APRIL 12, 2004

ETHICS AND ELECTIONS

Today, Senator Jeff Atwater (R-North Palm Beach) introduced SJR 2898 and SB 2890 in the Senate Ethics and Elections Committee. Two weeks the full Senate approved the first three elements of their initiative reform package including a proposal for (1) an increased ratification threshold, (2) a judicial review and (3) an amendment to the deadline for submission of constitutional initiative by citizens. SJR 2898 is the fourth element in the reform package and is more commonly known as the "No Hidden Taxes" citizen initiative reform concept. SB 2890 is a companion bill for SJR 2898 which provides for an August 31st Special Election date.

SJR 2898 proposes that any amendment which would impose a *significant cost* to government would be required to create a new tax or user fee as a source of funding to implement it. A significant cost is considered to be any amount in excess of \$1 million. A supermajority is already required to approve taxes and fees raised outside the legislative process, therefore any new citizen initiatives that met the "significant cost" threshold would need to be approved by 2/3 of those voting in an election.

SJR 2898 and SB 2890 were passed by the Committee and will be heard next by the Senate Judiciary Committee. The House will introduce its initiative reform package on Wednesday and it is expected to include the "No Hidden Taxes" concept.

AIF supports politically viable initiative reforms aimed at facilitating a more responsible process and at protecting the sanctity and supremacy of the state's Constitution.

COMMERCE

The Senate Commerce, Economic Opportunities & Consumer Services Committee met today and considered SB 598 relating to Tax Credits & Rebates for Small Business by Senator Rod Smith (D-Gainesville). This bill provides for a corporate income tax credit or a sales tax rebate for any small business, defined as fewer than 50 employees, located in a Rural Area of Economic Concern that for the first time provides health insurance for its employees. The credit/rebate is worth \$1,500 per employee or \$1,000 per employee for all other eligible businesses. This bill which came about as a result of the Governor's Task Force on Access to Affordable Health Insurance is designed to assist small businesses (most of Florida's companies are classified as small businesses) in persuading them to begin providing health insurance for their employees.

Counties designated as a Rural Area of Critical Economic Concern include Calhoun, Franklin, Gadsen, Gulf, Holmes, Jackson, Liberty, and Washington along with DeSoto, Glades, Hardee, Hendry, Highlands, and Okochobee counties; the area within the city limits of Pahokee, Belle Glade, and South Bay; and the area around Immokalee. Other counties are Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Putnam, Suwannee, Taylor, and Union counties.

During the meeting, the Committee took up a "strike everything" amendment which added two key features to the bill: (1) only small business that are providing health insurance to their employees for the first time are eligible and (2) credits were also extended for contributions by these small businesses to public schools. This "strike everything" amendment passed without objection. Several Senators lauded the bill's sponsor for initiating this important piece of legislation that will encourage jobs with accompanying health insurance benefits. The bill was passed unanimously and it will be heard next by the Senate Finance and Tax Committee. HB 1221 is the House companion for SB 598.

AIF supports legislation which encourages business to create jobs and provide health insurance benefits for their employees.

OTHER BILLS OF INTEREST:

SB 2948-Sovereign Immunity/Medical Schools

SB 2948 by Senator Gwen Margolis (D-Miami Beach) was debated today in the Senate Health, Aging and Long Term Care Committee. This bill would grant sovereign immunity in the amount of \$200,000 to medical schools that provide patient services to publicly funded patients in public hospitals. This bill is primarily designed to cover physicians employed by the University of Miami at their teaching affiliate, Jackson Memorial Hospital, which is a public tertiary care hospital.

The Committee passed several amendments to limit the scope of the bill. The Academy of Florida Trial Lawyers had witnesses testify in opposition to the bill which helped generate a great deal of questions and debate among committee members. Senator Margolis asked for more time to work on the bill and a final vote was postponed until next week.

SB 2306-Radiologists/Mammograms/Tort

The Senate Health, Aging and Long Term Care Committee passed SB 2306 by Senator Evelyn Lynn (R-Ormond Beach) today. This bill would provide Florida licensed radiologists with immunity from tort actions arising from duties relating to mammograms unless they are found to have acted with gross negligence.

The Academy of Florida Trial Lawyers and the NAACP opposed the bill while the Florida Medical Association (FMA) supported it. Senator Durell Peaden (R-Crestview) and Senator Debbie Wasserman-Schultz (D-Pembroke Pines) spoke against the bill. Committee Chair Burt Saunders (R-Naples) stated that he would reluctantly vote for the bill and it passed 6-4. SB 2306 will be heard next by the Senate Judiciary Committee.

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.