



From December 9, 2011

As the first full week of December 2011 comes to a close, so does the last week of interim committee meetings for this year. The next time legislators meet in Tallahassee, the 2012 Legislative Session will have officially begun. Fortunately, a vast majority of the business community's top priorities saw action this week amid AIF's Pre-Session Briefing in Tallahassee and the release of Governor Scott's budget recommendations for 2012-2013. Some of these top proposals include:

- **Workers' Compensation Drug Repackaging:** HB 511 by Representative Matt Hudson (R-Naples) was overwhelmingly passed this week in an effort to save Florida employers up to \$62 million in workers' compensation costs.
- **Destination Resorts:** AIF was ever-present at the capitol this week to promote legislation that will create thousands of jobs and inject the state with much needed revenue through the creation of world-class Destination Resorts. AIF hosted a press conference with members of the business community and testified in committee this week to garner support for legislation that will put Floridians back to work.
- **Numeric Nutrient Criteria:** Providing a major step forward in the battle of Florida's water quality, the Environmental Regulations Commission (ERC) unanimously approved the proposed rule by the Florida Department of Environmental Protection to set numeric nutrient criteria for Florida water bodies.

Recap AIF's top priorities for the 2012 legislative session, which were released during Monday's *Pre-Session Briefing* at the Governor's Club.

As mentioned previously, Governor Scott presented his budget recommendations to the Legislature this week for fiscal year 2012-2013. Governor Scott's proposal includes \$225 million for economic incentives within the Department of Economic Opportunity, \$29.6 million for down payer assistance for new home buyers and approximately \$33 million for small businesses looking to receive credit in order to grow and expand.

Workers' Compensation

On Wednesday, December 7th members of the House Insurance and Banking subcommittee passed HB 511 Relating to Workers' Compensation with near unanimous consent. Sponsored by Representative Matt Hudson (R-Naples), HB 511 focuses on addressing a loophole in the Workers' Compensation system that allows physicians to dispense repackaged drugs and charge employers exorbitant prices that greatly exceed the statutory reimbursement for the same pharmaceuticals dispensed by pharmacies. The existing loophole allows repackaged or relabeled prescription drugs to be dispensed at rates up to 679% more than what a pharmacy would charge.

The Workers' Compensation Coalition and its more than 60 members have made the drug repackaging issue one of their major priorities for the upcoming Legislative Session. HB 511 will establish fairness with workers' compensation prescription drug reimbursement rates, reduce the rising workers'

compensation rates that Florida businesses are being forced to pay and ensure that workers' compensation patients receive premium medical treatment.

HB 511 will now proceed to the House Health & Human Services Committee for further consideration. An identical measure in the Senate – SB 668 by Senator Alan Hays (R-Umatilla) – awaits hearing in the Senate Banking & Insurance Committee.

AIF SUPPORTS legislation that will reduce Florida employers' workers' compensation costs while helping Florida restore its vibrant economic position.

Destination Resorts

On Wednesday, December 7th the Senate Regulated Industries Committee held their second workshop on SB 710 by Senator Ellyn Bogdanoff (R-Ft. Lauderdale), the legislation designed to bring world-class Destination Resorts to Florida. The bill would allow for the creation of three destination gaming resorts in the counties of Miami-Dade & Broward. Furthermore, the proposal would also create a strategic new direction for Florida's already established, and rapidly expanding, gaming industry by creating a new, independent Gaming Commission.

Wednesday's workshop included presentations from The Florida Lottery, Revenue Estimating Conference economist, Amy Baker and a compulsive gambler group. While Ms. Baker said that the estimating conference was still working on final economic impact numbers, it looks like the creation of three Destination Resorts would have a positive impact on the state's economy. However, she was quick to remind the Committee that her final numbers are not complete.

In addition to the presentations listed above, several organizations and companies voiced support for the legislation. Along with AIF, the Florida United Business Association, Associated Builders and Contractors, Florida Concrete and Products Association, Latin Builders Association and the Florida Transportation Builders were all present to support the legislation due to the job creation and positive economic benefits it would have on the state. On Tuesday of this week, AIF hosted a press conference with these business groups in support of Destination Resorts.

