

Advocate



Cover Story

Economic Stimulus — What You Haven't Heard So Far

AIF's ESP 2.0
Pg. 3

Issue
Round
Up Pg. 14

What's Inside

- Pg. 2 President's Message
Economic Stimulus
Package 2.0
- Pg. 10 Update on the Corporate
Tax Depreciation Issue
- Pg. 11 Florida's Property
Insurance House of Cards
- Pg. 12 Level the Playing Field
- Pg. 13 Missing Jacque
- Pg. 20 Membership News
- Pg. 21 A critical Analysis of
the Employee Free Choice
Act (EFCA)
- Pg. 22 AIF Councils Update
- Pg. 26 AIF 2009 Lobby Team

Restoring a Workers' Compensation System that Works

Pg. 8



By Barney T. Bishop III

Economic Stimulus Package 2.0

By the time you read this issue of Employer Advocate, the business community's Economic Stimulus Package (ESP) 2.0 will have already been presented to the Florida House and Senate. Endorsed by almost every major business association in the state last year, it is about one simple thing: putting people to work. Although Florida is leading the nation in the number of new unemployment filings, there is much the state can do to build permanent infrastructure such as roads, water/sewer, schools, space, etc. In doing so, the services needed to build this infrastructure will generate new sales tax receipts, which can help fill up the state's coffers at a time when it is most needed. On page 5 of this edition, you will find a complete copy of ESP 2.0 along with a list of the endorsing organizations.

Back in January during the special legislative session, few of the state's major business groups came together with Florida TaxWatch and supported a litany of proposed budget cuts equal to the amount of the budget deficit. While the legislature picked and chose which of those they wanted to undertake, there is still much work to be done. Budget "cut" sessions are important because it makes all of us focus on which government services are essential versus nonessential.

However if Florida is to try and survive during this tough recession, we need to fully invest, and thus provide more than just lip service, in the idea of information technology (IT). With a growing population, albeit slower, the best, most efficient, most effective way to provide many of these vital services is to rely on cutting-edge technology. Florida's record in this arena is, unfortunately, less than stellar. New York, now the third largest state, spends more than twice as much money as we do on IT, yet we are about to eclipse New York in population. To make matters worse, we have a plethora of "legacy" computer systems that are antiquated and too expensive to maintain along with a number of "legacy" employees who are the only ones with the knowledge to run the systems. Waiting until these computers are unfixable and the employees are gone is way too late to think about this key issue. In addition, though we now have a secure data warehouse, few, if any, state agencies can afford to move in because of the cost. Yet if they do not, a hurricane or other hazard (northeaster, fires, etc.) hitting the state capital could prevent us from providing even the most elementary information to our elected officials or much needed checks to our citizenry. As we are streamlining government, this is the best time to refocus our efforts to bring Florida, kicking and screaming, into the 21st century IT world and meet the needs of our growing citizenry.

AIF understands that in these tough economic times we cannot just talk about cuts in the budget without also having a frank conversation about the need for some new revenue. Although the business community loathes talking about generating new revenue without a concomitant look at duplication, waste and fraud, we are now at the point where we need to acknowledge that some new revenue may be warranted. For example, most, if not all, of the business community is in favor of taxing purchases over the Internet. First, this is only fair since virtual retailers who pay no tax are competing unfairly with "brick and mortar" businesses that pay their fair share of taxes and employ people in Florida. Florida TaxWatch estimates this could generate new revenue of approximately \$1 billion annually, but will require action by Congress as this involves interstate commerce. Second, the argument that the nascent

Please see page 19



Published by
Associated Industries
of Florida. © 2009.
All rights reserved.

PUBLISHER
Barney T. Bishop III

ASSOCIATE PUBLISHER
Stephen B. Trickey

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

www.aif.com

Economic Stimulus—What You Haven't Heard So Far

By José Gonzalez

Echoing throughout board rooms and kitchen tables across the state are the buzz words “economic stimulus.”

The nation’s attention has turned to Washington D.C., first to witness the historic inauguration of President Obama and then to watch as lawmakers debate a national economic stimulus package of epic proportions (\$787 billion). All indicators continue to point to a deep national and state recession. In late January of this year, the Census Bureau reported that housing starts fell from 651,000 units in November 2008 to 550,000 just one month later in December, a 15.5 percent decline. December’s report is the lowest monthly reading since the Census Bureau began collecting data in 1959. Unemployment levels are the highest in 30 years with national jobless claims at 589,000 for the week ending on January 17. In Florida, our unemployment rate of 8.1 percent is the highest it has been in nearly 16 years. According to Florida’s Chief Economist Amy Baker, if conditions continue to deteriorate, Florida could face a 10 percent unemployment rate, joining the ranks of states like California and Michigan.

In response to this grim economic reality, states across the country have put “pen to paper” to come up with plans to stimulate their economies. In Florida, legislative leaders from both chambers and the executive branch consider fixing the state’s economic woes a top priority. In fact, Senate President Jeff Atwater (R-North Palm Beach) created a powerful Select Committee on Florida’s Economy to travel

The Business Community’s Recommendation for a Revival of Florida’s Economy.

the state and gather information and testimony on ways to kick start the economy.

Last year, AIF alongside 19 other business groups put together an *Economic Stimulus Package* or *ESP*. Designed to nourish Florida’s economy, the *ESP* recommended government spending in key areas and the enactment of incentives to attract new business and spur more job creation in home-grown corporations. On the heels of this first package and with Florida’s economy still sputtering, AIF once again consulted with its corporate and association members to develop a follow-up to this landmark set of recommendations. Known as the *Economic Stimulus Package 2.0* or *ESP 2.0* for short, this package picks up where the business community left off last year and provides legislators with a series of recommendations in 10 targeted areas. Once more, the bulk of the recommendations are centered on investments in infrastructure. Given the bleak budget picture in Tallahassee, we have also highlighted some important regulatory recommendations that can stimulate the economy without a big price tag.

Creating Jobs by Investing in Infrastructure

1. Transportation – Stimulating Florida’s economy by investing in “shovel-ready” transportation projects is one of the most appropriate ways our state can reinvigorate the economy while addressing a critical issue for its citizenry. Thousands of jobs can be created (27,000 jobs for every \$1 billion invested) through extensive investment in Florida’s infrastructure. Studies have shown that the economic benefit of these projects could result in a \$5.60 yield per \$1 invested – an incredible return. Each dollar directly spent on infrastructure raises GDP by approximately \$1.59, according to Moody’s Economy.com. Additional benefits include providing employment for Florida’s idle construction workforce and boosting Florida’s long-term economic competitiveness. Specifically, the *ESP 2.0* proposes:

- Establishing a Dedicated Transportation Funding Source through a scaled adjustment of vehicle tag and title fees – this proposal alone has the potential to raise an additional \$1.5 billion for transportation projects at the end of a three-year period.
- Focusing on road resurfacing as a quick way to get “boots on the ground.”
- Approving the “Central FIA Commuter Rail” project.
- Banning local moratoriums on aggregate mining.
- Making infrastructure investments in warehouses and distribution centers around Florida’s 14 deep water ports, as well as solving Florida’s dual security credentialing problem.

2. Water – Water supply is critical to the future growth and sustainability of Florida. Recognizing the importance of this issue, the Century Commission recently held Florida’s first Water Congress and made recommendations for long-term water supply projects such as reservoirs, desalination plants, collection and storage of rain water, etc. Alternative Water Supply programs are needed and should be funded. Water infrastructure projects create jobs and stimulate economic development. State funding for alter-

“For the second year in a row, AIF has highlighted the importance of funding alternative water supply projects as an economic stimulus for the state. The availability of alternative water supplies is essential for a strong business climate and protects the environment. Infrastructure construction programs in this area creates both short term and long term jobs and improves our quality of life.” – Doug Mann, Chairman, Florida Water Alliance

“AIF continues to be a leader for the business community in the transportation arena. Their endorsement of a practical adjustment of tag and title fees as a source of additional transportation dollars shows the type of forward thinking needed for our state to meet its transportation challenges.” – Robert Bureson, President, Florida Transportation

native water supply programs is matched by local and/or federal governments. For every \$1 invested in water supply projects, there is a \$6 return on investment.

3. Affordable Housing – Housing is one of our greatest economic engines. When that engine is fueled, our economy thrives; when it is not, our state’s economy falters. According to the Sadowski Affordable Housing Coalition, every \$1 million the state invests in housing generates \$10.36 million of economic activity. In the area of affordable housing, AIF and the business community recommend:

- Investing in housing, which will allow work on recovering, rehabilitating and reselling foreclosed properties through down payment assistance programs. These investments will go a long way to reducing Florida’s current glut in housing stock.
- Repealing the cap on the Sadowski Affordable Housing Trust Fund. This repeal will allow for additional housing funding once the economy improves.

4. Educational Facilities – A business approach to economic stimulus must include provisions for continued state investment in our K-20 education system. In addition to supporting education operations at all levels, continued funding for education facilities in all sectors will create construction jobs. Despite a slower growth in PreK-12 student population, we still need to build schools. Additionally, policymakers should consider revisiting the implementation of the Class Size Amendment. Greater flexibility will ensure money is spent where it is most needed at a time when school funding is facing drastic reductions.

