



The Florida Legislative Committee on Intergovernmental Relations facilitates the development of intergovernmental policies and practices.

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**Points of Interest
for
Floridians in State and Local
Government:**

Senator Nelson's Legislative Update Courtesy of the Office of Senator Bill Nelson	2
NGA and NCSL Seek Delay on Implementing New Medicaid Rule	2
The <i>SAFE Mortgage Licensing Act</i> Courtesy of the Office of Senator Mel Martinez	3
Farm Bill Discussions at the Agricultural Outlook Forum	4

Federal Focus

President Proposes Funding for Everglades Restoration

Courtesy of Lauren Aiello Policy Communications Specialist, Florida DEP

The Fiscal Year 2009 budget proposed by President Bush last month included close to \$255 million for the restoration of the South Florida Ecosystem, including just over \$100 million in funding for the Comprehensive Everglades Restoration Plan (CERP). CERP, the \$10.9 billion, 30-year plan being implemented through a 50-50 state/federal partnership, will restore a more natural flow of water to America's Everglades and provide countless benefits to the ecosystem.

The President's proposed budget includes \$24 million for the construction of the Picayune Strand Restoration Project, an important component of CERP. The restoration of Picayune Strand, which was drained in the 1960s with the intention of

developing an extensive subdivision, is reestablishing the natural sheetflow of water through more than 55,000 acres of lands, improving water quality and enhancing wetland ecosystems to protect threatened and endangered species.

The proposed CERP funding also includes \$4.5 million for the design of projects for Indian River Lagoon restoration. Both the Indian River Lagoon and Picayune Strand projects were authorized under the *2007 Water Resources Development Act (WRDA)*. If the proposed budget is approved, it would be the first time federal dollars have ever been contributed to construction of a CERP project.

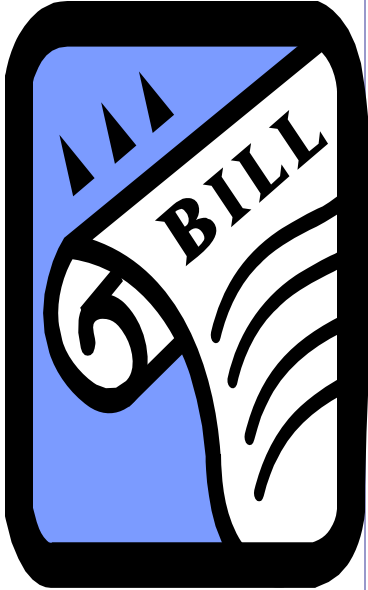
Proposed funding for restoration projects outside of CERP includes \$31 million for Kissimmee River Restoration and \$60 million for the

Modified Waters Deliveries Project, a foundation project critical to Everglades restoration. Originally authorized by the federal government in 1989, the modified waters project will improve the natural sheetflow of water to Everglades National Park, which is currently being impeded by U.S. 41, also known as Tamiami Trail.

The budget, which would increase the federal government's Everglades funding by \$54 million from last year, has been sent to Congress for approval. It will be important for Florida's environmental community, who last year came together to successfully support WRDA, to unite again to promote the importance of Everglades restoration with the hope that Congress will not only meet, but possibly even exceed, the proposed budget.

Developing Issues — Sources: U.S. Department of Agriculture and the Office of U.S. Rep. Allen Boyd

- ◇ U.S. House and Senate Farm Bill negotiators are said to have reached agreement on a range and specific overall budget number, according to Senator Tom Harkin, D-IA, Chairman of the Senate Committee on Agriculture, Nutrition and Forestry.
- ◇ On February 15, President Bush signed bills that extend and improve the "do-not-call" registry. Together, the *Do Not Call Registry Fee Extension Act of 2007* and the *Do-Not-Call Improvement Act of 2007* will enhance consumer protections.
- ◇ U.S. Rep. Allen Boyd, D-FL, has announced that the Subcommittee on Water Resources and Environment of the House Transportation and Infrastructure Committee will hold a March 11 hearing on Apalachicola-Chattahoochee-Flint water sharing issues.



