

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



P.O. Box 784 • Tallahassee, FL 32302 • Phone: (850) 224-7173 • Fax: (850) 224-6532 • Internet: <http://aif.com> • fbnnet.com

**FROM SPECIAL SESSION 'C'
FOR DECEMBER 4, 2001**

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

THE BUDGET SAGA

The Budget Conference Committee bill hit the desks of the House and Senate members yesterday. The Conference Committee bill, or "report" as it is more commonly referred to, be made available, by law, to the members for 72 hours before it is available for a final vote by both chambers. Today, the budget work amounted to listening to the sound of a ticking clock. Members busied themselves with interim committee work in anticipation of a final vote on the revised budget on Thursday.

PRORATION OF THE AVIATION FUEL TAX

AIF's proposed reinstatement of two tax statutes that, until recently, provided some relief to Florida-based major air carriers continues to make progress. The House bill version, to be sponsored by Representative Rob Wallace (R-Tampa) is House Bill 93-C. Senator Jim King (R-Jacksonville) has agreed to sponsor the Senate version and filed the bill today. It has not yet been numbered.

Until July 1, 2000, the *Florida Statutes* authorized certain air carriers that utilize mileage apportionment for corporate income tax purposes to prorate their aviation fuel taxes based on the ratio of Florida mileage to total mileage. Specifically, the proration was adopted to benefit airlines *based in Florida* that buy more fuel in Florida than they actually use over Florida air space. As of last year, there were 15 air carriers that prorated their aviation fuel taxes in accordance with this policy. The Legislature allowed this policy and the governing statute to sunset (or expire) on July 1, 2000. Also, included in our proposed bill is another provision that sunset July 1, 2001. This provision allows a credit against the aviation fuel tax if an airline expands its workforce in Florida by over 250 employees. This provision was caught up in legislative jockeying at the end of the 2001 Regular Session and inadvertently expired.

It is absolutely essential to Florida's employers that the airlines maintain hubs in Florida and are given every consideration necessary to keep them flying. These expired statutory provisions should be reinstated immediately.

COMMUNITY COLLEGES

There was genuine hope by AIF that, as a result of the House and Senate Budget Conferees' considerations, the wisdom of sparing the community colleges from egregious cuts would prevail. But like a wandering hurricane that suddenly moves towards shore, the budget conferees actually drifted in the opposite direction, cutting both the community colleges' funding and workforce development funding more deeply than what was singularly contemplated by either chamber.

The direct community college funding was cut by 6.64% and workforce development was cut by 6.99%, both percentages reflecting a substantive increase over what each chamber originally proposed.

The cuts in workforce development are particularly hard to swallow, given that these programs provide the venue for unemployed adults to seek additional training and education in skills demanded by the employing market. Workforce development programs, contrary to common perception, do not feature programs showing a 19-year-old how to operate a lathe in assembling a birdhouse. These are programs that effectively and even quickly give its participants competitive skills in areas in high demand by Florida's employers.

During the upcoming Regular Session of 2002, it will be an important task of the Legislature to devise a statutory funding formula for our community colleges.

Here are two interesting facts to contemplate between now the Regular Session in January:

- The community colleges absorbed 80,000 new students this year that were not funded in the 2002-02 budget, before the cuts.
- 60% of the students attending our community colleges need remedial education.

SECURITY ISSUES

The House Select Committee on Security, led by Chairman Dudley Goodlette (R-Naples) took up the security bills today that were passed by the Senate yesterday. As you may recall, the Senate passed what in effect were originally House bills from the last Special Session. The Senate amended many of these bills and sent them back to the House. The House Committee met largely to consider these bills in an effort to see if they could concur with the Senate amendments to the House Committee's original work.

The four public records bills passed by the House Select Committee on Security are as follows:

- 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.

The other bills approved by the House Committee include the following:

26C by Senator Brown-Waite (R-Brooksville) 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 (R-Brooksville) and Crist (R-Tampa): 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 Senators Brown-Waite (Brooksville-R) and Smith (D-Gainesville): 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 (Brooksville-R) and Smith (D-Gainesville): Expands the current statute related to poisoning to include acts of poisoning related to terrorism.

6C & 8C by Senators Brown-Waite (Brooksville-R) and Smith (D-Gainesville): The bills provide a statutory definition for “terrorism” and provide additional sentencing guidelines for said acts of terrorism.

89-C by Representative Gaston Cantens (R-Miami): Creates a Capitol Complex Security Commission.

It is likely that these bills will be considered on the House floor tomorrow.

TRANSFER OF DIVISION OF WORKER’S COMPENSATION TO DEPARTMENT OF INSURANCE

SB 66-C by Senator Jack Latvala (R-Palm Harbor) was heard today by the Senate Banking & Insurance Committee. After some conforming and technical amendments, the bill was passed with little debate. The bill transfers the Division of Worker’s Compensation from the Department Labor and Employment Security to the Department of Insurance.

Due to prior law adopted by the legislature, the Department of Labor and Employment Security is set for dissolution. Unnecessary or redundant programs are being eliminated and other services are being re-established elsewhere in the state’s government’s apparatus.

A House companion bill has been filed, but has received no committees of reference making it unlikely that any version of this proposal will win ultimate passage.

Stay tuned to our daily brief and to our web site at www.fbnet.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://fbnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.