

EMPLOYER

*Informing readers about issues pertinent
to Florida's business community*

Advocate



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Florida Needs JOBS Now

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By Barney T. Bishop III

Job Creation is Job #1

As one could imagine with almost 12% unemployment in the Sunshine State, the focus of AIF, our members, and legislators during the upcoming 2010 session must be on one issue: JOBS! If we can get people back to work, then we have the best chance of lifting our economy out of this severe downturn.

In talking to our members, the most significant problem for small and medium-sized business owners is the lack of access to capital. At the January 15th Jobs Summit in Orlando sponsored by Senate President-designate Mike Haridopolos (R-Melbourne) and House Speaker-designate Dean Cannon (R-Winter Park), I was one of only two business association executives to testify about potential solutions, and clearly among our members this is the number one issue.

Despite protestations from President Barack Obama that bankers need to loan more money, federal bank examiners are doing just the opposite — telling bankers to not loan out any money. This dichotomy is obviously confusing and the consequences have been that if a business owner can find a banker that will loan them money, many times the interest rates being charged are unacceptable.

Although the bulk of the problem is at the federal level, the state of Florida could consider loan guarantees to banks and credit unions that undertake emergency “bridge” or revolving loans for small and medium-sized employers. Since over 80% of the businesses in Florida are comprised of 25 employees or less, the vast amount of job creation is more likely to come from this group than from big businesses. But, without the ability to buy equipment, build inventory, or grow their businesses, small and medium-sized owners will be left on the sidelines as the economy begins to grow once again.

Our cover story for this edition of the *Employer Advocate* outlines AIF’s proposals for job creation — “Florida Needs Jobs Now.” For the past two years, AIF has advanced a comprehensive set of legislative recommendations, known as the *Economic Stimulus Package (ESP)*, intended to immediately inject revenue into the State’s economy and create thousands of jobs. Although a number of the proposals included in the ESPs were funded or implemented there is still much work to be done. That is why we have put together this new round of proposals, which focus on (1) access to capital, (2) the space industry, (3) transportation, (4) housing, and (5) health care tourism.

AIF has taken a leadership role in all five of these areas because our members feel very strongly that focused attention on them will help Florida come out of this once-in-a-generation recession. AIF stands ready to work with members of the Legislature and our partners in the business community to achieve the number one goal this year — JOB CREATION.

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From Pink Slips to Paychecks – Florida Needs

JOBS NOW

By José Gonzalez

*Proposals by
Associated Industries of Florida*

Agriculture, construction and tourism have been the traditional underpinnings of Florida's 20th Century economy and they continue to be today. While globalization and technology have set the tone for the 21st Century and it is important to think in the long term about transitioning to a Knowledge-based Economy, we cannot accomplish that in the short term. As we cast a vision for the future, we must keep our focus on the here and now to ensure we have the stable economic foundation needed to move forward.

The Sunshine State is facing historic, record-breaking unemployment claims, and Florida is in the top three states nationally in mort-

gage foreclosures. Unfortunately, many economic indicators have signaled that this is not the end to Florida's fiscal woes and we have yet to hit the bottom. ***Our citizens need help now — today and tomorrow — not in the distant future.***

In these challenging times, it is imperative that our elected leaders take this opportunity to explore every avenue possible to put our citizens back to work. To that end, AIF recommends legislative action in the following five areas:

- 1. Small and Medium-Sized Business:** Increase access to capital through the creation of state loan guarantees and emergency “bridge” or revolving loan programs for small and medium-sized businesses. Ensuring access to capital will help small businesses expand their operations; therefore, leading to job creation.
- 2. Space:** Encourage the development of commercial space activities in Florida through the leveraging of existing infrastructure. Providing incentives to the aerospace industry will not only save jobs but also lead to job growth.
- 3. Transportation:** Establish a new funding stream for transportation projects with funds from last year's fee increase on tag and title fees. Funding for transportation is one of the quickest and most reliable ways to create jobs.
- 4. Housing:** Use affordable housing dollars on down payment assistance in order to reduce existing housing stock. Encouraging homeownership has a direct impact on economic activity, which leads to job creation.
- 5. Tourism:** Market Florida as a world-wide health care destination. Health care is one of the few growing sectors in our economy and the state should do everything in its power to continue this trend.