In addition, several small business owners from the Miami area come up to testify that these resorts would greatly benefit their businesses and allow them to hire more workers.

AIF SUPPORTS any proposal that will allow for free market bidding, ensuring that premier development companies come to Florida to build world-class destinations and bring all of these direct and indirect economic benefits to Florida and Florida businesses.

Energy

On Thursday, December 8th the House State Affairs Committee passed HB 4001 by Representative Scott Plakon (R-Longwood) that would repeal the Florida Climate Protection Act, which passed in 2008. The 2008 law directed the Department of Environmental Protection to create a cap-and-trade program for the State; however, the Department never created a plan after a fiscal analysis showed that the cost to both the public and private sectors would be prohibitive.

HB 4001 passed on a largely partisan basis with Democrats voting in opposition.

HB 4001 has cleared its final committee of reference and will now be placed on the House Calendar. The identical measure in the Senate – SB 648 by Senator Alan Hays (R-Umatilla) – awaits consideration in the Senate Communications, Energy, and Public Utilities Committee.

AIF SUPPORTS legislation that will repeal the establishment of a “cap-and-trade” program for the reduction of greenhouse gas emissions.

Growth Management

On Monday, December 5th the Senate Community Affairs Committee met and considered several bills.

SB 440 by Senator Mike Bennett (R-Bradenton) was considered and passed unanimously with one technical amendment added. The proposal authorizes a local government to retain certain initiatives or referendum processes in regard to any development order or in regard to any local comprehensive plan amendment or map amendment which was in effect as of June 1, 2011. The intent is to end several law suits challenging last session’s growth act which prohibited those types of amendments, but failed to include any grand fathering of existing ones.

SB 440 has one final stop in the Senate Budget Committee.

AIF SUPPORTS legislation to protect the integrity of local government planning efforts.

Another growth management measure sponsored by Senator Bennett, SB 600 Relating to Electronic Filing of Construction Plans, was also amended with a technical amendment and passed unanimously. This legislation authorizes building code administrators or building officials to accept electronically transmitted construction plans and related documents for permit approval purposes.

SB 600 has one final stop is the Senate Regulated Industries Committee. The House companion – HB 387 by Representative Larry Ahern (R-St. Petersburg) – was amended to be identical to the Senate bill and then passed unanimously out of the House Economic Affairs Committee. HB 387 will now proceed to the floor of the House.

AIF SUPPORTS legislation that will promote cost savings due to increased government efficiency in the review of construction plans, and thus, increased timeliness in the processing of building permits.

Insurance

On Wednesday, December 7th the Senate Banking & Insurance Committee approved SB 578 by Chairman Garrett Richter (R-Naples). The bill authorizes surplus lines insurers to take policies out of Citizens under certain conditions. The bill passed after a contentious debate between Chairman Richter and Senator Fasano (R-New Port Richey), a staunch supporter of Citizens. Senator Fasano argued that the lack of rate regulation and Guarantee Fund protection for surplus lines policies would be detrimental to policyholders taken out of Citizens. Chairman Richter cited the need to reduce Citizens’ growth and thus, the possibility of additional hurricane taxes on Florida policyholders. He also pointed out that policyholders would have to agree to the switch and could return to Citizens if they became dissatisfied with their surplus lines insurer.

SB 578 will now proceed to the Senate Budget Committee before heading to the full Senate. The companion bill – HB 245 by Representative Jim Boyd (R-Bradenton) – was approved on November 2nd by the House Insurance & Banking Subcommittee and will be heard next by the House Economic Affairs Committee.

AIF SUPPORTS legislation to return Citizens to an insurer of last resort. AIF also SUPPORTS restoring the Florida Hurricane Catastrophe Fund (Cat Fund) to a safety buffer for Andrew-sized storms.

Also on Wednesday, both the House Insurance & Banking Subcommittee and the Senate Banking and Insurance Committee received testimony on proposals addressing motor vehicle personal injury protection insurance issues, but no votes were taken. Most of the testimony centered on capping attorneys' fees and the licensing of medical clinics that derive a substantial percentage of their business from PIP claims.

