



Journal of the Senate

Number 1—Special Session D

Tuesday, December 8, 1987

At a Special Session of the Florida Legislature convened under Section 3(c), Article III, of the Constitution of the State, as revised in 1968, and Section 11.011, Florida Statutes, begun and held at the Capitol, in the City of Tallahassee, in the State of Florida.

CALL TO ORDER

The Senate was called to order by the President at 1:15 p.m. A quorum present—38:

Mr. President	Frank	Kirkpatrick	Plummer
Barron	Girardeau	Kiser	Ros-Lehtinen
Beard	Grant	Langley	Scott
Brown	Grizzle	Lehtinen	Stuart
Childers, D.	Hair	Malchon	Thomas
Childers, W. D.	Hill	Margolis	Weinstein
Crawford	Hollingsworth	McPherson	Weinstock
Crenshaw	Jenne	Meek	Woodson
Deratany	Jennings	Myers	
Dudley	Johnson	Peterson	

Excused: Senators Gordon and Thurman

PRAYER

The following prayer was offered by Senator Brown:

Dear God, our Maker and Creator of all things. Our sustainer in life, we know that every good and perfect gift cometh from thee. Our comfort in time of bereavement, our strength in time of need, our helper in time of trouble, our Father who art in Heaven. Bless us, dear God, with thy presence. Bestow upon us thy wisdom and thy guidance. Be merciful and gracious unto us as we strive to be thy people and to do thy work. Be with us and with our families as we are separated from them, that what we do will be in keeping with your will and to the good of our fellow man. Amen.

PLEDGE

The Senate pledged allegiance to the flag of the United States of America.

By direction of the President, the following Proclamations were 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

THE FLORIDA LEGISLATURE AMENDED JOINT PROCLAMATION November 25, 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:

I. That Paragraph 1 of the Florida Legislative Joint Proclamation dated October 14, 1987, is hereby amended to read:

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 8th day of December, 1987, for a period of four days, ending at midnight, Friday, December 11, 1987.

II. Except as amended by this Proclamation, the Joint Proclamation of October 14, 1987, is ratified and confirmed.



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 30th
day of November, 1987 by:

Jim Smith

INTRODUCTION AND REFERENCE OF BILLS

First Reading

By Senator Beard—

SB 1-D—A bill to be entitled An act relating to taxation; creating s. 212.065, F.S.; prescribing procedures for calculation of sales taxes on road construction contracts; providing an effective date.

—was referred to the Committee on Finance, Taxation and Claims.

By Senator Thurman—

SB 2-D—A bill to be entitled An act relating to government efficiency; creating the "Fiscal Responsibility Underwriting Gubernatorial and Legislative Expenditures Act"; requiring the Governor to produce an annual report proposing improvements to executive department efficiency and productivity, as specified; requiring distribution of the report; providing definitions; requiring the Joint Legislative Auditing Committee to hold public hearings and meet with certain consumer groups; requiring the committee to submit to the Governor and the Legislature certain recommendations; requiring written responses to such recommendations; amending s. 216.164, F.S.; requiring the Governor to submit certain supplementary budget materials; providing an effective date.

—was referred to the Committees on Governmental Operations; Finance, Taxation and Claims; Appropriations; and Rules and Calendar.

By Senator Woodson—

SB 3-D—A bill to be entitled An act relating to taxation; 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; providing for retention of records relating to the sales tax on services for a certain period; amending s. 240.533, F.S.; requiring an amount equal to lost sales tax revenue to be used by certain educational institutions for women's athletics; amending s. 288.385, F.S.; providing tax exemptions for certain currency and barter exchanges; 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. 215.32, F.S.; specifying moneys in the State Infrastructure Fund; 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; 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; saving certain actions from abatement; providing an effective date.

—was referred to the Committees on Finance, Taxation and Claims; and Appropriations.

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

By Senators Hill and Meek—

SB 4-D—A bill to be entitled An act relating to respiratory care; amending s. 468.352, F.S.; providing definitions; amending s. 468.354, F.S.; modifying the procedure for filling vacancies on the Advisory Council on Respiratory Care; amending s. 468.357, F.S.; modifying requirements for the conduct of examinations for certification of respiratory care practitioners; authorizing certification of certain persons without examination under specified conditions; revising provisions relating to time periods during which certain persons must pass an examination; amend-

ing s. 468.364, F.S.; increasing the examination fee cap; amending s. 468.368, F.S.; providing exemptions; providing an effective date.

—was referred to the Committee on Economic, Community and Consumer Affairs.

