From April 23, 2009

Both chambers were on the floor for most of the day on Thursday, although with very little progress on the major issues of this year's session. The House did pass some major education reform legislation endorsed by AIF. Friday promises to bring votes on major AIF issues including seaport security, kid waiver legislation, and growth management.

Budget negotiations continue to go on behind close doors as both presiding officers continue to assure their members that progress on the budget is being made. The prospect of ending on time remains to be seen.

ESP 2.0

Today, the <u>Senate Policy and Steering Committee on Ways and Means</u> unanimously approved <u>SB 1502</u> Relating to Fast Track Economic Stimulus for Small Businesses by <u>Senator Mike Fasano (R-New Port Richey)</u>. This bill, will work towards creating jobs and stimulating economic activity across Florida while fostering growth in some of the most depressed areas of Florida. Growth and economic activity are job drivers for the state's economy, and this will create jobs and stimulate economic activity in the state while fostering growth in some of the most depressed areas of Florida. By drawing private capital investment into the state by a program that would match it with state incentives, this legislation is a perfect way to help jump start Florida's economy and can get it back on track by investing in Florida's businesses. The bill, arguably one of the session's most innovative stimulus bills, would encourage venture capital into the state and draw down millions in available federal funds.

AIF has worked on this legislation for two years running, and **Jose L. Gonzalez**, AIF's Vice President of Governmental Affairs, urged the committee to support the bill today stating that it is a top priority of AIF and its members.

<u>Chairman JD Alexander (R- Winter Haven)</u> congratulated Senator Fasano on taking steps to create more jobs and get the economy moving forward.

<u>SB 1502</u> will now be considered on the Senate floor. The House companion, <u>HB 485</u> by <u>Representative Will Weatherford (R-Wesley Chapel)</u>, will be considered on the House floor tomorrow.

AIF is an ardent supporter of this legislation. Not only will this create jobs and stimulate economic activity in the state, but it will also foster growth in some of the most depressed areas of Florida. Growth and economic activity are job drivers for the state's economy and programs like the New Markets Development Program are just one way that Florida's economy can get back on track.

Education & Workforce

Today, AIF's top education priority passed on the floor of the House of Representatives by a vote of 75 to 42. HB 1293 raises the standard diploma requirements to new 21st Century Diploma graduation requirements.

Starting in the fall of 2010, freshmen in the Class of 2014 will be required to take and pass the following courses:

- Math: Take <u>Algebra I and Geometry</u> for two out of four required math courses.
- Science: Take <u>Biology I</u> as one of three required courses.
- Continuing to raise the bar in the fall of 2012, freshman in the Class of 2016 will be required to take and pass the following courses:
- Math: Take <u>Algebra I, Geometry and Algebra II</u> for three out of four required math courses.
- Science: Take Biology I, Chemistry and /or Physics for two out of three required courses.

HB 1293 also requires that students receive a grade-level score on the 10th grade FCAT to graduate.

AIF appreciates <u>Representative Erik Fresen (R-Miami)</u> for leading the charge to dramatically raise graduation standards for our students. To provide for our state's future economic growth, the 21st Century Diploma Initiative requires a more rigorous curriculum to ensure *all* Florida's students are prepared to enter the competitive global economic community.

HB 1293 will now be sent to the Senate for consideration.

AIF strongly supports increased standards for high school graduation so that students will graduate from high school ready for college and work. This bill increases the value of a Florida high school diploma – for businesses, for colleges, and most importantly, for the students of Florida.

We also applaud Florida House members for passing (77-49) <u>HB 991</u> Relating School Improvement and Accountability by <u>Representative Tom Grady (R-Naples)</u> to better integrate Florida's proven school grading system with No Child Left Behind's command-focus on providing intensive intervention for struggling schools.

AIF believes it is important to continue to build on the K-12 accountability system with particular focus on improving the value of a high school diploma. This measure strengthens Florida's nationally recognized school accountability system, aligns it with the federal accountability system and ultimately improves the value of a high school diploma for future employers.

HB 991 will now be sent to the Senate for consideration.

AIF support legislation that will lead towards better prepared students through greater school accountability for educational outcomes.

Taxation

AIF is in the midst of a battle to defeat a bad corporate income tax bill <u>SB 2546</u> Relating to Corporate Income Taxes by <u>Senator Thad Altman (R-Melbourne)</u>. The bill makes drastic changes to Florida's corporate income tax structure, which would cost companies doing business in Florida hundreds of millions in increased taxes. The bill contains close to thirteen different provisions that would change how companies apportion income for the purposes of paying Florida corporate income taxes. The provisions are described as ways to close "corporate loopholes" in actuality they are changes that would bring in a tremendous amount of new revenue to the state.

Today, the bill was unexpectedly placed on the agenda for the <u>Senate Ways and Means Committee</u> (the bill's last committee of reference). The AIF team sounded the alarm and <u>Senator Mike Haridopolos (R-Melbourne)</u> made his concerns known to the <u>Senate President</u>. The bill was eventually TP'ed (meaning no action was taken) thanks in part to the actions of <u>Senator Haridopolos</u>.

Associated Industries of Florida would like to thank Senator Haridopolos for standing with the business community and demanding that the bill not be heard. While we won this battle, the war is certainly not over. We must keep the pressure on the Senate to abandon this proposal, which would have a chilling effect on any future invest of capital or resources in Florida.

AIF strongly opposes this bill because it is overly broad and discourages investment; and therefore, economic development in the state. Moreover, the bill includes provisions that no other competing state currently has making Florida at a real disadvantage when competing for jobs with our neighboring states.

The <u>Senate Policy and Steering Committee on Ways and Means</u> unanimously approved <u>SB 1468</u> Relating to Working Waterfront Property by <u>Senator Charlie Dean (R-Inverness)</u>. This legislation implements the language of the constitutional amendment approved by voters in the November 2008 General Election. Amendment 6 changes the way businesses located on working waterfronts are assessed property taxes. Currently, they are being assessed at "highest and best use," but the constitutional amendment changes it to "current use."

SB 1468 will now be considered on the Senate floor.

AIF was actively involved with the passage of Amendment 6 and is supporting SB 1468 these measures to implement it. Working waterfront properties should be taxed at their current use and not at the highest and best use as they are today. The marine industry has an economic impact of approximately \$18 billion per year and employees over 220,000 people in our state. This industry is too important to lose to other states because of our property tax system.