



**Week Three Session Summary  
March 28, 2011**

**THE RETIREMENT ISSUE COMES INTO FOCUS**



*Rep. Workman*

Rep. Ritch Workman (R, Melbourne) was at the Capitol this week moving his retirement bill, [HB1405](#), along. As you may recall, his bill addresses several provisions related to the Florida Retirement System and largely aligns with many of the Governor’s proposals for reforming the FRS including employee co-pay and the elimination of DROP. This week the bill passed out of the State Affairs Committee by a 13-6 vote after several amendments were filed. One amendment sets the employee co-pay at 3%, down from 5%. You may remember that [SB1130](#) sets the employee co-pay at 2%. The amendments did restore the Health Insurance Subsidy, as well as the multiple pay out accrual classes. HB1405 and SB1130 still are not identical which will make for an interesting “conference” between the House and Senate to work out the final details of the FRS reform. Click on the link [Retirement Bill Analysis](#) for a full description of proposed changes.

**[SB1160](#) by Gaetz; [HB825](#) by Workman regarding DROP**

These bills are identical and will prohibit FRS employees retiring on or after July 1, 2011 (or entering DROP on or after July 1, 2011) from receiving both a retirement check and a salary from an FRS employer. The bill applies to all retirement classes and retirement programs. It states that rehired retirees cannot earn a second retirement benefit but the employer still has to pay retirement for the unfunded liability portion of rehired retiree. These provisions would also apply to retired FRS employees who contracts with FRS employers. Unlike the amendment proposed for SB1130 this bill still allows for re-employment of employees retiring on or after July 1, 2011. Retirees who retired on or prior to June 30, 2011 are not affected. There has been no movement in committees on either of these bills.

**COLLEGE BUDGET CHANGES**

The Florida College System (FCS) draft budget appropriations were updated this week. Neither position compensates our system fully for the loss of non-recurring federal dollars and enrollment growth. However, the Senate appropriation does include needed enrollment growth funding of almost \$90M. Both sides’ appropriations decrease the college program fund, the House by \$134M and the Senate by \$85M. The House has offered a 5% tuition increase and the Senate 8%.

FCS Legislative Budget Request =	\$1,356,526,674 (+21.1%)
Senate =	\$1,078,437,362 (-3.7%)
House =	\$ 987,104,519 (-11.9%)

## **PCB KCOS 11-03 by the House K-20 Competitiveness Sub-committee**

This bill filed late last week by Rep. Bill Proctor (R, St. Augustine) does numerous things to change programmatic and personnel issues in our colleges. It provides definitions of college personnel for college president, instructional personnel, educational support personnel, and administrative personnel. The bill also provides for requiring our district boards of trustees to issue probationary and annual contracts with certain restrictions. Of most concern, the bill eliminates tenure effective July 1, 2011 for all. It states that tenure, a multi-year contract, or a continuing contract may not be renewed, extended or re-adopted. The bill also outlines procedures that colleges must follow in the event a workforce reduction is needed. Reductions are to be based on employee performance with the lowest performing employees being eliminated first. The bill will be heard this week for the first time. There is no Senate bill.



*Rep. Proctor*

### **[HB 881](#) by Bemby; [SB1194](#) by Oelrich regarding Postsecondary Education; [SB1278](#) by Storms.**

As last reported, these bills would delete provisions relating to CLAST and the use of test scores for student college-level communication and computation skills. In addition, it establishes an Articulation Coordinating Committee. The bill also revises provisions relating to eligibility to substitute requirements for admission to or graduation from an institution; requirements of the common placement testing program, Rep. Alan Hays (R, Umatilla) filed three amendments. One of them deletes the language that puts the Articulation Coordinating Committee in statute. There may be some concern that a proposed ACC could interfere with the duties of the Higher Education Coordinating Committee. The Council of Presidents, though, have continually recognized the need for a re-constituted ACC. This bill will be heard this week in the Senate Children, Families, and Elder Affairs Committee.

### **[SB1732](#) by Lynn; regarding Baccalaureate Degree governance and Florida business and Education Collaborative**

As reported last week, SB1732 portends to slow-down the expansion of FCS baccalaureate programs. Among other things, the bills would require the Board of Governors (BOG) and the Higher Education Coordinating Council (HECC) to establish a plan for transfer oversight of FCS institutions to BOG an institution with 20% or more of its enrollment in upper division courses OR one that constructs dormitories after July 1, 2011. The Senate bill has remained stuck in the Higher Education Committee. Related bills include [HB 4153](#) by Stargel; [HB4177](#) by Metz; and [HB7151](#) by the K-20 Innovation sub-committee.

