



Legislative Update



Bill Information

2009 Final Report

A Chapter of
NFSA



Workers' Compensation - A big Win.

The Workers' Compensation "fix" passed the Legislature and Governor Crist, now that he is running for the U.S. Senate seat being vacated by Senator Martinez, is expected to sign the bill. If Governor Crist vetoes the bill he will lose business owners as supporters for his US Senate seat goal. Crist does have a relationship with the Trial Bar and its not over until he signs the bill or lets it become law without signature. Workers' compensation costs will rise by 12+% within 12 months if Crist vetoes the bill.

The bill restores the cap on attorney's fees that was found to be invalid by the Florida Supreme Court. There were many amendments to the bill, one would have caused grossly excessive attorney's fees - the Trial Bar hoping for a compromise that would have the force and effect of raising attorney's fees.

This was an incredible team effort by many associations, the ABC WC team worked out of our Tallahassee offices. We expect major litigation to again come to the Florida Supreme Court as attorney's seek more money from us.

Glitch Bill - Train Derailed.

Trains, they are called trains. When your bill is blocked and does not move through the process, you seek a bill that is moving on which to attach your bill. There is a germanity rule that the subject of your bill must be related to the subject of the train engine.

Our bill was dead, dead because of partisan politics, had nothing to do with the language in the bill. We relied on the SFMO to put together a glitch bill that encompassed all the things that impact the Florida Fire Service - the Florida Fire Chiefs, the Fire Marshals, the firefighters, the fire sprinkler industry and other stakeholders would all have a part of the bill and therefore would all be supporting the end product. But the SFM's boss is a Democrat and when seeking bill sponsors they went to

the Democrats when the Legislature is run by Republicans. Big mistake. We realized this early on and had a couple Republicans sign on as bill cosponsors, but th prime sponsor was a Democrat.

We finally attached our bill on the DBPR building code bill - and all seemed well.

But then others attached their dead bills onto the train. The train started to grow - ended up as 154 page bill combining language from 30 bills.

But before the train left the Senate station, the Appropriations Committee staff argued some of the language attached to the bill had a fiscal impact with no funding source, and the bill was derailed in Committee. We gained many supporters of language in this bill and therefore feel passage will be next year.

Service Contracts

A bill that would have prohibited automatic renewal of contracts died in the Senate. Absent automatic renewal, many systems could be placed in the "Not Tested" category. The House bill sponsor said this was to save the consumer money - not much money saved if there is no contractor to respond to a system that operated after hours when there is no contract.

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“Working Together”

The Construction Coalition is one of the most powerful and successful lobbies in Tallahassee. Founded in the mid 1990s, the CC is a coalition of all the lobbyists for the construction industry.

Buddy Dewar was one of the founding members and served as Chair of the CC during the 2003-2005 Legislative Sessions.

Lobby or political power comes from numbers - the more constituents you represent the stronger



your presence. The coalition can have as many as 75 lobbyists attend a meeting in support of an issue.

It is through the Construction Coalition that we, as well as all of the construction trades, can keep track of the hundreds of legislative issues that impact construction during Legislative Sessions. Working together to help all!

High-Rise Retrofit - Asking for a Veto, Again!

High-rise retrofit remains a top priority of our Legislative initiatives. Much effort has been placed attempting to save the 2014 compliance date. This was a leadership initiative, coming from the Speakers Office in the House. We offered a compromise date, many members of the Legislature asked for a compromise, but the arrogant leadership said no.

The key House sponsor Ellyn Bogdanoff, Ft. Lauderdale, could care less about the safety of her constituents. We have met with many Senators and Representatives and none were willing to take on Bogdanoff as she is in a major leadership role on the House Rules Committee. The Rules Committee sets the agenda for bills to be heard. Many Representatives have said, I would love to help you but fear my bills will be blocked by the Rules Committee as Bogdanoff has made it clear her bill will pass. Even more disheartening is when a Senator defers my questions on a Senate bill to House member Bogdanoff. We offered tax credit language, we offered a compromise date, all to no avail as it is Bogdanoff who has been self-anointed to determine who dies in high-rise fires.