5. Space – Last year, the Legislature made space funding and policy a priority by passing a number of bills intended to maintain Florida’s leadership in commercial space activities. We must sustain this focus as a number of other states, especially Virginia, continue their efforts to eclipse Florida’s historical role in space. Targeted infrastructure investments for commercial space launches will provide high-wage, high-tech jobs and will position Florida as the leader for this lucrative industry. Among some of the

The recommendations contained in the *ESP 2.0* reflect the work product of a cadre of top Florida business associations on the front lines of our state's economy. They represent a list of ideas that you have not heard thus far in the halls or committee rooms of the Florida Capitol.

ESP 2.0 recommendations on space, policymakers should consider supporting:

- A continued emphasis on investments for the rehabilitation of launch facilities to entice commercial space flight to Florida.
- Creation of a Commercial Launch Zone (CLZ) — economic incentives would be provided for launch, manufacturing, and research and development within the zone.
- Additional investments in workforce training to continue the transition of aero-space workers to complementary jobs in related fields.
- A targeted approach toward university-based research programs across the state coupled with an emphasis on Science, Technology, Engineering and Mathematics (STEM) education in Florida's K-12 schools.
- Use "operations and maintenance" funding to preserve launch processing facilities no longer in use by NASA, but important in keeping the private sector competitive in the commercial markets.

6. Home Mitigation — The state should look at ways to draw down federal resources for home hardening. President Obama recently stated that his administration will make funds available for infrastructure improvements. Putting federal and state dollars into home mitigation is an ideal way to generate sales tax revenue and get Florida contractors, home inspectors, tradesmen, architects and others back to work.

Low Cost & Immediate Impact Alternatives

7. Regulatory Relief — With very limited financial resources at their disposal, policymakers must look at reductions in regulatory red tape as a way to stimulate business activity throughout the state. In business "time is money." Streamlining the permitting process is a critical first step

"Economic Stimulus" is the new buzz term in Tallahassee and Washington. Many plans and ideas have been discussed on the subject. Below are some ideas that AIF and the business community are presenting that are unique to ESP 2.0 and not covered by other plans.

TRANSPORTATION — Florida's tag and title fees have not been increased in 25 years! A scaled adjustment of these fees over a three-year period has the potential to raise an additional \$1.5 billion for transportation projects. These projects could provide \$39 billion in economic benefits. For every \$1 billion spent on transportation, 27,000 new jobs are created. Florida's Department of Transportation has identified \$7 billion in projects ready to begin within 90 to 120 days. The fees would be adjusted between \$10 to \$22 depending on a vehicle's weight — that's a maximum of less than \$2 per month.

AFFORDABLE HOUSING — The passage of the federal Housing and Economic Recovery Act presents Florida with a unique opportunity to leverage over \$1 billion in federal support for our housing market and to accelerate Florida's economy. To get the biggest return on this investment, we must ensure that the monies in the state and local housing trust funds are fully appropriated for housing and that we have adequate down payment assistance funds to get families into the existing stock; thereby reducing the current glut of housing. Remember, for every \$1 million of state funding in housing, \$10.36 million of economic activity is generated.

REGULATORY RELIEF — "Shovel-Ready Zones" would provide incentives for counties and local governments to create specific zones conducive to growth. These designated zones would feature special expedited permitting for local ordinances, enhanced local incentives, and the potential for county and cities to be co-applicants alongside targeted businesses for state permitting purposes.

TOURISM — Florida is blessed with both world class medical facilities and a renowned tourism industry. Both should be combined in a domestic and international marketing program to promote medical tourism — this is where people travel from across the country and world to receive medical, dental, and surgical care, while at the same time their families can enjoy the benefits of that area's tourism industry.

NEW MARKETS DEVELOPMENT PROGRAM — Many states are active in the New Markets program, attracting large amounts of investments; but Florida has not taken advantage of these federal dollars. Over the seven-year life of the incentive, \$500 million will be invested in Florida's small businesses. It has the potential to create over 3,000 jobs the first year, more than 30,000 jobs over seven years, \$4 billion in economic activity and in excess of \$200 million in tax revenues.

FLORIDA'S VENTURE ECONOMY — One of the biggest challenges to growing Florida's Venture Economy is the lack of information or comfort large investors have with our existing start-ups. One way to bridge this gap would be through the creation of state-sponsored "trade missions" to venture capital clusters in San Francisco, Boston's Route 128, or North Carolina's Research Triangle. This small investment in relationship-building would go a long way in attracting and retaining venture capital investment in Florida.

Economic Stimulus Package 2.0

“Associated Industries has been a major partner in the fight to protect affordable housing programs in Florida. More than most other organizations, AIF realizes the economic stimulus potential of investments in housing.” – John Sebree, Vice President of Public Policy, Florida Association of Realtors

toward increasing productivity. Therefore, the business community recommends:

- Passage of legislation implementing the development of expedited permitting for targeted industries.
- Creation of a “Shovel-Ready Zone” designation, which would provide incentives for counties or local governments to create zones with special expedited permitting for local ordinances, enhanced local incentives and assistance with state permitting.
- Providing extension of state and local government approvals for projects that fall under the Development of Regional Impact (DRI) process and automatic extensions for all development permits and approvals.
- Easing the burden of proof for impact fee challenges to a “preponderance of the evidence.”

8. Tourism – While we should preserve current tourism marketing dollars, the business community recommends a short-term emphasis on marketing healthcare tourism and arts and cultural tourism. Florida boasts world-class medical facilities and a renowned tourism industry. Both should be combined in a domestic and international marketing program to promote medical tourism. This is where people who live in one country or state travel to another to receive medical, dental and surgical care, while their families enjoy the benefits of that area’s tourism industry. In addition, it is prudent for policymakers to continue investing grant dollars toward arts, culture and historic resources. By doing so, we give our state the competitive edge to attract, sustain and advance tourism, commerce, a skilled and creative workforce, jobs, downtown and neighborhood revitalization, health and wellness, key business relocation and substantial returns on state investment.

9. Florida New Markets Development

Program – This program would provide immediate access to capital for existing and start-up small businesses in Florida’s low income communities by providing \$250 million in private-sector investment within 12 months. Over the seven-year life of the incentive, \$500 million will be

invested in Florida’s small businesses. It has the potential to create more than 3,000 jobs the first year, more than 30,000 jobs over seven years, \$4 billion in economic activity and in excess of \$200 million in tax revenues. Many states are active in the New Markets program and are attracting large amounts of investments; however, Florida has not taken advantage of these federal dollars.

10. Building Florida’s Venture Economy – Business leaders across the state recognize the importance of growing Florida’s entrepreneurial community. Further diversification of Florida’s economy is vital for future growth. Short-term steps can be taken that will sow the seeds necessary to achieve this goal:

- Create the Florida Investment & Infrastructure “Bank” – this entity would administer existing or future loans and or loan guarantees for companies, counties, businesses, etc., that need infrastructure improvement or investment.
- Encourage creation of angel investment groups by providing state tax credits for investors that join together to help Florida entrepreneurs.
- Bring together entrepreneurs with the source of capital through state-sponsored “trade missions” to capital clusters across the U.S.

11. Information Technology – Florida’s state government has legacy IT equipment and a decreasing number of professionals that are able to maintain them. In a time of shrinking state budgets and economic uncertainty, technology has the potential to turn government around and save money at the same time. As legislators consider how to cut government programs without hurting the people being served, IT emerges as one solution to providing the most efficient level of service. Increasing Florida’s IT capacity is vital to economic development. Business activity is often dependent on how quickly government can act.

When government operates inefficiently, it weighs down the ability of a business owner to move forward on economically productive activities. Information technology is one of the few areas where government can actually spend

“In a very short time, AIF has become one of the strongest advocates of leveraging Florida’s existing space infrastructure for commercial purposes. Their powerful voice in Tallahassee and tireless efforts for Florida are exactly what the industry needs at this critical time in our state.” – Steve Kohler, President, Space Florida

AIF's ESP 2.0 does not pretend to be an exhaustive "to-do" list. Rather, it outlines strategic policy decisions that will stimulate the private sector and place Florida in a favorable position for when the economy turns around.

money to save money and stimulate the economy.

Furthermore, investing in new IT infrastructure can lead to significant cost savings, which is especially relevant at a time when Florida's revenues are shrinking. Specifically:

- Policymakers should support funding for the State Data Center System. Legislation has been passed requiring the consolidation of state data centers, but funding is currently lacking in order expedite the storing of critical information needed for government to perform basic services and mission critical processes. The establishment of secure, state-of-the-art data centers will increase productivity and protect sensitive information.
- Out of date and cost intensive legacy systems should be updated as soon as possible in order to avoid serious and economically devastating disruptions in service. Currently, state agencies like the Agency for Workforce Innovation are operating IT systems that are so out of date that not even their manufacturers can maintain. These systems perform critical operations like process unemployment applications and benefits.

