APRIL 17, 2006

INFORMATION TECHNOLOGY

The House Governmental Operations Committee unanimously passed HB 1369 Relating to Rejected Bids by Representative Greg Evers (R-Milton). Current law provides a public records exemption for sealed bids or proposals received by an agency pursuant to an invitation to bid or request for proposal. The sealed bid or proposal is exempt until the agency provides notice of a decision or intended decision or within 10 days after bid or proposal opening, whichever is earlier. Current law does not provide public records exemption for an invitation to negotiate. The bill expands the current public records exemption for sealed bids or proposals.

AIF's Frank Meiners testified in support of the bill on behalf of AIF's newly created **IT Council**. HB 1369 will now be heard by the House State Administration Council.

AIF supports HB 1369. Passage of this bill will level the playing field for IT and other outsourcing companies who compete for projects with the state. Not making bids exempt from public records only serves to hinder the competition process.

TAXATION

The Senate Ways and Means Committee passed SB 714 Relating to Intangible Personal Property Tax by Senator Jeff Atwater (R-North Palm Beach) by a 12-2 vote. The bill eliminates the final 0.5 mill of the intangible personal property tax. No change is made to the 2 mills non-recurring tax imposed upon obligations secured by liens on Florida property. The two Senators voted against the bill were Rod Smith (D-Gainesville) and Les Miller (D-Tampa)

SB 714 has passed all its committees of reference and is now ready to be heard on the floor of the Senate. Its House companion, HB 209 by Representative Fred Brummer (R-Apopka), has passed the House and has been received by the Senate and referenced to four committees.

AIF supports the repeal of the intangible tax. It is wrong to penalize businesses and individuals who save or invest their money. We need to make Florida competitive with other states by removing this insidious tax.

INSURANCE

Both the House (HB 7255) and the Senate (SB 1980) passed legislation dealing with the property insurance crises in Florida. Of note is that in both cases, amendments were adopted which earmark substantial amounts of non-recurring general revenue for paying down the deficit carried by the Citizen's Insurance Company, Florida's state run insurer of last resort. The House version appropriates nearly \$920 million while the Senate version contains nearly \$800 million in funds to pay down Citizen's deficit which is estimated at approximately \$1.8 billion. Some of the funds would also go to mitigation programs aimed at retro-fitting homes to be more structurally sound. These large amounts of money are available thanks to the recent announcement by the Revenue Estimating Conference that the legislature has an additional \$960 million in tax revenue which had been unaccounted in previous estimates.

HB 7225 will now be heard by the House Commerce Council. SB 1980's next stop is the Senate Rules and Calendar Committee.

AIF will be providing our members with a SPECIAL NOTICE on these two bills in the days to come so stay tuned.

ENERGY

The Senate Ways and Means Committee unanimously passed SB 888 by Senator Lee Constantine (R-Altamonte Springs). This is the Senate's version of an Energy Plan for the State of Florida. The bill creates a Florida Energy Commission and establishes membership and duties. It also provides grants to promote renewable energy technologies and rebates for certain appliances and solar installations. SB 888 also streamlines and shortens time frames for the siting of power plants, nuclear plants and transmission lines. Finally it creates the "Farm to Fuel" program to provide grants to promote use of Florida grown and produced biomass to produce energy.

SB 888 will now be heard by the Senate Rules and Calendar Committee. Its House companion, HB 1473 by Representative Adam Hasner (R-Delray Beach) was temporarily postponed due to the House Fiscal Council running out of time during its meeting today.

AIF is closely monitoring this landmark piece of legislation. As the bill has moved through the process some amendments have been added that raise some concern for utility companies. AIF believes the best way to deal with the state's energy needs is through the use of incentives and the removal of regulatory barriers, rather than using new taxes and mandates.

The House Agriculture & Environment Appropriations Committee passed HB 229 Relating to Petroleum & Natural Gas Production by Representative Donna Clarke (R-Sarasota) on 8-3 vote. The bill directs the Department of Environmental Protection (DEP) to contract for a study relating to risk and potential adverse effects of hurricane wind and storm surge on field-erected aboveground storage tank systems at bulk product facilities. The bill also directs the DEP to review and compile existing data and information to evaluate the environmental risks from all activities associated with the possible future exploration for and production of oil and natural gas in the eastern Gulf of Mexico currently subject to federal moratoria. Originally, the bill would have required bulk fuel storage terminal facilities located in high-hazard coastal areas to be surrounded by dike fields meeting certain design and maintenance criteria and it would have prohibited the use of sovereignty submerged lands for activities associated with the exploration for and production of oil and natural gas. The bill was amended in a previous committee so that it would only require the two studies.