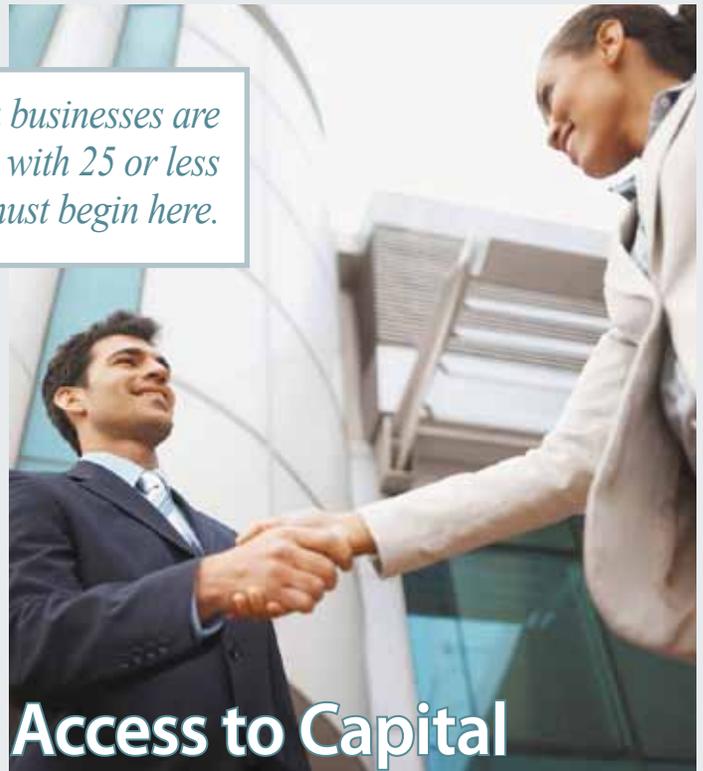
More than 80 percent of Florida businesses are comprised of companies with 25 or less employees, and our initial focus must begin here.

Associated Industries of Florida (AIF)

was pleased to recently participate in Sen. Mike Haridopolos' and Rep. Dean Cannon's JOB SUMMIT. We, along with our members all across the state, appreciated this vital initiative because it was both timely and relevant.

Appropriately, the challenge laid down by these two visionary legislative leaders was to ask the private sector for recommendations to the legislature which will help citizens put food on the table, save their homes, and keep their families intact. The end result is to create JOBS for Floridians now in this current year — **real JOBS, not projections, not long-ranging economic development strategies** that may or may not yield results for years to come. Florida cannot wait that long.

For the past two years, AIF has advanced a comprehensive set of legislative recommendations, known as the ***Economic Stimulus Package (ESP)***, intended to immediately inject revenue into the state's economy and create thousands of jobs. Many of these recommendations focus on short-term, targeted infrastructure investments. We've continued to look beyond the obvious for unique ideas that will help Floridians cash their pink slips in for pay checks. We realize that some of the recommendations included in this report call for government spending at a time when the state budget faces a deep deficit. When companies in the private sector face similar challenges, the successful ones understand that investing in their operations or their employees during difficult times leads to future growth.



Access to Capital

The backbone of Florida's economy is small and medium-sized businesses. More than 80 percent of Florida businesses are comprised of companies with 25 or less employees, and our initial focus must begin here. In order to grow or sustain our state's businesses and the JOBS that go with them, business owners and companies must have access to capital. With increased scrutiny on the banking and lending industries, accessing capital has become increasingly difficult.

While President Obama has publicly called on the banking industry to loan money to credit-worthy individuals and companies, federal banking examiners are doing just the opposite by questioning and challenging bankers for making loans. If the President wants bankers to loan money, then he must instruct federal employees to encourage sound lending practices rather than allowing bankers to be privately chastised for trying to make loans to a business community that is desperate for financial assistance. Once a consistent and succinct lending policy is truly implemented, and individuals and companies can seek loans, then we will see the real beginning of an economic recovery.

