

Week Seven Session Summary February 20-24 February 27, 2012

Senate Budget Passes. Sets Up Conference Showdown with House

The Florida Senate passed a \$70.7 billion budget last week setting up negotiations with the House to resolve the \$1.5B plus difference between the two plans. The Senate Appropriations Act SB2000E1 passed 33-6, with four Democrats and two Republicans in opposition.

The Senate's spending plan would save over \$200M in general revenue by shifting **Medicaid** hospital reimbursements to intergovernmental transfers. This could be a cut for hospitals if local hospital districts do not make up the lost revenue. Senate Health and Human Services Appropriations Subcommittee Chairman Joe Negron, R-Palm City, said he had met considerable pushback from public hospitals and intended to back away from that change in favor of a straightforward rate reduction, likely equal to or less than the 7 percent House is proposing.

Sen. Steve Oelrich, R-Gainesville, said counties dispute some of the Medicaid charges and that the change could harm the rural counties he represents. Negron said he planned to stick with that plan, noting it would spot the counties 15 percent of the payment backlog to help offset any inequities in the distribution of disputed bills. "A lot of these counties owe the state of Florida money," he said.

Oelrich was one of the Republicans to vote against the budget. He decried the number of member projects, some of which were added on Thursday through floor amendments.

USF Funding Restored

Sen. **Jim Norman,** R-Tampa, filed three amendments to Sen. **JD Alexander**'s budget proposal that he says will give the University of South Florida a more equitable share of cuts across the university system. The Senate's \$78 million cut to USF, from a total \$400 million cut to the university system, was seen by some as vindictive on Alexander's part. The Senate budget chairman is at the same time pushing to split USF's branch campus in Lakeland off into the state's 12th university. His proposed funding cut to the school does not take into account the extra costs associated with that split.

Norman's amendments would do the following: restore \$6 million to USF for its pharmacy program; restore \$16 million in costs for faculty and staff that USF will have to absorb in a split; and dock USF's overall \$78 million cut down to about \$50 million, spread across the campuses rather than coming just from USF Tampa. That, Norman says, leaves USF Tampa with a cut closer to what UF and FSU got.

SB 1994 by Alexander and **HB 5001** by Grimsley and the House Appropriations Committee (similar) regarding the creation of Florida Polytechnic University

The University of South Florida's Lakeland branch would become the Florida Polytechnic University as a result of the passage of SB 1994 on Wednesday. The bill follows what was started by the Board of Governors, which oversees Florida's current 11 public universities, at the behest of Senate Budget Chairman **JD Alexander.** The Lake Wales Republican has been leading efforts to create what would be the state's 12th university against stiff resistance from USF initially. That resistance, though, has since faded and the BOG directed USF to oversee the transition, a process expected to take several years. The bill though, SB 1994, would take that responsibility away from the Tampa-based school and give it to a new board of trustees for Florida Polytechnic. The bill passed 35-4 and now will go to the House.

SB 0416 by Detert and HB 299 by Pilon et al regarding texting while driving

Texting while driving would be punishable as a secondary offense and a \$30 fine if SB 0416 is passed into law. The bill has passed all its committee stops and is now ready for debate by the full Senate. The bill passed with support from the Florida Public Health Association, Florida Medical Association, National Solid Waste Management Association, AAA, AARP, Florida Transportation Commission, Florida Sheriffs Association and the Florida PTA.

However, the final passage of the measure is in jeopardy as, the House version continues to sit in committee. **HB 299** hasn't been scheduled for a single hearing. This is a clear indication of how uneasy Speaker **Dean Cannon** and Rep. **Brad Drake**, R-Eucheeanna, chairman of the proposal's first committee of referral, feel about it despite the fact that a Times/Herald/Bay News 9 poll in January found 71 percent of Florida voters support a ban on texting while driving.

CS/HB 1355 by Dorworth and CS/SB 1816 by Benaquisto (identical) regarding Vulnerable Persons

This measure would revise language regarding the requirements for child abuse reporting. The bill requires educational institutions, including colleges, and their law enforcement agencies to report known or suspected child abuse, abandonment, or neglect. The bill provides for hefty fines, up to \$1M for violations to the reporting requirement. The House bill has one more committee stop, House Education, but is not yet scheduled there. The Senate bill has to get through Criminal Justice Appropriations next week on February 28.