AIF SUPPORTS legislation to reduce Personal Injury Protection (PIP) claims costs.

Environmental

On Thursday, December 8th the Environmental Regulations Commission (ERC) unanimously approved the proposed rule by the Florida Department of Environmental Protection to set numeric nutrient criteria for Florida water bodies. The ERC approved revisions to Chapter 62-302 (Surface Water Quality Standards) and Chapter 62-303 (Identification of Impaired Surface Waters). These rules contain numeric nutrient standards for lakes, flowing waters (streams), springs, and estuary-specific criteria for several estuaries. The new rules will replace the US Environmental Protection Agency's (EPA) numeric nutrient criteria that were promulgated for Florida's lakes and flowing waters last November, if approved by EPA.

There were 26 amendments offered. The first 18 amendments were technical in nature such as scrivener's errors and clarifications. The remaining amendments were substantive changes to the original rule. A copy of the Amendment Key can be found [here](#). Substitute amendments were offered to Amendment numbers 18, 20 and 25. All of them were adopted.

The most important amendments adopted were the substitute amendments to number 20 and 25. Substitute Amendment number 20 contains language to address the canal and drainage ditch issue. Substitute amendment number 25 states that Florida will follow one set of rules; either the one by the state or by EPA. If any provision of these rules is determined to be invalid by EPA or in any administrative or judicial proceeding, then the entirety of these rules shall not be implemented.

The last amendment included in the packet was not approved. It was offered by Linda Young of the Clean Water Network but no ERC member would offer the amendment to be considered for a vote. Therefore, it was not adopted.

Now that the ERC has approved the rules, they need to be ratified by the Florida Legislature and approved by the EPA.

Florida has been singled out by EPA to establish numeric nutrient criteria for our state's waters. With the rules as amended, Florida will have the most comprehensive water plans in the country. AIF believes with the new rule the cost for the state to set water standards will be significantly less than previously estimated. The draft economic analysis by FSU estimates the cost to obtain these standards would be \$55 million to \$160 million annually. We also believe the new standards are achievable by the regulated community.

AIF acknowledges all the work FDEP had done over the years on this very important issue. Without clean water, Florida cannot continue to prosper and we appreciate the Department's dedication to this issue.

AIF ENCOURAGES the Florida Legislature to ratify the proposed numeric nutrient criteria rule proposed by the Florida Department of Environmental Protection.

The House Agriculture & Natural Resources Subcommittee met on Tuesday to consider proposed committee bill (PCB) ANR2 which establishes a statewide Environmental Resource Permit. This legislation is a high priority of the Florida Department of Environmental Protection (DEP) and the business community. 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.

Three amendments were adopted and the proposed committee bill was passed unanimously. **Keyna Cory, Senior Lobbyist for AIF**, waived in support of **ANR2**.



AIF and its Environmental Sustainability Council support a statewide Environmental Resource Permit. Instead of having 5 different interpretations and inconsistent applications, there will be one interpretation guided by DEP. With a statewide ERP no longer will we see different outcomes for similar projects. Instead, we will have consistent, predictable outcomes no matter where your business may be located.

ANR2 has been filed as HB 7003 and will be assigned to further committees of reference.

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

The same committee also took up another top priority for AIF and the business community – HB 503 by Representative Jimmy Patronis (R-Panama City). This proposed legislation is very similar to the regulatory reform bill passed last session in the House.

Some of the important streamlining measures contained in this bill include shortening the time frame to receive a permit, extending the duration of some permits and eliminating redundant federal, state and local reviews.

A total of four amendments were offered. The amendments:

- Change the beach re-nourishment language to make it identical to that found in Senators Mike Bennett (R-Bradenton) & Dennis Jones' (R-Seminole) bill on this issue;
- Strike language from last year's bill about double wall petroleum tanks;
- Change the definition for "blended gasoline" to include other renewable fuel; *and*
- Remove language regarding inland ports since it has been addressed in legislation passed last session

Several of the environmental group voiced their concerns on sections of the bill dealing with self-certification, reduction in permit approval time, changing the zone of discharge and the repeal of the septic tank inspection.