Although a big part of this problem lies at the federal level, the state can play an important role by considering loan guarantees to banks and credit unions that will undertake emergency "bridge" loans or revolving loan programs. As suggested by the Small Business Development Center and the Small Business Regulatory Advisory Council, these types of loan vehicles would provide the much needed capital for small businesses to bolster their working capital or increase their inventory.

How to pay for it:

Legislative leaders are currently studying the best way to fund these loan programs.



Florida's Cape Canaveral is synonymous with manned space flight. However, the impending retirement of the Space Shuttle at the end of this year will result in a loss of 9,000 high-paying, Shuttle Program-dependent jobs and an additional 13,000 subcontractor and space-affiliated jobs. Another 22,000 lost jobs will only further wound an unemployment rate cresting 11.8 percent. Although the Space Coast will be the hardest hit, the effects of the Shuttle's retirement will ripple into other areas of the state, such as the Panhandle and southeast Florida. In fact, the space business is part of the economies in 47 of our 67 counties. To add insult to injury, President Obama recently announced the cancellation of the Constellation Program, which was to build the new Orion Spacecraft.

Beyond the catastrophic brain-drain of losing so many highly-educated, highly-skilled professionals, we have the very real threat of losing Florida's first and foremost high-tech industry — Space — to Wallops Island, Virginia, which is aggressively building America's 21st Century spaceport. Thankfully, Space Florida, the Economic Development Commission of the Space Coast, and Brevard Workforce Development Board have a solid plan of:

(a) Growing the commercial side of the space business,

with companies like SpaceX that are already invested at the Cape;

(b) Creating a first-in-the-country solar power industry cluster at the Cape that would attract manufacturers and their supply chain to grow their businesses here in Florida where we already have a cadre of high-tech employees who could be put to work immediately; and

(c) Transitioning, where possible, these high-tech jobs to industry sectors like our ever-growing research institutes (i.e., Scripps, Torrey Pines, Burnham, SRI, and Max Planck).

If we can save most or many of these JOBS through investments in job re-training, we will have accomplished the unimaginable and given hope to thousands of Floridians across our state. A number of incentive programs will be considered by the 2010 legislature. These proposals have

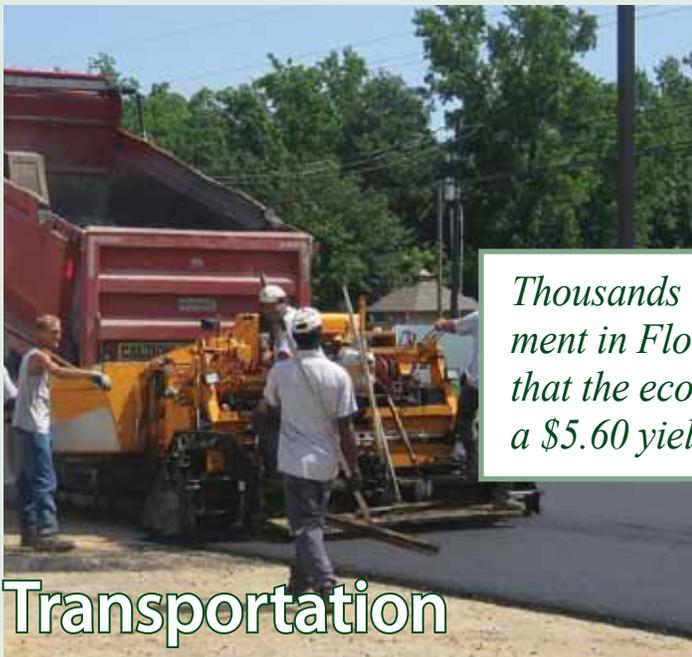
If we can save most or many of these JOBS through investments in job re-training, we will have accomplished the unimaginable and given hope to thousands of Floridians across our state.

the real potential to spur commercial space activity and create JOBS:

- **Commercial Launch Zone** – this legislation would create a zone, similar to a foreign trade zone, which could expand throughout the state specifically for space related commerce. It includes a package of economic incentives for launch, manufacturing, and research and development to enhance the commercial space industry in Florida
- **Aerospace Workforce Retention Incentive** – would provide incentives to businesses for training and hiring displaced aerospace workers
- **Research & Development Tax Credit** – modeled after the existing federal research tax credit this incentive would stimulate the development of scientific and technological advances by aerospace companies.