AIF's *ESP 2.0* does not pretend to be an exhaustive "to-do" list. Rather, it outlines strategic policy decisions that will stimulate the private sector and place Florida in a favorable position for when the economy turns around. By investing in Florida's future now, we ensure we are prepared to sustain our economy for years to come. ■

José Gonzalez is AIF's Vice President for Governmental Affairs (e-mail: jgonzalez@aif.com)

The recommendations found in this package originate from discussions with representatives from various industry associations and other interested parties who are deeply concerned with the future of Florida.

Asphalt Contractors Association of Florida

Associated Builders & Contractors of Florida, Inc.

Associated Industries of Florida

Association of Florida Community Developers

Florida Association of Broadcasters

Florida Association of Homes and Services
for the Aging

Florida Association of Realtors

Floridians for Better Transportation

Florida Cultural Alliance

Florida Credit Union League

Florida Engineering Society

Florida Farm Bureau

Florida Fertilizer & Agrichemical Association

Florida Home Builders Association

Florida Institute of Consulting Engineers

Florida Natural Gas Association

Florida Pest Management Association

Florida Petroleum Council

Florida Retail Federation

Florida Roofing, Sheet Metal & Air Conditioning
Contractors Association

Florida Transportation Builders Association

Florida Trucking Association

Florida United Business Association



Restoring a Workers' Compensation System that Works

By Tammy Perdue

The business community is once again unanimous and strong in its commitment to keep one of the country's smoothest-running workers' comp systems intact.

Workers' compensation is an important concern for both Florida businesses and their employees. Florida law requires employers to purchase coverage so workers who are injured on the job have ready access to medical care, receive monetary benefits while they are unable to work and get the vocational assistance they need to return to work as quickly as possible.

Background

Over the past decade, the state's workers' compensation market experienced turbulent periods putting it on the verge of collapse. In the late 1990s and early 2000s, Florida companies were hard pressed to find coverage. Even when it was available, prices were astronomical forcing companies to either avoid obtaining coverage or go out of business. At the time, Florida's compensation rates were among the highest in the country and a barrier to creation of jobs and successful competition with bordering states for new business and industry.

Associated Industries of Florida (AIF) recognized the urgent need for significant system reform and established the Workers' Compensation Coalition of Business and Insurance Industry. The coalition was formed to educate lawmakers about the nature of the system, its potential for failure or success, and develop viable solutions that would reduce fraud, lower rates and create a healthy workers' compensation market. AIF's efforts paid off in 2003 when the Florida Legislature tackled this crisis in a broad-based package focusing on cost-drivers clearly out of line with workers' comp systems in other states, specifically the abuse of hourly attorneys' fees.

Prior to 2003, the cost of litigated claims was 40 percent higher in Florida than in any other state due to Florida's higher litigation volume. The 2003 reforms eliminated payments based on hours worked and linked attorney fees to the value of benefits secured through a fee percentage schedule. The impact of this provision, along with the other reforms to the system, has been significant.

According to the National Council on Compensation Insurance (NCCI), Florida's workers' compensation rates have dropped an average of 60 percent since the law was enacted, saving Florida employers an estimated \$2.9 billion. Once ranked first or second in the nation, Florida's rates now rank in the lowest third of workers' compensation rates and have a fair and predictable cost structure. Subse-

quently, a robust market has developed making coverage readily available. This allows Florida's employers to hire more workers, expand their businesses and secure projects on fair footing with their out-of-state competitors.

The cornerstone to these successes has been reduced litigation and attorney fees. Before this law passed, lawyers regularly collected thousands of dollars in fees on most litigated cases, even if their clients only received minimal benefits. Such occurrences have virtually disappeared from the system since the new law was passed.

The Current Problem

However, these changes have met strong opposition from the lawyers who are no longer able to generate exorbitant fees through protracted litigation surrounding minimal benefits to injured workers. Since 2003, claimants' lawyers have tried to overturn the attorney fee reforms and finally succeeded in the October 2008 case of *Murray v. Mariner Health*. The Florida Supreme Court ruling in this case delivered a blow to Florida employers that will inevitably increase the cost of doing business and could derail the current success of Florida's workers' compensation system. It declared the attorney fee portion of the workers' compensation statute to be ambiguous and allowed a return to the unpredictable and costly hourly rate fee awards. Unless remedied through legislative action, this decision means employers will face higher workers' compensation rates and an added financial burden to the cost of doing business in our state.

In November 2008 following the release of the Murray decision, the NCCI — the state's rate filing entity — proposed a premium increase of 18.6 percent to be incrementally implemented over the next two years beginning April 1, 2009. Claims handling professionals across the state have already seen an uptick in litigation filed on open cases, as well as higher settlement values resulting from the increased attorney fee amounts. Most agree the NCCI rate proposal is conservative and fails to capture cultural changes occurring throughout the system due to predictable fee amounts available over the past five years. If claim costs skyrocket, it is feared that availability of coverage will once again be an obstacle to the survival of Florida businesses.

Without a doubt, the resurrection of hourly fee awards will bring an end to rate decreases for Florida employers. Within a few months, the system will head back down the spiraling litigation path that necessitated the 2003 reforms. This prediction is more than just a doomsday cry. Florida's Insurance Commissioner Kevin McCarty also links the system's success to the 2003 attorneys' fee statute recently stating, "The reduction of attorney participation in workers'

Imploring the Legislature to address the Supreme Court's decision is one of AIF's highest priorities this session.

compensation cases has been cited as one of the significant causes of the reduction in rates since the 2003 legislative reforms ... Limitations on attorney fees have helped Florida employers to realize a significant savings on their workers' compensation insurance."

Crafting a Solution

The *Murray v. Mariner Health* ruling means higher attorney fees, an increase in the number of claims with attorney involvement and an increase in the average cost per workers' comp case. These higher costs will inevitably toss Florida's workers' compensation system right back into the chaos experienced in 2003. Florida employers cannot afford or even survive in today's economy if their workers' compensation rates are increased and the system destabilizes. Rewarding higher litigation rates and increasing costs are ill-advised and dangerous policies that should not be imposed on the businesses of this state. The Legislature must act immediately to address the Supreme Court's decision and restore Florida's workers' compensation system to the self-executing model of efficient benefit delivery it clearly intended with the 2003 reforms.

Fortunately, the business community is once again unanimous and strong in its commitment to keep one of the country's smoothest-running workers' comp systems intact. Imploring the Legislature to address the Supreme Court's decision is one of AIF's highest priorities this session. An increase in workers' comp premiums is the last thing our economy needs. Florida employers should not have to shoulder additional costs as they struggle to ride out the country's and Florida's economic downturn.

For more information on Florida's workers' compensation system and how your business can get involved in the fight to restore success to Florida's workers' compensation system, please contact AIF's general counsel Tamela Perdue who chairs Florida's Workers' Compensation Coalition for Business and Insurance or log onto www.aif.com and join the Coalition today. ■

Tammy Perdue, Esq., is AIF's General Counsel (e-mail: tperdue@aif.com)

Update on the Corporate Tax Depreciation Issue

By Frank Meiners

AIF started its work on the issue by calling on its members to determine the effects this would have on businesses' bottom lines.

Each year, the Florida Legislature adopts the current Internal Revenue Code as the starting point for computing Florida's Corporate Income Tax. This "piggyback" of the IRS Code ensures that certain tax definitions and the calculation of adjusted federal income are consistent between the IRS Code and the Florida Income Tax Code in Chapter 220, Florida Statutes.

In 2008, Congress passed Public Law 110-185, which amended the Code to permit 50 percent bonus depreciation for assets placed in service that year and to permit a temporary increase in the limitations on expensing certain depreciable assets also placed in service during 2008. In Chapter 2008-206, Laws of Florida, the Legislature did not incorporate the 50 percent bonus depreciation provisions or the temporary increase in the Section 179 limitations in the calculation of Florida corporate income tax.

Unfortunately for Florida's businesses, the bill did not clearly state the Legislature's intent. Originally issued in June 2008 and revised in August 2008, the Florida Department of Revenue's Tax Information Publication (TIP) addressed the law and explained that the bill's language created a situation whereby taxpayers who elected to take the bonus depreciation on their federal taxes would permanently lose 50 percent of their depreciation deduction from their state taxes. Businesses would also lose state deductions if they chose to take the additional expense allowance. Florida would be the only state to permanently deny those deductions. Left in a no-win situation, taxpayers would have to refuse the federal stimulus tax breaks or face a state tax increase.

AIF started its work on the issue by calling on its members to determine the effects this would have on businesses' bottom lines. A working group of interested companies' tax experts worked with AIF staff to draft a glitch bill to fix the issue. We worked alongside other business groups so the bill could be represented to the Legislature as a consensus of industry and would

be ready if a special session was called to fix the serious, unintended consequences of this glitch.

After many conference calls, legislative contacts and meetings with staff of the Florida Department of Revenue (FDOR), the presiding officers of the Legislature sent a letter to the FDOR which said, "After the legislation passed, it came to our attention that we had not explicitly accomplished our goal, and that the legislation had possibly placed Florida taxpayers who utilize the new federal provisions in a worse situation than they would be in without the federal stimulus provisions. That was not our intent."

