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The CSX Corporate Welfare Deal: From Bad to Worse Union Busting is on the Horizon

“the FDOT proposal would require the freedom to undertake the operations and maintenance of the corridor using non-union contract labor....” Memo between CSX and FDOT

Last week we told you all about the proposed sweetheart deal for the CSX railroad corporations – it turns out the deal is even worse for Floridians than we originally imagined. Throughout the nation’s history, the railroads have been one of the most powerful (and corrupt) special interest groups in the country. In the age of the “robber barons,” railroad owners were the leaders of the pack and have perhaps had a more profound influence on U.S. policy than any other. They also have a history of some of the most brutal union busting of any other industry. Since the days

when 34 American Railway Union members were murdered during the infamous Pullman Company strike in 1894, the rail industry has been a principal force in seeking to destroy the American Labor Movement. In response, railway workers have, through their blood, sweat and tears, achieved significant victories. For example, in March of 1917, the U.S. Supreme Court approved the eight hour workday only under threat of a long and bitter national railway strike. Railroads were THE power in this country for generations. While the significance of the industry has waxed and waned over the years, we have uncovered evidence that the Florida-CSX deal is just one front of a national effort reassert the power of the private railroad companies, with CSX leading the fight.

The fact that the CSX deal is seeking to rob the public purse of over \$650 million while vital Medicaid programs for children and seniors is being slashed, hospice funding has been eliminated and funds for crucial Everglades restoration is being decimated is bad enough. **Now, it appears through a careful investigation of previously unreleased documents about the CSX deal, that the company wants to use this deal to eliminate Florida’s unionized railway workers.** A memo between the Florida Department of Transportation and CSX that outline “Key Points” of the deal states that **“the FDOT proposal would require the freedom to undertake the operations and maintenance of the corridor using non-union contract labor, which would be the most cost effective and efficient approach.”** In a letter dated September 15th, 2006, from J.H. Wilson of CSX Labor Relations he writes that, “The state intends upon acquiring the Central Florida and Homestead line, to assume responsibility for all dispatching and maintenance. This will result in the abolishment of positions and establishment of new positions on CSXT.” Will these new positions be offered to the best trained union workforce? Probably not. **In short, these documents and many others we have acquired seem to indicate that the deal currently working its way through the Legislature could lead to statewide union busting and the elimination of between 2,000 and 4,000 union jobs.**

The provision that grants CSX “sovereign immunity” for liability in case of accidents is also a critical problem. The idea of sovereign immunity has always been reserved for agents of the state so that state agencies can’t be held liable for accidents that result from providing a state service. By granting this blanket protection to CSX, a private company, any accident that results directly from CSX’s negligence will be left to the taxpayers to pay for. If a CSX rail car derailed, killing or injuring large numbers of people, the state would pick up the tab, limiting compensation to only \$100,000. In cases like this, “claims bills” must be filed in the Legislature to provide additional compensation over that amount. The Legislature has recently adopted the practice of no longer hearing claims bills so the people injured or the families of the deceased would be left out in the cold. Additionally, if CSX is granted this special designation and can claim to be an agent of the state, the federal laws providing labor protections for rail workers could also be in jeopardy. Again, our unionized rail workers could be in serious trouble.

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CSX - The Massachusetts Deal

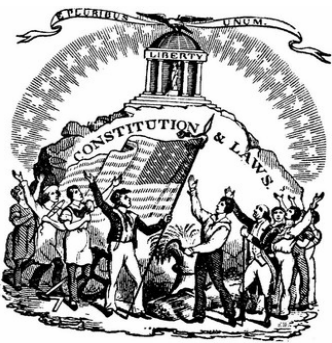
This isn't just happening in Florida. CSX is also pursuing a similar deal in Massachusetts. In that case, CSX's demand for sovereign immunity has drawn the ire of the United States Congress. A group of Senators and Congressman have sent a letter to CSX outlining their concerns. Here is an excerpt from that letter:

"We are writing today to highlight our concerns over the negotiations between Massachusetts....We are deeply troubled by reports that the negotiations have stalled due to the insistence of CSX of no-fault liability despite the fact that the state would own the land and the tracks and the existence of state law that caps overall liability. This type of provision would put taxpayers and fare-payers at undue risk and prevent the MBTA from adequately ensuring safety. By limiting CSX's exposure to liability, it proposes to make our constituents vulnerable to such costs in the event of any accident that might be caused by CSX negligence"