Sen. Nelson's Legislative Update—Courtesy of the Office of Sen. Bill Nelson

“The Protect America Act expired on Saturday, February 16. Requests for new intelligence-related wiretaps are now governed by the old FISA law.”

Source: Office of Senator Bill Nelson

The Senate passed the *Foreign Intelligence Surveillance (FISA) Amendments Act of 2007*, S. 2248, by a vote of 68-29 on February 12. Senator Bill Nelson, D-FL, voted for the bill because it contained protections for Americans' civil liberties beyond those in the *Protect America Act* (which amended the FISA law last summer) while also enabling the U.S. to get the information it needs to stop terrorist plots.

During consideration of the legislation, Senator Nelson cosponsored an amendment offered by Senator Dianne Feinstein, D-CA, that would have modified one part of the bill on telephone company immunity. Specifically, it would have let the FISA courts decide on the question of immunity after a three-step review process. This amendment failed by a 57-41 vote.

Following Senate passage of the bill, the House declined to take further action on the Senate language and the *Protect America Act* expired on Saturday, February 16. Requests for new intelligence-related wiretaps are now governed by the old FISA law.

Then on February 14, the Senate passed the *Cameron Gulbransen Kids and Cars Safety Act*, legislation Senator Nelson helped develop and champion.

The bill would require that each new car provide drivers with a means of detecting children behind the car, ensure power windows reverse direction to prevent children from being trapped, and provide for a trigger brake to prevent roll-aways. The bill is named after a two-year-old New York boy who was killed when his father accidentally backed over him in the driveway.

Senator Nelson became involved, partly, because of the tragic story of Arden Rosenfeld, a south Florida woman whose baby girl, Veronica, was killed in 2005 in a back-over accident while on a walk with her mother in a Boca Raton neighborhood.

Last year, an estimated 200 children died similarly in freak car accidents. The bill now awaits the President's signature to become law.

Also this month, Senator Nelson sent a letter to the

acting administrator of the National Telecommunications and Information Agency (NTIA) alerting her to the possibility that the NTIA's interpretation of "household" could exclude people who live in apartments or retirement homes from receiving coupons to purchase TV converter boxes. Converter boxes are one option to keep analog televisions that rely on an antenna working when television stations convert to all-digital signals on February 17, 2009.

Under the NTIA's current definition, people living in a multiple-dwelling unit at a single address appear to be excluded from the program. "For instance, an assisted living center may consist of 50 rooms at a single U.S. Postal Service mailing address. Thus, that assisted living center—which may have 50 or more residents—would only be eligible for two converter box coupons," Nelson wrote. He urged NTIA to look into the matter as soon as possible and change the household rule to include people living in multiple-dwelling units.

NGA and NCSL Seek Delay on Implementing New Medicaid Rule

In a February 25 letter to U.S. Senate Majority Leader Harry Reid, Minority Leader Mitch McConnell, Speaker Nancy Pelosi, and House Minority Leader John Boehner, the nation's governors are asking Congress to delay pending regulations promulgated by the Centers for Medicare and Medicaid Services (CMS)

that will have significant fiscal impact on the states. According to the National Governors Association (NGA), one of the rules would limit services formerly qualifying for targeted case management (TCM) under Medicaid. Scheduled to take effect on March 3, 2008, the TCM rule would result in serious coverage disruptions to children in

foster care and the disabled. Also concerned, the National Conference of State Legislatures (NCSL) has weighed in on this issue. Language which imposes a moratorium on changes to payment rules for TCM services until April 1, 2009, was supported by the NCSL and amended to S. 1200. The bill has not yet passed.

