

FSPA Bill Tracking Report
By Kari Hebrank

Overview

It was another week of trying to determine how much economic stimulus money the State of Florida will receive as each appropriations committee in the House and Senate reviewed the Governor's proposed budget against potential stimulus funding in hopes to plug a \$5-6 billion budget hole. Committees heard a variety of bills and both the House and Senate Finance & Tax Committees continued to discuss and review sales tax exemptions. Importantly for FSPA members, the corporate income tax "glitch" fix is on the Governor's desk awaiting approval and workers' compensation legislation passed its first committee in the House.

****Swimming Pool Resolution***

SR 1334 by Detert (R-Venice)/HR by Nehr (R-Tarpon Springs)

These resolutions recognize the importance of FSPA in educating pool contractors, building officials and consumers on swimming pool safety measures and designate April as "Swimming Pool Safety Month."

**** Corporate Income Tax Glitch Fix***

SB 1112 by Altman (R-Melbourne)/HB 459 by Cannon (R-Winter Park)

SB 1112 corrects the bonus depreciation and Section 179 expensing provisions that were inadvertently omitted from last year's corporate income tax "piggyback bill" to comply with federal law. As amended, the bill requires taxpayers to add back to taxable income their "bonus depreciation" and then amortize the amount added back over seven years of reductions to taxable income.

STATUS: The Senate passed the bill 39-1, with Sen. Bullard (D-Miami) dissenting and the House took up the companion bill on March 5, substituted SB 1112 for HB 459 and passed the bill 116-0. The bill was presented to the Governor on March 11 and he has until March 18 to sign the measure, veto it or allow it to become law without his signature. FSPA is working to ensure Governor Crist signs the bill.

**** Workers' Compensation***

SB 2072 by Richter (R-Fort Myers)/HB 903 by Flores (R-Miami)

These must-pass bills address the limitation on attorney fees to correct a Supreme Court ruling in *Murray vs. Mariner* that overturned the 2003 workers compensation reform measures relative to "reasonable" attorney fees due to ambiguity with the term "reasonable." FSPA has been working for months with a coalition of business interests to pass these bills.

STATUS: On March 10, HB 903 passed H. Insurance, Business & Financial Affairs Policy Committee after more than one hour of debate, including testimony by a parade of injured workers and trial lawyers opposing the measure. In a strange procedural move, the members voted to retain the bill in the committee in an effort to reach a compromise between the business community and the trial lawyers. On March 12, a motion was made to reconsider the vote by which HB 903 passed and the motion failed, paving the way for HB 903 to be reported favorably by the H. Insurance, Business & Financial Affairs

Committee. The bill travels to General Government Policy Council next. SB 2072 goes to S. Banking & Insurance first.

****Automatic Service Contracts***

SB 660 by Justice (D-St. Petersburg)/HB 15 by McBurney (R-Jacksonville)

SB 660 and its companion requires anyone who sells services to consumers to clearly disclose automatic renewal provisions contained in service contracts for services sold or leased to consumers.

STATUS: SB 660 was amended and passed S. Commerce and moves to S. Banking & Insurance; HB 15 goes to H. Insurance, Business & Financial Affairs Policy Committee.

****Homeowner Warning Notice/Unlicensed Contractor Activity***

SB 1422 by Baker (R-Eustis)/ HB 1327 by Gonzalez (R-Hialeah Gardens)

An initiative spearheaded by FSPA and endorsed by the Construction Coalition to curb unlicensed contractor activity, these bills strengthen the existing disclosure statement for any property owner who applies for a residential owner-builder building permit. They require applicants to read and sign off on a multi-page form warning homeowners of the serious legal and financial liabilities they face when acting as their own home-improvement contractor.

STATUS: We expect SB 1422 to be heard in S. Regulated Industries next week. HB 1327 goes to Military & Local Affairs first in the House.

**** Growth Management/Dept. of Community Affairs***

PCB MLA 09-01 by Dorworth (R-Heathrow) and Military & Local Affairs Committee

On March 11, the House Committee on Military & Local Affairs produced a proposed committee bill, PCB MLA -09-01 (PCB) that would merge the Dept. of Community Affairs with the Dept. of State effective July 1, 2010. The bill also addresses growth management issues such as transportation concurrency, transportation concurrency exception areas, proportionate fair share, alternative review processes for local government comprehensive plans, extends permit times, and adds a streamlined plan amendment process. The merger with the Dept. of State is an attempt to save money since the Dept. of Community Affairs and the Dept. of State are the legislators agreed that a merger is the right move. No comparable bill in the Senate--yet. The PCB will now go to the Rules Committee where it will be referred back to appropriate legislative committees and councils for further review. The Governor has already come out seemingly against the proposal saying he did not want to dismantle growth management.

