

2003 LEGISLATIVE SESSION – WEEKS 6 - 7

Keep the TRUST in Trust Fund

Transportation
Revenues
Used
Strictly for
Transportation

ONLY 7 DAYS LEFT IN THE 2003 LEGISLATIVE SESSION, PART 1.

FTBA MAJOR ISSUES:

BUDGET – No changes...neither side has blinked...they have not met in conference to work out differences. Both budgets take \$200 million from the State Transportation Trust Fund and put into General Revenue. The bad news...it is highly unlikely we will get the \$200 million back this year. The good news (if you want to look at it that way)...is that the [Senate position](#) is to take the money for [only 1 year](#). The Senate also has a bill (SB 406) that will advance the planned toll increase a year, bond the money and use for revenue producing projects. They are trying to replace what they are taking (but we would have a lot more if they did this and didn't take any money away).

BOTTOM LINE: FTBA favors the Senate budget position on transportation funding. It is very important that if the \$200 million is going to be taken, that it only be a 1-year hit. SB 406 has passed the Senate and will be heard in the House tomorrow. More games...the House will strip out the good funding issues in the bill and send it back to the Senate. They consider this “posturing”. We can't print what we consider it.

STTF DIVERSION BILL

HB 1319 by Rep. Lindsey Harrington (R-Punta Gorda)

SB 2586 by Sen. Paula Dockery (R-Lakeland)

HB 1319 diverts \$ 51.2 million from the STTF over the next 5 years. **Project commitment reductions of \$80.2 million from the existing 5-year work program would be required to offset the \$51.2 million negative cash impact.** (FYI - Rep. Harrington is the Speaker Pro Tempore, which means many House members will have a problem voting against his bill)

SB 2586 has been amended to reduce the hit. This bill now diverts \$40.3 million from STTF over the next 5 years. **Project commitment reductions of \$66.8 million from the existing 5-year work program would be required to offset the \$40.3 million negative cash impact.**

THESE BILLS ARE MOVING....IF YOU ARE CONCERNED AT ALL, PLEASE CONTACT YOUR LEGISLATORS AND ASK FOR A NO VOTE WHEN THE BILLS ARE HEARD ON THE FLOOR!

At the end of this document are links to their email addresses.

FDOT ISSUES

PREQUALIFICATION – Last year we were able to pass legislation that said if you were prequalified and eligible to bid work with FDOT that you were deemed prequalified with counties and expressway authorities. Some how city work slipped through the cracks.

On the House side, we have 2 bills moving. Our language was amended into HB 1605.

HB 1373 by Rep. Ron Reagan (R-Sarasota)

HB 1605 by Rep. Leslie Waters (R-St. Petersburg)

SB 2658 by Sen. Jim Sebesta (R-St. Petersburg) contains the Prequalification provision.

MY FLORIDA MARKET PLACE – We were able to amend language into HB 1605 addressing this issue. Our amendment puts into statute, language that is currently being proposed in a rule addressing state contracts and transaction fees for My Florida Market Place. The amendment exempts the transaction fee on Florida Department of Transportation construction contracts. This exemption is already in the proposed rule and would simply codify the rule when adopted.

HIGH SPEED RAIL -- HB 309 by Rep. Bob Allen (R-Melbourne) was killed on the House Floor yesterday. The bill would have put the issue back on the ballot. A similar bill by Senator Ron Klein (D-Delray) passed the Senate Transportation Committee on Monday

HB 855 by Rep. Dennis Ross (R-Lakeland) is the bill that provides funding of \$75 million annually for HSR. His bill takes the money out of Public Transportation funds, not highway funds. His bill has passed the Transportation Committee. (It is interesting to note that while the Ross bill takes the money out of Public Transportation dollars, the House budget is unclear on where the money is from)

SB 2140 by Sen. Paula Dockery (R-Lakeland) is the companion to the Ross bill. It passed the Senate Transportation Committee on Monday.

MINING BILL – HB 673 by Rep. Barreiro (R-Miami) should be heard in Appropriations Committee this week or withdrawn from the committee so it can be heard on the House Floor.

SB 472 by Sen. Smith (D-Gainesville) has already passed the full Senate. [This bill is supported by industry](#) and creates a streamlined administrative hearing and procedures process for allegations of property damage caused by the use of explosives and blasting associated with construction materials mining.

OTHER ISSUES OF INTEREST:

WORKERS' COMPENSATION

CS/HB 1837 -- SHOULD BE ON HOUSE FLOOR FRIDAY

CS/SB 1132 – PASSED SENATE APPROPRIATIONS

For construction, here are most of the highlights of CS/HB 1837:

- the estimated rate reduction is about 15% (please note that overall rate reduction is expected to be 11%, but for construction, we get an additional expected 4% for changes relating to exemptions and enforcement)
- construction exemptions are limited to no more than 3 corporate owners (must each own 10% or more), effective January 1, 2004
- repeals last year's commercial prohibition
- revises independent contractor test to make it harder for judges to find that an injured independent contractor is an employee (to collect WC benefits)
- requires a judge to take "judicial notice" of a finding of insurance fraud and terminate or disallow benefits
- restores horizontal immunity so that an injured worker cannot collect workers' compensation benefits AND sue a non-employer subcontractor for negligence
- reduces attorney fees (by eliminating hourly fees, reducing contingency percentages, and more)
- increases enforcement authority to WC Division (strengthens stop-work orders and more) and increases penalties for failure to comply
- modifies JUA to make coverage more affordable for small employers (limits surcharge for qualified small employers to 25% over going rate)
- requires out-of-state employers working in Florida to pay Florida WC rates,
- requires full disclosure of Florida payroll to insurance company, and provides criminal penalty for failure (This is NOT about getting WC premiums paid to Florida insurers - this is to make sure that Florida rates are paid for work done in Florida - level playing field that is especially important to construction. This is to stop practice of out-of-state employers working in Florida and paying lower WC premiums for that work in their home state.)

CS/SB 1132 passed Senate Appropriations this week. The product was a “better” bill but the House version is the preferred bill by the Business Community.

GENERAL CONSTRUCTION BILLS:

Owner/Contractor Controlled Insurance Programs Position: SUPPORT

HB 1087 by Rep. Don Brown (R-DeFuniak Springs)

SB 718 by Sen. Steve Wise (R-Jacksonville)

Both bills have been amended and now have the support of all interests. Highlights of the bills as amended, allow OCIPS on public projects if the project is over \$75 million; over \$30 million if the project is for the construction or renovation of 2 or more public schools; or over \$10 million if the project is for 1 public school. The bill does not apply to FDOT projects.

You can contact members of the Florida Legislature by using the [blue](#) links below.

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