



Journal of the Senate

Number 2—Special Session C

Wednesday, October 14, 1987

CALL TO ORDER

The Senate was called to order by the President at 10:16 a.m. A quorum present—32:

Mr. President	Girardeau	Johnson	Peterson
Barron	Gordon	Kirkpatrick	Plummer
Brown	Grant	Kiser	Scott
Childers, D.	Hair	Langley	Stuart
Crawford	Hill	Margolis	Thurman
Deratany	Hollingsworth	McPherson	Weinstein
Dudley	Jenne	Meek	Weinstock
Frank	Jennings	Myers	Woodson

Excused: Senator Thomas until 11:00 a.m.; Senators Beard, W. D. Childers, Grizzle and Malchon

PRAYER

The following prayer was offered by Senator Brown:

Almighty God, we know that you are the source from which all blessings flow. And as the continuing recipients of thy divine grace, we thank you and we acknowledge your power of authority over us. We invoke, dear Father, thy divine providence in our deliberations during this special session. That our program may not be one of political self-interest, but one of good for those whom we serve, bless us to this end we pray. Amen.

REPORTS OF COMMITTEES

The Committee on Finance, Taxation and Claims recommends a committee substitute for the following: SB 1-C

The bill with committee substitute attached was referred to the Committee on Appropriations under the original reference.

Motions

On motion by Senator Barron, the rules were waived and the Committee on Appropriations was granted permission to meet this day from 11:00 a.m. until completion of consideration of CS for SB 1-C.

On motion by Senator Kirkpatrick, the rules were waived and the Select Committee on Solid Waste Management was granted permission to meet October 20 in Jacksonville.

VETOED BILL 1987 SPECIAL SESSION B

Honorable John Vogt
President of the Senate

October 13, 1987

Dear President Vogt:

By the authority vested in me as Governor of Florida, under the provisions of Article III, Section 8 of the Constitution of the State of Florida, I do hereby withhold my approval of, and transmit to you my objections to, Committee Substitute for Committee Substitute for Senate Bill 5B ("Senate Bill 5B") enacted by the Tenth Legislature of Florida under the Florida Constitution, 1968 Revision, during the Special Session of the Legislature commencing on September 21, 1987, and entitled:

An act relating to taxation; etc.

Senate Bill 5B would amend Chapter 212, Florida Statutes, and other provisions of law as follows: to revise the existing sales tax on services by altering the tax imposed on certain services and by creating exemptions from taxation for certain services now subject to taxation; to provide for a statewide referendum on the continuation of the sales tax on services; to provide for the continuation of the sales tax on services as

revised subject to a positive, majority vote on the aforesaid referendum; to provide an increase in the basic sales tax on goods and repeal of the sales tax on services in the event of a negative, majority vote on the aforesaid referendum; to provide a sales tax option for local governments without referendum; and altering the process by which the budget of the State of Florida is prepared.

I called the current Special Session of the Legislature for the purpose of repealing the sales tax on services in accordance with the will of an overwhelming majority of the people of Florida. Senate Bill 5B does not repeal the sales tax on services. Rather, Senate Bill 5B represents a continuation of the sales tax on services in an even more inequitable incarnation, subject to the outcome of a referendum that is in fact a subterfuge. The referendum in effect asks the people of Florida to enact an extremely complex tax bill that fills almost 200 typed pages and deals with the taxation or exemption from taxation of hundreds of categories of services. Moreover, the people of Florida are asked to make this decision by giving a 'yes' or 'no' answer to a one sentence ballot question.

In this context, the referendum is an improper abdication of legislative responsibility that almost certainly would result in massive misunderstanding by, if not outright deception of, the voting public. Because of the self-implementing nature of the referendum in connection with an extremely complex tax bill, almost no one entering the polls will be able to make a reasonably informed decision.

These circumstances and the timing of the election make it probable that the people of Florida will be affirmatively deceived as to the actual effect of their vote.

Regardless of whether such deception is the intent of, or merely the probable result of, Senate Bill 5B, the current crisis of confidence in state government among the people of Florida would be deepened, perhaps beyond repair.

Finally, the amendment to the Appropriations Act passed in conjunction with Senate Bill 5B assumes continuation of the revised sales tax on services after the referendum. If the referendum failed, the result would be an unacceptable, automatic reduction in state capital reserves to well below \$100 million.

In summary Senate Bill 5B is an attempt to continue an inequitable sales tax on services in the guise of referendum and repeal. It is legally suspect and philosophically unacceptable. For the foregoing reasons, I am withholding my approval of Senate Bill 5B, Special Session of the Legislature commencing on September 21, 1987, and I do hereby veto same.

