



May 15, 2009

The 2009 legislative session opened under the shadow of doomsday-like budget forecasts and the resignation of a House Speaker under investigation. While Rep. Larry Cretul, R-Ocala, ably stepped in to fill the leadership role unexpectedly vacated by Rep. Ray Sansom, R-Ft. Walton, no replacements were as easily available for the holes in the budget. The session agenda was driven by the state's financial needs.

More than 2300 bills were filed this session; less than 300 passed. Some very good bills – the ag industry bill, for example – died along with some very bad ones, such as a detrimental springs bill. Some bills died because of their substance. Others were victims of the budget, of politics or of personal issues played out in a public domain.

Overall, despite the strangeness of this session, agriculture came out ahead in the end. Below you will find highlights of some of the good and bad bills that passed and failed this session, as well as key budget issues:

Good Bills that Passed

- ◆ **Workers Compensation Attorneys' Fees:** Legislative response to Florida Supreme Court's overturning of 2003 legislation that limited attorneys' fees for injured workers, saying it was too vague and resorting back to a standard that fees should be "reasonable." This year's language lowers workers' compensation costs for employers and ensures that injured workers receive more in benefits than their attorneys do in attorney fees.
- ◆ **Burden of Proof in Property Tax Challenges:** Saves taxpayers money by lowering the burden of proof in property tax challenges to a preponderance of the evidence.
- ◆ **Growth Management:** Streamlines regulations and provides for other smart growth changes such as allowing for expedited comprehensive plan reviews and extending previously obtained permits and approvals by two years.
- ◆ **Lower Property Taxes:** Lowers the assessment cap from 10% to 5% for non-homesteaded property if approved by the voters in 2010.
- ◆ **Property Insurance Solvency:** Begins to gradually bring the state-run insurer closer to actuarially sound rates.
- ◆ **Florida Friendly Landscape Ordinances:** Encourages local governments to adopt the Florida Friendly Landscape Ordinances as developed by the University of Florida's Institute for Food and Agricultural Science. Provides that local governments cannot enforce ordinances prohibiting Florida-friendly landscaping. (This legislation does not apply to agricultural operations.)

- ◆ **Water Management Districts (WMDs):**
 - Codifies several programs of the Southwest Florida Water Management District, including the Facilitating Agricultural Resource Management (FARM) Initiative, which has provided significant cost-share dollars to agricultural operations within the district.
 - Stipulates that basin board members may not serve more than 180 days after their terms expire.
 - Reduces Manasota Basin Board from three to two members each from Manatee and Sarasota Counties (from six to four total).
 - Disbands Oklawaha River Basin Advisory Council.
 - Specifies schedule of gubernatorial appointments to WMD governing boards.
 - Expedites WMD permitting statewide, delegating authority to WMD executive directors for most permits.
 - Prohibits governing board members from intervening during the application review process prior to referral to governing board for final action.
 - Contains language pertaining to water well contractor licensure.
 - Provides that under certain circumstances, water management districts and the department may grant permits for alternative water supply development projects for a period of up to 50 years. In such cases, compliance reports will be required every five years.
 - Provides that permits approved for a renewable energy generating facility or the cultivation of agricultural products on lands consisting of 1,000 acres or more for use in the production of renewable energy shall be granted for a term of 25 years or more based on the anticipated life of the facility, under certain conditions. Otherwise, a permit may be issued for a shorter duration.
 - Prohibits the total annual debt service for bonds from exceeding 20 percent of the annual ad valorem tax revenues of the issuing water management district, unless approved by the Joint Legislative Budget Commission.
- ◆ **Water Management Districts (WMDs) II:** Provides that private property owners are covered by the WMDs' limitation of liability in cases where a WMD has secured an easement to provide access to public parks and water areas.
- ◆ **Ag Industrial Centers:** Creates a process for amending local government comprehensive plans to designate and expand existing agricultural industrial uses or facilities located in rural agricultural industrial centers or to expand existing centers to include industrial uses or facilities that are not dependent upon but are compatible with agriculture and existing uses and facilities.
- ◆ **Unemployment Compensation:** Increases the amount of unemployment compensation that employers pay to the state. Without this bill, however, the federal government would have taken over the program and charged the state a high "premium."
- ◆ **Property Taxes on Conservation Lands:** Implements Amendment 4 as approved by voters in the 2008 general election. Provides an exemption from ad valorem taxation for real property that is dedicated through a perpetual easement

for conservation purposes. Makes dedicated land on which allowable commercial uses exist eligible for an exemption from ad valorem taxation to 50% of assessed value. Establishes water management districts as the third party right of enforcement on conservation easement lands. Directs the legislature to annually appropriate funds to counties, such as Jefferson, that are fiscally constrained as a result of this amendment to make up for lost taxes.

