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# *Associated Industries of Florida*

“The Voice of Florida Business Since 1920”

## **Minding Your Business During the 2007 Session**

Florida businesses emerged victorious from the 2007 Session. AIF's team of the state's most influential lobbyists, combined with our rich history, provided the foundation to shape legislation that will help our members prosper. After nearly 90 years serving as Florida's most powerful business voice, AIF is better positioned than any other organization to advocate for your interests and lead businesses through the 21st Century.

- Successfully defeated attempts to undermine the repeal of **Joint and Several Liability**.
- Protected Florida's "**Employment at Will**" practices by defeating legislation that would have prohibited employers from enforcing or enacting policies banning guns in the workplace.
- Helped pass **Workforce Development** legislation by establishing valuable partnerships between the private sector and school boards.
- Expanded the state's home-hardening grant program to improve Florida's **Property Insurance** market.
- Furthered Florida's **Economic Development** efforts by helping to pass legislation aimed at increasing venture capital investment in emerging businesses and technologies.
- Opposed and helped defeat costly **Health Insurance Mandates** that would have driven up health care costs for employers.



*If you are not part of Associated Industries, contact us and find out how you and your business can be part of the most effective business association in Florida.*

516 North Adams Street • Post Office Box 784 • Tallahassee, FL 32302-0784  
Phone: (850) 224-7173 • Fax: (850) 224-6532 • [www.aif.com](http://www.aif.com)



By Barney T. Bishop III

## Education that Works

As you can see from the various stories in this edition of *Employer Advocate*, AIF and our lobby team are incredibly focused in our efforts with the Legislature.

One particularly important area of attention continues to be the classroom. AIF is creating the Florida Education & Workforce Development Council to help the business community continue to take a leadership role in education reform.

Employers need graduates who can, at a minimum, do three things: write co-gently, think critically, and speak articulately, but that is not what our schools are producing. This is one of the reasons why AIF has supported school choice and the creation of the FCAT exam. While neither offers a complete solution to the problems in our schools, they both provide parents and students a new beginning and sorely needed measuring stick to gauge how our students are doing.

As I travel around the state and the country, I continually hear from employers that we need dramatic change in our education system. And they are right. First, we must change the way we think about college. We do a disservice to our children when we continually preach that every child must go to college to get a good job.

Forty percent of all children in Florida will never attend a post-secondary institution. In fact, we don't have enough space on our college campuses to accommodate every high-school graduate. And we are killing the self-esteem and hope of those children who, for whatever reason, do not want to go to college.

Plumbers, electricians, cable technicians, computer specialists, etc., are all worthy jobs that can pay a decent salary and thus provide success to anyone motivated to learn the skills necessary. That's why this session we worked with Sen. **Don Gaetz** (R-Niceville) and Rep. **Will Kendrick** (R-Carrabelle) to help them pass their bills creating career choice academies (see page 14). Note that there's no mention of vocational education, a retro term that reeks of failure.

Second, we must radically change the way we measure progress for our children in schools. When you read about national rankings on per capita spending, graduation rates, and so on, we are looking at the wrong measuring stick. In a 21st Century global economy, our competition is not with Iowa, Minnesota or Michigan; our competition is with China, India, South Korea, and Taiwan. Yet, what are we doing to measure our performance with the Far East? Frankly, not much.

Last year, in China, hundreds of millions of students studied English on a daily basis. In all of America, only 24,000 students learned Mandarin Chinese, one of the three most commonly spoken languages in the world (along with Spanish and English).

So, how does the U.S. education system compare worldwide? Our fourth graders come in near the top in world rankings. By age 13, our children rank about equal to the world average. By the time students turn 17 years old, the education they receive ranks among the bottom of the world's systems.

Our challenge as employers is to ensure that Florida's schools are providing Florida's children with learning that is relevant to their future success. To accomplish that, we must fight the status quo that prevails in our educational system. We must advocate for and instill a multi-cultural and multi-lingual approach because we must effectively compete worldwide, not just across America.

As we move forward here in Florida, know that AIF is dedicated to becoming the leading voice in education reform.

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*Advocate*

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PUBLISHER  
Barney T. Bishop III

ASSOCIATE PUBLISHER  
Stephen B. Trickey

EDITOR  
Jacquelyn Horkan

DESIGNER  
J. Gregory Vowell

EDITORIAL OFFICES  
516 North Adams St.  
Post Office Box 784  
Tallahassee, FL  
32302-0784  
Phone: (850) 224-7173  
Fax: (850) 224-6532  
E-mail: [aif@aif.com](mailto:aif@aif.com)  
[www.aif.com](http://www.aif.com)

# What Employers Need to Know About

By Keyna Cory

# Hometown Democracy

It may be redolent of mom and apple pie, but “Hometown Democracy” are two of the most frightening words for the business community in Florida.

**H**ometown Democracy is a citizens’ initiative championed by a group of no-growth extremists that, if approved by the voters, would require all local comprehensive land-use plan changes to be put to a referendum-like vote.

In other words, citizens would be forced to make decisions on thousands of complicated land-use planning issues, thereby circumventing the democratic process. To make matters worse, placing this proposal in our state’s constitution makes it invulnerable to any fine-tuning by our elected Legislature if complications should arise, as they definitely will.

So why shouldn’t voters have a say in zoning issues? Because these issues are extremely complicated and voters are not likely to spend the massive amounts of time that elected officials devote to studying these issues.

Local officials spend days reviewing comprehensive plans with experts so that informed decisions can be made on the growth and future of a community. If this amendment becomes part of the constitution, every comprehensive land-use plan change, no matter how trivial — such as a technical correction — or critical — such as siting a hospital or school — would require voter approval.

In addition, a relative handful of self-interested voters could condemn to failure efforts by local governments to attract exciting new industries and research complexes. The failure of these ventures would carry an enormous local and statewide price tag in terms of lost prosperity and opportunity for other Floridians.

Depending on which county you call home, there could be literally thousands of land-use changes in any given year, each one vulnerable to arguments based on emotion rather than fact.

The proposed constitutional amendment does not specify whether all comprehensive planning changes can be lumped together or if voters must decide on each change individually. If each change has to be voted upon individually, one has to wonder how much time each voter will have to spend in a voting booth trying to decide which

comprehensive plan change is good or bad.

Elections are costly. Florida has just come out of a special session on property tax reform, which will force most local governments to cut their budgets. Yet if this amendment is passed, the cost to local governments will be astronomical. Some early projections put the cost of this amendment at tens of millions of dollars. Why should taxpayers’ money be spent paying for elections on land use actions when elected officials have been making these kinds of decisions for decades with input from professionals? That money could be used for other projects needed by the community such as health care for the poor or programs for seniors and children.

The Hometown Democracy group is currently gathering signatures to place their constitutional amendment on the November 2008 ballot. They have already collected approximately one-third of the required signatures and are well on their way to earning a place for it on the ballot.

What can employers do to stop this anti-growth proposal? First, if you or your employees are approached by a person wanting you to sign a petition, just say NO!!! Employers should also be vigilant about not allowing petition gatherers on their property. This year lawmakers passed SB 1920, which AIF supported, which allows private property owners to regulate the presence of signature gathering on their business premises.

Next, contact AIF to hear about the plans our Hometown Democracy Coalition has to stop this amendment before it gets on the ballot. We are working with a unique coalition of local governments, environmentalists, trade associations, and businesses to stop this disastrous idea from making it onto the ballot.

Help us stop Hometown Democracy so that Florida can keep growing at a pace that is good for the economy and the environment.

*Keyna Cory is the president of Tallahassee-based Public Affairs Consultants, Inc., and chief lobbyist for AIF (e-mail: keynacory@paconsultants.com).*

# More Work to be Done on

# Property Tax Reform

By Keyna Cory

On the 2006 campaign trail, candidates got the message from the voters: *Do something about property taxes and insurance.*

It took two special sessions, divided by a regular session, but lawmakers addressed both issues. In January, Gov. Charlie Crist provided the lead on an over-arching property insurance reform bill. Its long-term effects remain to be seen.

In June, lawmakers returned to Tallahassee, needing only half the time they scheduled to enact a two-part legislative package that is expected to bring \$24 to \$32 billion in property tax relief over the next five years.

The first part of the reform effort is contained in HB 1B by Rep. Frank Attkisson (R-Kissimmee), which imposes an immediate freeze, cut, and cap on property taxes imposed by counties, cities, and independent special districts. Local governments and independent special taxing districts are required to revert to their 2006-07 levels of taxation. Further tax cuts will be required of cities and counties that imposed significant growth in property-tax collections over the past five years.

Future local property tax collections will be capped at a level not to exceed the growth in personal income and population. In recent years this number has fluctuated somewhere between five and seven percent statewide.