Sincerely,
Bob Martinez
Governor

The bill, together with the Governor's objections thereto, was referred to the Committee on Rules and Calendar.

INTRODUCTION AND REFERENCE OF BILLS

Introduction of SB 2-C was deferred.

On motion by Senator Dudley, by the required constitutional two-thirds vote of the Senate the following bill was admitted for introduction:

By Senator Dudley—

SB 3-C—A bill to be entitled An act relating to nonprofit corporations; amending ss. 617.01, 617.011, F.S.; providing that certain nonprofit corporations may refund certain funds to their members; providing an effective date.

—which was referred to the Committee on Commerce.

On motions by Senator Dudley, by two-thirds vote SB 3-C was withdrawn from the Committee on Commerce and by unanimous consent taken up instanter.

On motion by Senator Dudley, by two-thirds vote SB 3-C was read the second time by title.

Senator Dudley moved the following amendment which was adopted:

Amendment 1—On page 2, strike lines 7-11 and insert: *any such corporation which is a utility exempt from regulation under section 367.022(7) whose articles of incorporation state that it is intended to qualify under section 501(c)(12) of the Internal Revenue Code may make such refunds to its members prior to a dissolution or liquidation, as are deemed necessary by its managing board to establish or preserve its status under section 501(c)(12); and*

On motion by Senator Dudley, by two-thirds vote SB 3-C as amended was read the third time by title, passed, ordered engrossed and then certified to the House. The vote on passage was:

Yeas—29

Mr. President	Gordon	Kiser	Stuart
Barron	Grant	Langley	Thurman
Brown	Hair	Margolis	Weinstein
Childers, D.	Hill	McPherson	Weinstock
Deratany	Hollingsworth	Meek	Woodson
Dudley	Jennings	Myers	
Frank	Johnson	Peterson	
Girardeau	Kirkpatrick	Plummer	

Nays—None

On motion by Senator Dudley, the rules were waived and SB 3-C was ordered immediately certified to the House.

Consideration of Resolution

On motion by Senator Thurman, by unanimous consent—

By Senators Thurman, Kirkpatrick and Langley—

SR 4-C—A resolution commending Marion C. Roche for 50 years of outstanding service as Director of Vocational Education in Marion County.

WHEREAS, Marion C. Roche has taught agriculture and served as an advisor to the Marion County chapter of Future Farmers of America, and

WHEREAS, Marion C. Roche has been recognized throughout his career with many awards and commendations and has made outstanding contributions to vocational education in Marion County and the state, and

WHEREAS, Marion C. Roche was presented with the Honorary American Farm Degree as an outstanding agriculture teacher by the Future Farmers of America Organization, and

WHEREAS, Marion C. Roche is the only vocational agriculture teacher to take a winning dairy judging team to Waterloo, Iowa, four times from the same chapter and state, NOW, THEREFORE,

Be It Resolved by the Senate of the State of Florida:

That Marion C. Roche is recognized and commended for his outstanding contributions to vocational and agricultural education in Marion County and the state.

BE IT FURTHER RESOLVED that a copy of this resolution, signed by the President of the Senate with the Seal of the Senate affixed, be presented to Marion C. Roche as a token of the esteem of the Senate for his contributions to Marion County and the State of Florida.

—was introduced out of order and read the first time by title. On motion by Senator Thurman, SR 4-C was read the second time in full and unanimously adopted.

FIRST READING OF COMMITTEE SUBSTITUTES

By the Committee on Finance, Taxation and Claims and Senator Deratany—

CS for SB 1-C—A bill to be entitled An act relating to governmental financial matters; amending ss. 212.02, 212.03, 212.031, 212.04, 212.05, 212.054, 212.055, 212.0598, 212.06, 212.07, 212.08, 212.095, 212.11, 212.12, 212.13, 212.14, 212.17, 212.18, 212.21, 212.61, F.S.; repealing ss. 212.059, 212.0591, 212.0592, 212.0593, 212.0594, 212.0595, F.S.; amending s. 32, ch.