Keyna Cory waived in support for the amended bill along with several other business organizations.

The bill passed with only one no vote by Representative Michelle Rehwinkel Vasilinda (D-Tallahassee).

HB 503 will now advance to the House Rulemaking & Regulation Subcommittee for further consideration by its members. A similar measure in the Senate – SB 716 by Senator Mike Bennett (R-Bradenton) has been referred to the Senate Community Affairs Committee.

AIF SUPPORTS efforts to streamline permitting across all state agencies. Regulatory reform is vital to the business community. This legislation will give businesses much needed regulatory relief and reforms regulatory permitting processes with local governments, water management districts and the Department of Environmental Protection.

Taxation

On Wednesday, December 7th Chair Anitere Flores (R-Miami) welcomed Senator David Simmons (R-Altamonte Springs) to explain Senate Joint Resolution (SJR) 314 on Ad Valorem Taxation.

Senator Simmons explained that the resolution would take the place of HJR 381 that passed last session and is scheduled to be on the ballot in the November 2012 general election, if passed.

He further explained that SJR 314 amends the constitution to permit the Legislature to prohibit increases in the assessed value of homestead and certain non-homestead property if the just value of the property increases. This is called the recapture problem which currently allows the Property Appraiser to recapture assessment lost to “Save Our Homes” when the just value goes down.

He went on to say the resolution reduces the limitation on annual assessment increases applicable to non-homestead property from 10% to 7%. The current Amendment 4 (HJR 381) would reduce this from 10% to 5% and Senator Simmons noted that he is still working on this issue because there are a number of members who want to stick with the 5%.

He said the most favorable feature of the SJR for homestead owners is what he called the super homestead exemption which is a percentage of the value with certain limits. This exemption is available to all homesteaders rather than just first time home buyers. Senator Simmons said that this will help us regain our loss in migration from other states. In addition, Senator Simmons said this super exemption saves homesteaders in Florida \$565 million.

Senator Oscar Braynon (D-Miami Gardens) said he could not support the resolution because of the cost to local government and the reduction in services that would result from the large loss of property tax revenue.

Trey Price with the Florida Association of Realtors testified in opposition to the 7%, saying that the Realtors had worked hard to get the 5% cap that is in Amendment 4. He added that he would continue to work with Senator Simmons and that the Realtors did like the super homestead exemption provision.

In debate, Senators Andy Gardiner (R-Orlando), John Thrasher (R-St. Augustine) and Garrett Richter (R-Naples) each supported the entire resolution, particularly the super homestead exemption.

The Resolution passed with only Senator Braynon voting against it.

HJR 314 has one remaining stop in the Senate Budget Committee before proceeding to the Floor for final consideration.

AIF will continue to monitor this proposal closely as it moves through the process and we look forward to working with Senator Simmons on finding ways to reduce the impact of property taxes on employers.

Representative John Wood (R-Haines City) introduced HB 103 Relating to the Transfer of Tax Liability by stating it was the same bill that had passed the House by a vote of 116-0 last session.

Representative Wood further explained that the bill changes the process for purchasing a business that may have an unpaid tax. Today the transferee assumes the tax liabilities unless an exception applies. Today there are three different statutes that apply to tax liability; one for sales tax liability, one for communications services tax and another for state taxes in general. The bill repeals the two specific statutes and amends the statute relating to all taxes owed to the state.

The bill allows the transferee to take the business without assuming the transferor's liability under either of these circumstances:

- Obtain a certificate of compliance for the Department of Revenue (DOR) that the business owes no back taxes; *or*
- Request an audit by DOR within 90 days to find out that the transferor is not liable for any outstanding taxes.

Representative Charles Van Zant (R-Palatka), citing lines in the bill's language, asked who was responsible for the cost of the audit. He was answered that the cost of the audit was the transferee who requested the audit responsibility. There were no further questions or debate. Associated Industries of Florida, the Florida Bankers Association and others waived their time in support. Representative Wood waived his close and the bill passed unanimously.

