



# DAILY BRIEF

From April 27, 2009

The last week of the 2009 legislative session is finally upon us and a number of AIF priority bills were passed today. Legislation dealing with expedited permitting and found in AIF's [Economic Stimulus Package 2.0](#) was passed and is on its way to the Governor for his signature. In addition, a major oil drilling proposal endorsed by AIF was passed out of the House on Monday afternoon signaling a historic shift in public policy in Florida. For the first time in decades, elected officials in Florida have passed legislation that would essentially put an end to the ban on oil and natural gas exploration in Florida waters.

Very little was heard today on the budget, meaning that legislators have still not agreed on a final product. The prospects of an extension or special session continue to loom large.

And don't forget to check out the latest edition of AIFTV. This week's episode features a "Countdown on Major Issues." Find out the status of the top 5 issues affecting your bottom line by watching this video.

[Watch this week's episode of AIFTV!](#)

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## Offshore Drilling

The House of Representatives passed (70-43) [HB 1219](#) Regulation of State Lands and Oil and Gas Resources by [Representative Charles Van Zant \(R-Palatka\)](#) after considering a series of amendments. The bill currently provides for an innovative process by which the state of Florida can begin the process of considering proposals for offshore drilling in Florida waters. The proposal would not immediately trigger energy exploration in state waters; instead it would empower the Governor and Florida Cabinet to consider a process for reviewing, approving or rejecting proposals for exploration and production of oil and natural gas in Florida's waters. The bill would replace the current ban on drilling in Florida waters with a plan, which would allow the governor and Florida Cabinet to charge \$1 million per application to explore state-controlled waters that stretch between 3 and 10 miles offshore. Additionally, if a bid was accepted by the Cabinet, the state would require a \$500 million bond before any drilling could begin and one-eighth of any royalties from new production of oil or natural gas.

A number of unfriendly amendments by Representatives [Martin Kiar \(D-Parkland\)](#) and [Evan Jenne \(D-Ft. Lauderdale\)](#) were defeated today, which would have limited the bills intent and would have required local approval, via referendum, of any new exploration or production of natural gas or oil. An amendment sponsored by [Representative Michelle Rehwinkel Vasilinda \(D-Tallahassee\)](#) describing how to distribute \$150 million in revenues from any future drilling activities did pass today.

Once again the bill's sponsor [Representative Charles Van Zant \(R-Palatka\)](#) did a yeoman's job answer questions and concerns from opponents of the proposal. Debate on the bill lasted over an hour as opponents passionately expressed their displeasure over this proposal. [Representative Dean Cannon \(R-Winter Park\)](#), sponsor of the amendment which establishes this new approval process, debated in favor of the bill remarking that it was time for Florida to join the other states in the region that are currently benefiting from oil and natural gas production in waters off their coasts.

In his closing, **Representative Van Zant** urged members of the House to vote in favor of the bill and not be afraid of the many horrors presented by opponents of the bill. AIF would like to especially recognize Representatives [Debbie Boyd \(D-High Springs\)](#) and **Michelle Rehwinkel Vasilinda** for breaking from their party and voting in favor of the bill.

[HB 1219](#) will now be sent to the Senate for consideration. Currently, there is no companion bill to [HB 1219](#) in the Senate.

**AIF has been a long-time supporter of offshore drilling as a way to reduce our dependence on foreign sources of oil and provide for affordable and reliable energy for the thousands of businesses and citizens of Florida. This new proposal begins the conversation on how Florida can reap the benefits of environmentally sound exploration and production of oil and natural gas. We commend Representative Dean Cannon for bringing forward this bold initiative and urge all legislators to vote in favor of this proposal.**

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## ESP 2.0

Today, the Florida House unanimously approved (116-0) [HB 485](#) Relating to Fast Track Economic Stimulus for Small Businesses by [Representative Will Weatherford \(R-Wesley Chapel\)](#). This economic development tool relies on a market based approach to expand credit, capital and financial services to the state's low income communities across the state. By leveraging a \$26 billion federal program, the New Markets Tax Credit will provide a modest state-level tax credit to encourage capital investments to be made in Florida's low income communities by utilizing federal oversight and allowing Florida to implement the program with minimal state resources. The program could have a total economic impact of \$6.3 billion over the next ten years, and is expected to incite some \$250 million in private sector investment immediately. It is also expected to create almost 4000 jobs in its first year.

