

LEGISLATIVE WEEKLY UPDATE



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WEEKLY BRIEF FOR THE WEEK OF APRIL 21- 25, 2003

LATE-BREAKING NEWS

The appropriations conference committee has not yet commenced final budget deliberations. Therefore, the regular session will be extended — perhaps for another week.

Workers' Compensation

Tuesday, the Senate Appropriations Committee approved SB 1132, sponsored by Senator Charlie Clary (R-Destin), after adopting 29 of 35 amendments filed. The amendments make substantial improvements to the bill. This bill should be heard by the full Senate early next week.

Today, CS/HB 1837 was heard on the House floor on second reading. Some minor amendments were added to the bill, and a number of deleterious amendments were voted down. After the surprising adoption of a confusing attorney's fee offered by Representative John Seiler (D-Pompano Beach), however, the House recessed until Monday, April 28, with the bill and a few remaining amendments still pending on second reading.

AIF supports legislation that controls medical expenses, reduces litigation, and corrects inefficiencies in the workers' compensation system. Above all, AIF supports remedial legislation that will provide fairer benefits to injured workers and lower costs to employers.

MEDICAL MALPRACTICE

As we have reported, the medical-malpractice bills were on the Senate floor Wednesday and Thursday of this week. The joint sponsors of these bills are Senators Burt Saunders (R-Naples) and Durell Peaden (R-Pensacola).

In summary, CS/CS/SB 560 & 280 mandates an insurance-rate rollback and provides contingent authority for a state-run medical-malpractice insurance fund. It passed as amended on a 36 to 1 vote. CS/CS/SB 562 & 1912 strengthens reporting and disciplinary actions against health-care providers. It also passed as amended on a vote of 36 to 1. CS/CS/SB 564 & 2120 & 2620, which contains the Senate's litigation reforms and has been the most debated bill, passed on a 34 to 6 vote.

The stage is now set for House-Senate negotiations, however, due to time constraints, final resolution of this issue may have to await a special session.

AIF supports a comprehensive package of measures designed to alleviate Florida's medical-liability crisis including, most notably, a \$250,000 cap on noneconomic damages. Now is the time for the Legislature to act decisively to provide immediate and lasting relief.

PRIVATE PROPERTY RIGHTS

HB 113, sponsored by Representative Jeff Kottkamp (R-Cape Coral), strengthens the Bert J. Harris Private Property Rights Protection Act (Harris Act). This bill is designed to correct a circuit-court decision that undermined the act's original intent concerning the statute of limitations and waivers of sovereign immunity. This week HB 113 passed the House Local Government and Veteran's Affairs Committee and the House State Administration Committee. The bill should be heard on Monday on the House special order calendar.

SB 1164, sponsored by Senator Ken Pruitt (R-Port St. Lucie) and Senator Steven Geller (D-Hallandale Beach), is identical to HB 113; it passed on the Senate floor Monday by 35 to 2.

AIF supports legislation that protects private property rights. The Harris Act provides an avenue for a property owner to take against government overreaching on property rights. Legislative action is necessary to ensure that the Harris Act continues to work to protect Florida citizens and businesses from government over-regulation.

HOME DEFENSE

CS/SB 1612, by Senator Paula Dockery, modifies the powers and duties of the chief of domestic security initiatives with the Department of Law Enforcement and identifies security assessments required under his direction. This week the bill moved into the Senate Appropriations Subcommittee on General Government. The House counterpart, HB 1829, sponsored by Representative Connie Mack (R-Ft. Lauderdale), is in the House Appropriations Committee. It is possible that the two bills will be withdrawn from the respective committees and placed on the House and Senate calendars next week for further action.

Earlier this week, the Senate Home Defense, Public Security and Ports Committee heard and passed SB 2578, sponsored by Senator Jim Sebesta (R-St. Petersburg). This bill creates the Secure Airports for Florida's Economy (SAFE) Council. The SAFE Council must develop a five-year SAFE master plan defining goals and objectives needed to develop airport facilities and an inter-modal transportation system. The House companion bill, HB 1833, sponsored by the House Transportation Committee and Representative David Russell (R-Spring Hill), was read a second time on the House floor today. Amendments were adopted and the bill was temporarily postponed due to a pending amendment.

AIF supports legislation to promote homeland security in the State of Florida.

HEALTH CARE

Monday, the Senate Health, Aging and Long-Term Care Committee heard and passed SB 2174, sponsored by Senator Alex Villalobos (R-Miami). This bill would require that every baby born in a hospital receive, prior to discharge, an eye examination with an ophthalmoscope for detection of pediatric congenital and ocular abnormalities. It also requires private health insurance policies and health maintenance organization contracts to cover tests at birth, at six to eight weeks, and at six to nine months of age.