I have met with the Governor's staff requesting a veto. The key to our veto request is former Governor Jeb Bush who questioned the exaggerated cost figures thrown around by proponents of the bill and asked that a detailed study take place in his 2006 veto message. Where is the study?, I asked for the study in front of a committee and Rep Bogdanoff indicated she had sufficient detailed information that warranted. Yea, right, rich condo owners in Galt Ocean Mile who wish not to spend one penny on fire safety. Where is the study????

Contracts to retrofit a condo is with the association, not each individual unit owner. The association has the option, they can use reserves to pay for the retrofit, or they can assess each condo owner an amount to recover the costs. The assessment can be one time up front, which will cost each condo owner \$2,500+, or the association can borrow money for a long term and charge an monthly assessment for the period of the loan. Bogdanoff argues the one time assessment, each condo owner having to come up with mega-thousands of dollars to pay the assessment, some have borrowing power some do not and therefore would be forced into being a street person. But if the condo association borrowed the money, they could get a much longer payback period making the monthly pay imposed on the condo owner much lower than it would be if the condo owner borrowed the \$2,500 - hard to get a \$2,500 loan payback period for 8 years - but a \$325,000 loan for the entire building payback for 8 years is doable. Where is the study?

The Florida Fire Chiefs, Fire Marshals and Inspectors Association, TYCO Products, and others are assisting with the veto effort. But if we get a veto, we will face the same problem next year. We have asked Governor Crist to establish a Study Commission that will recommend legislative changes for the 2010 Legislature.

Great assistance has come from TYCO Products lobbyist Dave Ramba. Also great assistance has come from the FFMIA lobbyist Kari Hebrank. This was a strong team effort.

Check Bill Status—Go To:

<http://www.leg.state.fl.us/Welcome/index.cfm>



Fun in Tallahassee—The High-Rise Retrofit Debacle

Yes, those elected to office should have some desire to be responsive to their constituents. This is critical if the elected official seeks reelection.

But the line is crossed when elected officials react to constituents in total disregard to their safety. Many Florida Legislators are reacting to exaggerated cost claims from condo owners, retrofit figures we all wish we could get. I heard one legislator before a committee argue the costs could be \$20 million.

But the reaction to false claims from condo owners have reached many ears. There are amendments filed to the bill that extends the fire sprinkler retrofit compliance date to 2025 that:

1. Repeals a requirement for emergency power of at least one elevator in a high-rise for emergency operations.
2. Adds fire alarm and detection systems to the opt out clause meaning by 2/3 rd vote the condo association can opt out from alarm systems in their living units.

3. Adds fire alarm and detection to the 2025 date meaning they do not have to comply with any system upgrade requirement until 2025 and the why the wording could be interpreted, the condo will not be required to have an alarm system until 2025.

What are they thinking? The attitude by some of these legislators is the fire sprinkler and alarm industry is forcing all these added costs on to the consumer. They will not listen when you explain the building and fire code system.

Legislators need to **respond** to constituents concerns, not react. Legislators should:

1. Understand that no sprinklers, no alarms, no detection, no emergency power for elevators all lead to **no insurance**.
2. Understand the true costs of fire safety retrofit. We have share with them some numbers we received from the Dolphin Cove retrofit project, a condo that retrofitted after multiple fire deaths. These figures show the assessment at \$50 per

month for 9 years. But they get a \$360 annual reduction in their insurance, 430 a month or their net cost is \$20 per month - not overwhelming. But condo associations often present assessment figures that include many other renovation projects.

3. Condo owners are liability for unsafe conditions regardless what government does or does not do.

A good mindset for all legislators is simply - I must respond - not react. If they say this to themselves a couple times an hour maybe fire safety issues will be viewed in a positive light.

We have prepared a paper requesting the Governor to veto the bad bill, SB 714. If we are again successful in obtaining a veto, we have not solved the problem as poorly focused legislators will come back and seek another extension. What is needed is for the Governor to establish a study commission to study all of the factors involved including true costs and insurance savings.

Hopefully Governor Crist will do the right thing.

US Senate Seat Race

Governor Crist has announced his intentions on running for the US Senate seat being vacated by Senator Martinez. Marco Rubio, former Speaker of the House has also announced a run for the US Senate seat. The two bring diverse Republican views and the race will undoubtedly be won by one of the two as no strong Democrat has yet to announce a run for the seat. But you never know who will come out of the woodwork.

