

FLORIDA TAXATION AND BUDGET REFORM COMMISSION

IN RE: Committee Meeting
DATE: March 7, 2008
TIME: Commenced at 10:08 a.m.
Concluded at 12:05 p.m.
LOCATION: DOT Auditorium
Tallahassee, FL
REPORTED BY: LISA D. FREEZE, RPR
Notary Public

ACCURATE STENOGRAPHY REPORTERS, INC
2894 REMINGTON GREEN LANE
TALLAHASSEE, FL 32308 (850) 878-2221

MEMBERS OF THE COMMITTEE:

Hoyt "Barney" Barnett
Martha W. Barnett
Allan Bense
R. Mark Bostick
Talbot "Sandy" D'Alemberte
Daniel Gelber
Mike Haridopolos
Mike Hogan
Julia Johnson
Bruce Kyle
Carlos Lacasa
Patricia Levesque
Alan Levine
Gwen Margolis
Roberto "Bobby" Martinez
Jacintha Mathis
John M. McKay
Robert "Bob" McKee
Lesley J. "Les" Miller, Jr.
Randy Miller
Jade Thomas Moore
Nancy J. Riley
Darryl E. Rouson
Ray Sansom
James "Jim" A. Scott
Susan Story
William Gregory "Greg" Turbeville
Kenneth "Ken" Wilkinson
Brian Yablonski

P R O C E E D I N G S

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3 CHAIRMAN BENSE: If you'll take your seats,
4 we'll call the meeting to order.

5 Members, if you'll take your seats.

6 Okay. Members, if you'll take your seats,
7 if you'll take your seats and the secretary
8 will call the roll.

9 MS. FRIER: Commissioner Barney Barnett.

10 MR. BARNETT: I'm here on the phone.

11 MS. FRIER: Commissioner Martha Barnett.

12 MS. BARNETT: Here.

13 MS. FRIER: Commissioner Bostick.

14 MR. BOSTICK: Here on the phone.

15 MS. FRIER: Mr. D'Alemberte.

16 MR. D'ALEMBERTE: Here.

17 MS. FRIER: Commissioner Gelber.

18 MR. RANDY MILLER: He's right here.

19 MS. FRIER: Commissioner Haridopolos.

20 (No response.)

21 MS. FRIER: Commissioner Hogan.

22 MR. HOGAN: Here.

23 MS. FRIER: Commissioner Johnson.

24 MS. JOHNSON: Here.

25 MS. FRIER: Commissioner Kyle.

1 (No response.)
2 MS. FRIER: Commissioner Lacasa.
3 MR. LACASA: Here.
4 MS. FRIER: Commissioner Levesque.
5 (No response.)
6 MS. FRIER: Commissioner Levine.
7 (No response.)
8 MS. FRIER: Commissioner Margolis.
9 (No response.)
10 MS. FRIER: Commissioner Martinez.
11 (No response.)
12 MS. FRIER: Commissioner Mathis.
13 (No response.)
14 MS. FRIER: Commissioner McKay.
15 MR. MCKAY: Here.
16 MS. FRIER: Commissioner McKee.
17 MR. MCKEE: Here.
18 MS. FRIER: Commissioner Les Miller.
19 (No response.)
20 MS. FRIER: Commissioner Randy Miller.
21 MR. RANDY MILLER: Here.
22 MS. FRIER: Commissioner Moore.
23 (No response.)
24 MS. FRIER: Commissioner Riley.
25 MS. RILEY: Here.

1 MS. FRIER: Commissioner Rouson.

2 (No response.)

3 MS. FRIER: Commissioner Sansom.

4 MR. SANSOM: Here.

5 MS. FRIER: Commissioner Story.

6 (No response.)

7 MS. FRIER: Commissioner Turbeville.

8 MR. TURBEVILLE: Here.

9 MS. FRIER: Commissioner Wilkinson.

10 MR. WILKINSON: Here.

11 MS. FRIER: Commissioner Yablonski.

12 MR. YABLONSKI: Here.

13 MS. FRIER: Vice Chair Scott.

14 VICE CHAIR SCOTT: Here.

15 MS. FRIER: Chair Bense.

16 CHAIR BENSE: Here. And there is a quorum
17 present for today's meeting. Let us reflect
18 that -- I think did I see Commissioner Rouson
19 here?

20 MS. FRIER: Yes.

21 CHAIR BENSE: Did I see him earlier?

22 MS. FRIER: Yes, sir.

23 CHAIR BENSE: So that will have us at 15
24 voting members at today's meeting? Right. We
25 have 16 voting members present and two on the --

1 two on the phone.

2 Okay. Just as a notation, the two members
3 that are on the telephone cannot vote on issues
4 that might come up today regarding
5 constitutional proposals. So you'll recall,
6 with respect to statutory issues, it takes a
7 majority of a 25-member commission.

8 Having said that, why don't we open with
9 reports of committees.

10 Commissioner Turbeville will discuss the
11 Governmental Procedures and Structures
12 Committee. You are recognized.

13 MR. TURBEVILLE: Thank you, Chairman.

14 Yesterday we had a spirited debate that
15 lasted over three hours. There were six
16 constitutional proposals in front of the
17 committee, and all of them passed. I'll just
18 give a brief recap for those that are playing
19 at home.

20 Constitutional Proposal No. 22 by
21 Commissioner Rouson that dealt with affordable
22 housing trust fund, that passed.

23 Commissioner Lacasa's super exemption
24 proposal, No. 21, passed as well.

25 Commissioner Lacasa also had another

1 proposal, Constitutional Proposal No. 33, that
2 deals with the *Sebring* decision, as it's
3 commonly known. It's a tax exemption for
4 municipal property. That passed.

5 Commissioner Barney Barnett had
6 Constitutional Proposal No. 42 relating to
7 assessment challenges and presumption of
8 correctness. That passed.

9 And we had two proposals: One from
10 Commissioner Hogan on unfunded mandates, which
11 was Constitutional Proposal No. 46; and
12 finally, Constitutional Proposal No. 51 by
13 Commissioner Riley dealing with exempt --
14 special districts and how they are renewed over
15 time.

16 So all six proposals passed, and we had a
17 lot of testimony and a lot of debate.

18 CHAIR BENSE: Any questions? Any questions?

19 Thank you, Commissioner.

20 Next we'll have Commissioner Carlos Lacasa
21 discuss the issues that occurred in Planning
22 and Budgetary Procedures.

23 Okay. I didn't see you back there,
24 Commissioner Hogan. We'll wait for you there.

25 MR. HOGAN: It's just a comment.

1 CHAIRMAN BENSE: Comment, okay. Commissioner
2 Hogan, you are recognized.

3 MR. HOGAN: Just as a warning, I guess.
4 Since Commissioner Gelber has been on the
5 committee, I've noticed that he is continuing to
6 move closer to the center.

7 MR. GELBER: How do you know he's not asking
8 me?

9 CHAIR BENSE: You never know. You never
10 know.

11 VICE CHAIR SCOTT: I had a question,
12 Mr. Chairman.

13 CHAIR BENSE: Okay. Commissioner Scott.

14 VICE CHAIR SCOTT: Well, I was just -- I was
15 just going to comment that it's nice to have
16 Representative Gelber if he would just speak out a
17 little more on some of the issues.

18 CHAIR BENSE: Okay.

19 MR. WILKINSON: Mr. Chairman.

20 CHAIR BENSE: Commissioner Wilkinson, you are
21 recognized. This meeting is rapidly getting out
22 of control. I'm getting nervous.

23 MR. WILKINSON: I was wondering. I can't
24 recall. The Governmental Procedures and
25 Structures Committee, is their work done now like

1 in F&T? Are we shut down?

2 CHAIR BENSE: Yes, yes.

3 MR. WILKINSON: Okay. So we don't have to
4 worry about the full commission?

5 CHAIR BENSE: Yes. We'll talk about that
6 here shortly.

7 Okay. Commissioner Lacasa, you are
8 recognized to present the results of the
9 Planning and Budgetary Procedures Committee
10 meeting yesterday.

11 MR. LACASA: Thank you, Mr. Chairman.

12 Yesterday the committee reported out four
13 committee -- commission proposals:

14 CP0027 by Commissioner Hogan related to
15 the timing and frequency of TBRC meetings.
16 That was reported out favorably.

17 CP0030, by Government Services Committee
18 regarding class size limitations.

19 CP0040, by the Government Procedures and
20 Structure Committee regarding the funding of
21 private and religious providers for public
22 services reported favorably.

23 And CP0045 by Commissioner Hogan, a
24 resolution creating the caps on spending
25 revenue by local government and state

1 government.

2 SR0038 by the Governmental Services
3 Committee was temporarily passed because the
4 sponsor was not available yesterday.

5 CHAIR BENSE: Any questions of Commissioner
6 Lacasa?

7 MR. D'ALEMBERTE: It might be of interest to
8 hear the vote on some of those.

9 MR. LACASA: I don't have that here,
10 unfortunately, but I can get them.

11 CHAIR BENSE: The staff can provide that for
12 you, Commissioner. We can get that for you. Be
13 happy to. Some were close; some were unanimous, I
14 think. If I recall.