HB 103 has passed its final committee of reference and will be placed on the House Calendar. The identical measure in the Senate – SB 170 by Senator Thad Altman (R-Melbourne) – awaits hearing in the Senate Commerce & Tourism Committee.

AIF SUPPORTS legislation that will make Florida more attractive for potential buyers of businesses by providing certainty on not having to assume any outstanding tax liabilities or clarifying the maximum tax liability if the buyer agrees to assume them.

Workforce Development

On Tuesday, December 6th the House Business and Consumer Affairs Subcommittee, chaired by Representative Doug Holder (R-Sarasota), took up and passed a **Proposed Committee Bill (PCB BCAS 12-01)** that would codify tighter state fiscal and administrative control of the state's 24 regional workforce boards. The legislation was anticipated following a November hearing by the subcommittee where a state audit revealed that the boards doled out more than \$7.5 million in contracts to entities involving board members during the period from 2008 to 2010. Reformation of the regional workforce boards has since become a priority of Governor Rick Scott.

The PCB was carried by Representative Jason Brodeur (R-Sanford), the Subcommittee's Vice Chair. It passed by a vote of 9-4, with Democrats voting in opposition after arguing that the bill unnecessarily expands the state's role into local decisions.

Representative Darryl Rouson (D-St. Petersburg) asserted that locals should be permitted to clean up their own “mess”. The difficulty with that argument is that the regional boards operate by using Federal funds drawn down by State of Florida, so the state is ultimately responsible for the fiscal oversight of the funds.

The PCB 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 regional workforce board chairs and the respective President/CEOs to serve at the approval and pleasure of the Governor.
- 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.
- Direct Workforce Florida, Inc., to evaluate the means to establish a single, statewide workforce system brand for Florida by June 1, 2012.

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 PCB will now be introduced, numbered, and “first read”; it will then be referenced by the Speaker to other House committees for debate and consideration.

Economic Development

On Wednesday, December 7th the Senate Commerce and Tourism Committee took up **Proposed Committee Bill (PCB) 7014**, which implements the recommendations in Senate Interim Report 2012-302. Currently, certain business records are confidential and exempt from Florida’s public records requirements when held by an economic development agency (such as the Department of Economic Opportunity and Enterprise Florida, Inc.) and are requested to be exempt by the affected business. The categories of information to remain confidential and exempt include the following: business plans, intentions and interests; trade secrets; proprietary confidential business information; identification, account, and registration numbers; and information related to economic incentive programs. This public records exemption is statutorily set to be repealed on October 2, 2012.

This legislation would continue the public records exemption by removing the repeal date and requires passage by a two-thirds vote of the Senate and House of Representatives in order to become law.

The Commerce and Tourism Committee recommended this legislation favorably. The proposal has been officially filed as SB 1206 and will be assigned to further committees of reference.

AIF SUPPORTS this legislation, which will continue to foster a positive environment in Florida for businesses, engaged in economic development. It is imperative that companies in Florida are able to conduct their business without the fear that proprietary information will be disclosed to the public.

The Senate Commerce & Tourism Committee took up another **Proposed Committee Bill – PCB 7014** Related to Government Reorganization. In 2011, the Legislature, in conjunction with Governor Scott, undertook a massive reorganization of state agencies related to economic development, folding the Department of Community Affairs (DCA), the Agency for Workforce Innovation (AWI) and the Office of Tourism, Trade and Economic Development (OTTED), into a new state agency called the Department of Economic Opportunity (DEO). The law also merged several public/private partnerships into Enterprise Florida, Inc. (EFI). In order to implement this overhaul, scores of statutory references were updated to reflect the name of the new Department.