By Senator Deratany—

SB 5-D—A bill to be entitled An act relating to taxation; amending ss. 212.02, 212.031, 212.04, 212.05, 212.054, 212.055, 212.0598, 212.06, 212.07, 212.08, 212.11, 212.12, 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 specified 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; 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; repealing ss. 212.235, 215.32(2)(d), F.S.; abolishing the State Infrastructure Fund on a specified date; amending s. 201.15, F.S.; providing for redistribution of documentary stamp tax proceeds; amending s. 215.32, F.S.; specifying moneys in the State Infrastructure Fund; 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 transition rules for the repeal of the services tax; 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; 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 commission to study issues of government efficiency, taxation, budget reform, and infrastructure needs; providing for membership, meetings, and duties of the commission; requiring reports; providing for travel and per diem expenses; providing an appropriation; saving certain actions from abatement; eliminating requirement for certain data to be reported to the Department of Revenue; providing an effective date.

—was referred to the Committees on Finance, Taxation and Claims; and Appropriations.

By Senators Crawford and Margolis—

SB 6-D—A bill to be entitled An act relating to taxation; amending ss. 212.03, 212.031, 212.04, 212.05, 212.055, 212.06, 212.065, 212.08, 212.12, F.S.; increasing the tax on transient rentals, the lease or rental of or license in real property, admissions, and sales, storage, and use; amending s. 212.235, F.S.; revising amounts to be deposited into the State Infrastructure Fund and prescribing disposition of moneys from such fund; amending s. 218.61, F.S.; prescribing the amounts to be deposited into the Local Government Half-cent Sales Tax Clearing Trust Fund; amending s. 201.15, F.S.; revising formulas for distribution of tax revenues; amending s. 215.32, F.S.; specifying moneys in the State Infrastructure Fund; 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 for refund of additional taxes paid by certain contractors; providing an effective date.

—was referred to the Committees on Finance, Taxation and Claims; and Appropriations.

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

By Senator Beard—

SB 7-D—A bill to be entitled An act relating to expressway authorities; amending s. 348.52, F.S., designating the district VII deputy assistant secretary of the Department of Transportation as an ex officio member of the Tampa-Hillsborough County Expressway Authority; providing an effective date.

—was referred to the Committee on Rules and Calendar.

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

By Senators Thomas and Hollingsworth—

SB 8-D—A bill to be entitled An act relating to the State Group Insurance Program Law; amending s. 110.123, F.S.; providing a definition; providing that certain health maintenance organizations be awarded contracts by the Department of Administration; requiring employees to pay certain costs in excess of the state contribution provided under the state group health insurance program; providing an effective date.

—was referred to the Committee on Rules and Calendar.

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

By Senators Stuart, Jennings and Vogt—

SB 9-D—A bill to be entitled An act relating to the Greater Orlando Aviation Authority; amending s. 10, chapter 57-1658, Laws of Florida, as amended; providing for establishment of interest rates for bonds issued by the authority; ratifying certain prior actions by the authority with respect to the issuance of bonds; providing an effective date.

Proof of publication of the required notice was attached.

—was referred to the Committee on Rules and Calendar.

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 10-D—A bill to be entitled An act relating to Collier County; providing that pari-mutuel funds for Collier County which are not otherwise obligated for the payment of principal and interest on bonds heretofore issued by the county shall be paid to the School Board of Collier County; repealing chapter 87-513, Laws of Florida, which provides for the distribution of pari-mutuel funds to the School Board of Collier County; providing an effective date.

Proof of publication of the required notice was attached.

—was referred to the Committee on Rules and Calendar.

Announcements

Senator Kiser announced cancellation of the meeting of the Committee on Governmental Operations scheduled for this day.

Senator Myers announced cancellation of the meeting of the Committee on Health and Rehabilitative Services scheduled for this day.

Senator Crawford announced cancellation of the meeting of the Committee on Natural Resources and Conservation scheduled for December 9.

Senator D. Childers announced cancellation of the meeting of the Committee on Education scheduled for December 9.

Senator Langley announced cancellation of the meeting of the Committee on Judiciary-Civil scheduled for December 9.

Senator Beard announced cancellation of the Committee on Transportation scheduled for December 9.

Motions

On motion by Senator Barron, the rules were waived and the Committee on Finance, Taxation and Claims was granted permission to meet this day from 3:00 p.m. until completion of the agenda to consider Senate Bills 5-D and 6-D.

On motion by Senator Barron, the rules were waived and the Committee on Appropriations was granted permission to meet December 9 from 10:00 a.m. until completion of the agenda to consider Senate Bills 5-D and 6-D.

Remarks by the President

Senators, I just wanted to make a few remarks to you since in all the special sessions we've had, it seemed appropriate to say something. As much as anything else, I would like to give you an assessment of where this situation is right now. Because my favorite term over the past few

months has been "very fluid," I am disappointed to say that it is still very fluid. The circumstance, I guess, as we get into this special session, is that it's still not a concrete situation as to which way the Legislature should or will go. So I wanted to give you some thoughts on it and some observations.