Like last year, the House version of the bill went through the entire committee and floor process without a negative vote. However, unlike like last year the Senate version has made it through the entire committee process and is ready to be taken up and sent to the Governor.

This legislation has been at the top of AIF's priorities this year with regard to economic development. Having testified in every committee, conducted polling and presented as part of the *ESP 2.0*, AIF will work hard to see it to final passage. Today, we congratulate **Representative Weatherford** on his hard work and thank him for moving this good piece of legislation forward.

[HB 485](#) will now be sent to the Senate for consideration.

**AIF is an ardent supporter of this legislation. Not only will this create jobs and stimulate economic activity in the state, but it will also foster growth in some of the most depressed areas of Florida. Growth and economic activity are job drivers for the state's economy and programs like the New Markets Development Program are just one way that Florida's economy can get back on track.**

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## Card Check

The House of Representatives passed (77-44) [HJR 1013](#) Relating to Guaranteeing the Right to Vote by Secret Ballot by [House Majority Leader Adam Hasner \(R-Delray Beach\)](#). The bill proposes the creation of Section 28 of Article I of the Florida Constitution to provide that voting by secret ballot is a fundamental right of all individuals. The proposed constitutional amendment provides that the right of individuals to vote by secret ballot is guaranteed where local, state, or federal law requires elections for public office, requires public votes on initiatives or referenda, or requires designations or authorizations of employee representation.

According to **Representative Hasner**, "It's no secret that our state and our nation face unprecedented economic challenges. Protecting workers' rights is essential if we want to create and protect jobs and get Florida's economy moving again. To that end, the Florida House took a significant step today toward helping our economy by voting to provide Floridians with the opportunity to enshrine their right to vote by a secret ballot in the Florida Constitution."

[HJR 1013](#) will now be sent to the Senate for consideration. Its Senate companion, [SB 1908](#) by [Senator Garrett Richter \(R-Naples\)](#) is still in its last committee of reference – the [Senate Rules Committee](#).

**AIF supports these measures and their efforts to protect the secret ballot process in Florida. Passage of this proposed constitutional amendment will allow voters in Florida to decide whether they want to enshrine the use of secret ballots in elections in our state's top document.**

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## Business Regulation

[HB 7143](#) Relating to Regulatory Reform by [Representative Trudi Williams \(R-Ft. Myers\)](#) was unanimously passed the House of Representatives today. This legislation is a high priority of AIF as it makes changes to the permitting and regulatory process facing businesses today. [HB 7143](#) contains legislation to extend permits for certain projects. Permits from the Florida Department of Environmental Protection (DEP) or a water management district with an expiration date between September 1, 2008 and January 1, 2012 will be extended or renewed for a period of two years following the date of expiration. This extension includes any local government-issued development order or building permit. Of course the extension does not apply to a permit or other authorization held by an owner or operator determined to be in significant noncompliance with the conditions of the permit or authorization as established through the issuance of a warning letter or notice of violation, the initiation of formal enforcement, or other equivalent action by the authorizing agency.

The bill also prohibits local governments from requiring as a condition of approval for a development permit that an applicant obtain a permit or approval from any other state or federal agency. Other issues included in [HB 7143](#) include:

- changes in the way agencies handle request for additional information (RAI);
- self-certification for certain permits; and
- elimination of duplicative permitting by delegating authority to local governments.

There is a section in the bill that revises the structure and process for expedited permitting for target industries. Instead of the Office of Tourism, Trade and Economic Development certifying a business as eligible for the expedited permitting process, the DEP Secretary will now handle the certification process. It also reduces the job number threshold and adds a biofuels project to the list of targeted industries.

