

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](http://fbnnet.com)

**FROM JANUARY 8, 2002  
INTERIM COMMITTEE MEETINGS**

The legislature came back to Tallahassee for a final week of interim committee meetings in preparation for the start of the 2002 Regular Session on January 22. However, unlike previous interim committee weeks, this week already has much the look and feel of a regular session week with the House and Senate committee taking up substantive bills of all stripes for discussion, debate and votes.

**SENATOR JIM KING SWORN-IN AS SENATE PRESIDENT-ELECT**

Senator Jim King was designated today by a vote of the Florida Senate as the Senate President-Elect for the 2003-04 biennial. Senator John McKay is the current Senate President and his term as leader of the body expires later this year.

Senator Jim King is an American success story, building a large business enterprise, in stops and starts, that ultimately made him a multi-millionaire upon the sale of the his employee leasing company just a few years ago. Unsurprisingly, Senator King has long been a supporter of Florida's employers with a keen understanding of the many issues that face the business community. Senator King's success in the private sector is mirrored by his rise to power in the legislature, having been elected to the Florida House in the mid-80's when one had to go on a scouting mission just to find a Republican in the Capitol.

We congratulate Senator King and look forward to working with him in the weeks ahead.

**EQUAL PAY COMMISSION ACT**

The Senate Commerce and Economic Opportunities Committee passed SB 310 by Senator Mandy Dawson (D-Ft. Lauderdale), which establishes an ominous sounding "Equal Pay Commission," unanimously today with amendments. The bill creates a commission to study whatever underlying reasons there may be for wage disparities between men and women and minority women in Florida. The commission will be made up of nine appointees, the group comprised of individuals who typically have an interest or expertise in such matters.

The bill was amended by the committee to effectively sunset the Commission on June 30, 2003. According to the bill, during this Commission's brief life, it is to supply a report to the Governor, Senate President, the Speaker of the House and the Secretary of the Department of Labor and Employment Security. The report is supposed to summarize or document pay inequities in the private sector and to recommend policy solutions to these inequities. If the legislature finds the report or the conduct of the Commission compelling enough, the legislature can affirmatively restore the Commission to life by canceling the June 30, 2003 sunset.

While AIF appreciates the Committee's efforts to limit the life and mission of the Commission, AIF continues to take a dim view of any governmental body that purports to investigate or recommend intrusive solutions to so-called "compensation problems" in the market place. The question should not be why certain individuals are not paid more by employers. The question is what can be done to equip prospective employees, regardless of race or sex, with compelling skills that have an attached market value? Marketable skills will always attract competitive compensation.

## **ENVIRONMENTAL PROTECTION**

SB 270 by Senator Jim King (R-Jacksonville) was “temporarily passed” by the Senate Judiciary Committee today. “Temporarily passed” is legis-speak for, “we’ll have to take it up next time.” While the Committee swooned at the Senator’s testimony on the bill there was some confusion on Senator Skip Campbell’s (D-Tamarac) part as to the actual content of the bill. There may have been some confusion in the actual crafting of the bill, since it actually represents one half of a bill introduced last year. Regardless, a provision or two was in the bill that the committee staff could not quickly unwind or explain. To end the confusion, Senator King courteously offered to delay consideration of the bill until the committee meets again.

The bill stipulates that if a person is not injured or effected by a proposed business development, they should not be able to initiate proceedings against a permit applicant. This provision prevents environmental extremists, on an individual basis, from swooping in and tying up a permitting process when they have no personal direct stake in the outcome, outside their own ideological motivations. The bill streamlines the administrative process, is in the interest of judicial economy and discourages filing administrative actions for dilatory purposes only. The bill is a good bill and it is supported by AIF.

## **ADMINISTRATIVE PROCEDURES**

“Administrative Procedures” sounds like a dry topic, but for many employers in Florida, at different times, it means life or death. Again, the issue relates to business development & expansion as it affects both the environment and the permitting process. SB 280 by Senator Ken Pruitt (R-Port St. Lucie) promotes actual settlement by requiring all issues be stated up front in the process, (meritorious suits will be unaffected) thereby limiting frivolous or harassing suits. The bill will end filing suits for delay or harassment purposes only and will help small businesses and individual permit applicants which are currently suffering under the current law which permits harassment by lawsuit on these matters.