15 Okay. Having gone through the reports of
16 committees, I am hoping -- and Executive
17 Director Skelton, please correct me -- I think
18 all bills, all proposals, have now cleared all
19 their committees. Is that correct? Where
20 the -- where the sponsor is pushing them?

21 MS. SKELTON: There are some that are still
22 in committee, but those were either because they
23 were late in the process or because they have not
24 been requested, so...

25 CHAIR BENSE: We really -- at this stage, I

1 am not inclined to have any more committee
2 meetings. At some point in time, we have to get
3 on with our business here as a commission, and I
4 would think it would be a very special exception
5 that there would be a proposal that would go to a
6 committee unless there's some strong objection,
7 and we can talk about that if you like.

8 Commissioner Barnett.

9 MS. BARNETT: Are these activated all the
10 time?

11 CHAIR BENSE: Yes.

12 MS. BARNETT: Because I've got a little
13 machine here. I wasn't sure what that's for.

14 CHAIR BENSE: That's a special one for you,
15 Commissioner Barnett.

16 (Laughter.)

17 MS. BARNETT: Well, will it make coffee if I
18 want some?

19 I am aware of at least one proposal that
20 many of the people in the public that are
21 concerned about it, and I think they have
22 talked with the staff about it, feel that, just
23 inadvertently, didn't get agendaed for the
24 Finance and Tax Committee. I don't know the
25 background of that, but I think it's --

1 The number's 24, Susan? Is that CP0024,
2 Rob?

3 I don't know how many there are like that,
4 but I know there's a lot of concern that that
5 one did not get assigned to a committee and
6 heard. I don't know what we do about that.

7 Frank said there's a committee that's
8 still meeting. Perhaps the agenda of the
9 meeting could be assigned to -- to that
10 committee even though -- that and maybe others,
11 even though it may not have initially been the
12 first committee of reference.

13 CHAIR BENSE: Commissioner Scott?

14 VICE CHAIR SCOTT: I was just curious. What
15 is 24?

16 MS. BARNETT: It's a -- it's one dealing with
17 conservation. It's -- it was the -- it was the
18 one that was kind of traveling with Commissioner
19 Yablonski's dealing with conservation.

20 Maybe Brian can speak to it.

21 MR. YABLONSKI: Yeah.

22 MS. BARNETT: He may know more about it than
23 I would.

24 CHAIR BENSE: Commissioner Yablonski, you are
25 recognized.

1 MR. YABLONSKI: Yeah. Thank you. I think --
2 I think this was the -- it was Florida Forever
3 reauthorization with looking at a particular
4 percentage of the doc stamp revenue to go to the
5 successor program of Florida Forever.

6 CHAIR BENSE: My suggestion would be that the
7 sponsors of the proposal, obviously, like in the
8 Legislature, some folks, when they file their
9 bills, they have -- you know, either conditions
10 change, circumstances change, that issue is
11 included in another bill and it just doesn't move
12 forward through the committee process.

13 So I would think that from -- at this
14 point, that the sponsors of proposals should go
15 to the committee chair and persuade that
16 committee chair to take up the proposal, much
17 like you would do in the legislative process.

18 Is there objection to that?

19 MS. BARNETT: I think there's been an attempt
20 to do that. I may not have all the information so
21 I may not be the best person to speak to it right
22 now, but I think there has been an attempt to call
23 that to the attention of the staff. And certainly
24 with -- this is a public meeting. I am sure they
25 are listening to this, or will listen to it, and

1 people most interested in it can advise us. But
2 it has a lot of public interest, I believe, in
3 that proposal.

4 CHAIR BENSE: Commissioner Barnett, how about
5 I visit with you about -- and Executive Director
6 Skelton after the meeting to see what the status
7 of that is? Is that okay?

8 Any more discussions on committee
9 meetings?

10 Okay. Also, before we get into some of
11 the statutory recommendations, the concept on
12 our -- I've talked to Director Skelton about
13 perhaps on March 17th, at our March 17th
14 meeting, which will be, what, next Monday --
15 Monday week, that we take up a host of property
16 tax bills. Let's take those up. Let's move
17 them forward or not move them, one of the two.

18 And any discussion on that concept?

19 Commissioner Scott.

20 VICE CHAIR SCOTT: I think -- I think that's
21 a great idea because, based on all of our public
22 testimony, there's clearly a huge number of people
23 interested in this issue. So I think that would
24 be great. If that's the first -- first on our
25 list to address, that's great.

1 CHAIR BENSE: Commissioner Miller.

2 MR. RANDY MILLER: Yes.

3 CHAIRMAN BENSE: What are they? What do we
4 have left that we will be discussing at the full
5 commission? Everything from the full commission
6 or property tax?

7 MR. RANDY MILLER: Property tax.

8 CHAIR BENSE: Commissioner Skelton, you are
9 recognized -- or here I've made you a
10 Commissioner. You are recognized.

11 MS. SKELTON: Mr. Chairman, at this point the
12 proposals that have cleared committees and that
13 would be available for discussion relating to
14 property tax issues are:

15 The CS for Constitutional Proposal 2 by
16 Senators McKay -- Representative --
17 Commissioner McKay; Rouson; and Miller, Les
18 Miller.

19 Constitutional Proposal 50 by Commissioner
20 Levesque. Constitution -- CS for
21 Constitutional Proposal 21 by Commissioner
22 Lacasa.

23 And the CS for Constitutional Proposals 6,
24 8, and 34 by Commissioners Wilkinson, Scott,
25 and Lacasa.

1 MR. RANDY MILLER: Mr. Chair.

2 CHAIR BENSE: Commissioner Miller, you are
3 recognized.

4 MR. RANDY MILLER: You know, we have
5 Dr. Villamil, our economist, and I would think it
6 would be appropriate that he would give us an
7 analysis on these property tax proposals.

8 CHAIR BENSE: He will.

9 MR. RANDY MILLER: So we will have an updated
10 one, current one, when these come up. And it's
11 amended --

12 CHAIR BENSE: Understood.

13 MR. RANDY MILLER: Okay. I just wanted to
14 make sure we had... Because some of them sound
15 okay until you look at the economic impact of what
16 happens, and you may not want to do that. I think
17 we have Dr. Villamil --

18 CHAIR BENSE: Right. I think Dr. Villamil is
19 looking at 12 or 13 bills currently to take a look
20 at economic impact.

21 MR. RANDY MILLER: Thank you.

22 CHAIRMAN BENSE: He's working.

23 Comissioner Gelber, you're recognized.

24 MR. GELBER: Thanks, Chair Bense. And maybe
25 this has been answered before, so I apologize.

1 What is the critical path to figuring out -- if
2 there are bills that obviously do the same thing
3 different ways, what is the -- how are we going to
4 figure out -- how are you all going to figure out,
5 especially, the voting members, how -- you know,
6 which ones actually go on the ballot and which
7 don't? Are they going to be done the same day?
8 Are they all going to be -- have you-all talked
9 about this?

10 CHAIR BENSE: Yes. Basically, the -- the
11 status we're in now is virtually all bills have
12 now -- all bills have cleared committees. So we
13 now know who the hands are on deck, so to speak.
14 We know every bill, every issue, that's out there.
15 A couple of them, some of them, do conflict.

16 At some point in time, I think that the
17 sponsor of these proposals will figure out that
18 another one has, you know, better legs. Much
19 like the legislative process. Or that perhaps
20 the sponsor of a competing proposal doesn't
21 have the number of votes as he or she begins to
22 count votes, not by talking to the people but
23 by serving in committee and commission
24 meetings, where in debate the members seem to
25 stand. And I think, as many meetings as we

1 have, a lot of members sort of have a pretty
2 good feeling philosophically where each member
3 is.

4 So -- and then once issues are passed, we
5 are going to send them to the Styling and
6 Drafting Committee, as you well know. And then
7 at sometime -- at some point, we may combine
8 issues, proposals. And that -- at that stage
9 we're looking at the end of March, early April,
10 mid April, something like that.

11 Does that help?

12 MR. GELBER: Yes. Thank you.

13 CHAIR BENSE: Senator McKay.

14 MR. MCKAY: Following up on Commissioner
15 Miller's comments, I would hope that we're still
16 retaining Dr. Fishkind --

17 CHAIR BENSE: Absolutely.

18 MR. MCKAY: -- as well --

19 CHAIR BENSE: Absolutely.

20 MR. MCKAY: -- in the world of dueling
21 economists.

22 MR. WILKINSON: Mr. Chairman.

23 CHAIR BENSE: Mr. Wilkinson, you are
24 recognized.

25 MR. WILKINSON: Yeah. I had -- I did not

1 hear, unless I missed it, from Susan. Could we
2 have the presumption on that date as well?