The letter goes on to say "...we are prepared to consider congressional action, including potential legislative solutions mandating what is acceptable in freight-commuter rail contracts." The letter is signed by Senator Edward Kennedy, Senator John Kerry and ten members of Congress. Massachusetts is negotiating, fighting for their workers and riders; the bulk of the Florida Legislature has simply given in and is willing to give CSX whatever it wants. **Fortunately, a bi-partisan group in the Senate led by Senator Paula Dokerly is fighting for us, but in order for the group to hold, they must hear from the people. That's where we come in. Keep up the pressure, visit www.unionvoice.org/campaigns/notocsx.**

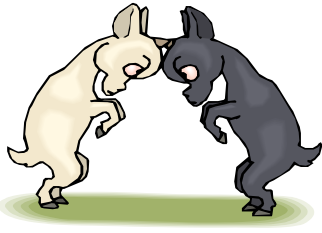
Say Goodbye to the Citizen's Ballot Initiative? The fight ain't over yet!

In response to widespread public criticism of their efforts to make petition gathering for ballot initiatives much more difficult, the Florida Chamber of Commerce and their legislative ally, Freshman Representative Chris Dorworth (R) offered a last minute strike-all amendment to the bill on April 15th in the House Budget and Policy Council. The strike-all did not make the citizen's initiative process harder...it made it impossible. The amendment completely wiped out the old bill and the registration process for paid petition gatherers and replaced it with quickly drawn new restrictions and requirements. After more than 30 minutes of tough questions by Representatives Jack Seiler, Ron Saunders, Shelley Vana and Curtis Richardson, it became clear to all that neither the sponsor nor the Chamber (whose representative did most of the talking for the bill sponsor) had any idea what the bill really did (or they were doing an amazing acting job). The two major provisions of the new bill reduce the time period that groups have to conduct a petition campaign from 4 years to 2 years and requires "Level 2 Background Screening" for anyone gathering petitions. Combined, these changes will completely shut out true grass-roots organizations from the initiative process and allow big powerful corporations with their numerous PACs and Committees to control it, in complete violation of the spirit of Florida's Constitution.



First, the Chamber and their allies have already made our process the most complicated, expensive and difficult in the country. Each year, as they defended their actions they would say "groups will still have four years to get an issue on the ballot so the people will still have access." Shortening the period to only two years will make it impossible, unless of course the group is backed by the type of big money the Chamber and other business groups have at their command. It will also force every group to try and come up with the money to use paid signature gatherers, which the Chamber has said for years they want to eliminate. Additionally, there is no "grandfather clause" so all of the ongoing ballot campaigns currently in play will have to go back and start all over. The Level 2 background screenings are expensive, time consuming background checks involving fingerprinting and FDLE and FBI data base searches. Their stated intention was that this provision was only for paid signature gatherers (which now everyone will have to use) but during questioning it became clear that the new bill, as written, applies to volunteers as well!

The debate in favor of this bill was confused, inconsistent and full of inaccuracies. We were joined by representatives from the League of Women voters, the Sierra Club, Florida ACORN, Common Cause and the Florida Public Interest Group in testimony pointing out the absurdity of the bill. **In the end, the strike all passed with only Republican support, as did the bill. This measure is now ready for the floor. The Senate has been much cooler to the idea and now the bills are completely different, so we now turn our efforts to the Senate where we hope more rational heads will prevail.**



Messages From the Front Lines

News from the Trenches of the Florida Legislature

Expanding Vouchers – OPPOSE

SB 1440 by Gaetz, Lawson, King, Storms, Baker, Crist, Posey, Oelrich, Saunders, Fasano, Peaden, Siplin, Wise, Bennett, Dockery, Haridopolos, Alexander

HB 653 by Traviesa, Carroll, Chestnut, Fields, Ford, Frishe, Holder, Homan, Hudson, Kreegel, Long, McKeel, Nehr, Peterman, Schenck, Snyder, Weatherford, Zapata

These bills should have never even been introduced during the current budget crisis, but the pro school privatization movement never sleeps. They are at it again, looking to give private corporations YOUR tax dollars so that they can turn around and give it to private schools. Meanwhile, our public schools are still on the chopping block. Currently, the maximum amount of money available for tax credits (vouchers) is \$88 million. These bills would have increased that amount by \$30 million each year for the next five years. On April 15th in the Senate Education Pre K -12 Appropriations Committee that amount was reduced and capped at \$118 million. This is much better than the original cap of \$238 million but still represents an unacceptable expansion of the voucher program.