How to pay for it:

Legislative leaders should consider giving Space Florida the flexibility to allocate any of the un-obligated Launch Complex (LC) 36 funds for any purpose determined to have the greatest benefit to the commercial space industry in Florida. Governor Crist, in his 2010 budget recommendations, has outlined an aggressive plan to support the space industry including \$10 million for commercial space activities — a move strongly supported by AIF.



Transportation

Last year, AIF proposed an increase in tag and title fees, the first in 25 years, which will annually generate \$500 million. However, instead of going into the Transportation Trust Fund to underwrite the cost of constructing new roads and bridges, it went into the state's General Revenue Fund. By committing future revenues from this source to the trust fund we get a win-win-win. We will put the road building industry back to work immediately, which means JOBS; we will begin the process of meeting our infrastructure backlog of about \$30 billion in projects that have been identified as necessary but never funded; and we will instill confidence in our electorate that user fees are valid and are used for their intended purposes.

Stimulating Florida's economy by investing in "Shovel-Ready" transportation projects is one of the most appropriate ways that our state can reinvigorate the economy while addressing a critical issue for its citizenry. Thousands of jobs can be created through extensive investment in Florida's infrastructure and studies have shown that the economic benefit for these projects could result in a \$5.60 yield per \$1.00 invested — an incredible return.

The recent approval of landmark rail legislation during the December 2009 Special Session creating a rail transit system will undoubtedly be a boon for the economy. The construction of the SunRail project and the award of stimulus funds for High Speed Rail have been well received by legislators and economic development professionals. Still there are some important caveats that policymakers must consider in order to maximize the job creating potential of these projects:

- Legislators must be careful not to achieve the goals established by this new rail transit system at the ex-

pense of FDOT's existing 5-year work program, which funds transportation projects across the state.

- Funding for road projects must be protected if we want our economy to turn around.

How to pay for it:

Divert dollars raised from last year's fee increases on tag and title fees from the General Revenue Fund to the Transportation Trust Fund.

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An economic analysis conducted last year by Florida TaxWatch (through their Florida Council of Economic Advisors) on the impact of spending the additional increases in license and tag fees on transportation projects concluded that investing \$500 million would create approximately 3,219 JOBS on an annual basis.



Housing is vital translates into

Affordable Housing

According to data released recently by RealtyTrac, foreclosures in Florida leaped 34 percent in 2009 and more than a half million properties were filed for foreclosure last year. Foreclosures destabilize neighborhoods, leading to lower values for the rest of the properties in the area and decreases in tax revenue. Despite the fact that we have a housing glut in the Sunshine State, many of these are not affordable to our citizenry. Housing is vital to the economic recovery of Florida and translates into revenue for the state and JOBS for Floridians.

- According to studies, affordable housing provides 77 jobs for every \$1 million appropriated by the state.

Questions? Please contact José Gonzalez Vice-President

With the expertise of the television and print advertising industry in this state, we should create a campaign to convince Americans and foreigners to come to Florida for their medical needs.

- \$7.66 million of economic activity is generated for every \$1 million appropriated by the state on housing.
- For every \$1 million of state funding, \$2.98 million of earnings/income is generated.

The Sadowski Housing Trust Fund dollars should be uncapped and those dollars should only be used for down payment assistance or to build affordable homes where it is still needed. If we can get Floridians into homes that they can truly afford, then we are helping create private wealth and increasing property tax revenues. More importantly, these new homeowners will rent moving vans, expend dollars to spruce up their new home (i.e., carpeting, refrigerators, etc.) and thereby increase consumer spending and sales tax revenues for the state's coffers. Home renovations, improvements and new purchases would all lead to more JOBS and the preservation of existing JOBS in the construction and retail industries.

to the economic recovery of Florida and revenue for the state and JOBS for Floridians.

For 2010, AIF is working with the *Sadowski Housing Coalition* to finally repeal the cap on the Sadowski Affordable Housing Trust Fund. Furthermore, we will be advocating for the full use of housing dollars on down payment assistance programs that will help Floridians achieve the dream of home ownership.

