



Journal of the Senate

Number 23

Thursday, May 17, 1979

The Senate was called to order by Senator McKnight at 8:30 a.m. for the purpose of conducting the order of business of introduction and reference of resolutions, memorials, bills and joint resolutions pursuant to Rule 4.3. Senator Vogt represented the Committee on Rules and Calendar and Senator Henderson represented the Minority Party.

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed as amended HB 1661 and requests the concurrence of the Senate.

Allen Morris, Clerk

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed as amended HB 684 and requests the concurrence of the Senate.

Allen Morris, Clerk

By Representative Patchett—

HB 684—A bill to be entitled An act relating to governmental reorganization; establishing by law the Florida Medical Entomology Laboratory; specifying functions as a research and training center; requiring the laboratory to report certain information to the Department of Health and Rehabilitative Services; providing for transfer of same; providing an effective date.

—was read the first time by title and referred to the Committees on Education and Ways and Means.

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed as amended HB 1662 and requests the concurrence of the Senate.

Allen Morris, Clerk

By the Committee on Finance & Taxation—

HB 1662—A bill to be entitled An act relating to motor vehicle title certificates; adding subsection (9) to s. 319.23, Florida Statutes, 1978 Supplement, providing for establishment of a separate title office for expedited service; providing a fee; providing an effective date.

—was read the first time by title and referred to the Committees on Transportation and Ways and Means.

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed as amended CS for HB's 78 and 756 and requests the concurrence of the Senate.

Allen Morris, Clerk

By the Committee on Finance & Taxation and Representative Hazouri and others—

CS for HB's 78 and 756—A bill to be entitled An act relating to ad valorem tax collection; adding subsection (5) to s. 197.016, Florida Statutes; providing for prepayment by installment of ad valorem taxes; providing a schedule of payments; providing for discounts that shall apply to taxes paid in installments; providing for notice; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

By the Committee on Finance & Taxation—

HB 1661—A bill to be entitled An act relating to taxation of live-aboard vessels; amending s. 371.021(1), Florida Statutes, and adding subsection (18), and amending ss. 371.63, 371.64, 371.65(7), and 371.66, Florida Statutes; providing definitions; exempting live-aboard vessels from boat license fee requirements; providing for continued applicability of registration requirements and safety regulations; amending s. 192.001(11)(d), Florida Statutes, providing that live-aboard vessels shall be considered tangible personal property and taxed as such; amending s. 192.032(1) and (2), Florida Statutes, 1978 Supplement, and adding subsections (5) and (6) thereto, relating to situs of property for assessment purposes; including provisions relating to live-aboard vessels; adding subsection (8) to s. 193.052, Florida Statutes, providing for issuance of acknowledgement of assessment of such vessels by the property appraiser; amending s. 195.073(2), Florida Statutes, relating to classification of personal property on assessment rolls; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed—

HB 1623	HB 1593	HB 1663
CS for HB 1256	HB 886	HB 1004
HB 1660	HB 1631	

—and requests the concurrence of the Senate.

Allen Morris, Clerk

By the Committee on Regulated Industries & Licensing—

HB 1623—A bill to be entitled An act relating to vinous beverages; amending s. 564.05, Florida Statutes, authorizing the sale of wine in 4-liter containers; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

By the Committee on Agriculture & General Legislation—

HB 1593—A bill to be entitled An act relating to agriculture and plant industry; amending s. 581.011, Florida Statutes, providing definitions; amending ss. 581.031(1), (3)-(10), (14)-(20), and (24), 581.111, and 581.211, Florida Statutes, 1978 Supplement, and ss. 581.083, 581.091, 581.101(1), 581.131, 581.161, and 581.181, Florida Statutes, including noxious weeds under the control and rulemaking power of the Department of Agriculture and Consumer Services; including noxious weeds under the quarantine and emergency powers of the department; providing for propagation of disease free nursery stock with permission of owner; requiring the department to maintain a list of all certified nurseries, including specific information; prohibiting the introduction of noxious weeds except under special permit by the Division of Plant Industry; providing for notice to the division director or to any authorized representative as to noncompliance with the chapter; requiring dealers and agents to pay certificate fees; providing for fumigation of plants and plant products; authorizing the destruction

of plants or plant products infested with noxious weeds; requiring notice to the owner of such plants or plant products to be in writing; providing a penalty for interfering with the director or authorized representative of the department in the performance of his duties; repealing ss. 581.142(4), (5), and (6), and 581.152, Florida Statutes, 1978 Supplement, respectively, relating to enforcement and rulemaking authority and penalties, and to eradication of burrowing nematode in commercial groves; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

By the Committee on Finance & Taxation—

HB 1663—A bill to be entitled An act relating to the Homestead Property Tax Deferral Act; amending ss. 197.0164(2), 197.0165(1) and (2), and 197.0166(1), Florida Statutes, 1978 Supplement, and s. 197.0167, Florida Statutes; redefining "income" for purposes of said act; providing for certificate of eligibility for persons who have waived homestead tax exemption, to be furnished by the property appraiser; specifying the portion of taxes to be deferred for persons 65 and over who are entitled to increased homestead exemption; requiring application to be signed upon oath and providing for submission of other evidence as the tax collector deems necessary; providing for notification to property owners of right to deferral; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

By the Committee on Insurance and Representatives Ward and J. W. Lewis—

CS for HB 1256—A bill to be entitled An act relating to insurance; adding a new paragraph (j) to s. 624.605(1), Florida Statutes, defining the term "credit property insurance"; adding paragraph (g) to s. 626.321(1), Florida Statutes, and amending subsection (3) thereof, providing for limited licenses for credit property insurance; providing for conditional repeals; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

By Representative Fox—

HB 886—A bill to be entitled An act relating to the manufacture, distribution, and use of explosives; amending s. 552.092(2) and (3), Florida Statutes; removing, in certain cases, the requirement that applications for explosives licenses and permits must be accompanied by a current photograph and complete set of fingerprints; providing for procedure where photographs and fingerprints are not required; providing an effective date.

—was read the first time by title and referred to the Committee on Commerce.

By Representative Pajcic—

HB 1004—A bill to be entitled An act relating to manslaughter; amending s. 782.07, Florida Statutes; providing that vehicular homicide is a lesser-included offense of manslaughter if the killing of a human being is committed by the operation of a motor vehicle; providing an effective date.

—was read the first time by title and referred to the Committee on Judiciary-Criminal.

By the Committee on Finance & Taxation—

HB 1660—A bill to be entitled An act relating to intangible personal property tax; amending s. 199.052(8)(d), Florida Statutes, and adding paragraph (e) thereto; authorizing the Department of Revenue to compromise or waive penalties on

delinquent taxes and omitted or undervalued property under certain conditions; providing an effective date.

—was read the first time by title and referred to the Committee on Ways and Means.

By the Committee on Commerce and Representative Gustafson—

HB 1631—A bill to be entitled An act relating to the Florida Disposition of Unclaimed Property Act; amending s. 717.02(1), (3) and (5), Florida Statutes, expanding the definition of the terms "banking organization," "financing organization" and "insurance corporation" for the purposes of the act; amending s. 717.03(1), (2) and (3), Florida Statutes, eliminating the requirement that property held by a banking or financial organization must be paid, deposited or made within the State of Florida to allow the state to claim certain property currently unavailable under the act; amending s. 717.08(2) and (3), Florida Statutes, providing that property held by a banking organization or financial organization not located in Florida which is acting as a fiduciary is presumed abandoned under certain circumstances; eliminating the requirement that certain property must be held in the state by certain persons to be governed by the act; amending s. 717.10, Florida Statutes, relating to miscellaneous personal property to conform to the act; amending s. 717.27(1), Florida Statutes, and adding a subsection thereto, providing a fine for failure to report or deliver abandoned property under the act and requiring payment of 12 percent interest to the Department of Banking and Finance under certain circumstances; providing an effective date.

—was read the first time by title and referred to the Committee on Commerce.

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has adopted HCR 1760 and requests the concurrence of the Senate.

Allen Morris, Clerk

By Representative Sadowski—

HCR 1760—A concurrent resolution recognizing the exemplary services performed and accomplishments attained by insurance women throughout our state and nation.

—was read the first time by title and referred to the Committee on Rules and Calendar.

The Senate recessed at 8:34 a.m.

The Senate was called to order by the President at 9:00 a.m. A quorum present—40:

Mr. President	Gordon	Maxwell	Spicola
Anderson	Gorman	McClain	Steinberg
Barron	Grizzle	McKnight	Stuart
Carlucci	Hair	Myers	Thomas
Chamberlin	Henderson	Neal	Tobiassen
Childers, D.	Hill	Peterson	Trask
Childers, W. D.	Holloway	Poole	Vogt
Dunn	Jenne	Scarborough	Ware
Fechtel	Johnston	Scott	Williamson
Frank	MacKay	Skinner	Winn

Prayer by Dr. C. Earl Cooper, pastor, Riverside Baptist Church, Jacksonville:

God of our fathers—Abraham, Ishmael, Isaac, and Jacob; God of Jesus, Peter and Paul; God of all Thy children, whether east, west, north, south, black, yellow, or white; God of goodness, truth, justice, mercy, grace; God all mighty and all loving: to Thee we come asking that we need not so much ask of Thee anything but that we honor Thee in our thoughts and lives, in our rising up and sitting down: that we hallow Thy Name by loving Thee with Thy ways—and our fellowman, that we do unto them, all of them, as we would that they do unto us. Amen.

REPORTS OF COMMITTEES

The Committee on Rules and Calendar submits the following bills to be placed on the Special Order Calendar for Thursday, May 17, 1979:

SB 1262	CS for	SB 1195	SB 601
HB 1496	SB 489	SB 560	HB 1579
SB 1044	SB 414	SB 436	HB 339
SB 1052	SB 776	SB 29	SB 950
SB 79	SB 973	SB 399	

Consent Calendar

Respectfully submitted,
Dempsey J. Barron, Chairman

The Committee on Rules and Calendar recommends the following bills be placed on the consent calendar for Thursday, May 17, 1979:

SB 981	SB 947	CS for	CS for
SB 197	SB 1116	HB 189	SB 386
SB 1130	SB 886	SB 774	CS for
SB 1024	SB 879	CS for	SB 864
CS for	SB 523	SB 162	SB 1231
SB 566	SB 927	SB 1071	SB 474
SB 916	SB 892	SB 488	

Respectfully submitted,
Dempsey J. Barron, Chairman

The Committee on Rules and Calendar recommends the following pass: CS for HB 67

The bill was referred to the Committee on Ways and Means under the original reference.

The Committee on Rules and Calendar recommends the following pass:

SB 653 with 1 amendment	HB 1676
SB 654 with 1 amendment	HB 1677
SB 655 with 1 amendment	SM 891
HB 654 with 1 amendment	HJR 50
HB 1674 with 2 amendments	SB 408
HB 1675	

The bills were placed on the calendar.

The Committee on Health and Rehabilitative Services recommends a Committee Substitute for the following: SB 769

The Committee on Governmental Operations recommends a Committee Substitute for the following: SB 923, SB 935

The bills with Committee Substitutes attached contained in the foregoing reports were referred to the Committee on Judiciary-Civil under the original reference.

The Committee on Health and Rehabilitative Services recommends a Committee Substitute for the following:

SB 969	SB 1189	SB 1259
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The Committee on Health and Rehabilitative Services recommends Committee Substitutes for the following:

SB 1146	SB 1216	SB 1257
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The bills with Committee Substitutes attached contained in the foregoing reports were referred to the Committee on Ways and Means under the original reference.

The Committee on Governmental Operations recommends a Committee Substitute for the following: SB 1282

The bill with Committee Substitute attached was referred to Ways and Means Subcommittee E under the original reference.

The Committee on Rules and Calendar recommends the following not pass: SB 725, HB 1039

The bills were laid on the table.

MOTIONS RELATING TO COMMITTEE REFERENCE

On motion by Senator Dunn, the rules were waived and by two-thirds vote SB 929 was withdrawn from the Committee on Governmental Operations.

On motion by Senator Myers, the rules were waived and by two-thirds vote SB 951 was withdrawn from Ways and Means Subcommittee D.

On motions by Senator Gordon, the rules were waived and by two-thirds vote Senate Bills 1090, 492, 576, 1065, 1208, 1261, 69 and 1135 were withdrawn from the Committee on Ways and Means.

REQUESTS FOR EXTENSION OF TIME

May 17, 1979

The Committee on Education requests an extension of 15 days for consideration of the following:

SB 906 by Senator Grizzle	SB 928 by Senator Winn
SB 917 by Senator Myers	SB 953 by Senator Winn

May 17, 1979

The Committee on Governmental Operations requests an extension of 15 days for consideration of the following:

SB 652 by Senator Skinner	SB 678 by Senator Johnston
SB 665 by Senator Hill	

May 17, 1979

The Committee on Judiciary-Criminal requests an extension of 15 days for consideration of the following:

CS for SB 529 by Senator Dunn and Health and Rehabilitative Services Committee

May 17, 1979

The Committee on Rules and Calendar requests an extension of 15 days for consideration of the following:

SB 629 by Senator Hender-son	SB 719 by Senator Don Childers
SB 668 by Senator Neal	SB 739 by Senator Grizzle
SJR 673 by Senator Hender-son	HCR 362 by Representative Nuckolls
SM 674 by Senator Jenne	HB 1139 by Representatives Richmond and Smith
SB 683 by Senator Jenne	HB 1161 by Representative Watt
SCR 689 by Senator Dunn and others	HCR 1572 by Representative Johnson
SJR 697 by Senator Stuart	
SB 713 by Senator Neal	

Committee Appointment

The President announced the appointment of Senator W. D. Childers to the Joint Select Committee to Oversee Implementation of the Regulatory Reform Act of 1976. Other members of the committee are Senators Barron and Henderson.

MESSAGES FROM THE GOVERNOR

The Governor advised that he had transmitted to the office of the Secretary of State, SB 179 which will become law without his signature; Committee Substitute for SB 727 which he approved May 10; and Senate Bills 490, 572, 622, 679, 694 and 743 which he approved May 15.

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed—

SB 46	SB 410	SB 709
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Allen Morris, Clerk

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has passed SB 1273.

Allen Morris, Clerk

The bills contained in the above messages were ordered enrolled.

