

FROM SPECIAL SESSION 'C' FOR NOVEMBER 28, 2001

The Florida Legislature is in day 3 of Special Session 'C'.

THE BUDGET

During today's meeting of the Senate Appropriations Committee, their chief task was to assemble the necessary budget cuts in order to adopt a revised, balanced state budget for the 2001-02 fiscal year. The House and Senate remain on schedule to adopt their respective budget bills at the end of this week. The game plan remains for conference committee members to be named on Friday to begin work on hammering out the differences between the two chambers over the weekend. The House and Senate hope to have a compromise budget available for review on Tuesday of next week with a final vote on the following Thursday.

AVIATION FUEL TAX

During this special session and the last special session, AIF has been actively advocating either the abatement or reduction in the aviation jet fuel tax. The tax, currently at 6.9 per gallon, is proving a burdensome disincentive for airlines to fly to Florida, given their current light flight loads. The tax, which adds up to costs in the tens of millions to Florida's major air carriers, has made a large number of flight routes to Florida simply unprofitable. As a result, flights to Florida have dropped anywhere from 15% to 40% in some major Florida cities.

The tourism industry, which was originally thrilled with the Governor's proposal to spend an additional \$20 million in tourist promotion dollars (commercials to be aired by VISIT FLORIDA), has begun to see the wisdom of our proposal, given the lackluster travel during the Thanksgiving holiday. While we appreciate the growing support of leaders in the tourist industry in Tallahassee, our proposal has simply failed to gain traction in the legislature. While members of the legislature have been generally favorable to the idea, seeing the very probable and immediate economic benefits, the House and Senate leadership and the Governor have notably shared a lack of interest in aggressively pushing the proposal.

We will continue to work with the leadership in both chambers and the Governor's staff in the hope that an agreement can be struck on this issue early in the Regular Session. As the reports come in almost daily regarding the catastrophic drop in air travel to Florida, we stand ready in the days ahead to pursue the issue if the leadership and Governor believe it should be addressed during this special session.

There are a number of permutations that could be pursued regarding this proposal in providing relief to the airlines while establishing that the necessary accountability – accountability that would demonstrate to Florida's citizens the direct benefits of this tax reduction or abatement. We are disappointed that, up to this point, a creative agreement could not be struck.

FLORIDA'S COMMUNITY COLLEGES

Senator Don Sullivan (R-St. Petersburg) stated in the Senate Appropriations Committee meeting that, as chairman of the Senate Subcommittee on Education, he would make every effort to insure the cuts administered to the community colleges funding would be comparable to those suffered by the university and K-12 systems. This was welcome news, given our report last night noting that the community colleges were receiving exorbitant cuts in comparison to the other education delivery systems.

FLORIDA BUILDING CODE DELAY

As you may recall, during the last special session, legislation was introduced to delay the implementation of the Florida Building Code. The legislation failed adoption by the legislature when the House refused to take up the bill on the floor or in committee. The Senate passed their version.

The issue has reared its head yet again during this special session. In the Senate Committee on Comprehensive Planning, Local and Military Affairs, SB 52C by Senator Charlie Clary (R-Destin) was passed. The bill delays the building code implementation for 60 days, from January 1, 2002 to March 1, 2002. The revised code, originally written and adopted in the 2000 regular session, took years to write and finally adopt. Implementation of the code was previously delayed during the 2001 regular session for six months.

Proponents of the delay purport that many city and county building departments will have not yet defined "wind-borne debris protection zones" by January 1, 2002 – the date set for the code's implementation. Opponents of the delay, including construction industry businesses, point out, with some reason, that these zones will never be defined as long as the legislature keeps pushing back the code's implementation. Muddling the picture further is some confusion on the part of some legislators on what exactly to do under current law if, in fact, the local governments do not have the ordinances done.

AIF has gotten word that right now, the Governor does not look kindly on any further delay of the code implementation and may very well veto such a delay if it gets to his desk.