I have known Governor Crist and share many of his views. A lot of my interest in supporting Governor Crist depends on how he handles the High-rise Retrofit bill we have asked for a veto. The key in my mind is establishing a study commission to truly investigate the facts - failure to estab-

lish this study commission notwithstanding a veto is a big error in judgment.

Marco gave a very impressive talk before our Thursday Group, a Center/Right Coalition. I was impressed with Marco's vision for the future; his disdain for hard core politics taking precedent over the needs of the public; the failure by many to aggressively and credibly resolve our economic crisis.

The US Senate Selection Committee for the Republican Party immediately endorsed Governor Crist and praised Marco Rubio. I believe they did so as they want to retain the seat and polls show Crist leading the pack with 54% of the pollsters.

Should be an interesting race.

Bill Bites:

Seine Die is a term used to signal the official end of the Legislative Session. For years, the Sergeant at Arms for the Senate and the House meet equal distance between the Senate and House Chambers and drop a handkerchief both at the same time signaling Seine Die. If the time the session is to end is during evening news hours, often politicians will circle the Sergeants as they do not want to miss a photo op during the evening news on live television.



Prime Focus Bills

1. **Protect High-Rise Retrofit (HB419/SB880/SB998/SB2302) Language slipped on SB 714, bill passed**
Extends compliance date from 2014 to 2025. HB 419 was the prime mover in the House. In the Senate, the bad language was amended on SB 714 at its last committee stop and quickly passed the Senate. The bill was sent to the House and quickly passed. We have already met with the Governor's staff requesting a veto. A "White Paper" is being distributed in hopes of generating support for retaining the 2014 date.
2. **Glitch Bill (HB693/SB1606) Language added to multiple bills - None Passed.**
HB 639 died, companion bill stalled because no action on the House Bill. We have attached most of the good "stuff" on SB 2100. There is a strong effort to add this same language to the DBPR Bill in the House. Too early to tell, probably will not know until mid-week next week. Still active in this legislation is: an expedited Declaratory Statement; improved non-binding interpretation program; provides clarity on Contractor IV classification; requires any plumber seeking Contractor IV classification to pass a test following a minimum of 40 hours of NFPA 13D training prior to setting for the licensure examination; requires applicants for Contractor I or II to have experience in system layout as defined in law; and establishes an equivalent program to NICET for ITM inspectors.
3. **Workers' Compensation (HB903/SB2702) HB 903 Good Bill Passed**
The 2003 WC law placed caps on attorney's fees. The result has been over a 60% reduction in WC costs. In October the Florida Supreme Court ruled the attorney fee cap was unconstitutional. Bills have been filed in both houses to return the cap. Update article on the front page.
4. **Automatic Renewal of Contracts (HB15/SB660) DEAD**
These bad bills would prohibit automatic renewal of service contracts. Last year we were successful in amending the bill in the Senate exempting fire alarm and sprinkler systems from the prohibited renewal. This bill failed as more industries approached the Senate sponsor seeking relief. The House sponsor had dug in.

Active Lobby Bills

1. **Sales Tax Exemption. (HB 1163/SB2576) Failed**
The Legislature is looking at construction related sales tax exemptions for possible revenue sources. Our focus is to eliminate double taxation. Both bills dead.
2. **Protect Apprenticeship Funding.** To Early to Tell - Looks like a 10% cut.
Funding for apprenticeship training is under the microscope of finance committees. We will be working to keep this funding stream. Education funding cut but not as badly as we expected. Looks like a 10% maximum cut - most likely less.
3. **Anti-Geographic Preference (HB611/SB616) Passed**
Often during economic downturns local government pass ordinances giving price preferences to "local" contractors, ones domiciled within their jurisdiction. This effort is to keep the door open.
4. **Secondary Metals Thief (SB478/HB339) Passed**
These bills preempt any local regulation that may establish less than desired oversight on metal recyclers.
5. **Card Check (HJR1013/SJR1908) Failed**
These Joint Resolutions will have the force and effect of placing for vote a Constitutional Amendment that would retain secret ballots for union creation. Both bills passed final committee and should be scheduled for final floor vote next week.
6. **Construction Defects (HB709/SB2064) Passed**
These bills tweak the existing Construction defect law changing the current opt-in provision to an opt-out provision.



