

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
WEEKLY UPDATE**



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FROM THE WEEK OF MARCH 19 – MARCH 23, 2006

The 2007 session is quickly approaching its midpoint. The third week of session is officially in the books and some committees are quickly running out of dates to hold meetings. As we get closer to the last weeks of session, the emphasis will be placed on the various councils in both the Senate and House. This week, the House passed two of AIF's top priorities for this year's session – the reduction of the Communications Services Tax and legislation creating a statewide cable TV franchise process.

Next week promises to be interesting as well. We expect the Senate Judiciary Committee to take up SB 1558 by Senator Jeremy Ring (D-Margate). Defeating this bad bill is the business communities' number one priority since it undermines last year's repeal of the doctrine of Joint & Several liability.

Make sure you check out Barney Bishop's testimony in front of the House Energy Committee as he speaks in opposition to Representative Mary Brandenburg's (D-Lake Worth) proposed constitutional amendment that would ban offshore oil drilling in the Gulf of Mexico. A link to this video can be found in this week's report.

Property Insurance Reform

On Tuesday, March 20th the House Job and Entrepreneurship Council approved proposed council bill (PCB) JEC 07-03 Relating to Hurricane Damage Mitigation. The PCB seeks to streamline and make improvements on the existing "My Safe Florida Home Program," which was established during the 2006 legislative session. The "My Safe Florida Home Program" appropriated \$250 million to provide financial incentives for Floridians to retrofit their properties, thus making them less vulnerable to hurricane damage. The program also provides for free home inspections and creates a process whereby the state offers matching grants to homeowners that meet the criteria established by the program.

Specifically, this year's PCB creates a new no-interest loan program to be administered by the Department of Financial Services (DFS). The program will provide loans in the amount up to \$5,000 for homeowners to use for mitigation. In addition, the PCB also increases the amount of funding for mitigation efforts for manufactured homes and streamlines the inspection process by allowing inspectors to take online continuing education courses.

On Friday, March 23rd the House Policy & Budget Council considered the PCB, which has been assigned a bill number – HB 7057 Relating to Hurricane Damage Mitigation. The bill was once again presented by Representative Trey Traviesa (R-Tampa) and it received one amendment which changed the funding source for the FSU Center of Excellence to \$1 million dollars from general revenue.

HB 7057 was unanimously passed by the Council and is now ready to be considered on the floor of the House.

AIF supports legislation aimed at strengthening, expanding, and fully funding Florida's home hardening efforts. We are encouraged to see that many of AIF's and its Florida Hurricane Crisis Coalition's (FHCC) recommendations have found their way into this proposed council bill and we look forward to working with the Legislature on finding ways to encourage commercial mitigation as well.

Property Tax Reform

On Friday, March 23rd the House Policy & Budget Council passed proposed council bill (PCB) PBC1. The bill is a proposed constitutional amendment that exempts homestead property from state mandated property tax levies for school districts and offsets that revenue with a 1 cent sales tax. The constitutional amendment would also allow counties to exempt homestead properties from property taxes levied within the county and offset that revenue with a 1 cent sales tax. Approval of this proposal would be by citizen referendum. It also allows school boards to exempt homestead property from all remaining property taxes for schools and offset that revenue with a .5 cent sales tax. In addition, the constitutional amendment would limit millage rates to 2003-2004 levels plus inflation. Last but not least the amendment would exempt from property tax the first \$25,000 of tangible personal property value for businesses and grants the legislature authority to provide property tax relief for renters.

As expected, there was a lengthy debate on this proposed constitutional amendment on both sides of the aisle. Representative Jack Seiler (D-Pompano Beach) was uncomfortable with the lack of relief for non-Homestead/commercial property. He also did not like the arrangement for landlords and renters. The landlords would get tax relief, but there are no assurances these savings would be passed onto the residents. Representative Seiler also stated he would like to see some sort of model used by local government to distribute the revenues. He said he is looking for meaningful tax relief with a formula for distribution. He had a problem with penalizing financially responsible counties, requiring unanimous votes for tax increases, and the inequity of relief. Representative Don Brown (R-DeFuniak Springs) noted that under this proposal commercial property owners would have to pay the same ad valorem tax and the increased sales tax. In affect, they would be double-taxed.