Mining issues are included in the bill as well. The bill authorizes DEP to issue a life-of-the-mine permit to lime rock mine operators. In addition, an amendment by [Representative Juan Zapata \(R-Miami\)](#) was adopted today that has the potential to affect active mines in the Lake Belt region. We are still reviewing this language, but believe it will be controversial in the Senate.

Sections 44 – 49 of the bill revise the definition of “home inspection services” to include the inspection of windows, doors, walls, floors, and ceilings. There is a fee increase effective July 1, 2020 for these services. Finally, there are sections of the bill dealing with the Florida Building Commission and Florida Building Codes.

**AIF has been working with the Streamlining Task Force this year and supports permit extensions and streamlining process for regulation. These are desperately needed by businesses that have projects ready to go but may not have funding available to them so the permits they have in place will be protected saving time and money.**

Today, the Florida Senate unanimously approved (37-0) [HB 73](#) Relating to Permit Process for Economic Development Projects by [Representative Rob Schenck’s \(R-Spring Hill\)](#), and it will now be sent to the Governor for his approval. This bill, which was carried in the Senate by [Senator Mike Fasano \(R-New Port Ritchey\)](#), has been the priority of **Representative Schenck** for three years now and has been a priority of AIF’s for the last two. Additionally, this bill was included in AIF’s Economic Stimulus Package (*ESP 2.0*) and is the very first piece of legislation from the *ESP 2.0* that has passed this year.

[HB 73](#) will encourage business growth and expansion by mandating that state required permits for storm water and environmental resource permits be approved or denied within 45 days rather than the current policy of 90 days upon submission. It will require a pre-application review to afford both the applicant and the agency the ability to discuss and address all requirements of the permit application as well as preserving local control by stipulating that local governments must also approve, by resolution, that the business is a targeted business for the local community and should be afforded the right to expedited permitting.

AIF would like to congratulate both **Representative Schenck** and **Senator Fasano** for passing this very good piece of legislation. [HB 73](#) was crafted to help assist businesses through the often frustrating task of getting wetland or storm water permits with DEP and various water management districts. AIF will continue to work with the Governor’s office in hopes that the Governor will sign this legislation in the near future.

**AIF SUPPORTS legislation aimed at improving the permitting process for existing businesses in Florida and for those companies looking to invest in our state. AIF has been out in front on this issue and has included it in our Economic Stimulus Package 2.0 (ESP 2.0) as a top priority in finding ways that the state can help stimulate the economy through reduced regulation.**

Today, the Florida House unanimously approved (117-0) [HB 1123](#) Relating to Environmental Permitting by [Representative Trudi Williams \(R-Ft. Myers\)](#). This session the Legislature is looking at ways to streamline the permitting process and [HB 1123](#) would help the process when it comes to wetland permitting.

Under this proposed legislation the Florida Department of Environmental Protection (DEP) would be able to perform certain permitting duties instead of the Army Corp of Engineers, which should eliminate certain duplicative steps without harming the environment.

[HB 1123](#) will now be sent to the Senate for consideration.

**AIF supports efforts to streamline the permitting process whenever possible and applauds Representative Williams for sponsoring this legislation. As the saying goes, time is money and the longer it takes to go through the permitting process, the more money you are going to spend. Duplication of the regulatory system, at any level, is not a good use of taxpayers’ time or money.**

## Education & Workforce

Today, the Florida Senate unanimously approved (38-0) [HB 991](#) Relating School Improvement and Accountability by [Representative Tom Grady \(R-Naples\)](#) to better integrate Florida's proven school grading system with No Child Left Behind's command-focus on providing intensive intervention for struggling schools.

AIF believes it is important to continue to build on the K-12 accountability system with particular focus on improving the value of a high school diploma. This measure strengthens Florida's nationally recognized school accountability system, aligns it with the federal accountability system and ultimately improves the value of a high school diploma for future employers.

[HB 991](#) will now be sent to the Governor for his approval.