Monitor:

1. **Electric Journeyman** (SB256/HB519) **DEAD**
These bills favor journeyman electricians and may lead to staffing quotas which may also move to other trades.
2. **California Emissions** (SB1994) **DEAD**
There is a movement to establish stringent emission standards copying those of California.
3. **Immigration** (Oppose HB915, Monitor 7 Bills filed) **DEAD**
Requires contractors doing public work to E-Verify employees.
4. **Lien Law** (SB466/SB560 & HB299) **DEAD**
Every year changes to the lien law appear and these will be monitored.
5. **Growth Management** (SB360/HB1019) **Passed**
There are interests to streamline the growth management process by modifying growth management laws.
6. **Cranes** (HB923 & SB1654) **DEAD**
Adopts for statewide use the OSHA crane safety regulations and preempts local government from establishing differing standards.
7. **Vehicle License Fee Increase**. **Passed**
Bills are being considered that will double the fees we currently pay for license plate renewals and vehicle registration.
8. **Sales Tax on Construction Services** (HB1163/SB2576) **Failed**
Materials used in construction is already taxed—Labor and other construction services are not taxed. We oppose any sales tax on our services. These bills would have established a review committee to investigate construction services sales tax. Not sure if it will become an issue in 2010. A sales tax on construction services did pass in the late 1980s but was repealed the next year.
9. **Extension on Building Permits** (HB7049/SB2026) **Passed**
This act extends the construction permit to two years. If no action is taken after a permit is issued because of the developers pushback, the permit that was issued to you to install a fire sprinkler system has a two-year life.
10. **Mandatory Arbitration** (HB1135/SB2192) **Failed**
These bills would have made arbitration of construction disputes a requirement instead of a contractual agreements. My gut tells me it would be cheaper to go to court than go this arbitration route. The fact that it appears the Trail Bar was behind the bill makes the issue suspect.

Looking to the Future

The 2009 Florida Legislative Session is history - and it will be referenced in the history books. The problem is leadership and direction. Too many legislators are pushing personal agendas over the interests of the public. We are in a recession, the State's two big tax resources have been tourism and construction. One would think that the legislature would then focus on how to help these two big funders of the state. The workers' compensation battle should not have been so hard to win but now we are faced with worries on whether the Governor will sign or veto the bill. If construction comes back in the short run and tourist income increases I certainly hope the legislature does not ignore the changes that are necessary to make Florida fiscally sound. There are some very hard decisions needed; decisions that may test the root beliefs of both parties; decisions that will provide fair and reasonable income for the state coupled with the continued wasteful spending. But now with virtually all of the statewide elected officials running for another office, political games will be at its highest. Governor Crist is running for the US Senate, CFO Alex Sink has announced a run for Governor, Ag Commissioner Charles Bronson is term limited out and is considering a run for Governor, and AG Bill McCollum is also expected to run for Governor. Then all those in the House and Senate will be seeking the Cabinet seats - what a mess. So looking forward to the 2010 Florida legislative Session, my want for legislators to respond to the needs of the public instead of decisions that impact personal political gains does not appear doable. Can't wait for the 2011 Florida Legislative Session.

Bill Bites

Thanks **TYCO Products** for coming to our aid in fighting the high-rise retrofit compliance date extension. We had very active efforts from the fire services and the high-powered and well-connected lobbyist TYCO Products sent to help us was greatly appreciated. If it could be done we would have done it - this was payback for the 2006 veto. A very special thanks to Kari Hebrank, lobbyist for the Florida Fire Marshals and Inspectors Association. Kari is exceptionally driven and super smart and her commitment to the mission of fire safety unbending. I have known Kari, her husband Marty and daughter Bailey for years - we go to the same church. Bailey is studying abroad in Italy this summer break from UF classes. I asked if she was going to visit Bailey and was told it was too costly. I checked and I had accrued nearly a million frequent traveler miles and now the Hebrank family will be spending time together in Italy. Thank you Kari for your strong support.