3 CHAIR BENSE: Yes. I think --

4 MS. SKELTON: Mr. Chair, I didn't include
5 those in that list of property tax-related issues,
6 but they are available and can be added to that
7 date if that's the will of the commission to take
8 all of those issues on the same day.

9 CHAIR BENSE: Commissioner Wilkinson.

10 MR. WILKINSON: Well, I don't know what the
11 scheduling -- if that would be too much for that
12 day or what. I'd have to leave it up to staff --

13 CHAIR BENSE: My thoughts are that meeting
14 will be a very long meeting, and I would be
15 prepared, Members, to run like ten to five, ten to
16 six, something like that. And much like a
17 committee meeting in the Legislature, we may not
18 get to all issues that day, and they may get
19 carried forward to the next scheduled commission
20 meeting. So I think that will be the process.

21 Director Skelton and I will try to set the
22 agenda to get through as many as we can, and if
23 we don't, then we will move them to the next
24 commission meeting.

25 Commissioner McKay for follow-up.

1 VICE CHAIR SCOTT: No. I'm just going to --
2 I know we've put out for us the schedule, or, at
3 least, the tentative Susan has, but I think --
4 don't we have meetings like the 26th and the 4th
5 and the --

6 CHAIR BENSE: Why don't you call those out,
7 Susan, if you would, please.

8 MS. SKELTON: Mr. Chairman, the current
9 schedule for meetings -- and they will all be held
10 in this room at this point in time except for the
11 last one that I will tell you -- the current
12 schedule is for March the 17th, March the 26th,
13 April the 4th, and April the 24th and 25th.

14 We are hopeful that we will be able to be
15 back in the Knott building for that meeting on
16 April the 24th and 25th, and we anticipate that
17 being the meeting where Style and Drafting will
18 have completed its work, and that would be the
19 ordering and final vote meeting set for those
20 dates.

21 CHAIR BENSE: Commissioner Riley?

22 MS. RILEY: Yes. And what is the start time?
23 9:00 o'clock here? Is that the start time for
24 these meetings?

25 MS. SKELTON: Mr. Chairman, in an attempt to

1 try to make it possible for people to come in that
2 morning, the morning of, we are hopeful that we
3 can have start times of 10:00 or 10:30 so that
4 members can fly in in the morning.

5 In the event that we have extended agendas
6 and we can't do that, we may have to push the
7 start times back. But our goal at this point
8 is to try to have those start times late enough
9 so that you can get in the morning of the
10 meeting and not have to come in and stay the
11 night before.

12 CHAIR BENSE: Commissioner McKay.

13 MR. MCKAY: Mr. Chairman, I was going to --
14 because the scheduling issue and because our time
15 is coming to a close, I wonder -- and because of
16 what you just pointed out that we may have a
17 lengthy as well as a complicated agenda on the
18 17th with regard to all the property tax issues, I
19 wondered if it might be wise and if the other
20 members of the commission might agree that we
21 ought to put the issue Commissioner Wilkinson just
22 raised on the agenda, too, and maybe even a little
23 bit more like the agenda, and hold over until the
24 Tuesday. So that if we don't finish everything on
25 Monday, we can carry it on to Tuesday and maybe

1 even a few more items. That might create some
2 problems with the legislative meetings.

3 CHAIR BENSE: Susan is shaking her head.
4 Susan?

5 MS. SKELTON: Mr. Chairman. The room
6 availability is for one day only. That's the
7 problem. We probably would intend to put some
8 more things on the agenda and then have it carried
9 forward to the agenda for the 26th if we don't
10 complete on the 17th. But the issue now is room
11 availability.

12 MR. MCKAY: I understand.

13 CHAIR BENSE: And again, I think we've tried
14 to avail ourselves of free time. If we have to,
15 in April schedule some last-minute meetings, I
16 think we can do that and still be ahead of the
17 May 8th deadline.

18 Commissioner Miller?

19 MR. RANDY MILLER: May 4th?

20 CHAIR BENSE: Oh, May 4th. May 4th.

21 MR. MCKAY: Those members that haven't been
22 to Tallahassee a lot during legislative session
23 might be well advised to come up the Sunday night
24 because getting a flight on Monday morning from
25 Miami or Tampa will be difficult.

1 CHAIR BENSE: Book your flight now.

2 Ms. Skelton.

3 MS. SKELTON: Mr. Chair. Just as a point of
4 reference, May 4th is actually a Sunday, and since
5 we don't have IRS rules, that means that our
6 ballot language has to actually be to the
7 Secretary of State by May the 2nd.

8 CHAIR BENSE: The last thing we want to do is
9 meet for four straight days the end of April. I
10 think we have it spaced pretty well. We have done
11 our best to pace ourselves so that we don't run
12 into a last-minute crunch.

13 So, as we used to say, keep your debate.
14 Planes are leaving. Remember that? Planes are
15 leaving. Keep your debate.

16 Commissioner Johnson.

17 MS. JOHNSON: Mr. Chairman, did we decide the
18 voting process for each of these stages, what will
19 be required, what kind of vote? Have we resolved
20 that yet?

21 CHAIR BENSE: I don't know what you mean.

22 MS. JOHNSON: Like whether it's going to take
23 majority vote to get it to the next level or a
24 supermajority vote.

25 CHAIR BENSE: Yes, we worked all that out

1 already. Were you at the meeting?

2 MS. JOHNSON: What did -- I don't remember
3 what we decided.

4 CHAIR BENSE: Commissioner Scott.

5 VICE CHAIR SCOTT: The staff, they can give
6 you a copy. It was worked on several times in --
7 if that's okay.

8 MS. JOHNSON: And we -- it was finalized?

9 VICE CHAIR SCOTT: Yes.

10 CHAIR BENSE: Perhaps, Commissioner, you can
11 get with Mr. Goodlette or -- because we debated
12 pretty heavy. And there was, I think, unanimity,
13 so I don't want to head back there.

14 MS. JOHNSON: No. I just wanted to -- I
15 didn't remember what the final decision was on
16 that, but I'll go over it with him.

17 CHAIR BENSE: Thank you.

18 Any more general discussion? Any more
19 general discussion?

20 Okay. Let's move on to proposals. Again,
21 we don't have -- I want to make sure members
22 know that Commissioner Barnett and Bostick were
23 trying to fly into Tallahassee this morning,
24 and I think we all know the thunderstorms and
25 so on. So we don't have 17 members, but it

1 wasn't because of a lack of effort on
2 Commissioner Barnett's part and Commissioner
3 Bostick's part. So today we will simply take
4 up statutory recommendations since we don't
5 have 17 votes for a constitutional proposal.

6 Let's take up committee substitute for
7 Statutory Recommendation No. 0029 by the F&T
8 committee, a sales tax review. And presenting
9 that will be Commissioner Randy Miller.

10 You are recognized.

11 MR. RANDY MILLER: Thank you, Mr. Chair.

12 This is a proposal on the Finance and Tax
13 Committee dealing with review of sales tax
14 exemptions. We have set up a procedure for the
15 Legislature to create a committee, a joint
16 committee, to review the exemptions and set up
17 the procedure and some standards for them to
18 utilize in evaluating those exemptions.

19 Again, this is not a mandated sunset.
20 This is simply a statutory structure for a
21 review of the existing sales tax exemptions.
22 There are, I think, 246 of them. Some probably
23 have outlived their usefulness and need to be
24 taken off the books.

25 So this is the statutory recommendation we

1 would send. Now, of course, the Legislature
2 can do it this way or review it however they
3 want to, but I think the idea was for this
4 commission to send something to the Legislature
5 endorsing a review. The business community has
6 repeatedly said we do not oppose a review.
7 What we oppose is any kind of sunset
8 accompanying that review.

9 So this is the proposal that the committee
10 voted out. And that -- the Legislature, we
11 intend for them to take that -- this up this
12 session. So, Mr. Chairman, it's kind of
13 critical we move it out of here today and get
14 it on over to the Legislature for review.

15 I know Senator Haridopolos has said he's
16 willing to review the sales tax exemption in
17 the Senate. We have not heard anything from
18 the House yet.

19 But, anyway, this is what this proposal
20 is, and I would recommend that the commission
21 accept it.

22 CHAIR BENSE: Okay. Commissioner Miller,
23 having presented his statutory recommendation,
24 before we get to the question phase, I see a
25 couple of amendments. I'm seeing a timely-filed

1 amendment and a late-filed amendment.

2 Amendment No. 1 by Commissioner Mike
3 Hogan. You are recognized to present the
4 amendment.

5 MR. HOGAN: Thank you, Mr. Chair. If I may
6 ask -- with your permission, I am going to ask for
7 withdrawal of this amendment but would like to
8 explain why I introduced it and why I am
9 withdrawing it.

10 CHAIR BENSE: Absolutely. You're recognized.
11 We don't have it yet. Oh, this is late-filed.

12 MR. HOGAN: Mine is not listed.

13 CHAIRMAN BENSE: Okay. In the meantime, the
14 staff is preparing the late-filed amendment and
15 making sure members get a copy of the late-filed.
16 Commissioner Hogan.