**AIF support legislation that will lead towards better prepared students through greater school accountability for educational outcomes.**

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## Growth Management

Today, the Florida House approved (116-1) [HB 7053](#) Relating to Rural Agricultural Industrial Centers by the [House Agriculture & Natural Resources Committee](#). The bill authorizes the expansion of existing agricultural and industrial facilities employing at least 200 employees, and would restrict such expansion to like uses. Spurring this economic growth could aide in necessary job creation for those local areas.

[HB 7053](#) will now be sent to the Senate for consideration. If passed, this legislation may offer expansion of existing agricultural areas with a presumption that they are not urban sprawl.

**AIF supports efforts to increase economic development in the rural parts of the state by expanding the provisions of Florida's agricultural industrial centers statutes.**

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## Health Care

Today, the Florida Senate unanimously approved (37-0) [HB 285](#) Relating to Medicaid Low-Income Pool and Disproportionate Share Program by [Representative Jimmy Patronis \(R-Panama City\)](#). The bill aims to modify the makeup of the Low Income Pool (LIP) Council. The LIP Council is currently made up of representatives from the hospitals that receive income from the \$1 billion in Federal funds it draws down yearly. The bill also ensures that no registered lobbyist can serve on the council, as well as expands membership to non-hospital representatives.

[HB 285](#) will now be sent to the Governor for his approval.

**AIF SUPPORTS legislation that eliminates the Low Income Pool (LIP) Council and places responsibility for recommendation and distribution of these funds in the hands of the Legislature and experts at the Agency for Health Care Administration (AHCA).**

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## Legal & Judicial

Today, the Florida Senate approved (37-1) [SB 872](#) Relating to Fictitious Names by [Senator Chris Smith \(D-Ft. Lauderdale\)](#). Public notice laws are an important issue and are included in AIF's 2009 Session Priorities. In 2001 the Legislature gave the Secretary of State the authority to waive the requirement to publish a fictitious name in a newspaper of general circulation and post those names on their website. The current exemption language does not provide notice to individuals who do not have access to the internet. [SB 872](#) will still allow fictitious names to be posted on the Secretary of State's website, but reinstates that fictitious names are to be published as well.

[SB 872](#) will now be sent to the House for consideration.

**AIF believes that legal notices should be published in print as well as posted on the internet to increase the opportunity for the public to receive important information, and protect the public by providing information on the parties who are doing business in their area.**

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## Privacy

Today, the Florida House unanimously approved (110-0) [HB 7051](#) Relating to OGSR/Social Security Numbers by the [House Governmental Affairs Policy Committee](#). The bill provides for access to social security numbers contained in public records for commercial activity. As originally drafted, the bill severely restricted commercial access to social security numbers and would have made credit checks, background checks, UCC filings, insurance reports, etc. more difficult to track for commercial purposes.

In committee, AIF was able to work with the committee chairs and their staff to develop a compromise that would still allow access for legitimate commercial purposes and federal law.

[HB 7051](#) will now be sent to the Senate for consideration.

**AIF supports efforts to ensure that businesses have access to important personal information for commercial purposes. Social security numbers are an individual's only unique identifier and are vital to matching public records documents to the correct person when making commercial decisions. Restricting access to such information could increase the cost of doing business and require costly changes in commercial operation.**

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## Taxation

Today, the Florida House approved (110-3) [HB 521](#) Relating to Ad Valorem Tax Assessment Challenges by [Representative Carlos Lopez-Cantera \(R-Miami\)](#). The bill amends s. 194.301 to add provisions governing the presumption of correctness and the burden of proof. Under today's law, the taxpayer has the burden of proving, by a preponderance of evidence, that the assessment exceeds just value when challenging assessments.

The measure also creates legislative intent that states that the taxpayer never has the burden of proving that the property appraiser's assessment is not supported by any reasonable hypothesis of a legal assessment.

