



FOR APRIL 30, 2001

Unified Communications Tax

[CS/CS/SB 1878](#) by Sen. Jim Horne (R-Orange Park) was amended and received preliminary approval by the Senate today. The bill will now role over to third reading for final approval by the Senate. The bill provides for a “unified communications” tax, combining seven current communications service taxes that are unevenly applied and confusing, both for the taxpayer and the state. This unification is designed to be revenue neutral.

The current laws governing taxation of communications services in Florida are not keeping pace with converging industries, advancing technology and bundling of services. When most of the laws were written, there was one telecommunications company providing all your communications needs. But, there have been many changes since then. Instead of one single regional provider, there are many different companies providing a varied array of electronic communications services.

An equitable and efficient solution is a single, unified tax imposed by the State and administered by the Department of Revenue on all electronic communications services. This would include wire line and wireless telecommunications, paging, data communications, cable TV, and satellite TV. The new unified tax is intended to be revenue neutral for the state and local government. Customer bills will be easier for consumers to understand since there is but one state tax and not five different ones, each with a different tax base. The 2000 Legislature actually passed the unified communications tax, but the 2001 Legislature *will have to pass the new tax rate*. AIF supports the effort to establish a unified communications tax statewide.

A unification of the communications tax base under one simplified services tax would provide equity among the telecommunications service providers, a tax process the consumer can understand and a more predictable revenue stream for the state and local governments.

Workers' Compensation

The House passed two workers' compensation bills today. First, [HB 1655](#) by Rep. Donna Clarke (R-Sarasota), crafted to transfer the Division of Workers Compensation to the Department of Insurance, and the judges of compensation claims to the Division of Administrative Hearings, was adopted on a 73-41 vote. Secondly, [CS/HB 1803](#) by Rep. Leslie Waters (R-Largo), the so-called "non-controversial bill," which provides numerous administrative and procedural reforms, was adopted on a 118-0 vote.

Both bills were written to create greater accountability, to expedite the administration and procedures within the workers' compensation system and to enhance efficiency, saving Florida's employers money.

Constitutional Amendments Election Procedure

By a vote of 27-11, the Senate approved [SJR 1426](#) by Sen. Bill Posey (R-Rockledge) to amend the state Constitution to require more than a simple majority to approve future amendments to the State Constitution. The Senate first approved an amendment by Sen. Jim King (R-Jacksonville) to put the super-majority at 55 percent rather than the 60 percent approved last week. This means that voters will be asked to approve, by a simple majority, an amendment to the State Constitution that will require that future amendments to the State Constitution must be approved by at least 55% of the voters.

The motivation for this Senate Joint Resolution largely stems from the voters' somewhat cavalier approval of an amendment to the Florida Constitution mandating a high-speed rail system be built for the State. The economics of such a mandate never seemed to enter into the debate as if the Constitutional amendment would somehow make this high speed rail system magically appear. The legislation is intended to set the bar necessarily a little higher for amending our state's most important civil document in order to avoid future proposed amendments that might not take the economic impact on the state into consideration.

Paycheck Protection for Florida Teachers

[HB 1943](#) Rep. Brummer (R-Apopka) and the Committee on State Administration won approval by the House today, but not without some effort. The bill initially suffered defeat by a combination of solid Democratic opposition and a few Republicans who were not totally comfortable with the bill. The bill was later brought up again, after a motion was made for reconsideration, and the bill was adopted.

The bill is a simple, straightforward measure that protects the First Amendment rights of Florida teachers. The bill provides the following:

Allow school districts to collectively bargain on the collection of union dues through payroll deduction. This allows districts to choose what to do on this matter and maintains local control. Allow for dues that may be automatically deducted to fully cover collective bargaining, contract administration, and grievance adjustment costs.

Respects teachers by protecting their free speech rights. Unions may not force teachers to automatically fund the union's social, political, ideological, or other activities.

Nothing in this bill prohibits a union from collecting dues for social, political, or ideological activities – how these monies are collected are solely a private matter between the union and the teacher. Any teacher can make a voluntary contribution to support these activities.

Why is this bill directed to teachers?

Because they are so important. Florida is facing a critical shortage of teachers. The State anticipates it will need an additional 162,000 new teachers over the next 10 years to meet this challenge. Therefore, the State must make every effort to attract talented individuals into the teaching profession in Florida, including the retention of our current teachers.

What options are available for teachers? Right now there are only 2 options for teachers: Join the teacher union to obtain collective bargaining representation, and fully fund that union's political agenda, or don't join the union. This bill provides a 3rd option for teachers: Join the union AND be able to choose to whether or not to contribute to political causes.

Currently, the teacher's union is an enormous political machine which, at least publicly, marches in lock step. As the bill's troubles aptly demonstrated on the House floor today, the union was able to marshal its communications network in shrill and incessant opposition to the bill. In keeping with the usual union *modus operandi*, much of what had the teachers so alarmed about the bill was either untrue or misleading. The bill simply allows teachers to decide how the union spends their money related to political activity. What's wrong with that?

HB 1943 provides choice, improves local control, protects the free speech rights of teachers, and provides more choices to teachers. AIF supports this bill.

Stay tuned to our daily brief and to our web site at www.fbnet.com as the legislature makes some very important decisions on the state's economy. These decisions will have a major impact on the business community and AIF will be reporting to you everything that happens.

This report was prepared by Curt Leonard, Manager – Governmental Affairs at Associated Industries of Florida (AIF). Please send your comments or suggestions to us at aif@aif.com or call the Governmental Affairs department at (850)224-7173.

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- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.