

TALLAHASSEE WEEKLY REPORT

July 2-6, 2012

Affordable Care Act

A study from the Kaiser Family Foundation in Washington showed that Governor Rick Scott's decision not to expand Medicaid, as provided for by the Affordable Care Act (ACA), could cost Florida billions of dollars in federal funding. The foundation projected that the ACA would provide \$20 billion in federal funds to Florida between 2014 and 2019 to expand Medicaid coverage to 951,622 new enrollees, including over 680,000 that had been previously uninsured. Over that same period of time, the state would need to come up with \$1.2 billion to fund the expanded coverage.

A separate study from the Urban Institute took a different approach, estimating that as many as 1.8 million uninsured Floridians, 45 percent of the state's uninsured total, could have been moved to Medicaid under the ACA. The Urban Institute report is attached, along with another report they put out discussing the ACA's effect on the various states.

Affordable Housing Surtax

The Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) recently published a report on Miami-Dade County's Discretionary Documentary Stamp Tax, which provides dedicated funding for affordable housing. The report, which can be found by clicking on the link below, says the "accountability processes should be improved".

In 2009, Senator Dan Gelber and Representative Carlos Lopez-Cantera passed legislation which extended the program past its scheduled sunset date. This bill was the county's top priority that year.

<http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/1208rpt.pdf>

Florida Supreme Court

Leon County State Attorney Willie Meggs announced this week that no charges will be brought against three Supreme Court justices for having state-paid employees notarize their campaign forms. He stated that notarizing the papers does not constitute "furthering one's campaign".

The Florida Department of Law Enforcement (FDLE) had been investigating Justices Fred Lewis, Barbara Pariente and Peggy Quince, all of whom appear on the ballot this fall for the purposes of their retention. The FDLE found that they ran afoul of the state statute, but Meggs said “common sense” needed to be used in deciding these cases.

Separate legal action has been brought by the Southeastern Legal Foundation, an Atlanta-based conservative legal organization.

Governor’s Office

Adam Hollingsworth began his tenure as Governor Rick Scott’s chief of staff this week. Hollingsworth takes over for Steve McNamara, who stepped down after a series of questions about his dealings in the Governor’s office.

Hollingsworth previously served as the chief of staff to former Jacksonville Mayor John Peyton. He also served as a bridge between Governor Scott after his 2010 primary victory and the GOP establishment that had been backing his opponent, Bill McCollum.

“Docs vs Glocks”

A federal judge this week blocked a bill passed in 2011 by the Legislature, and signed into law by the Governor, commonly referred to as “Docs vs. Glocks”. The bill would have banned thousands of doctors from discussing gun ownership with their patients.

United States District Judge Marcia Cooke, who had previously issued a preliminary injunction, made her decision permanent when she sided with a group of doctors who asserted that the law violated their free speech rights. She stated that the law was so “vague” that it violated the First Amendment rights of doctors, and the bill’s privacy provisions “failed to provide any standards for practitioners to follow”.

The state Department of Health has the option to appeal the judge’s decision.

This state’s loss in this case joins a list of other recent setbacks in the courts, including health care reform, privatization of prisons, drug testing of welfare recipients, drug testing of state workers, and the shifting of pension costs onto state workers.

Ken Sorenson

Former state representative Ken Sorenson passed away. Representative Sorenson represented all of Monroe County and portions of Miami-Dade County from 1998 to 2006. In his final term, under Speaker Allan Bense, he chaired the Local Government Council. Upon being termed-out, Representative Sorenson worked as an advisor in the House to then Speaker Marco Rubio.

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July 9-13, 2012

TB Outbreak

A newspaper report earlier this week showed that a warning about a serious tuberculosis (TB) outbreak in Duval County went unseen by the Department of Health (DOH), all while the agency was focused on downsizing, which included closing the state's TB hospital. A spokesman for DOH called the accusations inaccurate, and stated that the agency sought help from the Centers for Disease Control (CDC) after it noticed a sharp increase in Duval County TB cases.

Legislators, including House Health Care Appropriations Subcommittee Chair Matt Hudson and Senate Health Regulation Chair Rene Garcia said the agency acted correctly in dealing with the outbreak, and the Legislature's reorganization of DOH did not have an effect on its ability to respond to the outbreak.

Senate Minority Leader Nan Rich, who has announced plans to run for Governor in 2014, sent a letter to Senate President Mike Haridopolos calling for the Senate to investigate the sequence of events leading up to the vote authorizing the close of A.G. Holley State Hospital in Lantana.