At this time AIF is reviewing all the property tax reform proposals being debated and working on developing alternative solutions in order to find the right combination of policy decisions that will reduce property taxes for businesses and citizens, while at the same time protecting the vital services provided by local governments.

Workforce Housing

On Monday, March 19th the House Infrastructure Committee unanimously approved HB 1375 Relating to Affordable Housing by Representative Mike Davis (R-Naples). HB 1375 seeks to make improvements on last year's landmark affordable housing legislation that was also sponsored by Representative Davis. This year's bill contains many of the recommendations made by the House Workgroup on Affordable Housing, which met throughout last fall and was chaired by the bill's sponsor. HB 1375 contains several provisions that further encourage and incentivize the establishment of affordable housing such as:

- authorizing local governments to grant an exception to concurrency requirements for transportation facilities and to exempt certain trips from the concurrency requirement when considering proximity of affordable housing to employment centers;
- creating the Affordable Housing Property Tax Relief Initiative and providing criteria to be used in assessing just valuation of certain affordable housing properties serving extremely-low-, low-moderate-, and very-low-income persons, and requiring a rental income approach for assessment of specified affordable housing properties; and
- removing the pilot status of the Community Workforce Housing Innovation Program (CWHIP).

AIF supports legislation that provides additional incentives for local governments to offer and support additional affordable housing projects. Florida's employers rely on the ability of their employees to find a place to live, preferably close to the jobsite. We are particularly encouraged to see specific provisions that address the proximity issue.

Workforce Development

On Tuesday, March 20th the House 21st Century Competitiveness Committee unanimously approved HB 1161 by Representative Kevin Ambler (R-Tampa) Relating to the High School to Business Career Enhancement Program. The program is established to offer high school students in each school district the opportunity to participate in an internship program with a local business that has partnered with the district to offer such opportunity. As an incentive to participate in this program, the businesses that partner with a school district to provide paid internships will receive a credit for fifty percent of the total wages paid to each student during the internship. Students are not authorized to

work more than twenty hours a week and businesses may claim up to four internships each year.

HB 1161 will now be heard by the House Schools & Learning Council.

AIF supports legislation that encourages schools boards to establish partnerships with the private sector aimed at making easier for our students to gain valuable on-the-job experience. Better prepared students equal a better trained workforce; one that will be able to meet the demands of the global economy.

On Thursday, March 22nd the Senate passed SB 1232 Relating to Career & Professional Education by Senator Don Gaetz (R-Niceville). This bill is a comprehensive approach to revising career education within career and professional academies in our public schools. Among other provisions the bill:

- Defines career and professional academies (academies) as public high school academies that offer a rigorous and relevant curriculum that leads to industry-recognized certification in high demand occupations, a standard high school diploma, and opportunities for high school students to simultaneously earn college credit
- Requires the Agency for Workforce Innovation (AWI) to identify appropriate industry certifications based on the highest national standards available. The bill requires the Department of Education to work with Workforce Florida and Enterprise Florida to collect and analyze academic achievement and performance data of students participating in academies

The final floor vote was 33-4. SB 1232 will now be sent to the House for consideration.

AIF supports innovative programs in education that will help prepare students to compete in a global economy and that will place these students in contact with the businesses and companies that will eventually hire them.

Taxation

On Thursday, March 22nd the House of Representatives unanimously (112-0) passed HB 567 Relating to the Communications Services Tax by Representative Ron Reagan (R-Sarasota). The bill lowers the Communications Service Tax (CST) by .25%, effective January 1, 2008, which is about a \$40 million tax cut for the citizens of Florida.

HB 567 will now be sent to the Senate for consideration. We expect its Senate companion, SB 980 by Senator Mike Haridopolos (R-Melbourne), to be heard in committee next week.

AIF supports legislation that reduces the CST because it helps businesses and consumers, especially those with lower incomes, spend less of their hard earned dollars on additional taxes.

