## MARCH 20, 2006

## **Mandatory Health Care Tax**

The AFL-CIO held a rally this afternoon on the steps of the Old Capitol promoting the "Fair Share Health Care Act." This health care insurance mandate for employers would require those companies employing 10,000 people or more to pay at least 9% of the total payroll for health care or pay the difference into a state fund. This is not a new concept, as the Unions have targeted 30 states to pass this mandate. Though a catchy phrase, the "Fair Share Health Care Act" does nothing to expand the availability of health care at an affordable cost.

We have learned from Representative Rene Garcia (R-Miami), Chairman of the House Health Care Regulation Committee, that the house version of this proposal, HB 813 by Representative Susan Bucher (D-West Palm Beach), will in fact be heard in his committee later this session. Its Senate companion, SB 1618 by Senator Skip Campbell (D-Tamarac) has not been heard in any committee as of this date.

AIF opposes Fair Share as a health care mandate and an excessive new tax. Backers of universal health care mandates and pay-or-play schemes, such as Fair Share, misdiagnose both the problem and the solution. If we want to expand access to health insurance, we have to make health insurance affordable.

#### **Taxation**

The Senate Regulated Industries Committee unanimously passed SB 1292 Relating to Taxation and Alcoholic Beverages by Senator Mike Fasano (R-New Port Richey). This bill would eliminate the surcharge on alcoholic beverages sold on a vendor's premises. Back in 1990, Florida enacted a law that taxed the retail sale of alcoholic beverages. A move to eliminate this "drink" tax has taken some time. The tax was reduced by one-third in 1999 and again by one-half in 2000.

SB 1292 would eliminate the remainder of the tax and reduce the burdensome record-keeping required of businesses that sell alcoholic beverages. Several restaurant and bar owners testified in favor of the bill, citing their personal experiences with the difficulty of keeping track of this tax.

This proposal is part of the Governor Bush's budget recommendations for 2006.

AIF supports the final repeal of this tax to eliminate a cumbersome, expensive, and regressive burden on both Florida's hospitality establishments and Florida's consumers.

#### **OTHER BILLS OF INTEREST**

## **Transportation**

The Senate Transportation Committee unanimously passed SB 954 by Senator Jim Sebesta (R-St. Petersburg). This bill allows any expressway authority in the state to enter into public-private partnerships (called P3s) on their various toll projects.

Senator Sebesta explained that this concept is the cutting edge in road building which has been used in other parts of the world, but is just beginning to find interest in the United States. Senator Sebesta called it, "a remarkable new adventure" and said these privatization efforts can be negotiated into a contract to finance a road or even to provide other services including design, construction, maintenance and operation of a toll facility.

The Tampa-Hillsborough Expressway Authority could be the first beneficiary of the new concept, having already conducted a workshop to determine interest by the private sector to build a road in the northwest area of the county. Over 100 people attended the event and companies that have expressed interest include: MacQuarie Bank, Skanska, PCL, RBC Dain Rauscher, Atlantis Capital, Inc., AECOM Enterprises, Ferrial Group and Granite Construction.

Committee members were supportive but also asked many questions about the "what ifs" including what if such a project became insolvent. The bill's sponsor responded to many questions and agreed to further explore answers to others. Transportation Committee Vice-Chair, Senator Ron Klein (D-Delray Beach), commented, "It's a new idea; people just need a little time to get their arms around it."

## **COMMITTEE PRESENTATIONS**

# **Worker's Compensation**

The House State Administration Appropriations Committee held a Budget Preparation Workshop today to consider its recommendations for agency funding for 2006-2007. Chair Kim Berfield (R-Clearwater) stated at the beginning of the meeting that the Committee should have the budget done by the end of the week. Chair Berfield observed that there were certain areas in the budget where the Committee needed to make funding decisions based upon the discussion and testimony that it has considered over the past few months.

The budget distributed by the Committee at the meeting indicates that the Committee has not recommended funding for the two additional judges of compensation claims and eight associated staff requested by the Department. Additionally, the Committee has not recommended funding requested by the Department to eliminate disparity in the pay of judges of compensation claims; to provide additional

security services for the district offices and to provide additional salaries and benefits for 31 executive secretary positions.
Please send your comments or suggestions to us at <a href="mailto:aif@aif.com">aif@aif.com</a> or call the Governmental Affairs department at (850)224-7173.
<ul> <li>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></li> <li>Send us your E-mail address and we will begin to send this report to you automatically via E-mail.</li> </ul>