

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



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FOR MARCH 4, 2002

WORKERS' COMPENSATION REFORM

The House Council for Competitive Commerce passed HB 1947 by Representative Leslie Waters (R-Largo) today. This worker's compensation reform bill represents the intense lobbying efforts of the Coalition of Business and Industry and the hard work of several members of the House Insurance Committee. AIF, which participates in the Coalition, would especially like to acknowledge the leadership and commitment of Representative Leslie Waters. The House Insurance Committee Chairman has endured many long meetings and tremendous pressure to bring a bill through the process that, so far, reduces fraud and abuse, increases benefits to injured workers and provides for an actual, reduction in the rates for Florida's employers. There were 12 amendments to the bill. All but one was either technical or supported by AIF and the Coalition. Representative Dennis Ross (R-Lakeland) offered the majority of the amendments, which were developed only after close consultation with the Coalition members and other interested parties. We appreciate his cooperation, as well. It also needs to be noted that Council Chairman, Representative J. D. Alexander (R-Winter Haven) was supportive in the meeting today and has long been instrumental in the Coalition's efforts to save Florida's workers' compensation system from failure.

Representative Stacy Ritter (D-Coral Springs) did offer a bad amendment that would have drained away language necessary to give employers the appropriate protections from civil liability under the workers' compensation system. The debate got contentious, but in the end, the amendment failed and received only four "yes" votes from the Council members.

The Senate Banking and Insurance Committee also took up workers' compensation reform today. SB 2304, by Senator Jack Latvala (R-Palm Harbor), is the Senate companion to the House bill. The dynamic was a little different in the Committee with not twelve amendments, but *63 amendments* filed to the bill. Senator Jack Latvala, with it being practically impossible to review the hundreds of pages in amendments, requested that Chairman Bill Posey (R-Rockledge) put off detailed discussion of each of the amendments and a vote on both the amendments and that the bill not be taken until next week's meeting. Instead, the Committee heard testimony from several speakers, including AIF's Mary Ann Stiles, on the bill and issues of related concern.

AIF supports HB 1947 & SB 2304. Florida's Workers' Compensation system is slowly unwinding into a completely unworkable, unaffordable process that neither serves the employer or the employee. The bill represents real, substantive reform - the only reform that will repair the system and insure adequate care and benefits for injured workers. Half-baked attempts to protect the financial interests of attorneys and fraudulent business operations that refuse to cover their employees only corrupt any real reform. Now is the time to enact reforms before the system is in complete collapse. The system was designed to be self-executing. The system was designed to make sure an injured employee received the speedy and necessary care in order to return to their rightful place in the workplace. It was not designed to provide a career path for bureaucrats and attorneys."

COMMUNITY COLLEGE FUNDING

SB 1542 by Senator Alex Villalobos (R-Miami) passed out of the Senate Education Committee on a unanimous vote today. There were no amendments. This bill is a top priority of Florida's community colleges. This bill essentially codifies the state budget "distribution formula" for all of the community colleges already in current use. So, it does not change the formula but simply places it into statute. The House version is currently "stuck" in House Education Appropriations and AIF is working to get the bill withdrawn so it can gain hearing on the House floor.

Florida's community colleges have had a series of different allocation schemes and methodologies over the last decade, changing almost annually. This inconsistency wreaks havoc with the community colleges' ability to plan operations, develop academic programs, or make long-term fiscal plans. The uncertainties of this improvised funding methodology used to allocate resources from year to year is no better than guesswork. In fact the statute governing funding, that has been in effect since 1991, has not been executed even once by the Legislature.

This distribution model looks at a number of standards in instruction: including faculty salaries, full to part-time ratios, and instructional support; academic support: with a rational a basis for small college funding, as well as for larger multi-campus colleges. The formula covers libraries, including the number of holdings and their replacement every 20 years, to meet accreditation standards and student support: including funding to provide the support for student success at both small and large institutions, student financial aid and other areas. The bill also takes into consideration annual enrollment (growth or decline) in each college's academic program mix, number and size of campuses and other considerations that are different and similar at all 28 community college.

AIF support this legislation. The budgetary funding process for Florida's community colleges has been inconsistent and at times inequitable. An already excellent system for higher learning would benefit immensely by the implementation of a funding formula that brought predictability, equity and reason to the process. Florida's community colleges are hamstrung by a current funding approach that compromises planning, asset allocation and operating revenue administration. Ultimately, it is Florida's students that suffer. Florida's employers can only benefit from a first class education system. Adopting a statutory distribution formula is a critical step in making both Florida's education system and its graduates first class.

Stay tuned to our daily brief and to our web site at www.fbnet.com as the legislature makes some very important decisions on the state's economy. These decisions will have a major impact on the business community and AIF will be reporting to you everything that happens.

This report was prepared by Curt Leonard, Manager – Governmental Affairs at Associated Industries of Florida (AIF). Please send your comments or suggestions to us at aif@aif.com or call the Governmental Affairs department at (850)224-7173.

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