Chairman Stan Mayfield (R-Vero Beach) expressed strong reservations with the bill and repeatedly asked the bill's sponsor to present evidence that these studies were needed. Representative Clarke responded that Florida needed to conduct its own scientific research so that they could better negotiate with federal agencies like the Minerals Management Service. Representative Clarke was not able to sway the Chairman who voted against the bill along with Representatives Juan Zapata (R-Miami) and Alan Hays (R-Umatilla).

HB 229 will now be heard by the State Resources Council.

AIF opposes HB 229. Even though the bill is now just a study, this legislation still sends the message that Florida can afford to bury its head in the sand as it relates to oil and natural gas exploration. Florida must look to safe exploration (125 miles off shore) as a means to address our current dependence on foreign oil.

EMERGENCY PREPAREDNESS

The House Fiscal Council unanimously passed HB 7121 by the Domestic Security Committee. This bill deals with disaster preparedness response and recovery. The bill creates the Florida Disaster Supplier Program Council consisting of seven members who are the county emergency management directors from each of the seven emergency response regions of the Division of Emergency Management. It also creates the Florida Disaster Supplier Program which will let people know where they can find certain supplies such as food, water, ice and pharmaceuticals. There is a Florida Disaster Motor Fuel Supplier Program which will allow retail motor fuel outlets who would like to participate to provide fuel to a network of emergency responders, medical institutions, and others.

HB 7121 has passed all its committees of reference and is now ready to be heard on the floor of the House.

AIF supports HB 7121 as a realistic approach to handling the complex issues related to hurricane preparedness. Business are directly impacted by the linger effects of hurricanes and the policies established by the state to deal with these natural disasters.

REGULATED INDUSTRIES

The House State Administration Appropriations Committee unanimously passed HB 161 Relating to Mold Remediation and Assessment by Representative Carl Domino (R-Palm Beach Gardens). This bill provides education guidelines and certification for those who engage in business as a mold assessor or mold remediator. The bill requires that a contract to perform mold assessment or mold remediation must be signed or otherwise authenticated by the parties.

Currently, home inspectors are not regulated. "Home inspection" means a limited visual examination of systems and components for the purpose of providing a written professional opinion of the condition of a home.

The bill states that a person may not work as a home inspector unless that person has successfully completed a course of study of not less than 80 hours and passes a psychometrically valid examination in home inspections. The course of study must be accredited by a nationally recognized third-party independent accrediting entity.

The bill requires written disclosures be provided to customers. The statements must identify that the home inspector meets education and examination requirements and maintains commercial general liability insurance (\$300,000), as well as, the scope of the home inspection and the approximate number of inspections conducted for a fee or the number of years of experience as a home inspector.

There were no proposed amendments. However, Representative Julio Robaina (R-Miami) commented that he thought the legislation was tailored for a specific company and was concerned that out of state inspectors could not qualify. Representative Robaina also inquired as to what kind of professional associations would qualify the companies for certification that are not-for-profit. Representative Robaina wanted to offer an amendment to address this concern. John McBride with the Department of Business and Professional Regulation stated that the legislation allows for 3rd party accrediting organizations that are not-for-profit that can provide for certification. The bill was temporarily postponed and when it was taken up again, the members agreed to the possibility of an amendment at the next committee, which is the Commerce Council.

HB 161 will now be heard by the Commerce Council.

AIF supports legislation that establishes guidelines for businesses that practice in the field mold assessment and remediation. These guidelines will protect both consumers and businesses from those who practice fraudulently.

JESSICA LUNSFORD ACT

House Education Appropriations Committee passed HB 7117 Relating to Sexual Predators and Offenders by the Criminal Justice Committee on a vote of 16-1. At the beginning of the meting, Chairman Joe Pickens (R-Palatka) gave members ample time to ask substantive questions regarding the bill since last the Jessica Lunsford Act did not get referred to any education committees when it was passed last year.

Representative Charles Dean (R-Inverness) presented a strike-everything amendment that improved existing drafting issues and clarified the types of individuals which must undergo a background screening. Representatives Faye Culp (R-Tampa), Susan Goldstein (R-Sunrise) and Shelley Vana (D-West Palm Beach) had questions regarding the broad net being cast by a conviction as a sexual offender or a sexual predator. Rep. Dean answered the questions clearly and offered that there was a procedure for a past offender or predator to be relieved of that conviction by the Court if justified.

Ms. Joy Frank, General Council for the District School Superintendents testified in support of the bill and fielded more questions from members. She answered questions from Representative Charlie Justice (D-St. Petersburg) who was concerned that the bill may allow individuals who are currently required to undergo a background check to skip this process under this new language.

Representatives Dennis Baxley (R-Ocala) and Bill Proctor (R-St. Augustine) commended Representative Dean for his hard work and dedication on this complex and sensitive issue. No one testified against the bill and about 15 people waived their time in favor of the bill, including industry and school interest.

HB 7117 will now be heard by the House Justice Council.