<u>HB 525</u> by Workman and <u>SB 1334</u> by Oelrich (identical) regarding changes to the Florida Retirement System

As previously reported this bill would make some changes to the FRS effective on new hires beginning July 1, 2012. The bill would have returned the retirement age for police and firefighters to 55, or 25 years of service, undoing a controversial change lawmakers made last session. Unions representing other employees — including firefighters — objected to provisions intended to offset the cost of that move to the state's retirement fund. They also raised concerns that enrolling new hires by default into the 401(k)-style investment plan and increasing the vesting period for the pension plan might not fully offset the cost of rolling back the retirement age.

Those complications already had stalled the measure last week, and Senate Government Oversight and Accountability Committee Chairman Jeremy Ring, D-Margate, postponed the measure again Wednesday during the committee's final meeting. The changes could still advance, though, because Sen. Jack Latvala, R-Clearwater, attached similar language to a separate retirement bill sponsored by the committee. State Rep. Ritch Workman, R-Melbourne, said that although the actuarial impact of the bill may not be precisely neutral, it comes close enough to pass muster in the House. He said he intends to bring it up at the State Affairs Committee meeting on Friday.

<u>PCB EDC 12-02</u> by Proctor and the House Education Committee and <u>SB 1752</u> by Oelrich and the Senate Higher Education Committee regarding the establishment of the State Universities of Academic and Research Excellence and National Preeminence Act (Act).

The bill creates the Act which is a collaborative partnership between the Board of Governors (BOG) and the Legislature to raise the academic and research excellence and national preeminence of the highest performing state research universities in Florida. A state research university that substantially meets 11 of the 14 academic and research excellence standards established in the bill may establish annually student tuition and fees at differentiated and market rates approved by that State University System (SUS) institution's board of trustees and the BOG. However, a qualified Prepaid Program beneficiary is exempt from the payment of any increase in tuition and fees if an advance payment contract for such qualified beneficiary predates the first year a SUS institution receives tuition and fee authority. The measure will also require its incoming first-time-in-college students to take at that institution, a 9-12 credit set of core courses specifically determined by that institution. Credit earned through such courses may not be earned through transfer credit or articulated acceleration mechanisms such as Advanced Placement (AP), the International Baccalaureate (IB) Program, the Advanced International Certificate of Education (AICE) Program, credit by examination, Dual Enrollment, and College Level Examination Program (CLEP).



PCB EDC 12-03 by Proctor and the House Education Committee; no Senate companion

This bill by the House Education Committee has a number of potential impacts on the Florida College System. It will require the State Board of Education (SBE) the authority to set enrollment and graduation expectations for FCS bachelors degrees, and submit those goals as part of its annual Legislative Budget Request. It also requires the FCS strategic plan to clarify the mission statement of each college and the system. The bill requires the SBE to refine college president's evaluation rule to include the extent to which presidents serve both college and system goals. The SBE can require the college Board of Trustees to consider recommendations of the Chancellor when evaluating presidents' performance. The Chancellor's recommendation must be considered in both.

It also requests that students receive info on STEM established service delivery areas for state colleges. A unified plan for STEM, in consultation with BOG and Department of Economic Opportunity will include both colleges and universities. The plan will identify each university's contribution to system goals and objectives. The bill also covers issues related to General Education requirements, including:

- Requiring the FCS and BOG Chancellors to jointly appoint faculty committees to identify statewide core course requirements;
- Assure general education core course requirements to consist of 15-18 semester credit hours with high-level academic and critical thinking skills and competencies.
- Requiring all public institutions have to offer and accept core general education courses and deletes authority for local boards of FCS and SUS to set those requirements;
- Setting in statute the core for an AA to be identified by each institution (not SBE rule) and include 30 (not 36) semester hours in communication, math, social science, humanities, and natural science.
- Requires the AA to include 8 semester hours of college credit in one foreign language if two high school credits have not been not earned.