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the House of Representatives has concurred in Senate Amendments and passed as amended—

HB 1494 CS for HB's 232, 361 and 393 HB 1140

Allen Morris, Clerk

The Honorable Philip D. Lewis, President

I am directed to inform the Senate that the Speaker of the House of Representatives has appointed Representatives Ogen, Sheldon, Lippman, Boles and Dunbar, and Gordon as alternate, as Conferees on the part of the House on CS for HB's 619 and 917.

Allen Morris, Clerk

Conference Committee on CS for HB's 619 and 917

The President announced the appointment of Senators Johnston, Jenne, McClain, Anderson and Hair as conferees on the part of the Senate.

SPECIAL ORDER

SB 1262—A bill to be entitled An act relating to loans; amending ss. 516.02, 516.031(1), 516.18(1), 516.21, 657.14, 659.18, 659.181, 687.02, 687.04, Florida Statutes, and ss. 520.08(1)(a), 656.17, 665.381(4), (5), 687.03(1), Florida Statutes, 1978 Supplement; increasing the maximum rate of interest on various loans; increasing allowable finance charges on certain motor vehicles; authorizing banks to make certain loans not in excess of a specified amount; authorizing certain additional charges; authorizing banks to make overdraft and credit card loans up to a specified amount; providing penalties; providing an exemption; repealing s. 687.11, Florida Statutes, relating to rates of interest charged persons secondarily liable on corporate obligations; providing an effective date.

—was read the second time by title.

The Committee on Commerce offered the following amendment which was moved by Senator Anderson:

Amendment 1—On page 1, line 20, strike everything after the enacting clause and insert: Section 1. Section 516.02, Florida Statutes, is amended to read:

516.02 Loans; rate of interest; license.—No person shall engage in the business of making loans of money, credit, goods, or choses in action in the amount, or to the value of \$2,500 or less, and charge, contract for, or receive a greater rate of interest than ~~18 1/2~~ percent per annum therefor except as authorized by this chapter or other statute and without first obtaining a license from the department.

Section 2. Subsection (1) of section 516.031, Florida Statutes, is amended to read:

516.031 Finance charge; maximum rates.—

(1) **INTEREST RATES.**—Every licensee may lend any sum of money not exceeding ~~\$25,000~~ \$2,500. A licensee may not take a security interest secured by land on any loan less than \$1,000. The licensee may charge, contract for, and receive thereon, interest charges as provided and authorized by this section. The maximum interest rate shall be 30 percent per annum, computed on the first \$500 of the principal amount as computed from time to time; 24 percent per annum on that part of the principal amount as computed from time to time exceeding \$500 and not exceeding \$1,000; and ~~18 1/2~~ percent per annum on that part of the principal amount as computed from time to time

exceeding \$1,000 and not exceeding \$2,500; and on loans exceeding \$2,500 the total interest charged on the entire principal amount shall not exceed 18 percent per annum simple interest.

The original principal amount as used in this section shall be the same amount as the amount financed as defined by the Federal Truth-In-Lending Act and Regulation Z of the Board of Governors of the Federal Reserve System. In determining compliance with the statutory maximum interest and finance charges set forth herein, the computations utilized shall be simple interest and not add-on interest or any other computations.

Section 3. Subsection (1) of section 516.18, Florida Statutes, is amended to read:

516.18 Rate of interest or consideration.—

(1) No person engaged in the business of making loans of money, except as authorized by this chapter or other statutes, of this state, shall directly or indirectly charge, contract for, or receive any interest or consideration greater than ~~18 1/2~~ percent per annum upon the loan, use, or forbearance of money, goods, or things in action, or upon the loan or use of credit, of the amount or value of \$2,500 or less.

Section 4. Subsection (2) of section 516.20, Florida Statutes, is amended to read:

516.20 "Interest" defined.—

(2) No licensee shall enter into any contract for a loan under this chapter for \$600 or less which provides for schedule loan under this chapter for \$600 or less which provides for scheduled repayment of principal more than 24 months and 15 days from the date the loan is made, nor enter into any contract for a loan under this chapter for ~~\$2,500 or less more than \$600~~ which provides for scheduled repayment of principal more than 36 months and 15 days from the date the loan is made.

Section 5. Section 516.21, Florida Statutes, is amended to read:

516.21 Restriction of borrower's indebtedness.—No licensee shall directly or indirectly charge, contract for, or receive any interest, discount, or consideration greater than ~~18 1/2~~ percent per annum upon any loan, or upon any part or all of any aggregate loan indebtedness of the same borrower, of the amount of more than \$2,500. The foregoing prohibition shall also apply to any licensee who permits any person, as borrower, or as endorser, guarantor, or surety for any borrower, or otherwise, or any husband and wife, jointly or severally, to owe directly or contingently or both to the licensee at any time a sum of more than \$2,500 for principal; provided, however, that if the proceeds of any loan of \$2,500 or less are used to discharge a pre-existing debt of the borrower for goods or services owed directly to the person who provided such goods or services, the licensee may accept from such person a guaranty of payment of the principal of such loan with interest at a rate not exceeding ~~18 1/2~~ percent per annum, and the acceptance of one or more such guaranties in any aggregate amount shall not affect the rights of such licensee to make the charges against the primary borrower authorized by s. 516.031, nor shall the limitation apply to the isolated acquisition directly or indirectly by purchase of by discount of bona fide obligations of a borrower. However, in the event a licensee shall make a bona fide purchase of substantially all of the loans made under this chapter from another licensee or other lender not affiliated with the purchaser and such licensee or other lender shall have an existing loan outstanding to one or more of the borrowers whose loans are purchased, such licensee making such purchase shall be entitled to liquidate and collect the balances due on such loans, including all lawful charges and interest at the rates or amounts agreed upon in such loan contracts.

Section 6. Paragraph (a) of subsection (1) of section 520.08, Florida Statutes, 1978 Supplement, is amended to read:

520.08 Finance charge limitation.—

(1) Notwithstanding the provisions of any other law, the finance charge, exclusive of insurance, shall not exceed the following rates:

(a) Class 1. Any new motor vehicle designated by the manufacturer by a year model not earlier than the year in which the sale is made—\$10 \$8 per \$100 per year.

Section 7. Subsection (5) of section 520.34 is amended to read:

520.34 Retail installment contracts.—

(5) Notwithstanding the provisions of any other law the seller under a retail installment contract may charge, receive, and collect a finance charge which shall not exceed the following rates: On the amount financed, \$12 \$10 per \$100 per year. The finance charge under this subsection shall be computed on the amount financed of each transaction, as determined under subsection (2)(f), on contracts payable in successive monthly payments substantially equal in amount, for the period from the date of the contract to and including the date when the final installment thereunder is payable. When a retail installment contract is payable other than in successive monthly payments substantially equal in amount, the finance charge may be at the effective rates provided in this subsection, having due regard for the schedule of payments. The finance charge may be computed on the basis of a full month for any fractional month period in excess of 10 days. Notwithstanding the other provisions of this subsection, a minimum finance charge not in excess of the following amounts may be charged on any retail installment contract: \$12 on any retail installment contract involving an initial amount financed of \$50 or more; \$7.50 on a retail installment contract involving an initial amount financed of more than \$25 and less than \$50; and \$5 on a retail installment contract involving an initial amount financed of \$25 or less.

Section 8. Section 656.17, Florida Statutes, 1978 Supplement, is amended to read:

656.17 Special powers.—Industrial savings banks in addition to the general and usual powers incidental powers ordinary corporations for profit in this state, which are not specifically restricted in this law, shall have the following special powers, to wit:

(1) LOANS: SECURITY REQUIRED, INTEREST AND CHARGES.—The right to lend money, *secured or unsecured*, at an interest rate not to exceed the equivalent of 18 percent per annum simple interest calculated on the assumption that the loan will be paid in accordance with its agreed terms, whether or not the loan may be paid or collected prior to stated maturity plus an additional charge not to exceed 2 percent of the principal amount of any loan, which additional charge shall be for investigating the character of the individual applying for the loan, the security submitted, and all other costs in connection with the making of such loans, upon the security of ~~comakers~~, personal chattels, or other property and to take, receive, reserve, and charge for such loans or discounts made or upon any notes, bills or exchange, or other evidences of debt, a discount not to exceed 8 percent per annum upon the total amount of the loan from the date thereof until the maturity of the final installment, notwithstanding that the principal amount of such loan is required to be repaid in installments, plus an additional charge not to exceed 2 percent of the principal amount of any loan, which additional charge shall be for investigating the character of the individual applying for the loan, the security submitted, and all other costs in connection with the making of such loans, all which charges and discounts may be collected at the time the loan is made; provided, however, that on such loans which exceed 36 months in duration, the discount, without regard to the additional charges permitted hereunder, shall not exceed the equivalent of 18 percent per annum simple interest calculated on the assumption that the loan will be paid in accordance with its agreed terms, whether or not the loan may be paid or collected prior to stated maturity. No other charge of any kind or nature whatsoever, by whatsoever purpose or name designated, shall be made; provided, however, that when a loan is of such character as to necessitate the filing or recording of a legal instrument, an additional charge may be made for such filing or recording, providing such charge is actually paid to the proper public officials; also borrower may be required to pay abstract costs, reasonable attorney's fees, documentary stamp taxes, other taxes, premiums on insurance, and other similar charges, if the bank deems the same necessary for the protection and security of said loan.

(2) COLLECTION OF CHARGES.—The right to require payment of the ~~discount~~ and charges permitted in subsection (1) at the time the loan is made.

Section 9. Section 657.14, Florida Statutes, is amended to read:

657.14 Interest rates.—Interest rates on loans made by a credit union shall not exceed 1.5 ± percent a month on unpaid balances.

Section 10. Section 659.18, Florida Statutes, is amended to read:

659.18 Loans by banks where not in excess of \$50,000 \$15,000.—

(1) Any bank shall have power in addition to such other powers as it may have to make loans, *secured or unsecured*, to any person, firm or corporation in an amount not exceeding \$50,000 at a rate of interest not to exceed the equivalent of 18 percent per annum simple interest, \$15,000 and to deduct in advance from the proceeds of such loan interest or discount computed at a rate of not exceeding 6 percent per annum upon the total amount of the loan from the date thereof until the maturity of the final installment, notwithstanding that the principal amount of such loan is required to be repaid in installments, or notwithstanding the loan is secured by mortgage, pledge, or other collateral or secured by a deposit account opened by the maker or makers concurrently with the making of the loan and assigned as collateral security therefor, which deposit account may evidence deposits made, or require deposits substantially uniform in amount, to be made periodically, with or without interest, throughout the term for which the note evidencing such loans runs. If such loan be payable in periodic installments the interest or discount thereon for the entire term of the loan may be added to the principal and the aggregate amount divided into installments as nearly equal as may be done during the term of such loan.

(2) No further interest or discount charge, nor any other charge whatsoever, shall be made directly or indirectly on any such loan or discount of such note by such bank, or trust company or national bank in addition to the charges herein expressly provided for, except that there may be charged to the borrower:

(a) A penalty not exceeding 5 percent of the amount of any principal payment or payments in default; and

(b) The ~~premiums~~ premium on any credit life or disability group insurance policy on the life of the borrower, in an amount not to exceed the full amount of the loan, in case such bank or trust company or national bank insures the life of the borrower under a group insurance policy; and

(c) An additional charge not to exceed the lesser of \$50 or 2 percent of the principal amount of any loan, which additional charge shall be for investigating the character of the individual applying for the loan, the security submitted, and all other costs connected with making such loan; The actual cost of reasonable and necessary credit investigation or appraisal of the security offered as collateral, provided such cost shall not exceed 2 percent of the principal amount of the loan.

(d) Any premiums on insurance necessary for the protection and preservation of the collateral; and

(e) Any fees or taxes paid to public officials. Provided, however, that such banks may make a minimum interest or discount charge of \$10 \$3 on any single payment loan, or \$15 \$5 on any installment loan, notwithstanding such sum shall exceed the contract rate otherwise fixed by law.

Section 11. Section 659.181, Florida Statutes, is amended to read:

659.181 Bank loans; credit cards.—Any bank shall have the power to make loans or extensions of credit to any person, firm, or corporation, not exceeding \$10,000 \$5,000 for each such loan or extension of credit, on a credit card or overdraft financing arrangement and to charge interest of not more than 1.5 percent per month, simple interest, on the unpaid balance of any such loans or extensions of credit computed on a monthly cycle.

Section 12. Subsections (4) and (5) of section 665.381, Florida Statutes, 1978 Supplement, is amended to read:

665.381 Investment in loans.—Every savings association shall have power to invest in loans and other investments as follows:

(4) **IMPROVEMENT LOANS.**—Property improvement loans made pursuant to the provisions of any title of the National Housing Act, and, subject to any limitation as to maximum loan amount which may be prescribed by the department for all associations, other loans, secured or unsecured, to home owners and other property owners for the maintenance, repair, alteration, modernization, landscaping, improvement, including new construction, furnishing, or equipment of their properties, at an interest rate not exceeding 18 1/4 percent simple interest per annum. Such interest shall not be precomputed.

(5) **MOBILE HOME LOANS.**—Loans made for the purpose of mobile home financing, subject to any limitation as to maximum loan amount which may be prescribed by the department for all associations, at an interest rate not exceeding 18 1/4 percent simple interest per annum. Such interest shall not be precomputed. For the purposes of this subsection, "mobile home" shall mean a movable accommodation used or designed for use as living quarters.