- By proactively repealing the cap, a system will be in place when the economy rebounds to appropriate funds to affordable housing — the single most powerful economic driver in our state.

To encourage the sale of existing housing inventory, we will seek a **one-year moratorium** on the use of housing monies on new construction unless a part of the state does not have adequate, affordable housing stock. Instead, the dollars will go solely toward acquisition of existing properties as well as rehabilitation of properties that may have fallen into disrepair due to foreclosure.

How to pay for it:

Repeal the cap on the Sadowski Housing Trust Fund and fully appropriate housing monies on down payment and rehab activities.



Health Care Tourism

Our state is replete with world-renowned medical facilities from the Mayo Clinic, Shands, the Cleveland Clinic, a new M. D. Anderson Hospital, to Jackson Memorial, among many, many others. People are increasingly willing to expend personal funds or their savings accounts to seek medical attention. In fact, Florida is home to the World Medical Tourism Association, but they are encouraging our citizens to go to other countries like Mexico, India, Singapore and China to have their medical needs satisfied, rather than stay here. Florida's close proximity to Central and South America as well as the Caribbean is proving to be beneficial for attracting foreigners to come to our state for their health care needs.

With the expertise of the television and print advertising industry in this state, we should create a campaign to convince Americans and foreigners to come to Florida for their medical needs just as the Laser Spine Institute in Tampa is already doing. Each year, they are attracting hundreds of people to Tampa for a five day protocol — staying in area hotels, renting cars, eating in our restaurants — so that they can have back or neck surgery in their state-of-the-art facilities. Imagine a strategic investment by Florida to institute a nationwide advertising campaign to encourage folks to expend their discretionary healthcare dollars in Florida?

The impact on JOBS would be significant, and the sales tax revenues from hotels, rental cars and food would help our state budget. We would quickly become the first state to recognize this under-the-radar growth industry — and we already have the world-class medical facilities here to do it.

How to pay for it:

A public-private partnership between VISIT Florida, media outlets, health care providers, and the lodging industry could be forged to help market Florida as the preeminent health care destination in the world.

Other Recommendations:

Obviously, the proposals included in this report are not the only ones that will lead to job creation. They are just the ones Associated Industries of Florida and its members believe can be accomplished within the shortest amount of time and within the current budget constraints. Below are two additional recommendations that should be considered by the Florida Legislature:



School Construction

Though we are experiencing an atypical decrease in our student population, we nevertheless need to build more schools (not for purposes of the Class Size Amendment) in some parts of the state. Building new school additions and rehabilitating deteriorating schools will provide hundreds, perhaps thousands, of our citizens with JOBS, create sales tax revenues from goods and services purchased for our anemic budget, and build the necessary infrastructure for our children's educational needs. Additionally, we will help our ailing construction industry get back on its feet so that they can continue to play a vital role in our future.

With a backlog of construction projects, particularly maintenance, repair and renovation of numerous old school facilities; slower growth actually allows many districts to catch up on much needed facilities construction. The state of Florida could leverage some of the federal stimulus funds it has received for weatherization efforts to help turn our schools into state-of-the-art green buildings. Modernizing schools and making them more energy efficient is an effective way to lower costs and save taxpayer dollars. Green schools typically use about 30 percent less energy and 30 percent less water, saving taxpayers thousands of dollars per year. The work needed to modernize our schools would not only make them more efficient it would create JOBS by injecting demand into the marketplace and once again encouraging supply purchases that can help revitalize local economies.

How to pay for it:

Federal Stimulus funds for weatherization could be used to modernize and turn schools into "green" buildings.



Oil and Natural Gas Exploration and Production

Allowing environmentally-sensitive access to these resources is not only in our national interest as a means of improving energy security, diversifying supply, and enhancing economic development; it also can serve as an important and much needed method for generating new revenues and more importantly JOBS for the state of Florida. AIF supports the passage of legislation that provides a process by which the state of Florida can begin considering proposals for offshore drilling in state territorial waters. Allowing this industry to establish itself in Florida will not only create jobs, but it will be the gateway for an "Energy Economy" in which funding for research and development of renewable fuels will be stimulated.