Lawmakers also adopted SJR 4B, by Sen. Mike Haridopolos (R-Melbourne), the constitutional part of the reform package, which will go before voters next January. The proposed constitutional amendment will allow homeowners to choose between the Save Our Homes Tax Cap and a new Super Homestead Exemption. The Super Exemption would increase the current \$25,000 homestead exemption to as much as \$190,000. The idea of giving voters a choice was a last-minute compromise, negotiated when

lawmakers realized that homeowners might not be willing to accept the loss of Save Our Homes in return for the bigger homestead exemption.

SJR 4B also provides an exemption from ad valorem taxes for tangible personal property, and gives to the Legislature authority to require fair-market assessments of affordable housing and working waterfront properties.

What does that mean to you and your business?

Implementing HB 1B's tax cut will provide an average of seven percent in tax savings for all property owners while providing a measure of certainty for future growth in taxes. In recent years some Florida business owners have been hit with tax increases of 100 percent and more. Now they can plan for the future knowing that their taxes will rise only by three to seven percent, depending on their location.

If the constitutional amendment is approved, businesses would no longer have to file and pay ad valorem taxes on tangible personal property. In 2006 more than one-million taxpayers filed tangible personal property tax forms, with over 70 percent of them declaring \$25,000 or less in tangible personal property. For many taxpayers, filling out the form cost more than the actual amount of taxes they paid.

With the new exemption, the average tangible personal property savings would be \$262 plus the cost of filing. The average savings for commercial/industrial properties under other provisions in the constitutional amendment is eight percent,

which equates to approximately \$1,240 a year.

AIF congratulates the Florida Legislature on their excellent work on property-tax relief and reform, but we still have a lot of work to do.

AIF has received commitments from the leadership of both the House and Senate to address our two remaining concerns during the next session: how property is assessed and value adjustment boards. The current practice of assessing property on its "highest and best use" can result in unjust and unaffordable valuations. Alternatives should be considered, based on current use or an income mechanism.

A recent report by the Florida Auditor General's office revealed a multitude of problems with value adjustment boards and contained a number of valuable suggestions for making this system work more efficiently and fairly.

#### **HB 1B**

**Effective Date:** Upon becoming law

**Senate vote:** 37-0

**House vote:** 117-1

**Final action:** Signed into law June 21, 2007; Chapter No. 2007-xxxx

#### **SJR 4B**

**Effective Date:** N/A

**Senate vote:** 25-12

**House vote:** 74-43

**Final action:** Signed by officers June 21, 2007, and filed with secretary of state (joint resolutions do not go to the governor for action)

*Keyna Cory is the president of Tallahassee-based Public Affairs Consultants, Inc., and chief lobbyist for AIF (e-mail: keynacory@paconsultants.com)*



# Climate Change and Alternatives:

By Barney Bishop

We advocate for a diverse energy source portfolio that includes fossil fuels, renewables, and nuclear power while increasing our commitment to conservation. In the final analysis, consumers and the business community must have choices that we can afford.

# The Future is Upon Us



Energy security is an issue of growing importance to Floridians, our leaders, and the business community, and rightly so. During the past Legislative Session, AIF's lobby team worked on a number of environmental and regulatory issues with respect to energy policy and funding of alternative fuels. We do this because of our recognition that a stable, reliable, and affordable energy policy is of the utmost importance to the business community and the jobs that we produce every day and everywhere in Florida.

**C**limate change is but one aspect of the energy-security issue that faces our state, and we must be careful to weigh the cost-to-benefit ratio of what we all want to do but may not necessarily be able to afford. The other major aspect to climate change is the diversification of our energy sources so that we have a balance of investment in renewable sources, nuclear, and even clean technology in fossil fuels, along with enhanced conservation efforts.

As a result AIF opposed bills this past session, from legislators with whom we typically work well on other business issues, which attempted to pass a proposed constitutional amendment that would have unilaterally imposed severe mileage restrictions on our ability to explore and drill in the eastern Gulf of Mexico where resources are known and plentiful.

We also believe in renewables

and so, for the second year, we supported increased dollars for Agriculture Commissioner **Charlie Bronson's** innovative Farm-to-Fuel programs, and the initial and current funding for Centers for Excellence, a program that helps to fund six groundbreaking renewable energy projects at state universities. Some of this research, which is also being replicated and enhanced at various institutes from California because of former Gov. **Jeb Bush's** foresight to bring them to Florida, offer great promise in the future for a better, cleaner environment.

By the time you read this Gov. **Charlie Crist's** Climate Change Summit in Miami will already have taken place. We applaud our governor for his deep commitment to a 21st Century energy policy because we have to continue to strive forward. The business community just needs to

know that whatever direction we take makes sense, both financially and in cost-to-benefit analysis, so that we don't price ourselves out of competition with neighboring states.

Florida's problems with property taxes and insurance complicate our ability to compete with other states in growing and attracting businesses. To the greatest extent possible, we must keep from implementing energy policies that will make it tougher to increase our economic potential. This is just one reason that AIF intervened legally in the permitting process for the proposed Florida Power & Light Glades Project, which relied on clean-coal technology and was recently rejected by the Public Service Commission. (see article on page 11)

At the same time we supported a bill, which was approved and signed into law by Gov. Crist,

opening the way to utilization of coal gasification technology by TECO. We supported this as well because it offers energy users with a good investment in new clean technology while relying on our nation's most abundant energy resource. This is a win-win for everyone.

For the energy future we must all compromise in order to get to the goals that we have set. It is important that Florida acknowledge climate change as a serious issue and that we do all that is reasonable and efficacious to be good stewards of our planet and practice appropriate conservation and efficiency initiatives. Additional study, research, development, and proper implementation actions are all appropriate responses to minimize man's impact on our climate.

We also need to understand that unilateral action by one state in isolation to its neighbors could be hurtful in many ways. If a clean coal plant is approved in a neighboring state, on a good day, with the wind blowing in the right direction, Floridians will still experience something similar to what the PSC just rejected. And with a coal plant coming on-line once a week in China, the same winds will know no artificial land boundaries.

So, we support Gov. Crist's desire to create a regional compact with our neighboring states so that we are all taking some of the same actions in the same directions. Likewise at the national and international level, there needs to be a concerted effort to reach accord so that our efforts here in Florida are

not rendered meaningless.

Energy costs are significant to employers across the board and are often one of the highest monthly costs we have to face. When we try to emulate other states or countries in their energy policy, let's make sure to look at the consequences to that government's economy in costs and inflation to their business community and their citizens.

In Florida we now have an overdependence on natural gas as a fuel source because, a generation ago when the decision was made to switch to natural gas, the price was low and competitive. The good news is that we have an abundance of energy sources in fossil fuels which are nearby in the Gulf and we can access them in ways that are not harmful to our environment and Floridians support drilling off-shore overwhelmingly in our polls.

Now, if we can focus on renewable energy such as hydrogen, ethanol, and wave current technology we probably have a better chance for success. Solar energy almost by definition will need to be an individual consumer and business choice because of the extremely high initial investment and the long return on investment. With federal and state incentives in Florida only covering about one half of the cost most consumers and businesses will not be able to afford this renewable energy source.

In addition, the chemical process to make photovoltaic cells for solar energy is not environmentally friendly. There is some

hope, however, that new research and development of "thin film" non-silica based materials will address that problem.

Wind turbines present noise and visual pollution along with the death of many birds, and to be effective they need constant winds at proper speeds, which unfortunately we do not have. In fact, FPL is the nation's leader in producing energy from wind turbines, but they have had to locate their turbines in other states where the wind is strong enough and consistent enough to produce the energy. So, we have to be careful to understand that most of the alternative energy sources regularly cited by proponents have their own set of built-in disadvantages.

In closing, we advocate for a diverse energy source portfolio that includes fossil fuels, renewables, and nuclear power while increasing our commitment to conservation. In the final analysis, consumers and the business community must have choices that we can afford.

We need to ensure that the actions Florida takes are in concert with others around us and around the world so that we are not funding anti-competitive initiatives that are environmentally friendly while our neighbors are not. If we approach this in a reasonable manner, without a rush to judgment, then the outcome will be better and more affordable for all who need a secure and reliable energy future.

*Barney Bishop is president & CEO of Associated Industries of Florida (e-mail: bbishop@aif.com)*

# PSC Denies Economic, Environmental Realities

By Tamela Perdue

**O**n June 5, 2007, the PSC denied a petition filed by Florida Power & Light (FPL) to build its proposed Glades Power Park. The \$5.7-billion clean-coal plant was to have been built in the rural Glades County town of Moore Haven, 70 miles from the entrance to the Everglades National Park.

Barney Bishop, AIF's president and CEO, made a presentation to the PSC in favor of the plant, citing the need for reliable and low-cost supplies of electricity. He told the council, "I am here today because our members understand the future needs for energy and the need for a clean environment."

Bishop also reminded the commission members that the Legislature had ordered them to provide for a diverse supply of energy in the state. Last year Florida power plants drew nearly one-third of their fuel from natural gas. The Glades units represented an important component in Florida's effort to reduce its reliance on natural gas and oil, two sources of energy that have been plagued by volatility in supply and price. The Glades units would have helped provide a reliable and affordable energy supply using an abundant, low-cost fuel that can be stockpiled.