Tuesday, the Senate Banking and Insurance Committee heard and passed SB 84, sponsored by Senator Steven Geller (D-Hallandale Beach) and co-sponsored by Senator Alex Villalobos (R-Miami) and Senator Gwen Margolis (D-Miami Beach), relating to health insurance and autism spectrum disorder (ASD). SB 84 would mandate that all health insurers and HMOs provide coverage for ASD. A health insurer or HMO would not be able to exclude coverage when the referring physician prescribed various forms of treatment for ASD and must the same terms and conditions that are applied to the treatment of other disorders.

AIF opposes additional requirements for mandated health insurance coverage. The increased cost of insurance coverage may force some insurers out of the market and price health care insurance out of the reach of many employers and businesses.

On Tuesday, the Senate Banking and Insurance Committee heard and passed SB 1796, sponsored by Senator Walter Campbell (D-Tamarac). One provision of this bill would prohibit mandatory arbitration clauses in life, health, and disability insurance, as well as managed care and prepaid contracts. Another provision requires hospitals to provide publish rates for the most frequently used services. Senator Campbell opines that the bill would reduce health insurance premiums; it is, however, turning into a health-care train with numerous unrelated provisions being attached. Although the committee passed the bill, some problems remain that may not be easily resolved before the end of session.

AIF opposes legislation that bars mandatory arbitration in health care contracts. Arbitration provides a quick, inexpensive means to resolve disputes between insurers, providers and health care consumers. However, AIF supports legislation that provides health care consumers with information about the cost of services provided by hospitals and doctors. Informed consumers are essential for market efficiency.

SB 2020 sponsored by Senator Durell Peaden (R-Pensacola), relating to health-flex plans was read a second time today. This bill will make basic “bare bones” coverage available to a qualified individual, “who purchases the coverage directly from the plan or through a small business purchasing arrangement sponsored by a local government.”

HB 1573, sponsored by Representative Frank Farkas (R-St. Petersburg), awaits action on the House special order calendar. One section of this bill expands the definition and provisions of the health-flex plan as found in SB 2020. Another section of this bill eliminates the binding arbitration clause similar to SB 1796. Among the other provisions is a requirement for patients and consumers to be provided with estimates of charges.

AIF also supports legislation that accords health insurers and managed care organizations an opportunity to provide low-cost, flexible insurance plans to needy, uninsured Floridians.

ECONOMIC DEVELOPMENT

Tuesday, there were two bills before the legislature containing the recommendations of Enterprise Florida Inc.(EFI) for boosting economic development. EFI’s goal is to increase economic opportunities through the creation and retention of quality jobs and the active support of strong and growing businesses.

First, the House Finance and Tax Committee heard and passed HB 809, sponsored by Representative Bev Kilmer (R-Marianna). Provisions in this bill will create sales-and-use tax exemptions, expand a tax credit program for qualified target industry, and lower the sales price threshold.

Then, the Senate Finance and Taxation Committee heard and passed CS/CS/SB 2328 & 2252, which is the Senate counterpart to HB 809. SB 2328 was originally sponsored by Senator Burt Saunders (R-Naples) and SB 2252 was originally sponsored by Senator Lesley Miller, Jr. (D-Tampa). The Senate Commerce, Economic Opportunities, and Consumer Services Committee voted to combine these two bills, which provide certain tax incentives and revise several existing economic-development programs. The bill has since been placed on the Senate calendar on second reading.

AIF supports legislation to promote economic development in Florida. The state should exempt from the sales-and-use tax all items of tangible personal property that are purchased specifically for use in research and development activities. Legislation of this nature pays big dividends to Florida because it makes the state’s business climate much more attractive to high-paying, high-tech industries.

AUTOMOBILE INSURANCE: PERSONAL INJURY PROTECTION REFORM

Tuesday, the Senate Appropriations Committee heard CS/SB 1202, by Senator JD Alexander (R-Winter Haven), which relates to Florida's no-fault motor vehicle insurance law. The committee substitute seeks to reduce the cost of insurance premiums and combat fraud and abuse that are rampant in the system. A strike-all amendment was introduced that added a few new provisions to the bill. After adoption of the amendment, the committee passed the bill. Today, the bill was withdrawn from committees and placed on the Senate special order calendar for Monday, April 28.

Wednesday, HB 1819, the Motor Vehicle Insurance Affordability Reform Act sponsored by the House Insurance Committee and Representative Kim Berfield (R-Clearwater), was passed by the House State Administration Committee. Additional action is likely next week.

AIF favors reform of Florida's automobile insurance law to return stability to the no-fault insurance market by reducing unnecessary litigation over medical and lost-wage benefits.