### **[HB331](#) by Weinstein; [SB534](#) by Wise regarding Fire Safety**

This bill corrects issues that have been challenging the FCS for several years regarding fire safety inspection of campuses. The bill was referred to the House Government Operations Subcommittee on February 7. The bill passed the Government Operations Subcommittee by an 11-0 vote. The House bill has four more reference committees to go before it will get to the House floor. The Senate bill which is identical has moved successfully through two committees and has three more stops.

### **[HB35](#) by Ford; [CS/SB84](#) by Lynn regarding College Name Changes**

This bill codifies the name changes for St. Johns River State College, Gulf Coast State College, Pensacola State College, and Valencia College. There was no action on the name change bill in the House. The Senate has already passed the bill on the floor.

## **HB007 by Chestnut; CS/SB654 by Oelrich regarding Student Transportation Fees**

This bill would authorize the Santa Fe College BOT to establish transportation access fee to provide bus transportation for students. The bill limits the amount of the fee to a maximum of \$3.00 per credit hour and provides a timeframe for fee increases and implementation of the increase. The SB654 has moved favorably through three committees and is now with the budget committee. There has been action on the House bill.

## **OTHER BIG POLITICAL NEWS FROM THE NEWS SERVICE of FLORIDA WIRE**

### **CALLS FOR TAX INCREASES TO ADDRESS BUDGET SHORTFALL**

Advocates for social services, public employees and college students called for the Legislature to consider increasing taxes, removing tax exemptions and ending business subsidies like those for professional sports stadiums instead of deeper budget cuts as a solution the state's \$3.75 billion budget shortfall. "We've been hearing over and over again that there are no choices, we have a \$4 billion dollar deficit, there's nothing to do but cut, cut, cut," said Karen Woodall, coordinator of the Coalition for Fair and Comprehensive Tax Reform, which put together a press conference Monday to highlight alternatives. "... The fact of the matter is, legislators do have choices." According to advocates, the state could raise \$5 billion or more by getting rid of a slew of exemptions, credits and "loopholes" in the current code, taxing some services and at least partially reinstating the intangibles taxes. "We have a budget that has no courage whatsoever. ... We've addressed a budget crisis by lying to the Floridians that pay taxes and saying that there are no alternatives," said Rep. Mark Pafford, D-West Palm Beach. Added Roy Miller, president of The Children's Campaign: "The question we want to pose is: Has compassionate conservatism been replaced by political indifference?" For their part, legislative leaders have flatly rejected tax increases, saying raising taxes when the economy is just beginning to regain its footing could hurt the recovery.

### **STATE DROPS CHARGES AGAINST SANSOM AND ODOM**

Once again the week saved the biggest news for the end, as prosecutors unexpectedly announced Friday afternoon that they were dropping the theft charges against former House Speaker Ray Sansom and developer Jay Odom. Sansom and Odom were charged in an alleged scheme to use a \$6 million 2007 state budget appropriation for what is now Northwest Florida State College to build a hangar at the Destin airport for Odom, a friend of and contributor to Sansom, who at the time was the chief House architect of the budget. Sansom and Odom's defense had said the money was needed for a joint-use emergency operations center and classroom building and there was nothing unusual about the way the money was put into the budget.

The bombshell on Friday dropped after Circuit Judge Terry Lewis rejected a key witness. Prosecutors were hoping to put the college's former president, Bob Richburg, on the stand. He had originally also been charged in the case, but agreed to testify against Sansom. But to introduce testimony by Richburg, prosecutors needed to show evidence of a conspiracy, and Lewis ruled he hadn't seen that evidence. Without Richburg's testimony, State Attorney Willie Meggs decided he could not get a conviction and dropped the charges.

### **PARTY LIKE IT NEVER WAS 2010**

The Sansom case being back in the news wasn't the only throwback to an earlier legislative session this week. Legislators late this week overrode two vetoes by former Gov. Charlie Crist, continuing the Republican effort to erase his memory. One of the bills was not really controversial – having passed the Legislature unanimously last year and then again in the veto override vote this week. That bill dealt with local farm regulations – even Democrats agreed widely that the bill made sense, eliminating some local ability to make rules that could make it hard for farmers to do simple things like replace a fence without

a permit. But the other measure lawmakers restored was highly controversial.

That bill creates “affiliated party committees” to allow legislative leaders to raise money independently of the political parties and parcel it out to lawmakers they need to get elected to help them in their quest to control the legislative process. The accounts will be controlled by both parties’ leadership. And another word for account is fund. So in the generic, we might normally call them leadership funds. But when we do, we get a gentle, annoyed reminder from Republicans that these are nothing like “leadership funds,” which were outlawed in 1989. And in fairness, those funds were pretty opaque and may have been more accurately called backroom slush funds. The new funds are far more transparent than those were, and, backers say, more transparent than the current process even. That makes them a step forward for openness, the proponents of the new type of funds said.