Florida is in a unique and vulnerable position when it comes to our energy needs. We are a fast-growing state, and that means our energy needs are also fast growing. There are no fossil fuels indigenous to the state. With

only two natural gas pipelines serving the state, Florida is at risk for supply disruptions due to hurricanes and other events, as was demonstrated in the 2005 and 2006 hurricane seasons. Coal supplies are not affected by hurricanes and the commodity is cheaper than natural gas.

Unfortunately, the PSC was persuaded by arguments of environmental extremists that Florida did not need a coal plant when it could build a natural-gas plant. Their argument is a bit disingenuous since the same environmentalists oppose natural-gas drilling at every opportunity. In fact, there isn't a source of energy that doesn't raise the antagonism of some environmentalist group, including renewable resources such as wind and solar.

Some PSC members were quoted as saying they opposed the Glades units because coal-gasification is better suited to the state's long-term needs. Some Florida utilities have begun exploring its possibilities, and AIF fully supports those efforts as well. However, Florida needs affordable and available energy now and the Glades units would

have fulfilled that immediate need for the area it served.

Opponents of the Glades units also claim that FPL should make more of an effort to conserve energy before it builds another power plant. FPL provided an overwhelming amount of evidence indicating that it could not meet its load growth needs through maximum conservation efforts, many of which it already employs.

In December 2005, AIF's board endorsed all forms of "green" energy, along with nuclear power. Before Florida can get to the promised land of renewable energy, however, we will need to rely on current energy resources for the near future.

The fact is irrefutable. Our state needs reliable and affordable supplies of energy. Without it, businesses will cease to operate, government will have to cut services, and people will suffer. Denying the reality won't make it go away, no matter what environmentalist extremists say.

*Tamela Perdue is Sharholder with the law firm Stiles, Taylor & Grace and General Counsel for AIF (e-mail: tperdue@stileslawfirm.com)*

# Economic Development Projects Avoid Budget Cuts

By Chris Dudley

**H**overing over the 2007 Session was the dark specter of budget cuts for every state program. While economic development, particularly international trade, looked to be a prime target for cuts, AIF was successful in convincing lawmakers to protect economic development funds, which help increase the tax revenues that fund every other program.

Gov. **Charlie Crist**, Sen. **Mike Fasano** (R-New Port Richey), and Rep. **Dean Cannon** (R-Winter Park) all provided outstanding leadership on economic development.

Gov. Crist, who has made international trade a priority of his administration, completed his first trade mission to Israel with the announcement that a new economic development partnership with Israel is near completion. The agreement, which will be finalized in October, will provide \$20 million over five years to encourage Florida and Israeli companies to collaborate on bringing research and development products to market. Florida will contribute \$2 million per year from the Innovation Fund. Israel will contribute an equal amount.

The session also saw several pieces of legislation focused on increasing Florida's competitive advantage in the national and global marketplace.

Rep. **Michael Grant** (R-Port Charlotte) and Sen. **Jeremy Ring** (D-Margate) led the effort to increase the use of venture capital for commercialization of products

developed in Florida's universities. The bill appropriates \$35 million for the following three programs:

- The \$29.5-million Florida Opportunity Fund will operate through Enterprise Florida to provide seed money and early stage venture capital funds.
- The Institute of Commercialization of Public Research, to be housed at a university in southern Florida, will mentor and otherwise assist companies that are close to bringing their products to market.
- The \$4-million State University Research Commercialization Assistance Grant Program will help finance early-stage, pre-marketing activities geared to commercializing university research products.

**CS/CS/HB 83**

**Effective Date:** July 1, 2007

**Senate vote:** 37-0

**House vote:** 116-0

**Final action:** Signed into law June 19, 2007; Chapter No. 2007-189

Rep. **Don Davis** (R-Jacksonville Beach) and Sen. **Burt Saunders** (R-Naples) filed legislation that

reorganizes the existing Entertainment Industry Financial Incentive Program. The following three categories of entertainment projects are eligible to receive cash incentives

- general production
- independent Florida filmmakers
- digital media projects

The bill, which also appropriates \$25 million for cash incentives in fiscal year 2007-08, will undoubtedly enhance Florida's attractiveness to the film and entertainment industry. The Office of Film and Entertainment reports a total of \$166.7 million has been spent in Florida by certified productions with a direct return on investment for the state of seven to one in fiscal year 2005-06; ROI is expected to be at least 6.6 to one in the current fiscal year.

**CS/CS/HB 1325**

**Effective Date:** July 1, 2007

**Senate vote:** 120-0

**House vote:** 40-0

**Final action:** Signed into law June 12, 2007; Chapter No. 2007-125

Chris Dudley with Southern Strategy Group and consultant for AIF (e-mail: [dudley@sostrategy.com](mailto:dudley@sostrategy.com))

# Lawmakers Clear Way for Roads

By Stephen Shiver

**N**o matter how much money you have, you can't build something if you don't have the materials.

The 2007 Legislature addressed a shortage in construction aggregate materials, commonly known as aggregates, which are the basic materials used in concrete, asphalt and road base. Without sufficient quantities of aggregate, the ability to keep up with Florida's infrastructure demands — highways, airports, and sea-ports — would be severely constrained.

Aggregate materials are mined from natural deposits throughout the state. Environmental groups have filed frivolous lawsuits around the state to prevent mining of aggregate. Some local governments have responded with moratoria on mining. As a result, Florida road builders and construction companies have been forced to import aggregate — a product available in abundance here — from other states, increasing costs unnecessarily. These activists force taxpayers to bear the burden of higher costs and unmet infrastructure needs.

AIF led the charge to address the problem in HB 985, an omnibus transportation bill sponsored by Rep. **Rich Glorioso** (R-Plant City), lawmakers provide protection against overreaching environmentalists and local officials who are bent on preventing the mining of aggregate.

The bill contains several provisions, such as setting new parameters for expedited permitting of new mines that will immediately help increase the quantity of aggregates.

The Department of Transportation also gains greater authority to enter into agreements for aggregate materials with public or private entities, which could include long-term leases of up to 99 years.

A new Strategic Aggregates Review Task Force is created to evaluate the availability and disposition of construction aggregate materials and related mining and land-use practices and report back to the Legislature in 2008. This 19-member task force will include lawmakers, representatives from the mining and construction industries, local elected officials, and individuals from the departments of Transportation and Community Affairs, and others.

Finally, and most importantly, the bill limits the ability of local governments to arbitrarily stop mining for an unlimited period of time. A local government moratorium on aggregate mining may not last any longer than 12 months. January 1, 2007 will serve as the commencement date of the 12-month period for moratoriums already in place as of July 1, 2007.

This provision was vehemently opposed by environmental groups and local governments, but the Legislature remained adamant in its determination to protect the construction of the state's infrastructure against arbitrary decisions by local governments.

As businesses know first hand, Florida's infrastructure needs continue to rise, making this issue one of prominence for local governments and state leaders. With approximately 1,000 people moving into the state every day, Florida's road systems and transportation needs continue to lag behind the demands and traffic loads required to keep the state's bustling road systems flowing.

Through sensible limits on government intrusion into the mining of aggregates, lawmakers have taken a giant step towards addressing the infrastructure needs of Florida.

## **HB 985**

**Effective Date:** July 1, 2007

**Senate vote:** 37-2

**House vote:** 68-49

**Final action:** Signed into law on June 19, 2007; Chapter No. 2007-196

*For more information on this issue contact Stephen Shiver consultant for AIF (e-mail: [stephen.shiver@taglobby.com](mailto:stephen.shiver>taglobby.com))*

# The Teaching of Business

By Pete Buigas

**A**ssociated Industries of Florida met with success on a trio of bills that will help prepare students for the world of work. These bills, the result of teamwork by lawmakers and AIF, will help provide a supply of work-ready high school graduates who will be able to contribute to the state's economy.

## Student Interns

Rep. **Kevin Ambler** (R-Tampa) and Sen. **Victor Crist** (R-Tampa) filed legislation to give each school board the authority to offer high-school student internships through partnerships with area employers. Each school district will set criteria for the employer to use in evaluating participating students so that the academic value of the internship may be gauged.

All personnel of an employer providing internships who have direct unsupervised access to student interns must be subject to Level 2 background screening requirements. The employer must bear the cost of the state and national criminal history checks. The bill also specifies that an internship will not make the student eligible for unemployment compensation.

At one point in the legislative process, this bill provided a tax credit for businesses providing internships, but that language was removed prior to the final passage of the bill.

### HB 1161

**Effective Date:** July 1, 2007

**Senate vote:** 38-0

**House vote:** 110-0

**Final action:** Signed into law on June 12, 2007; Chapter No. 2007-122

## Career & Professional Academies

Bills filed by Sen. **Don Gaetz** (R-Niceville) and Rep. **Will Kendrick** (R-Carrabelle) took a comprehensive approach to promoting career and professional academies in Florida's public schools.