When it became clear the Governor or presiding officers were not going to call a special session to make the changes before the December 15 deadline, FDOR Executive Director Lisa Echeverri and her staff met to try and bring resolution to this issue. Knowing the extreme negative impacts this would have on Florida businesses, Director Echeverri asked the Governor and Cabinet to consider an emergency rule at the next Cabinet meeting. Due to the time sensitive nature of the issue, the Governor immediately approved the addition of a Cabinet agenda item addressing the glitch.

All the time and hard work came to fruition on December 9 when the Cabinet approved Emergency Rule 12-CER08-31, which has the effect of law for 90 days. Many of the folks who had worked on the issue were there to thank Director Echeverri for spending the time and effort necessary to arrive at a solution.

However, the Legislature must pass a corporate income tax glitch bill before the 90 days run out. AIF will continue its efforts to work with the Legislature to pass a glitch bill that will remedy an issue that left uncorrected would result in significant financial consequence for Florida employers and aggravate Florida's current economic crisis. ■

Frank Meiners is the president of Frank Meiners Governmental Consultants and AIF consultant (e-mail: frank@chgmail.com)

Florida's Property Insurance House of Cards

By Gerald Wester

Florida's property insurance house of cards is on the brink of collapse with the state's "ace" — the Florida Hurricane Catastrophe Fund (Cat Fund) — facing an almost certain failure to meet its obligations.

After the 2004 and 2005 hurricane seasons, property insurance rates began to rise. To keep rates in check, the state dramatically assumed greater responsibility for hurricane losses by: increasing reinsurance coverage provided by the Cat Fund; authorizing the state's insurance company, Citizens, to unfairly compete with private property insurance companies; and shifting Citizens policies to newly formed Florida-only insurers or "take-out insurers." Today, approximately 30 percent of Florida homeowners' policies are written by Citizens at inadequate rates. An additional 30 percent of policies are written by "take-out insurers" whose rates do not reflect the true cost of reinsurance.

While the state has been successful in suppressing rates, there are two components that increase the cost of insurance in Florida. One is a rate hike by an insurer that is filed and approved by the Office of Insurance Regulation. Another is "hurricane taxes" or "assessments" imposed by Florida's three government insurance programs: the Cat Fund, Citizens and the Florida Insurance Guaranty Association (FIGA). "Hurricane taxes" imposed by these entities fund deficits resulting from 2004-05 hurricane claims which, in some cases, will continue for many years. Florida businesses and other insurance consumers have voiced outrage over the increased cost of insurance resulting from these taxes. Florida policyholders' frustration will continue to mount if Citizens and "take-out insurers" cannot promptly pay claims in the wake of a hurricane.

The state's success in suppressing rates and timely payment of claims by Citizens and "take-out insurers" hinges on the financial viability of

the Cat Fund. Citizens and "take-out insurers" rely heavily on Cat Fund reinsurance reimbursement in setting their rates and for their claims-paying capacity. The 2007 Legislature mandated insurers and Citizens reduce rates to reflect savings realized through the purchase of expanded Cat Fund coverage priced substantially below similar coverage provided by private reinsurers. Most of the rate reductions from the 2007 reforms are due to the expanded Cat Fund coverage, which the state cannot fund in today's economic downturn.

For 2009, the Cat Fund lacks the liquidity (cash and bonding capacity) to meet its maximum potential obligation of \$28 billion to reimburse Citizens and property insurers. The Cat Fund staff and financial advisors are projecting a nearly \$19 billion potential shortfall. The inability of the Cat Fund to fully meet its obligations following a major hurricane or series of hurricanes will result in substantial delays, non-payment of claims and the financial failure of many "take-out insurers." FIGA will assume responsibility for paying claims of insolvent insurers. In addition, Florida businesses and other policyholders will be responsible for funding losses through Cat Fund, Citizens and FIGA-imposed "hurricane taxes" in excess of 40 percent on all their property and casualty insurance premiums.

The state has created a dilemma— a potential financial collapse versus increasing homeowners' property insurance rates. The most popular response among the state's executives and lawmakers to this dilemma is a "federal bailout." AIF's response is to reduce Florida's reliance on the Cat Fund and protect properties against losses from hurricanes. ■

Gerald Wester is Managing Partner, Capital City Consulting, LLC and AIF consultant (e-mail: gwester@capcityconsult.com)

Florida policyholders' frustration will continue to mount if Citizens and "take-out insurers" cannot promptly pay claims in the wake of a hurricane.

Level the Playing Field

By Barney T. Bishop III

Before the state even looks at raising the cigarette tax, it should turn its attention to those cigarette manufacturers that are not parties to the state's Tobacco Settlement Agreement.

The current proposal in Florida to increase the state cigarette tax by \$1 per pack (from 34 cents to \$1.34) is simply a bad idea. This type of highly-regressive tax increase harms all Floridians, especially in a recession, as well as unfairly targeting adult smokers. And the state already gets over \$1.1 billion every year from the current cigarette tax — not including the recently-increased Federal tax on cigarettes. Right now the average Florida pack-a-day smoker already pays \$579 per year to the federal and state governments and the proposed Florida cigarette tax increase — along with the forthcoming increase in the federal excise tax — will further increase these costs to over \$1,000 a year for the pack-a-day smoker.

In the case of the current state excise tax increase proposal alone, a carton of cigarettes in Florida would become up to \$15.74 more expensive than those sold in neighboring states. There are around 19,000 retailers in Florida that typically sell cigarettes and these sales are an important revenue source for many of these retailers (34.4% of all in-store sales according to the National Association of Convenience Stores).

Consumers often react to a cigarette tax increase by shifting their purchases across state lines or to other sources. The impact of this purchasing shift on retailers becomes even more pronounced when tobacco purchases are bundled with other products, such as gasoline and groceries.

When smokers act on this type of incentive, state tax-paid cigarette sales fall. As a result, a state often collects less revenue than expected from a cigarette tax increase. Of the 57 state cigarette tax increases implemented between 2003 and 2007, only 16 met or exceeded the forecast revenues. In the long term, this type of revenue source will likely continue to under-perform as tax-paid cigarette sales decline. As a result, cigarette taxes realize less and less revenue and taxing authorities may face gaps in funding in the long term.

The arguments on needing a cigarette tax increase to cover smoking-related costs are equally flawed. Advocates of a \$1 increase in Florida's

cigarette tax say that the increase is needed to cover smoking-related costs to the Florida Medicaid Program. The Healthy Florida Alliance, the coalition that includes all of Florida's major health advocacy groups, contends that these costs are \$1.2 billion per year while smokers only contribute \$417 million a year in state excise taxes.

However, this contention is based on two fundamental errors: it ignores other major revenues paid by Florida smokers via the Tobacco Settlement and via sales tax. And all the money that smokers pay the state is matchable with federal Medicaid money. For purposes of determining whether smokers actually do pay their fair share, it is appropriate to assume that all of these smoker-generated revenues go to Medicaid. The numbers then reveal the true story: Florida excise tax \$927 million; Tobacco Settlement \$860 million; sales tax \$604 million — for a total of \$2.4 billion. This apples-to-apples comparison results in the inescapable fact that Florida smokers pay almost twice the \$1.2 billion that proponents identify as smokers' Medicaid costs.

There is a simple, sensible Florida alternative to implement now. Before the state even looks at raising the cigarette tax, it should turn its attention to those cigarette manufacturers that are not parties to the state's Tobacco Settlement Agreement, and who do not have any settlement payment obligations to the State — manufacturers that have effectively gotten a free ride and not provided a dime of the approximately \$5.4 billion Florida received during 1998-2007.

Because of this situation, these manufacturers enjoy a substantial price advantage over the remaining manufacturers, in many cases close to 50 cents per pack. By closing this price gap with a fee of 40 cents, the state could realize nearly \$88 million in additional revenue in a way that will provide a more level playing field for the brands on which settlement payments are already made to Florida.

Florida's leaders should act to eliminate the disparity among brands and ignore calls to raise the cigarette tax because it is poor policy. It's simply the best approach for Florida. ■

Barney T. Bishopp III is President & CEO of Associated Industries of Florida and affiliated companies (e-mail: bbishop@aif.com)

Missing Jacque

By Stephen Trickey

As I was going through a draft of this edition of the *Employer Advocate*, it struck me that this is the first edition of any publication AIF has done in over 20 years that didn't have the talents of Jacque Horkan involved.

Jacque started working at AIF in October of 1982 in the position of Secretary – Publications & Seminars. She quickly became the standing expert on anything written by and for AIF in the next 22 years. No matter what area we were dealing with — political, legislative, membership, etc. — Jacque was the one who always pulled it all together. The rest of us would make some feeble attempt to put words together to tell members our message. She would take our chicken scratch

and turn it into a well thought out, well formulated article.

In my early years at AIF, I didn't know exactly what she did, but knew better than to get in the way. Later on when I became the Chief Information Officer and Jacque's department fell under my purview, I gained a ton of respect for her quickly. It was a rare occasion that she didn't already have some institutional knowledge of whatever business issue we were talking about; but when it did happen, it didn't take her long to become an expert. Her brilliance was as sharp as her wit.

Even when Jacque left AIF during a down-sizing in 2004, she remained the editor of all of our publications as a consultant. It was always comforting to know that she was coming in to take

what we had attempted to do and get it all in order and presentable.