Section 13. Section 687.02, Florida Statutes, is amended to read:

687.02 "Usurious contracts" defined.—All contracts, ~~other than of a corporation,~~ for the payment of interest upon any loan, advance of money, or forbearance to enforce the collection of any debt, or upon any contract whatever, at a higher rate of interest than ~~the equivalent of 18 1/4 percent per annum simple interest~~ are hereby declared usurious. However, if such loan, advance of money, forbearance to enforce the collection of any debt, or contract exceeds \$500,000 in amount or value, then no contract to pay interest thereon is usurious unless the rate of interest exceeds ~~the rate prescribed in s. 687.071 15 percent per annum. Any contract whereby a corporation undertakes to pay an interest rate higher than 15 percent per annum is hereby declared usurious.~~

Section 14. Subsection (1) of section 687.03, Florida Statutes, 1978 Supplement, is amended to read:

687.03 "Unlawful rates of interest" defined; proviso.—

(1) ~~Except as provided herein, it shall be usury and unlawful for any person, or for any agent, officer or other representative of any person, to reserve, charge or take for any loan, or for any advance of money, or for forbearance to enforce the collection of any sum of money, except upon an obligation of a corporation, a rate of interest greater than the equivalent of 18 1/4 percent per annum simple interest, either directly or indirectly, by way of commission for advances, discounts, exchange, or by any contract, contrivance or device whatever, whereby the debtor is required or obligated to pay a sum of money greater than the actual principal sum received, together with interest at the rate of the equivalent of 18 1/4 percent per annum simple interest. Such transactions with a corporation shall, whereby the corporation pays interest, be usury and unlawful if for a rate of interest greater than 15 percent per annum. However, if any loan, advance of money, forbearance to enforce the collection of any debt, or contract exceeds \$500,000 in amount or value, it shall not be usury or unlawful to reserve, charge, or take interest thereon unless the rate of interest exceeds the rate prescribed in s. 687.071 15 percent per annum. The provisions of this section shall not apply to sales of bonds in excess of \$100 and mortgages securing the same, or money loaned on bonds.~~

Section 15. Section 687.04, Florida Statutes, is amended to read:

687.04 Penalty for usury; not to apply in certain situations to transferee of negotiable paper unless usury appears on face.—Any person, or any agent, officer or other representative of any person, willfully violating the provisions of s. 687.03 shall forfeit the entire interest so charged, or contracted to be charged or reserved, and only the actual principal sum of such usurious contract can be enforced in any court in this state, either at law or in equity; and when said usurious interest is taken or reserved, or has been paid, then and in that event the person, who has taken or reserved, or has been paid, either directly or indirectly, such usurious interest, shall forfeit to the party from whom such usurious interest has been reserved, taken or exacted in any way, double the amount of interest so reserved, taken or exacted; provided, however, that the penalties provided in this section shall not apply:

(1) To a bona fide endorsee or transferee of negotiable paper purchased before maturity, unless the usurious character should appear upon its face, or that the said endorsee or transferee shall have had actual notice of the same before the purchase of such paper, but in such event double the amount of such usurious interest may be recovered after payment, by action against the party originally exacting the same, in any court of competent jurisdiction in this state, together with an attorney's fee, as provided in s. 687.06; or,

(2) If, prior to the institution of an action by the borrower, the filing of a defense under this chapter by the borrower, or receipt of written notice by the lender from the borrower that usury has been charged or collected, the lender notifies the borrower of the usurious overcharge and refunds the amount of any overcharge taken plus interest on the overcharge taken at the maximum lawful rate in effect at the time the usurious interest was taken to the borrower and makes whatever adjustments in the appropriate contract or account as are necessary to ensure that the borrower will not be required to pay further interest in excess of the amount permitted by s. 687.03.

Section 16. Section 687.11, Florida Statutes, is hereby repealed.

Section 17. Except for Section 15, this act shall apply only to loans or advances of credit made on or subsequent to the effective date of this act and shall not be construed as diminishing the force and effect of any laws applying to loans or advances of credit made prior to that date.

Section 18. This act shall take effect July 1, 1979.

Senator Steinberg moved the following amendment to Amendment 1 which failed:

Amendment 1A—On page 4, line 18, strike Section 7—starting on line 18 through line 33 and on page 5 line 1 to line 10

(Renumber additional sections.)

Senator Anderson moved the following amendment to Amendment 1 which was adopted:

Amendment 1B—On page 12, strike all of lines 5, 6, 7 and insert: *to the borrower the amount of any overcharge taken, plus interest on the overcharge taken at the maximum lawful rate chargeable to the borrower in effect at the time the usurious interest was taken and makes*

Amendment 1 as amended was adopted.

The Committee on Commerce offered the following amendment which was moved by Senator Anderson and adopted:

Amendment 2—On page 1, in title, lines 2-18, strike all of said lines and insert: An act relating to extensions of credit; amending ss. 516.02, 506.031(1), 516.18(1), 516.21, 520.34(5), 657.14, 659.18, 659.181, 687.02, 687.04, Florida Statutes, and ss. 520.08(1)(a), 656.17, 665.381(4), (5), 687.03(1), Florida Statutes, 1978 Supplement; increasing the maximum rate of interest on various loans; increasing the amount of money consumer finance companies may loan; increasing allowable finance charges on certain motor vehicles and retail installment contracts; authorizing banks to make certain loans not in excess of a specified amount; authorizing certain additional charges; authorizing banks to make overdraft and credit card loans up to a specified amount; providing penalties; providing an exemption; repealing s. 687.11, Florida Statutes, relating to rates of interest charged persons secondarily liable on corporate obligations; providing for certain sections to apply prospectively only; providing an effective date.

On motion by Senator Anderson, by two-thirds vote SB 1262 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—25

Mr. President	Gorman	McKnight	Thomas
Anderson	Grizzle	Myers	Tobiassen
Childers, D.	Hill	Peterson	Ware
Childers, W. D.	Holloway	Poole	Williamson
Dunn	Jenne	Scott	
Fechtler	Johnston	Spicola	
Frank	Maxwell	Stuart	

Nays—12

Barron	Hair	McClain	Steinberg
Carlucci	Henderson	Scarborough	Vogt
Chamberlin	MacKay	Skinner	Winn

Votes after roll call:

Yea—Neal, Trask

Yea to Nay—Frank, Spicola

HB 1496—A bill to be entitled An act relating to interest and usury; amending ss. 687.04 and 687.11(1), Florida Statutes, to provide that penalties for usury shall not apply in certain situations; providing that conflicting laws are superseded; providing an effective date.

—was read the second time by title.

The Committee on Commerce offered the following amendments which were moved by Senator W. D. Childers and adopted:

Amendment 1—On page 2, strike all of lines 13 and 14 and insert: *The amount of any overcharge taken, plus interest on the overcharge taken at the maximum lawful rate in effect at the time the usurious interest was taken, to the*

Amendment 2—On page 3, lines 8 and 10, insert after “any overcharge,” on line 8, and “overcharge” on line 10: *taken*

Amendment 3—On page 3, line 18, strike “October 1, 1979” and insert: upon becoming a law

On motion by Senator W. D. Childers, by two-thirds vote HB 1496 as amended was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—37

Mr. President	Gorman	McClain	Steinberg
Anderson	Grizzle	McKnight	Stuart
Barron	Hair	Myers	Thomas
Carlucci	Henderson	Neal	Vogt
Chamberlin	Hill	Peterson	Ware
Childers, W. D.	Holloway	Poole	Williamson
Dunn	Jenne	Scarborough	Winn
Fecht	Johnston	Scott	
Frank	MacKay	Skinner	
Gordon	Maxwell	Spicola	

Nays—None

Senator Holloway introduced to the Senate, the Most Worshipful William Christian, Past Grand Master; Rite Worshipful H. B. Jackson, District Deputy; and the Most Worshipful Franklin C. Smith, Grand Master of the Masons of the State of Florida, and his wife, Virginia. The President invited the Grand Master to the rostrum where he addressed the Senate.

On motion by Senator Johnston, the rules were waived and the Senate immediately reconsidered the vote by which—

HB 1046—A bill to be entitled An act relating to financial matters pertaining to political subdivisions; adding subsections (9), (10), (11) and (12) to s. 218.31, Florida Statutes, and amending s. 218.32(1) and (2), Florida Statutes, and adding subsection (5) thereto; providing requirements with regard to financial reports by local governments; providing for submission of a verified report by the Department of Banking and Finance, and providing requirements with respect thereto; providing for filing of notice of sale or official statement with the department; creating part V of chapter 218, Florida Statutes; creating the Local Government Financial Emergencies Act; providing conditions under which a local government financial emergency is declared; providing for the authority of the Governor to resolve the financial emergency; providing for termination of state action; adding a new paragraph (c) to s. 11.45(3), Florida Statutes; providing for audits of local governments by the Auditor General under certain conditions; providing for state advisory assistance regarding bond issuance to local governments by the Department of Community Affairs; providing for a study of financial emergency indicators by the Florida

Advisory Council on Intergovernmental Relations; adding subsection (5) to s. 166.241, Florida Statutes; providing for review of municipal retirement systems by the Auditor General; providing an effective date.

—as amended passed May 16.

On motions by Senator Johnston, the Senate reconsidered the vote by which Senate Amendment 1 to House Amendment 1 and Senate Amendment 2 to House Amendment 2 were adopted.

By permission, Senator Johnston withdrew Amendments 1 and 2.

Senator Johnston moved the following amendments which were adopted:

Amendment 2 to House Amendment 1—On page 1 of the House Amendment, after “Section 1.” strike the remainder of amendment and insert: This act may be known and cited as the “Local Government Financial Emergency and Accountability Act.”

Section 2. Paragraph (a) of subsection (3) of section 11.45, Florida Statutes, is amended, and paragraph (d) is added to said subsection, to read:

11.45 Definitions; duties; audits; reports.—

(3)(a) 1. The Auditor General shall ~~have the power and duty~~ annually to make postaudits and performance audits of the accounts and records of all state agencies, as defined in this section, and to make postaudits of the accounts and records of all district school boards, and district boards of trustees of community colleges, and county agencies as defined in this section.

2. ~~The Auditor General may at any time, and shall have the power to~~ make postaudits and performance audits of the accounts and records of all governmental entities created pursuant to law ~~other authorities, boards, branches, bureaus, commissions, consolidated governments, departments, institutions, metropolitan governments, offices, and officers of counties and districts.~~ The postaudits and performance audits referred to in this subparagraph above shall be made whenever determined by the Auditor General, whenever directed by the Legislative Auditing Committee, or whenever otherwise required by law or concurrent resolution. ~~All agencies, other than state agencies as defined in this section, district school boards, and district boards of trustees of community colleges shall have the power to have a performance audit or postaudit of their accounts and records by an independent certified public accountant retained by them and paid from their public funds. The authorities, boards, branches, bureaus, commissions, consolidated governments, departments, institutions, metropolitan governments, offices and officers of counties and districts other than district school boards, district boards of trustees of community colleges, and those county agencies as defined in this section shall have the power and duty to~~

3. ~~Each local governmental entity created pursuant to law for which entity a postaudit was not performed pursuant to subparagraph 1. or subparagraph 2., except municipalities with annual budgets of less than \$100,000, shall require that an annual postaudit of its their accounts and records be completed shall, within 6 months after the end of its their respective fiscal year, be completed by an independent certified public accountant retained by it them and paid from its their public funds, except when prior notification by the Auditor General or the Legislative Auditing Committee indicates that the Auditor General shall conduct the audit.~~

4. ~~Any postaudit required to be performed under subparagraph 3. shall be submitted to the Auditor General no later than 7 months after the end of the fiscal year of the governmental entity. If the Auditor General does not receive the postaudit within such period, he shall notify the Legislative Auditing Committee that such governmental entity has not complied with this subparagraph. Following notification of failure to submit the required audits the Legislative Auditing Committee may notify the Department of Revenue and the Department of Banking and Finance that the local unit of government has failed to comply. Upon notification the department shall withhold any funds payable to such governmental entity until the required postaudit is received by the Auditor General. If the Auditor General does not receive the postaudit~~

within such period, and if the governmental entity is not a county and if no funds are available for the state to withhold from such governmental entity, the Legislative Auditing Committee shall prepare a local bill to dissolve the governmental entity, making provision for the disposition of its assets and the protection of its creditors, publish in the manner prescribed by general law notice of intention to seek enactment of such bill, and deliver such bill to the President of the Senate and Speaker of the House of Representatives for introduction.

5. The Auditor General in consultation with the Board of Accountancy, shall review all audits completed for local units of government by an independent certified public accountant.

(d) The Auditor General shall at least every 2 years make a performance audit of the local government financial reporting system required by ss. 11.45(3), 23.0115, 165.091, part VII of chapter 112, part III of chapter 218, and section 10 of this act. The performance audit shall analyze each component of the reporting system separately and analyze the reporting system as a whole. The purpose of such audits is to determine the efficiency and effectiveness of the reporting system in monitoring and evaluating the financial conditions of local governments and to make recommendations to the local governments, the Governor, and the Legislature as to how the reporting system can be improved and how program costs can be reduced.

Section 3. Section 112.63, Florida Statutes, 1978 Supplement, is amended to read:

112.63 Actuarial reviews.—

(1) Each retirement system or plan coming under the provisions of this part shall have regularly scheduled actuarial reviews made by an enrolled actuary who is a member of the Society of Actuaries or of the American Academy of Actuaries.

(2) The frequency of such actuarial reviews shall be at least every 3 years, and an actuarial opinion or statement shall be required in conjunction with, and prior to, the adoption of any increased benefits to be provided under the retirement plan or system.

(3) The actuarial review shall contain, but not be limited to, the following information and such other information as the retirement system or plan deems pertinent or which the Department of Administration may require:

(a) Adequacy of employer and employee contribution rates in meeting levels of employee benefits provided in the system or plan, and changes, if any, needed in such rates to achieve or preserve a level of funding deemed adequate under actuarial standards to amortize the unfunded liability pursuant to s. 112.64(2);

(b) Valuation of present and prospective assets and liabilities of the system or plan, and the extent of unfunded accrued liabilities; and

(c) Actions, if any, required to amortize the unfunded liability pursuant to s. 112.64(2).

(4) Beginning July 1, 1980, each retirement system or plan of a unit of local government shall maintain, in accurate and accessible form, the following information:

(a) For each active and inactive member of the system, a number or other means of identification, date of birth, sex, date of employment, period of credited service, split, if required, between prior service and current service, and occupational classification;

(b) For each active member, current pay rate, cumulative contributions together with accumulated interest, if credited, age at entry into system, and current rate of contribution;

(c) For each inactive member, average final compensation or equivalent, and age at which deferred benefit is to begin;

(d) For each retired member and other beneficiary, a number or other means of identification, date of birth, sex, beginning date of benefit, type of retirement, type and amount of monthly benefit, and type of survivor benefit; and

(e) Such additional information as may be required by the division.

(5) No unit of local government shall agree to a proposed change in retirement benefits unless the administrator of the system, prior to adoption of the change by the governing body, and prior to the last public hearing thereon, has issued a statement of the actuarial impact of the proposed change upon the local retirement system, consistent with the actuarial review, and has furnished a copy of such statement to the division. Such statement shall also indicate whether the proposed changes are in compliance with s. 14, Art. X of the State Constitution and with this part.

(6) The results of each actuarial review shall be certified by the actuary making the actuarial review and shall be filed within 60 days thereof with the administrator of the retirement system or plan. Thereafter, the results of such actuarial review shall be made available for inspection to the members of the particular retirement system or plan upon request. Additionally, each retirement system or plan covered by this part which is not administered directly by the Department of Administration through the Division of Retirement shall furnish a copy of each actuarial review to the Division of Retirement within 60 days of receipt from the actuary.