The bill defines career and professional academies as public high-school programs that offer a rigorous and relevant curriculum. The programs must provide students with industry-recognized certification in high-demand occupations, a standard high school diploma, and opportunities to earn college credits.

This bill helps to ensure that students who graduate from career or professional academies are equipped to meet the needs and demands of future employers.

### CS/SB 1232

**Effective Date:** July 1, 2007

**Senate vote:** 33-4

**House vote:** 117-0

**Final action:** Awaiting governor's signature

## Career Education Grants

Bills filed by Rep. **Aaron Bean** (R-Fernandina Beach) and Sen. **Steve Wise** (R-Jacksonville) expanded the Florida Student Assistance Grant Program by creating need-based assistance for

career certificate students. The new Florida Public Postsecondary Career Education Student Assistance Grant serves postsecondary career certificate students who attend community colleges or school-board-operated career centers. Unlike the state's other student grant programs, postsecondary career-certificate grants do not require students to qualify for Pell Grants.

The bill also expands the Florida Work Experience Program (FWEP), a work-study financial aid program. The program had been limited to students seeking bachelor's degrees; now it will be available to students in career-certificate and teacher-certification programs.

Employers participating in FWEP programs must pay their student employees the minimum wage and will be reimbursed for up to 70 percent of students' wages.

### CS/HB 343

**Effective Date:** July 1, 2007

**Senate vote:** 38-0

**House vote:** 112-0

**Final action:** Signed into law on June 12, 2007; Chapter No. 2007-113

*Pete Buigas, partner in Buigas, Asztalos & Associates and consultant for AIF (e-mail: pbuigas@nettally.com)*

# Stop-Gap Solution for Affordable Housing

By Richard Gentry

This session the Legislature wrestled with the affordable housing issue and came up short in the one area on which housing advocates were united — removing the cap on the Sadowski Affordable Housing Trust Fund.

The trust fund was created in 1992, and funded by a portion of the documentary stamp taxes collected on every real estate transaction in the state. From 2003 to 2005, lawmakers refused to appropriate a total of \$600 million in trust fund money, and this year, spending on affordable housing was to be capped at \$243 million a year, no matter how much money was available in the trust fund.

Affordable housing has become a crucial issue for employers when their employees and essential personnel, such as firefighters, police officers, teachers, and nurses cannot find adequate housing that fits in their budget. The available pool of employees shrinks, and local governments are unable to fulfill basic expectations.

This year, AIF joined with affordable housing advocates in the Sadowski Workforce Housing Coalition to convince lawmakers to repeal the \$243 million cap and restore full funding of affordable and workforce housing program.

The effort to repeal the cap was hampered by Florida's sluggish tax collections. Revenue shortfalls hit nearly every aspect of the budget and affordable housing dollars were no exception. Afford-

able housing advocates are hoping that a construction turnaround will increase documentary stamp collections, resurrecting hopes for a repeal of the cap. A boost in the housing market, however, is thought to be a long shot by many. The Sadowski Coalition is also preparing itself for the battle over re-authorization of the trust fund in 2008.

The Legislature did, however, find money to fund affordable housing programs at \$393 million, \$150 million above the cap, but \$40 million less than what was appropriated last year.

Housing advocates made gains in other areas. AIF convinced lawmakers to require that counties with the greatest disparity between median family income and the cost of housing in the county to identify sites suitable for affordable housing; in four counties that gap was \$170,000 or greater. If those counties fail to designate sites by July 1, 2008, all state housing funding will be cut off.

This provision will help overcome the unwillingness of some counties to cooperate with developers in approving sites for affordable housing. It will likely force the public-private partnerships

that have been so elusive in some areas of the state.

The bill grants an exemption from transportation concurrency for certain workforce housing that is built in close proximity to employment centers. The bill also strengthens the role of local government affordable housing advisory committees by requiring local governments to give weight to their comments and criticisms, and broadens the issues on which the committees can comment.

In summary, this year's affordable housing bill can only be viewed as a stop-gap measure. Next year will bring the fight to save the trust fund itself. The best hope for a more permanent solution to the shortage in affordable housing will be a revival of the housing industry, which will increase doc stamp revenues, the fund's source of money.

**HB 1375**

**Effective Date:** July 1, 2007

**Senate vote:** 39-0

**House vote:** 119-0

**Final action:** Signed into law on June 19, 2007; Chapter No. 2007-198

*Richard Gentry of Gentry & Associates and consultant for AIF (e-mail: rgentry@comcast.net)*



# State's Health Care Delivery

F-

Gets Failing Grade

By Bob Asztalos

According to a new study, Florida ranks 40th among the states in access to care, 45th in quality of care, and 39th in equity of care. Florida's overall grade is a dismal 43 in overall performance.

In this first-of-its-kind study, The Commonwealth Fund Commission on a High Performance Health System compared system performance among the states in key areas of health-care delivery, including access, quality, avoidable hospital use and costs, equity, and healthy lives.

These findings give additional impetus to an effort taking shape in Tallahassee to fix the increasingly inefficient delivery of health care in this state. Gov. **Charlie Crist**, Chief Financial Officer **Alex Sink**, and key legislators all agree on the need for health care reform.



AIF in 2006 created the Health Care Task Force to take a leadership role in this debate. Task force members have begun the process of crafting a market-based proposal that will rely on increased efficiencies in the health-care delivery system along with incentives that encourage individuals to purchase health insurance.

As a starting point, task force members examined the universal health care reform initiative that was enacted last year in Massachusetts. At a recent meeting, Eileen McAnneny, vice president for government affairs with Associated Industries of Massachusetts, described the new law's framework for achieving and enforcing universal coverage. She also described the requirements placed on businesses.

The plan is in its first year of implementation and is awaiting a progress report in July. Early estimates of costs came in higher than projected so the July report will be instrumental in determining any adjustments that need to be made.

It is clear from McAnneny's presentation that Massachusetts is unique and features of the plan that may work there are likely to fail here. Massachusetts, unlike Florida, has a low number of uninsured citizens. The cost of a tax-funded pool for the uninsured, of the kind being implemented in Massachusetts, would be exorbitant in Florida, particularly in areas of the peninsula where uninsured rates are as high as 40 percent.

There are portions of the

Massachusetts plan that AIF does support. Health purchasing pools will give individuals better purchasing power. The Massachusetts plan creates a pool that employers can opt into so that employees' policies are portable as individuals change jobs.

Florida could also benefit from an outreach program to ensure that Medicaid-eligible individuals are enrolled and receiving case-managed services.

The task force also heard from Thomas Perrin, director of public affairs with the James Madison Institute, who discussed the Tallahassee-based think tank's research on market-based solutions for expanding access to health insurance.

The task force members agreed to pursue the following three areas.

### **Comprehensive Review of Health Insurance Mandates**

Our first step will be to ask the House Health Council to perform an interim study on mandates in Florida, including a list of the mandates along with available cost data, an explanation of the process by which the Legislature approves mandates, and any other data relevant to this debate.

Next, we will attempt to develop a mechanism to evaluate current and proposed mandates with the intention of narrowing mandates in Florida to those that

are justified by economic and health considerations. We will be following a study by the Senate Committee on Banking & Insurance on the cost-effectiveness of mandated coverage for mental and nervous disorders.

### **Medicaid Reform**

The task force will gather information on Medicaid cost drivers, the cost of uncompensated care, and inefficiencies in the system. The group will also reach out to the hospital and medical associations on initiatives such as eliminating barriers to care by addressing the physician shortage, improper use of emergency rooms, low reimbursement, and tort reform. This information will be used to help the group develop an approach to Medicaid reform.

### **Market Based Solutions**

The task force will also investigate ways to expand access to health insurance through market-based solutions by working with the James Madison Institute to implement parts of the Massachusetts plan that encourage businesses voluntarily to provide health insurance.

*Bob Asztalos partner in Buigas, Asztalos & Associates and consultant for AIF (e-mail: bob@baahealth.us)*

**If you would like to serve on the  
AIF Health Care Task Force, please contact  
Jose Gonzalez at 850-224-7173**

# Off-Year Brings Active Campaign Cycle

By Leslie Dughi Foy

**E**ight is Enough, the 1992 constitutional amendment limiting a politician's time in office, is performing as expected.

The eight-year limit on terms has compelled legislators to maximize their time in office and to actively seek opportunities for other elected positions once their terms are up.

As a result, the 2007 campaign season, typically an off-year for elections, is busier than ever, and we expect it to get even busier. This means that AIF members must make politics a year-round, every-year effort.

In early June, voters in North Florida went to the polls to select among 16 candidate seeking three offices. That special election provides an enlightening view of the cascading effect of term limits.

Gov. **Charlie Crist's** appointment of Sen. **Nancy Argenziano** (R-Crystal River) to the Public Service Commission had a ripple effect on one Senate and two House seats. Reps. **Charlie Dean** (R-Crystal River) and **Dennis Baxley** (R-Ocala) ran strong campaigns to succeed Argenziano in Senate District 3, but ultimately. Dean bested Baxley in the primary. He went on to defeat Democrat Suzan Franks in the general election.