87-86, Laws of Florida, as amended; repealing ss. 31, 37, 47, ch. 87-6, Laws of Florida, as amended; repealing the sales tax on services and conforming various statutes to that repeal; providing exemptions from the tax on sales, use, and other transactions; providing for attribution of taxes by air carriers; increasing the tax on transient rentals, the lease or rental of or license in real property, admissions, and sales, storage, and use; providing for levy of local option infrastructure surtax and prescribing uses of surtax proceeds; providing for administration of local option surtaxes; providing of surtax proceeds; providing for retention of records relating to the sales tax on services for a certain period; creating s. 212.065, F.S.; providing for taxes levied with respect to road construction; amending s. 215.32, F.S.; providing for distribution of tax proceeds; repealing ss. 206.87(1)(b), 206.875(3), F.S.; repealing the increase in diesel fuel taxes; amending s. 207.026, F.S.; providing for redistribution of taxes; providing for certain positions and funding to be placed in reserve; amending s. 201.15, F.S.; providing for distribution of documentary stamp taxes; amending ss. 212.235, 218.61, F.S.; providing for distribution of taxes into the State Infrastructure Fund and the Local Government Half-cent Sales Tax Clearing Trust Fund; providing for application of the additional sales or use tax to certain utility services; providing transition rules for the repeal of the services tax; providing for refund of additional taxes paid by certain contractors; providing penalties; saving certain actions from abatement; amending ss. 216.011, 216.046, 216.081, 216.167, 216.181, 216.292, 216.301, 235.41, F.S., relating to the state budgetary process; defining the term "proviso"; providing for Governor's supplemental recommendations; providing for data on legislative expenses; providing for Governor's recommendations; providing for appropriation committee statements of intent; providing for transferability and transfer of appropriations; providing for legislative capital outlay budget request; repealing s. 216.031(7), (12), F.S., as amended, relating to information required in legislative budget requests; creating in the Advisory Committee on Intergovernmental Relations commissions to study issues of budget reform; providing for membership, meetings, and duties of the commissions; requiring reports; providing for travel and per diem expenses; providing an appropriation; creating in the Executive Office of the Governor a State Tax Study Committee to study state and local government taxing structures and funding sources; providing for membership, meetings, duties, and staff of the committee; requiring reports; providing for per diem and travel expenses; providing an appropriation; amending s. 28 of ch. 87-101, Laws of Florida; authorizing additional positions for the Division of Administrative Hearings of the Department of Administration; providing an effective date.

RECESS

On motion by Senator Barron, the Senate recessed at 10:27 a.m. to reconvene at 2:00 p.m. or upon the call of the President, whichever occurs later.

CALL TO ORDER

The Senate was called to order by the President at 5:17 p.m. A quorum present—33:

Mr. President	Girardeau	Kirkpatrick	Stuart
Barron	Gordon	Kiser	Thomas
Brown	Grant	Margolis	Thurman
Childers, D.	Hair	McPherson	Weinstein
Crawford	Hill	Meek	Weinstock
Crenshaw	Hollingsworth	Myers	Woodson
Deratany	Jenne	Peterson	
Dudley	Jennings	Plummer	
Frank	Johnson	Scott	

REPORTS OF COMMITTEES

The Committee on Appropriations recommends a committee substitute for the following: CS for SB 1-C

The bill with committee substitute attached was placed on the calendar.

FIRST READING OF COMMITTEE SUBSTITUTES

By the Committees on Appropriations; and Finance, Taxation and Claims and Senator Deratany—

CS for CS for SB 1-C—A bill to be entitled An act relating to governmental financial matters; amending ss. 212.02, 212.03, 212.031, 212.04, 212.05, 212.054, 212.055, 212.0598, 212.06, 212.07, 212.08, 212.095, 212.11, 212.12, 212.13, 212.14, 212.17, 212.18, 212.21, 212.61, F.S.; repealing ss.

212.059, 212.0591, 212.0592, 212.0593, 212.0594, 212.0595, F.S.; amending s. 32, ch. 87-86, Laws of Florida, as amended; repealing ss. 31, 37, 47, ch. 87-6, Laws of Florida, as amended; repealing the sales tax on services and conforming various statutes to that repeal; providing exemptions from the tax on sales, use, and other transactions; providing for attribution of taxes by air carriers; increasing the tax on transient rentals, the lease or rental of or license in real property, admissions, and sales, storage, and use; providing for administration of local option surtaxes; creating s. 212.065, F.S.; providing for taxes levied with respect to road construction; providing for retention of records relating to the sales tax on services for a certain period; amending s. 212.235, F.S.; revising the percentage of the sales tax proceeds to be transferred to the State Infrastructure Fund and providing for allocation and use of moneys in the fund; amending s. 218.61, F.S.; revising the percentage of the sales tax proceeds to be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund; amending s. 201.15, F.S.; providing for redistribution of documentary stamp tax proceeds; repealing ss. 206.87(1)(b), 206.875(3), F.S.; repealing the increase in diesel fuel taxes; amending s. 207.026, F.S.; providing for redistribution of taxes; providing for application of the additional sales or use tax to certain utility services; providing transition rules for the repeal of the services tax; providing for refund of additional taxes paid by certain contractors; providing penalties; providing for additional positions and funding to be placed in reserve; authorizing additional positions for the Division of Administrative Hearings of the Department of Administration; amending s. 33, ch. 87-6, Laws of Florida, as amended; providing for emergency rules of the Department of Revenue; exempting the Department of Revenue from provisions of chapter 287, F.S., relating to purchase or lease of goods or services; creating in the Advisory Committee on Intergovernmental Relations commissions to study issues of budget reform; providing for membership, meetings, and duties of the commissions; requiring reports; providing for travel and per diem expenses; providing an appropriation; saving certain actions from abatement; amending ss. 216.011, 216.046, 216.081, 216.167, 216.181, 216.292, 216.301, 235.41, F.S., relating to the budgetary process; defining the term "proviso"; providing for Governor's supplemental recommendations; providing for data on legislative expenses; providing for Governor's recommendations; providing for appropriation committee statements of intent; providing for transferability and transfer of appropriations; providing for legislative capital outlay budget request; repealing s. 216.031(7), (12), F.S., as amended, relating to information required in legislative budget requests; providing an effective date.