On Tuesday, March 20th the Senate Finance & Tax Committee approved three sales tax exemption bills strongly supported by AIF. The first was SB 90 Relating to Motor Fuel Taxes/Commercial Aviation by Senator Jim King (R-Jacksonville). This bill provides a refund of the motor fuel sales tax to companies that purchase and use motor fuel to operate aviation ground support vehicles. The only stipulation is that these vehicles not operate on public roads. In his brief presentation, Senator King explained that while this refund was pretty miniscule in the grand scheme of things (approximately \$200,000) it was a good way to provide the airline industry with an “olive branch.”

AIF supports providing refunds on motor fuel taxes to the airline industry as an incentive for these companies to perhaps expand their services in the future.

Also approved was SB 92 Relating to Hurricane Preparedness/Sales Tax by Senator Carey Baker (R-Eustis). This is the third year in a row that the Legislature has sought to pass a sales tax holiday for hurricane supplies. The bill establishes a sales tax holiday starting on June 1, 2007 on items such as weather band radios, coolers, flashlights, tie-down kits, batteries, portable generators, etc. The sales tax holiday would be in affect for twelve days. Senator Baker described his bill as “good government policy disguised as a tax break.”

On Friday, March 23rd the House Policy & Budget Council passed SB 92’s House companion, HB 211 by Representative Peter Nehr (R-Tarpon Tower). HB 211 is now ready to be considered on the floor of the House.

The Senate Finance & Tax Committee also approved SB 1456 Relating to Sales Tax/School Supplies & Clothing by Senator Dan Webster (R-Winter Garden). SB 1456 provides that no sales tax will be collected on sales of books, clothing, wallets, or certain bags having a selling price of \$100 or less during the period from July 21 through July 30, 2007. The bill also exempts school supplies costing \$10 or less from sales tax during the same period.

The bill was amended to push back the sales tax holiday’s start date to August 4, 2007 in order to accommodate for the new school start date that was established last year.

During debate, Senator Steve Geller (D-Hallandale Beach) expressed concerns with implementing this tax holiday in a year where state revenues are projected to be much lower than anticipated, but eventually ended up voting for the bill out of respect for Senator Webster.

AIF supports increasing business activity by allowing Floridians to purchase essential hurricane and school supplies without having to pay sales tax.

State-Issued Cable Franchises

On Thursday, March 22nd the House of Representatives passed HB 529 Relating to Cable TV/Video Service Franchises by Representative Trey Traviesa (R-Tampa) by a vote of 104-8. Representative Traviesa introduced the bill and described it as an end to anti-consumer monopolies established by local governments. The bill provides for a statewide cable TV franchise process administered by the Department of State (DOS) rather than the existing method of obtaining franchises from negotiations with local governments. The effect of the change would be to expedite cable TV competition throughout the state. The bill also repeals future phone rate increases as a result of vibrant competition in the local phone market. It also ensures access to Lifeline phone service, a program to give needy citizens \$13.50 off the cost of land line phone service, by requiring state agencies to help qualified Floridians enroll in the program. This is particular provision is a priority for Governor Crist (R).

HB 529 will now be sent to the Senate for consideration.

Almost simultaneously, the Senate Communications & Public Utilities Committee was considering HB 529's Senate companion, SB 998 Relating to Communications by Senator Mike Bennett (R-Bradenton). Senator Bennett offered a strike all amendment to his bill that essentially replaced the original language with HB 529's language.

Then Senator Fasano offered an unfriendly amendment that required all new entrants into the cable market to be subject to build out provisions designed to serve all low-income communities. Essentially, this amendment would mandate how new competitors must provide their services without allowing the free market to dictate the actions of future cable providers. After vigorous debate and much public testimony, the amendment passed.

Senator Lee Constantine (R-Altamonte Springs) offered an amendment to sunset the bill in 2012, in an effort to encourage the parties to try to work out their differences and come to a compromise. His amendment failed.

AIF supports legislation to allow for state-issued cable franchises because it opens up the cable market to the free market. Increased competition will only ensure better service, a better product, and more importantly, lower prices for the citizens and businesses of our state.