The race for Senate District 3 left vacancies in House District 24 (Baxley) and House District 43 (Dean). Marion County School Board member **Kurt Kelly** won the primary for House District 24 and skated to an easy victory in the general against a write-in candidate. In House District 43, former Citrus County Property Appraiser **Ron Schultz**, a Republican, won a crowded primary and then beat Democratic Inverness Councilwoman Sophia Diaz-Fonseca.

Florida politics is anything but predictable and it now appears there could be more special elections in 2007. Rep. **Mark Mahon** (R-Jacksonville) was appointed to the local circuit court in early July. The dates for the primary and general elections to replace him have been set for August 28 and September 18, respectively. Since this is a strong Republican district, we expect this race to be decided in the primary. As of yet, the Democratic party has not been successful in fielding a candidate. The Republican primary will pit Lad Daniels, longtime Jacksonville City Councilman and president of First Coast Manufacturing Association, against Charles McBurney, an attorney and former senior trial assistant for the state

attorney's office.

Another special election could be called if Sen. **Bill Posey** (R-Rockledge) resigns his Senate District 24 to assume the local supervisor of elections spot, which we hear may be vacated. Posey's move would bring about vacancies in at least two House seats, currently held by Rep. **Sandy Adams** (R-Oviedo) and **Thad Altman** (R-Melbourne), who are all expected to resign to run for Posey's seat. Special elections would subsequently be called to fill those House seats.

While these summer special elections are important, employers must begin meeting with and educating candidates running in 2008 on important business issues. The 2006 elections brought us seven freshman senators and 36 freshmen representatives. If no other vacancies are created in the House and Senate before the 2008 elections, the business community will be responsible for evaluating candidates in 34 open House seats and five open Senate seats.

*For more information on this issue contact AIF's Chief Political Officer Leslie Foy (e-mail: [ldughi@aif.com](mailto:ldughi@aif.com))*



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# Florida Business United

A Division of Associated Industries of Florida

**Florida Business United (FBU)** takes the guesswork out of Florida politics. FBU provides members with the most up-to-date information on state legislative candidates, allowing them to make informed political decisions.

Our publication, *Election Watch: Outline of Races*, has become the election bible for those employers who are members of FBU. This book provides information on all House and Senate candidates (filed and rumored), including

- personal and professional information
- history of political involvement
- use of consultants
- fundraising totals
- and much more

This valuable resource is continually updated, beginning long before the elections are in full swing.

FBU also protects Florida's free-enterprise system by

- recruiting candidates
- conducting in-depth assessments of candidates
- scheduling face-to-face meetings between members and political hopefuls

To learn more about Florida Business United, please contact Leslie Foy, AIF's Chief Political Officer at 850-224-7173

# 2007 Session Wrap-up

## COMMUNICATIONS

### Legislature Gives Power to Consumers

By Keyna Cory

AIF was the first business organization to throw its active support behind HB 529 by Rep. **Trey Traviesa** (R-Tampa), which establishes a competitive market for cable television, as well as bundled services, such as high-speed Internet and phone service. Free enterprise and competition is the backbone of a successful economy and AIF immediately determined that HB 529 promoted that fundamental tenet of its members.

According to a recent study, opening the cable market to competition could attract new economic investment to Florida worth between \$1.99 billion and \$3.41 billion in Florida in the first decade following its enactment. As an engine to drive job growth and economic expansion, video franchise reform will benefit all Florida businesses.

Video franchise reform provides increased competition among providers offering phone service, high-speed Internet, and television programming. Competition will create an environment where those who succeed are the cable providers who excel, through better technology deployment, improved customer service, more innovation, and lower bundled prices.

This legislation will also expand the potential applications of broadband's emerging two-way, interactive, on-demand video/audio capabilities. These important tools could help reduce costs, expand markets, improve customer service, and increase profits for Florida employers.

#### **HB 529**

**Effective Date:** Upon becoming law

**Senate vote:** 30-3

**House vote:** 117-2

**Final action:** *Signed into law on May 18, 2007;  
Chapter No. 2007-29*

## EDUCATION

### The Jessica Lunsford Act

By Jacquelyn Horkan

This year, lawmakers enacted a fix supported by AIF to the 2005 Jessica Lunsford Act by retaining features designed to protect children from sexual predators while helping school contractors comply with the law.

The Jessica Lunsford Act requires school district employees and contractors to undergo a Level 2 screening, which includes a fingerprint check against federal and state records. The law's original language resulted in a duplicative and unnecessarily costly mechanism for the background checks.

The 2007 amendments clarify who must undergo the background checks and allows one school district to share information with other districts, which was an important change since many contractors work with multiple districts. SB 988 also caps the amount a school district can charge for a Level 2 screening.

#### SB 988

**Effective Date:** July 1, 2007

**Senate vote:** 39-0

**House vote:** 115-1

**Final action:** Signed into law on June 20, 2007;  
Chapter No. 2007-207

## LEGAL & JUDICIAL

### Guns in the Workplace

By Jacquelyn Horkan

AIF was instrumental in defeating legislation that would have outlawed workplace policies banning the storage of firearms on the employer's property.

The proposed legislation threatened Florida's employment-at-will status by revoking an employer's right to fire an employee for violating company policy by storing a firearm in a car parked on the employer's property. AIF believes the bill's undermining of the employment-at-doctrine is the only reason why certain unions supported it.

While AIF supports the Second Amendment right to bear arms, this bill clashed with another constitutional protection, namely the right to private property. Current law does not prevent employees from keeping their firearms in their cars.

It does allow employers to tell their employees that they cannot park their cars on the business's premises when there are firearms stored in the cars.

Some employers feel it is their duty to protect their workplace by banning guns on the property. They should be allowed to establish these types of policies and exert their rights as property owners.

### The Issue that Never Goes Away

By John Thrasher

The battle over legal reform was, as expected, quiet but time-consuming.

Sen. **Jeremy Ring** (D-Margate) and Rep. **Mitch Needelman** (R-Melbourne) filed legislation that they referred to as a "Fabre Fix." Rather than fixing anything the two bills would have broken what lawmakers repaired in the 2006 legal reforms.

Those reforms were designed to undo the costly mischief of the state's trial lawyers, who spent years converting the civil justice system into something that was neither civil nor just. Those reforms have barely had time to work but are already under attack.

The Ring-Needelman proposal would have repealed the Florida Supreme Court's decision in the *Fabre* case. Under their bills, defendants could not ask juries to attribute fault to anyone who was not part of the lawsuit. Since plaintiffs and their lawyers pick who to sue, they could leave out defendants who were broke or were exempt from liability, which would force businesses to pay more than their fair share of fault in a lawsuit.

Fair distribution of fault cannot be achieved if a jury cannot consider the actions of all parties involved, not just those whom the plaintiffs and their lawyers want them to consider.

AIF was able to defeat both the House and Senate versions of this bill, protecting the 2006 reforms for another year. The association was less successful in gaining passage of another top priority, the creation of legislatively funded business courts.

### Business Courts

By Jacquelyn Horkan

Rep. **David Simmons** (R-Altamonte Springs) and Sen. **Dave Aronberg** (D-Greenacres) filed legislation that would have provided state funding for these specialized courts in the 9th, 11th, and 13th

judicial circuits of Florida. Business courts have already been established by administrative orders of the chief judge of each of these three circuits.

Business courts specialize in handling complex business cases, such as suits involving antitrust, intellectual property, franchises, and unfair competition. The goal is to handle business litigation matters in an effective and efficient manner. Benefits of a business court include implementation of standardized procedures, a higher degree of consistency of rulings on recurring issues, and economic stimulus to the community.

These initiatives are important to the business community because they will provide more predictable and quicker resolution of complex business cases, ultimately lowering the cost of doing business in Florida. AIF will continue pursuing creation of these courts in the 2008 Session.

## NATURAL RESOURCES

### When Mother Nature Fails

By Jose Gonzalez

A few years ago, Florida seemed to be running out of water. Then Mother Nature took over and dumped buckets of rain on the state during back-to-back hurricane seasons. Now, Mother Nature has changed her mind again.

Florida is facing its worst drought in years. Lake Okeechobee is at an all time low. Water restrictions are being strictly enforced. Neighbors are turning in neighbors for watering their lawns on the wrong days or for too long.

Drought affects more than grass and fishing, however. It's also an economic issue. Whether you are in hospitality, agriculture, manufacturing, construction, or retail, you need water. Water is now a major component in local growth-management plans, and if you can't figure out where to get the water for a new community, you can forget about building it.

So what can Florida do since we cannot always count on Mother Nature?

In 2005, the Florida Legislature funded programs to develop alternative water supply projects. The money is currently being used on water reclamation, desalination, and the development on rainwater reservoirs.

During the last session, the House of Representatives decided to cut the funding for these projects in

half, jeopardizing alternative water supply projects and risking millions of matching revenue dedicated by local government and water management districts each year.