The universities and Florida College System institutions will have to work with their school districts to assure that high school curricula coordinate with the general education core curricula and to prepare students for college level work. The bill was TP'd last week pending in the House Education Committee after the AFC lobbying team submitted some questions and concerns regarding the implementation of several of the recommended changes. We will be working with Rep. Proctor and his staff this week to resolve those issues.

FROM THE NEWS SERVICE OF FLORIDA WIRE...

The Senate this week passed a budget for the coming year but some of its members were focused on another year in the future as those who want to be Senate president down the road intensified their maneuvering in the face of an increasingly apparent challenge to the chamber's conservative ruling class. The Senate has long been a place where the in-charge Republican Party has been fractured, with splits between social moderates and conservatives, fiscally conservative members and those less antagonistic to government services, and populists versus the big business wing.

That schism has been in the open as much as ever if not more in the now almost two years that Senate President Mike Haridopolos has led the Senate. It's a murky split with those opposed to the faction led by Haridopolos a shifting and motley group. Some are more populist, some are more moderate, and some are simply independent-minded and seem to be most interested in preserving a Senate that doesn't blindly follow a leader. Put all those together in a coalition, and throw in a few surprises in the November election, and the possibility has emerged that a real challenge could be mounted to the status quo when it comes to the generally presumed line of succession to the Senate throne. The Senate presidency over the next several years has generally been thought to be preordained by the leaders of the chamber. When Haridopolos leaves office in November, the gavel will be handed to Sen. Don Gaetz, R-Niceville. That much is nearly certain.

After that, the general expectation has been that Haridopolos-Gaetz ally Sen. Andy Gardiner, currently a member of the leadership team as majority leader, will take over. Then would come other members of the leadership team, maybe Sen. John Thrasher and Sen. Joe Negron, both conservative, business-backed Republicans loyal to the current leadership. But something has been bubbling up in the last couple years that may threaten that. A soft coalition of Republican senators who have disagreements with the

Haridopolos group has increasingly been thwarting the leadership's agenda. During the last day of session last year, there was a near mutiny over what was in several budget bills.

This year, there was the prison privatization fiasco, in which leadership lost in a floor vote on one of its top priorities, privatizing a large number of prisons. Then there was the University of South Florida fight in which some Republican senators fought with Budget Chairman and Haridopolos ally JD Alexander over the USF budget and the future of a USF branch campus that is going to break off. There have been other little fights an ethics bill pushed by Thrasher went down, for example. A leadership move to consolidate expressway authorities was softened.

Deeply involved in many of the challenges to the authority of Haridopolos et al has been the veteran newcomer Sen. Jack Latvala. The moderate Republican from St. Petersburg was in the Senate for a long time, and then left before returning again.

Latvala was a leader of the fight against prison privatization, and this week emerged as a serious challenger to Gardiner for the presidency of the Senate in 2014.

Yes, it's very inside baseball but also very central to the direction the Legislature will take in the future. It could be led by Gardiner and the leadership team that includes dogmatic conservatives like Thrasher and Negron. Or it could be a more unpredictable, and possibly more moderate body led by Latvala and those who support him. This week, there were lots of rumors floating around the Senate that the Haridopolos-Thrasher conservative wing of the party was looking to replace Gardiner in the line of succession because of the fear that Gardiner wouldn't be able to hold off a challenge from Latvala.

But nearly as soon as those rumors made it out of the 10th floor cafeteria at the Capitol, the Gardiner presidency campaign seemed to kick into high gear, as if to say, 'thanks guys, but I can handle this.' And by Thursday night Gardiner was claiming victory in the race for the 2014 presidency, though Thrasher was now openly questioning whether that would be so.

"I have secured enough signatures of the sitting members and the returning members for the Senate presidency in '14," Gardiner said after two days of Capitol intrigue over whether he was being pushed aside by his own party.

But Thrasher, who like Latvala, has been around the Capitol seemingly forever as a member who left the Legislature and later returned, sure sounded like a Gardiner opponent. "I don't think anybody has pledges until the day they get designated," Thrasher said. "To me, that's what it's about. And in a year like this, when we have a big summer of a lot of elections, a lot of things can change, seems to me. "All 40 Senate seats will be up for re-election in 2012 because of redistricting.