Senate Interim Report 2012-112 reviewed the effected statutes and found several references remaining in statute to the Department of Community Affairs, Agency for Workforce Innovation, and the Office of Tourism, Trade & Economic Development. Some of these references exist due to other laws passed in the 2011 Regular Session. Additionally, committee staff discovered some idiosyncrasies due to multiple revisions of the original bill. Some agencies and transition coordinators also directed staff to inappropriate changes in references. PCB 7014 updates provisions or references which were enacted by other chapter laws, revises provisions or references which were drafting errors and repeals any remaining outdated provisions.

Members of the Senate Commerce & Tourism Committee reported this proposed legislation favorably, which has since been re-filed as SB 1204.

AIF has SUPPORTED the creation of the Department of Economic Opportunity from the beginning, and also supports this legislation, which further clarifies statute in order to implement the changes that were made in the 2011 session.

Business Regulation

On Wednesday, December 7th the House Civil Justice Subcommittee overwhelmingly passed HB 609 Relating to Wage Protection for Employees by Representative Tom Goodson (R-Titusville).

The term “wage theft” is used to describe the failure of an employer to pay any portion of wages due to an employee. At the present, Counties and municipalities have broad home rule powers that allow local governments to enact ordinances as long as the subject matter is not preempted to the state.

Simply, HB 609 provides that the regulation of wage theft is expressly granted to the state and preempts local governments.

HB 609 has one remaining stop in the House Judiciary Committee. The Senate companion – SB 862 by Senator David Simmons (R-Altamonte Springs) – is currently in the Senate Community Affairs Committee.

AIF SUPPORTS legislation that will clarify the state’s authority to pre-empt local governments from regulating wage theft. A “patchwork” arrangement of local ordinances provides confusion and uncertainty to Florida’s employers.

On Monday, December 5th the Senate Committee on Agriculture unanimously passed SB 604 Relating to Limited Certification for Fertilizer Application by Senator Charlie Dean (R-Inverness). This bill will allow trained and certified professionals to operate in a manner that does not unduly hinder their ability to practice their trade or remain fearful of being regulated out of existence by local governments. The bill will recognize that the practices of state certified applicators are to be treated differently than those

who are not. The proposed legislation would seek to exempt the regulated community from the ongoing efforts of local governments to adopt “one-size fits all” ordinances that seek to impose restrictions on product composition and create out-right prohibitions on use.

Passage of this bill will prevent businesses from having to comply with a patchwork of different local ordinances; thereby, making it easier and more inexpensive to operate.

SB 604 will now proceed to the Senate Environmental Preservation and Conservation Committee. The House measure – HB 421 by Representative Jimmie T. Smith (R-Lecanto) – is waiting to be heard in the the House Community and Military Affairs Subcommittee.

AIF SUPPORTS legislation that addresses the labyrinth of inconsistent, unscientific and arbitrary county and municipal ordinances which address the fertilization of urban turf, lawns, and landscapes.

Transportation

On Tuesday, December 6th Florida Department of Transportation (FDOT) Secretary Ananth Prasad gave a presentation on the FDOT Work Program to the House Transportation & Economic Development Appropriations Subcommittee. Secretary Prasad presented the 2011-12 FDOT Fiscal Budget which is as follows, \$7 Billion – Work Program, \$857 Million – Operating, and \$2 Million – Fixed Capital Outlay. Sec. Prasad acknowledged that the Work Program Development process is ahead of schedule because of redistricting. Secretary Prasad is forecasting that 2012 will be a good year for contract letting, however, 2013 will lead to a drop off and FDOT will be looking for P3 projects to fill the gap. Current 2011-12 FDOT contracts are at record low prices and Secretary Prasad referred to this as a “buyers market”, stating the now is the time for the state to stretch its infrastructure dollar. Looking toward 2012, Secretary Prasad expects the letting of \$2.1 Billion.

Due to lower gas tax receipts, the most recent Revenue Estimating Conference numbers would lead to a \$1.2 Billion cut in FDOT funding. FDOT would meet these cuts in two ways: (1) Program-wide actions = \$618 million (2) \$914 million in future commitments.

Representative Hazelle Rogers (D-Lauderhill) asked about High Speed Rail and if it would ever be an option for Florida in the future? Secretary Prasad believes HSR is still on the table, although he explained it is currently very expensive and there isn’t enough private sector support. As technology advances, costs will decrease and the private sector will step up.