Doug Mann, who represents A. Duda and Sons, and AIF consultant Keyna Cory co-chaired a coalition of diverse stakeholders to restore the funding. Local governments, the environmental groups, and the business community presented a united front and were successful in getting the money restored in the budget.

With an expected 21.8 million residents consuming 9.1 billion gallons of water per day in 2020, a water shortage presents a real threat to all of Florida. A prolonged scarcity in water resources translates to stalled residential, school, and commercial developments; flagging tourism; failed crops; and lost jobs.

At AIF, we will continue the effort to boost funding needed for alternative water supply projects, while taking the lead on other water issues before they reach crisis proportions.

## TECHNOLOGY

### Major Enterprise Information Technology Bill Passes

By Frank Meiners

With the passage of SB 1974 by Sen. **Al Lawson** (D-Tallahassee) and Rep. **Will Weatherford** (R-Zephyrhills), Florida joins the majority of states that designate a specific agency to handle the design, delivery, and management of enterprise information technology services. State taxpayers can now expect Florida's government to take full advantage of advancements in information technology.

The bill conforms IT governance in Florida to existing state law by creating a new entity called the Agency for Enterprise Information Technology (AEIT), which will be located in the governor's office but will be headed by the governor and Cabinet. The AEIT will be a separate budget entity not subject to control, supervision or direction by the Executive Office of the Governor and will be headed by an executive director who must possess specific credentials.

AIF's Information Technology Council played a leadership role in passage of the bill by convincing lawmakers to include a planned replacement cycle for computer equipment, as well as establishing the

necessary credentials for the state chief information officer. AIF members also insisted that the AEIT should not be encumbered with oversight of the day-to-day management and operations of enterprise IT services. Instead, individual agencies will retain responsibility for the information technology that supports their core missions.

In its first year, the agency will be devoted to organization and planning. The next year will be spent developing implementation plans for any three of the following priority projects

- customer relationship management
- data center consolidation
- e-mail, messaging, and calendaring service
- consideration of a planned replacement cycle for computer equipment
- enterprise information security

The AEIT is now responsible for assessing and recommending minimum operation procedures for ensuring security for all data and IT resources for executive branch agencies.

From now on legislative budget requests for IT projects exceeding \$10 million in total costs must be accompanied by the statutory reference for the existing policy or the proposed substantive policy that defines the compass and scope of the project. Exceptions to this requirement include the continuance of existing hardware and software maintenance agreements, renewal of existing software licensing agreements, or the replacement of desk-top units with new technology that is similar to the technology currently in use.

#### **SB 1974**

**Effective Date:** July 1, 2007

**Senate vote:** 39-0

**House vote:** 119-0

**Final action:** *Signed into law June 12, 2007;*  
*Chapter No. 2007-105*

## **FINANCE & TAX**

### **Higher Communication Services Tax Survives for Another Year**

By Keyna Cory

**G**ov. **Charlie Crist** and key lawmakers threw their support behind efforts to lower the communication services tax, but the best-laid plans rarely survive a budget crunch.

The existing communication services tax resulted from a complex and largely successful effort to bring Florida's antiquated tax structure in tune with the modern world of cell phones, high-speed Internet service, and satellite television. Enacted over two years, during the 2000 and 2001 Legislative Sessions, the new tax was designed to be revenue-neutral and to bring simplicity and transparency to tax collections.

An unintended consequence of the bill, however, has given Florida the nation's third highest tax rate on wireless and business telephone service.

Sen. **Mike Haridopolos** (R-Melbourne) and Rep. **Ron Reagan** (R-Sarasota) filed bills that would have reduced collections on wireless and business telephone service by \$189 million. Their goal was to reduce the state's communication services tax over a three-year period until it reached the same tax rate at which regular goods and services are taxed, from 9.17 percent to six percent. The first year reduction would have been 1.17 percent.

In March, when the Revenue Estimating Conference lowered its projection of 2007-08 fiscal year revenues by over a billion dollars, legislative leaders decided that the state could not afford a tax cut.

Gov. Crist, Sen. Haridopolos, and Rep. Reagan, have each expressed their intention to keep fighting for a tax cut.

AIF will continue its effort to bring this tax rate down for our members and all other consumers of communications services in the state of Florida.

2007  
Session  
Wrap-up  
**Contributing  
Writers**

**Keyna Cory AIF's Chief Lobbyist** (e-mail: [keynacory@paconsultants.com](mailto:keynacory@paconsultants.com))

**Jose Gonzalez AIF's director of governmental affairs** (e-mail: [jgonzalez@aif.com](mailto:jgonzalez@aif.com))

**Jacquelyn Horkan** (e-mail: [jqhorkan@comcast.net](mailto:jqhorkan@comcast.net)).

**Frank Meiners AIF consultant** (e-mail: [frank@chgmail.com](mailto:frank@chgmail.com))

**John Thrasher AIF consultant** (e-mail: [xxxxxxxx.com](mailto:xxxxxxxx.com))

# The 2007 Legislative Session is over and now everyone's asking: **What exactly happened?**

Do you know about the new laws that will affect you as a business owner? What about how the performance of your senator and representative on bills that affect your bottom line?

*Voting Records* and *Champions for Business* is an exhaustive and complete record of the Legislature's approach to issues of concern for everyone with a stake in Florida's economic prosperity.

- *Voting Records* reports on the votes made by every legislator on bills that were lobbied, advocated, promoted or opposed by Associated Industries of Florida. By reporting on 9,869 votes cast by legislators on 108 bills, this publication embodies the most exhaustive and complete record of the Legislature's approach to the concerns of Florida's employers.
- *Champions for Business Awards* symbolize our gratitude for extraordinary efforts by certain legislators on behalf of the business community. A "Champion for Business" is a legislator who takes risks for their belief in the free-enterprise system, who defies the status quo when it is harmful to our state's competitive climate, and who faces down the opponents to the growing prosperity of Florida's citizens

This year, for the first time, AIF combined *Voting Records* and *Champions for Business* to give employers a thorough analysis of the legislator performance, *Voting Records* provides the tangible data of votes cast. *Champions for Business* presents the story behind the votes, who took the lead and took the risk of upholding their convictions.

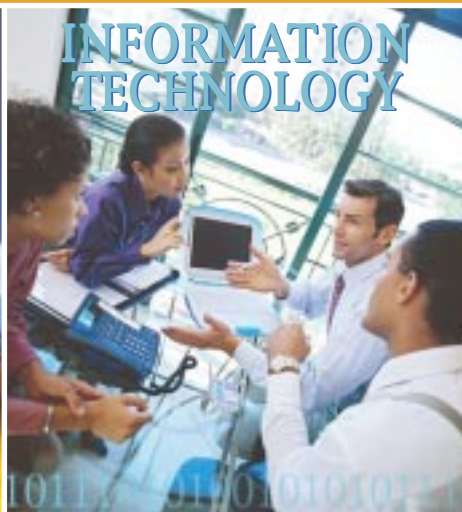
To find out what happened, check out *Voting Records* and *Champions for Business* on [aif.com](http://aif.com).







# ASSOCIATED INDUSTRIES OF FLORIDA COUNCILS' REPORTS



The Councils of Associated Industries bring together unique sectors of the business community in order to develop and promote issues vital to those respective industries.



# AIF Council Report

The Councils of Associated Industries bring together unique sectors of the business community in order to develop and promote issues vital to those respective industries.

## Florida Energy Council

By Jim G. Rathbun

This year AIF created the Florida Energy Council to bring together all of the members of AIF who have an interest in the many issues related to energy. These include producers, suppliers, storage facilities, marketers, retailers, wholesalers and users.

Florida ranks third nationally in total energy consumption. With our vast resources and ever increasing population, it is important to make sure that we have a stable and growing supply of energy. AIF formed the council to help make sure that the state's energy policy developed in a systematic and coherent manner, adaptable to the demands of our growing economy.

Council members have heard presentations from the Florida Energy Commission, state agencies, the Public Service Commission, and the chairmen and staff of the legislative committees responsible for energy legislation. Each council meeting has been a prime opportunity for members to give top state officials their input on the issues relating to the state's short-term and long-term energy policy, along with the needs and concerns of business and manufacturing.

Commissioner of Agriculture **Charlie Bronson** presented his Farm-to-Fuel program and his 25-by-25 initiative. The Farm-to-Fuel program is designed to encourage the use of Florida crops and biomass for the production of energy. The 25-by-25 initiative envisions American farms and ranches providing 25 percent of America's energy demand by the year 2025.

The AIF Florida Energy Council has also discussed exploration of the eastern Gulf of Mexico, integrated gasification combined cycle power plants, nuclear energy, storage of petroleum and natural gas, distribution of energy, alternative fuels, and renewable energy.

## Government Outsourcing Council

By Peter Harris

AIF created the Government Outsourcing Council (GOC) to help promote a more efficient and sustainable business climate for the companies that provide essential services to Floridians on behalf of state agencies

Florida businesses pay substantial taxes to fund state government and outsourcing allows government services to be provided efficiently and with greater accountability.

