

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

FOR JANUARY 22, 2002

It's here! The 2002 Regular Session of the Florida Legislature convened today. Today marked the first day of the 60-day session scheduled for conclusion on March 22, as required by the Article III, section 3(d) of the Florida Constitution.

The session began early this year, as opposed to its typical beginning in early March. Primary among the reasons for an early start is the looming issue of reapportionment. As you may recall, every ten years a census is conducted to count "all the noses" in the United States. Following this nationwide count, it is required that the state legislatures reapportion or redraw their state legislative and congressional districts to reflect whatever demographic and population shifts have occurred. As you might expect, this is an enormous technical and political undertaking. The process both demands and expects partisanship, but it also inevitably pits House and Senate members of the same party awkwardly against one another. As such, the reapportionment process could extend the session well past the March 22nd date. Anticipating this difficult process and wishing to insure that legislators would have adequate time back in their districts to campaign for the November elections, the Regular Session was pushed forward to January.

GOVERNOR BUSH ADDRESSES JOINT SESSION OF THE LEGISLATURE

On the first day of the Regular Session, the Governor addresses a Joint Session of the Legislature in what is known as the "State of the State Address," much like the U. S. President's annual "State of the Union Address." Governor Bush addressed the Joint Session, which included the members of the House and Senate, the Florida Supreme Court, the Florida Cabinet and other honoraria's this morning. The event always puts a festive sheen over Florida's democratic process. With all of Florida's chief governing officers in one chamber to hear the Governor, the ageless protocols and courtesies being observed and desks festooned with flowers, the process is lent a combination of good spirit and seriousness that is rare.

Governor Bush immediately referred to the war in his remarks, acknowledging that on a September morning, "the world lurched on its axis." He saluted the Legislature and Florida's citizens for responding to this campaign, "unprecedented in our generation." Governor Bush then pleasantly beat back critics by listing all those budget items in critical areas that were adequately funded despite budget cuts of \$1.3 billion during last fall's Special Sessions as a result of Florida's recession.

The meat of his remarks revolved around education. Governor Bush gave a report card on the successes Florida has enjoyed as a result of his A+ Plan reforms adopted in 1999. He then iterated his expanded budget goals for education in Florida for the 2002-03 budget year and further policy reforms, as well. It is obvious that Governor Bush is bent on moving Florida's education system by prodding and promoting adequate funding, accountability, competitiveness and common sense.

WAR ON TERRORISTS AND TERRORIST STATES

Despite the fact that the Florida Legislature took on a number of issues related to the war on terrorists and terrorist states during the last Special Session, additional legislative issues along this front will be considered in the next 60 days.

Today in the Senate Select Committee on Public Security and Crisis Management approved SB 1184 by Senator Walter "Skip" Campbell (D-Tamarac). The bill provides a statutory definition of "terrorism" and provides for payment of restitution of costs or damages regarding any person who commits a prank or hoax act of terrorism. The bill provides for a civil cause of action against the perpetrator of a prank or hoax terrorist act.

TAX REFORM

SJR 938 by Senator Ken Pruitt (R-Port St. Lucie) is scheduled to be heard in the Senate Finance and Taxation Committee on Friday, January 25. This will be the first vote of any kind taken on this proposal since it was unveiled by Senate President John McKay in December of last year.

The bill, which proposes to reform Florida's tax code by placing before Florida's voters a Constitutional Amendment in November, is an ill-crafted attempt at "balancing" Florida's revenue needs.

SJR 938 is being received coolly with almost no support, despite cheerleading from the state's newspaper editorial boards and columnists. However, even the state's press has allowed that Senator McKay's intentions to reform Florida's tax code through an amendment to Florida's Constitution is an ill-considered and unwise.

AIF continues to communicate to legislators that while a methodical review of Florida's sales tax exemptions certainly is an idea with merit, using Florida's Constitution as a bludgeon to beat out \$9 billion in additional sales tax dollars in a great rush guarantees disaster for Florida's economy and handcuffs the statutory prerogatives of future legislatures. It is important to remember, that even if every one of Florida's business sales tax exemptions were repealed (which would be crippling), only **\$1.8 billion in tax dollars would result**. The Legislature would then be required to "fish" among dozens and dozen of additional exemptions, touching every service imaginable that effects every Florida citizen and small business. All in an attempt to find the elusive total of \$ 9 billion.

To learn more about the proposal see AIF's website at AIF.com/taxreform.htm

We'll keep you posted as this issue develops this week.

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.