

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
WEEKLY UPDATE**



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**BUSINESS BILLS OF INTEREST
MAY 9, 2003**

Associated Industries of Florida monitored 460 bills during the 2003 Legislative Session. Over the past two months, we reported on the activity of approximately 100 of these bills. On the last day of the session, May 2, we reported the final outcome of many of these bills of interest to the business community.

What follows is information on the final disposition of other bills that were mentioned in daily or weekly reports earlier in the session.

Over the next several weeks, we will provide you with more detailed summaries of major bills that were enacted this year. We will also keep you posted on events during the upcoming special session.

CIVIL RIGHTS

HB 215, sponsored by Representative Jeff Kottkamp (R-Cape Coral), was substituted with SB 1214, by Senators Alex Villalobos (R-Miami) and Lesley Miller (D-Tampa). This bill would have given the attorney general independent authority to commence a civil action, or other appropriate relief, against any person or group that allegedly practices discrimination. When the bill returned to the House in messages, it no longer contained certain Senate amendments that made bill more acceptable to AIF. (Attorney General Charlie Christ supported the Senate amendments, when they were first adopted.) In the closing minutes of the regular session, the Senate temporarily postponed action on the bill, thereby ending any chance for passage. The issue is likely to be addressed again in the special session, even though the subject matter is outside the call.

AIF does not support this bill without the Senate amendments.

CONSTITUTIONAL AMENDMENTS

HB 1883, sponsored by the House Finance & Taxation Committee along with Representative Randy Johnson (R-Winter Garden), would have implemented a new constitutional amendment, approved by voters in 2002, by requiring a newly created Financial Impact Estimating Conference to prepare a clear and unambiguous 50-word financial impact statement for inclusion in the ballot summary of an amendment to the constitution proposed by initiative petition. It died in House messages.

A related measure HB 437, co-sponsored by Representatives Randy Johnson (R-Winter Garden) and Ken Littlefield (R-Zephyrhills), would have amended the state constitution to require that ballot language for citizen initiatives include a calculation of the cost of the amendment and a specific funding source for the program being created. The bill failed to clear all committees of reference.

Likewise, a number of other bills pertaining to citizen initiative and/or the constitutional amending process died for lack of legislative consensus, including the following:

- HB 1877, by the House Procedures Committee and Representative Mike Hogan (R-Jacksonville)
- HB 1521 by Representative Will Kendrick (D-Carrabelle)
- SB 1506 by Senator Jeff Atwater (R-Palm Beach Gardens)
- SB 318 and SB 464 by Senator Rod Smith (D-Gainesville)
- SB 2644 by Senator Anna Cowin (R-Leesburg)

AIF supported legislation to provide for accurate fiscal impact statements on proposed constitutional amendments, especially when they are placed on the ballot by way of citizen initiatives.

EDUCATION

SB 2170, sponsored by Senator Bill Posey (R-Rockledge) and the House companion bill HB 703, by Representative Joe Pickens (R-Palatka), would have provided an alternative method for a school district to be designated a charter-school district. A similar Senate bill, SB 1436, sponsored by the Senate Appropriations on Education, would have repealed section 1002.33(13), F.S., that limits the number of charter schools that could be approved in a school district. SB 2170 and SB 1436 died in messages. HB 703 died on the House calendar.

AIF supported the expansion and development of charter schools in Florida.

ENVIRONMENT

We reported on Friday, that SB 956, by Senator Dennis Jones (R-Lakeland) had passed the House with a 119 to 0 vote. Later in the day, the bill returned to the Senate floor where it was ordered enrolled. This bill amends liability provisions under the Drycleaning Solvent Cleanup Program by providing that a real-property owner is not liable for claims, except for claims asserted by a governmental entity, for property damage of any kind due to drycleaning solvent contamination.

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

HB 1525, sponsored by Representative Dudley Goodlette (R-Naples), along with the Senate companion SB 2634, by Senator Rod Smith (D-Gainesville), would have reformed the environmental permitting system. These bills would have authorized performance-based permitting. Although the bills did not pass, the subject is likely to be addressed again next year.

AIF opposed this legislation, as originally filed.

HEALTH CARE

SB 1796, sponsored by Senator Walter Campbell (D-Tamarac), had a provision that would have prohibited mandatory arbitration clauses in life, health, and disability insurance policies, as well as managed care and prepaid contracts. Another provision required hospitals to provide published rates for the most frequently used services. The bill died in the Senate Health, Aging and Long Term Care Committee.