(7) Upon receipt, pursuant to subsection (6), of an actuarial review, or upon receipt, pursuant to subsection (5), of a statement of actuarial impact, the division shall review and comment on the actuarial valuations and statements. If the division finds that the actuarial valuation is not complete, accurate or based on reasonable assumptions, or if the division does not receive the actuarial review or statement of actuarial impact, the division shall notify the local government and request appropriate adjustment. If after a reasonable period of time, a satisfactory adjustment is not made, the division shall perform an actuarial review or prepare the statement of actuarial impact. Before the division performs an actuarial valuation or statement, the affected local government may petition for a hearing under the provisions of s. 120.57. The cost to the division of performing such actuarial review or preparing such statement shall be charged to the governmental entity of which the employees are covered by the retirement system or plan. If payment of such costs is not received by the division within 60 days after receipt by the governmental entity of the request for payment, the division shall certify to the Comptroller the amount due, and the Comptroller shall pay such amount to the division from any funds payable to the governmental entity of which the employees are covered by the retirement system or plan.

Section 4. Section 112.665, Florida Statutes, is created to read:

112.665 Duties of Division of Retirement.—

(1) The Division of Retirement of the Department of Administration shall:

(a) Gather, catalog, and maintain complete, computerized data information on all public employee retirement systems or plans in the state, based upon a review of audits, reports, and other data pertaining to the systems or plans;

(b) Receive and comment upon all actuarial reviews of retirement systems or plans maintained by units of local government;

(c) Cooperate with local retirement systems or plans on matters of mutual concern and provide technical assistance to units of local government in the assessment and revision of retirement systems or plans;

(d) Issue an annual report to the Legislature and to the Governor detailing its activities, findings, and recommendations concerning all governmental retirement systems, which report shall be made public and may include legislation proposed to carry out such recommendations; and

(e) Adopt reasonable rules to administer the provisions of this part.

(2) The division may subpoena actuarial witnesses, review books and records, hold hearings, and take testimony. A witness shall have the right to be accompanied by counsel.

Section 5. Section 165.091, Florida Statutes, is amended to read:

165.091 Department of Community Affairs; general powers and duties.—

(1) The department shall:

(a) Conduct studies of county, municipal, and special district formation and boundary reorganization problems throughout the state.

(b) Conduct studies relating to the need for, and the feasibility of, formation and service delivery adjustments that will strengthen the capability of local governments to provide and maintain essential public services in a fiscally equitable manner.

(c) Conduct studies relating to the fiscal conditions of units of local government. Prior to consideration of any special law to incorporate, merge, or dissolve a municipality, determine that the conditions herein or otherwise prescribed by law have been met. No such special law shall be enacted unless a statement by the department is attached to the original copy of the bill stating whether all of the conditions herein or otherwise prescribed have been met.

(d) Submit each year a written report to the governor and legislature summarizing the studies conducted, their findings and recommendations, and any findings in respect to federal state-county-municipal special district relationships or problems and providing any additional information required under this chapter or pertinent thereto.

(2) Factors to be studied may include demographic and land area characteristics; per capita assessed valuation; per capita tax burden in relation to per capita personal income; need for organized municipal services; topographic features; cost and adequacy of governmental services and controls; future needs for such services and controls; and the probable effect of alternative courses of action on the tax incidence, service quality, local governmental structure, growth, environmental development, and other aspects of the community.

(2)(3) On or before July 1 March 1 of each year, the department, based on information provided by the Comptroller and the Departments of Administration and Revenue, and specifically noting any additional information developed through other means, shall develop and publish a general census of local government and report with respect to each county, municipality, and special district in the state. Information in the general census of local government shall be developed from any information maintained by any state agency and shall be consistent with standards developed by the United States Bureau of the Census and with s. 23,0115. Information in the census shall be summarized and organized to facilitate easy comparisons of major financial, economic, and demographic information for similar units of local government.

(a) Total population, as indicated by the last preceding federal census or other official state population estimate authorized by state law.

(b) Total equalized assessed valuation of taxable property, as indicated by the most recent official state sources of such data.

(c) Total revenues received by each unit of local government during its most recent fiscal year for which data are available, from:

1. State aid, which for this purpose shall comprise any moneys authorized or appropriated by the legislature and allocated for support of any unit of local government, excluding any moneys paid to any such unit in fulfillment of a specific contractual obligation between it and the state.

2. All local general revenue sources of each such unit, which for this purpose shall comprise all receipts, exclusive of amounts from borrowing, state aid, federal government grants-in-aid, federal revenue sharing or block grants, and any charges and earnings derived from and used in the operation of water supply, electric power, gas supply, transit system, or other proprietary activities.

3. All federal general aid and federal or state grants-in-aid or block grants received.

(d) Such other census items as may be necessary.

Section 6. Subsections (1) and (2) of section 218.32, Florida Statutes, are amended to read:

218.32 Financial reporting; units of local government.—

(1)(a) Each unit of local government, within 90 days after the close of its fiscal year, shall complete a balance sheet and statement of operations, as of the close of its fiscal year, prepared in compliance with generally accepted government accounting principles and showing all assets, liabilities, equities, income, and expenditures of the unit of local government.

(b) Each ~~Every~~ unit of local government shall submit a copy of a financial report covering its ~~their~~ operations during the preceding fiscal year within 180 ~~90~~ days after the close of the fiscal year. The financial report ~~reports~~ shall be consistent with the standards established by the United States Bureau of the Census and shall contain such information and be in such form as may be required by the department to adequately assess the financial conditions of the unit of local government. The information in the financial report submitted to the department shall be completed by a certified public accountant retained by the unit of local government and paid from its public funds. The certified public accountant shall certify that the report has been completed in accordance with instructions provided by the department and is produced from the audited financial statements required by s. 11.45(3).

(c) If the department fails to receive the financial report within such period, it shall notify the Legislative Auditing Committee of such failure to report. Following receipt of notification of failure to report the Legislative Auditing Committee may notify the Department of Revenue and the Department of Banking and Finance that such unit of local government has not complied with paragraph (b). Upon notification the departments shall withhold any funds payable to such unit of local government until the required financial report is received by the Department of Banking and Finance. If the Department of Banking and Finance fails to receive the financial report within such period, and if the unit of local government is not a county and if no funds are available for the state to withhold from such unit of local government, the department shall report such failure to the Legislative Auditing Committee. Upon receipt of the report of such failure, the Legislative Auditing Committee shall prepare a local bill to dissolve the unit of local government, making provision for the disposition of its assets and the protection of its creditors, publish in the manner prescribed by general law notice of intention to seek enactment of such bill, and deliver such bill to the President of the Senate and Speaker of the House of Representatives for introduction.

(2) The department shall annually file a report, by May 1 March 1, with the Governor and Legislature showing, in detail, the numbers and types of units of local government, the revenues, both locally derived ~~revenues~~ and derived from intergovernmental transfers, and expenditures of such units, retirement information on all local retirement systems as provided by the Division of Retirement of the Department of Administration, bonded indebtedness of all units of local government as provided by the Division of Bond Finance of the Department of General Services, and any additional items of data or analyses thereof as developed by the department.

Section 7. Section 218.37, Florida Statutes, is created to read:

218.37 Duties of Division of Bond Finance.—

(1) The Division of Bond Finance of the Department of General Services, with respect to both general obligation bonds and revenue bonds, shall:

(a) Provide information, upon request of a unit of local government, on the preliminary planning of a new bond issue;

(b) Collect, maintain, and make available information on outstanding bonds of local units of government;

(c) Serve as a clearinghouse for information on all local bond issues;

(d) Undertake or commission studies on methods to reduce the costs of state and local bond issues;

(e) Recommend changes in law and in local practices to improve the sale and servicing of local bonds;

(f) Issue a regular newsletter to issuers, underwriters, investors, and the public, describing proposed new bond issues, new bond sales, refundings, and other pertinent information relating to local and state bonds; the division may charge fees for subscriptions to the newsletter;

(g) Issue an annual report to the Legislature describing the operations of the division relating to this section and s. 218.38; and

(h) Provide the Department of Banking and Finance with current available information on all outstanding bond issues and new bond issues of units of local government.

(2) The Division of Bond Finance of the Department of General Services may adopt rules to implement the provisions of this section and s. 218.38.

(3) The governing board of the Division of Bond Finance shall appoint an Advisory Council to consult and assist the division with the implementation of this section; said council shall consist of the following:

(a) Two representatives of the municipal investment banking industry;

(b) Two representatives of local units of government; and

(c) Two representatives from the general public.

(d) A member of the council is not entitled to a salary for duties performed as a member of the council, except that the members, other than public officers, shall receive the per diem authorized for legislators, and each member is entitled to reimbursement for travel and other necessary expenses incurred in the performance of official duties.

Section 8. Section 218.38, Florida Statutes, is created to read:

218.38 Notice of bond issues required; verification.—

(1) Each unit of local government authorized by law to issue general obligation bonds or revenue bonds shall furnish the Division of Bond Finance of the Department of General Services a complete description of all outstanding and new bond issues, and shall also give prior notice of all proposed new bond issues in such form and at such times as the division specifies. Failure to submit prior notice of a proposed new bond issue shall not affect the validity of the bond issue.

(2) Each unit of local government authorized by law to issue general obligation bonds or revenue bonds shall, on dates established by the Division of Bond Finance of the Department of General Services, verify the information held by the division relating to the bonded obligations of the unit of local government.

(3) If a unit of local government fails to verify pursuant to subsection (2) the information held by the division, or fails to provide a complete description of all outstanding and new bond issues pursuant to subsection (1), the division shall notify the Legislative Auditing Committee of such failure to comply. Following receipt of such notification of failure to comply with these provisions the Legislative Auditing Committee may notify the Department of Revenue and the Department of Banking and Finance that such unit of local government has not complied with this section. Upon notification the departments shall withhold any funds payable to such unit of local government until such verification is received by the division. If a unit of local government fails to furnish such verification or fails to issue a description of its bonds, and if the unit of local government is not a county and no funds are available for the state to withhold from such unit of local government, the division shall report such failure to the Legislative Auditing Committee. Upon receipt of such report, the Legislative Auditing Committee shall prepare a local bill to dissolve the unit of local government, making provision for the disposition of its assets and the protection of its creditors, publish in the manner prescribed by general law notice of intention to seek enactment of such bill, and deliver such bill to the President of the Senate and the Speaker of the House of Representatives for introduction.

Section 9. Part V of chapter 218, Florida Statutes, consisting of sections 218.50, 218.501, 218.502, 218.503, 218.504, and 218.505, is created to read:

PART V

LOCAL GOVERNMENT FINANCIAL EMERGENCIES ACT

218.50 Short title.—This part shall be known as the "Local Government Financial Emergencies Act."

218.501 Purpose.—The purpose of this act is:

(1) To preserve and protect the fiscal solvency of units of local government.

(2) To assist local governmental units in providing their essential services without interruption, and in meeting their financial obligations.

(3) To assist units of local government through the improvement of local financial management procedures.

218.502 Definition.—As used in this part, except where the context clearly indicates a different meaning, "unit of local government" means a county, municipality, or special district.

218.503 Determination of financial emergency.—

(1) A unit of local government shall be in a state of financial emergency when any of the following conditions occur:

(a) Failure within the same fiscal year in which due to pay short-term loans from banks, or failure to make bond debt service payments when due.

(b) Failure to transfer at the appropriate time, due to lack of funds:

1. Taxes withheld on the income of employees; or

2. Employer and employee contributions for:

a. Federal Social Security; or

b. Any pension, retirement, or benefit plan of an employee.

(c) Failure for one pay period to pay, due to lack of funds:

1. Wages and salaries owed to employees; or

2. Retirement benefits owed to former employees.

(d) Budget deficits in two consecutive fiscal years.

(e) Material deviations from established accounting and auditing standards.

(f) Serious actuarial problems with a pension fund.

(g) Likelihood that the financial problems of a governmental body will adversely affect other local governments or the state.

(2) Upon determination by the Governor or the Legislative Auditing Committee that one or more of the above conditions has occurred, or will occur if action is not taken to assist the unit of local government, the Governor may implement measures to resolve the financial emergency. Such measures may include, but shall not be limited to:

(a) Requiring approval of the local unit's budget by the Governor.

(b) Authorizing a state loan to the unit of local government and providing for repayment of same.

(c) Prohibiting a unit of local government from issuing bonds, notes, certificates of indebtedness, or any other form of debt until such time as it is no longer subject to this section.

(d) Making inspections and reviews of records, information, reports, and assets of the unit of local government, in which inspections and reviews the appropriate local officials shall cooperate.

(e) Establishing a financial emergencies board to oversee the activities of the local government. The board, if established, shall be appointed by the Governor. The Governor shall select a chairman and such other officers as are necessary. The board shall adopt such rules as are necessary for conducting board business. The board shall have:

1. Authority to make such reviews of records, reports, and assets of the local government as needed.

2. Authority to consult with the officials of the unit of local government and appropriate state officials regarding any necessary steps to bring the books of account, accounting systems, financial procedures, and reports of the local government into compliance with state requirements.

3. Authority to review the operations, management, efficiency, productivity, and financing of functions and operations of the unit of local government.

The recommendations and reports made by the board shall be submitted to the Governor for appropriate action.

(f) Requiring and approving a plan, to be prepared by the Financial Emergency Board in conjunction with the unit of local government, prescribing actions that will cause the local unit to no longer be subject to this section. Such plan shall include, but not be limited to:

1. Providing for payment in full of all payments due or to come due on debt obligations, pension payments, all payments and charges imposed or mandated by federal or state law, and for all judgments and past due accounts, as priority items of expenditures.

2. A basis of priority budgeting or zero based budgeting, resulting in the elimination of the lowest priority items which are not affordable.

3. A prohibition on a level of operations which can be sustained only with nonrecurring revenues.

(g) During the financial emergency period, the local governmental unit may not seek application of laws under the bankruptcy provisions of the United States Constitution except upon the prior approval of the Governor.

218.504 Cessation of state action.—The Governor shall have the authority to terminate all state actions pursuant to this part. Cessation of state action shall not occur until the Governor has determined that the unit of local government:

(1) Has established and is operating an effective financial accounting and reporting system.