*Sen. President Haridopolos*

Democrats argued against them, saying they were really just a return of leadership funds. But just as in 2010, Democrats are vastly outnumbered and so without Crist on their side they couldn’t stop the return of whatever these funds should be called. In fact, they not only lost Crist as an ally on this particular issue, they have lost since the last election any ability to block it by themselves because Republicans now have 81 members in the House. The number of votes needed to override a veto: 80.

So why are leadership ... affiliated party committees, needed now? Last year the normal process for doling out fundraising help in the Legislature – having the parties do it – didn’t work out too well for Republicans. The party was having a bit of a hard time raising money on account of its chairman being accused of mispending it at first, and then later of outright stealing it. The chairman, now former chairman, is facing criminal charges.

"I was frustrated by the actions of the former chairman, where we raised a lot of money and they spent it," said Senate President Mike Haridopolos (R, Merritt Island). "We want to make it where what money we raise, we show, and what money we spend, we show." He’s on message as far as transparency, but what he could have been saying was they want to make it so that money they raise doesn’t get siphoned off. In fact, in the House, Rep. Paige Kreegel, R-Punta Gorda, did say so. He said the bill was needed to make sure leaders could still raise money and get favored candidates elected when "the leader of a party rips the party off and leaves the party without any money."

## **ARE YOU ON DRUGS?**

Gov. Rick Scott did say this week during a visit to the Agency for Health Care Administration that he thinks state workers ought to be paid fairly – though he didn’t say they deserved a raise, which they haven’t had for a while. He told the workers that he thinks it’s fair for government to make its workers pay into their pensions because that’s the way it works in the private sector. And, in response to a question from an employee, he acknowledged it ought to go the other way too – wages should be competitive with those in the private sector, he said. That drew applause.

But so far, there’s no proposal for a state worker pay raise, and actually, many in the state workforce feel like Scott doesn’t think much of them. His proposals to lay some of them off haven’t been particularly well received in the halls of Tallahassee’s government buildings. So it probably wasn’t that much of a surprise when he implied this week that the problem with state workers is that they might just be drug users. Scott made national news this week when he ordered random drug testing for all state workers who answer to the governor regardless of suspicion. He also ordered drug testing for all new state job applicants. Again, it’s the norm in the private sector workforce, Scott argued. There would be a cost of about \$25 a test, and Scott’s plan doesn’t spell out where that money would come from.

## **UNION PAYCHECK DEDUCTIONS**

It wasn't a good week for unions in Tallahassee, but really when was the last time it was? The House passed a bill that prevents unions from collecting dues from members who are government workers through automatic payroll deductions. Democrats and unions said it was an attack on the unions – payback for supporting Democrats. Republican backers of the bill say it just makes sense, that the government shouldn't be in the business of helping unions collect their dues in the age of PayPal – especially when those dues are going in part to political activity that is aimed at attacking some of those in that government. The bill passed along party lines, but now goes to the Senate.

## **BUT THINGS ARE LOOKING UP FOR WORKERS**

Also this week, Florida got some rare good economic news. The state unemployment agency announced on Friday that the jobless rate dropped last month by about a half a percentage point. It's still higher than it was a year ago and much higher than the national rate, but now at 11.5 percent, it's at least headed in the right direction and the economy has added jobs for several months now.

## **MEDICAID OVERHAUL**

In other news about major legislation, the House proposal to overhaul the way Medicaid works changed fairly dramatically this week when backers added to the bill limits on malpractice awards in cases brought by those on Medicaid. The government health care program has long suffered from not having enough doctors, who complain the reimbursement rates are too low. The solution to that problem that emerged in the House this week – make it more attractive by making it less likely that a doctor will be sued for medical malpractice if he is treating Medicaid patients. Overall, the House and Senate are moving Medicaid to a privatized managed care program – an issue that will be on the House floor on Tuesday of next week.

## **NO MACK**

Politically, the U.S. Senate race got a bit clearer as Republican U.S. Rep. Connie Mack said on Friday that he won't pursue the seat now held by Democratic Sen. Bill Nelson. The Fort Myers Republican would have been a strong contender, but his decision leaves Senate President Mike Haridopolos as the GOP frontrunner to take on Nelson at the moment.

## **YOU MAY ASK, "WHAT CAN I DO?"**

We encourage all AFC members to become knowledgeable and active advocates for the AFC. Please follow the following rules of engagement:

1. Be knowledgeable of the issues.
2. Write a letter, send a fax or email, or call YOUR local legislative delegation to express your concerns regarding any bill
3. Be polite and professional.
4. Be a registered voter with a voting record. They know!
5. Remember, your not only represent your college, but also the AFC.
6. Do not use college resources to communicate with your legislative delegation. Use your own computer, phone, fax, or email, and do it away from campus.
7. It's never too late to get involved. Support your college's AFC Chapter.