17 MR. HOGAN: Amendment No. 1, and it exempts
18 inputs to a manufacturing process, including
19 energy, raw materials, machinery, and equipment.

20 The reason that I was interested in
21 offering this amendment is manufacturing, as
22 you all know, has taken tremendous hits
23 nationwide. Florida is no exception.
24 Regulation has been a killer. Some of our
25 trade agreements have harmed us, and

1 manufacturing jobs are disappearing all over
2 the place. And certainly for us today.

3 Taxing inputs is a pyramiding tax, and I
4 have a fundamental problem with pyramiding
5 taxes, and those were the reasons that I
6 thought that they should be exempted from this
7 review process.

8 But in giving more consideration to it, I
9 thought it would be disingenuous of us to pass
10 through to the Legislature a requirement for
11 review and then say we want to exempt these
12 entities from the review. And so for those
13 reasons, I introduced it and, for that reason,
14 I am asking it to be withdrawn.

15 CHAIR BENSE: For debate on the withdrawal,
16 Commissioner Scott, you are recognized.

17 VICE CHAIR SCOTT: Well, I am glad you are
18 withdrawing it, frankly, because what we are about
19 here is to ask them to do it. And that's their
20 job, and if we start trying to pick one or two or
21 any, and then what about the others. Because, you
22 know, we -- everybody would say, okay. Well, they
23 exempted this. What about mine? What about this?
24 What about that? And that's their job, and we are
25 just simply sending them a resolution that they

1 should do it, which they have already, at least
2 some of them have agreed to do. So I am glad you
3 are withdrawing it.

4 CHAIR BENSE: Without objection, show the
5 Amendment No. 1 withdrawn. We have a --

6 MS. MATHIS: Chair Bense, this is
7 Commissioner Mathis.

8 CHAIR BENSE: Hey, Commissioner Mathis. Good
9 morning.

10 MS. MATHIS: Good morning. Would it be
11 inappropriate for some sort of transmittal or
12 recommendation to the Legislature that they give
13 certain consideration to manufacturing companies?
14 Or is there a way to transmit that idea, that
15 thought, without putting it into a formal
16 recommendation?

17 CHAIR BENSE: I am going to let Commissioner
18 Scott answer that question.

19 VICE CHAIR SCOTT: Commissioner, I think the
20 concern is that for us to do one of those would
21 mean that we, by exclusion, didn't do some other
22 or didn't give as much consideration. And so I
23 think we are just asking them to review all of
24 them and not try to make a recommendation about
25 which ones should be in a more-favored or

1 less-favored position.

2 CHAIR BENSE: Commissioner Mathis.

3 MS. MATHIS: That answered the question.

4 CHAIR BENSE: Okay. Any more?

5 Commission Barnett, you are recognized.

6 MS. BARNETT: I was just going to comment for
7 Commissioner Mathis that one of the good things
8 about this particular proposal is it does set
9 forth criteria for the Legislature to use in
10 evaluating the various exemptions, including
11 things like pro-competitiveness and some of the
12 other things that are taken -- that were implied
13 in Commissioner Hogan.

14 So I think that's a very positive thing
15 about this, is it gives some input from this
16 commission about the kinds of issues that we
17 think are appropriate to be considered in
18 evaluating exemptions.

19 MR. RANDY MILLER: Mr. Chair, if I might.

20 CHAIR BENSE: Commissioner Miller, you are
21 recognized.

22 MR. RANDY MILLER: There was a lot of
23 discussion on this proposal at the F&T Committee,
24 and that's why it is a committee proposal. A lot
25 of the debate went into the development of this

1 particular proposal.

2 It is straightforward. It does set up
3 standards. And these that Commissioner Hogan
4 has picked out, I know that I worked personally
5 on putting several of these in the statute and
6 I know that they can pass any criteria when you
7 look at it, especially the criteria that we've
8 established here. So there is not a big
9 problem. Those will pass the test.

10 CHAIR BENSE: We were moving to Amendment
11 No. 2. This is a late-filed amendment by
12 Commissioner Gelber. Late-filed amendments
13 require a two-thirds vote for introduction.

14 Commissioner Gelber, you are recognized to
15 give a brief explanation of your proposed
16 amendment.

17 MR. GELBER: Thank you, Mr. Chairman. Since
18 I am going to be withdrawing it at the end of the
19 explanation, I might make it a little less brief
20 than I --

21 CHAIR BENSE: Take your time.

22 MR. GELBER: I agree with Commissioner Hogan
23 so much that I actually wanted to make a point by
24 introducing something. And, actually, it is very
25 valid, but I think properly if there's -- if it's

1 not going to be opened up, it ought not -- it
2 shouldn't -- this shouldn't be there as well.

3 And this, obviously, is for the assisted
4 living facilities where those folks, almost all
5 of them are on Medicaid. We've made a very
6 strong argument that they should be excluded
7 just like the pyramiding.

8 But I think that that is a very valid
9 point and, in fact, the only reason that I
10 agreed to do is not simply on the merits of
11 this but also to make the point that we thought
12 we should keep it pretty pure and let the
13 Legislature exercise its wisdom as you-all are
14 suggesting. But my fingers are crossed,
15 Chairman Bense.

16 Anyway, so I'll ask that you don't
17 consider this late-filed amendment at this
18 time.

19 CHAIR BENSE: Without objection, show the
20 amendment withdrawn.

21 Do we have any more amendments?

22 Okay. Let's move to the audience
23 participation phase. We have Nancy Stephens,
24 who is executive director of the Manufacturers
25 Association of Florida.

1 You are recognized.

2 MS. STEPHENS: Mr. Chairman, I'll waive my
3 time in light of the discussion. We supported
4 Chairman Hogan's amendment. Thank you.

5 CHAIR BENSE: Thank you, Nancy.

6 Next is Janegale Boyd, representing the
7 Florida Association of Assisted --

8 MS. BOYD: Homes and Services for the Aging.

9 CHAIR BENSE: Okay. Sorry about that.

10 MS. BOYD: We waive our time too and thank
11 you, and I appreciate Representative Gelber's
12 comments for us. Thank you.

13 CHAIR BENSE: For the record, folks, Janegale
14 Boyd is working hard for her folks, as we've heard
15 numerous conversations.

16 VICE CHAIR SCOTT: Indeed we have.

17 CHAIR BENSE: Why is everyone nodding their
18 head?

19 VICE CHAIR SCOTT: She has attended every
20 meeting, and some of us might have missed a few.

21 CHAIR BENSE: Okay. We are in the question
22 phase with the questions of the sponsor of the
23 proposal. Are there questions? Are there
24 questions of the sponsor?

25 Commissioner D'Alemberte, you are

1 recognized for questioning.

2 MR. D'ALEMBERTE: Are we now making a
3 decision about services in this proposal?

4 MR. RANDY MILLER: No, this does not -- in
5 the definition, it excludes services. Those are
6 outside purview of the sales tax, application for
7 sales tax today.

8 CHAIR BENSE: You are recognized for
9 follow-up, Commissioner D'Alemberte.

10 MR. D'ALEMBERTE: Yeah. Does that mean, when
11 we are asking for review, we are not reviewing
12 services?

13 MR. RANDY MILLER: That's correct.

14 MR. D'ALEMBERTE: Well, I think that's a very
15 bad bill just on that basis.

16 CHAIR BENSE: In debate, you can get your
17 licks in on debate, Commissioner D'Alemberte.

18 More questions?

19 Commissioner Riley, you are recognized.

20 MS. RILEY: I don't know if this is the right
21 time either, but -- and because we don't have a
22 quorum, do you --

23 CHAIR BENSE: No. This will -- this requires
24 only 13.

25 MS. RILEY: Okay. Should we have some

1 discussion whether we are actually looking for a
2 statutory recommendation or a constitutional
3 proposal? I think we ought to have some
4 discussion -- if we decide it's going to be a
5 statutory recommendation like this, which makes
6 sense, and it eliminates a lot of discussion for a
7 constitutional proposal, we can maybe take some of
8 those things that might want to be in there.

9 But I would really like to have a
10 discussion on -- I know this is a statutory
11 recommendation. Personally, I think that's the
12 way we should go. We should not have it in the
13 constitution. But I don't know if it's
14 appropriate or not to do this -- to discuss
15 that.

16 CHAIR BENSE: I tell you what. Commissioner
17 Miller, why don't you answer that question.

18 MR. RANDY MILLER: We --

19 CHAIR BENSE: Since you sponsored -- I think
20 you are involved with both of them.

21 MR. RANDY MILLER: Yes. We have a
22 constitutional provision that was being moved in
23 tandem with this. In the event the Legislature
24 didn't react or didn't respond to the review, we
25 always had that option -- and we still do have

1 that option -- to move that -- move it into the
2 constitutional, constitutional provision, which I
3 know it would just be as a hammer.

