



FFRW

Highpoints from the 2011 Legislative Session

by Charlotte Flynt and Christine Sutherland

With a Republican Governor and a super majority in the Senate and House, we had the highest expectations from this 2011 Legislative Session which were not quite fulfilled due to some in-fighting and political jockeying amongst the ranks. The session was scheduled to end on Friday, May 6, and it did end in the small hours of Saturday morning.

As every year, hundreds of bills died during the Session. The Budget passed with 44 “conforming” bills early Saturday morning, but only 285 other bills were passed, the 2nd lowest number in 10 years.

Some bills that passed

- HB1127 / HB501 Abortion Legislation
- HB7107 Medicaid Reform
- SB234 Concealed Weapons
- SB736 Teacher Tenure Reform
- SB818 Pill Mill Legislation
- SB1128 Pension Reform
- SB2086 Elections Package

Some bills that failed

- HB257/SB490 Pretrial Release
- HB613/SB796 Ocean Outfall
- HB691/SB2040 Immigration Reform
- HB1021/SB830 Union Dues
- HB4087/SB672 Red-Light Repeal

The Legislature also passed seven constitutional amendments. In order to pass, the constitutional amendments will need a 60% voter approval rate during the 2012 election. These proposed constitutional amendments are:

- SJR2 Health Care Services: would ban health insurance mandates. (*see below*)
- SJR592 Veterans Property Tax Discount: would expand expanding tax discounts for disabled veterans
- SJR958 State Revenue Limitation (State “Taxpayers Bill of Rights” TABOR): would limit the growth of state revenues to a new formula based on changes in population and inflation. (*see below*)
- HJR381 Additional Homestead Exemption: would offer first time homebuyers a property tax break and would cap how much the value of non-homesteaded and commercial property can vary each year.

- HJR1179 Abortions: would prohibit public funding of abortions.
- HJR1471 Religious Freedom: would repeal a ban on state money going to religious institutions. (*see below*)
- HJR7111 Supreme Court: would overhaul the court system, including Senate confirmation of Supreme Court Justices.

Some of the bills FFRW was following, bills FFRW supported and bills FFRW advocated

Education

- SB6 rose from the Crist 2010 veto ashes as **SB756**. Teacher tenure ends for new hires and requires a merit-based pay system be established and used for ALL teachers in EVERY school district.
- **SB1546 / HB7197** allows for more students to take advantage of several educational options. Also returned and passed was the opportunity for students to move to another school if they are in a “D” or “F” school for 2 years.
- On the 2012 ballot you will see House Resolution **HJR1471** which will REPEAL the “Blaine Amendment”. The Blaine amendment is the “the no-aid” provision that prohibits any public funds going directly or indirectly to religious organizations.

Property Insurance

SB 408 – a many faceted bill. This was the Legislatures attempt to allow private insurers more flexibility in rate adjustments depending on economy and financial position. Surplus requirements were also raised in a hope to cut insolvency issues with smaller companies. Public Adjusters were addressed in an effort to aid with consumer protection. Fraud with sinkholes was addresses. Sighting that there were some trial attorney encouraging this, the new law will shorten the period for statute of limitations and also will require property inspections.

Spending

Smart Cap will also be on our 2012 ballot. Like any Constitutional Amendment **SJR 958** must be approved by 60% of the voters. It would phase in restrictions on increases in the amount the state can spend at a level tied to inflation plus population growth. Any excess revenues collected over the spending cap would be placed in the budget stabilization fund. This would reduce the funds required by local school districts for operation...like a subsidy. IF there are any funds remaining they will be returned to the taxpayers. And like any other “good amendment”, there is an escape clause – Emergency: a supermajority of the Legislature could override the Smart Cap.

Health Care

SJR2 – this is the proposed amendment the Florida Supreme Court removed from the 2010 ballot, back in another version. Called Health Care Freedom Act, it would prohibit laws or rules from compelling any person or employer to purchase, obtain, or otherwise provide for health care coverage. It would permits a person or an employer to purchase lawful health care services directly from a health care provider and a health care provider to accept direct payment from a person or an employer for lawful health care services

Medicaid

HB 7107 mimics the 5 county pilot project set up under Gov. Jeb Bush in 2006 but expiring 2011. It designates the Agency for Health Care Administration (AHCA) as the single state agency to administer the Medicaid program; establishes Medicaid program as statewide, integrated managed care program for all covered services and establishes provider service network requirements for eligible plans. Approx. 1/3 of the state budget is consumed by Medicaid. The Legislature spent much time working on reforms that will allow more of our funds to be allocated to other programs of importance. This bill will require several years to be fully implemented.

Medicaid recipients will be transferred into two managed care plans.

“Managed Medical Assistance” for standard care, and

“Managed Long-term Care” for the elderly or special needs patients.

James Madison Institute (JMI) President Dr. Bob McClure has been involved and happy to see reform.

“Plans from health maintenance organizations (HMOs), provider service networks (PSNs), 7 accountable care organizations (ACOs) will be eligible to compete for Medicaid contracts by invitation-to-negotiate process based on their attributes. All this looks good EXCEPT that the Centers for Medicare and Medicaid Services (CMS) must approve a new waiver or waivers from ACHA”.

That decision still has not been made. When and if approved in part or whole is anyone’s guess. The State of Florida is being proactive and has already scheduled hearing around the state for public input.

Government Employee Pension Reform

State and Counties are looking down the barrel of the pension gun. Much time was spent on this during the legislative process. More needs to be done but it is a noble start. Florida is no longer the only state in the Union that did not require any employee contributions from the employees for their pension plans.

With the passage of **SB2100**, public employees must now contribute 3% of their salary into their accounts. New hires have their vesting periods increased from 6 to 8 years, a small increase in the retirement age and required years of service, eliminated Cost of living Allowance (COLA) and reduced the Deferred Retirement Option Program’s (DROP) interest accrual rate to 1.3%. This helps to bring Government pensions more in line with the private sector.

Tax Cuts for Small Business

- HB 7185 increased corporate tax exemption from \$5,000 to \$25,000. Approximate half of Florida’s Small businesses will not have to file....a cost savings of approx. \$40 million a year.

Issues and Matters FFRW needs to look for “another day” – perhaps in the 2012 session?

- Paycheck Protection – Collecting Union dues from public employees via paychecks.
- Citizen’s Property Insurance – ugh, we need more Insurance reform. While strides were made this Session, more needs to be introduced and “tweaked”.
- Pension defined plans vs. defined contribution plans.