UNEMPLOYMENT COMPENSATION

On Tuesday, the Senate Appropriations Subcommittee on Transportation and Economic Development heard and passed SB 470, sponsored by Senator Debbie Wasserman Schultz (D-Pembroke Pines) and Senator Alex Diaz de la Portilla (R-Miami), relating to unemployment compensation benefits. SB 470, as amended by a committee substitute, changes unemployment compensation benefits to temporarily increase the weekly benefit amount for an individual receiving unemployment benefits. Thursday, this bill was withdrawn from Appropriations and is now in Rules and Calendar. The House companion bill, HB 857, sponsored by Representative Dan Gelber (D-Miami Beach), was last heard in the House Subcommittee on Workforce and Economic Development on April 7 with no further activity.

AIF would oppose any diversion of funds from the unemployment compensation trust fund and any legislation to permanently increase benefits in a manner that negatively affects solvency of the fund. Although SB 470, in its present form, is not so egregious, it still raises concerns for the business community. As such, any further action or amendments on this bill will be closely monitored.

CONSTITUTIONAL AMENDMENTS

Tuesday, the Senate Finance and Taxation Committee passed SB 1322, sponsored by Senator Anna Cowin (R-Leesburg). This bill requires the Revenue Estimating Conference to develop a short statement for inclusion on the ballot, identifying the fiscal impact of each amendment to the Florida Constitution proposed by initiative. A similar bill, HB 1521 by Representative Will Kendrick (D-Carrabelle), is working its way through the House.

On Friday, HB 1883, co-sponsored by the House Finance and Tax Committee and Representative Randy Johnson (R-Winter Garden) was placed on the special order calendar. This bill implements the amendment to the Florida Constitution by requiring the newly created Financial Impact Estimating Conference to prepare a clear and unambiguous 50-word financial impact statement for inclusion in the ballot summary for an amendment to the constitution proposed by initiative petition.

AIF supports legislation that strengthens the integrity of the constitutional amending process, especially with respect to citizen initiatives. The people retain the ultimate right to alter or revise the state constitution in accordance with fundamental precepts of democratic rule.

ENVIRONMENT

Tuesday, the Senate Finance and Taxation Committee heard SB 2726, sponsored by Senator Nancy Argenziano (R-Crystal River), regarding contaminated site cleanup. This bill incorporates risk-based-corrective action, which is applied in the clean up of brownfields as well as dry-cleaning solvent and petroleum contaminated sites. This legislation will be applied to the clean up of other contaminated sites. Today, the bill was placed on the special order calendar, read a second time, an amendment was adopted and the bill was ordered engrossed.

The House companion, HB 1123, sponsored by Representative Donna Clarke (R-Sarasota), was read a second time today. Amendments were offered but failed to be adopted. The bill was ordered engrossed.

AIF supports this legislation because it establishes a reasonable standard for remediation of contaminated property.

Wednesday, the House State Administration Committee heard and unanimously passed HB 1405, sponsored by Representative Richard Machek (D-Delray Beach). This bill revises the Surface Water Improvement and Management (SWIM) Act, which provides for the restoration and protection of water bodies of statewide and regional significance. Thursday, this bill was withdrawn from Appropriations and placed on the House calendar for a second reading.

A similar bill in the Senate, SB 2260, sponsored by Senator Paula Dockery, (R-Lakeland), was withdrawn yesterday from the Governmental Oversight and Productivity Committee and now is assigned to the Appropriations Subcommittee on General Government.

AIF opposes legislation that imposes burdensome growth management restrictions on Florida business and industry under the guise of water resource protection. As such, AIF will continue to monitor this legislation to ensure that no unfriendly amendments are added, which would adversely affect the state's economy.

On Wednesday, SB 956, sponsored by Senator Dennis Jones (R-Seminole), relating to liability under the drycleaning solvent cleanup program was read a second time, an amendment was adopted, and the bill was ordered engrossed. Today, the bill was read a third time, amendments were introduced and adopted and the bill passed as amended on a 39 to 0 vote. The House companion, HB 741, sponsored by Representative Dennis Ross (R-Lakeland), passed all required committees, however, it has not yet been placed on the House special order calendar. It may be awaiting arrival of the Senate bill in messages, early next week.

AIF supports legislation that provides incentives for voluntary cleanup of polluted sites by property owners by offering them protection against wasteful litigation

EDUCATION

SB 2170, sponsored by Senator Bill Posey (R-Rockledge), provides an alternative method for a school district to become a charter-school district. It was approved on Wednesday with a near unanimous 39 to 1 vote. A similar provision is contained in the House companion bill, HB 703, by Representative Joe Pickens (R-Palatka), which was reported favorably by the House Appropriations Committee on April 16 and is currently in a pending status awaiting a review of the committee substitute.