4 But the idea is this should be addressed
5 statutorily. They have the authority to do it,
6 but sometimes they need a little prodding, and
7 a prod from the Tax and Budget Reform
8 Commission, I think would give it some legs in
9 the Legislature for them to begin the process.

10 CHAIR BENSE: Generally speaking,
11 Commissioner Riley, if we had dueling proposals,
12 one being statutory and one being constitutional,
13 while we will put, if the sponsor wants, all items
14 on the agenda at the commission level, if a -- if
15 a sponsor chooses not to push their proposal, then
16 it doesn't necessarily have to be on the agenda.

17 So -- and I think what Commissioner Miller
18 is saying is let's give the statutory mode a
19 try and if the end of the day doesn't work, if
20 there's no reaction by the Legislative session,
21 then we, perhaps, take more drastic steps with
22 the constitutional proposal. That's already
23 set and ready to go.

24 MS. RILEY: So the fact that it's on the
25 agenda today is -- means something different?

1 CHAIR BENSE: Well, Commissioner Miller, you
2 want to address that too?

3 MR. RANDY MILLER: Yes. Thank you,
4 Mr. Chairman.

5 What we intended to do today is basically
6 TP it and hold it until a later meeting. The
7 Legislature has begun. As soon as we can get
8 this over there and see if we can get some
9 activity on the review before we have to hit
10 them over the head with it.

11 MS. RILEY: I appreciate you letting me take
12 this time.

13 CHAIR BENSE: Sure.

14 MS. RILEY: Since we can't discuss these
15 things ahead of time, it's the first opportunity
16 I've had to question that's --

17 CHAIR BENSE: Commissioner Barnett, you are
18 recognized.

19 MS. BARNETT: Yes. I would like to comment
20 on this. I don't view a statutory proposal and a
21 constitutional proposal dealing with sales tax
22 exemptions as mutually exclusive. I think you can
23 have both of them move forward at the same time,
24 and that appears to be what -- that's been my
25 understanding of what we are doing.

1 I do think there are different
2 philosophical discussions that you have to have
3 with yourself in that it's a very legitimate
4 issue to raise as to whether the sales tax
5 exemption review should be mandated in the
6 constitution versus a statutory decision.
7 There's a lot of different opinion about that.
8 So that's a -- that's a good, important
9 discussion to have.

10 But to move forward on the statutory
11 doesn't preclude --

12 CHAIR BENSE: No.

13 MS. BARNETT: -- moving forward on the
14 constitutional, and, in fact, you could have both.
15 And if the constitutional provision passed the
16 commission and passed the vote of the people, it
17 would take precedence over any statutory
18 recommendation or action by the Legislature.

19 CHAIR BENSE: We have moved through the
20 committee process similar proposals, statutory as
21 well as constitutional, to get them postured so
22 they are ready to be placed on the agenda of the
23 commission, so...

24 Commissioner McKay, you are recognized.

25 MR. MCKAY: Mr. Chairman, if I -- if I may

1 expand for Commission Riley's benefit on
2 Commissioner Barnett's comments, there have been
3 more studies than any of us can probably count
4 without taking our socks off where there have been
5 recommendations to the Legislature review process
6 of tax exemptions, including recommendations from
7 the last and first Tax and Budget Reform
8 commission meeting we had in 1992.

9 But the -- despite all those
10 recommendations from a plethora of groups,
11 there's absolutely no substantive effort on the
12 part of the Legislature to do that. So that's
13 why -- that's why a constitutional requirement
14 might -- might very well be appropriate. In
15 fact, I think it is appropriate. And it's also
16 consistent with a number of other provisions in
17 the constitution requiring the Legislature to
18 review certain programs from time to time.

19 CHAIR BENSE: Okay. We're in the question
20 phase of Commissioner Miller's proposal. Are
21 there additional questions, further questions, of
22 Commissioner Miller?

23 Is there debate? I think we've done
24 debate in question phase. That's a Senate
25 trick. That's a Senate trick. You-guys are

1 getting pretty good at that.

2 Commissioner D'Alemberte, would you like
3 to debate?

4 MR. D'ALEMBERTE: Yes. I apologize for
5 beginning my debate in the questioning phase. It
6 was out of order and also ineffective.

7 (Laughter.)

8 VICE CHAIR SCOTT: He was never in the
9 Senate.

10 MR. D'ALEMBERTE: I just -- I have just
11 extreme regard for Randy Miller as a public
12 servant person who understands the state taxation
13 system, but don't we all know that the sales tax
14 system in Florida is regressive? Don't we know
15 that we tax things that the poor people have to
16 use on a regular basis and that we leave out the
17 taxation on -- on services which are used by more
18 wealthy people? Doesn't the exemption of services
19 actually -- actually tilt the whole sales tax on a
20 project against -- against the people who are
21 least able to pay?

22 And by including services, I want to add
23 legal services. I mean, I don't see any basis
24 for overall exemption for legal services. We
25 don't -- we could better balance the -- our

1 sales tax system.

2 And I generally like what Randy is doing,
3 but I don't like the idea that we are, in this
4 bill, making a recommendation to the
5 Legislature that seems to present to the
6 Legislature the idea that we have actually
7 studied this issue and had full dollar and
8 debate on it. I simply don't think we have. I
9 think Commissioner Barnett and others have had
10 some important things to say about this issue.

11 But -- but, as a commission, we simply
12 have not addressed this services issue. So
13 Mr. Chairman -- I hate to vote against Randy
14 Miller, but this -- this particular provision
15 is noxious to me.

16 CHAIR BENSE: Okay. Further debate?

17 MR. RANDY MILLER: Mr. Chairman.

18 CHAIR BENSE: You want to -- okay.

19 MR. RANDY MILLER: I would like to explain to
20 Commissioner D'Alemberte that we did have a
21 conversation on a separate issue dealing with
22 services taxes, which were reviewed in the F&T
23 committee. So this is a separate proposal that
24 we -- the other debate was had in the committee.

25 CHAIR BENSE: Further debate? Further debate

1 on Commissioner Miller's proposal.

2 Seeing none, Commissioner Miller, you are
3 recognized to close your proposal.

4 MR. RANDY MILLER: Waived.

5 CHAIR BENSE: Commissioner Miller, having
6 waived his closing, the question occurs on passage
7 of --

8 MR. RANDY MILLER: 49.

9 CHAIR BENSE: -- of CS for Statutory
10 Recommendation 00029. Call the roll.

11 MS. FRIER: Commissioner Martha Barnett?

12 MS. BARNETT: Yes.

13 MS. FRIER: Commissioner D'Alemberte?

14 MR. D'ALEMBERTE: No.

15 MS. FRIER: Commissioner Hogan?

16 MR. HOGAN: Yes.

17 MS. FRIER: Commissioner Johnson?

18 MS. JOHNSON: Yes.

19 MS. FRIER: Commissioner Lacasa?

20 MR. LACASA: Yes.

21 MS. FRIER: Commissioner McKay?

22 MR. MCKAY: Yes.

23 MS. FRIER: Commissioner McKee?

24 MR. MCKEE: Yes.

25 MS. FRIER: Commissioner Randy Miller?

1 MR. RANDY MILLER: Yes.

2 MS. FRIER: Commissioner Riley?

3 MS. RILEY: Yes.

4 MS. FRIER: Commissioner Rouson?

5 MR. ROUSON: Yes.

6 MS. FRIER: Commissioner Turbeville?

7 MR. TURBEVILLE: No.

8 MS. FRIER: Commissioner Wilkinson?

9 MR. WILKINSON: Yes.

10 MS. FRIER: Commissioner Yablonski?

11 MR. YABLONSKI: Yes.

12 MS. FRIER: Vice Chair Scott?

13 VICE CHAIR SCOTT: Yes.

14 MS. FRIER: Chair Bense?

15 CHAIRMAN BENSE: Yes.

16 By your vote, the statutory recommendation
17 passes.

18 Next, Constitutional Proposal 0007 by the
19 F&T Committee, Commissioner James Scott.

20 James Scott, you are recognized.

21 VICE CHAIR SCOTT: This is -- this is the one
22 that we wanted to postpone, right?

23 In addition to not having the votes, this
24 will be available to us at such time as the
25 commission wants to do that. But, for now, I

1 would move that we temporarily pass the
2 constitutional proposal.

3 CHAIR BENSE: Without objection, show the
4 Constitutional Proposal 0007 temporarily
5 postponed.

6 Next, committee substitute for Statutory
7 Recommendation 0049 by Commissioner Randy
8 Miller.

9 Commissioner Miller, your are recognized.

10 MR. RANDY MILLER: Thank you, Mr. Chair.

11 This is another statutory recommendation
12 to the Legislature to have the constitutional
13 officers of each of the counties submit a
14 zero-based budget to the county commission to
15 be included in the overall county commission
16 adoption of the countywide budget as it relates
17 to ad valorem tax.