Economic Development

The House Economic Development Committee passed a series of bills dealing with venture capital and the commercialization of products developed through research efforts at Florida's universities on Monday, March 19th. HB 1521 Relating to the Sure Ventures Program by Representative Gayle Harrell (R-Port St. Lucie) is the main substantive bill. HB 1521 creates the Sure Ventures Commercialization Program to finance through grants the commercialization of products and services developed through research and

development at public universities in Florida. The goal is to convert goods or services produced by public universities into consumer products. The bill creates an entity called Sure Ventures Commercialization Inc. for the purposes of receiving, holding, and distributing the venture capital funds appropriated by the Legislature. Furthermore, the bill appropriates \$13 million for fiscal year 2007-2008 from the General Revenue Fund for the costs associated with starting these new programs, plus \$35 million in tax credits that may be issued at no more than \$10 million per fiscal year from July 1, 2012 and July 1, 2037.

Venture capital is essential for emerging technologies and companies to be able to get their products to the market. Presently, Florida's colleges and universities provide excellent support for research and development, but they fall behind in their ability to market these products and grow these companies. According to the bill's staff analysis "Venture capital investment in Florida is low compared to the amount of investment found in other states such as California, Massachusetts, New York, and Texas. In 2006, California had 1,445 venture capital deals totaling over \$12 billion in investment. Massachusetts, New York, and Texas all had at least \$1.25 billion in venture capital investment. Florida attracted only \$305 million in venture capital investment."

HB 1523, 1525, and 1527 also passed out of the House Economic Development Committee. These bills are linked with HB 1521 and create the necessary trust funds (HB 1525) and establish the necessary public records exemptions (HB 1523 & 1527) for the Sure Ventures Program to be able to operate.

The Senate companion bills to the Sure Ventures Program were passed on Tuesday, March 20th by the Senate Commerce Committee. The Senate bills are sponsored by Senator Jeremy Ring (D-Margate) and they create the SURE Venture Capital Act (SB 2420), a SURE Venture Capital Trust Fund (SB 2426), and an Institute for Commercialization of Public Research (SB 2424). To compliment the SURE Act, Senator Ring has also sponsored the Institute for Commercialization of Public Research with the express purpose of assisting in the commercialization of products being developed by universities and colleges, research institutes, and other publicly supported organizations within the State.

AIF supports legislation that creates the Sure Ventures Commercialization Program. Florida must begin to get in the proper posture to be able to compete with other states for these valuable venture capital dollars. This type of investment is critical for the growth of high-paying, high-skill, companies and for the diversification of Florida's economy. The jobs created by these emerging technologies are typically much higher-paying than others and attract the very best workers to our state.

On Tuesday, the Senate Commerce Committee also passed Senate Bill 96 by Senator Burt Saunders (R-Naples). SB 96 converts the current entertainment industry incentive program from a cash reimbursement of qualified expenditures to a refund against paid sales and use taxes or a credit against corporate income tax. The legislation also sets a

cap of \$25 million per year over the course of three years for a total \$75 million investment.

AIF supports legislation that encourages growth in Florida's emerging film industry. The unequivocal success of this program is hard to ignore. Attracting large-scale film and entertainment productions to Florida is a boon to our economy.

Transportation

Major transportation packages were heard and passed by the House Infrastructure Committee and the Senate Transportation Committee this week. There are many similarities between SB 2804 by Senator Carey Baker (R-Eustis) and HB 985 by Representative Rich Glorioso (R-Plant City). The two versions include a key provision that would raise Turnpike Enterprise's current bonding cap of \$4.5 billion to \$9 billion. That move could provide an additional \$900 million in the next fiscal year for turnpike projects.

Other similar aspects of the bills include creating greater revenue sharing flexibility and encouraging public-private partnerships (P3s) for building and maintaining toll facilities. There is also language to allow the Florida Department of Transportation's State Infrastructure Bank to issue short-term loans for emergency repairs to transportation infrastructure, like ports and airports, damaged by natural disasters. The bills also similarly expand the uses for transponders to encourage more Floridians to purchase the units and to generate more non-toll revenues. Under the bill they could also be used to buy fuel & other products or services at all service plazas along the turnpike.