Jacque passed away on October 24, 2008, after a long battle with cancer. Her determination and work ethic that we had all seen during her years at AIF was only eclipsed by her strong, unbending will that kept her sharp, witty and funny despite her battle with the disease.

I doubt I will ever put together another AIF publication without thinking about her. We miss her for sure, but are thankful we were able to witness her talents all these many years. ■

Stephen Trickey is Chief Operating Officer of Associated Industries of Florida (e-mail: strickey@aif.com)

In the Know!



It's been called the lobbyists' bible; we call it Know Your Legislators, or the KYL for short. This pocket-sized guide, published by AIF, is the directory Floridians have come to trust — *the original directory of the Florida Legislature.*

Every AIF member gets one complimentary copy, and additional copies are available starting at \$5 each — \$1 more for spiral-binding. Place an order by calling AIF's publications department, or place an on-line order at our Web site www.aif.com.

To order your copies, call 850.224.7173



For more information visit aif.com

2009 Issue Roundup

Regulatory Reform

Privacy and Identity Theft

by Nick Iarossi

Identity theft and privacy concerns continue to plague Florida citizens and its businesses. As a result, the Florida Legislature remains committed to finding new ways to protect those who are vulnerable. However, many proposed solutions would hinder Florida businesses that rely on the sharing of information as part of everyday commerce.

After the 2008 Florida Legislative Session, the Senate Government Operations Committee conducted an interim project on the sunset of *Florida Statute 119.071(4)(a)2*. This statute creates a public records exemption for current and former agency employees' Social Security numbers contained in public documents, but allows for commercial entities to access the last four digits for specified purposes. Within the report is a recommendation to either restrict everyone's access to Social Security numbers including legitimate commercial entities or limit access to all Social Security numbers contained in public documents to the last four digits. The report suggests the Legislature could define a "commercial activity," which would, in effect, decide which types of commercial entities should have access.

A very large part of Florida's economy is dependent upon accessing personal information. In this digital age, information used to make critical business decisions is just a click away — from underwriting criteria to verification of identity in financial and retail settings to public records. A Social Security number is an individual's only unique identifier and vital to matching public records documents to the correct person. If the Legislature restricts Florida business' access to such information, it could increase the cost of doing business in our state and require expensive changes in commercial operations.



Additionally, less information means less reliability in business decision making. AIF will continue to OPPOSE any effort to limit legitimate commercial access to personal information.

Nonresidential Farm Buildings

by José L. Gonzalez

Agriculture remains one of the state's leading economic engines. Despite a slowdown in the economy, Florida continues to export its farm products around the world. However, due to recent changes in property tax law, a number of local jurisdictions are looking for any way to extract additional revenues at the expense of residents and business owners. For example, some counties still require farmers to obtain permits to build barns despite clear legislative intent to exempt nonresidential farm buildings from the Florida Building Code, as well as county and municipal building codes.

One county also made a nursery owner pay an impact fee to build a barn to store equipment. The barn would have absolutely no impact on county roads; therefore, the assessment of the impact fee was unwarranted. In addition, some counties are beginning to require that farmers apply for permits to build fences on farm lands. There is no logical reason for this except to raise money for local government.

AIF will SUPPORT efforts to clarify Florida Statutes to specifically exempt farm fences from the Florida Building Code or from any locally-imposed impact fee. During these difficult economic times, Florida's farmers should be protected from unnecessary and costly over-regulation.

Energy

California's Lower Vehicle Emissions Standards

by Jose L. Gonzalez

As part of Governor Charlie Crist's series of executive orders on climate change, the Florida Department of Environmental Protection (FDEP) was asked to undergo rulemaking to adopt California's emissions standards for automobiles. After months of deliberation and against the wishes of the business community, the Environmental Regulation Commission voted to approve the proposed FDEP rule.

Under the approved rule, adopting the California standards would delegate Florida's authority to the California Air Resources Board, an unelected 11-member panel appointed by the Governor of California. In addition, this has the potential to raise car and truck prices in Florida by as much as \$3,000 compared to the price of the same vehicle in Georgia or Alabama. This could also further disrupt Florida's sales tax collections at a time when the state cannot afford to lose valuable revenue. Furthermore, falling under California's standards will likely make it harder to find certain types of vehicles and models in Florida. Vehicles with increased towing capacities will be hard to come by and professions such as homebuilders, farmers and construction work-

ers will be affected by this lack of availability.

Luckily, legislators will have the final say in determining whether Florida adopts these onerous emissions standards. Last year's omnibus energy bill (HB 7135) included a section that requires ratification of the proposed rule by the Florida Legislature. AIF will urge lawmakers to carefully weigh the potential unintended consequences of adopting the California standards and delegating Florida's authority to an unelected board in California, and ultimately ask them to oppose this rule. AIF OPPOSES any attempt to adopt California's lower emission vehicle standards.

Economic Development

Budget Outlook

by Stephen Shiver

Previously considered to have one of the nation's most vibrant and prolific state economies, Florida's economic engine has recently stalled. Record levels of population growth have come to a stand still. While more people are moving out of the state than in, Florida is still racing to catch its breath from a past population influx. At the same time, the state must address the effects that growth and other economic impediments have had on business and working families. A high-octane approach is needed to get Florida's

AIF will urge lawmakers to carefully weigh the potential unintended consequences of adopting the California emissions standards for automobiles.



As court coffers are dwindling, cases are taking longer to get to trial

businesses back on track and working families on the road to economic recovery.

The 2009 Florida Legislature has a daunting task ahead when it comes to finding ways to spur economic growth. With revenues at a 10-year low, legislators must maximize limited resources to create opportunities for businesses to grow and locate in the state. First and foremost, the Legislature should do all it can to reduce regulatory impediments that obstruct or delay economic growth. A broad and holistic review of growth and taxation policies which affect expanding and locating businesses should be a top priority. Second, Florida should broaden the eligibility requirements of existing and currently funded business incentive programs. While well intended, many these requirements actually limit the number of companies eligible due to the effects of the slowing economy. Third, the state should enact policies that leverage state incentives with federal funds and give businesses access to another assistance stream. For years, Florida has been a “donor” state for funds sent to the federal government. Now, Florida must look to recapture some of those dollars. Lastly, and maybe most importantly, we must continue to invest in the state’s infrastructure. From affordable housing to building roads and bridges, it is imperative we create jobs while staying ahead of the state’s growth needs. This must begin with protecting existing Transportation and Housing Trust Funds while looking for alternative funding sources for these job-creating infrastructure initiatives.

Florida’s legislators have made it one of their top priorities to address the state’s lagging economy in the 2009 Session. Both the Senate and the House have established committees specifically tasked with making policy recommendations on the matter. Additionally, if the federal government takes an active approach to providing economic stimulus to states, Florida should be positioned to take advantage of those funds and put them to use immediately. With a bevy of challenges and greener pastures for revenues at least a year away, businesses should expect limited funding assistance and an address of existing regulatory impediments from state legislators this session. AIF will continue to SUPPORT state policies aimed at helping exist-



ing business expand and those that will help attract new investments in high-wage, high-skill industries.

Legal and Judicial

Court Funding

by Tammy Perdue, Esq.

Florida’s judicial system must be adequately funded to serve the legal needs of Florida residents and businesses. Court funding must also be properly administered to guarantee that uniform performance and standards can be achieved statewide in each circuit, division, court or other department. The judicial branch plays an important role to the business community by resolving disputes and establishing legal frameworks that guide businesses’ planning and overall decision making.

Although legal filing fees for many types of cases — both personal and business related — increased in 2008, those increased fees have not been used to fund the courts themselves. The fees have been collected from the litigants, but there has been little or no transparency to articulate how those dollars have been spent.

The courts continue to make cuts in the same manner as other state agencies. However, the court generates dollars that are being used by legislators to fill budget holes. As court coffers are dwindling, cases are taking longer to get to trial and court personnel are being laid off or forced to seek employment elsewhere. Staggering reductions in the State Court System’s appropriations along with exceedingly heavy case loads have resulted in fewer cases that can be heard

and the elimination of Traffic Hearing Officers.

In response to a dire need for additional funding, legislation was passed (during the recently concluded Special Session in January) increasing the amount of traffic fines to help fund our court system. Deposited in newly created trust funds, these increases would generate an estimated \$15.9 million in the remainder of fiscal year 2008-09 and \$63.2 million in fiscal year 2009-10 to offset general revenue reductions proposed for the State Courts System.

Although the creation of new revenue and new, dedicated trust funds was a victory for the court system and its users, more work needs to be done to achieve a fair system of funding for our courts. Florida's court system must be funded adequately as a whole in order to avoid serious lapses in service delivery, which if left unaddressed, will directly hurt Florida's overall business climate. AIF strongly encourages the Florida Legislature to fund the court system adequately and swiftly at a level equivalent to the judiciary's status as the third equal branch of government.

Taxation

Excise Taxes

by John French

Given the difficult budget scenario in Florida, it is no surprise that many groups are beginning to bring up the issue of new taxes in order to generate more revenue for the state. Pressure is mounting in Tallahassee for lawmakers to consider a number of taxes on consumption items. AIF is opposed to increases in any form of excise taxes (alcohol, cigarettes, etc.). These taxes are based on discretionary consumer spending and provide a highly unreliable and unpredictable basis for taxation. Excise taxes tend to fall on a percentage of the population instead of on the population as a whole and are thus unfair by definition. Cigarette taxes in particular tend to fall most heavily on working people and others who can afford them the least. In sum, excise tax increases are inconsistent with the fundamental concepts of tax fairness.

