

LegisLetter

FLORIDA STATE UNIVERSITY GOVERNMENTAL RELATIONS

Volume Eleven / Number Eleven • November 7, 2001

Declaring that he could not sign the reduction budget bill legislators sent him last week, Governor Jeb Bush yesterday asked the Legislature to try it again. A second special session to fill a \$1.3 billion gap in the current year budget was called by the Governor for November 27 through December 6, 2001.

Legislators abruptly ended their first special session when the House and Senate could not agree on how deep to cut the state budget and how much reserve funding to use to fill the deficit. In that budget, which will be vetoed by Governor Bush when he receives it, the university system took a 3.47 percent cut to their base, and to programs such as financial aid, library resources and graduate fee waivers.

Since last week, House and Senate leaders have been working out their differences in anticipation of the second special session. Those differences focus on how to handle an intangibles tax exemption that was granted during the regular session last spring. The Senate's position last week was to repeal the exemption and use the \$125 million to help offset the budget shortfall. Repeal of the tax, however, was not an option for the House of Representatives. Instead, they dipped further into the "rainy day fund" to fill the gap. Apparently, House and Senate leaders have now reached a compromise position, the details of which will be unveiled in the coming weeks.

Last week's budget also contained language pertaining to the employee pay raises. The language in the budget stated that any employee not represented by a bargaining unit and whose base pay exceeds \$90,000 will not receive a pay increase, effective November 1. The bill with that language will be vetoed, the Governor yesterday issued an executive order, which is provided in the adjacent column.

I will continue to send these updates via the *Legisletter*, when information becomes available to me. In the mean time, please feel free to contact me if you have further questions about any legislative issues which may concern you. I can be reached at (850) 644-4453 or e-mail kdaly@govrel.fsu.edu.

Kathleen

Governor Issues Executive Order On Pay Raises

*The Executive Order issued by
Governor Bush reads:*

"Pursuant to my authority under the State of Emergency declared in Executive Order 01-262 as a result of the terrorist acts of September 11th, I have determined that under the section 252.37, Florida Statutes, the demands upon the funds available for coping with the increased security needs of Florida's seaports are unreasonably great.

In consideration of the need for increased security, I hereby direct that the portion of funds appropriated by the Legislature in the 2001-2002 General Appropriations Act for the pay raises effective November 1, 2001 for state employees and officials who are not members of a collective bargaining unit and whose annualized base pay exceeded \$90,000 on October 31, 2001 be transferred and available for expenditure to provide additional security, such as additional National Guard deployments, for Florida's seaports. This directive does not affect legislative employees. Please work with my budget office and take any necessary action to implement the immediate transfer of these funds prior to any disbursement as pay increases."