MARCH 22, 2004

MEDICAL MALPRACTICE

Continuing its work from last week, the House Insurance Committee met today and held a workshop on proposed committee bill PCB-IN-04-05. This PCB addresses several issues dealing with medical negligence including: expert witness qualifications, medical review panels, and sovereign immunity for teaching physicians at the University of Miami's Jackson Memorial Hospital. Late last week, Chair Kim Berfield (R-Clearwater) released a new version of the PCB in which new language was added that includes a provision prohibiting hospitals or HMO's from requiring in their contracts that doctors have medical malpractice liability insurance. Today, many of the committee members had multiple questions regarding the new PCB, specifically about the definition of negligence and possible caps on attorney fees.

Representative Curtis Richardson (D-Tallahassee) showed concern regarding the possible effect this bill would have on insurance companies writing policies in Florida because of provisions in the PCB dealing with periodic payments. A periodic payment refers to the structuring of future economic and future non-economic damages awarded to victims of medical negligence. Several committee members were concerned with the issue of periodic payments and noted that more work needed to be done regarding this issue.

The Committee heard testimony from several people, most of which were testifying due to a personal experience with medical malpractice. These individuals spoke in opposition to the bill. The committee ran out of time and several additional speakers, including Gerald Wester of AIF, were asked to meet with the members outside of the meeting. It is expected that the Committee will be taking a vote on this PCB tomorrow morning.

AIF opposes legislation that would restrict the rights of hospitals, HMO's and other medical facilities to require doctors, as a condition to practice in such facilities, to carry prescribed liability coverages, to include structured settlements

NATURAL RESOURCES

The Senate Natural Resources Committee passed SB 1316 today. This legislation creates the Florida Alternative Energy Technology Center, Inc., "the Center", as a not-for-profit corporation. "Alternative energy technology" is defined to include, but is not limited to: hydrogen fuel; fuel cells; landfill gas, solar thermal energy; ocean energy; and energy conservation programs. The Center is to be the principal alternative energy technology organization for the state and is to provide leadership for research and development on the production and improvement of alternative energy technology in Florida. The bill also appropriates \$500,000 from General Revenue to the Office of the Governor to fund the activities of the Center.

A substitute amendment was offered which would have funded the Center from a surcharge of one-tenth mill (\$0.0001) per kilowatt hour charged to each retail electric consumer in the state. Senator Mike Bennett (R-Bradenton), speaking on this amendment, told the Committee that Florida TaxWatch had reviewed this surcharge and had concluded that it was a good investment for the future, especially with the rising cost of foreign oil. The Florida Retail Federation was also in support of the substitute amendment since the original amendment outlined the surcharge at one-quarter mill (\$0.00025) per kilowatt hour. However, the Phosphate Industry and the Florida Minerals and Chemical Council spoke against the amendment, which ultimately failed on a 4 to 2 vote.

HB 1316, as amended, received a favorable vote from the Committee and it will now be heard by the Senate Governmental Oversight & Productivity Committee. The Committee also passed to other bills linked to SB 1316: SB 112, a trust fund bill and SB 2190 which provides the Center with a public records exemption. The public records exemption should facilitate the participation and sharing of information between businesses and the Center.

AIF supports efforts to develop alternative energy technologies that will eventually help lower fuel prices for all employers and citizens in Florida. Florida should be a leader in this field.

CIVIL JUSTICE

The Senate Judiciary Committee passed SB 2092 by Senator Alex Villalobos (R-Miami) relating to the Financial Protection for Elderly Act. This bill would create a civil cause of action against banks, insurers and other financial institutions for so called financial exploitation of any person over 60 years old.

During the meeting, members of the Committee asked Senator Villalobos to meet with members of the business community to discuss the bill's potential impact on financial institutions, banks, and other investment companies. Committee members expressed concern that the bill was overly broad

Tom Cardwell of the Florida Bankers Association testified against the bill as did Leslie Dughi of the Florida Chamber of Commerce.

AIF has been able to get the bill referenced to the Senate Banking and Insurance Committee which is considered to be more reasonable on business issues.

AIF is always in favor of providing the maximum protection by law for Florida's elderly population, however, AIF opposes this legislation because of its overly broad language which encourages speculative lawsuits against financial institutions that do business with the elderly.

Other Bills of Interest

SR 1078-Relating to Water Resources

The Senate Natural Resources Committee passed Senate Resolution (SR 1078) relating to Water Resources by Senator Evelyn Lynn (R-Ormond Beach). This resolution deals with the concept of "local sources first," an issue that was brought up during the Committees public hearings held across the state last fall. The term "local sources first" refers to the principle that water users should first consume water sources within their immediate geographic area, including alternative sources such as desalination and reclaimed water, before tapping into more remote water sources. This resolution does not change current law; it just states that the Florida Senate opposes any modifications to the fundamental provisions of Chapter 373 F.S., as it relates to the current "local sources first" policy, and encourages its legislative colleagues (the Florida House of Representatives and the Governor's Office) to join in this opposition.

HB 769-Career and Technical Education

The House Commerce committee unanimously passed HB 769 by Representative Ed Jennings (D-Gainesville). This bill creates a high school vocational education program that requires: certification of the technical portions of lesson plans by business and industry; a strong academic component with all required academic courses above level 2; parental involvement in the identification of the appropriate program of study; student participation in work-based learning experiences; student attainment of specific accomplishments in an industry certified career and technical education program; students addressing workplace readiness skills; a capstone activity for each student that includes a project related to a career; a passing score on the College Entry Level Placement Test (CLEP); and coordination with post-secondary education.

This bill requires additional qualifications for the school personnel who will coordinate with business partners and assist the students through the program; and requires that all vocational programs meet these requirements as further specified in the rules of the State Board of Education by July 1, 2009.

Most committee members expressed their support for what this bill seeks to accomplish. Particularly, Representative Bob Allen (R-Merritt Island) praised Representative Jennings for taking on this issue and spoke in favor of the legislation. The bill will now be heard next by the House Subcommittee on General Education.

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
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.