Good Bills That Didn't Pass

- ◆ **Ag Priority Bills:** By the last week of the regular portion of the legislative session, the two priority bills for the agricultural industry had been combined into one. This revised bill included many much-needed provisions. Regrettably, the bill was “bounced” back and forth between the House and Senate and died in messages between the two.
 - Duplication of Regulation by Local Governments / Stormwater Utility Fees: Would have prohibited local governments from enforcing duplicate regulations on agricultural lands. Also would have prohibited counties from imposing tax assessment or fees for storm water management on ag lands, or when a farmer has a discharge permit or implements BMPs.
 - Nonresidential Farm Buildings / Fences: Would have exempted nonresidential farm buildings and fences from any type of fees.
 - Agriculture Acknowledgement: Would have required anyone applying for a land use permit, building permit or occupancy permit for non-agricultural land contiguous to agricultural land to sign a notice indicating they understand that the agricultural land is an ongoing operation which produces odors, noise, dust and other effects.
 - Local Business Tax Exemption for Ag: Would have exempted farmers and ranchers from a local business tax (occupational license). Persons are now exempt but not companies or corporations.
 - Ag Plastics: Would have allowed the burning of all plastics, including tubing, used on a farm.
 - Farm Tractor / Vehicle: Would have exempted operators of motor vehicles used primarily on a farm (implements, all-terrain vehicles, utility vehicles, golf carts, etc) and operated on state roads only incidentally from needing a license to operate said vehicles.
 - Best Management Practices: Would have allowed the Department of Agriculture and Consumer Services to adopt rules to establish comprehensive Best Management Practices for ag production and food safety.

- ◆ **Department of Transportation - Truck Weight Tolerances:** This bill would have allowed a 10-percent weight tolerance for all trucks transporting goods on non-federal highways (up to 88,000 lbs.) before an overweight fine could be issued, but it also died in Messages.
- ◆ **Energy:** The Senate passed a bill encouraging development of alternative energy; the House did not. The House passed a bill on off-shore drilling; the Senate did not.

- ◆ **Parental Authority:** This legislation would have overturned a Supreme Court ruling that parents don't have right to sign liability waivers for minor children. Both Senate and House versions died in committee.

Bad Bills That Didn't Pass

- ◆ **Springs:** Would have implemented mandatory BMPs for every ag operation in every county with an impaired spring (about half of the counties).
- ◆ **CALEV:** Would have adopted auto emission standards in Florida based on and directed by a California board.
- ◆ **Unemployment Compensation:** Would have required employers to pay unemployment compensation to employees who voluntarily leave their jobs.
- ◆ **Fines for Overweight Trucks:** Would have more than doubled current fines.

Budget Highlights

This year's \$6 billion deficit made the legislature's constitutional mandate to pass a balanced budget a daunting task. From the beginning, the House and Senate took very different approaches, ending up with two separate budgets that were worlds apart. In the end, after extending session for a week, the two chambers came together to pass a \$66.5 billion budget that was a hodgepodge of stimulus dollars, increased fees, gaming compact monies and a cigarette tax "surcharge" combined with trust fund sweeps, program cuts and salary cuts for some state employees.

Below are highlights of the budget that will most directly affect the agricultural industry. While some fees were increased, Farm Bureau worked to minimize the impact and to ensure that vital programs were not harmed.

In short, as bad as it may seem now, it could have been a lot worse.

Increased Registration Fees for Pesticides, Fertilizers, and Seeds

Pesticides:

Currently

- One-year registrations (even-numbered years): \$350 per brand, plus \$100 for each special local label and experimental use permit.
- Two-year registrations (odd-numbered years): \$700 per brand, plus \$200 for each special local label and experimental use permit.

Increase (Retroactive to 1/1/09)

- One-year registrations (even-numbered years): \$350 per brand, plus \$100 for each special local label and experimental use permit, **plus a \$315 supplemental fee per brand for each brand that contains an active ingredient for which the U.S. Environmental Protection Agency (EPA) has established a food tolerance limit.**
- Two-year registrations (odd-numbered years): \$700 per brand, plus \$200 for each special local label and experimental use permit, **plus a \$630 supplemental fee per brand for each brand that contains an active ingredient for which the EPA has established a food tolerance limit.**

Fertilizer:**Currently**

Annual fee of \$100 for each specialty fertilizer registered for the first five registrations; \$25 each for fertilizer beyond five.

Increase

Annual fee of \$100 for each specialty fertilizer (**with no price break after the first five**).

