FOR APRIL 25, 2001

As of 8:00 p.m. the House was still in session. The late hours for the House is due to a combination of procedural maneuvering by the House Democrats and the sad loss of a former House member. The procedural machinations began immediately this morning. Rep. Suzanne Kosmas (D-New Smyrna Beach) raised a "point of order" as soon as the gavel dropped to begin the day. Under the House rules that govern the conduct of the chamber, the Special Order Calendar must be published and made available by 9:00 p.m. the night prior to the convening of the House. Due to a computer snafu, the Special Order Calendar was late in its release last night. The Special Order Calendar, which is basically the agenda of the day for priority bills, was called into question by Rep. Kosmas by the point of order. While ordinarily, this simple operational problem is overcome through exchanged courtesies on the floor and a motion to "waive the rules" it quickly became apparent that the Democrats were having none of it. After several procedural gymnastics, a few informal recesses and dozens of huddled conversations on the floor; it became apparent that the House would simply have to proceed without its agenda.

Democratic Minority Leader, Rep. Lois Frankel (West Palm Beach) than requested that the bills, some over a hundred pages long, then be read, word for word, in yet another tactic to slow the work of the House. Under House rules, the clerks complied, sounding like hoarse auctioneers as they plowed through the bills. Some of the Democrats appeared not particularly thrilled with their leader's tactics and one has to wonder what exactly she is trying to accomplish apart from gaining feature coverage in the *National Enquirer*.

Delaying things further was an already scheduled early evening memorial for former State House Representative and former Education Secretary Doug Jamerson, who passed away earlier this week. Jamerson served with great distinction in the House for four terms before being appointed by then Governor Chiles to fill the Secretary of Education post, which was vacant due to the resignation of Betty Castor. Democrats, Republicans, staff, lobbyists, constituents and whoever else who were fortunate enough to cross Mr. Jamerson's path will miss him greatly.

In the midst of the procedural schemes, important work was accomplished in the House today and this evening.

Cabinet Reorganization

CS/HB 681 by Rep. Leslie Waters (R-Largo) was read a second time, rolled over for third and final reading and passed by the House by a vote of 113 yeas and 1 nay. The bill provides a reorganization of the Florida Cabinet that would feature an elected Chief Financial Officer who would execute the constitutional duties currently held by the Comptroller and Treasurer & Insurance Commissioner. Three appointed department heads, each overseeing insurance, banking and financial services, would perform the regulatory duties respectively. An executive director, appointed by the Governor and Cabinet and approved by the Senate would nominate the three department heads with final approval given by the Governor and Cabinet.

SB/CS 164 & 1970 by Senators Jack Latvala (R-St. Petersburg) and Steve Geller (D-Hallandale Beach) provides that the legislatively assigned duties of regulating insurance, banking, and financial services be under the elected Chief Financial Officer who would *appoint* the commissioners overseeing those three departments. The bill awaits consideration by the Senate on third and final reading.

AIF supports the approach recommended by Comptroller Milligan as embodied in the House proposal.

Gun Manufacturer's Civil Liability

SB 412 by Sen. Charlie Bronson (R-Indian Harbour Beach) received final passage by the House with a vote of 78 yeas and 35 nays. The bill prohibits civil actions against firearms and ammunition manufacturers, distributors, dealers and trade associations by certain governmental entities under certain circumstances. The right to sue the firearm entities for damages, abatement, or injunctive relief resulting from the lawful design, marketing, or sale of firearms to the public is prohibited. The specified entities prohibited from bringing such suits are the state or its agencies and counties, municipalities, special districts, or other political subdivisions of the state. The bill does not prohibit an individual person from bringing a suit for breach of contract, breach of express warranty, or injuries resulting from a defect in materials or workmanship.

After national and state governments, including Florida, looted tobacco manufacturers for selling a legal product, it has become clear that gun manufacturers were next on the "hit list" of municipal, county and state governments and their trial attorney friends. Over 30 lawsuits by governments have been filed nationwide, although none of these suits have been successful at this date. Gun manufacturers are the first in line of what AIF believes is a lengthy list of legally manufactured products that trial attorneys have their eye on for future action.

AIF supports the bill and Sen. Bronson's continued efforts on its behalf. Protecting gun manufacturers from a legal assault is only the first step in insuring that our own governments, lacking the political will or wherewithal to ban or regulate products, which is their rightful jurisdiction, will not use legal artifice to plunder industries such as alcoholic beverage manufacturers, fast food chains, and any other business that has, at some time, produced something that may have been subject to misuse or abuse.

Budget Negotiations

Budget negotiations tend to be an insulated obsession of Tallahassee, but they mean a great deal to the Florida's employers when tax cuts are at stake. The size of the tax cuts, which was the main sticking point between the House and Senate in hammering out a deal, was agreed to yesterday. The Senate President, John Mckay (R-Bradenton) and Speaker of the House, Tom Feeney (R-Oviedo) agreed to "split the baby" with a tax cut of roughly \$175 million. Originally, the Senate's position was no tax cuts at all. The House budget provided for approximately \$350 million in tax cuts. The \$175 million, will be comprised of a shortened "tax free" holiday for back-to-schools shoppers and an adjustment in the exemptions for those subject to the intangibles tax on stocks and bonds.

AIF is glad to see the Legislative leadership saw fit to further reduce the intangibles tax. This is punitive and confiscatory tax. As we have said before, this tax is double or even triple taxation on income. It inhibits the movement of capital essential to the growth and

expansion of business, chases away companies from relocating in Florida and it is simply unfair. We are deeply appreciative of what the governor and legislature has done in recent years, moving aggressively to reduce the burden of taxation and we are glad to see their continued efforts this session

Stay tuned to our daily brief and to our web site at www.fbnnet.com 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). Please send your comments or suggestions to us at aif@aif.com 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
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.