18 When we first drafted this, there was an
19 oversight. There are two officers at the local
20 level and the property appraiser that are
21 supervised by the Department of Revenue. The
22 budget is submitted to the Department of
23 Revenue for approval. Appeals go before the
24 Governor and Cabinet. So the rewrite of this
25 is what we have today. This one was amended in

1 the committee.

2 So, simply put, all the constitutional
3 officers would be -- would have a budget that
4 the public could see. When you go to the
5 county commission budget hearing today, there's
6 no requirement for the property appraiser to
7 show up. There's no requirement for the
8 sheriff or the clerk or supervisor of
9 elections. This would have them, at least,
10 file that zero-based budget with the county
11 commission so that everybody knows what's in
12 that budget.

13 CHAIR BENSE: Okay. Commissioner Miller,
14 having presented his proposal, are there any
15 amendments to the proposal?

16 Okay. I don't see any public debate.

17 Commissioner Barnett -- we are in the
18 question phase. Commissioner Barnett, you are
19 recognized for questions.

20 MS. BARNETT: Question. Randy, you have
21 mentioned in your discussion now the clerks. Does
22 this constitutional proposal -- I mean, does this
23 statutory proposal apply to the clerks? I mean, a
24 lot of their revenue comes from fees as opposed to
25 ad valorem, and -- but you mentioned them. Is

1 this intended to pick up the clerks and require
2 them --

3 MR. RANDY MILLER: This would --

4 CHAIR BENSE: You are recognized
5 Commissioner Miller.

6 MR. RANDY MILLER: This would pick up any
7 officer that uses ad valorem tax dollars.

8 MS. BARNETT: So it would not apply to the
9 clerks?

10 MR. RANDY MILLER: If he's a fee officer
11 totally, I don't think it would.

12 MS. BARNETT: Could Commissioner McKee
13 comment on that?

14 CHAIR BENSE: Can we do that? Well, why
15 don't you answer the question. You're right.
16 Commissioner McKee, you are recognized.

17 MR. MCKEE: At least, in nonchartered
18 counties, the clerk's budget is bifurcated. He
19 has a piece of it or she has a piece of it that
20 comes from ad valorem taxes, and it funds the
21 duties in their *ex officio* responsibilities to the
22 Board of County Commissioners.

23 Then there's the fee side of their budget
24 that comes from the activities as an officer of
25 the court. So a portion of the budget is

1 fee-driven; a portion of the budget is funded
2 with the county commission.

3 MS. BARNETT: Does the fee portion of it go
4 through the Legislature, then?

5 MR. MCKEE: The fee portion of it is approved
6 by the state, correct.

7 CHAIR BENSE: Commissioner Miller, you are
8 looking like that might not be the correct answer.

9 MR. RANDY MILLER: I don't know the answer on
10 the clerks. I don't know who the super -- if I
11 might ask Commissioner McKee.

12 CHAIR BENSE: You are recognized.

13 MR. RANDY MILLER: Who approves the fee side
14 of that budget?

15 MR. MCKEE: The state.

16 MR. MILLER: State who?

17 MR. MCKEE: By Article V. I don't know who
18 on the state level.

19 MR. RANDY MILLER: I don't know the answer to
20 that.

21 MR. MCKEE: But I know that it's -- I know
22 that it's not the county commissioners. I do know
23 that a portion of the budget that covers them is
24 the county comptroller, the *ex officio* clerk for
25 the county commissioners. And other

1 responsibilities that lie within the county
2 itself, not the judicial system, are funded
3 through ad valorem taxes.

4 Just so you know, I tell you that having
5 been chief deputy clerk of courts.

6 CHAIR BENSE: Did that help, Commissioner
7 Barnett? Not totally. I can tell that you're not
8 totally sure.

9 MS. BARNETT: Well, it does help me to some
10 degree because of the distinction between the two
11 funding sources. This amendment is limited to
12 ad valorem funds, as opposed to it would not apply
13 to the degree there were fees or other charges
14 that funded a constitutional officer, clerks or
15 otherwise. It would not apply and require a
16 zero-based budget on that is what I'm really
17 hearing.

18 So it's not comprehensive. It's only
19 ad valorem. So you are going to miss out -- I
20 think what the answer is you are going to miss
21 a lot of constitutional officers if their funds
22 come from something other than ad valorem,
23 Randy. That's, I guess, my question. I didn't
24 think the clerks had ad valorem, which is why I
25 was surprised to hear you say clerks in your

1 summary.

2 CHAIR BENSE: Commissioner Wilkinson, you are
3 recognized for a question.

4 MR. WILKINSON: Yes. Just for clarification,
5 the amendment that we approved with this is still
6 with it. The amendment which says each of the
7 state constitutions, county officers, boards, or
8 other taxing authorities that obtain their
9 revenues from ad valorem taxes, except those
10 officers whose budgets are approved under Section
11 -- which would be the collector and the property
12 appraiser.

13 So we are exempt from -- by passing this,
14 we are not addressed.

15 CHAIR BENSE: This will be committee
16 substitute. This is --

17 MR. RANDY MILLER: That was -- we
18 incorporated it. It is in there.

19 CHAIR BENSE: Further questions?

20 Further questions.

21 I have one, Commissioner Miller. I know
22 Senator Dean has been interested in this issue
23 as well for quite some time. And apparently,
24 currently, there's certain offices that can
25 simply run about a quarter page or one-third or

1 a small ad and say, "This is our budget for the
2 next year." Is that -- am I overexaggerating
3 or is that still --

4 MR. RANDY MILLER: No, that's correct.

5 CHAIR BENSE: Provide more detail on the
6 budget.

7 MR. RANDY MILLER: The attempt here is, if I
8 might ask to --

9 CHAIRMAN BENSE: You are recognized.

10 MR. RANDY MILLER: The attempt is
11 transparency at the government spending at the
12 local level to make sure that the citizens of the
13 county understand where their tax dollars are
14 going.

15 Currently, there are -- a big, big portion
16 of the ad valorem budget is not controlled by
17 the Board of County Commissioners. They have
18 to fund the activities of other constitutional
19 officers who are not required to come to the
20 budget hearing and defend it. So if there is a
21 big issue about the amount of tax increase to
22 fund those officers, they simply don't have to
23 show up and publish a notice. And this is to
24 get everybody there to talk about what we're
25 doing with your tax dollars.

1 CHAIR BENSE: Further questions? Further
2 questions? Is there debate?

3 MR. D'ALEMBERTE: I have just a question.

4 CHAIR BENSE: You are recognized,
5 Commissioner D'Alemberte.

6 MR. D'ALEMBERTE: Does this also include the
7 school superintendent?

8 CHAIR BENSE: Commissioner Mills, you are
9 recognized.

10 MR. RANDY MILLER: The school superintendent,
11 if they are getting money under the school board.
12 I think that's the difference of where the school
13 funding -- but I don't know the answer to that.

14 MR. D'ALEMBERTE: Then how about the school
15 board?

16 MR. RANDY MILLER: The school board? I don't
17 know the answer to that.

18 But I am sure that when this thing -- this
19 is a recommendation going to the Legislature.
20 I am sure all these folks are going to have a
21 thousand different explanations of why they
22 shouldn't be covered.

23 CHAIR BENSE: Any further questions and any
24 debate? Is there debate?

25 MS. BARNETT: I'd like to say something.

1 CHAIR BENSE: Ms. Barnett, you are recognized
2 in debate.

3 MS. BARNETT: I'm not opposed to this. I
4 think transparency in spending is a very important
5 principle that we should endorse.

6 I am concerned that it may not pick up all
7 of the constitutional officers. For example,
8 I -- I suspect it does not pick up most of the
9 funds that clerks have. It's my understanding
10 that the clerks' budget is not approved line
11 item by the Legislature but more as simply as
12 an -- you know, they get a lump sum that
13 somehow gets approved.

14 I don't know if that's good or bad. I'm
15 not commenting on that. But they are a
16 constitutional officer and -- so, to some
17 degree, this is an important issue, but I am
18 not sure it goes far enough. I am concerned it
19 may not go far enough. I don't know whether it
20 picks up school boards either.

21 But in principle, I like it, but I'm not
22 sure it's as comprehensive, Randy, as maybe you
23 had intended. Or perhaps it is. But those are
24 just my comments about it.

25 CHAIR BENSE: It's debate.

1 Commissioner Hogan, debate?

2 MR. HOGAN: Yes. This is -- this is the
3 bill, right?

4 MR. RANDY MILLER: That's it.

5 MR. HOGAN: Everything. Well, it says, "Each
6 of the state's constitution county officers,
7 school board members, or constitutional officers,
8 board, school board, or other taxing authorities
9 that obtain their revenue from ad valorem taxes."

10 And by Commissioner McKee's testimony, the
11 clerk receives some portion of his income from
12 ad valorem taxes. I see that it applies to
13 everybody except the two that already have to
14 submit a budget to the DOR.