The Senate amended their bill to include the creation of a, "Strategic Aggregate Review Task Force," to investigate the reliability of the supply of aggregate in Florida, used in the production of concrete and other road construction products. The amendment also puts limits on local zoning restrictions on mining aggregate.

SB 2804 will now be heard by the Senate Community Affairs Committee. HB 985 will be heard next by the House Economic Expansion & Infrastructure Council.

AIF supports market-based solutions such as P3s as a way to address Florida's current backlog in transportation projects and we applaud both the House and Senate sponsors for putting forth these comprehensive transportation proposals.

On Wednesday, March 21st the House Environmental Protection Committee held a workshop on proposed council bill (PCB) ENRC12 Relating to Aggregate Mining. The PCB creates the Strategic Aggregates Review Task Force to evaluate the present situation and disposition of construction aggregate materials, and mining practices. The PCB also prohibits local governments from putting moratoriums on the mining of aggregates used in the manufacturing of concrete blocks and as a primary raw material for road construction on lands where mining is a permissible use or on lands zoned for mining as of March 1, 2007.

Representatives from local government and environmental groups testified against the bill. AIF's Richard Gentry testified in support of the PCB and described the importance of aggregating mining and its impact on Florida's economy. Without this valuable raw material construction across the state would literally come to a halt, thus affecting all sectors of our state's economy. The Committee unanimously recommended that the House Environment and Natural Resources Council take up this proposed legislation.

AIF supports legislation that prevents local governments from arbitrarily stopping the mining of aggregates used in the production of concrete blocks, asphalt, and road base. Florida's contractors depend on this raw material for building and road projects.

On the appropriations side, transportation budgets in the House and Senate received their first hearings on Thursday, March 22nd. The contrasts are dramatic. The House budget anticipates the effect of a cooling economy on tax collections and is proposing a budget cut for the Florida Department of Transportation of about \$100 million dollars. In stark contrast, on Thursday afternoon the Senate unveiled a plan that spends \$600 million dollars more than the House for transportation projects.

For the first time since the 1970s, a budget is being proposed that would not only spend every dime allocated to transportation through traditional sources collected in the state's transportation trust fund, but would add an additional \$585 million from general revenue. The intent of the plan is to bring back projects that were expected to be postponed because of declining revenue estimates.

Senator Dan Webster (R-Winter Garden) explained the plan as a proposal focused on advancing all projects in the state that are ready to begin construction. The Senate concept is to create an economic impact to help stimulate the state economy through an intense plan of road construction and at the same time anticipate millions in savings by eliminating the inflationary impacts avoided by earlier start dates.

The Senate budget is also very generous to Florida ports, although it is yet to become clear exactly how the Senate's generosity would be spent.

Health Care

On Tuesday, March 20th the Senate Banking and Insurance Committee unanimously approved SB 110 Relating to Health Insurance/Prostate Cancer Coverage by Senator Anthony Hill (R-Jacksonville). The bill mandates all health benefit plans offered by an insurance provider to include annual early prostate cancer screenings for men forty years and older in accordance to the guidelines of the National Comprehensive Cancer Network. The bill also recommends that the screenings not be subject to any deductibles and that this plan be put in effect by all health plans offered, issued or renewed in the state of Florida as coverage provided or offered to the individual as optional coverage.

Currently, insurance coverage issued in the state of Florida covers testing done as medically necessary preventative services for the screening of prostate cancer. However, there is a discrepancy as to what ages should be covered in such testing. Most testing covered by insurance plans limits them to age fifty and over. The current plans do not include younger men who are of a higher risk of contracting prostate cancer.

Gerald Wester testified on behalf of AIF in opposition to SB 110. In addition, he warned committee members of the danger of not subjecting these prostate screenings to any deductible requirements. Mr. Wester warned committee members that they were setting a dangerous precedent by allowing these screenings to go without any deductible requirements. Thanks to Mr. Wester's testimony, the committee deleted this troublesome provision from the bill.

AIF consistently opposes additional mandated coverages because the resultant cost increases could force some insurers out of the market and price health care insurance out of the reach of many employers and businesses.