Seeds:

Gross receipts	Current Fee	New Fee
Receipts less than \$2500	\$50	\$100
Receipts \$2500 - \$5000	\$100	\$200
Receipts \$5000 - \$10,000	\$175	\$350
Receipts \$10,000 - \$20,000	\$400	\$800
Receipts \$20,000 - \$40,000	\$500	\$1000
Receipts \$40,000 - \$70,000	\$600	\$1200
Receipts \$70,000 - \$150,000	\$800	\$1600
Receipts \$150,000 - \$400,000	\$1200	\$2400
Receipts \$400,000+	\$2,300	\$4600

Increased Truck Registration Fees

Registration fees for all motor vehicles will be increased by 35 percent. The House of Representatives originally proposed a 100 percent increase.

Gross Vehicle Weight	Current Fee	New Fee
Less than 2000 lbs	\$14.50	\$19.00
2000-3000	\$22.50	\$30.50
3001-5000 (<i>Ranger</i>)	\$32.50	\$44.00
5001-5999 (<i>Equinox</i>)	\$45.00	\$60.75
6000-7999 (<i>F150</i>)	\$65.00	\$87.75
8000-9999 (<i>F250</i>)	\$76.00	\$103.00
10,000-14,999 (<i>F350/F450</i>)	\$87.00	\$118.00
15,000-19,999	\$131.00	\$177.00
20,000-26,000	\$186.00	\$251.00
26,001-34,999	\$240.00	\$324.00
35,000-44,999	\$300.00	\$405.00
44,000-54,999	\$572.00	\$773.00
55,000-61,999	\$678.00	\$916.00
62,000-71,999	\$800.00	\$1080.00
72,000 +	\$979.00	\$1,322.00

Farm Truck Restricted Tag (150 mile radius)

Less than 44,000 lbs	\$65.00	\$87.75
44,000 lbs+	\$240.00	\$324.00

Goats	\$7.50	\$10.25
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IFAS: IFAS received a 6% net reduction to its base budget (approximately \$7.7 million). This reduction is in addition to the more than 10% cut already incurred over the last two years. While less than originally expected, the cut will impact research, extension and teaching programs and will result in a significant loss in staff and faculty. IFAS will also receive \$8.9 million in non-recurring federal stimulus funding.

Department of Transportation (DOT): The DOT budget includes a requirement that 1.5 percent of monies contracted for road projects be used to purchase plant materials, stipulating that they must be purchased from Florida's commercial nurseries.

Conclusion

The 2009 legislative session presented some unique and trying challenges, not only for the agricultural industry but also for the state as a whole. The state government is facing the same problem as businesses and families across the state: too many expenses, too little income.

The loss of the ag bill on the last day of session was a blow that cannot be discounted. The staff and membership of Farm Bureau and many other ag associations worked long and hard to obtain the much-needed benefits provided by that legislation. It was a true collaborative effort on many fronts: associations, legislators and lobbyists. Expect to see its return in the 2010 session.

Farm Bureau expresses its appreciation to all our legislative friends who provided leadership and worked so diligently with us on our issues. There are too many to list them all, but special appreciation goes to Sen. Charlie Dean, who not only chairs the Senate Ag Committee but also sponsored one of our main bills; Sen. Mike Bennett, who led the way through the growth management reform quagmire and also sponsored a priority bill for us; Sen. J.D. Alexander, who provided unprecedented leadership on all fronts of the budget battles; Sen. Carey Baker, who continues to be a friend and champion of the ag industry in all arenas; Rep. Ralph Poppell, Chair of Natural Resources Appropriations and sponsor of our priority legislation; Rep. Baxter Troutman, Chair of the General Government Policy Council and also a bill sponsor; Rep. Trudi Williams, Chair of Ag and Natural Resources Policy and a fearless leader in stopping springs legislation and regulations on business; Rep. Greg Evers, for his championing of our efforts on truck weight tolerances; Rep. Dave Murzin, for his continuing fight to decrease the regulatory burdens on business and for his help in passing a two-year extension of permits; Rep. Debbie Boyd, who provides constant and unquestionable support for our industry; Rep. Leonard Bembry, for his efforts to ensure the implementation of Amendment 4 was "rural friendly"; Rep. Mary Brandenburg, for her ongoing leadership and enthusiasm; and Reps. Will Weatherford and Ronald Reagan, for their efforts to save the ag bill. Special thanks also go to President Jeff Atwater and Speaker Larry Cretul, a longtime friend of agriculture who stepped up to the plate when his leadership was truly needed.

We also thank our members and our friends in the lobbying corp. We appreciate you! Together we can keep Florida agriculture growing.

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