The momentum for increases in the cigarette tax is based on the premise that people who smoke cigarettes do not pay their fair share of

the state's Medicaid burden. However, the cost of a pack of cigarettes includes increments for the tobacco settlement payments, state and federal excise taxes, and sales tax that, when totaled, actually exceed the Medicaid burden alleged by proponents of a tax increase. In addition, efforts are underway at the federal level to increase the federal excise tax on cigarettes by as much as \$0.60 a pack. A Florida tax increase in addition to a federal increase would cut consumption of cigarettes to the point that new revenues to the state would likely be negligible. Therefore, it is AIF's position that a new tax on cigarettes simply does not make any sense and we strongly oppose any sort of excise tax.

Rental Car Surcharge

by Leslie Foy

AIF opposes measures that seek to increase "hidden taxes" and those that disproportionately affect a select group of citizens or businesses. One such tax — the rental car surcharge — fits that mold. Current Florida law requires car rental companies to collect \$2 a day on every car they rent in Florida and remit those fees to the state for transportation projects. Over the last several sessions, we have seen an attempt to double this tax to \$4 a day.

These proposals are bad tax policy. A recent study of car rental excise taxes by researchers at

Excise taxes tend to fall on a percentage of the population instead of on the population as a whole and are thus unfair by definition.





For more information visit aif.com

the Brookings Institute and the Urban Institute noted that “taxes should be designed to promote equity, simplicity and economic prosperity...car rental excise taxes fail all of these tests.”

Supporters of this tax increase say tourists should help pay for our transportation needs. However, this tax increase is levied on all renters of vehicles, which includes Florida citizens and businesses. Last year, one rental car company found that 74 percent of the cars they rented in Florida were to Florida residents. How can singling out one kind of consumer of one service for an increased tax be fair and equitable?

Admittedly, tourists would pay a portion of this increased tax. However, is it good public policy to increase the cost of visiting Florida in an already slow economy that has seen a downturn in visitors? VISIT FLORIDA recently reported the number of tourists coming to Florida dropped in 2007. According to VISIT FLORIDA and the Florida Attractions Association, a 1 percent decrease in Florida visitation represents a loss of \$37.2 million in general revenue collections.

Amy Baker, Director of the Florida Legislature’s Office of Economic and Demographic Research noted that “the national recession is largely responsible for the state’s tourism downturn.” She has further stated that “the two places you would see it the most are in sales tax collections and rental car surcharges.”

Increasing taxes diminishes Florida’s ability to draw tourists and businesses to attractions, hotels and convention centers. The average increase in a car rental bill due to taxes or surcharges is 24.13 percent. This includes the rental car surcharge, airport access fees, consolidated facility fees, security fees, and tire and battery fees. Below is the actual percent of tax/charges added to every rental car bill for both airport and non-airport locations in Florida:

	Airport	Non-Airport
Orlando	18.77%	12.23%
Miami	27.04%	12.70%
Ft. Lauderdale	25.51%	10.74%
West Palm Beach	20.52%	11.77%
Jacksonville	29.00%	15.00%
Tampa	22.73%	15.60%
Ft. Myers	25.50%	14.60%

Florida’s transportation needs are great. If a funding source must be implemented to improve our roadways, it should be as broad-based as possible; therefore, AIF is OPPOSED to any effort designed to bring about a rental car surcharge.

Health Care

Health Insurance Mandates

by Bob Asztalos

AIF continues to oppose the passage of any health insurance policy mandate that drives up the cost of coverage and increases the ranks of uninsured Floridians. As legislators are looking to jettison state-supported health care services for the elderly, disabled and poor, they are also filing legislation that would expand benefits that private insurance and business must provide to workers. With two months until the start of the 2009 Legislative Session, four bills have already been filed that would expand health insurance mandates to include new services such as mandatory infant eye testing, autism spectrum disorder screening and certain breast cancer treatment.

Florida law contains 51 mandated benefits health insurance plans must provide to consumers. Although current law calls for a study of the cost of proposed benefit mandates, this provision is all but ignored when new mandates are proposed. In fact, the Legislature has not repealed a single mandate in recent years, nor has it conducted a comprehensive review of the existing mandates. Yet, both the Senate and House consider new proposed mandates each legislative session. AIF believes it is time for the Legislature to take a more holistic approach to determining what benefits insurers must provide to Floridians by conducting a comprehensive cost/benefit analysis of proposed and current mandates.

Elimination of the Low Income Pool (LIP)

by José L. Gonzalez

In this new era of transparency and accountability, we should take a hard look at the practices of our government. One of the first places to look in Florida is the LIP Council. The LIP Council was created by statute to steer over \$1 billion in state and federal funds to healthcare providers. It was established as part of Medicaid

reform in late 2005 to ensure continued government support for the provision of health care services to Medicaid, underinsured and uninsured populations. The purpose of the fund is to spread dollars on a “broad and fair” basis so that they follow the indigent patient wherever care is provided. Currently, the Council it is made up primarily of 17 executives and lobbyists who work for the hospitals that end up receiving the funds for indigent care. These individuals are not elected and the process is not transparent. These individuals should not be allowed to steer dollars to their own employers. The LIP council allows for a unique and rare arrangement where industry insiders tell the Legislature how to spend the money.

AIF believes that the experts at the Agency for Health Care Administration and the Legislature should provide a plan to appropriate these taxpayer funds in a fair and transparent manner that carries out the mission of providing health-care to the neediest in Florida. ■

2009 Issue Round Up

Contributing Writers

Bob Asztalos AIF Consultant
(e-mail: bob@baahealth.us)

Leslie Foy AIF Consultant
e-mail: foylAgtlaw.com)

John Fench AIF Advisor
(e-mail: jfrench@jfrench.com)

José Gonzalez AIF's Director of
Governmental Affairs
(e-mail: jgonzalez@aif.com)

Nick Iarossi AIF Consultant
(e-mail: niarossi@capcityconsult.com)

Tammy Perdue AIF's General Counsel
(e-mail: tperdue@aif.com)

Stephen Shiver AIF Consultant
(e-mail: stephen.shiver@taglobby.com)

John Thrasher AIF Consultant
(e-mail: thrasher@sostrategy.com)

(President & CEO's Message from page 3)

Internet retail industry should be left untaxed is both unrealistic and unwarranted. Frankly, it would be a compelling argument for any other industry if this position were to be accepted. Third, the idea that it is too difficult to split the tax revenues so all of the various taxing entities get their rightful share forgets that Sears & Roebuck was able to do just that in the 19th century with their catalog sales. To suggest in this age of computers that it could not be accomplished is downright laughable.

We also support an increase in auto tag fees over the next three years. Florida's auto tag fees have not been raised in the last 20 years. If everyone's tag fee was increased just \$10 to \$20 a year for three years, it would generate \$1.5 billion in new revenue. In turn, this revenue could be spent on roads and infrastructure since there is a nexus between the user and the use.

Finally, the time may have come for a review of all sales tax exemptions and exclusions by the legislature. Currently, about \$4.5 billion in sales taxes are exempted or excluded. Many of these exemptions and exclusions are needed to pull down federal dollars, fund valid economic incentives that encourage businesses to expand in Florida or help attract new businesses to the state. Again, Florida TaxWatch estimates that \$500 million to \$1 billion of exemptions and exclusions could be found that no longer warrant non-taxation. For AIF to be supportive of such a review, we would ask for three considerations: (1) no rush to judgment; (2) a presumption that all exemptions and exclusions are valid until a legislative vote decides otherwise; and (3) once an exemption/exclusion is no longer valid, tell the industry how much government is looking for and let the business community work with that industry to fashion the tax in a way that minimizes their competition with nearby states.

Let's face it — Florida's economy is in the dumps. We need to do everything we can to pump it back up and put people to work. We must look at the current budget and wring out every savings we possibly can to help cut costs. Concurrently, as we transition to a leaner public workforce, we need to make an investment in IT that will enable us to continue providing the services the public rightfully expects. Finally, as a last resort, we need to consider new revenues so Florida can position itself to come out of this recession in a timely fashion. By facilitating these initiatives, the business community has a unique opportunity to help be a part of the solution. ■

Barney T. Bishop III is President & CEO of Associated Industries of Florida and affiliated companies
(e-mail: bbishop@aif.com)

AIF Host Successful Pre-Legislative Briefing

Over 100 AIF members and business leaders from across the state of Florida convened in Tallahassee on Monday, February 2nd to discuss the most pressing issues facing employers in Florida and hear from prominent legislative leaders.



AIF's Vice-President of Governmental Affairs Jose L. Gonzalez welcomes AIF members.



Senate President Jeff Atwater focused on Florida's challenging budget conditions and what the Senate will be doing to help stimulate the economy.

House Majority Leader Adam Hasner addresses AIF members on the dangers of the Employee Free Choice Act also known as "Card Check."