Two other charter school bills saw action this week. These bills are intended to ensure greater accountability for existing and future charter schools. Wednesday, HB 1279, sponsored by Representative Dennis Baxley (R-Ocala), was removed from the House calendar and referred back to the House Appropriations Committee where it passed with a unanimous vote on Thursday. The Senate companion, SB 2242, sponsored by Senator Daniel Webster (R-Winter Garden), was read a second time on Wednesday. On Thursday, after being read a third time, it passed on a 39 to 0 vote.

AIF supports the expansion and development of charter schools in Florida. Charter schools are a cost-efficient and educationally effective way to improve the quality of education in the state.

SB 2062, sponsored by Senator Tom Lee (R-Brandon), increases the total amount of corporate-income-tax credits for private school scholarships that may be granted during each state fiscal year. Today, the bill passed the Senate on a largely party-line vote of 26 to 11.

The House passed after lengthy debate CS/CS/SB 1436, co-sponsored by the House Appropriations, Finance & Tax, and Education committees, Senator Lisa Carlton (R-Osprey) and Senator Lee Constantine (R-Altamonte Springs). This is the Class Size Reduction Act. Included in the bill, as amended, is a provision for expansion of state funded vouchers for pupils to attend private schools.

Educational enhancement is necessary for a better-skilled workforce. AIF supports an expansion of corporate-tax credits and state voucher programs. These programs give parents meaningful choices for the education of their children. Furthermore, such legislation promotes greater competition, which has a beneficial effect on the quality of public schools.

MINIMUM WAGE

Thursday, SB 54, sponsored by Senator Lee Constantine (R-Altamonte Springs), which prohibits political subdivisions of the state from requiring employers to pay a minimum wage other than that set by the federal government, had its third reading on the Senate floor. The bill passed on a 22-13 vote without any amendments. The House companion bill, HB 321, by Representative Frank Attkisson (R-Kissimmee), was scheduled for a second reading but was temporarily postponed on April 10. There has been no further activity on this bill, but it is likely that it will be placed back on the special order calendar when the Senate bill arrives in messages.

On balance, SB 54 represents an important step in the right direction, especially for the hospitality industry in Florida. As a matter of principle, however, AIF continues to oppose all costly living-wage mandates at the local level including those that are limited to commercial transactions involving local government entities.

CIVIL RIGHTS

SB 1214, sponsored by Senators Alex Villalobos (R-Miami) and Lesley Miller (D-Tampa), gives the attorney general independent authority to commence a civil action for damages or other appropriate relief against any person or group that practices unlawful discrimination.

Floor action in the Senate alleviated concerns raised by AIF earlier in the legislative session. An amendment offered by Senator Daniel Webster (R-Winter Garden), tightened criteria that allow the attorney general to commence civil actions. Another amendment by Senator Rod Smith (D-Gainesville) provides for early circuit-court review of any such action to assure that the grounds alleged by the attorney general to bring the lawsuit are sufficient. Most importantly, Senators Villalobos and Smith both affirmed on the floor — in the presence of Attorney General Charlie Crist — that it is not the intent of the Legislature to interfere with the jurisdiction of the Human Relations Commission, nor is it the intent of the Legislature to allow the attorney general to initiate ordinary private actions for violations of the state’s civil rights law. Actions can only be maintained under this act to redress an egregious pattern of discrimination or other civil rights violation of great public interest.

The bill was read a third time and passed as amended on a 38 to 1 vote.

The House companion, HB 215, sponsored by Representative Jeff Kottkamp (R-Cape Coral), was heard and passed the House Appropriations Committee today. It is expected to move quickly to the House calendar.

Initially, AIF opposed this legislation, largely because of a lack of clarity regarding the scope of powers being granted to the Attorney General. With the adoption of the Senate amendments, however, AIF now favors passage of the bill.

TAXATION

HB 1839, sponsored by the House Finance & Tax Committee and Representative Randy Johnson (R-Winter Garden), updates the Florida Income Tax Code to reflect the 2002 changes to the U.S. Internal Revenue Code. Today, the bill was approved by the House on a 113 to 0 vote. A similar bill, SB 1002, sponsored by Senator Walter Campbell (D-Tamarac), passed out of that chamber’s Finance & Taxation Committee on April 7 and was assigned to Appropriations, where it remains. In due course, however, the bill may be waived out of committee and placed on the Senate calendar.

AIF supports piggybacking state income tax laws on the Federal IRS Code. This legislation simplifies compliance costs for corporations doing business in Florida.

- 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://fbnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.