The *SAFE Mortgage Licensing Act*—Courtesy of the Office of Sen. Mel Martinez

U.S. Senators Mel Martinez, R-FL, and Dianne Feinstein, D-CA, introduced a measure designed to curb predatory lending practices that have contributed to the sub-prime mortgage crisis.

“There’s not enough coordination between state regulators to prevent unscrupulous mortgage originators from continuing to ensnare unsuspecting people in sub-prime predatory loans,” said Martinez. “This sets up a nationwide system to keep track of those who’ve violated the law, had their license revoked, or failed to fulfill appropriate educational requirements.”

Expressing similar support for this bill, Senator Feinstein said, “the American dream of home ownership is turning into a nightmare for millions of Americans who took on sub-prime and exotic mortgages which they clearly cannot afford.”

The *Secure and Fair Enforcement (SAFE) Mortgage Licensing Act* would establish uniform professional standards for mortgage brokers and lenders. The legislation would specifically create a national registry, and require national licensing of all loan originators, including mortgage brokers and lenders, and loan officers of national banks and their subsidiaries.

SAFE would require that all residential mortgage loan brokers and lenders obtain a state license, and provide fingerprints, a summary of work experience, and consent for a background check to authorities. To obtain licens-

ing an individual must have no felony convictions in the last seven years; have no similar license revoked in the last five years; demonstrate a record of financial responsibility; fulfill education requirements (20 hours of approved courses, to include at least 3 hours related to federal laws, 4 hours on ethics and consumer protection in mortgage lending, and 2 hours on the sub-prime mortgage marketplace); and pass a written exam—which must be at least 100 questions—with a minimum score of 75% required to pass.

The Act would also require the Federal Reserve, Treasury Department, and FDIC to register all residential mortgage loan originators employed by national banks within one year of the legislation’s enactment.

Additionally, state regulators must develop a satisfactory licensing system within one year of the legislation’s enactment. If this does not occur, the Housing and Urban Development (HUD) Secretary is given discretion to develop the national registry and license, generating revenue for its implementation by charging appropriate fees to license applicants.

Sub-prime and exotic mortgages have enabled millions of Americans—including those with less-than-optimal credit scores—to purchase homes using adjustable-rate mortgages with low initial monthly payments. Many of these mortgages require little or no down payment. The majority of mortgage lenders and brokers offering

these mortgages act responsibly. However, many used predatory lending tactics, resulting in unsuspecting borrowers assuming mortgages they cannot afford.

Most mortgage brokers and non-bank lenders are lightly regulated by state agencies, and standards of accountability have not kept pace with the increasing sophistication of the mortgage industry.

Last year, more than 2.2 million foreclosures were filed in the United States, a jump of 75 percent over 2006, according to data released by RealtyTrac. Foreclosure rates are expected to be high, with 1.8 million adjustable-rate mortgages resetting to higher rates in the next two years.

Florida has been especially hard hit. In 2007, Florida posted the second highest in the nation in total foreclosure filings and the number of homes in some stage of foreclosure. More than 2 percent of Florida households entered some stage of foreclosure.

There were 279,325 filings issued on 165,291 properties last year, more than twice the number of filings in 2006—this is almost a 124 percent increase. Florida’s foreclosure filing in December 2007 was up 275 percent from December 2006, and its fourth quarter total was up 211 percent from the fourth quarter of 2006.

Five of the top 25 metropolitan areas with the highest foreclosure rates in the nation are in Florida. The *SAFE Mortgage Licensing Act* would establish important professional standards for the mortgage industry, and help restore confidence in the American dream of home ownership.



“In 2007, Florida posted the second highest in the nation in total foreclosure filings and the number of homes in some stage of foreclosure.”