SB 2020 by Senator Durell Peaden (R-Pensacola) related to health-flex plans. This would have made basic health coverage available to Florida residents under 65 years of age with family incomes equal to or under 200 percent of the federal poverty level and who were unable to obtain traditional health coverage. The bill died in Senate messages.

HB 1573, sponsored by Representative Frank Farkas (R-St. Petersburg), had one provision that expanded 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. In addition, it would have required that patients and consumers be provided with estimates of charges. The bill died on the House calendar.

AIF generally supports health-flex plans and provisions that mandate estimates of charges, but opposes legislation to ban binding arbitration clauses in insurance or health care contracts.

HB 1029, co-sponsored by the House State Administration Committee and Representative Connie Mack (R-Ft. Lauderdale), would require health-care facilities to report an adverse incident 24 hours after the occurrence. The facility must submit a follow-up report 15 days later and must file a copy of its report with the Department of Health. The bill died on the House calendar.

AIF supported this bill.

SB 436, sponsored by Senator Walter Campbell (D-Tamarac), was the “any willing provider” bill. This would have mandated that a subscriber to a managed health care plan could have full, free, and absolute choice in the selection of health care providers. It also prohibited a company from requiring a subscriber to use any provider other than the one the subscriber selects. The bill did not clear all committees of reference.

AIF opposes this legislation.

HB 169, sponsored by Representative Nan Rich (D-Sunrise), was substituted with SB 84, by Senator Steven Geller (D-Hallandale Beach) and co-sponsored by Senator Alex Villalobos (R-Miami) and Senator Gwen Margolis (D-Miami Beach). This bill would have mandated that all health insurers and HMOs provide coverage for Autism Spectrum Disorder (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. The bill died in the House Health Care Committee.

AIF opposes mandated insurance requirements.

SB 2174, by Senator Alex Villalobos (R-Miami), would amend Florida law to require that every baby born in a hospital receive, prior to discharge, an eye examination with an ophthalmoscope as the light source and dilation of the pupils for detection of pediatric congenital and ocular abnormalities. An ophthalmoscope is a diagnostic instrument that enables the examiner to detect abnormalities of the eye. This bill would also require 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. The bill died in the Senate Banking and Insurance Committee.

AIF opposes mandated insurance requirements.

HOMELAND DEFENSE

SB 1612, by Senator Paula Dockery (R-Lakeland), would have modified 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. The bill died in House messages.

AIF supported this bill.

HOSPITALITY

HB 1595, by Representative Jerry Paul (R-Port Charlotte), would have reduced inspections at recognized facilities to no more than twice per year as long as the facility maintained the standards associated with the designation. It would not have prohibited the division from conducting re-inspections to verify that violations had been corrected, or inspect a facility in response to a documented public complaint or a suspected outbreak of a food-borne illness. On April 24, the bill was withdrawn from further consideration.

AIF supported this bill.

IDENTITY THEFT

HB 1161, by Representative Leslie Waters (R-St. Petersburg), was placed on the House special order calendar last Friday. This bill increases penalties for the criminal use of personal-identification information, also known as identity theft. The House immediately substituted HB 1161 with SB 1072, sponsored by Senator Victor Crist (R-Tampa), and then passed the bill with a 118 to 0 vote. The bill was returned to the Senate and ordered enrolled. Two other bills pertaining to identity theft, SB 1580 & SB 2596, both by Senator Dave Aronberg (D-Ft. Myers), failed to pass.

Identity theft costs businesses in Florida hundreds of millions of dollars a year. AIF supported this bill because it takes measures to protect consumers and businesses by promoting prevention and prosecution of these crimes.

PAYROLL PROTECTION

HB 1357, sponsored by Representative Fred Brummer (R-Apopka), which would have empowered teachers by protecting their First Amendment free-speech rights. Under this bill, unions could no longer force teachers to make automatic contributions to the union's social, political or ideological activities. It would have given school districts collective bargaining authority over dues and payroll deduction. The bill died in the House Education Committee.

AIF supported this bill.