(2) Has corrected or eliminated the fiscal emergency conditions outlined in s. 218.503.

(3) No new fiscal emergency conditions exist.

218.505 Authorization for study of fiscal indicators.—The Florida Advisory Council on Intergovernmental Relations shall study specific indicators which may predict potential financial emergencies. Indicators to be studied may include but shall not be limited to:

(1) Per capita debt;

(2) Ratio of debt to per capita income;

(3) Property tax collection rate;

(4) Ratio of debt to property valuation;

(5) Ratio of debt to revenues/expenditures;

(6) Ratio of debt service to revenue;

(7) Trend analysis of:

(a) Population and income; and

(b) Property valuations.

(8) Ratio of pension costs to total personnel costs.

The council shall file a report of its findings and recommendations with the Governor and Legislature by March 1, 1980.

Section 10. Part II of chapter 165, Florida Statutes, consisting of section 165.201, 165.202, 165.203, 165.210, 165.211, 165.213, and 165.215, Florida Statutes, is created to read:

PART II

SPECIAL DISTRICTS

165.201 Short title.—This part shall be known and may be cited as the "Special Districts Disclosure Act of 1979."

165.202. Legislative findings and intent.—

(1) The Legislature finds that special districts serve a necessary and useful function by providing services to residents and property in the state. The Legislature finds further that special districts operate to serve a public purpose and that this public trust is best secured by certain minimum standards of accountability designed to inform the public and appropriate general purpose local governments of their status and activities. It is

the intent of the Legislature that this public trust be secured by requiring each independent special district in the state to register and report its financial and other activities. The Legislature further finds that failure of an independent special district to comply with the minimum disclosure requirements set forth in this act shall constitute district inactivity and shall result in vacancies occurring in the office or offices of such independent special district board.

(2) Realizing that special districts are created to serve special purposes, it is the legislative intent of this act that special districts cooperate and coordinate their activities with the units of general purpose local government in which they are located. The reporting requirements set forth in this act shall be the minimum level of cooperation necessary to provide services to the citizens of Florida in an efficient and equitable fashion. It is not the intent of this act to confer budgetary powers upon boards of county commissioners for those independent special districts which file budgets with the clerk of the board of county commissioners.

165.203 Definitions.—As used in this part, except where the context clearly indicates a different meaning, the following words or terms shall have the following meanings:

(1) "Special district" means a local unit of special purpose government, except district school boards, community college districts, water management districts created under chapter 373, and regional planning districts, created pursuant to special law or under the provisions of general law for the purpose of performing prescribed specialized functions, including urban service functions, within limited boundaries.

(2) "Unit of local general purpose government" means a county or municipality established by general or special law.

(3) "Local governing body" means the governing body of a unit of local general purpose government.

(4) "Independent special district" means a special district whose governing head is an independent body, either appointed or elected, and whose budget is established independently of the local governing body, except a special district whose bonds and the interest thereon do not constitute an indebtedness, or create a lien on the property of the special district, the State of Florida or any of its counties or municipalities, and with regard to which no holder of bonds shall have the right to require or compel the exercise of the ad valorem taxing power of said special district, state, county or municipality.

165.210 Designation of registered office and agent.—

(1) Prior to October 1, 1979, or no later than 1 year subsequent to its creation, each independent special district in the state shall designate a registered office and a registered agent and file same with the clerk of the local governing body or bodies in which it is located. The registered agent shall be an agent of the district upon whom any process, note, or demand required or permitted by law to be served upon the district may be served. A registered agent shall be an individual resident of this state whose business address is identical with the registered office of the district. The registered office may be, but need not be, the same as the place of business of the special district.

(2) The district may change its registered office or change its registered agent, or both, upon filing such information with the clerk of the local governing body or bodies in which it is located.

165.211. Meetings; notice; required reports.—

(1) The governing body of each independent special district shall file annually a schedule of its regular meetings with the clerk of the local governing body or bodies in which it is located. Said schedule shall include the date, time, and location of each scheduled meeting. The governing body of each independent special district shall advertise the day, time, place, and purpose of its special meetings, at least 7 days prior to such meetings, in a newspaper of general paid circulation in the county or counties in which the special district is located, unless a bona fide emergency can be held as necessary, with reasonable notice, so long as it is subsequently ratified by the board. The advertisement shall be placed in that portion of the newspaper where legal notices and classified advertisements appear. It is the legislative intent that, whenever possible, the advertisement shall appear in a newspaper that is published at least 5 days a week, unless the only newspaper published in the county is published fewer than 5

days a week. It is further the legislative intent that the newspaper selected shall be one of general interest and readership in the community, and not one of limited subject matter, pursuant to chapter 50.

(2) All meetings of the governing body of the special district shall be open to the public and governed by the provisions of chapter 286.

(3) Meetings of the governing body of the special district shall be held in a public building where available within the district, in a county courthouse of a county in which the district is located, or a building accessible to the public.

(4) Prior to October 1, 1979, or no later than 1 year subsequent to its creation, each independent special district shall file a copy of the document authorizing its creation, by whatever method the creation occurred, a list of any improvements necessary to accomplish district purposes, a proposed schedule of completion of any improvements, and if applicable, a plan of termination, with the clerk of the local governing body or bodies in which it is located. Any amendments, modifications or updates required shall be filed within 30 days of their adoption by the district board in the same manner as the originals.

(5) The local governing body may, in its discretion, review and approve the budget and tax levy of any special district located solely within its boundaries. If the local governing body chooses not to exercise that authority, the budget of each special district shall be filed as a public record with the clerk of the board of county commissioners.

(6) Each independent special district shall file with the clerk of the local governing body in which it is located a copy of the local government financial reports required by ss. 218.32 and 218.34, or their successors.

(7) Each independent special district shall make provisions for an annual independent postaudit of its financial records, and said audit shall be filed with the clerk of the local governing body in which the district is located.

165.213 Effect of failure to file certain reports.—

(1) If an independent special district fails to file the reports required under s. 165.210, s. 165.211, s. 218.32, or s. 218.34 with the clerk of the local governing body, the clerk shall notify the registered agent. The local governing body may, at any time, grant an extension of time for filing the required reports.

(2) Within 30 days after delivery of the notice provided by subsection (1), the board may file a petition for hearing pursuant to s. 120.57, on the questions of financial disclosure and inactivity by the district. The final hearing shall be held within 30 days after the date of filing the petition.

(3) Notice of the hearing shall be served on the district's registered agent and published at least once a week for 2 successive weeks prior to the hearing in a newspaper of general circulation in the area affected. The notice shall state the time, place, and nature of the hearing and that all interested parties may appear and be heard.

165.215 Failure of district to disclose financial reports.—

(1) If, at the hearing, it is determined that the district board has made a good faith effort to file the required reports, the local governing body shall grant a reasonable extension for filing the required reports of not less than 30 days before proceeding further.

(2) If a final determination is made that the district has not filed the required documents, reports, and information, and that no good faith effort to do so has been made, the local governing body may, by resolution, determine that the failure to file the required reports constitutes district inactivity and that such inactivity renders the district board offices vacant. Such resolution shall be forwarded to:

(a) The Department of Banking and Finance, the Department of Community Affairs and the Secretary of State; and

(b) The Governor with a recommendation to appoint successor board members pursuant to s. 114.04.

(3) The proceedings and hearings required by part II shall be conducted by a hearing officer assigned by the Division of

Administrative Hearings and shall be governed by the provisions of chapter 120.

(4) Compliance with the provisions of part II shall be determined in accordance with standards and guidelines contained in regulations to be promulgated by the Department of Banking and Finance for that purpose.

Section 2. The provisions of part II of chapter 165, Florida Statutes, shall be in addition to the provisions of part I of said chapter.

Section 3. Subsection (2) of section 114.01, Florida Statutes, is renumbered subsection (3) and a new subsection (2) is added to said section to read:

(2) *In addition to the cases contained in subsection (1), in the case of an independent special district defined in s. 218.31 and s. 165.203, a vacancy or vacancies shall be deemed to have occurred in the office or offices of such district board upon the failure of such district officers or board members to file the required documents, reports and information pursuant to s. 165.215.*

Section 4. Subsection (3) of section 218.32, Florida Statutes, is amended to read:

218.32 Financial reporting; units of local government.—

(3)(a) Failure by any unit of local government to file timely a copy of a financial statement shall, in addition to any other penalties provided by law, authorize the department to employ personnel or send departmental personnel to such unit of local government in order to complete and file such financial statements. The expenses related to the completion and filing of such financial statement shall be charged to the unit of local government. Upon failure by the unit to pay such charge within 15 days of billing, the department shall so certify to the Comptroller who shall forward the amount so certified to the department from any funds due to the unit of local government under any revenue sharing or tax sharing fund established by state, except as otherwise provided by the State Constitution. The department shall include in its annual report a statement of all units failing to file a report and of those units for which the department provided a report pursuant to this subsection.

(b) *In addition to any other penalties provided by law, the failure of the members of the governing body of an independent special district to file or to make a good faith effort to file the reports and financial statements required by the department under this section within 30 days after written notice by the department shall constitute a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.*

Section 5. Subsection (3) is added to section 75.05, Florida Statutes, to read:

75.05 Order and service.—

(3) *In the case of independent special districts as defined in s. 218.31(7), a copy of the complaint shall be served on the Department of Banking and Finance of the Office of the Comptroller.*

Section 6. Every special district governed by the provisions of this act shall comply with the provisions of section 274.05, Florida Statutes.

Section 7. This act shall take effect July 1, 1979.

Amendment 2 to House Amendment 2—On page 2, line 30, strike "creating part II of chapter 165, Florida Statutes; providing a short title; providing legislative intent; providing definitions; providing that special districts shall designate a registered agent and office; providing for meetings; requiring certain reports; providing for approval of special districts created after July 1, 1979; providing for dissolution proceedings upon failure to report; providing for review; providing for disposition of the assets, liabilities, responsibilities, and records of a dissolved district; providing for repeal or modification of certain special acts; providing for the status of a tax levy; providing for continuation of access; adding subsection (3) to section 75.05, Florida Statutes; providing for a copy of the complaint in bond validation proceedings shall be served on the Department of Banking and Finance; removing exclusivity of the proceedings set forth in part I of chapter 165, Florida Statutes; pro-

viding for compliance with s. 274.05, Florida Statutes; providing an effective date."

and after the words "review of municipal retirement systems by the Auditor General", insert: creating part II of chapter 165, Florida Statutes; providing a short title; providing legislative intent; providing definitions; providing that special districts shall designate a registered agent and office; providing for meetings; requiring certain reports; providing for review; providing for resolutions to the Department of Banking and Finance, the Department of Community Affairs and the Secretary of State; providing for recommendations to the Governor; providing for administrative hearings; providing regulatory authority by the Department of Banking and Finance; removing exclusivity of the proceedings set forth in part I of chapter 165, Florida Statutes; renumbering s. 114.01(2), Florida Statutes, and adding a new subsection (2) to said section; amending s. 218.32(3), Florida Statutes; providing that failure to file a financial statement shall be a misdemeanor of the second degree; adding s. 75.05(3), Florida Statutes; requiring compliance with the provisions of s. 274.05, Florida Statutes; providing an effective date.

On motions by Senator Johnston, the Senate concurred in the House amendments as amended and the House was requested to concur in the Senate amendments to the House amendments.

HB 1046 passed as amended and the action of the Senate was certified to the House. The vote on passage was:

Yeas—31

Mr. President	Gorman	McClain	Spicola
Anderson	Grizzle	McKnight	Steinberg
Barron	Hair	Myers	Stuart
Chamberlin	Henderson	Neal	Trask
Childers, W. D.	Hill	Peterson	Vogt
Fechtcl	Jenne	Poole	Williamson
Frank	Johnston	Scarborough	Winn
Gordon	Maxwell	Scott	

Nays—1

Skinner

SB 1044—A bill to be entitled An act relating to state funds; adding s. 18.11(1)(j), Florida Statutes; allowing the State Treasurer to accept notes secured by first mortgages as security for state funds deposited in banks; amending s. 215.47(2), Florida Statutes; increasing the percentage of each trust fund or agency fund of each state agency which may be invested by the Board of Administration in specified securities; deleting provision limiting the kinds of mortgages acceptable as authorized securities; providing an effective date.

—was read the second time by title.

The Committee on Commerce offered the following amendments which were moved by Senator MacKay and adopted:

Amendment 1—On page 1, line 15, strike everything after the enacting clause and insert: Section 1. Paragraphs (j) and (k) are added to subsection (1) of section 18.11, Florida Statutes, to read:

18.11 Security to be given.—

(1) The security to be given by such banks as may be designated under sections 18.10 and 18.101 shall consist of:

(j) securities of the Federal Home Loan Mortgage Corporation in an amount at least 15% in excess of the amount to be secured by collateral.

(k) securities of the Government National Mortgage Association in an amount at least 15% in excess of the amount to be secured by collateral.

Section 2. Subsections (1) and (2) of section 215.47, Florida Statutes, are amended to read:

215.47 Investments; authorized securities.—Subject to the limitations and conditions of the State Constitution or of the trust agreement relating to a trust fund, moneys available for investments under ss. 215.44-215.53, may be invested as follows:

(1) Without limitation in:

(i) Obligations of the Federal Farm Credit Banks and obligations of the Federal Home Loan Bank and its district banks.

(j) Obligations of the Federal Home Loan Mortgage Corporation including participation certificates.

(k) Obligations guaranteed by the Government National Mortgage Association.

(2) Not more than 25 ± percent of any fund in:

(a) Bonds, notes, or obligations of any municipality or political subdivision or any agency or authority of this state, if such obligations are rated by at least two nationally recognized rating services in any one of the three highest classifications approved by the Comptroller of the Currency for the investment of the funds of national banks. However, if only one nationally recognized rating service shall rate such obligations, then such rating service must have rated such obligations in any one of the two highest classifications heretofore mentioned.

(b) Savings accounts of any savings and loan association or banks incorporated under the laws of this state or in savings accounts of any federal savings and loan association or national bank domiciled situated in this state, to the extent that such investments are insured by the Federal Government or any an agency thereof and additional sums not to exceed 15% of the net worth of the institution, the amount to be determined by the Governor, Comptroller, and Treasurer, as the State Board of Administration.

(c) Notes secured by first mortgages on Florida real property, insured or guaranteed by the Federal Housing Administration or the Veterans' Administration.

(d) Interest-bearing obligations of the International Bank for Reconstruction and Development or the Inter-American Development Bank.