Source:
Office of U.S. Senator
Mel Martinez

**The Florida
Legislative Committee on
Intergovernmental Relations**

c/o Legislative Mail Services
Suite 4, Holland Building
600 S. Calhoun Street
Tallahassee, Florida 32399-1300

Phone: 850.488.9627
Fax: 850.487.6587
SunCom: 278.9627

*If you have suggestions or
questions regarding this
publication
please contact:*

Lydia R. Mount, Editor
Senior Leg. Analyst, LCIR
850.488.9627
Mount.Lydia@floridalcir.gov

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*Review of Federal Funding to
Florida for Fiscal Year 2005*

<http://www.floridalcir.gov/UserContent/docs/File/reports/fedfunds05.pdf>

Other helpful sites:

◇ <http://www.gao.gov/new.items/d0865.pdf>

GAO's Report on
Medicare Physician
Payment

Released February 2008

◇ <http://www.grants.gov/>

Explains how to find
and apply for federal
grants

Farm Bill Discussions at the Agricultural Outlook Forum

At the *Agricultural Outlook Forum 2008* held on February 21-22, Secretary of Agriculture Ed Schafer stated, "I'm increasingly optimistic that we can see a Farm Bill that conforms to the Administration's principles and meets the needs of Congress and the people of the United States, this year." Sponsored by the U.S. Department of Agriculture, this two day event in Arlington, Virginia focused on "Energizing Rural America in the Global Marketplace."

Among the featured presenters was Randy Schnepf, a specialist in agricultural policy with the Library of Congress, Congressional Research Service, who provided an overview on U.S. farm legislation—including the new Farm Bill.

According to Schnepf, the pre-conference version of the Farm Bill offered by the U.S. House was \$6 billion over the Congressional Budget Office's (CBO) ten-year baseline. The version offered by the U.S.

Senate was \$12.3 billion over the CBO's ten year baseline and includes \$5 billion for permanent disaster assistance.

Recently, Secretary Schafer indicated that the White House expressed a willingness to accept the House's conference version of the Farm Bill; however the dynamics of ongoing negotiations between both congressional chambers are ripe with uncertainties, making the composition of a final bill highly speculative.

What does appear clear from remarks made by Deputy Secretary of Agriculture Chuck Conner, who also spoke at the *Forum*, is that the President is firm on the inclusion of a "strong safety net for producers." Conner clarified that an acceptable safety net should "promote \$101 billion of agricultural exports." However, the Administration is opposed to price support subsidies to producers who have not sold for a low price. He added, "a good safety net is not to use taxpayer dollars to provide

income subsidy payments to absolutely anyone in America, living anywhere in America regardless of their financial status...and does not make payments to part-time producers who, simply put, don't count on the farm to bring in their income." According to Conner, the Administration also wants to adjust the gross income cap to \$200,000.

Because the extension of the *2002 Farm Act* expires on March 15, 2008, legislative action is anticipated soon. In addition to determining the final spending amount and the allocation of funding for a new Farm Bill, Randy Schnepf concluded that Congress may also opt to:

- ◇ Extend the 2002 Farm Act by a couple of months;
- ◇ Extend the 2002 Farm Act by a couple of years; or
- ◇ Revert to permanent law.

Source: USDA, February 2008

Florida Legislative Committee on Intergovernmental Relations

Created in 1977 as the Advisory Council on Intergovernmental Relations and renamed the Florida Legislative Committee on Intergovernmental Relations (LCIR) in 1996, the Committee is statutorily authorized to do the following:

- 1) Serve as a forum for the discussion and study of intergovernmental problems.
- 2) Evaluate the interrelationships among local, regional, state, interstate, and federal agencies in the provision of public services and prepare studies and recommendations to improve organizational structure, operational efficiency, allocation of functional responsibility, and the delivery of service.
- 3) Analyze the structure, functions, revenue requirements and fiscal policies of the state and its political subdivisions.
- 4) Examine proposed and existing federal and state programs.
- 5) Review the research and recommendations of national commissions studying local government relationships and problems.
- 6) Analyze the fiscal impact of new state programs or amendments to existing programs on municipalities and counties.

◇ Section 11.70, F.S.(2006).