TAXATION

SB 2252, sponsored by Senator Lesley Miller, Jr. (D-Tampa) was combined with SB 2328, by Senator Burt Saunders (R-Naples). This bill incorporated incentives for local and regional economic development organizations to help provide funds for start-up businesses and technology incentives. CS/CS/CS/SB 2328 was substituted with HB 315, by Representative Holly Benson (R-Pensacola), which establishes the Florida Institute for Human and Machine Cognition, Inc. at the University of West Florida. HB 315 passed the Senate on a 39 to 0 vote and was ordered enrolled. In its final form, the bill omits any reference to tax credits. Nevertheless, SB 1430, by Senator JD Alexander (R-Winter Haven), which also passed, calls for an exemption from the gross receipts tax for natural and manufactured gas under certain circumstances. See also, SB 1774, a similar bill by Senator Walter Campbell (D-Tamarac).

HB 239, by Representative Don Davis (R-Jacksonville Beach), would have increased the tax credit allowed businesses for contributing to eligible charities from \$10 million statewide to \$20 million. The bill died in the House Finance and Tax Committee.

AIF supports legislation to promote economic development in Florida. 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.

HB 333, by Representative Gayle Harrell (R-Port St. Lucie), was substituted with SB 1162, sponsored by Senator Ken Pruitt (R-Port St. Lucie). This bill revives, re-enacts, and re-adopts provisions relating to the tourism development tax and the Florida Taxpayer's Bill of Rights. Friday, the House read and passed SB 1162 on a 113 to 0 vote. The House sent the bill back to the Senate where it was ordered enrolled.

AIF supported HB 333 and SB 1162. Tourism is essential to our state's economy. The local-option tourism tax is an important tool for local governments to promote tourist destinations in Florida. The Taxpayer's Bill of Rights assures minimum standards of fairness in the administration of revenue laws of this state.

SB 1776, co-sponsored by the Senate Appropriations Committee, the Senate Finance and Taxation Committee, and Senator Evelyn Lynn (R-Ormond Beach) was referred to as the streamlined sales-and-use tax bill. This was an effort created by several state governments, with input from municipalities and the private sector, to simplify and modernize sales-and-use tax collection and administration. It pertains mainly to Internet sales and other "remote sellers" of goods to retail purchasers in Florida. The bill passed the Senate but was not heard in the House. This matter may be revisited in the special session.

AIF supported the bill.

HB 1793, by Representative Bruce Kyle (R-Ft. Myers), would have eliminated distributions to various trust funds of proceeds from the excise tax on documents and would have redirected proceeds to the general revenue fund. It revises the use of tax proceeds to support the Florida Affordable Housing Guarantee Program. The bill died in Senate messages.

AIF opposed this legislation.

HB 1173, by Representative James Harper (D-West Palm Beach), would have provided corporate tax credits for employers who hired persons from qualified targeted groups having high unemployment rates or special employment needs; e.g., ex-felons released from prison within the last three years, persons under community control, and recipients of Supplemental Security Income. The bill died on the House calendar.

AIF supported this bill.

SB 2062, sponsored by Senator Tom Lee (R-Brandon), would have increased the total amount of corporate-income-tax credits for private school scholarships that could be granted during each state fiscal year. The bill died in House messages but is likely to be revived in the special session since it clearly is a budget issue.

AIF supported this bill.

HB 809, sponsored by Representative Bev Kilmer (R-Marianna), would have created sales-and-use tax exemptions for machinery and equipment used in research and development. (Similar provisions were included in CS/CS/CS/SB 2328.) The bill died on the House calendar.

AIF supported this bill.

On the last day of the session, both the House and Senate passed CS/SB 1176, a tax administration bill by the Senate Finance and Taxation Committee and Senator Walter Campbell (D-Tamarac). As we previously reported, the bill picked up an amendment that could have been construed to allow the Department of Revenue to tax two-way mobile communications systems. On the Senate floor, Senator Bill Posey (R-Rockledge) offered an amendment to remove the problematic provision, which was adopted on a voice vote. In order to establish legislative intent, Senator Posey read a prepared statement, which states in part as follows:

Some have questioned whether two-way radios that are not being used for substitute switched telecommunications service is taxable in the first place, and that by putting this exemption language in the statutes [for not-for-profit utility providers] a presumption is created, which could be used to tax a communication method that historically has not been taxed. I therefore offer this amendment to remove the exemption language from the bill. We know there was no intent to tax these systems when we passed the communications tax simplification bill.

We have reason to believe that the Department of Revenue will honor this statement of legislative intent.

