FROM SPECIAL SESSION 'C' FOR THE WEEK OF DECEMBER 3-6, 2001

SENATOR KING WINS SENATE PRESIDENCY FOR 2003-04

AIF has learned that Senator Jim King (R-Jacksonville) finally accrued enough votes in the Senate to win the position of President of the Senate for the 2003-04 biennial. We say "finally" because the past six months have featured a close battle for the position between King, Senator Tom Lee (R-Tampa) and former House Speaker, Senator Daniel Webster (R-Orlando). As President-Designate, Mr. King will likely be installed sometime in the fall of next year, following the 2002 Regular Session. By dint of experience, legislative acumen and temperament, all three candidates were extraordinarily qualified for the position, which is why it was so difficult for the issue to be resolved. AIF congratulates Senator King on his hard won leadership role and we look forward to working with him in the future on behalf of Florida's employers.

THE BUDGET IS RESOLVED

The House and Senate approved their new, revised budget for the 2001-02 fiscal year yesterday.

The actual votes on the budget bill fell out along largely partisan lines. The Senate approved the new budget by a vote of 26 - 14. The House approved the budget by a vote of 80 to 39. The revised budget cuts roughly \$1.3 billion from the original fiscal year budget adopted during the 2001 Regular Session earlier this year.

The House will be back for interim committee meetings on December 17 and 18. The Senate cancelled their meetings scheduled for that same week. The Senate will instead return for interim committee work, in preparation for the Regular Session, the first full week in January.

The 2002 Regular Session begins on Tuesday, January 22. AIF's Daily and Weekly Briefs will begin again on that date.

FLORIDA BUILDING CODE DELAY

After some debate, the Senate concurred with the House amendments and passed SB 52-C by Senator Charlie Clary (R-Destin) yesterday. The bill delays the implementation of the Florida Building Code. The revised code under current law is set to become effective on January 1, 2002. The bill approved today pushes back the code's implementation to March 1, 2002. The bill awaits the Governor's approval.

AIF's concerns with this delay were straightforward. Given that there had already been a sixmonth delay and a lengthy period of almost two years for compliance provided in the original bill adopted in 2000, AIF was concerned that another delay was perhaps part of a larger strategy to undercut the code indefinitely. These concerns by AIF have been allayed, in large part by both written and verbal assurances by the Florida Homebuilders Association, the House and Senate leadership and representatives of the local communities. All of these quarters have assured AIF that this bill is the last and final requested delay of the code's implementation and that this delay in no way suggests any further attempt during the 2002 Regular Session will be following to either rewrite the code or further postpone its implementation. Anyone observing the debate over the bill and the apparent exasperation of all the parties involved is compelled to believe this is true. The Florida Building Code will be implemented on March 1, 2003 without further changes or delay.

PRORATION OF THE AVIATION FUEL TAX

During the last special session earlier this fall, AIF proposed either a reduction or temporary abatement of the aviation fuel tax. When that proposal failed to receive support, during this special session AIF shifted to advocating the reinstatement of two recently expired tax treatments favorable to the airlines. This proposal failed to receive a hearing, as well.

While we are disappointed, we do understand that given the pressing issues associated with balancing the state's budget, it was difficult for the legislature focus on anything else.

Given the necessity of air travel to the health of Florida's economy, AIF is certain that as the economic numbers continue to sink through the holidays, our proposals will be viewed with renewed interest when the Regular Session convenes in January. We expect that there will be a greater sense of urgency in getting action on both of these proposals and we look forward to working with the legislature at that time.

SECURITY ISSUES

The Florida Legislature took up a number of security related bills brought to the fore by our current war on terrorism and terrorist states. 11 bills were adopted and sent to the Governor for his final approval.

As we have previously reported, the 11 bills originated with the House during the last special session. These bills ultimately did not pass in that special session. The Senate took up these same House products at the beginning of *this* special session, considered and amended them before sending them back to the House. What was left to the House this week was to consider these amended bills for final adoption.

The following bills were adopted and are on their way to the Governor:

6C & 8C by Senators Brown-Waite (R-Brooksville) and Smith (D-Gainesville):

The bills provide a statutory definition for "terrorism" and provide additional sentencing guidelines for said acts of terrorism.

10C by Senators Brown-Waite (R-Brooksville) and Smith (D-Gainesville):

Expands the current statute related to poisoning to include acts of poisoning related to terrorism.

12C by Senators Brown-Waite (R-Brooksville) 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.

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.

16C by Senators Brown-Waite (R-Brooksville) and Smith (D-Gainesville):

The bill maintains the secrecy of security system plans.

18C by Senators Brown-Waite (R-Brooksville) and Smith (D-Gainesville):

The bill provides confidentiality for hospital emergency management plans related to terrorists acts.

20C by Senators Brown-Waite (R-Brooksville) and Smith (D-Gainesville):

The bill maintains the secrecy of information regarding the amount, type and location of pharmaceutical supplies related to terrorist acts.

22C by Senators Brown-Waite (R-Brooksville) and Smith (D-Gainesville): The bill exempts records requests from law enforcement agencies to other agencies from the public records law, maintaining the exemption for the life of the active investigation.

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.

26C by Senator Victor Crist (R-Tampa):

The bill creates a Florida Domestic Security and Counter-Terrorism Intelligence Center with the FDLE.

Two public records proposals, one which allowed the FDLE to request that other agencies or departments "close" records to the public for an interim period and a second which provided for the detention of material witnesses to an act of terrorism for up to 48 hours before seeing a judge, proved too controversial and were not adopted.

INTANGIBLES TAX DELAY

The Legislature approved SB 44-C by Senators Ken Pruitt (R-Port St. Lucie) and Steve Geller (D-Hallandale Beach) which delays the implementation of the intangibles tax reduction originally passed during the 2001 Regular Session. This bill was considered as part of the "budget deal." By delaying the implementation of this reduction, the legislature was able to "find" roughly \$128 million to help balance the state budget. The bill passed by large margins in both the House and Senate.

Given the abrupt downturn in Florida's economy and the speed, with which the legislature and governor have had to react, AIF sympathizes with the need to delay the implementation of the latest reduction in the intangibles tax. However, we hope that in the sessions ahead this tax is completely repealed and forgotten.

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.