



DAILY BRIEF

From March 21, 2013

In a relatively quiet day in Florida's capital city, environment and agricultural issues became the major topic of the day. Energy and education legislation important to Associated Industries of Florida (AIF) and members of the business community were also discussed at length. Also of note, Senator Joe Negron (R-Palm City) laid out his plan as an alternative to the expansion of Medicaid. Ethics and elections legislation also remains a constant topic of debate for the 2013 Legislative Session.

Environment & Agriculture

In the Senate Committee on Environmental Preservation and Conservation, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis** stood in support of SB 768, *Relating to Everglades Long-term Plan*, by Senator Wilton Simpson (R-Trilby). Among other things, the legislation provides legislative finding that implementation of best management practices (BMPs), funded by the owners and users of land in the Everglades Agricultural Area (EAA), effectively reduces nutrients in waters flowing into the Everglades Protection Area. AIF agrees fully with this position. To date, in their continued commitment to the Everglades, farmers and landowners in the region have spent \$200 million on BMPs. The legislation also does not raise the current \$25 per acre Agricultural Privilege Tax that farmers and landowners pay the state. The legislation also moves towards completing the Everglades Restoration plan.



The bill passed unanimously and will next be heard in the Senate Committee on Community Affairs.

The house companion, HB 7065 by Representative Matt Caldwell (R-Lehigh Acres), was read today on the House floor and rolled to a second reading.

AIF supports legislation necessary to authorize funding, to begin implementing the revised \$880 million State Everglades Restoration Plan that Florida has already committed to complete. AIF opposes any increases in the Agricultural Privilege Tax and supports the inclusion of provisions in the legislation that requires the appropriate state agency to conduct a Use Attainability Analysis at the completion of construction projects to determine if the nutrient limits are attainable.

In the same Committee, AIF stood in support of SB 682, *Relating to Fossil Fuel Combustion Products*, by Senator Wilton Simpson (R-Trilby). The bill addresses the continued use of coal ash in many products and creates a regulatory program under the Department of Environmental Protection (DEP) for the beneficial use of Fossil Fuel Combustion Products. This bill would let the EPA know that Florida wants to continue to use coal ash in various types of products. It also saves energy while producing revenue by using coal ash in products rather than incurring the cost of disposal.

The bill passed without opposition and will next be heard in the Senate Committee on Community Affairs.

AIF supports any legislation promoting the beneficial use of Fossil Fuel Combustion Products in order to save Florida's businesses from the costly disposal of such resources.

In the Senate Committee on Appropriations, AIF stood in support of Senator Alan Hays' (R-Umatilla), 30 year alternative water supply permitting bill, SB 364. The bill expands water supply and reduces the cost of bonding such projects.

The bill passed unanimously and will next be heard on the full Senate floor.

AIF supports state funding for alternative water supply programs and believes the Water Protection and Sustainability Trust Fund (WPSTF) must be fully funded so alternative water supply projects, such as reclaimed water projects, desalination efforts and the collection and storage of rainwater, can be built to produce additional and sustainable future water supplies.

AIF stood in support of the Committee bill, SPB 7034, *Relating to Numeric Nutrient Criteria* (NNC). Florida is currently facing the possibility of having to meet strict water quality standards regarding numeric nutrient criteria (for nitrogen and phosphorous) in all water bodies as a result of a lawsuit by radical environmental organizations. The proposed criteria are technically and scientifically flawed, as well as economically unattainable by the business and public sectors. The Department of Environmental Protection (DEP) has issued new rules to help Florida achieve better water quality standards by using biological confirmation and Total Maximum Daily Loads (TMDL). Since the new rule will have an impact of more than one million dollars over the next five years, the Florida Legislature will have to ratify the rule. Drew Bartlett, of the Florida DEP gave a presentation on this issue.

The bill passed unanimously and will either go to one more committee or straight to the House floor for consideration.

AIF SUPPORTS the Florida Legislature to ratify the proposed numeric nutrient criteria rule proposed by the Florida Department of Environmental Protection (DEP).

Energy

During the Senate Committee on Appropriations meeting, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of SB 338, *Relating to Theft of Utility Services*, by Senator Wilton Simpson (R-Trilby). The legislation would increase criminal penalties for the theft of utility services.

The bill passed unopposed and will next be heard on the full Senate floor.

AIF support this legislation because it will hopefully dissuade would be thieves from targeting Florida businesses.

