

## **FLARA Recommendations for 2012 Legislative Session**

**1. The Legislature Should Modernize and Reform Florida's Regressive Tax Structure** - Florida is continuing to confront a budget crisis. Significant reductions have been made in important programs over the past several years. Florida's seniors, children and working people cannot have needed government services reduced further.

Florida has the second most regressive structure among the 50 states, which means that Floridians who can least afford to support government pay a higher percentage of their income in taxes compared to the wealthy. Now is the time to close tax loopholes to make Florida's tax system less regressive.

For three decades there has been a huge transfer of wealth to a small percentage of wealthy people. In 1976, the top 1 percent of earners took 9 percent of total income. Three decades later, in 2007, the top 1 percent was taking 24 percent of total income. This transfer of wealth has undermined consumer spending which is necessary to create jobs. The well being of the middle class has been undermined in favor of increased wealth for a very few.

The legislature can help to restore economic fairness by reforming our unbalanced tax structure. Those tax exemptions that are the most regressive should be repealed, corporate loopholes should be closed, and the intangibles tax on stocks should be reenacted. The elimination of taxes on accumulated wealth (the intangibles tax), eliminated during the Jeb Bush years, costs Florida more than \$2 billion annually. Recommendations to modernize and reform Florida's tax structure are contained in the Florida Center for Fiscal and Economic Policy Issue Brief, "Tax Modernization Choices for Florida," published in February 2011.

FLARA supports **HB 907** (Pafford) and **SB 1832** (Gibson) that requires the legislature to make comprehensive periodic reviews of sales tax exemptions except for those for general groceries, medical, and certain other items and to determine if a sales tax should be imposed for certain services including personal, business, financial, media, entertainment and sports, constructional, institutional, transportation and health services.

**2. The Legislature Has a Duty to Implement the Fair Districts Amendments In a Timely Manner** - Amendments 5 and 6 to Florida's Constitution, known as the Fair Districts amendments, were approved by the voters in November, 2010. They require that the Legislature create new legislative and congressional districts that do not favor a specific candidate or political party. The foundation of our democracy rests on free and competitive elections which gerrymandering undermines.

The current legislative timeline for preparing maps is designed as an incumbent protection plan because maps will be released at the latest possible time, just before qualifying. Legislators should debate and pass maps showing districts during the first

week of session in January 2012. This would allow adequate time for review by the courts and the Department of Justice and allow adequate time for candidates to conduct campaigns so voters can become knowledgeable about their positions.

Uncertainty as to what a district will look like helps incumbents because the voters already know incumbents and they are better postured to raise money. Without sufficient time to wage a campaign, challengers may be reluctant to throw their hats in the ring given they may have a name recognition and fund raising disadvantage.

**3. Health Care Reform --** Everyone with a medical problem needs access to quality health care. This is a fundamental need that government must ensure is met. Unfortunately, the Governor and legislative leadership is turning a blind eye to persons without health insurance, including those with serious medical problems who need health insurance to prevent disability or early death.

Through cost shifting, government at all levels and persons with health insurance pay for those who receive health care but who cannot afford to pay for it. Although the Affordable Care Act is an important step towards health care reform at the national level, and Florida's Governor and legislative leaders have a duty to enforce it, expanding the Medicare program to make it a single payer would offer increased savings, better quality and better access.

### **Expanding Medicare to Create a Single Payer System**

Primarily because of the lobbying efforts of private health insurance companies, Congress has not yet been able to enact single payer legislation to expand the Medicare program to make it available to everyone. FLARA supports expanding Medicare because this would be a more cost effective system than the private insurance system that is maintained by the Affordable Care Act, and would provide better quality care with better access. FLARA also supports legislation at the state level that states that it is the policy of the State of Florida to support the Affordable Care Act until national single payer legislation is enacted.

### **The Governor and Legislature Have a Duty to Implement National Health Care Reform**

The Affordable Care Act is the law of the land. Politically partisan lawsuits have not rendered the law invalid. Refusing to accept federal funds and planning grants to prepare for the implementation of the Affordable Care Act, as the Governor and legislature has done, is unacceptable. Also unacceptable is placing a bogus constitutional amendment on the ballot to prevent the implementation of this law in Florida. The Governor and legislature have a responsibility to uphold and implement this law.

Unfortunately, the Governor and legislative leadership does not grasp the importance of the legislation to the well being of Floridians. Florida ranks 49th among the states

in the percentage of its non-elderly population than does not have health insurance and now has over 4 million uninsured residents.

FLARA supports **HB 1423** (Pafford) and **SB 1640** (Rich) - that requires Florida to establish a Health Benefits Exchange as provided by the Affordable Care Act. The Governor, Senate President Haridopolos and House Speaker Cannon have thus far refused to take any action to implement the Affordable Care Act.

**4. Retirement Benefits for Public Employees Should Not be Reduced** - Florida's retirement system should not be made less attractive to public employees nor should public employees be required to contribute financially. State salaries are low compared to other states, and state employees have not received a salary increase in five years. Florida's retirement system is not facing financial problems, and there is no need to alter the system to reduce costs.

**5. Private For-Profit Medicaid Managed Care Should Not be Expanded** - Florida cannot afford to give tax dollars to for-profit entities to use to financially reward private investors in the Medicaid program. Using non-profit health providers to deliver Medicaid services will make the use of public health care funds more efficient. Funding that would have gone to reward private investors, and to pay excessive compensation to health care executives should instead be used to provide health care services on a non-profit basis. FLARA is concerned that services will be reduced to generate the profit that is required by investors.