AIF supports legislative action to ensure that a telecommunications tax is not imposed on the internal use of two-way radio communications systems.

TRANSPORTATION

HB 1205, sponsored by Representative Andy Gardiner (R-Orlando), would have expanded the power of the Motor Carrier Compliance Office to keep commercial motor vehicles that violate safety and other motor-carrier laws off of the highways. The bill failed to clear all committees of reference.

HB 497, by Representative Irving Slosberg (D-Boca Raton), would have created a two-year highway-safety pilot project on I-95 in Palm Beach County beginning on October 1, 2003. This would have restricted commercial vehicles with three or more axles to the two outermost lanes of traffic, except for when the driver is preparing for a left turn, avoiding a hazardous road condition, or being otherwise directed by law enforcement. The bill died in the Senate Transportation Committee.

SB 1400, sponsored by Senator Ron Klein (D-Delray Beach), sought to give Florida voters an opportunity to repeal or re-approve the high-speed rail system constitutional amendment after finding out its cost. SB 1400 would have placed on the ballot an amendment to the state constitution to repeal the provision requiring the development and operation of the high-speed rail. The bill failed to clear all committees of reference.

HB 855, sponsored by Representative Dennis Ross (R-Lakeland), along with its Senate counterpart, SB 2140, by Senator Paula Dockery (R-Lakeland), would have authorized the Division of Bond Finance to issue revenue bonds to build the high-speed rail system and to replace, build, or repair bridges and roads impacted by the train's construction; \$75 million in state transportation funds would be required for the next 30 fiscal years, roughly 1.5 percent of the state transportation budget. The money will come from the interest on trust funds that the Department of Transportation use for public transportation. The bill died in the House Transportation Committee.

AIF was neutral on these bills.

WATER RESOURCES

HB 1405, sponsored by Representative Richard Macheck (D-Delray Beach) was substituted with SB 2260, by Senator Paula Dockery (R-Lakeland). This bill provides for the restoration and protection of water bodies of statewide and regional significance. After the Senate passed the bill on Friday, it was sent over to the House floor. The House passed it with a 113 to 0 vote and immediately returned it to the Senate where it was ordered enrolled.

HB 1459, sponsored by Representative Macheck (D-Delray Beach), would have directed the Department of Environmental Protection and water management districts to develop a water conservation guidance manual for water utilities regarding consumptive use permitting in conjunction with other affected entities. HB 1069, by Representative David Russell (R-Brooksville), would have required local governments to address in their comprehensive plans water supply projects and sources necessary to meet existing and projected demands. These bills died on the House calendar.

HB 807, sponsored by Representative Richard Macheck (D-Delray Beach), would have provided that costs of improvements to original ditches, drains, and other improvements of water control districts could be calculated into the apportionment of maintenance assessments of a water control district. It also exempted the water control districts from liability on district lands when such lands are used for recreational purposes. The bill died in the House Committee on Judiciary.

HB 1005, by Representative Baxter Troutman (R-Winter Haven), would have allowed utilities control over reclaimed water. The bill did not clear all required committees.

AIF monitored these bills to ensure that burdensome restrictions were not placed on Florida businesses and industry.

WORKERS' COMPENSATION

HB 1655, by Representative Kim Berfield (R-Clearwater) and the Senate companion, SB 1946, sponsored by Senator Charlie Clary (R-Destin), would have provided for startup funding and creation of a Florida Employers Mutual Insurance Company to provide workers' compensation insurance and employer's liability coverage. The bills each died in committee.

AIF opposes legislation to create state-run mutual insurance companies.

WORKPLACE ASSAULT

HB 13 by Representative Mark Mahon (R-Jacksonville) would have addressed arrests for assaults in the workplace. This bill would have allowed an officer to arrest a person without a warrant when there was probable cause to believe that the person had committed an assault upon another person in the workplace of the person assaulted. The bill died on the House calendar.

AIF supported the bill.

UNEMPLOYMENT COMPENSATION

SB 470, by Senator Debbie Wasserman Schultz (D-Pembroke Pines) and Senator Alex Diaz de la Portilla (R-Miami), and the House companion measure, HB 857, by Representative Dan Gelber (D-Miami Beach), would have temporarily increased the weekly benefit amount for an individual receiving unemployment benefits. The Senate bill died in messages. The House bill died in committee.

AIF was neutral this bill.

- 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.