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Honorable John W. Vogt, President

I am directed to inform the Senate that the House of Representatives has admitted for introduction by the required Constitutional two-thirds vote of the membership of the House and passed HB 6-C and requests the concurrence of the Senate.

John B. Phelps, Clerk

By the Committee on Finance and Taxation and Representative Gardner—

HB 6-C—A bill to be entitled An act relating to the Department of Revenue; amending s. 33 of chapter 87-6, Laws of Florida; extending the effective period for emergency rules implementing the sales and use tax on services; providing an effective date.

On motions by Senator Kiser, by the required constitutional two-thirds vote of the Senate, HB 6-C was admitted for introduction and referred to the Committees on Governmental Operations; and Finance, Taxation and Claims.

On motions by Senator Kiser, by two-thirds vote HB 6-C was withdrawn from the Committees on Governmental Operations; and Finance, Taxation and Claims and by unanimous consent taken up instant.

On motions by Senator Kiser, by two-thirds vote HB 6-C was read the second time by title and by two-thirds vote read the third time by title, passed and certified to the House. The vote on passage was:

Yeas—29

Mr. President	Brown	Crenshaw	Dudley
Barron	Crawford	Deratany	Frank

Girardeau	Jenne	Meek	Weinstein
Gordon	Jennings	Peterson	Weinstock
Grant	Kirkpatrick	Scott	Woodson
Hair	Kiser	Stuart	
Hill	Margolis	Thomas	
Hollingsworth	McPherson	Thurman	

Nays—2

Johnson Myers

By direction of the President, the following proclamation was read by the Secretary:

**THE FLORIDA LEGISLATURE
JOINT PROCLAMATION
October 14, 1987**

**TO THE HONORABLE MEMBERS OF THE FLORIDA SENATE
AND THE FLORIDA HOUSE OF REPRESENTATIVES:**

We, John W. Vogt, President of the Florida Senate, and Jon L. Mills, Speaker of the Florida House of Representatives, by virtue of the authority vested in us by Section 3, Article III, Florida Constitution, and Section 11.011, Florida Statutes, do hereby proclaim:

1. That the Legislature of the State of Florida is convened in Special Session pursuant to Section 3(c), Article III, Florida Constitution and Section 11.011, Florida Statutes, at the Capitol in Tallahassee, Florida at 1:00 P.M., on Tuesday the 1st of December, 1987, for a period of nine days, ending at midnight, Friday, December 11, 1987.
2. That the Legislature is convened for the sole and exclusive purposes of consideration of the following matters:
 - (a) Consideration of such action with respect to the recently enacted general tax on the sale or use of services consumed or enjoyed in the state as may be appropriate under the circumstances.
 - (b) Consideration of such action with respect to any tax or exemption from a tax permitted by the Constitution or laws of Florida as may be appropriate under the circumstances.
 - (c) Consideration of any such action with respect to the process by which the budget of the State of Florida is prepared and enacted into law as may be appropriate under the circumstances.
 - (d) Consideration of such action with respect to amending Chapter 87-98, Laws of Florida, as may be appropriate under the circumstances.



John W. Vogt
President, The Florida Senate

Jon L. Mills
Speaker, The Florida House
of Representatives

Duly filed with and received by the Florida Department of State this 14th day of October, 1987 by:

Jim Smith
Secretary of State

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

The Honorable John W. Vogt, President

I am directed to inform the Senate that the House of Representatives has admitted for introduction by the required Constitutional two-thirds vote of the membership of the House and passed SB 3-C.

John B. Phelps, Clerk

The bill contained in the foregoing message was ordered enrolled.

ADJOURNMENT

On motion by Senator Barron, the Senate adjourned sine die at 5:25 p.m.

At his request, Senator Hollingsworth was recorded as voting nay on the motion to adjourn sine die.