The CDC reported on April 5 that the largest TB outbreak in the country was in Duval County. While the CDC was finalizing its report, lawmakers passed a bill to close the hospital on March 9. The Governor signed the bill on April 29, and the hospital closed on July 2.

Citizens Board of Governors Meeting

The Board of Governors for Citizens Property Insurance will be holding a "Rate Workshop Agenda" on Monday July 16 at the JW Marriott in Miami. One of the topics for discussion will be the plan to remove the 10 percent cap on rate increases for new customers.

The agenda for the meeting is attached.

Slot Revenue

State economists altered their projections for slot machine tax revenues for the new fiscal year, earlier this week, on the grounds that new slots facilities will not come online

until later than expected. Earlier this year, a Florida Supreme Court decision paved the way for Hialeah Racetrack to offer slot machines.

Economists said Hialeah had scrapped its plans for a new building to house the machines and instead will place them in existing facilities. They also pushed back their expected start date for slots operations from January 2013 to June 2013. This led revenue forecasters to lower their tax revenue projection for the fiscal year to \$146.7 million, down 4.6 percent from their previous estimate in December. In the 2013-2014 fiscal year, when Hialeah's machines are expected to be up in the entire year, revenues are expected to jump 22.7 percent.

Governor Scott's Trade Mission to England

Governor Rick Scott led a group of business leaders on a trade mission to England. The Governor focused on the state's need to strengthen its aviation and aerospace industries, which account for over 2,000 companies and 83,000 workers.

The Governor met with over 40 aviation and aerospace companies in London and at the Farmborough International Airshow. He also invited British Prime Minister David Cameron and two members of Parliament to Florida in an effort to, as he stated, "see all that we are doing to create jobs and make Florida the number one place for business."

Foreclosures

A report by RealtyTrac, the California-based company we have reported on before, shows that foreclosure fillings increased by 22.54 percent in Florida for the first six months of 2012 compared with the same period last year. Nationwide, the foreclosure filling rate dropped 10.65 percent. Over 1.5 percent of Florida housing units received a foreclosure filling, with the national rate being .79 percent.

The report suggest national trends of more rigorous foreclosure processes and foreclosure prevention efforts are having an impact, with foreclosures remaining a problem in several states.

Mortgage Fraud

The LexisNexis Mortgage Fraud Report, released this week, shows that Florida had the highest number of mortgage fraud investigations in 2011, when compared to the number of new loans. The state's mortgage fraud index (MFI) was 766 last year, which translates to the state having 7.6 times the amount of ongoing investigations expected

given its amount of loan starts. The second highest rate in the country belonged to Nevada, with an MFI of 290.

The number of new investigations, which includes cases that began in 2011, went down. When considering only new investigations, Florida's MFI drops to 227, third highest in the nation. The report also showed that collusion rates, which had jumped to 9.7 percent in 2009, dropped down to 6.8 percent in 2011.

Political

- The Florida Chamber of Commerce released its legislative endorsements this week. The complete press release, along with the list of candidates being endorsed can be found at <http://www.flchamber.com/article/florida-chamber-endorses-pro-jobs-pro-business-candidates-for-florida-house-and-senate/>. With regards to seats in the Miami-Dade legislative delegation, the Chamber endorsed the following candidates:
 - Senate District 39 – Ron Saunders (open seat)
 - House District 103 – Manny Diaz, Jr. (open seat)
 - House District 105 – Carlos Trujillo (incumbent)
 - House District 110 – Jose Oliva (incumbent)
 - House District 111 – Eddy Gonzalez (incumbent)
 - House District 114 – Erik Fresen (incumbent)
 - House District 115 – Michael Bileca (incumbent)
 - House District 116 – Jose Felix Diaz (incumbent)
 - House District 119 – Jeanette Nunez (incumbent)
 - House District 120 – Holly Raschein (open seat)
- City of Miami Commission Chairman Francis Suarez endorsed House candidate Adam Kravitz. Kravitz, a Democrat, is running in House District 113, which encompasses portions of the cities of Miami and Miami Beach.
- Governor Jeb Bush endorsed Speaker Pro Tem John Legg's candidacy for the Florida Senate. Legg is running for Senate District 22, which became an open seat after incumbent, Senator Jim Norman, decided not to run for reelection.