With little debate, the House Health Innovation Committee passed HB 1401 Relating to Health Flex Plan/Small Businesses by Representative Jimmy Patronis (R-Panama City) on Tuesday, March 20th. The bill expands the health flex plan eligibility from 200 to 250 percent of the federal poverty level. It also permits employers with low income employees to have access to health flex plans and creates a small business health insurance grant program to be administered by the Agency for Workforce Innovation.

The Committee also approved two bills by Representative Denise Grimsley (R-Sebring) that provide funding assistance for indigent care clinics. HB 201 would create a Health Care Clinic Indigent Care Trust Fund where corporate taxpayers can make disbursements to qualified clinics that provide health care to indigent persons. HB 203 would provide an income tax credit for corporate tax payers who contribute to this trust fund. The intent of the bill is to encourage corporate taxpayers to make monetary contributions to provide relief to health care clinics who provide a disproportionate share of medical care for indigent persons. Representatives from the business community, health care providers, and the unions spoke in favor of the bills.

AIF supports market-based solutions to the problem of Florida's uninsured. According to a study by the Agency for Healthcare Administration (AHCA), approximately 19% of all Floridians do not have health insurance. These individuals typically rely on emergency rooms for their primary care. Typically, this kind of care is the most expensive option. Expanding access to health flex plans and encouraging businesses to help fund indigent care clinics is sound public policy.

Energy

On Wednesday, March 21st the House Energy Committee held a workshop on HJR 631 Relating to Oil or Natural Gas Drilling by Representative Mary Brandenburg (D-Lake Worth). HJR 631 is a joint resolution that would place into Florida's constitution an

outright ban on offshore drilling within 250 miles of Florida's coastline or to the fullest extent allowed by the laws of the United States. This legislation proposes an amendment to the Florida Constitution on the next general or special election ballot. Further, because it is a joint resolution the Florida Constitution requires that this resolution be "agreed to by three-fifths of the membership of each house of the legislature" before taking effect.

AIF was the first business association to endorse the idea of expanding oil drilling in the eastern Gulf of Mexico. Florida's businesses depend on a reliable source of oil and natural gas to fuel their activities. All sectors of Florida's economy are impacted by the availability and price of oil and natural gas. For example, agriculture is by far the largest contributor to Florida's economy. Farmers depend on fertilizer to grow their crops; the production of fertilizer depends on a steady source of natural gas, therefore, it is paramount that the prices of natural gas remain affordable. Florida must play a role in the production of oil in order to meet the demands of its citizens and businesses.

Several representatives from the business community were present to testify in opposition to HJR 631 including Barney Bishop, President and CEO of Associated Industries of Florida.

You may view Barney Bishop'

[http://link4.streamhoster.com/?u=aif&p=/Bishop\(drilling\).wmv&odaid=1099](http://link4.streamhoster.com/?u=aif&p=/Bishop(drilling).wmv&odaid=1099)

AIF opposes any limitations on drilling in the outer continental shelf (OCS) of the Gulf of Mexico. Florida and our nation as a whole should concentrate on achieving energy interdependence so that our businesses have access to affordable and reliable sources of energy.

Information Technology

On Tuesday, March 20th The House Education K-12 Committee passed draft language to recommend as a proposed council bill (no bill number available as of this printing) related to education. Representative Anitere Flores (R-Miami) presented the proposed language, which updates education standards for K-12 education. The bill also contains three provisions that support 21st century learning by infusing technology into teaching and learning.

Specifically, the bill would create a "world class education standards" advisory council, which would among other duties, recommend ways to integrate technology into K-12 education. The bill would also allow 10% of instructional material categorical funds to be used to purchase digital content and hardware to support learning world languages, and would prioritize professional development funding to programs with measurable outcomes and delivered through the use of technology. The proposed bill will be sent to the House Schools and Learning Council for consideration.

AIF supports legislation that brings information technology (IT) into the classroom. Increasing accessibility to IT in our educational system will pay great dividends for the future of Florida's workforce and will ensure that our students are better prepared to compete in the global economy.