The State of Florida currently spends over \$17 billion per year on outsourced health and human services contracts. This is a significant portion of the state's economy. State government must function in an efficient and forthright manner with companies and providers so that health and human services are provided without sacrificing consistent levels of care for their patients around the state.

The Government Outsourcing Council is comprised of non-profit and for profit business organization as well as managing entities and associations of providers. It was instrumental in the formation of a working group chaired by Rep. **Mitch Needelman** (R-Melbourne). The working group will be comprised of representatives from the departments of Juvenile Justice, Children and Family Services, Financial Services, and Corrections, along with AIF and GOC leadership.

The group has held two meetings and will hold regularly scheduled meetings throughout the summer to discuss policy recommendations that will help create a more stable business environment for entities providing health and human services.

In addition, the GOC has met with key policymakers and is reviewing elements of a strategic plan put forth by Chief Financial Officer **Alex Sink**. The plan addresses the manner in which the financial aspects of outsourced contracts should be handled by the state, and the CFO's staff has offered to develop guidelines and training for



state agencies in the area of contracting.

If the working group is unable to solve contracting problems by the fall 2007, AIF intends to pursue passage of legislation that was set aside during the 2007 session.

## Information Technology Council

By Frank Meiners

The IT Council meetings provide industry members with an opportunity for collegial interaction with each other and with leading IT officials in government.

The council meets once a month, unless the activities of the legislative session make that impossible. Our January meeting featured a presentation by Joe Brigham, staff director of the Technology Review Workgroup (TRW), which was established by the Legislature in 1997 to provide analyses and recommendations regarding agency funding requests for information technology projects. Brigham explained how the TRW reviews requests and updated council members on the Senate's Interim Project on Enterprise Information Technology Governance.

In February, Scott McPherson, chief information technology officer for the House of Representatives spoke to members on the need for vision and innovation in the governance of IT for the state of Florida. His insight as the past chair of the State CIO Council and his experience as a former member of the House of Representatives gives him an invaluable perspective on IT in government.

John Adams, president of Enterprise Florida, the private/public sector company that handles the state's economic development efforts, spoke at the March meeting. Adams provided a real understanding of how Enterprise Florida operates in bringing new industry to the state especially since we have a good IT infrastructure here.

After skipping the April meeting due to the intensity of the session, the council hosted Sen.

**Jeremy Ring** (D-Margate) in May. He spoke about his bills on venture capital investments in Florida and the commercialization of university research results. Ring was a partner in Yahoo and helped take it public when he was in New York, giving him real-world expertise in commercialization of new ideas as well as the IT industry.

At our June meeting, George Sheldon, assistant secretary for operations at the Department of Children and Families, introduced Jim Sewell to the group. Sewell is chairing an eight-member task force that will help improve DCF's performance by infusing it with information technology. Sheldon invited the council to appoint a member to the council. We accepted the invitation and DCF has selected three members for their work group.

Council members have drafted a document to educate Cabinet members on specific qualifications for the newly created position of technology chief information officer for the Agency on Enterprise Information. Meetings with the cabinet aides to begin the education process were warmly received.

In addition to the regular meetings of the entire IT Council, the ITC Steering Committee meets on an as-needed basis. The members of the steering committee were elected by the council members to make decisions on issues that come up in the Legislature that require a quick response.

## To learn more about an AIF Council, Email:

### Energy

Jim Rathbun  
[jr2221945@aol.com](mailto:jr2221945@aol.com)

### Government Outsourcing

Peter Harris  
[pharris@adgonline.com](mailto:pharris@adgonline.com)

### Information Technology

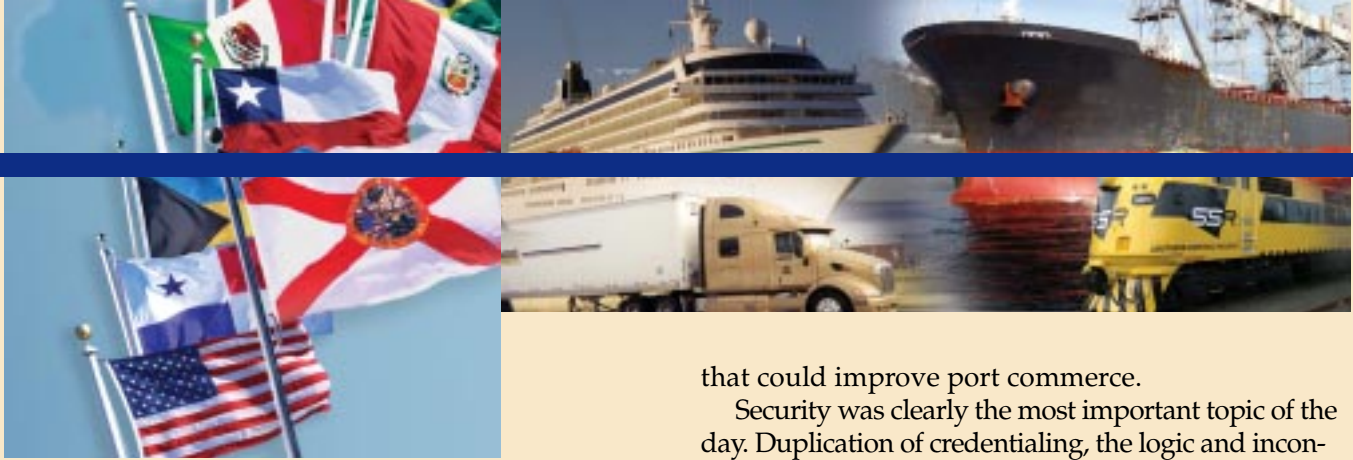
Frank Meiners  
[frank@chgmail.com](mailto:frank@chgmail.com)

### International Trade

Chris Dudley  
[dudley@sostrategy.com](mailto:dudley@sostrategy.com)

### Maritime

Mark Flynn  
[mwflynn@msn.com](mailto:mwflynn@msn.com)



## International Trade Council

By Chris Dudley

The International Affairs Council was formed to promote business development, particularly on a global scale. To fulfill that mission, the council focused on economic development legislation this year that included opportunities for new venture capital and an enhanced focus on expanding trade missions.

The council's success in the legislative arena will lead to more opportunities for Florida businesses, especially through the creation of incentives for foreign employers to either expand into the state or to partner with Florida companies. Another vital area for employers that the council will be addressing is immigration.

In the months ahead, the council will participate in upcoming trade missions with Gov. **Charlie Crist** and Team Florida. Future meetings will feature speakers from the Governor's Office of Tourism, Trade, and Economic Development, the Miami International Airport, Enterprise Florida, and the Free Trade Area of the Americas. The council is also planning a specific brainstorming session on the Miami International Airport and ways to increase goods through customs.

Other exciting sessions are in the works, so watch your e-mail for news.

## Florida Maritime Council

By Mark Flynn

The inaugural meeting of AIF's newly created Florida Maritime Council was held in Tampa. Thirty-six companies from around the state signed up for the meeting to discuss port security standards and port funding.

Attendees included port businesses from Cape Canaveral, Fort Lauderdale, Jacksonville, Miami, Riviera Beach, St. Petersburg, Tampa, and West Palm Beach. The meeting agenda focused on discussion of the principal advantages and disadvantages of doing business through Florida ports, and to draw some conclusions on practical changes

that could improve port commerce.

Security was clearly the most important topic of the day. Duplication of credentialing, the logic and inconsistency of minimum standards and in the waiver process, arbitrary application of security requirements by local law enforcement, and the associated costs of compliance dominated the discourse.

Reducing security costs was also a theme of a presentation given by retired Coast Guard Admiral Bill Merlin. Merlin, now technology transfer manager of the marine technology program for SRI International, explained how SRI is dedicated to developing ways to use technology to replace physical inspections. The effort is designed to minimize the impediments to commerce caused by security without jeopardizing safety. Smart cards and sensors that monitor the contents of containers are a couple of the projects Merlin talked about.

Florida TaxWatch interviewed the Maritime Council for input on a study they have planned regarding the impact of security costs on maritime businesses. Victoria Zepp, executive director of the Center for a Competitive Florida at Florida TaxWatch, questioned council members about cost factors for security and received input on what other economic information TaxWatch should consider.

Teresa Tinker, director of the House Economic Expansion and Infrastructure Council, discussed The Seaport Strategic Planning and Financing Task Force, created this spring by lawmakers but defunded by Gov. **Charlie Crist**. The task force was created to determine whether more extensive strategic planning and a long-term financial plan could help stimulate port expansion in Florida and improve the economic impact of maritime-related businesses. Tinker reported that House Speaker **Marco Rubio** (R-Miami) remains committed to moving ahead with the work of the task force. AIF supports the speaker in his effort and will ask Senate President **Ken Pruitt** (R-Port St. Lucie) to make a similar pledge.

