## **FROM OCTOBER 22, 2003**

On Tuesday, Associated Industries urged lawmakers to reject two workers' comp bills — SB 14E by Senator Burt Saunders (R-Naples) and SB 16E by Senator Anna Cowin (R-Leesburg) — that would have delayed important worker safety and cost-reduction provisions contained in the reforms enacted by lawmakers during Special Session A. In a Wednesday night meeting, the Senate Banking and Insurance Committee combined and approved the two bills after amending them to address the concerns of the business community.

In their original form, the bills would have postponed the effective date for implementation of the severe restrictions on the construction-industry exemption, approved by the Legislature just three months ago. These reforms were designed to ensure that workers in high-risk construction jobs had access to workers' comp benefits. Limiting the construction industry exemption served three purposes

- safeguarding injured workers
- eliminating the unfair advantage gained by those who kept their costs low by ignoring their obligation to purchase workers' comp insurance
- enlarging the pool of those with insurance, thereby spreading the risk and lowering costs

The two bills were intended to avoid a potential bureaucratic bottleneck, that could occur as contractors tried to meet the January 1, 2004 deadline for completing the paperwork (which could entail filings with three different state agencies) that was necessary to claim a valid exemption. They accomplished their purpose by moving the deadline to July 1, thereby prolonging the peril faced by construction workers employed by uninsured firms.

The business-backed amendment provided a safe harbor for contractors who complied with the red-tape burden in a timely manner but met with delays in getting the forms processed expeditiously by the state.

The amendment was easily approved and now the bill will move to the Senate floor. Although a counterpart measure has not been filed in the House, AIF lobbyists report that the House is expected to take up the Senate bill once they receive it from the other chamber, and pass it out by the end of Special Session E on Friday.

Please send your comments or suggestions to us at <u>aif@aif.com</u> or call the Governmental Affairs department at (850)224-7173.

- 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 <a href="http://fbnnet.com">http://fbnnet.com</a>
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