Committee Chairman Mike Horner (R-Kissimmee) reiterated concerns about the way FDOT infrastructure dollars are distributed to each district. He recognizes that there is a formula to the spending, but would like to have FDOT take a look and possibly make changes to the formula. Representative Horner also reminded the committee that FDOT has seen their budget slashed by 30% since its high point and that members should be sensitive when making cuts in the transportation budget.

Also presenting before the House Transportation & Economic Development Appropriations Subcommittee on Tuesday was Florida Department of Highway Safety and Motor Vehicles Secretary Julie Jones. She updated members on the Law Enforcement Consolidation Task Force recommendations.

One recommendation was to combine Agriculture and FHP weigh stations. After careful review, the Task Force decided against complete consolidation, as most of the Agriculture and FHP weigh stations are different scales and could not be combined. The Task Force did recommend three locations where

DoACS and FHP could consolidate their weigh scales. The Task Force has a small sub-group looking into this.

On Thursday, Governor Scott's office presented their transportation budget requests to the Senate Budget Subcommittee on Transportation, Tourism, and Economic Development. Gov. Scott is requesting \$6.7 Billion for the FDOT. Due to a decrease in Gas Tax revenues, this is \$1.2 Billion less than in FY 2011-12. The breakdown will be as follows:

- \$5.9 Billion – Transportation Work Program (includes funding for seaports, airports, transit systems, railways, and roadways)
- \$729 Million – Operations, Administration, and Support Services
- \$103.9 Million – Transportation Disadvantaged Services
- \$6.6 Million – Fixed Capital Outlay – Maintenance and Repairs
- Gov Scott's office cut \$1.9 million and 38 FTE from FDOT.

Senator Don Gaetz (R-Destin) expressed concern about the \$1.2 Billion decrease. He inquired if the Governor had any ideas to provide additional funding to try and close the gap. Currently, the Governor does not, however his office is looking at more ways to use managed toll lanes across the state to increase revenue.

Space

On Thursday, December 8th the House Economic Affairs Committee met to consider HB 97 Relating to Spaceport Facilities by Representative Ritch Workman (R-Melbourne).

The bill amends current law by defining the term "launch support facilities" and deleting the term "spaceport launch facilities." Proponents of this legislation, including AIF and Space Florida, maintain that the bill will provide for:

- The ability to better fund infrastructure upgrades and improvements to space-related facilities by using SIS monies more appropriately for space infrastructure projects not airport related; *and*
- The alignment of federal and state definitions so that any future federal grants may qualify for the same projects.

HB 97 passed with unanimous consent and will now be placed on the House Calendar to be considered by all members. The Senate proposal – SB 634 by Senator Lizbeth Benacquisto (R-Wellington) – also passed unanimously this week and has been placed on the Senate Calendar for second reading.

AIF SUPPORTS this legislation as a means of providing Florida's aerospace industry with the proper incentives to create jobs in a variety of high-value-added sectors.

On Tuesday, December 6th the House Business & Consumer Affairs Committee met to consider HB 59 Relating to Spaceport Territory by Representative Lake Ray (R-Jacksonville). This legislation will designate Cecil Field in Jacksonville as one of Florida's Spaceport Territories. Furthermore, the bill permits the board of directors of Space Florida to designate real property within the state as a spaceport territory if the property has been licensed by the FAA as a spaceport or if the property serves as space-related infrastructure.

A technical amendment was adopted and the bill was subsequently passed with unanimous consent.

HB 59 will now advance to the House Transportation & Economic Development Appropriations Subcommittee for consideration by its members. The Senate companion – SB 110 by Senator Stephen Wise (R-Jacksonville) – has been sub-referred to the Senate Budget Subcommittee on Finance and Tax where it awaits further debate.

AIF SUPPORTS legislation that will potentially increase the economic development and commercial space business in Florida. Furthermore, Florida will remain competitive in attracting commercial ventures, such as space tourism when the space tourism industry progresses.