****Public Swimming & Bathing Facilities***

SB 1910 by Gardiner (R-Orlando) /HB 1011 by Precourt (R-Winter Garden)

These bills direct the Dept. of Health to assign specific functions relating to the regulation of public swimming facilities to certain special districts that have qualified engineering personnel, a.k.a., Reedy Creek at Disney World.

STATUS: FSPA met with Rep. Precourt on March 11 to ensure that no problematic provisions relating to public swimming pools would be amended onto his bill. HB 1011 will be heard in H. Health Care Regulation Policy Committee and the senate companion travels to S. Community Affairs.

****Swimming Pool Enclosures/Insurance***

SB 2384 by Fasano (R-New Port Richey)/HB 1157 by Bogdanoff (R-Ft. Lauderdale)

Creates the Florida Hurricane Protection Program within the Florida Hurricane Catastrophe Fund and specifically states that no coverage will be provided for swimming pool enclosures.

STATUS: SB 2384 goes to S. Banking & Insurance first; HB 1157 gets a hearing in H. Insurance, Business & Financial Affairs.

****Beach Water Contamination—Public Swimming Pool Definition***

SB 1296 by Bennett (R-Bradenton)/ HB 707 by Rep. Aubuchon (R-Cape Coral)

These bills require the Dept. of Health to notify the local government and the local office of the Dept. of Environmental Protection when it issues a health advisory against swimming in beach waters due to elevated levels of bacteria. By adding a definition for beach water under chapter 514, F.S., it also corrects a cross-reference for the public swimming pool definition under chapter 515, F.S.

STATUS: SB 1296 passed S. Health Regulation on March 11 and HB 707 was reported favorable by H. General Government Policy Council on March 10. FSPA is working with the bill sponsors to ensure they stay void of any problematic provisions.

****Cranes***

SB 1654 by Altman (R-Melbourne)/HB 923 by Evers (R-Milton)

Both proposals preempt the regulation of “hoisting equipment” used in construction, demolition or excavation work to the state, thus avoiding a plethora of local ordinances regulating the use of construction cranes. State regulation is consistent with OSHA requirements.

STATUS: SB 1654 goes to S. Regulated Industries first; HB 923 moves to H. Insurance, Business & Financial Affairs.

****Construction Bonds/Lien Law***

SB 560 by Bennett (R-Bradenton)/HB 299 by Tobia (R-Melbourne)/SB 466 by Wise

These proposals make significant changes to construction bonds and lien law provisions, including payment bond, notice of commencement, warning to owner and lien process.

STATUS: These proposals are still be worked on by the stakeholders. SB 560 and SB 466 will be heard in S. Regulated Industries first; HB 299 goes to H. Governmental Affairs Policy Committee.

****Construction Defects***

SB 2064 by Altman (R-Melbourne)/HB 709 by Aubuchon

SB 2064 and its companion revise the construction defects law to clarify notice procedures and opportunity to repair construction defects and specify there are no construction lien rights for destructive testing.

STATUS: SB 2064 gets a hearing in S. Regulated Industries while HB 709 travels to H. Civil Justice & Courts.

****Arbitration***

SB 2192 by Ring (D-Margate) / HB 1135 by Poppell (R-Titusville)

These unfriendly bills provide that mandatory arbitration is void and unenforceable except as provided by federal law.

STATUS: SB 2192 starts in S. Commerce; HB 1135 begins its journey in H. Civil Justice & Courts Policy Committee.

****Sales Tax Exemptions/Constitutional Amendments***

SB 2576 by Lynn (R-Daytona Beach)/HB 1163 by Hukill (R-Port Orange)

These bills would require the Joint Legislative Sunset Committee to periodically review existing sales and use tax exemptions and would require consideration of a service tax on a myriad of service categories, including business and construction services.

STATUS: The senate bill has not yet been referred; the House bill kicks off in H. Finance & Tax.

****Renewable Energy***

Several bills have been filed that relate to renewable energy. Some repeal the renewable portfolio standard recently adopted by the Public Service Commission (PSC) that carves out a high percentage for wind and solar technologies; others try to implement the PSC's recommendation which is in line with the Governor's executive order calling for a 20% increase in renewable energy by 2020. It is too early to tell which bills will cross the finish line at the close of Session, but no doubt there will be a flurry of activity on energy initiatives.