Congressman Allen Boyd delivers the keynote address at the AIF Pre-Legislative Briefing. Congressman Boyd was one of only 11 democrats in the House of Representatives to vote against the federal economic stimulus plan.



Business leaders gather in Tallahassee to discuss 2009 Session Priorities.

A Critical Analysis of the Employee Free Choice Act (EFCA)

Responding to Organized Labor's Assault on Workplace Democracy.

By William R. Radford

Bill Radford has practiced traditional labor and employment law solely on behalf of management for more than 35 years.

The power, prestige and popularity of the labor movement has suffered greatly in the last few decades as the number of employees represented by labor unions in the United States has steadily declined since the early 1950s. Since the mid-1970s, union membership has steadily declined from a high of 34.8% to a 2007 level of only 7.3 percent.

For years, organized labor has searched for ways to reverse this precipitous decline in union membership. They believe they finally have found a "magic formula" in the deceptively named "Employee Free Choice Act" (EFCA), which represents a radical change to federal labor law in order to make it easier for unions to organize employees.

Through the EFCA, organized labor would virtually eliminate the secret-ballot election as the primary means to determine whether employees want union representation. Under the EFCA, a union would be established for a work group without any election when it succeeded in securing a simple majority of employee signatures on authorization cards designating the union as the collective bargaining representative. It is uniformly accepted that this would achieve Big Labor's goal of significantly increasing union membership in every industry and in all sectors of the economy.

Eliminating the secret-ballot election would undermine the fundamental principles of workplace democracy and fly in the face of pronouncements made by the U.S. Supreme Court.

In *NLRB vs. Gissel Packing Co., Inc.*, 395 U.S. 575 (1969), the Court maintained that "secret elections are generally the most satisfactory — indeed the preferred — method of ascertaining whether a union has majority support."

The EFCA also would transform the process by which employers and unions negotiate initial collective bargaining agreements under the National Labor Relations Act. Under this scheme, if the parties fail to reach agreement within 90 days, either party may request mediation by the Federal Mediation and Conciliation Service (FMCS). If the parties still cannot reach agreement after 30 days of mediation, the FMCS would refer the dispute to an arbitration panel. The arbitration panel would have the ultimate power and authority to decide and impose the terms of the initial two-year collective bargaining agreement even if it is unacceptable to the employer and the employees.

In light of the potential impact of the EFCA, employers need to focus significant attention on traditional labor issues — more so than at any other time in the last 50 years. In light of the more aggressive labor movement, unprepared employers will find themselves increasingly more vulnerable to union organizing if they fail to take action.

Because most union organizing is issue-driven, it is critical that employers understand their employees' specific issues and concerns and develop effective strategies to resolve them. Management at all levels must have a commitment to positive employee relations. An employer should establish an employee relations model built upon (1) recognizing individual achievement and merit and (2) responding to employee issues and concerns before employees look outside the company for resolution of their concerns.

The national labor and employment law firm Ford & Harrison LLP has prepared a Critical Analysis of EFCA, including a Ten-Point Employer Strategic Action Plan for responding to EFCA. This document is available on AIF's website at www.aif.com. ■

William R. Radford is Managing Partner, Ford & Harrison LLP (e-mail: bradford@fordharrison.com) (Web: www.fordharrison.com)

Eliminating the secret-ballot election would undermine the fundamental principles of workplace democracy and fly in the face of pronouncements made by the U.S. Supreme Court.



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



AIF Councils

The Councils of Associated Industries and Manufacturers of the business community promote issues vital to those responsible for the economic well-being of the state.

Education, Economic and Workforce Development

In its second year of existence, the Florida Education, Economic and Workforce Development Council (EEWDC) has a new name, a new chair and a new charge. We have added the word "economic" to the name to underscore the belief that education and workforce development are ultimately the base of the pyramid for economic development and sustainability. Amy Evancho, President of the Florida Economic Development Council, will serve as the 2009 EEWDC Chair. Her goals include increasing Council participation among business and economic development professionals across the state. Barney Bishop has charged the EEWDC to focus on two priorities this year: college and career readiness and workforce issues.

The Council looks forward to another active session as recent budget cuts have once again brought attention to the state's PreK – 20 education system at a time when Florida has made some dramatic improvements in national education rankings.

Financial Services

AIF's Financial Services Council (FSC) will be very active again this year as they take on a number of issues important to insurance and financial services companies. The Council met in late January 2009, to approve its legislative agenda for the upcoming regular session. The focus this year will remain on finding ways to bring back a healthy private property insurance market in Florida.

As a result of the ongoing property insurance crisis, insurance and financial services companies are determined to work with the Legislature on ways to address Florida's current financial peril. Cat Fund Chief Operating Officer Jack Nicholson's recent testimony at the Senate

Update

tries bring together unique y in order to develop and ective industries.

Banking and Insurance Committee revealed the fund is facing an \$11 billion gap between the amount of money it has on hand and can raise, and what it would be forced to pay should a storm or a series of hurricanes hit a major metropolitan area.

The Council has approved the following agenda items for the 2009 session:

- Efforts to bring back a healthy and competitive private property insurance market to Florida;
- Reduce Cat Fund coverages and, thus, its exposure;
- Provide additional incentives for property owners to make improvements protecting their buildings against hurricane damages;
- Return Citizens to a non-competitive market of last resort;
- Oppose additional healthcare mandates;
- Reform Florida's Bad Faith laws; and
- Eliminate unnecessary and onerous criminal penalties for sales practice violations.

In addition, the Council will focus on issues created by recent Supreme Court decisions:

- The elimination of the surplus lines insurance market; and
- The elimination of the 2003 workers' compensation claimant attorney fee reforms.

The Council will also play a major role in policy discussions surrounding businesses' use of personal identification information, which is an ongoing legislative issue.

Florida Energy

The Florida Energy Council (FEC), under the continued leadership of Co-Chairs David Rogers of the Florida Natural Gas Association and Dave Mica of the Florida Petroleum Council, has solidified its place among the Florida business community as one of the leaders driving the energy

policy debate in our state. The Council has held numerous discussions since passage of last year's omnibus energy bill (HB 7135). Its last meeting featured a presentation by Jeremy Susac, Executive Director of the Governor's newly created Florida Energy & Climate Change Commission (FECC), on the new Commission's mission and its role in shaping Florida's energy policy.

As we move forward this year, the FEC will once again take on many of the issues important to the business community including Florida's potential adoption of the California Low-Emission Vehicle (CA-LEV) standards and other proposed climate change rules. Other meetings taking place in the next few months will feature visits by both House and Senate Energy Committee Chairmen, members of the Executive Branch and the newly appointed FECC commissioners.

As energy will remain a hot topic for the foreseeable future, Associated Industries of Florida and the FEC will be there to discuss and assist with the issues affecting our members: the producers, providers and users of energy.

Florida Maritime

In early December 2008, the Florida Maritime Council (FMC) met to refocus its efforts on improving Florida's seaport security standards. The meeting was headlined by newly-elected Rep. Lake Ray (R-Jacksonville) and House Transportation and Economic Development Appropriations Committee Chair Rich Glorioso (R-Plant City). Rep. Ray is a strong supporter of ports especially since his civil engineering practice focuses on port issues and Chairman Glorioso, being from the Tampa Bay area, is well acquainted with the important role ports play in Florida's economy.

During the December meeting, FMC Chairman Phillip Buhler and Vice-Chair Jennifer Nugent-Hill of Tropical Shipping announced the new AIF team assisting the Council. AIF's General Counsel Tammy Perdue will serve as the new FMC lobbyist and will be assisted by Stephen Shiver of the Advocacy and Government Affairs group of the prestigious Tew-Cardenas law firm. This new team will lead the Council's



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

legislative efforts to end Florida's unique and inefficient dual credentialing security issue.

Additionally, the Council met at the end of January at the Port of Palm Beach. The meeting provided a tour of the port for local legislators and members of the respective House and Senate committees which oversee port and domestic security issues. At this meeting, Council members were briefed on the Senate interim project on seaport security, as well as all other issues affecting port tenants.

FMC members also testified before the Senate Select Committee on Florida's Economy meeting in Miami. This newly created, yet powerful committee has been charged with making recommendations for kick-starting Florida's slumping economy. The Committee will be traveling the state meeting with business leaders to learn more about what is working and what is impeding businesses from growing and expanding. FMC members also attended a Miami meeting on port and maritime issues and provided their expert input on how to capitalize on Florida's port infrastructure and bring this industry to the forefront of our state's economy.

The Council is currently preparing for trips to Tallahassee to present their proposals to legislative committees and members for action in the upcoming session.

Governmental Outsourcing

The Governmental Outsourcing Council reorganized for the 2009 Legislative Session with four co-chairs each representing substantive service areas of the membership. Cathy Craig Myers will be responsible for Juvenile Justice; Mike Cusick for Children and Family Services; Mark Fontaine for Substance Abuse; and Dr. Bob Sharpe for Mental Health and Substance Abuse. The Council focused its efforts on: identifying redundant and unnecessary regulatory requirements; utilizing existing oversight and monitoring organizations to obtain significant cost savings without reducing accountability, quality or the frequency of review; and reducing paperwork and other costs related to overlapping oversight by multiple state agencies. The Council was able to draft legislation for the upcoming session that would ensure accountability, elimi-

nate duplication and improve efficiencies. This will lower the costs associated with providing services and maximize state dollars.