On Wednesday, March 21st the House Audit & Performance Committee unanimously passed HB 1557 Relating to State Information Technology by Representative Will Weatherford (R-Zephyrhills). The bill creates the Agency for Enterprise Information Technology (AEIT) within the Executive Office of the Governor. The Executive Director of the AEIT would act as the State Chief Information Officer (SCIO) and is appointed by the Governor and Cabinet and must be confirmed by the Senate and serves at the pleasure of the Governor and Cabinet. The SCIO is the executive sponsor for all enterprise information technology projects. Enterprise projects are defined as large systems that affect multiple state agencies.

AIF's Frank Meiners testified in support of the need to pass a bill that deals with enterprise information technology. He also expressed AIF's and its Information Technology Council's (ITC) support for maintaining core agency missions to be totally within the control of the Agency and not the AEIT; for increasing the responsibility of Agency CIO's, for having the AEIT provide staff support for the CIO Council and for avoiding the problems of the old STO. Overall he said the effort of the Senate and House in getting a bill that improves the IT governance of the State was commendable.

HB 1557 will now be heard by the House Government Efficiency & Accountability Council.

Workers' Compensation

On Tuesday, March 20th the Senate Banking and Insurance Committee approved SB 746 by Senator JD Alexander (R-Lake Wales) Relating to Workers' Compensation for First Responders. This bill would create a unique benefits delivery system for firefighters, police officers and other specified emergency personnel. These benefits would be higher than what other workers' in any other field would receive. However, the increased costs to the cities and counties would likely be passed onto Florida's employers.

The biggest problem with SB 746 is that its supporters are stating that the bill reinstates benefits that were taken away from workers' as a result of the 2003 workers' compensation reforms. In reality, though, most of the benefits provided in this bill were not the subject of the 2003 reforms and would actually provide greater benefits than what was available prior to the 2003 law. Because of the possible increased costs to businesses that this bill could create, AIF opposes this bill in its current form. We will continue to follow this issue and keep our members aware of its progress throughout the session.

AIF strongly opposes legislation that would create a separate workers' compensation system for first responders. AIF recognizes the great job performed by our state's first responders but is opposed to re-opening chapter 440 of Florida's statutes – the chapter which deals with Workers' Compensation. The workers' compensation reforms of 2003 have produced significant rate decreases and should be left as is.

General Business

The Senate Commerce Committee unanimously approved SB 1644 Relating to Retail Theft by Senator Don Gaetz (R-Niceville) on Tuesday, March 20th. This bill provides an enhanced penalty (second degree felony) for retail theft exceeding a specified amount for persons who individually, or in concert with others, coordinate the activities of one or more persons in committing the offense. During his presentation, Senator Gaetz cited a University of Florida study, which shows a recent rise in retail theft. This legislation is aimed at curbing this practice.

The bill now goes before the Senate Criminal Justice Committee.

AIF supports legislation that helps retailers protect their merchandise and their bottom line from the effects of criminal activity.

Privacy Issues

On Wednesday, March 21st the House Homeland Security & Public Safety Committee unanimously passed HB 1117 Relating to Personal Identification Information by Representative John Legg (R-Port Richey). As originally filed, the bill amends current law dealing with identity theft by enhancing the penalties for those individuals who willfully and without authorization fraudulently use personal identification information concerning an individual who is 65 years of age or older. In addition, the bill provides that any person who willfully possesses "sensitive personal information" concerning an individual without first obtaining that individual's consent commits a third degree felony. The term "sensitive personal information" is defined to mean any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual including bank account numbers, credit or debit card numbers, etc.

AIF was able to successfully amend the bill after educating the bill's sponsor about the negative impact his bill would have on the business community. The amendment, which was adopted, removed a provision that made mere possession of certain personal information without permission a third degree felony.

Originally, the bill would have prohibited businesses from obtaining personal information via public record, data aggregator, or any other methods without the express consent of the consumer. HB 1117 will now be considered by the House Safety & Security Council.

AIF is now able to support HB 1117 and the increased penalties it enacts for those individuals who fraudulently obtain the personal information of our state's seniors. We appreciate Representative Legg's willingness to work with the business community on removing provisions that would have made it difficult for financial institutions and other data aggregators to fulfill the valuable services they provide to citizens and businesses.