**6. Elected Officials Should Face Penalties for Violating the Oath of Office** - Recent events indicate that legislation is needed to ensure that our elected officials abide by the oath of office they are required to take by Florida's Constitution.

Article II, Section 5, Paragraph (b) of Florida's Constitution requires elected officials to swear or affirm the following oath prior to assuming office:

*"I do solemnly swear (or affirm) that I will support, protect, and defend the Constitution and Government of the United States and of the State of Florida..."*

Although the Governor and legislators must take this oath, there are no penalties in either Florida's Constitution or in the Florida Statutes if they intentionally violate the oath. Enacting legislation to add penalties for violating the constitutional oath would help ensure that elected officials do not take action in violation of this oath such as to thwart the implementation of the voter-approved Fair Districts amendments to Florida's Constitution or undermine the implementation of Federal law, such as the Affordable Care Act.

Our democracy can only remain strong if our leaders respect and abide by the law. A constitutional amendment is needed to create penalties for elected officials who intentionally violate their oath of office. The following or similar language should be enacted into law or placed in the Constitution:

*"Any public officer or employee of the state who in the performance of their duties intentionally fails to support, protect or defend the Constitution and Government of the United States and of the State of Florida shall be guilty of a (misdemeanor or felony) punishable by a term of not more than one year in prison, a fine of up to \$5,000, and shall forfeit their elected office or employment."*

Federal law provides for similar penalties if a member of Congress violates the oath of office members of Congress must take.

**7. State Officials should be Subject to Recall by the Voters** - Unfortunately, the Florida Constitution does not have a provision giving voters the right to recall state officials, although there is a provision for the recall of local officials. This means that neither the Governor, members of the cabinet, legislators, or other state elected officials can be removed from office by the voters. Eighteen states have provisions for the recall of elected officials at the state level.

FLARA supports **HJR 7** and **HR 9** (Kriseman) and **SJR 422** (Smith), which would give voters a constitutional mechanism to recall elected officials through petition and recall election.

**8. Health Care Prices Should be Transparent** - FLARA supports legislation that would require all physicians, including physician specialists, dentists and health care providers, including hospitals, outpatient centers, clinical laboratories, and diagnostic imaging centers, to make available to the public the prices they charge persons with and without health insurance. Price transparency provides necessary information to patients and helps control health care costs through price competition.

FLARA supports **HB 1329** (Corcoran) which broadens existing law to include additional health care practitioners and providers.

### **Bills Introduced in the 2012 Session**

**HJR 7 and HR 9 (Kriseman) Recall of Governor, Lieutenant Governor, Member of Cabinet or Legislator** - gives voters a constitutional mechanism to recall elected officials through petition and recall election.

**HB 91 (Soto) and SB 258 (Sobel) Integrity of Public Investigations** – prohibits an employee of a state agency having investigatory or regulatory functions from performing work for an individual or organization that is the subject of a civil or criminal investigation or judicial proceeding during the investigation or proceeding or for a period of two years thereafter.

**HB 143 (Passidomo) and SB 746 (Hays)** – These bills would allow local government to ban smoking on municipal or county property such as parks, swimming pools, recreation and sports areas and bus stops. Under current law, local government has no legal authority to ban smoking outdoors.

**SB 224 (Fasano) Public Corruption** – Increases criminal penalties when person conducts a crime using their public authority or position.

**SB 316 Alzheimer’s Disease (Wise) and HB 1035 (Cruz)** – establishes a public education program at the Department of Elder Affairs to promote screening.

**HB 1079 (Gibbons) and SB 516 (Rich)** – Increases access to the polls by increasing the number of available early voting sites and by increasing the number of days and hours early voting sites are open.

**HB 1189 (Pafford) and SB 1636 (Rich)** – Facilitates the collection of signatures to place citizen initiatives on the ballot to amend Florida’s constitution, increases time for early voting, facilitates voting by persons who have changed residence and makes other improvements to Florida’s voting law to make it easier vote.

**HB 359 (Costello) and SB 552 (Dockery)** Creates strong ethical standards for members of the legislature to meet by prohibiting members from voting on or participating in legislation that would involve personal gain for themselves, family members or business associates. Requires members to disclose all financial interests to applicable legislative body or committee before legislation is considered and requires members to disclose conflicts of interests with line item appropriations.

**HB 907 (Pafford) and SB 1832 (Gibson)** – Requires the legislature to make comprehensive periodic reviews of sales tax exemptions except for those for general groceries, medical, and certain other items and to determine of a sales tax should be imposed for certain services including personal, business, financial, media, entertainment and sports, constructional, institutional, transportation and health services. This legislation is intended to make Florida’s tax system less regressive and fairer by removing special interest exemptions.

**HB 1329 (Corcoran)** – Expands health care price transparency law to include all physicians, chiropractors, podiatrists, ambulatory surgery centers, and diagnostic imaging centers to make available the price charged to persons without health insurance for the 50 most common services provided. The bill also requires insurance companies to pay for the cost of emergency treatment in both hospitals the insurer has contracts with and those which the insurer does not provided the patient is transported by an ambulance. The patient would only be responsible for copayments and deductibles. In addition, the bill requires hospital patients be informed if practitioners who treat them will bill them directly for payment or if their fees will be paid by the patient’s insurance.

**HB 1423 (Pafford) and SB 1640 (Rich)** - Requires Florida to establish a Health Benefits Exchange as provided by the national health care reform legislation, the Affordable Care Act, that has universal health care requirements scheduled to take effect in 2014.