(e) Deferred payment tax certificates offered for sale by a county pursuant to s. 197.0168(2)(b).

(f) Investments collateralized by first mortgages covering single family Florida residences, provided: such mortgages do not exceed \$60,000, do not exceed 80% of value, are not delinquent, are originated by a lender regulated by the state or federal government, the aggregate of the collateral furnished is at least 150% of the aggregate investment under this subsection. The mortgages used for collateral shall be segregated by the lending institution so that said segregation may be confirmed by independent audit. In the event any such mortgage used as collateral becomes more than 3 months delinquent, the lender shall immediately substitute therefor a mortgage of equal or greater value.

Section 3. Subsection (1) of section 125.31, Florida Statutes, is amended to read:

125.31 Investment of surplus public funds; regulations.—

(1) Except when another procedure is prescribed by law or by ordinance as to particular funds, the board of county commissioners shall, by resolution to be adopted from time to time, invest and reinvest any surplus public funds in their control or possession in the Local Government Surplus Funds Trust Fund, or in negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States government at the then prevailing market price for such securities, or in interest bearing time deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law and federal supervision, provided that any such deposits are secure by collateral as may be prescribed by law.

Section 4. Subsection (1) of section 166.261, Florida Statutes, is amended to read:

166.261 Municipalities; investments.—

(1) Except when another procedure is prescribed by law or by ordinance as to particular funds, the governing body of

each municipality shall, by resolutions to be adopted from time to time, invest and reinvest any surplus public funds in its control or possession in the Local Government Surplus Funds Trust Fund, or in negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, at the then prevailing market price for such security, or in interest bearing time deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

Section 5. Subsection (1) of section 218.345, Florida Statutes, is amended to read:

218.345 Special districts; investments.—

(1) The governing body of each special district shall, by resolution to be adopted from time to time, invest and reinvest any surplus public funds in its control or possession in the Local Government Surplus Funds Trust Fund, as created by s. 218.405, or in negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government at the then prevailing market price for such security, or in interest bearing time deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

Section 6. Subsection (1) of section 219.075, Florida Statutes, is amended to read:

219.075 Investment of surplus funds by county officers.—

(1) Except when another procedure is prescribed by law or by ordinance as to particular funds, a tax collector or any other county officer having, receiving, or collecting any money, either for his office or on behalf of and subject to subsequent distribution to another officer of state or local government, while such money is surplus to current needs of his office or is pending distribution, shall invest such money, without limitation, in the Local Government Surplus Funds Trust Fund, as created by s. 218.405, or in bonds, notes, or other obligations of the United States guaranteed by the United States or for which the credit of the United States is pledged for the payment of the principal and interest or dividends, or in interest bearing time deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law. These investments shall be planned so as not to slow the normal distribution of the subject funds. The investment earnings shall be reasonably apportioned and allocated and shall be credited to the account of, and paid to, the office or distributee, together with the principal on which such earnings accrued.

Section 7. This act shall take effect October 1, 1979.

Amendment 2—On page 2, in title, lines 2-12, after "to" strike all of said lines and insert: investment of public funds; adding s. 18.11(1)(j), and (k), Florida Statutes; allowing the State Treasurer to accept certain obligations as security for state funds deposited in banks; amending s. 215.47(1) and (2), Florida Statutes; increasing the percentage of each trust fund or agency fund of each state agency which may be invested by the Board of Administration in specified securities and adding certain securities to the list of authorized investments; amending ss. 125.31(1), 166.261(1), 218.345(1), 219.075(1), Florida Statutes; authorizing counties, municipalities, special districts, and county officers to invest surplus funds in certain time deposits and savings accounts;

On motion by Senator MacKay, by two-thirds vote SB 1044 as amended was read the third time by title, passed, ordered

engrossed and then certified to the House. The vote on passage was:

Yeas—35

Mr. President	Gorman	McClain	Steinberg
Anderson	Grizzle	McKnight	Stuart
Barron	Hair	Myers	Thomas
Chamberlin	Hill	Neal	Tobiassen
Childers, D.	Holloway	Peterson	Trask
Childers, W. D.	Jenne	Scarborough	Vogt
Fechtel	Johnston	Scott	Williamson
Frank	MacKay	Skinner	Winn
Gordon	Maxwell	Spicola	

Nays—None

SB 1052—A bill to be entitled An act relating to local government; amending ss. 125.31(1), 166.261(1), 218.345(1), 219.075(1), Florida Statutes; authorizing counties, municipalities, special districts, and county officers to invest surplus funds in certain time deposits and savings accounts; providing an effective date.

—was read the second time by title.

The Committee on Commerce offered the following amendments which were moved by Senator Stuart and adopted:

Amendment 1—On page 1, lines 24-31, and on page 2, lines 1-2, strike all of said lines and insert: the then prevailing market price for such securities, or in obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.

Amendment 2—On page 2, lines 14-23, strike all of said lines and insert: at the then prevailing market price for such security, or in obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.

Amendment 3—On page 3, lines 3-12, strike all of said lines and insert: the then prevailing market price for such security, or in obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.

Amendment 4—On page 3, lines 13-31, and on page 4, lines 1-11, strike all of section 4

(Renumber subsequent section.)

Amendment 5—On page 1, in title, lines 4-7, strike all of said lines and insert: Florida Statutes; authorizing counties, municipalities, and special districts to invest surplus funds in certain obligations;

On motion by Senator Stuart, by two-thirds vote SB 1052 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—37

Mr. President	Gorman	Myers	Thomas
Barron	Grizzle	Neal	Tobiassen
Carlucci	Hair	Peterson	Trask
Chamberlin	Hill	Poole	Vogt
Childers, D.	Holloway	Scarborough	Ware
Childers, W. D.	Jenne	Scott	Williamson
Dunn	Johnston	Skinner	Winn
Fechtel	MacKay	Spicola	
Frank	Maxwell	Steinberg	
Gordon	McClain	Stuart	

Nays—None

SB 79—A bill to be entitled An act relating to state law enforcement officers; creating s. 112.193, Florida Statutes; authorizing state agencies to present retiring law enforcement officers a uniform, service revolver, and badge; authorizing state agencies to present a uniform to the spouse or other beneficiary of a deceased law enforcement officer; prescribing the purpose of such presentation; providing for the adoption of rules governing the use of such items; repealing s. 321.07(3), Florida Statutes, which authorizes the Department of Highway Safety and Motor Vehicles to present such items upon the death or retirement of a highway patrolman; providing an effective date.

—was read the second time by title. On motion by Senator Hair, by two-thirds vote SB 79 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—36

Table with 4 columns: Mr. President, Gorman, Maxwell, Steinberg, Anderson, Grizzle, McClain, Stuart, Barron, Hair, McKnight, Thomas, Carlucci, Henderson, Myers, Tobiasen, Childers, D., Hill, Neal, Trask, Childers, W. D., Holloway, Scarborough, Vogt, Dunn, Jenne, Scott, Ware, Fechtel, Johnston, Skinner, Williamson, Frank, MacKay, Spicola, Winn

Nays—None

Votes after roll call:

Yea—Chamberlin, Poole

By the Committee on Natural Resources and Conservation and Senator McKnight—

CS for SB 489—A bill to be entitled An act establishing the Florida Recreational Trails system; providing for a network of recreational trails to be used for hiking, bicycling, horseback riding, jogging, and canoeing; providing for recreational trails to interconnect units of the state parks system; providing for the multiple use of public rights-of-way; designating the establishment and maintenance of recreational trails as a public purpose and providing for the expenditure of public funds pursuant thereto; providing definitions; authorizing the Division of Recreation and Parks of the Department of Natural Resources to acquire fee title or lesser interest in land; authorizing the transfer of recreational trails to local governmental agencies if they agree to maintain such trails; providing general regulations; authorizing the department to establish restrictions on water craft using canoe trails to ensure their safety; requiring state agency recognition of the canoe trails; prohibiting state agencies from taking any action which will impair the use of certain waters as canoe trails; prohibiting state agencies from taking any action which will impair the use of certain waters as canoe trails; providing an effective date.

—was read the first time by title and SB 489 was laid on the table.

On motions by Senator McKnight, by two-thirds vote CS for SB 489 was read the second time by title and by two-thirds vote was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—36

Table with 4 columns: Mr. President, Hair, McKnight, Steinberg, Anderson, Henderson, Myers, Stuart, Carlucci, Hill, Neal, Thomas, Childers, D., Holloway, Peterson, Tobiasen, Childers, W. D., Jenne, Poole, Trask, Fechtel, Johnston, Scarborough, Vogt, Frank, MacKay, Scott, Ware, Gorman, Maxwell, Skinner, Williamson, Grizzle, McClain, Spicola, Winn

Nays—None

Vote after roll call:

Yea—Chamberlin

SB 414—A bill to be entitled An act relating to the Florida Casualty Insurance Risk Management Trust Fund; amending s. 284.34, Florida Statutes; providing that certain coverages are excluded unless authorized by the Department of Insurance; providing that certain self-insurance programs of the Board of Regents shall not be affected; providing an effective date.

—was read the second time by title. On motion by Senator Tobiasen, by two-thirds vote SB 414 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—34

Table with 4 columns: Mr. President, Grizzle, McClain, Stuart, Anderson, Hair, Myers, Thomas, Barron, Henderson, Neal, Tobiasen, Chamberlin, Hill, Poole, Trask, Childers, D., Holloway, Scarborough, Vogt, Childers, W. D., Jenne, Scott, Ware, Fechtel, Johnston, Skinner, Williamson, Frank, MacKay, Spicola, Gorman, Maxwell, Steinberg

Nays—None

SB 776—A bill to be entitled An act relating to court marshals; amending ss. 25.262 and 35.26(2), Florida Statutes; authorizing the marshal of the Supreme Court and the marshals of district courts of appeal to apprehend without warrant, any person disturbing the peace in the building housing their respective courts and to deliver that person to the appropriate law enforcement officer of the municipality or county in which further proceedings may be held according to law; providing an effective date.

—was read the second time by title. On motion by Senator Hair, by two-thirds vote SB 776 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—34

Table with 4 columns: Mr. President, Grizzle, McKnight, Thomas, Anderson, Hair, Myers, Tobiasen, Barron, Henderson, Neal, Trask, Carlucci, Hill, Poole, Vogt, Childers, D., Holloway, Scarborough, Ware, Childers, W. D., Jenne, Scott, Williamson, Fechtel, Johnston, Skinner, Winn, Frank, MacKay, Spicola, Gorman, McClain, Steinberg

Nays—None

Votes after roll call:

Yea—Chamberlin, Peterson

On motion by Senator Thomas, the rules were waived and the Senate immediately reconsidered the vote by which SB 1262 as amended passed this day.

On motion by Senator Thomas, further consideration of SB 1262 was deferred.

SB 973—A bill to be entitled An act relating to campaigns; amending s. 99.012(2), Florida Statutes, defining "appointive office" for provisions prohibiting certain elected or appointed officeholders from seeking candidate qualification unless they resign their current office; providing an effective date.

—was read the second time by title. On motion by Senator Barron, by two-thirds vote SB 973 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—35

Table with 4 columns: Mr. President, Childers, D., Grizzle, Jenne, Anderson, Childers, W. D., Hair, Johnston, Barron, Fechtel, Henderson, Maxwell, Carlucci, Frank, Hill, McClain, Chamberlin, Gorman, Holloway, McKnight

Myers	Skinner	Thomas	Ware
Peterson	Spicola	Tobiassen	Williamson
Scarborough	Steinberg	Trask	Winn
Scott	Stuart	Vogt	

Nays—1

MacKay

Votes after roll call:

Yeas—Neal, Poole

Yea to Nay—Skinner

Nay to Yea—MacKay

SB 1195 was taken up and on motion by Senator Fechtel—

HB 533—A bill to be entitled An act relating to worthless checks and drafts; adding a new subsection (3) to s. 832.05, Florida Statutes, prohibiting the cashing or depositing of certain instruments at banks or depositories with intent to defraud; providing penalties; providing an effective date.

—a companion measure was substituted for SB 1195 and read the second time by title.

The Committee on Judiciary-Criminal offered the following amendment which was moved by Senator Fechtel and adopted:

Amendment 1—On page 1, line 23, insert: (b)

On motion by Senator Fechtel, by two-thirds vote HB 533 as amended was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—34

Anderson	Grizzle	McKnight	Thomas
Barron	Hair	Myers	Tobiassen
Carlucci	Hill	Neal	Trask
Chamberlin	Holloway	Peterson	Vogt
Childers, D.	Jenne	Scarborough	Ware
Childers, W. D.	Johnston	Scott	Williamson
Fechtcl	MacKay	Skinner	Winn
Frank	Maxwell	Spicola	
Gorman	McClain	Stuart	

Nays—None

Vote after roll call:

Yea—Steinberg

SB 1195 was laid on the table.

SB 560—A bill to be entitled An act relating to cooperatives; adding paragraph (j) to s. 719.106(1), Florida Statutes; requiring the bylaws of any cooperative to include a provision on the purchase of land or recreation leases by the association; amending s. 719.501(3)(a), Florida Statutes, 1978 Supplement; reducing the fee which cooperative associations must pay for each cooperative unit to the Division of Florida Land Sales and Condominiums; providing an effective date.

—was read the second time by title.

The Committee on Economic, Community, and Consumer Affairs offered the following amendments which were moved by Senator Scott and adopted:

Amendment 1—On page 1, strike all of lines 16 through 24, and insert: Section 1. Section 719.305, Florida Statutes, is created to read:

719.305 Association's right to purchase land or recreation lease.—The Association has the power to purchase any land or recreation lease upon the approval of the number of members required to amend the cooperative document.