A January 2009 Florida TaxWatch report noted that while ensuring a high level of accountability and transparency in outsourced client services programs is critical, studies have shown there is significant duplication, overlap and waste in the paperwork required of health and human services providers. This costs the state resources and simultaneously diminishes the resources dedicated to clients. It is critical that the Legislature implement a more efficient and effective system of oversight of the health and human services contracts for client-related services.

Hospital

AIF's Florida Hospital Council (FHC) is ready to take on new challenges this upcoming 2009 Legislative Session. The Council was extremely active last session; achieving some major legislative victories regarding the Certificate of Need (CON) issue, which dominated the debate among healthcare providers and members of the Legislature.

The Council continues to be chaired by Bob Broadway, Vice President of Bethesda Healthcare System, and had its first meeting in January to discuss legislative priorities for this session. Due to the state's recent economic slowdown, funding will be a key issue for members of the Council. The FHC's priorities for 2009 will be developing a steady funding stream for Medicaid, eliminating duplicative and unnecessary regulations for hospitals and opposing additional mandates on healthcare providers.

Information Technology

The Information Technology Council (ITC) has been busy the last few months preparing for session and adding many new IT companies to our membership, which now exceeds 40. At our most recent meeting, David Foy, Policy Director in the Executive Office of the Governor, spoke to the Council regarding the Governor's vision for IT and his goals for putting technology to better use within state government. He answered several difficult questions and our members seemed to appreciate his attendance at the meeting.

The Council is headed by a new chair, Tanya Jackson with BearingPoint. Jackson, past Chair Claudia Diaz de la Portilla and members of the Executive Committee have been meeting with several legislative leaders to position the ITC and its growing membership as a resource for technology issues when they want an outside view and/or research that can assist them. These meetings with legislative leadership were well received.

The ITC recently formed a Political Action Committee (PAC) and funded it sufficiently to make contributions to seven House candidates, all of whom were elected. Membership is open to all ITC members for any amount of contribution with voting members contributing \$1,000 or more. During the January Special Session, the Council held a dinner at AIF for legislative members who were supported by the ITC PAC. It was well attended by both legislators and members.

This session, the Council has decided to provide input on any legislation regarding the Agency for Enterprise Information Technology and the Data Center Consolidation System. The ITC also supports several business/technology projects being proposed by several agencies. The Council will monitor and play an active role in influencing these bills.

International Affairs

AIF's International Affairs Council (IAC) was formed to promote business development, particularly on a global scale. To fulfill that mission, the Council has been concentrating on economic development legislation that includes opportunities for new venture capital and expanded trade missions.

Additionally, the Council has recently focused on issues important to foreign companies doing business in Florida, such as the treatment of employees coming in and out of Florida's international airports, especially Miami. Council members have engaged Congresswoman Ileana Ros-Lehtinen on this issue and met with her staff to find ways to improve this experience. The Council will also continue to support the passage of free-trade agreements with important trade partners like Colombia and other nations in the region.



To learn more about an AIF Council, Email:

Education, Economic & Workforce Development

Peter Harris
pharris@adgonline.com
Stephen Shiver
stephen.shiver@taglobby.com
Stacey Webb
webb@sostrategy.com

Financial Services

Gerald Wester
gwester@capcityconsult.com

Energy

Jim Rathbun
jr2221945@aol.com

Florida Maritime

Tamela Perdue
tperdue@aif.com

Government Outsourcing

Peter Harris
pharris@adgonline.com

Hospital

Bob Asztalos
bob@baahealth.us

Information Technology

Frank Meiners
frank@chgmail.com

International Affairs

Chris Dudley
dudley@sostrategy.com

ASSOCIATED INDUSTRIES OF FLORIDA

AIF lobbyists, representing centuries of accumulated experience in politics and government, spent more than 10,000 hours

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 30 years 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.



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 ... over 23 years legislative experience ... Master's degree in Legislative Affairs and a Bachelor's degree in Political Science from George Washington University.



Jose L. Gonzalez

Vice President – Governmental Affairs for Associated Industries of Florida ... coordinates AIF's lobbying team and all research and advocacy efforts for the association ... six years legislative experience ... 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.



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 ... over 30 years legislative experience ... served two terms as Chairman of the Republican Party of Florida ... 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.



Tamela Ivey Perdue, Esq.

General Counsel for Associated Industries of Florida ... more than 17 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 Dudley

Joined Southern Strategy Group in 2000 ... over 16 years legislative experience ... 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 the University of South Florida.



Chris Verlander

Senior Vice President – Corporate Development of Associated Industries of Florida ... more than 29 years 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.



Leslie Foy

Assistant Director of Greenberg Traurig's Tallahassee Governmental Affairs practice ... state legislative practice spans over 21 years representing health and life insurers, investor-owned health care facilities, and assisted living facilities ... formerly served as the Director of Government Affairs for the Florida Chamber of Commerce ... well-versed in grassroots and campaign development techniques having previously served as AIF's Chief Political Officer.

CONSULTANTS



Keyna Cory (Chief Lobbyist)

President, Public Affairs Consultants, a public affairs and governmental relations consulting firm ... more than 24 years 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.



John French

AIF Special Counsel for Election Law ... Forty years of experience in the legislative process ... expertise in elections, health care, and taxation ... A/V rated attorney with B.A. and J.D. degrees from Florida State University

"AIF's lobby team is known to be an effective advocate and persuasive voice on the issues that matter most to Florida businesses." – Joe York, AT&T

"As a Fortune 500 company, domiciled outside Florida, we count on the AIF lobby team to represent our interests on business issues and they deliver outstanding results."

– Mike Jennings, Prudential

IDA 2009 LOBBYING TEAM



... in the Capitol during the 2008 Legislative Session advocating for your business interests.



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 25 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 18 years 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 ... with more than eight years legislative experience ... 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 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 ... more than 30 years legislative experience ... 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 with more than 22 years legislative experience ... formerly served as Director of the Florida Division of Elections, as Deputy Secretary of State, and Deputy Chief of Staff under Governor 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 20 years experience representing individuals and entities before the legislature, state agencies, 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.



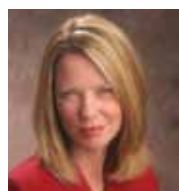
Stephen W. Shiver

Director of Governmental Affairs for the Advocacy Group at Tew Cardenas ... over 10 years legislative and campaign experience ... 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 ... 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 ... more than 26 years of legislative and government affairs experience.



Stacey Webb

Joined Southern Strategy Group after serving as Assistant Chancellor for Community Colleges at the Florida Department of Education leading the division's legislative efforts on issues relating to economic and workforce development ... also served as Staff Director and Majority Office Senior Analyst with the House of Representatives ... 14 years legislative experience ... received a B.A. from Stetson University and a M.P.A. from the University of Central Florida.



Gerald Wester

Managing Partner, Capital City Consulting, LLC ... former Chief Deputy over Florida Department of Insurance's regulatory staff ... more than 33 years lobbying experience ... expertise in insurance, banking, and health care issues ... Bachelor's and Master's degrees from Florida State University.

"Over the past 25 years AFCD has been in existence, we have worked with and observed many companies' governmental relations activities. Without a doubt, AIF's Lobbying efforts are among the best. They are a great advocate that won't back down and doesn't mind taking on the tough battles."

– Bill Hunter, Association of Florida Community Developers

"In the halls of the state capitol the AIF lobby team provides the business community with the most experienced and talented group to advocate on issues important to all employers."

– Doug Bailey, Anheuser-Busch

Unless you are standing in the halls of the state capitol **every day**, it can seem impossible to keep up with **what exactly is going on!**

The Florida legislative session is a 60-day sprint where thousands of bills are filed. Some are good for the employers of Florida and some are not.

AIF offers a full range of communication services that keep you and your company in the know when it comes to Florida government. During each legislative session, the AIF governmental affairs staff prepares the *Daily Brief*, a short wrap-up of each day's happenings at the Capitol, and *Weekly Session Update*, an analysis of the week's key debates and votes on important business bills. Both reports contain information business people need but can't find on the nightly news or daily newspapers.

AIF's 20 member lobby team is considered the very best in the State Capitol. Their vast experience and expertise provides AIF members with the strong voice needed to promote the issue important to all employers in Florida. This team is backed by the long standing philosophy of AIF to fight the tough fights and draw a line in the sand when needed. The unmatched track record AIF has achieved over 80 years in its role as the state's top business advocate is why it will continue to be known as the *Voice of Florida Business*.



ASSOCIATED INDUSTRIES OF FLORIDA

516 N. Adams St. • P.O. Box 784 • Tallahassee, FL 32302-0784

Phone: (850) 224-7173 • Fax: (850) 224-6532

E-mail: aif@aif.com • www.aif.com

ASSOCIATED INDUSTRIES OF FLORIDA

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



PRESORTED
STANDARD
US POSTAGE PAID
TALLAHASSEE FL
PERMIT NO 904

To learn more visit aif.com