SB 1440 passed the Education Pre K – 12 Appropriations Committee as amended on April 15th. HB 653 is currently on the House Calendar and could be voted on at any time.

Task Force on Workplace Safety – SUPPORT

SB 652 by Lynn

HB 967 by Gibson, Cusack

In 1999, Gov. Jeb Bush and the Florida Legislature eliminated the Division of Safety in the Florida Department of Labor and Employment Security and repealed all of the safety laws covering public sector employees. Florida law currently contains no provisions regarding the general health and safety of public sector workers at any level. Public employees are not covered by the federal Occupational Safety and Health Act (OSHA). This has had tragic consequences. The safety task force bill is a first step in bringing back safety laws for Florida public employees. The 15 member task force will make a report to the Governor and Legislature with recommendations for enacting workplace safety and health laws for the state's public sector employees. SB 652 passed the Senate Banking and Insurance Committee on April 15th and is now in the General Government Appropriations Committee. HB 967 is still in the House Policy and Budget Council, its last stop before the House Floor.

House Speaker Tenacity (i.e. arm twisting and rule bending) Passes Pro-Columbia Free Trade Resolution

Despite the fact that the Columbian Government continues to condone weekly murders of union organizers in the South American country and that the nation has become a haven for ultra-wing para-military groups, House Speaker Marco Rubio and Representative Juan Zapata pulled out all the stops, including some questionable interpretations of the rules, to pass a resolution in support of the Columbia Free Trade Agreement. The Columbia FTA is currently in a holding pattern in Washington as widespread concern over the country's horrendous human rights record has locked down the majority of House Democrats against the deal. President Bush has made passage of the deal his number one priority. Florida's delegation is split with many Democrats looking to vote for the agreement, so the Florida House is working to give them cover to pass the Bush-backed agreement. A procedural vote to introduce the measure was held up by the speaker when it became clear he did not have the votes to pass it. He spent that time pressuring Rep. Luis Garcia, a Democrat, in a seat targeted by Republicans in a district with a large Columbian population. Rep. Garcia had no choice but to vote for the measure but the votes were still not there. A furious House Speaker (embarrassed by the fact that delegates from the Columbian government were watching from the gallery) then skipped the super-majority vote rule by using his power to add the measure to the "official" calendar so he only needed a simple majority for passage. He got the resolution passed, and carried several Democrats with him. One wonders what type of threats were used in the arm-twisting.

FEAR NOT – WE CAN STILL STOP THIS HORRIBLE TRADE DEAL

visit the link below to take action

http://www.unionvoice.org/campaign/no_colombia_trade_deal

Does CSX Railroad really need our \$650 million?

Check out this little ditty from the Miami Herald....

MIAMI HERALD

Posted on Tue, Apr. 15, 2008

CSX 1Q profit soars 46 pct. on fuel surcharges, more volume

By RON WORD

Rail giant CSX Corp. said Tuesday that fuel surcharges along with rising ethanol and grain volumes helped its first-quarter profit soar 46 percent. CSX Corp. said it earned \$351 million, or 85 cents per share, in the three months that ended in March, compared with \$240 million, or 52 cents per share, in the same period last year. **Revenue rose 12 percent to a record \$2.7 billion.**

TABOR is Dead in the TBRC—Look Out for the Legislature

CP 45, the Taxation and Budget Reform Commission's TABOR proposal fell well short of the votes needed to place the issue on the 2008 ballot...GREAT WORK! However, House Speaker Marco Rubio and Senator Mike Haridopolis seem determined to get the measure on the ballot. Senate President Ken Pruitt has shown real leadership in his decision to let the current tax cut schemes play out to assess their impact before putting any more drastic proposals on the ballot. He is under considerable pressure from special interests outside of Florida to acquiesce. We may need to contact him and others in the Senate leadership in the near future and ask them to hold strong. **Keep an eye on your email inboxes for action alerts on this issue.**



Want to Find Out More About John McCain?



Where does McCain really stand on trade? What is his record on workers' rights? How about his record on veteran's issues. You can take an interactive tour through John McCain's voting record through the "McCain Revealed" feature at the AFL-CIO website. Don't rely on

the mainstream press...rely on his VOTING RECORD!
Check it out at:

www.aflcio.org