Amendment 2—On page 1, in title, strike all of lines 2 through 6 and through association on line 7, and insert: An act

relating to cooperatives; creating s. 719.305, Florida Statutes, authorizing cooperative associations to purchase land and recreation leases

On motion by Senator Scott, by two-thirds vote SB 560 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—36

Mr. President	Gorman	McClain	Steinberg
Anderson	Grizzle	McKnight	Stuart
Barron	Hair	Myers	Thomas
Chamberlin	Hill	Neal	Tobiassen
Childers, D.	Holloway	Peterson	Trask
Childers, W. D.	Jenne	Scarborough	Vogt
Dunn	Johnston	Scott	Ware
Fechtcl	MacKay	Skinner	Williamson
Frank	Maxwell	Spicola	Winn

Nays—None

Vote after roll call:

Yea—Poole

SB 436—A bill to be entitled An act relating to community colleges; creating ss. 230.742-230.745, Florida Statutes; creating the State Community College Coordinating Board of the Division of Community Colleges of the Department of Education; providing for membership, meetings, powers, duties, and expenses of the board; providing for a chief administrative officer of the division and prescribing powers and duties; amending s. 20.15(3), (4)(c), Florida Statutes; designating the State Community College Coordinating Board as the director of the Division of Community Colleges; reserving certain responsibilities for the Commissioner of Education; creating s. 229.054, Florida Statutes; providing duties of the State Board of Education with respect to the state community college system; amending s. 229.512(1), Florida Statutes; providing for duties of the Commissioner of Education with respect to appointment of members of the board; amending s. 229.561(2)(a), Florida Statutes, 1978 Supplement; authorizing board appointment of a member of the Board of Advisors for Educational Research and Development; repealing s. 230.751, Florida Statutes, relating to the State Community College Council; providing an effective date.

—was read the second time by title.

The Committee on Education offered the following amendments which were moved by Senator MacKay and adopted:

Amendment 1—On page 8, strike lines 12 through 17

Amendment 2—On page 2, line 29, strike after "Governor": "from nominees submitted by the Commissioner of Education"

Amendment 3—On page 8, strike all of lines 7 and 8, and insert: Section 2. Paragraph (c) of Subsection (4) of Section 20.15, Florida Statutes, is amended

Amendment 4—On page 1 in title, strike all of lines 11, 12 and 13 and colleges, on line 14 and insert: 20.15(4)(c), Florida Statutes; reserving certain responsibilities

On motion by Senator MacKay, by two-thirds vote SB 436 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—35

Anderson	Gordon	Maxwell	Spicola
Barron	Gorman	McClain	Steinberg
Carlucci	Grizzle	McKnight	Stuart
Chamberlin	Hair	Myers	Thomas
Childers, D.	Hill	Neal	Tobiassen
Childers, W. D.	Holloway	Peterson	Trask
Dunn	Jenne	Scarborough	Vogt
Fechtcl	Johnston	Scott	Winn
Frank	MacKay	Skinner	

Nays—1

Mr. President

SB 29—A bill to be entitled An act relating to the Department of Education; amending s. 229.085(2), Florida Statutes; providing for duration of employment and career service retention rights of personnel employed for specific projects under certain grants or contracts; providing an exemption; providing an effective date.

—was read the second time by title.

The Committee on Education offered the following amendment which was moved by Senator Peterson and adopted:

Amendment 1—On page 1, line 22, strike “for” and insert after *employment*: *not to exceed*

On motion by Senator Peterson, by two-thirds vote SB 29 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—39

Mr. President	Gordon	McClain	Steinberg
Anderson	Gorman	McKnight	Stuart
Barron	Grizzle	Myers	Thomas
Carlucci	Hair	Neal	Tobiassen
Chamberlin	Hill	Peterson	Trask
Childers, D.	Holloway	Poole	Vogt
Childers, W. D.	Jenne	Scarborough	Ware
Dunn	Johnston	Scott	Williamson
Fechtler	MacKay	Skinner	Winn
Frank	Maxwell	Spicola	

Nays—None

SB 399 was taken up and on motion by Senator MacKay, by two-thirds vote HB 108 was withdrawn from the Committee on Judiciary-Criminal.

On motion by Senator MacKay—

HB 108—A bill to be entitled An act relating to obscene literature; adding a new paragraph (b) to s. 847.0125(2), Florida Statutes, 1978 Supplement, making it unlawful to exhibit in a retail establishment materials, the contents of which are obscene, in such a way as to be accessible to minors; providing an effective date.

—a companion measure, was substituted for SB 399 and read the second time by title. On motion by Senator MacKay, by two-thirds vote HB 108 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—35

Mr. President	Gorman	McKnight	Steinberg
Anderson	Grizzle	Myers	Stuart
Barron	Hair	Neal	Thomas
Chamberlin	Hill	Peterson	Tobiassen
Childers, D.	Jenne	Poole	Trask
Childers, W. D.	Johnston	Scarborough	Vogt
Dunn	MacKay	Scott	Williamson
Fechtler	Maxwell	Skinner	Winn
Frank	McClain	Spicola	

Nays—1

Gordon

Vote after roll call:

Yea—Holloway

SB 399 was laid on the table.

On motions by Senator MacKay, the rules were waived and Senate Bills 1044 and 1052 after being engrossed were ordered immediately certified to the House.

Senator Scarborough presiding

The President presiding

SB 601—A bill to be entitled An act relating to taxation; amending s. 220.222(1), Florida Statutes; providing the time for filing certain corporate income tax returns; providing an effective date.

—was read the second time by title.

By permission, the recommendations by Ways and Means Subcommittee D to the Committee on Ways and Means were withdrawn.

Senator Myers moved the following amendments which were adopted:

Amendment 1—On page 1, line 9, strike everything after the enacting clause and insert: Section 1. Subsection (3) of section 214.71, Florida Statutes, is amended to read:

214.71 Apportionment; general method.—Except as otherwise provided in ss. 214.72 and 214.73, the base upon which any tax made applicable to this chapter shall be apportioned shall be determined by multiplying same by a fraction the numerator of which is the sum of the property factor, the payroll factor, and the sales factor and the denominator of which is 3. In the event any of the factors described in subsections (1), (2), or (3) has a denominator which is zero or is determined by the department to be insignificant, the denominator of the apportionment fraction shall be reduced by the number of such factors.

(3) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) Sales of tangible personal property are in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point or other conditions of the sale.

(b) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trusts, and brokerage companies, shall be in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;
2. Gross profits from trading in stocks, bonds, or other securities managed within this state;
3. Interest and dividends received within this state;
4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts; and
5. Any other gross income resulting from the operation as a financial organization with this state.

(e) In computing the amounts referred to in this *paragraph subsection*, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue Code, but without reference to whether any such corporation is an “includable corporation” under s. 1504(b) of the Internal Revenue Code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.

Section 2. Subsection (1) of section 220.222, Florida Statutes, is amended to read:

220.222 Returns; time and place for filing.—

(1) Returns required by this code shall be filed with the office of the department in Leon County or at such other place as the department may by regulation prescribe. All returns required for a DISC (Domestic International Sales Corporation) under paragraph 6011(e)(2) of the Internal Revenue Code shall be filed on or before the first day of the tenth month following the close of the taxable year; all partnership information returns shall be filed on or before the first day of the fifth month following the close of the taxable year; and all other returns shall be filed on or before the first day of the fourth month following the close of the taxable year, or the 15th day following the due date, without extension, for the filing of the related federal return for the taxable year, unless under subsection (2) one or more extensions of time, not to exceed 6 months in the aggregate, for any such filing is granted.

Section 3. Section 1 of this act shall take effect upon becoming a law and shall operate retroactively to the date on which official publication of the 1973 Florida Statutes occurred. Section 2 of this act shall take effect July 1, 1979.

Amendment 2—On page 1, line 2, strike the title and insert: An act relating to taxation; amending s. 214.71(3), Florida Statutes, relating to general method of nonproperty tax apportionment; clarifying the apportionment factor as it applies to certain financial institutions; amending s. 220.222(1), Florida Statutes, relating to the time for filing corporate income tax returns; providing effective dates.

On motion by Senator Myers, by two-thirds vote SB 601 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—36

Mr. President	Gorman	McKnight	Steinberg
Anderson	Grizzle	Myers	Stuart
Barron	Hair	Neal	Thomas
Carlucci	Hill	Peterson	Tobiassen
Chamberlin	Jenne	Poole	Trask
Childers, D.	Johnston	Scarborough	Vogt
Childers, W. D.	MacKay	Scott	Ware
Fechtel	Maxwell	Skinner	Williamson
Gordon	McClain	Spicola	Winn

Nays—None

Votes after roll call:

Yeas—Frank, Holloway

HB 1579—A bill to be entitled An act relating to research and development authorities; amending ss. 23.145, 23.146, 23.147, and 23.148, Florida Statutes, 1978 Supplement, to revise the purpose, definitions, membership, and powers of the Florida Research and Development Commission; amending s. 159.26, Florida Statutes, and amending s. 159.27(5), Florida Statutes, and adding a subsection, to include research and development parks within the Florida Industrial Development Financing Act; creating part V of chapter 159, Florida Statutes, to provide for research and development authorities to finance and refinance projects related to the establishment of research and development parks; providing definitions; providing for a resolution declaring a need for an authority; providing membership of an authority; requiring a petition to the Florida Research and Development Commission for designation as a research and development authority; specifying contents of the petition; providing for creation of an authority by local ordinance; providing powers of an authority to include the issuance and sale of revenue bonds and the acquisition of property as a site for a research and development park; providing for the the grandfathering in of certain research and development authorities; specifying requirements and qualities of revenue bonds; providing a tax exemption for research and development authority projects; providing for bond validation; repealing s. 23.149, Florida Statutes, 1978 Supplement, relating to powers of the Florida Research and Development Commission; providing an effective date.

—was read the second time by title. On motion by Senator Thomas, by two-thirds vote HB 1579 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—37

Mr. President	Gorman	McKnight	Stuart
Anderson	Grizzle	Myers	Thomas
Barron	Hair	Neal	Tobiassen
Carlucci	Hill	Peterson	Trask
Chamberlin	Holloway	Poole	Vogt
Childers, D.	Jenne	Scarborough	Ware
Childers, W. D.	Johnston	Scott	Williamson
Fechtel	MacKay	Skinner	Winn
Frank	Maxwell	Spicola	
Gordon	McClain	Steinberg	

Nays—None

Vote after roll call:

Yea—Williamson

HB 339—A bill to be entitled An act relating to uniform traffic control; amending s. 316.221(1), Florida Statutes, to require that certain automobiles and pickup trucks have at least one taillamp, rather than two; repealing s. 316.625, Florida Statutes, to abolish provisions which prohibit certain minors, disabled or incapacitated persons or unlicensed persons from operating a motor vehicle in the state; repealing s. 316.605, Florida Statutes, 1978 Supplement, to abolish provisions in the uniform traffic code requiring a display of motor vehicle license plates on motor vehicles in the state; providing an effective date.

—was read the second time by title.

The Committee on Transportation offered the following amendments which were moved by Senator Vogt and adopted:

Amendment 1—On page 2, strike all of lines 8 through 9, and insert: section 320.35, Florida Statutes is hereby repealed.

Amendment 2—On page 1, strike lines 10 through 12, and insert: vehicle in the state; repealing s. 320.35 Florida Statutes, to abolish provisions

On motion by Senator Vogt, by two-thirds vote HB 339 as amended was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—35

Mr. President	Gordon	McClain	Stuart
Anderson	Gorman	McKnight	Thomas
Barron	Grizzle	Myers	Tobiassen
Carlucci	Hair	Peterson	Trask
Chamberlin	Holloway	Poole	Vogt
Childers, D.	Jenne	Scarborough	Ware
Childers, W. D.	Johnston	Skinner	Williamson
Fechtel	MacKay	Spicola	Winn
Frank	Maxwell	Steinberg	

Nays—None

Vote after roll call:

Yea—Neal

SB 950—A bill to be entitled An act relating to debt or exemptions; creating s. 222.20, Florida Statutes; providing that the federal exemptions in section 522(d) of the Bankruptcy Code of 1978, (11 U.S.C. 522(d)), are not available to persons residing in this state; providing an effective date.

—was read the second time by title. On motion by Senator Ware, by two-thirds vote SB 950 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—35

Mr. President	Gordon	McKnight	Stuart
Anderson	Gorman	Myers	Thomas
Barron	Grizzle	Neal	Tobiassen
Chamberlin	Hair	Peterson	Trask
Childers, D.	Holloway	Poole	Vogt
Childers, W. D.	Jenne	Scarborough	Ware
Dunn	Johnston	Skinner	Williamson
Fechtel	Maxwell	Spicola	Winn
Frank	McClain	Steinberg	

Nays—None

Vote after roll call:

Yea—MacKay

On motion by Senator Barron, the rules were waived and the Senate reverted to—

REPORTS OF COMMITTEES

Honorable Philip D. Lewis
President, The Florida Senate

May 16, 1979

Dear Mr. President:

Your Committee on Rules and Calendar submits the following bills for introduction pursuant to Rule 4.6, attached hereto and by reference made a part of this report.

- 1—Limitations on Actions
- 2—Mobile Home Parks
- 3—Vocational Rehabilitation
- 4—Motor Vehicle Inspections

Respectfully submitted,
Dempsey J. Barron, Chairman

Honorable Philip D. Lewis
President, The Florida Senate

May 16, 1979

Dear Mr. President:

Your Committee on Rules and Calendar respectfully recommends a revision of Senate Rule 4.6, attached hereto and by reference made a part of this report.

Respectfully submitted,
Dempsey J. Barron, Chairman

Rule 4.6—add a new sentence at the end of the first paragraph:

When the Committee on Rules and Calendar determines a bill is not local in nature, a report stating the reasons therefor shall be furnished to the President of the Senate who shall refer such bill to an appropriate standing committee for hearing.

Senator Scarborough moved the following amendment which was adopted by two-thirds vote:

Amendment 1—Insert: Such determination and report shall be made within 15 legislative days from date of reference—

Rule 4.6—third paragraph—strike language as indicated:

A motion to waive this Rule shall be referred to the Committee on Rules and Calendar for a hearing and its advisory recommendation as to the existence of an emergency reasonably compelling consideration of a bill notwithstanding this Rule, and a recommendation shall be reported back to the Senate not later than the next legislative day. The Secretary shall number them to provide identity and control until a permanent number can be affixed. These bills shall be known as prefiled bills and considered in accordance with these Rules.

Senator Chamberlin moved the following amendment:

Amendment 1—On page 1, lines 4-6, strike proposed change and on line 6 strike everything before the period and insert: within the next three legislative days

Senator Gordon moved the following substitute amendment which was adopted by two-thirds vote:

Amendment 2—Reinsert line 5 and insert a period at the end of that line.

On motion by Senator Barron, the foregoing report as amended was adopted.