AIF supports this bill because it makes the implementation of the Jessica Lunsford Act workable for those companies that have working relationships with school districts while upholding the integrity of the original law to protect our children from sexual predators and offenders.

AFFORDABLE HOUSING

The House Fiscal Council unanimously passed HB 1363 Relating to Affordable Housing by Representative Mike Davis (R-Naples). The bill is designed to stimulate workforce and affordable housing in high cost areas of the state, particularly for essential service personnel. This includes teachers, nurses, firefighters, emergency medical personnel, construction trades and areas of critical state concern.

A strike all amendment was offered and adopted. This amendment removed the language that would have repealed the cap on the Sadowski Fund.

Jaimie Ross from 1000 Friends of Florida spoke on behalf of the Sadowski Act Coalition who support, "full funding for the housing crisis in Florida," and would have liked to see a repeal of the cap included in the strike all. The bill sponsor, Representative Davis, understands this is not a "one session fix" and hopes to see an interim study on the outstanding issues.

The bill will be heard next in the House State Infrastructure Council.

The issue of affordable or "workforce" housing is a priority for our state. AIF applauds the efforts of this bi-partisan approach to finding a solution. We look forward to working with all bill sponsors on finding common sense approaches to this complex issue.

HEALTH CARE

The House Health Care Appropriations passed HB 1409 Relating to Health Information Network by Representative Holly Benson (R-Pensacola). The bill creates the Florida Health Information Network Act as a public/private partnership that will implement a statewide electronic medical records network. This network would collect and monitor data related to innovations in healthcare technology as well as integrate all health care data currently being collected by the various health care agencies.

This bill passed out of this committee with an amendment making it subject to a \$9.4 million appropriation. HB 1409 will now be heard by the House Health and Families Council.

AIF supports legislation which uses the power of Information Technology to make healthcare data available for consumers, thereby empowering them to make better choices in the health care arena.

GROWTH MANAGEMENT

The Transportation & Economic Development Appropriations Committee passed HB 7167 by the Growth Management Committee on a 15-1 vote. HB 7167 is the glitch bill for last session's landmark growth management legislation (SB 360). The bill:

- Conforms terminology to the phrase "proportionate fair-share mitigation."
- Corrects, adjusts, or readdresses a number of funding issues as follows:
 - Non-recurring Strategic Intermodal System (SIS) Appropriation.
 - State Infrastructure Bank non-recurring transfer.
 - Classrooms for Kids appropriations recurring and non-recurring appropriations.
 - High Growth District Capital Outlay Assistance Grant Program recurring appropriation.
 - Century Commission for a Sustainable Florida recurring appropriation.

- Requires Department of Transportation (DOT) to publish and distribute, after public workshops, policy guidelines to assist local governments in planning to assess and mitigate impacts of proposed concurrency management areas.
- Provides a consequence for failure to timely adopt the local government proportionate fair-share mitigation methodology and to include it into its transportation concurrency management plan.

The bill both strengthens the timing requirements for certain local government actions and appropriates funding which provides the potential for some local government benefits. Both of these features may result in either advancing or delaying local development activities depending upon specific local circumstances.

HB 7167 will now be heard by the House State Infrastructure Council.

AIF supports legislation which encourages smart, sustainable growth. Making the necessary changes to last year's growth management bill is necessary and beneficial for our state's economy to continue to grow.

OTHER BILLS OF INTEREST

Taxation

The House Finance and Tax Committee unanimously passed HB 507 Relating to Sales Tax/Agricultural Machinery by Representative Paige Kreegel (R-Punta Gorda). This bill provides a sales tax exemption for the purchase of low-volume irrigation or micro-irrigation equipment and components that are used exclusively in agriculture production. Low volume irrigation or micro-irrigation systems are designed to deliver water at a rate of 45 gallons per hour or less per exit point. This bill will encourage the agriculture industry to use methods that save water.

HB 507 will now be heard by the House State Resource Council.

The Committee also approved HB 357 Relating to Tax/Obsolete Agricultural Equipment by Representative Ralph Poppell (R-Titusville). The bill provides for agriculture equipment located on property classified as agriculture which is no longer used in agricultural production to be considered obsolete and therefore assessed at salvage value for ad valorem tax purposes. The bill will help lower farmers' property taxes by reducing the taxable value of equipment no longer being used.

HB 357 will now be heard by the House Agriculture & Environment Appropriations Committee.

Health Care

The House Health Care Appropriations Committee passed HB 1265 Relating to Small Business Health Care Insurance by Representative Dorothy Hukill (R-Daytona Beach Shores). The bill allows a small business (1 to 6 employees) to apply for a state subsidy of \$1000 each to help pay annual health insurance premiums. A strike all amendment was passed to make this a two-year statewide pilot program. The bill appropriates \$15 million for this pilot program.

HB 1265 will now be heard by the House Health & Families Council.

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.