15 CHAIR BENSE: Okay. Commissioner Barnett.

16 MS. BARNETT: I think it would apply to the
17 clerks to the extent they have ad valorem taxes.
18 It's the other revenues that come through fees I
19 don't think it would apply to require that kind of
20 transparency in budgeting, because that goes
21 through -- it doesn't go to the county commission;
22 it would go through the Legislature.

23 And it's my understanding it's not
24 appropriated funds in the classic sense. It's
25 more -- there's a different process. I can't

1 define it for you, but I think there's a
2 different process. And I don't think this is
3 the intent -- that was really my question to
4 Randy -- I don't think it's the intent to pick
5 up that piece of the clerk's budgets.

6 MR. RANDY MILLER: Mr. Chair, if I might.

7 CHAIR BENSE: Commissioner Miller, you are
8 recognized.

9 MR. RANDY MILLER: You know, I don't know
10 about the fee side, but in further reflection to
11 Commissioner D'Alemberte, I think that the board,
12 the wording "board" here would pick up the school
13 board.

14 And the intent is -- again, if we're
15 not -- if we're not picking up enough, I think
16 Mr. Cibula reviewed this. He might want to
17 comment on if there should be an amendment to
18 it to make it more expansive. I am not opposed
19 to that.

20 But this was our best shot at the
21 ad valorem side. In my opinion, it would be
22 hard, Commissioner Barnett, to pull out the
23 ad valorem part without bringing the whole
24 budget in because it's just the way the funding
25 works. I mean, you use part of it to fund the

1 office, but you surely can't segregate out the
2 fees and say, "That's my budget."

3 CHAIR BENSE: Mr. Cibula, do you want to make
4 a comment on that? You are recognized. Just find
5 an open mic there. That's good.

6 MR. CIBULA: I mean, I don't know if I have a
7 lot to add on this one. I just prepared the
8 language that was provided to me. But, you know,
9 I'll just make a quick comment on, you know,
10 school districts and the school boards. Those are
11 both constitutional entities under Article IX,
12 Section 4; and Article IV, Section 5. But, you
13 know, perhaps if you want an amendment to specify
14 exactly who this applies to by naming them, we
15 could do that at some point.

16 CHAIR BENSE: Commissioner Scott, you are
17 recognized.

18 VICE CHAIR SCOTT: Just a couple of comments.
19 First of all, I am not sure about what this does
20 to the school boards, and I'm sure this will get
21 addressed when it goes to the Legislature. But
22 one thing that it does do, and it may not be as
23 comprehensive as it could be, is, for example, in
24 some counties, well, like Broward, the sheriff's
25 budget is, like, half of the whole budget, you

1 know. I mean, and so, for example, to say that
2 there's some more disclosure on that sure doesn't
3 hurt anything.

4 And they do go to the commission. The
5 thing is that they can't really -- if they
6 reject it, they can appeal it, basically. But,
7 at least, this would make them fully set out
8 their budget instead of coming like -- because
9 I was down there on the commission for a while.
10 They would come with, well, here it is. You
11 know, here is this; here is that. You could
12 ask questions and ask for more information, but
13 by the time you ever get to doing that, it's
14 almost time to vote on the budget. So this way
15 they would have to submit in advance. It's a
16 good idea, I think.

17 CHAIR BENSE: Further debate? Commissioner
18 Riley, any debate?

19 MS. RILEY: Yes. Thank you, Chairman.

20 I really appreciate you bringing that up,
21 Commissioner Barnett, because the word "fees"
22 is now the buzz word as far as revenue goes.

23 So if we are going to do something to make
24 this transparent, I personally believe we need
25 to add that word "fees" in because your

1 ad valorem taxes are being reduced and -- but
2 the fees are increasing, and where they get the
3 money and how much from fees, I think, is
4 something that we need to address and take a
5 look at and put in here.

6 CHAIR BENSE: My instincts tell me that when
7 you submit a budget, that you have got to show
8 your sources of revenues and show your expenses.
9 I mean, I could be wrong. And I don't think there
10 are any officers of the court that are only --
11 that live only on fees. I guess the clerks might.
12 I guess the clerks might.

13 My instincts also tell me that when this
14 issue, if it's taken up by Florida House, I
15 think there's some fairly conservative members
16 of the Florida House that will probably -- if
17 the bill is filed without it, will probably
18 amend this bill to include all fees as well.

19 Your call, Commissioner Miller. Do you
20 want to TP it and amend it, or you want to get
21 'er done today?

22 MR. RANDY MILLER: Mr. Chairman, based on the
23 schedule that we have set up for future meetings,
24 I think we need to move it on to the Legislature
25 and put it in their hands right now.

1 MR. CIBULA: I think they'll -- they'll
2 fix --

3 MR. RANDY MILLER: They will fix it. And
4 there will be people coming out of the woodwork
5 saying, "Oh, did you mean this?"

6 But I think, Chairman Bense's comment, you
7 can't leave the fees out of the budget. Maybe
8 we might be able to do a quick -- a line item
9 zero-based budget on the entire budget, fees as
10 well as ad valorem. That's about all we can do
11 to fix that right here.

12 CHAIR BENSE: Commissioner Riley --
13 Mr. Cibula, why don't you work on that --

14 MS. RILEY: Is there any way just to say
15 revenue from ad valorem taxes and fees?

16 MR. RANDY MILLER: That's what he just said.
17 Yes, that's what he just said.

18 MS. RILEY: That we could put that in there?

19 CHAIR BENSE: Yeah. Why don't we -- I tell
20 you what, Mr. Cibula, if you will work on an
21 amendment to -- right now a late-filed amendment,
22 I think there's general consensus that will
23 probably pass.

24 Let's temporarily postpone this bill for
25 now. We are going to take it up in this

1 meeting, but we can move on to a couple of
2 other issues, some housekeeping business, while
3 Mr. Cibula is very quickly, very quickly,
4 handwriting a late-filed amendment.

5 Ms. Skelton. Let's move on to budget
6 cuts. I think we're going to get whacked just
7 like everyone else is, so why don't you talk
8 about what it looks like on the budget front
9 for us this session. You are recognized.

10 MS. SKELTON: Thank you, Mr. Chairman.

11 As everyone here is aware, the state
12 budget has been reduced already this year, and
13 they're having to make further reductions for
14 the current year in order to prepare to make
15 reductions for next year.

16 And at this point the House and the Senate
17 are in conference. It's my understanding they
18 didn't settle last night. They were close, but
19 they didn't settle. And the -- basically, both
20 Houses took cuts to TBRC in addition to all
21 other Legislative offices. And our cut in the
22 House proposal was \$700,000. Our cut in the
23 Senate proposal was \$650,000.

24 That sounds like a lot of money, but
25 understanding that at the end of June, when we

1 were to lose our authorization for expenditure,
2 the intent was to be able to revert in the
3 neighborhood of \$600,000.

4 So, while the cuts are big, they are not
5 as big as they sound because we did have
6 additional funds set aside for emergency
7 expenditures; for example, hiring of extra
8 consultants or those types of things.

9 So we are taking a large hit. We don't
10 know the final number. It will either be 700
11 or 650 or some version of that.

12 The budget then has to go to the Governor
13 for approval. But, at this point, we are
14 anticipating the final outcome of the
15 conference and somewhere in the neighborhood of
16 north of \$600,000 in cuts to the commission.

17 We feel like we have enough money to
18 continue and complete our work product in early
19 May and be able to get the final report done.
20 And we have been working with our staff on exit
21 plans, and we're all aware of what we're
22 dealing with and we will continue to provide
23 the best possible product to the staff -- or to
24 the commission and to the State of Florida.

25 Mr. Chairman.

1 CHAIR BENSE: Any discussion on that? The
2 good news is we have been fairly frugal the last
3 year or so about spending money. You recall, even
4 from our initial proposed budget, it was cut a
5 pretty good bit. So we have been -- Ms. Skelton
6 is very cheap.

7 (Laughter.)

8 CHAIRMAN BENSE: Frugal, frugal, sorry. Very
9 frugal. So sorry about that. My -- in my world,
10 it's cheap. Any comments?

11 But, in all fairness, you know, Susan
12 Skelton has been around this process, as all of
13 you know, for a good 25 years plus, and she
14 understands the budget process. And the good
15 news is -- I'll wax on about her for just a
16 moment because she understands the process,
17 knows most of you members, and has really been
18 valuable to me as we chat every day and e-mail
19 about every day on the issues that are out
20 here. So that's because of your good
21 steward -- stewardness through the last year
22 that we've been able to keep our expenses kind
23 of low. That's a better way to put it.

24 Okay. With respect to future meetings,
25 Members, you need to be at these meetings. I

1 mean, we really need to be at these meetings,
2 because this is where the rubber meets the
3 road, especially on the 17th where we take up
4 these property tax issues.

5 That is -- it's a critical day. You know,
6 all the public hearings we attended, they were
7 virtually dominated, if you will recall, by
8 property tax issues, so -- and I know it's
9 difficult. Sometimes it rains like this
10 morning. But especially make sure you do the
11 best you can to make the meeting on the 17th of
12 this month and the other ones as well. And if
13 we'll be there, we can do much to get them
14 done.

