Senate. All eyes will be on this debate as the 2012 Legislative Session comes to a close.

AIF SUPPORTS efforts to pass meaningful PIP reform this session in order to address the rampant fraud that is plaguing the system. Businesses and consumers pay almost 50 percent more for auto insurance than other states in the nation. This is due to the unscrupulous actions of shady medical providers, trial attorneys, and criminals who stage auto accidents in order to access the available PIP benefits.

On Tuesday, a meaningful proposal relating to the reform of Citizens Property Insurance Corporation (Citizens) was taken up and considered in both the House & Senate.

HB 245 Relating to Depopulation Programs of Citizens Property Insurance Corporation by Representative Jim Boyd (R-Bradenton) changes current law to allow surplus lines insurers to take policies out of Citizens. Reducing the exposure of Citizens will substantially reduce the likelihood of claims-paying deficits and, thus, hurricane taxes on insurance premiums for Florida's employers.

During consideration in the Senate today, members adopted a controversial amendment by Senator Thad Altman (R-Melbourne) that would allow Citizens policyholders to "opt-in" to surplus line insurer plans instead of being given the choice to "opt-out" during the take out process. Following adoption, the Senate passed the measure by a vote of 26-8.

Upon consideration of returning messages, the House took up HB 245 and considered the bill as amended by the Senate earlier in the day. Rep. Boyd offered a motion to remove the "opt-in" provision that was passed by the. During debate, Rep. Boyd explained that the recently added provision will discourage surplus line insurers from participating in the take-out process. "They're not going to come in. If they want to take 30,000 policies out, they've got to get 30,000 signatures... They'll just move their capital and go to another state." Despite passionate debate on both sides of the aisle, the motion was narrowly defeated by members and bill was temporarily postponed.

HB 245 remains on the House Calendar. It is uncertain at this time whether they will consider the bill again before the end of session.

AIF SUPPORTS legislation to return Citizens to an insurer of last resort. Further, we commend Rep. Boyd for his unwavering leadership on this controversial issue.