The usual litany of horrors were paraded by the environmentalist lobby, which has no ethical scruples about harassing a business person with suits simply for the purpose of delay and to drain the businesses’ assets. Senator Skip Campbell, who is not typically perceived as a “friend of small business” was a tiger on the issue, repeatedly and directly challenging the environmentalists on their characterizations of the bill. “Where does it say that?” or “I don’t see the bill doing what you say it will” were his repeated remarks to the opponents of the bill. Senator Campbell does not suffer fools lightly.

The bill was passed unanimously by the Committee. It’s next stop is the Senate Committee on Governmental Oversight and Productivity.

## **GOVERNMENTAL REORGANIZATION**

HB 577 by Representative Mark Flanagan (R-Bradenton) continued its march through the House committee process early Tuesday with unanimous approval by the House Insurance Committee. The House Banking Committee previously approved the bill on December 18, 2001. AIF supports this bill which is very similar to a bill approved by the House last year. The Senate failed to act on the House version last year and ultimately, no cabinet reorganization statute was adopted.

To recap the issue, in November 1998, the voters approved Constitutional Revision Eight restructuring Florida’s Cabinet and merging the Cabinet offices of Treasurer and Comptroller into one Chief Financial Officer. These revisions will become effective January 7, 2003. The new Cabinet will consist of the Chief Financial Officer, the Attorney General and the Agriculture Commissioner. The offices of an elected Secretary of State and Commissioner of Education will be eliminated from the Cabinet.

The language in Constitutional Revision Eight merging the Cabinet offices of the Treasurer and Comptroller did not contemplate or provide direction as to how the statutory responsibilities currently assigned individually to the Treasurer and Comptroller should be treated. Therefore, the Florida Legislature has wide latitude in how the statutory functions of these two offices are collapsed together or removed from the Chief Financial Officer Cabinet position.

AIF believes the structure that would both best represent the intent of Constitutional Revision Eight while maintaining the integrity of the regulatory process is found in HB 577 and is as follows:

The new Constitutional Office of Chief Financial Officer should be just that! – a Chief *Financial* Officer. The Florida Legislature should *only* transfer those Constitutional and related duties of the Office of Comptroller and Office of State Treasurer to the new office. These functions and responsibilities are immense and overwhelming when you consider the size and scope of the Florida State Government – including a \$50 billion budget and billions in fund balances, billing and investments

The regulatory duties of the Comptroller - banking and securities – and the regulatory duties of the State Treasurer – insurance regulation – should be assigned to a *separate* Department, with that Department being collegially managed by the Governor and Cabinet through an Executive Director who must be confirmed by the Senate. This is a configuration paralleling the one found for the Florida Department of Revenue, the Florida Department of Law Enforcement and the Florida Department of Highway Safety and Motor Vehicles. Within this new Department of Insurance and Financial Services, the regulation of insurance should be assigned to a “Commissioner of Insurance,” and regulation of banking and securities should be assigned to a “Commissioner of Financial Services.” These Commissioners should be appointed by the Executive Director of the Department and be subject to approval by the Governor and Cabinet

This structure provides for the simplification and consolidation of governance, a desire expressed by the vote of the people in 1998, while at the same time providing for the necessary public and legislative oversight of the commissioner-selection process. In addition, this structure provides for a fair and equitable regulatory environment for the insurance and banking industries while in no way diminishing the historic oversight and enforcement authority practiced by the current Treasurer and Comptroller.

Three Senate bills have been introduced by Senators Jack Latvala (R-Palm Harbor), Rudy Garcia (R-Hialeah) and Steve Geller (D-Hallandale Beach). Broadly, all three bills stray from the House concept by giving the new CFO position direct regulatory authority and oversight.

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**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](mailto:aif@aif.com) or call the Governmental Affairs department at (850)224-7173.**

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- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.