SPECIAL ORDER, continued

The Senate resumed consideration of—

SB 1262—A bill to be entitled An act relating to loans; amending ss. 516.02, 516.031(1), 516.18(1), 516.21, 657.14, 659.18, 659.181, 687.02, 687.04, Florida Statutes, and ss. 520.08(1)(a), 656.17, 665.381(4), (5), 687.03(1), Florida Statutes, 1978 Supplement; increasing the maximum rate of interest on various loans; increasing allowable finance charges on certain motor vehicles; authorizing banks to make certain loans not in excess of a specified amount; authorizing certain additional charges;

authorizing banks to make overdraft and credit card loans up to a specified amount; providing penalties; providing an exemption; repealing s. 687.11, Florida Statutes, relating to rates of interest charged persons secondarily liable on corporate obligations; providing an effective date.

—which was taken up pending roll call.

Senator Thomas moved the following amendments to SB 1262 as amended which were adopted by two-thirds vote:

Amendment 3—On page 1, line 15, strike "\$25,000 \$2,500" and insert: \$2,500

Amendment 4—On page 2, lines 8-11, strike all of said lines and insert: time to time exceeding \$1000. The original principal amount as

Amendment 5—On page 2, lines 30-33, and on page 3, lines 1-7, strike all of section 4 [Re-number subsequent sections.]

Amendment 6—On page 12, line 14, strike the reference to "Section 15" and insert: Section 14

Senators Thomas and Steinberg offered the following amendment to SB 1262 as amended which was moved by Senator Thomas and adopted by two-thirds vote:

Amendment 7—On page 12, between lines 18 and 19, insert:

Section 18. The Department of Banking and Finance shall conduct an in-depth study of the operation and effect of s. 687.12, Florida Statutes, commonly known as the Interest Rate Parity Law and report the findings of such study to the Speaker of the House of Representatives and the President of the Senate by March 1, 1980.

Re-number subsequent section.

Senator Anderson moved the following amendment to SB 1262 as amended which was adopted by two-thirds vote:

Amendment 8—On page 5, line 25, after the word "loan" insert: or \$50, whichever is less

Senator Thomas moved the following amendments to SB 1262 as amended which were adopted:

Amendment 9—On page 1, in title, line 16, after the semicolon insert: requiring the Department of Banking and Finance to study the operation of the Interest Rate Parity Law and report findings to the President of the Senate and the Speaker of the House

Amendment 10—On page 1, in title, lines 6-7, strike "increasing the amount of money consumer finance companies may loan;"

SB 1262 as amended was read by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—25

Mr. President	Grizzle	Myers	Tobiassen
Anderson	Hill	Neal	Trask
Childers, D.	Holloway	Peterson	Ware
Childers, W. D.	Jenne	Poole	Williamson
Dunn	Johnston	Scott	
Gordon	Maxwell	Stuart	
Gorman	McKnight	Thomas	

Nays—14

Barron	Hair	Scarborough	Vogt
Carlucci	Henderson	Skinner	Winn
Chamberlin	MacKay	Spicola	
Frank	McClain	Steinberg	

On motion by Senator Gordon, the rules were waived and the Senate reverted to—

MOTIONS RELATING TO COMMITTEE REFERENCE

On motions by Senator Gordon, the rules were waived and by two-thirds vote Senate Bills 541, 1198, 1146, 1246, 1150, 1216 and 305 were withdrawn from the Committee on Ways and Means.

On motions by Senator Poole, by two-thirds vote Senate Bills 1101, 1033 and 1021 were withdrawn from the committees of reference and indefinitely postponed.

On motion by Senator Johnston, the rules were waived and by two-thirds vote HB 698 was withdrawn from Ways and Means Subcommittee E.

On motion by Senator Spicola, the rules were waived and by two-thirds vote HB 143 was withdrawn from the Committee on Judiciary-Criminal.

On motion by Senator Holloway, the rules were waived and by two-thirds vote SB 603 was withdrawn from the Committee on Transportation.

CONSENT CALENDAR

SB 981—A bill to be entitled An act relating to tax on cigarettes; adding s. 210.05(5), Florida Statutes, 1978 Supplement, authorizing the sale of stamped but untaxed cigarettes by agents or wholesale dealers to the Seminole Indian Tribe or members thereof for retail sale; providing an effective date.

—was read the second time by title.

Senator Williamson moved the following amendments which were adopted:

Amendment 1—On page 1, between lines 13 and 14, insert: (2) The Division of Alcoholic Beverages and Tobacco may contract with the United States Bureau of Engraving and Printing for the design of cigarette stamps and shall prescribe, prepare and furnish stamps of such denominations and quantities as may be necessary for the payment of the tax imposed by this chapter, and may from time to time and as often as it deems advisable provide for the issuance and exclusive use of stamps of a new design and forbid the use of stamps of any other design. The division shall make provisions for the sale of such stamps at such places and at such time as it may deem necessary.

Amendment 2—On page 1 in title, line 2, after the semi-colon insert: providing that the Division of Alcoholic Beverages and Tobacco of the Department of Business Regulation to contract with the United States Bureau of Engraving and Printing for the design of the cigarette stamps; providing an effective date.

On motion by Senator Thomas, by two-thirds vote SB 981 as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—37

Mr. President	Hair	Myers	Thomas
Anderson	Henderson	Neal	Tobiassen
Barron	Hill	Peterson	Trask
Chamberlin	Holloway	Poole	Vogt
Childers, D.	Jenne	Scarborough	Ware
Childers, W. D.	Johnston	Scott	Williamson
Dunn	MacKay	Skinner	Winn
Frank	Maxwell	Spicola	
Gordon	McClain	Steinberg	
Gorman	McKnight	Stuart	

Nays—None

SB 197 was taken up and on motion by Senator Maxwell, by two-thirds vote HB 303 was withdrawn from Ways and Means Subcommittee E and the Committee on Ways and Means.

On motion by Senator Maxwell—

HB 308—A bill to be entitled An act relating to group insurance for public officers and employees; amending s. 112.-0801, Florida Statutes, authorizing community colleges which provide group insurance plans for employees to continue such coverage with respect to retired employees under certain circumstances; providing an effective date.

—a companion measure, was substituted for SB 197 and read the second time by title.

Senator Maxwell moved the following amendment which was adopted:

Amendment 1—On page 1, strike all of line 26 and insert: Section 2. This act shall take effect upon becoming a law.

On motion by Senator Maxwell, by two-thirds vote HB 308 as amended was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—36

Mr. President	Gorman	McClain	Spicola
Anderson	Grizzle	McKnight	Steinberg
Barron	Hair	Myers	Stuart
Carlucci	Hill	Neal	Thomas
Chamberlin	Holloway	Peterson	Tobiassen
Childers, D.	Jenne	Poole	Trask
Childers, W. D.	Johnston	Scarborough	Vogt
Dunn	MacKay	Scott	Ware
Frank	Maxwell	Skinner	Winn

Nays—None

SB 197 was laid on the table.

SB 1130—A bill to be entitled An act relating to permits issued by the Game and Fresh Water Fish Commission; amending s. 372.573(2), Florida Statutes; authorizing each county tax collector to retain a certain amount of each permit fee resulting from the issuance of a permit to use recreational lands owned, managed, or leased by the Game and Fresh Water Fish Commission or the state; providing an effective date.

—was read the second time by title. On motion by Senator Anderson, by two-thirds vote SB 1130 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—38

Mr. President	Gorman	McClain	Stuart
Anderson	Grizzle	McKnight	Thomas
Barron	Hair	Neal	Tobiassen
Carlucci	Henderson	Peterson	Trask
Chamberlin	Hill	Poole	Vogt
Childers, D.	Holloway	Scarborough	Ware
Childers, W. D.	Jenne	Scott	Williamson
Dunn	Johnston	Skinner	Winn
Frank	MacKay	Spicola	
Gordon	Maxwell	Steinberg	

Nays—None

SB 1024—A bill to be entitled An act relating to surgical consent; amending s. 393.13(3)(f), Florida Statutes; providing circumstances and procedures for a hearing to determine the appropriateness of surgery when the Department of Health and Rehabilitative Services is the custodian of a client; adding s. 394.459(3)(c), Florida Statutes, 1978 Supplement; providing circumstances and procedures for a hearing to determine the appropriateness of surgery when the department is the legal guardian, legal representative, or custodian of a patient; providing an effective date.

—was read the second time by title. On motion by Senator Johnston, by two-thirds vote SB 1024 was read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—37

Mr. President	Grizzle	Myers	Thomas
Anderson	Hair	Neal	Tobiassen
Barron	Hill	Peterson	Trask
Chamberlin	Holloway	Poole	Vogt
Childers, D.	Jenne	Scarborough	Ware
Childers, W. D.	Johnston	Scott	Williamson
Dunn	MacKay	Skinner	Winn
Frank	Maxwell	Spicola	
Gordon	McClain	Steinberg	
Gorman	McKnight	Stuart	

Nays—None

On motions by Senator Dunn, the rules were waived and the Committee on Governmental Operations was granted permission to meet this day from 7:30 p.m. until 9:30 p.m. to consider all bills on the agenda for the meeting scheduled for Friday, May 18, which was cancelled.

On motion by Senator Barron, the rules were waived and the Senate reverted to—

INTRODUCTION

By Senator Henderson—

SB 1299—A bill to be entitled An act relating to Charlotte County; defining the term "trawl net"; prohibiting any person, while in certain waters, from taking or attempting to take shrimp by use of any such net exceeding 25 feet in length or while in any boat in which more than one trawl net is being used; providing a penalty; repealing chapters 76-343, 77-525, Laws of Florida, relating to the use of trawl nets for the taking of shrimp in Charlotte County; providing an effective date.

Proof of publication of the required notice was attached.

—was read the first time by title and referred to the Committee on Rules and Calendar.

By Senator Vogt—

SB 1300—A bill to be entitled An act relating to the Canaveral Port District, Brevard County; amending s. 19, art. IV, chapter 28922, Laws of Florida, 1953, as amended by chapter 74-427, Laws of Florida; raising the limitation on the amount of revenue certificates or bonds which may be issued by the Canaveral Port Authority; providing for interest to be paid on such certificates as provided by general law; providing an effective date.

Proof of publication of the required notice was attached.

—was read the first time by title and referred to the Committee on Rules and Calendar.

By Senator Fechtel—

SB 1301—A bill to be entitled An act relating to mobile home parks; amending s. 83.784(1)(a), (2) and (4), Florida Statutes, providing clarifying language with respect to rental or service charge increases or decreases in services at mobile home parks which require action by the State Mobile Home Tenant-Landlord Commission; updating certain provisions relating to examination of charges by the commission; repealing ss. 83.770-83.794, Florida Statutes, relating to the State Mobile Home Tenant-Landlord Commission; providing an effective date.

—was read the first time by title and referred to the Committee on Economic, Community and Consumer Affairs.

By Senators Lewis and Gordon—

SB 1302—A bill to be entitled An act relating to vocational rehabilitation; creating Part IV, Rehabilitation Programs—Alternative Administration, of Chapter 413, Florida Statutes; creating sections 403.701 through 413.711, Florida Statutes; providing authority of the Governor; providing for a board of directors appointed by the Governor; requiring the board of directors to file articles of incorporation with the Secretary of State; providing powers of the corporation; prohibiting conflict of interest; providing duties of the Department of Health and Rehabilitative Services; providing benefits for former state employees; providing powers and duties of other state agencies; requiring that the corporation collocate offices with the Department of Health and Rehabilitative Services whenever possible; exempting members of the board of directors from personal liability; providing that records maintained by the

corporation shall be public records subject to the provisions of Chapter 119, Florida Statutes; providing that the corporation shall be subject to the provisions of s. 286.011, Florida Statutes; providing an effective date.

—was read the first time by title and referred to the Committee on Health and Rehabilitative Services.

By Senator Hair—

SB 1303—A bill to be entitled An act relating to limitations on actions other than for recovery of real property; reenacting s. 95.11(3)(c), Florida Statutes, 1978 Supplement, relating to the limitation on actions founded on the design, planning, or construction of improvements to real property; providing for the prospective repeal of said provision; providing an effective date.

—was read the first time by title and referred to the Committee on Judiciary-Civil.

By the Committee on Transportation and Senators Scarborough, Williamson, Thomas, Spicola, Gorman, Steinberg, Neal, Poole and Winn—

SB 1304—A bill to be entitled An act relating to motor vehicle safety inspection; amending s. 20.24(2), Florida Statutes; establishing the Division of Motor Vehicle Safety Inspection in the Department of Highway Safety and Motor Vehicles and the bureaus within said division; amending s. 325.11, Florida Statutes; providing definitions; amending s. 325.12, Florida Statutes, 1978 Supplement; providing for designation by the division of the placement of inspection certificates; amending s. 325.13, Florida Statutes; providing for the expiration of inspection certificates pursuant to a schedule promulgated by the division; amending s. 325.14, Florida Statutes, 1978 Supplement; deleting provisions relating to motor vehicle dealers; amending s. 325.19, Florida Statutes, 1978 Supplement; deleting provisions relating to engine emissions and exhaust system inspection; providing for adjustment of headlights in inspection stations in certain circumstances; creating s. 325.195, Florida Statutes; providing for inspection of metal license plates; amending s. 325.20, Florida Statutes; providing for privately operated inspection stations; amending s. 325.21, Florida Statutes; providing for division designation of self-inspectors; amending s. 325.22, Florida Statutes; providing for supervision of inspection stations by the division; amending s. 325.23, Florida Statutes; authorizing the division to establish certain procedures and rules and regulations; amending s. 325.24, Florida Statutes, 1978 Supplement; providing for the charging of fees by the division; amending s. 325.25, Florida Statutes; providing for submission of a budget by the division; amending s. 325.26, Florida Statutes; authorizing the division to adopt certain rules; amending s. 325.27, Florida Statutes; providing for the operation of inspection stations by counties; amending s. 325.272, Florida Statutes, 1978 Supplement; requiring division approval of inspection station schedules of operation; requiring evening and weekend hours of operation; repealing s. 325.141, Florida Statutes, as created by chapter 78-412, Laws of Florida, which requires registration prior to inspection; providing an effective date.

—was read the first time by title and referred to the Committees on Transportation and Ways and Means.

CO-INTRODUCERS

Senator Lewis—SB 399, Senator Scarborough—SB 1255

CORRECTION AND APPROVAL OF JOURNAL

The Journal of May 16 was corrected and approved.

The hour of adjournment having arrived, a point of order was called and the Senate adjourned at 12:02 p.m. to convene at 8:30 a.m., Friday, May 18, for the purpose of introduction and reference of resolutions, memorials, bills and joint resolutions and thereafter to reconvene at 9:00 a.m.