[HB 521](#) will now be sent to the Senate for consideration

**AIF supports legislation that addresses ad valorem assessment value challenges including revising the burden of proof and the presumption of correctness to level the playing field for tax payers.**

Today, the Florida House unanimously approved (114-0) [HB 7159](#) Relating to Tax on Sales, Use, and Other Transactions by [Representative Ellyn Bogdanoff \(R-Fort Lauderdale\)](#). The original bill would have repealed several sales tax exemptions such as; charter fishing boats, newspapers and magazine subscriptions, and ostrich fees, just to name a few. However amendments were adopted to save many of them:

- Charter boats are exempt for those with 6 passengers or less
- Skyboxes for college and high school games when rented by a 501(c) (3) organization received an amendment to remove the word “skyboxes” but still allows the box seats to be tax exempted

Other sales tax exemptions were adopted and added to the list including the “Back-to-School” and “Hurricane Preparedness” sales tax holidays each lasting a period of three days.

Also, sales tax exemptions for aircraft owned by non-residents that enter and remain in the state for less than 21 days during a six-month period after the date of purchase are exempt from the use tax as well as aircraft in state used for training purposes.

A new sales tax exemption was granted to the manufacturing industry thanks to an amendment by **Representative Bogdanoff** at the request of [Representative Jim Waldman \(D-Coconut Creek\)](#). For a two-year period beginning on July 1, 2009, industrial machinery and equipment purchased for use in manufacturing facilities or plant units which manufacture, process, compound, or produce for sale items of tangible personal property at fixed locations in this state will be exempted from sales tax when the purchase price is in excess of \$2,500.

[HB 7159](#) will now be sent to the Senate for consideration.

**AIF supports efforts to review Florida’s existing sales tax exemptions. We do not support; however, automatic sunsets of these exemptions.**

The Senate unanimously passed (39-0) [SB 2504](#) Relating to Corporate Income Tax by [Senator Thad Altman \(R-Melbourne\)](#). This is the annual corporate “piggyback” bill, which updates the Florida Income Tax Code to reflect changes Congress made to the Internal Revenue Code by adopting the Code as in effect on January 1, 2009. As was the case last year, the bill does not adopt federal bonus depreciation provisions due to the state’s financial situation.

AIF’s Tax Committee has reviewed the language in [SB 2504](#) in order to prevent the costly mistake included in last year’s version of the corporate “piggyback” bill.

[SB 2504](#) will now be sent to the House for consideration.

**AIF supports passage of SB 2504 so that Florida businesses do not have to endure the burdensome task of filing duplicative tax records.**

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## Affordable Housing

Today, the Florida House unanimously approved (114-0) [HB 161](#) Relating to Affordable Housing by [Representative Gary Aubuchon \(R-Cape Coral\)](#). This bill has been proclaimed as the affordable housing package for the 2009 session. Most notable, the bill proposes to repeal the cap on the Sadowski Affordable Housing Trust Fund. The Sadowski Fund represents the State’s Affordable Housing Trust Fund which receives revenue generated through documentary sales taxes. The cap limits the amount of funds withdrawn from the Fund directed towards statewide affordable housing programs, primarily through the Florida Housing Finance Corporation. The repeal of the cap has been enthusiastically promoted for years by housing advocates.

A repeal of the cap on the Sadowski Trust Fund would be a clear victory for affordable housing proponents. The Fund provides a valuable revenue stream for the Florida Housing Finance Corporation and local governments in their efforts to provide safe, affordable housing for Floridians. During debate [Representative Darryl Rouson \(D-St. Petersburg\)](#) commended **Representative Aubuchon** for his hard work on this great bill. [HB 161](#) will now be sent to the Senate for consideration.

It remains to be seen whether [SB 1042](#) by [Senator Mike Bennett \(R-Bradenton\)](#), the bill's Senate companion, will be withdrawn from the [Senate Policy & Steering Committee on Ways and Means](#) and be heard on the Senate floor.

**AIF supports this legislation because it creates sustainable affordable housing for Florida's workforce, while correctly addressing the issue created in assessing property taxes.**