

TALLAHASSEE WEEKLY REPORT – JANUARY 5-9

Below please find the first Tallahassee Weekly Report of 2009.

Special Session

The Florida Legislature convened on January 5 to begin “Special Session A”. This Special Session was called to close a \$2.3 billion gap that exists in the current fiscal year’s budget.

Senate President Jeff Atwater described the current situation as “sobering” by showing the record number of home foreclosures, food stamp recipients and job losses that are negatively affecting the state’s revenue.

The various appropriations committees in the two chambers met throughout the week to discuss their ideas for reducing their areas of the budget, as well as listen to public testimony.

On Friday morning, the Senate passed their version of the budget reductions by a 27-13 vote. This was a party line vote, with the exception being Democratic Senator Gary Siplin who joined Republicans in voting yes. The House is scheduled to vote on their version Friday, and it is also expected to pass with a party-line vote.

Republican committee chairs emphasized all week to their colleagues that if it was up to them, they would not currently be working on cutting funding to schools, healthcare and the elderly, but the state cannot afford to spend money it simply does not have.

Representative Jim Waldman, a Democrat from Broward, tried to have a bill heard during the session which would have increased Florida’s cigarette tax, but Republicans shot this down as being outside the “call” of the Special Session. They stated they are currently focused on cutting items from the budget and sweeping money from trust funds to close the current deficit instead of creating new revenue streams.

Once the two chambers have passed out their versions of the revised budget, the presiding officers will appoint conference committees which will meet to close the gaps that exist. These conference committees will be ending at 9 pm this evening. Any unresolved issues will be bumped to the respective Appropriations Chairs tomorrow morning. Any resolved issues beyond that will be bumped up to the Senate President and House Speaker on Saturday at 5 pm. On Sunday morning, the conference report, which is the final work product, will be placed on the desks of the legislators. After a 72 hour “cooling-off” period, the two chambers will vote on the conference report on Wednesday, which will signify the end of the Special Session.

Among the biggest differences that exist between the House and Senate appear as follows:

- House wishes to take \$235 million from the transportation trust fund, and the Senate wants to leave this fund untouched
- The Senate wants to borrow \$700 million from the Lawton Chiles Endowment Fund, while the House wants to sweep \$1 billion from this fund.
- The Senate takes \$200 million from the state's budget stabilization fund, and the House takes \$600 million from this fund.
- The House plan goes beyond the \$2.3 billion shortfall and includes an additional \$540 million in cuts to cover other possible declines in revenue.
- The Senate's plan takes \$140 million from affordable housing, while the House cuts affordable housing funds by \$284 million.

Of importance to Miami-Dade County:

- Jackson Hospital is facing a cut of over \$25 million.
- The House plan cuts over \$5 million in library grants, and the Senate cuts over \$1.5 million in grants.
- Court funding will be cut at 1.25% rather than the 4% that has been the norm across the board. The two chambers have agreed to certain fine and fee increases, among them : a \$25 increase to speeding tickets for people going more than 15 mph over the speed limit, a \$10 surcharge on all moving and nonmoving traffic violations, and a \$4 increase in late fees from \$12 to \$16.
- The two chambers are leaning towards suspending the Florida Forever land buying program which would free up another \$20 million annually. The Senate reduces doc stamp revenues distributed to the Alternative Water Supply Program by \$2.7 million and the Total Maximum Daily Load Program by \$13.1 million for the current fiscal year. The House takes \$8 million from the Water Management Lands Trust Fund and redirects \$11 million in documentary stamp taxes from the Land Acquisition Trust Fund.

The completion of this Special Session will then allow lawmakers to turn their attention to the 2009 Legislative Session which brings more grim budget news. It is estimated that there will be another \$4 billion shortfall in the 2009-2010 fiscal year. At this point, the legislature will consider new streams of revenue, such as a \$1 per pack tax on cigarettes, removing a sales tax exemption on bottled water and tightening the enforcement of sales taxes on purchases made online or via catalog.

OIA has had a presence in Tallahassee throughout the Special Session and will continue to do so through the end of next week. We have worked closely with our lobbyist team to help save as many Miami-Dade County programs as possible.

Next week's Tallahassee Weekly Report will contain an in-depth accounting of the final product passed by the Florida Legislature to close the \$2.3 billion gap that exists in the state budget.

Port of Miami Tunnel

OIA was present in Tallahassee with Mayor Alvarez and Assistant County Manager Ysela Llort as they met with various members of our delegation, as well as Florida Department of Transportation Secretary Stephanie Kopelousos, in an effort to save the Port of Miami Tunnel project. Secretary Kopelousos had previously stated the project was dead because of financial problems encountered by the private entity that was to provide funding for the project.

Senator Alex Diaz de la Portilla, Representative David Rivera, Representative Juan Zapata were present at this meeting and pressed the Secretary on the importance of the tunnel project to our community.

The Secretary has stated that the state's share of funding for the tunnel, which includes \$452 million for construction and \$850 million for long-term operations and maintenance, would not be redirected to other parts of the state, as was once thought.

OIA has worked closely with the Miami-Dade Delegation since the December 13 announcement that the project was dead in an effort to garner support and solidarity for this project.

Interim Committee Meetings

Next week, from Tuesday through Thursday, the House and Senate will hold interim committee meetings. The majority of these meetings will be the first of this legislative cycle for several committees and will simply serve as an introduction of committee membership and staff. These meetings will coincide with the Wednesday conclusion of Special Session.

OIA will be present throughout the week in Tallahassee to meet with members and our lobbying team as we look forward to the 2009 Legislative Session.

Miami-Dade Legislative Delegation

It is anticipated that the Miami-Dade Legislative Delegation will hold another public hearing in the Board of County Commissioners Chambers at the end of

January. Once the date and time have been confirmed by all relevant parties, OIA will pass along the information to all interested parties.