The council members have also met with Sen. **Paula Dockery** (R-Lakeland) and Rep. **Sandy Adams** (R-Oviedo), who head up the domestic security committees in their respective chambers. Sen. Dockery has volunteered to work in coordination with the council.

# MEMBERSHIP NEWS



Rep. Ray Sansom (R-Ft. Walton Beach)

Sen. Mike Haridopolos (R-Melbourne)

At the halfway point of 2007 Regular Session, AIF hosted a breakfast allowing an interchange of ideas between association members and two key lawmakers. Rep. **Ray Sansom** (R-Ft. Walton Beach) and Sen. **Mike Haridopolos** (R-Melbourne) gave the audience an inside look at the property tax proposals being developed in the two chambers. Sansom and Haridopolos headed up the committees that would both take up property tax reform bills later that same day.

During the 2007 Session, AIF continued its Power Lunch series, which provides AIF members with an exclusive opportunity to spend quality time with some of Florida's most influential public leaders in an informal setting. During the March meeting Rep. **Aaron Bean** (R-Fernandina Beach), chairman of the House Healthcare Council, shared some of his insights into the latest developments taking place in Florida's healthcare system.



Rep. Aaron Bean (R-Fernandina Beach)



Rep. Charlie Dean (R-Inverness)

For April's Power Lunch, AIF was proud to host Rep. **Charlie Dean** (R-Inverness), chairman of the House Safety & Security Council, who entertained the group with his own stories of how the unfair tort laws affected his life. Dean has been a leader in the effort to reform the state's civil justice system.

# Associated Industries of Florida

## OFFICERS



### Barney T. Bishop III

President & CEO of Associated Industries of Florida ... former aide to state Treasurer Bill Gunter ... former executive director of the Florida Democratic Party ... more than 28 years of experience in legislative and political affairs ... areas of expertise include appropriations, criminal justice, and behavioral health care issues ... B.S. in political & judicial communication from Emerson College in Boston.



### Tamela Ivey Perdue, Esq.

General Counsel and Shareholder with the law firm of Stiles, Taylor & Grace, P.A., managing the firm's Tallahassee office ... more than 15 years legislative and legal experience, representing insurers and the business community on tort, workers' compensation, insurance and other legal issues before the Legislative and Executive branches of government ... established legal practice specializing in insurance defense and administrative law ... formerly worked in the Florida Senate ... B.S. from Lee University and J.D. from Stetson University.



### Chris Verlander

Senior vice president – corporate development of Associated Industries of Florida ... more than 27 years of expertise in insurance lobbying activities ... former president (1994-1997) and vice chairman (1997-1999) of American Heritage Life Insurance Company ... B.S. from Georgia Tech and M.B.A. from the University of Florida.

## DIRECTOR OF GOVERNMENTAL AFFAIRS



### Jose L. Gonzalez

Coordinates AIF's lobbying team and all research and advocacy efforts for the association ... Master's degree in Public Administration with a specialization in Public Policy and a Bachelor's degree in Political Science from the University of Florida.

## CONSULTANTS



### Keyna Cory (Chief Lobbyist)

President, Public Affairs Consultants, a public affairs and governmental relations consulting firm ... more than 22 years of experience representing a variety of clients, from small entrepreneurs to Fortune 500 companies, before the Florida Legislature ... majored in political science at the University of Florida.



### Robert P. Asztalos

Partner with Buigas, Asztalos & Associates and the Director of Governmental Affairs for Delta Health Group ... directed the Nursing Home profession's litigation reform campaign in 2000-01 and served as the Director of the Heal Healthcare in Florida Coalition ... Master's degree in Legislative Affairs and a Bachelor's degree in Political Science from George Washington University.



### Pete J. Buigas

Pete Buigas, partner in Buigas, Asztalos & Associates, has represented various associations and corporations and developed strategies to direct legislative action on health care and education issues ... formerly served as Deputy Director for AHCA and managed division responsible for statewide regulation of all health care facilities, manage care industry, Certificate of Need (CON) program, and provider/facility complaints.



### Al Cardenas, Esq.

Partner with the law firm of Tew Cardenas LLP, chairs the Advocacy and Governmental Affairs group in Miami, Tallahassee and Washington, DC ... served two terms as Chairman of the Republican Party of Florida ... served as an appointee for President Ronald Reagan and George H.W. Bush ... twice-named one of Washington, DC's top lobbyists ... currently represents some of Florida's largest corporate and governmental entities before the Florida Legislature ... graduate of Florida Atlantic University and the Seton Hall University School of Law.

***A powerful force for 87 years, promoting issues vital to the state's business community. Navigating the 21st Century with visionary leadership and enterprising strategies to promote a prosperous future for Florida through unparalleled lobbying and political action.***

# Florida 2007 Lobbying Team



## **Chris Dudley**

Joined Southern Strategy Group in 2000 after serving seven years in state government ... formerly served as Assistant to the Chief of Staff and Acting Deputy Chief of Staff to Governor Jeb Bush and as Deputy Chief of Staff, Deputy Legislative Director, and Special Assistant to former Lt. Governor Frank T. Brogan ... Bachelor's degree in Political Science from University of South Florida.



## **Mark Flynn**

Vice president of J. Keith Arnold & Associates ... former economic development executive with extensive experience representing business on a broad range of issues, including growth management and transportation ... has also worked for both a member of Congress and a member of the Florida House of Representatives ... graduate from the University of South Dakota with a B.S. in mass communications.



## **Richard Gentry**

Head of Gentry & Associates, a government consulting firm in Tallahassee ... prior General and Legislative Counsel for the Florida Home Builders Association ... in his 23 years with the association, Mr. Gentry was actively involved in legislation which included growth management, affordable housing and environmental laws.



## **Peter Harris, Esq.**

President and CEO of ADG Business & Governmental Consultants ... more than 16 years of experience successfully designing and implementing substantive legislative, governmental and management programs for business and government ... effectively worked with key policy makers in all branches of government ... graduate of the University of Miami and Florida State University College of Law.



## **Nick Iarossi, Esq.**

Founding partner of Capital City Consulting, LLC ... formerly worked in the Florida Senate, the Florida House of Representatives and the Office of Insurance Regulation ... expertise in banking and insurance, privacy and public records, health care, procurement, parimutuels, technology, and education ... graduate from the Florida State University College of Law.



## **H. Frank Meiners**

President, Frank Meiners Governmental Consultants, LLC ... formerly with BellSouth as their Executive Director in Tallahassee where he lobbied communications issues ... graduate of the University of South Florida in Mathematics and of the Fuqua School of Business at Duke University.



## **David Rancourt**

Founding partner of Southern Strategy Group ... spent entire career in politics and government ... formerly served as Director of the Florida Division of Elections, as Deputy Secretary of State, and Deputy Chief of Staff under Jeb Bush ... serves a strong client base with varied interests in both executive and legislative branches of government ... holds a B.S. in Economics from Florida State University and a Master's degree in Political Science from the University of Florida.



## **Jim Rathbun**

President of Rathbun & Associates ... more than 18 years of experience representing individuals and entities before the Legislature, state agencies, and the governor and Cabinet ... formerly worked with the Florida House of Representatives and served as staff director of the House Republican Office ... B.S. from Florida State University.



## **Stephen W. Shiver**

Director of Governmental Affairs for the Advocacy Group at Tew Cardenas ... former aide to House Speaker Tom Feeney and Majority Office Liaison to House Majority Leader Mike Fasano ... former Executive Director for the Republican Party of Florida ... has represented some of Florida's largest corporate and governmental agencies before the Florida Legislature, including health care, education, utilities, and private sector businesses ... graduate of Florida State University.



## **John Thrasher, Esq.**

Florida's Speaker of the House from 1999-2000 ... While leading the House, helped to pass some of the landmark reforms advanced by Gov. Bush, including an overhaul of the state's entire system of education ... the new medical school at FSU, John's alma mater, honors his name... John was elected to his first term as a state representative and was re-elected without opposition in 1994, 1996, and 1998.



## **Gerald Wester**

Managing Partner, Capital City Consulting, LLC ... former chief deputy over Florida Department of Insurance's regulatory staff ... more than 31 years of lobbying experience ... expertise in insurance, banking, and health care issues ... Bachelor's and Master's degrees from Florida State University.

# Make A Difference

As a member of AIF you are taking part in the world's greatest form of government: representative democracy.

Your membership dollars support all of our efforts on behalf of Florida's employers. But there's always more to do.

To join one of our councils, committees, or task forces contact Jose Gonzalez, AIF's director of governmental affairs, at (850) 224-7173 or [jgonzalez@aif.com](mailto:jgonzalez@aif.com)

AIF councils, committees, and task forces are your way to take a leadership role in the public policy issues that effect your industry or your company's specific interests.

## **Councils**

Governmental Outsourcing  
Information Technology  
International Affairs  
Florida Maritime  
Florida Energy  
Financial Services

## **Task Force**

Health Care

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516 NORTH ADAMS STREET  
P.O. BOX 784 TALLAHASSEE, FL 32302-0784

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