Also on Wednesday, the House State Affairs Committee introduced Proposed Committee Bill 07-08 which reenacts a public records exemption for the use of social security numbers. The language in statute is set to sunset this year unless reenacted. When initially passed, we lobbied to include language that allowed commercial entities access to such information for legitimate business purposes.

As written, the PCB would only allow access to the first 5 digits of a person's social security number to the business community. AIF lobbyists, Nick Iarossi and Keyna Cory, testified on behalf of the business community and opposed any effort to truncate social security numbers contained in public records for use by the business community. Any limitation on the use of a full social security number would limit the reliability of information used by banks, insurers, and other businesses when matching and verifying information contained in public records used in daily commerce. The bill will be taken up by the House Government Efficiency & Accountability Council next.

AIF opposes this legislation as it currently stands and will continue to lobby to amend the bill to allow the business community to have full access to the social security numbers contained in public records.

Ethics & Elections

On Wednesday, March 21st the House of Representatives approved HB 537 Relating to Presidential Primary Date by Representative David Rivera (R-Miami) on a 115-1 vote. HB 537 changes the date of Florida's presidential preference primary election from the second Tuesday in March to the first Tuesday in February, or the first Tuesday immediately following the New Hampshire presidential preference primary, whichever occurs first, but no sooner than the second Tuesday in January of the year in which the election is held. The bill was amended on the Floor to allow cities and other municipal entities the option of changing their primary election dates to coincide with the new statewide presidential primary date.

HB 537 will now be sent to the Senate for consideration.

AIF supports moving up Florida's presidential primary date in order to make Florida and its voters more relevant in the national selection of presidential candidates. Few other states can match Florida's diversity of population and geography, therefore, Florida is much better equipped to serve as cross-section of the entire country.

Jessica Lunsford Act

On Wednesday, March 21st the Senate Education Pre-K – 12 Committee unanimously passed SB 988 Relating to High Risk Offenders by Senator Nancy Argenziano (R-Crystal River). As a result of difficulties in the application of the original bill for service providers on school grounds, Senator Argenziano has been working with AIF and other interested parties to specifically define the applicable offenses that would prevent a contractor from entering school grounds. Previously, the Jessica Lunsford Act allowed school boards to interpret what was considered an applicable offense by using the term "moral turpitude". This was problematic for employers and contractors because each school board applied the term differently.

Additionally, the bill creates an exception for those workers who would normally not have contact with students - and therefore not be required to undergo fingerprinting and background checks. SB 988 also allows non-instructional contractors to avoid fingerprinting and background checks if their work site is separated by a 6ft chain link fence.

SB 988 will now be considered by Senate Governmental Operations Committee.

AIF supports legislation, which helps make the implementation of the Jessica Lunsford Act workable for those companies that have working relationships with school districts, while upholding the integrity of the original law to protect our children from sexual predators.

Private Property Rights

On Friday, March 23rd the House Policy & Budget Council had a lively debate on HB 553 by Representative Baxter Troutman (R-Winter Haven). The bill amends Florida's trespass law and provides stiffer penalties for those who willfully and maliciously damage fencing surrounding a private property. Some of the members of the Council thought the increase in penalties from a first degree misdemeanor to a third degree felony was a bit too much. However, Representative Matt Meadows (D-Lauderhill) spoke of his own experience where someone intentionally damaged his fence and he thought a third degree felony may be too light of a sentence. Representative Mary Brandenburg (D-Lake Worth) told the Council that her family was involved with dairy farming and a single cow could cost as much as \$1,000. She stressed the importance of the bill by telling the Council members if a fence is deliberately cut or damaged and the cows escape onto a road way, an auto accident could cause loss of life. After amendments, HB 553 received unanimous approval.

AIF supports legislation that enforces and protects the rights of Florida's property owners. Discouraging persons to trespass on a private property should help business owners and citizens reduce their exposure to liability and costly litigation.

- For more information on all of the important legislative information concerning the business community, go to our "members only" Florida Business Network web site at <http://fbnnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.