FROM MAY 21, 2003

Budget conferees are moving toward closure on outstanding issues, but they are not there yet. Considering the time required to print the final bill and the constitutionally required 72-hour waiting period before legislators can give final approval to the budget, House and Senate conferees will have to conclude their deliberations and sign the conference committee report by sometime Thursday if the special session is conclude at its scheduled time, next Tuesday, May 27.

Having already moved its bills to third reading earlier in the week, the House did not meet in session today, hence, all attention was focused on the Senate chamber where a number of important bills were debated on second reading, including the following bills of interest to the business community.

WORKERS' COMPENSATION

Today the Senate considered SB 50A, relating to workers' compensation reform, sponsored by Senators Charlie Clary (R-Destin), JD Alexander (R-Winter Haven), and Jeff Atwater (R-Palm Beach Gardens).

As in the Senate Banking and Insurance Committee yesterday, the line was clearly drawn between the bill's supporters and those trying to stymie passage of any legislation to address the workers' compensation crisis.

Seventeen amendments were filed but only one was adopted. Senators Walter Campbell (D-Tamarac) and Debbie Wasserman-Schultz (D-Pembroke Pines) each filed several amendments aimed at killing the bill, but Senators Alexander, Atwater, and Clary provided strong leadership on the Senate floor and were able to prevent adoption of these amendments, many of which would have increased costs.

The one amendment that passed removed all proposed changes to current law regarding employers' immunity from civil action and took out the bill's provision that corrected the *Turner* decision.

Overall, the bill will provide significant savings to the employers of Florida and will bring much needed workers' compensation reform.

As of today, the House and Senate bills are identical except for the amendment made today by the Senate. We anticipate that the legislation will be scheduled for final passage in both the House and Senate on Tuesday, May 27.

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 deliver fairer benefits to injured workers and lower costs to employers.

AUTOMOBILE INSURANCE: PERSONAL INJURY PROTECTION REFORM

CS/SB 32A, by Senator JD Alexander (R-Winter Haven), relating to the motor vehicle insurance reform was heard on the Senate special order calendar today.

After being read a second time, 13 amendments were offered but only four were adopted. One amendment by Senator Evelyn Lynn (R-Ormond Beach) limited to \$10 the amount of money an insurance agent can collect as an administrative service fee on a motor vehicle policy. This amendment, which the Senate readily endorsed, negates a controversial provision passed in the regular session to increase the service fee from \$10 to \$30. (A long standing provision in Florida law allows a \$10 service fee; consequently, the Senate amendment seeks to maintain the status quo.)

Senator Alexander offered three amendments; one was merely technical and another required several state agencies to report on the implementation of this act by December 2004. A third amendment allowed consideration of evidence by a physician or other provider that a good faith attempt to collect the deductible or co-payment had been made.

Most notably, the Senate bill contains a provision, also found in the House counterpart, which sunsets the no-fault automobile insurance law in 2007 unless the Legislature re-enacts the salient provisions by 2006.

Following adoption of these amendments, the bill was read a third time and passed by the Senate without any negative votes. It now moves over to the House for additional action.

The House counterpart, HB 27A, by Representatives Dudley Goodlette (R-Naples), Kim Berfield (R-Clearwater), Don Brown (R-DeFuniak Springs), Donna Clarke (R-Sarasota), and Mike Davis (R-Naples), was ordered engrossed on May 15 and is awaiting a third reading and the arrival of the Senate bill in messages.

AIF supports reform of Florida's no-fault law to return stability to the automobile insurance market.

SMOKE-FREE WORKPLACE

SB 44A, sponsored by Senator Alex Diaz de la Portilla (R-Miami) relates to the Florida Clean Indoor Air Act and implements the anti-smoking initiative contained in Article 10 of the State Constitution.

The bill was read a second time, amendments were adopted, and the bill was ordered engrossed.

Under this legislation, smoking would only be allowed in

- private residences that are not used commercially
- retail tobacco shops
- designated smoking guest rooms
- stand-alone bars with food sales that do not exceed 10 percent of revenues
- smoking-cessation programs, medical or scientific, with approval from the state
- custom smoking rooms in airports approved by the Customs Department
- membership association facilities used exclusively for noncommercial activities

HB 63A by Representative Manual Prieguez (R-Miami), was temporarily postponed on its second reading last week and currently awaits further action.

AIF supports legislation that clarifies the legal obligations of employers to comply with the nosmoking amendment to the State Constitution.

CIVIL RIGHTS

SB 46A gives the attorney general independent authority to initiate, upon reasonable cause, a civil action for damages against any group or person that allegedly practices egregious discrimination. The bill is sponsored by Senators Alex Villalobos (R-Miami), Lesley Miller, Jr. (D-Tampa), Rod Smith (D-Gainesville), and Alex Diaz de la Portilla (R-Miami). Because an identical House bill had already arrived in messages — HB 143A by Representatives Jeff Kottkamp (R-Cape Coral) and Juan Zapata (R-Miami) — the Senate took up the House bill in lieu if the Senate bill. A few amendments were offered by Senator Anna Cowin (R-Leesburg), which were discussed, debated in depth, and defeated. The Senate then passed the bill by a vote of 36 to 1.

AIF does not oppose the civil rights bill in its final form.

CHARTER SCHOOLS

Senator Daniel Webster (R-Winter Garden) introduced SB 38A to provide guiding principles for the establishment and operation of charter schools. This bill was heard on the Senate floor today on second reading. No amendments were offered. Therefore, the bill rolls over to third reading.

Representative Dennis Baxley (R-Ocala) is the prime sponsor of the House version of this legislation, HB 55A, which identical to SB 38A. The House bill has also advanced to the third reading calendar.

Charter school legislation is now primed for passage on Tuesday, May 27 – the last day of the special session – when the House and Senate next meet in chambers for final action on remaining third reading bills.

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 this state.

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 http://fbnnet.com
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