PIPPY LONGSHOT?

Also this week, one of the things that legislative leaders and Gov. Scott say is big priority legislation aimed at cracking down on personal injury protection or PIP insurance fraud got moving again, passing in the House Economic Affairs Committee on Friday, but House Speaker Dean Cannon didn't sound too confident that it was going to pass, priority or not.

"I don't know whether they'll be able to bring the House and Senate positions together before the end of session," Cannon said of the PIP bill. If they don't, it will have to wait until next year. "I'm not contemplating any special session on that issue at this time" Cannon said. The bill (HB 119) would put restrictions on some reimbursements, and cap attorney fees, a provision not included in a Senate proposal. As lawmakers try to work out the differences in the budget, this issue will be secondary. Whether Scott, who has made it one of his main talking points, will push them to work out a bill or even keep them in town until they do - is yet to be seen.

SORRY YOU MISSED THE 80'S, 90'S AND 2000'S WITH THE REST OF US

William Dillon spent 27 years in prison for a murder that authorities later said he couldn't have committed. Since being released in 2008 he's been trying to get someone to say they were sorry. The House apologized on Friday with a \$1.35 million claims award to Dillon. Several House members said it couldn't pay him back for the years he spent in prison, but it was the least the state could do. Dillon was in the gallery to watch as the House voted 107-5 for the bill (SB 2), which now returns to the Senate. Passage of the bill was also a win of sorts for Haridopolos, who made the Dillon restitution a top priority last year, only to see the bill die in the waning hours of the session, caught up in back-and-forth politics between the House and Senate, the leadership and the mavericks. Dillon missed out on all the history that led up to the political wrangling that led to his claims bill failing last year he missed out on a lot of things over the last three decades. Opponents say the claim system is broken, and that the Legislature shouldn't be in the business of making individual decisions about such cases. But the measure is almost certain to pass now that it has cleared the House where it failed last year.

STEINBERG QUITS

Rep. Richard Steinberg stepped down on Friday after admitting he'd sent repeated text messages anonymously to a married Miami prosecutor who didn't want them. The prosecutor Marlene Fernandez-Karavetsos, asked whoever kept sending her the inappropriate messages to identify himself and to stop sending them Steinberg didn't. While she couldn't figure out who they were coming from, the U.S. Secret Service had no problem and by midweek Steinberg was facing a looming story in the Miami Herald about the investigation. He confessed to the paper that he'd sent the messages and said he was sorry. On Friday, Steinberg, who wasn't in Tallahassee for the second half of the week, apologized again and then resigned. The Democrat from Miami Beach likely will be replaced in a special election.

URINE TROUBLE NOW

State agencies may be able to soon drug test workers after all. The governor ordered drug testing of state employees last year in an executive order, but it was blocked by the courts for most workers. But Rep. Jimmie Smith, R-Inverness, has taken up the cause, pushing a bill (HB 1205) that would allow agencies, though not require them, to set up random drug testing plans for employees. The bill looks like it is on its way to passage, headed to the House floor after a vote this week in the State Affairs Committee. Civil liberties groups say it, too, will be found unconstitutional, and that there's no evidence state workers are more likely to use drugs than anyone else. Backers say it's just like in the private sector: if they know they might be tested they won't use drugs.



BONDI JOINS CONTRACEPTIVE LAWSUIT

Just as the row over the federal rule requiring coverage of contraceptives seemed to subside a bit late this week, Florida got into the issue. Attorney General Pam Bondi on Thursday announced she was joining six other state attorneys general in a lawsuit against the federal decision to require religious employers to offer health insurance that covers contraceptives and other services that violate the tenets of the employer's affiliated religion.

"Government has no business forcing religious institutions and individuals to violate their sincerely held beliefs," Bondi said in a statement. "This lawsuit is about protecting religious liberty and the rights of conscience, our most basic freedoms as Americans." Bondi joined attorneys general from Nebraska, Michigan, Ohio, Oklahoma, South Carolina and Texas in the lawsuit. Other plaintiffs include a Catholic high school, social services agencies and a nun, among others.