I think for a lot of reasons, both real and perceived, there's a problem with the public and with the services tax as it now exists. It's long been known that I would have favored the services tax and would have tried to make it work better. But I think politically it's beyond that, and I hope that this week the Legislature will go ahead and take that medicine and repeal the services tax. There is some question as to when the effective date should be, but regardless of the merits of what we tried to do or what would be the best path for Florida, the political reality is that there's a great deal of unacceptance of the tax that dates back to a lot of reasons: a lot of publicity about secret meetings, probably 8 or 10 million dollars' worth of advertising time donated by an industry that could afford to do that, as well as problems with the rapid implementation of the tax. I now think, with the benefit of 20/20 hindsight, if implementation had been delayed for ninety days, it might have been a different ball game. But, for whatever all those reasons are, I feel the public is looking for action now, and this Legislature will not look very good if we don't come to some definite conclusion — even if that conclusion were to keep the services tax — as long as it was a positive action of doing that, rather than our spending the week here and not coming to any conclusion. While I believe that it makes a lot of sense to broaden the sales tax base, I don't really think that you can get there from here right now at this stage in our history, and that's an issue that will have to be visited another day.

Then the questions that you come back to, which everyone is discussing, are: "If you repeal it, when do you repeal it?" and "If you replace it, when do you replace it? And what do you replace it with?" And that's where there's a great divergence of opinion. My thought at this stage of the game, as far as what my "druthers" would be, is, number one, we should repeal the tax. I feel very firmly about our needing to do that because there is not enough support to justify sustaining it.

As I said in our Special Session C, I believe, when we convened here, our overall tax structure was not so bad, and our economy is not so bad, that we have to fight by all means to the last drop of blood to keep the services tax. It was a good idea, but at this stage in Florida's history, the acceptance is not there. So, then, you get to the question of everybody looking out, I think, for the interests of their constituents as well as their own political interests, as well as, "What will the Governor accept? What won't he accept? What can you pass in the House? What can you pass in the Senate? Can we ever reach unanimity between the three bodies?" On the question of replacement, as I have discussed with some of you — I've been trying to meet with small groups of you, but since many of you didn't arrive yesterday and there has not been much time today — you can make arguments on both sides of the coin as to whether or not you replace with a penny sales tax now, or whether you don't replace it and come back in the spring and consider whether you are going to replace it.

My feeling is that the prospects of budget cuts amounting to around 1.2 billion dollars next year would be so dire that the Legislature could not resist replacing the services tax with some sort of tax increase in the spring. You would also have the situation where you would have a budget commission, a 21 member commission, that would be studying both the needs of the state and the various tax alternatives available to the state. It goes without saying that those constituencies that would be both hurt the most and concerned the most about no replacement — the education community, the social services community — as well as the business community, the Florida Chamber of Commerce and Associated Industries, those groups — would feel very strongly that you had to replace it in the spring. So, since you're probably going to replace the revenue, it looks like a question of when and what is best — not to replace now and see if a public mandate for replacement develops between those constituencies and the pressure that they can bring to bear and all the publicity which would arise from the dire circumstances that would result if you didn't replace, or would it be better to get this issue behind you and go ahead and replace it now? A lot of that is a little bit of fortune telling and trying to look into a crystal ball and seeing out there what John Q. Public thinks about it. If you have come to the mindset that you are going to replace it either now or in the spring, then you look to the next question of when is the best time to replace it. I can argue both sides of the question. You run into a situation where many people say, "Well, you didn't prove the need for the first tax and now you're just replacing it with another one. You still didn't prove the need." And many people can say, "Well, you got

lobbied by all those special interests and took it off of them and now, you're putting it on us little folks." On the other hand, you can say, "Well, if you're going to replace it, it's better to do it now, this early in the year, than it is one or two months before qualifying." On the other side of the coin, there is great concern, I think, political concern, that if you don't replace now, what type of budget will the Governor present in the spring, and he well may not be for replacement in the spring. We really don't know that one way or the other. There's political concern that many members of this body, this Legislature, the House and the Senate, may, under the glare of the spring session, not be willing to vote for replacement, who would do so today. There's also the political ramification of perhaps it's easier to vote for repeal and replacement all in the same bill because that way, perhaps, you can satisfy all the criticisms. Anyway, I guess that's a fallacy on its face because there is no way we can satisfy all the criticisms. If this were easy, we wouldn't be here yet again in the midst of another difficult situation. There are no easy solutions. There

probably are no winners. And it's probably one of those situations where you just try to keep the casualties down from here on. And so, my thought is that you know whatever the collective will of this body is with regard to replacement, that it can either be now or later — I can live with either one of those. I would either vote for replacement now or I'll vote for it later. But I feel that we definitely should repeal now. We need to get the issue settled, at least from that standpoint, because I think it is quite apparent that there simply are not the votes to retain the services tax. Thank you.

RECESS

On motion by Senator Barron, the Senate recessed at 1:49 p.m. to reconvene upon call of the President, but not earlier than 1:00 p.m., Wednesday, December 9.