Education

During the Senate Committee on Appropriations meeting, **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis**, stood in support of SB 318, *Relating to Background Screening for Noninstructional Contractors on School Grounds*, by Senator Denise Grimsley (R-Sebring). The legislation would require the Department of Education to create a uniform, statewide identification badge to be worn by non-instructional contractors signifying that a contractor has met specified requirements and background checks.



The bill passed unanimously and will next be heard by the full Senate.

AIF supports this legislation because it streamlines and makes uniform the ID requirements for non-instructional contractors working on school grounds.

Health Care

Senator Joe Negron (R-Palm City), Chair of the Senate Committee on Appropriations outlined his proposal designed to provide an alternative to the federal government's call to expand eligibility in the Medicaid program. Last week, the Senate Select Committee on PPACA, also Chaired by Sen. Negron, voted NOT to expand eligibility in that program.

The components of the plan would:

- Use available federal funding to provide private health insurance for low income Floridians
- Require low income persons to pay for certain costs in the program, such as co pays and deductibles;
- Establish the current Healthy Kids Program the "procurement agent" for the program.
- Use Health Reimbursement Accounts (HRAs) that will reward persons for healthy behavior, similar to current practice with private health plans.
- Provide a 90-day "look in" period for enrollees meaning that a person has 90 days to decide whether or not they will remain in the plan;
- Allow an enrollee to change plans annually.

Sen. Negron further told members that the program would have "triggers" in order to mitigate actions that could be taken by the federal government on the promised funding for this program. PPACA Medicaid expansion promised 100% funding for expanded coverage of low income persons until 2020 at which time the federal funding would go to 90%. The proposed bill provides that if the funding goes below 100% between now and 2020, the program would simply cease at the end of the fiscal year.

Vice Chair Eleanor Sobel (D-Hollywood) discussed the makeup of the board of directors which will govern this program. The Florida Families Board would have 12 members. Four members would be appointed by the Governor. Four members would be appointed by the Senate – two from the Senate President and two by the Senate Minority Leader. Four members would be appointed by the House – two by the House Speaker and two by the House Minority Leader.

The proposed bill will come back to the Senate Committee on Appropriations for introduction and then would be referred to committees as necessary.

AIF encourages legislators to best leverage available federal funding to ensure Floridians have coverage in a manner that protects the state's financial health and helps employers avoid a possible \$1.3 billion hidden tax for uncompensated care for thousands of Floridians not qualifying for private health care or Medicaid.

During the Senate Committee on Appropriations meeting, AIF stood in support of SB 278, *Relating to the Practice of Optometry*, by Senator Garrett Richter (R-Naples). The bill would allow certified optometrists who complete additional coursework and pass an examination to provide a broader range of services including administering and prescribing oral pharmaceutical agents. For the last several years, optometrists have sought to increase their scope of practice, noting they can provide additional services for patients at a lower cost. The committee's staff analysis stated passage of this bill would result in savings for the state's Medicaid program.

The bill passed unanimously and will head next to the full Senate floor.

AIF supports expanding the scope of practice for health care professionals in order to increase access to services and lower the cost of care.

Pension Reform

HB 7011, *Relating to Retirement*, was read for a second time on the House Floor and rolled to third reading. The bill, which would significantly change the state retirement system by requiring all new state employees to enroll in a 401k style investment plan, attracted numerous questions from Democrats in favor of retaining a pension option for state workers. AIF has consistently supported this bill as it moves the state retirement system toward a private sector model reduces the long term financial risk to tax payers and finally will result in a more stable budget environment for the state, which translates into more stable business environment.

AIF supports legislation reducing the burden Florida's taxpayers are shouldering, due to these state and local government pension plans, by closing the current pension program.

Ethics & Elections

The House version of campaign finance legislation, HB 569 by Representative Rob Schenck (R-Springhill), was on second reading in the House today. After extensive questioning of the sponsor, four Democratic amendments were defeated on party-line votes. The bill will be up for final consideration by the House tomorrow. Major provisions of the bill:

- Abolishes committees of continuous existence (CCEs) while allowing existing CCEs to convert to political committees,
- Raises the contribution limits from \$500 per candidate for all elections to \$5,000 per election for statewide candidates and \$3,000 per election for legislative and all other candidates,
- Increases the number and frequency of candidate and committee reports of contributions and expenditures.

AIF will monitor all proposals related to public ethics and elections and advocate as necessary to protect the rights of individuals and businesses.