15 And I'll move them along as quickly as I
16 can, yet make sure we get proper public
17 testimony, as well as debate, during the
18 meeting. So I hope that helps a little bit.
19 They are still not done.

20 MR. RANDY MILLER: Mr. Chairman.

21 CHAIR BENSE: Commissioner Miller, you are
22 recognized.

23 MR. RANDY MILLER: Mr. Chairman, I've got a
24 general question about the procedure. With this
25 particular recommendation, the study on the sales

1 tax and the streamline, we now have -- will have
2 three proposals going to the Legislature. What is
3 the process to get them from -- with an
4 endorsement from this commission to that body in
5 time for them to act on it?

6 CHAIR BENSE: Ms. Skelton, I think you have
7 the answer to that question in much more detail
8 than I do.

9 MS. SKELTON: I don't know about detail,
10 Mr. Chairman.

11 The recommendations are now in Style and
12 Drafting. The Style and Drafting Committee
13 will put together -- the staff will draft --
14 the Styling and Drafting Committee will approve
15 the transmittal letter to the Legislature. And
16 that can happen at any time because those do
17 not have to come back for another vote.

18 So it's really a ministerial function at
19 this point to make sure that they are in order
20 and properly transmitted to the Speaker and the
21 president and the Governor's office. And that
22 would be ongoing. But under our rules, the
23 next step is to Style and Drafting, then move
24 forward on to the Legislature. So it's a
25 ministerial function at this point.

1 MR. RANDY MILLER: But they do --

2 Mr. Chairman.

3 CHAIR BENSE: You are recognized.

4 MR. RANDY MILLER: They do not have to come
5 back to this, the full commission, granting --

6 MS. SKELTON: The recommendations do not have
7 to come back.

8 MR. RANDY MILLER: Okay. If I might, then I
9 will ask that we expedite those as quick as
10 possible. The session has begun and...

11 I do know that the streamline has -- the
12 House sponsor is Representative Dennis Ross
13 called and asked if he could do that, which he
14 did. Senator Gelber has the streamline in the
15 Senate. So that one has -- are actually in
16 bills.

17 The sales tax that we did this -- did this
18 morning has not -- had any sponsors for that.

19 MS. SKELTON: Mr. Chairman.

20 CHAIR BENSE: Ms. Skelton, you are
21 recognized.

22 MS. SKELTON: In fact, there are a couple of
23 vehicles for sales tax review. They are for
24 specific sales tax exemptions. But given the
25 conversation, they could be used as vehicles.

1 Mr. Chairman, I have --

2 CHAIR BENSE: Commissioner Rouson, you had
3 some -- I think a question earlier?

4 MR. ROUSON: No, just a comment --

5 CHAIR BENSE: Okay.

6 MR. ROUSON: -- that rides on your comment
7 about the importance of all of us trying to make
8 March 17th.

9 I was a little disappointed to hear that
10 that was the date that we have to do some of
11 these important decisions. That's an extremely
12 critical date in my life. I will be
13 celebrating ten years' freedom from alcohol and
14 cocaine on that date, and for the last six
15 years, I've spent that day inside the jails and
16 treatment centers encouraging others to be free
17 from addiction. But I'm canceling that date
18 for the first time in six years so that I can
19 be here doing something that I think is more
20 important to the State of Florida and to the
21 citizens. And I really hope that we will be
22 able to take care of some business. My wife
23 just sent me the invitation last night to
24 approve for our sober St. Patty's Day party.

25 CHAIR BENSE: I'm sorry they conflict.

1 MR. ROUSON: I'm sorry they conflict too.

2 But it is an important date for decisions
3 that we will be making in here, and I just
4 wanted you to know that I am going to sacrifice
5 and do what I can to be here so I can be a part
6 of that process.

7 CHAIR BENSE: Thank you, Commissioner. We
8 appreciate those words.

9 Before we get back on the statutory
10 recommendations, with respect to the Styling
11 and Drafting Committee, we were able to bring
12 on board as staff for the Styling and Drafting
13 Committee Richard Hixon.

14 Richard, stand up.

15 Richard is a long-time veteran of the
16 Florida House. He retired in 2003, and I --
17 when I became Speaker of the House in 2004, I
18 got him to un-retire. And he is a legend. He
19 is respected by members of the House on both
20 sides of the aisle. I think everyone will
21 agree, and I think he will be absolutely
22 invaluable in making sure that our ballot
23 language is correct and meets any tests.

24 So I want to welcome Mr. Hixon now. And
25 it took Susan Skelton and I both to talk him

1 into coming on board, so I think it will work
2 out good.

3 (Applause.)

4 Okay. Let's move back to Statutory
5 Recommendation No. 0049 by Commissioner Randy
6 Miller. We are back on the -- we're back on
7 the proposal.

8 And Commissioner Miller, I think you have
9 a late-filed amendment.

10 MS. SKELTON: There's one copy.

11 CHAIR BENSE: Oh. I tell you what. Here's
12 what we'll do.

13 Commissioner Miller, it's going to be your
14 amendment.

15 MR. RANDY MILLER: Right.

16 CHAIR BENSE: We are going to let Ms. Skelton
17 explain the amendment, since she has it in front
18 of her, in detail what it says.

19 But, first of all, it is a late-filed
20 amendment. It requires two-thirds vote for
21 introduction. Are there any objections to
22 introducing this late-filed amendment?

23 Seeing none, the amendment is properly
24 filed.

25 Ms. Skelton, could you explain the

1 amendment.

2 MS. SKELTON: Yes. Mr. Chairman, this would
3 be Amendment 1 to the CS for SR0049. It's an
4 amendment on line 12 of the document in front of
5 you. That line would now read: "Revenue from
6 ad valorem taxes or fees except those officers
7 whose budgets are approved under Sections 195.087
8 or 145.022 who has budgeted and appropriated to
9 them by the board of county commissions certain
10 ad valorem taxes or fees for the operation of
11 their offices." And it goes from there. It adds
12 the words "or fees" in the appropriate places.

13 CHAIR BENSE: Okay. The sponsor, having
14 presented his amendment, are there questions of
15 the sponsor of the amendment?

16 Is there debate on the amendment?

17 Are there objections to the amendment?

18 Seeing no objections, we are back on the
19 proposal as amended. We are in the debate
20 phase. Any further debate?

21 Seeing none, Commissioner Miller, having
22 closed on his Statutory Recommendation, the
23 question occurs on passage of Statutory
24 Recommendation No. 0049 by Commissioner Miller.

25 The secretary will call the roll.

1 MS. FRIER: Commissioner Barney -- I mean,
2 I'm sorry. Commissioner Martha Barnett?

3 MS. BARNETT: Yes.

4 MS. FRIER: Commissioner D'Alemberte?

5 MR. D'ALEMBERTE: Yes.

6 MS. FRIER: Commissioner Hogan?

7 MR. HOGAN: Yes.

8 MS. FRIER: Commissioner Johnson?

9 MS. JOHNSON: Yes.

10 MS. FRIER: Commissioner Lacasa?

11 MR. LACASA: Yes.

12 MS. FRIER: Commissioner Levesque?

13 MS. LEVESQUE: Yes.

14 MS. FRIER: Commissioner McKay?

15 MR. MCKAY: Yes.

16 MS. FRIER: Commissioner McKee?

17 MR. MCKEE: Yes.

18 MS. FRIER: Commissioner Randy Miller?

19 MR. RANDY MILLER: Yes.

20 MS. FRIER: Commissioner Riley?

21 MS. RILEY: Yes.

22 MS. FRIER: Commissioner Rouson?

23 MR. ROUSON: Yes.

24 MS. FRIER: Commissioner Turbeville?

25 MR. TURBEVILLE: Yes.

1 MS. FRIER: Commissioner Wilkinson?

2 MR. WILKINSON: Yes.

3 MS. FRIER: Commissioner Yablonski.

4 MR. YABLONSKI: Yes.

5 MS. FRIER: Vice Chair Scott?

6 VICE CHAIR SCOTT: Yes.

7 MS. FRIER: Chair Bense?

8 CHAIR BENSE: Yes.

9 And by your vote, the Statutory
10 Recommendation passes.

11 MR. RANDY MILLER: Thank you, Mr. Chair.

12 CHAIR BENSE: Okay. Any further items to be
13 brought up before the commission? Anything else?

14 Seeing none, Commissioner Hogan moves we
15 rise.

16 (The proceedings concluded at 11:44 AM)

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STATE OF FLORIDA)
COUNTY OF LEON)

I, LISA D. FREEZE, Notary Public, certify that I was authorized to and did stenographically report the proceedings herein, and that the transcript is a true and complete record of my stenographic notes.

I further certify that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

WITNESS my hand and official seal this 7th day of March, 2008.

LISA D. FREEZE, RPR, NOTARY PUBLIC
2894 REMINGTON GREEN LANE
TALLAHASSEE, FL 32308
850-878-2221