The Florida League of Cities testified before the committee stating that, only 32 municipalities have failed to craft the mandated wind-borne ordinance. These smaller municipalities represent only 8.8% of the state's population. The League asked the obvious question of the committee, why delay the code implementation for the whole state on behalf of such a small grouping of municipalities, many in Central and North Florida?

We have heard that Representative Mike Bennett (R-Sarasota) will be offering a House companion bill.

PUBLIC SECURITY

During the last special session, a whole raft of bills were introduced and considered related to anti-terrorism and public security. Given the compressed timeframes in the last special session and the larger concerns related to the budget negotiations, the security bills ultimately failed passage.

The Senate moved quickly yesterday to again address these assorted security issues. The Senate Criminal Justice Committee met and approved 12 bills related to security. Five of these dealt with public records exemptions, which instantly got the press in a tizzy.

Here is a brief summary of those five bills, all sponsored by Senator Ginny Brown-Waite (R-Brooksville) and Senator Rod Smith (D-Gainesville):

- 16C: The bill maintains the secrecy of security system plans.
- 18C: The bill provides confidentiality for hospital emergency management plans related to terrorist acts.
- 20C: The bill maintains the secrecy of information regarding the amount, type and location of pharmaceutical supplies related to terrorist acts.
- 22C: The bill exempts record requests from law enforcement agencies to other agencies from the public records law, maintaining the exemption for the life of the active investigation.
- 28C: The bill allows the Florida Department of Law Enforcement to direct another agency to withhold a normally available public record for up to a week with court approval.

The other bills approved by the committee do the following:

26C by Senator Brown-Waite and Senator Victor Crist (R-Tampa): The bill creates a Florida Domestic Security and Counter-Terrorism Intelligence Center with the FDLE.

24C by Senators Brown-Waite and Crist: The bill directs the Department of Law Enforcement to coordinate and direct the law enforcement, initial emergency, and other initial responses to acts of terrorism within or affecting this state.

14C by Senator Steve Geller (D-Hallandale Beach): The bill authorizes the Dept. of Agriculture and Consumer Services to establish, by rule, requirements for aircraft used in the aerial application of pesticides, fertilizers or seed.

12C by Senator Brown-Waite and Smith: The bill amends the statutes to provide that the Governor, Attorney General, the Statewide Prosecutor or any State Attorney may authorize an application to a judge for the interception of wire, oral or electronic communication for the FDLE related to threats of air piracy or other acts of terrorism.

10C by Senators Brown-Waite and Smith: Expands the current statute related to poisoning to include acts of poisoning related to terrorism.

6C & 8C by Senators Brown-Waite and Smith: The bills provide a statutory definition for "terrorism" and provide additional sentencing guidelines for said acts of terrorism.

Today the House Select Committee on Terrorism took up a virtually identical set of legislation. However these bills, drafted as "proposed committee bills" were crafted under the jurisdiction of and consideration for the Regular Session of the Legislature, to begin in January 2002. These were not bills crafted specifically for consideration in this special session. The Committee Chairman, Representative Dudley Goodlette (R-Naples) told the committee members that the committee would take up the special session Senate versions of these bills next week when the committee meets on Tuesday, December 4th. The thinking of the Chair seems to be that if, for any reason, the committee finds the Senate versions to be lacking, the House will have their own versions in a posture for earnest consideration in January.

Stay tuned to our daily brief and to our web site at <u>www.fbnnet.com</u> as the legislature makes some very important decisions on the state's economy. These decisions will have a major impact on the business community and AIF will be reporting to you everything that happens.

This report was prepared by Curt Leonard, Manager – Governmental Affairs at Associated Industries of Florida (AIF) and Jere Moore, AIF Reporter. Please send your comments or suggestions to us at <u>aif@aif.com</u> or call the Governmental Affairs department at (850)224-7173.

- For more information on all of the important legislative information concerning the business community, go to our "members only" Florida Business Network web site at http://fbnnet.com
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