- If the Florida Legislature were to approve legislation that would allow for increased production of oil and natural gas in Florida water, Hank Fishkind (a noted economist) has projected a minimum of 17,000 jobs with a total economic impact of \$31 billion.

How to pay for it:

The proposals currently being debated actually establish a process by which companies would have to pay a non-refundable million dollar fee just to apply to the Cabinet for consideration of future exploration or production. Opening up Florida's territorial waters to drilling would actually generate significant state revenues.



Transparency in Private Attorney Contracting

By Bill McCollum

When private law firms make large campaign contributions and are rewarded with lucrative contingency-fee contracts, it is a textbook example of pay-to-play politics. Sadly, throughout the country, there are several instances of Attorneys General who have abused the public's trust by engaging in questionable behavior. For this reason, I am advocating for legislation that requires transparency in private attorney contracting for Florida's Office of the Attorney General.

Senate Bill 712 by Sen. John Thrasher and House Bill 437 by Rep. Eric Eisnagle will protect the Attorney General's Office from undue influence by requiring common-sense provisions such as posting contracts and payments online, detailed time-keeping for private attorneys' hours and sensible limits on payouts to private attorneys, including a \$50 million fee cap exclusive of costs.

While my office has already adopted these guidelines as a policy, the recent stories on corruption and scandal involving public officials amplify the need to see this policy become law. I believe that representing the people of Florida is a privilege and with that privilege comes respon-

sibility. The Attorney General must look out for the public interest, and this legislation helps ensure that more of the money recovered in contingency-fee lawsuits goes to the consumers rather than the pockets of trial lawyers.

This January, as one of three statewide officials who oversees the nation's third largest public pension system, I proposed a similar framework for master agreements with a group of law firms selected to represent the State Board of Administration (SBA) in potential securities litigation. My proposal received unanimous support, ensuring that going forward, there will be a \$50 million cap on contingency fees paid to outside counsel and that these contracts will be subject to public scrutiny.

With the recent success of applying a cap on securities litigation contracts, I am optimistic about our chances of seeing the Transparency in Private Attorney Contracting bill become law this year. With your help, we can make Florida a national leader in protecting the public's trust. ■

Bill McCollum is Attorney General for the State of Florida
(Home Page: <http://myfloridalegal.com>)

Unemployment Compensation Tax Reduction on the Way for Florida Employers

by Tammy Perdue, Esq.

Many employers across the state were shocked recently when they received their

Unemployment Compensation (UC)

tax notice from the Florida Department of Revenue.

Most employers saw

tax bills increasing over 1000% for 2010.

In response, Associated Industries of Florida has been working with the Legislature, the governor's office, the state agencies and other business groups to find a solution that will lower these tax bills before they become due in April. Our legislative leaders have listened to the outcry from thousands of AIF members across the state who simply cannot afford to keep their businesses running with this enormous tax hike. Both the Senate President and House Speaker have promised to pass legislation in the opening week of the 2010 session to remedy the UC tax bills for this year.

AIF has been instrumental in crafting legislation that is already being considered in the Legislature. We anticipate the bill that passes will contain the following measures:

- Establish a quarterly payment plan for 2010 and 2011 that lets employers spread out their unemployment compensation payments over the whole year without penalties or interest.
- Reduce the amount of each employee's wages upon which the employer pays unemployment compensation taxes — from \$8,500 back down to \$7,000 for 2010 and 2011.
- Eliminate all elements of the rate calculations in current law that enable replenishment of the Unemployment Compensation Trust Fund balance for 2010 and 2011.

If this legislation passes, employers paying UC tax in 2010 at the minimum rate based on a low experience history of unemployment claims, will pay approximately \$25.50 per employee. This is a 75% reduction from the cur-



There is no doubt that the state's UC fund is in trouble. With over **37,000 Florida companies** going **out-of-business** in 2009.

rent tax level indicated by the DOR on prior rate notices. Most Florida companies are in this rate classification.

Florida employers who pay the maximum rate, because their claims history is the highest, will pay approximately \$378 per employee, which is an 18% reduction.

Additionally, companies will now also have the option to spread out their payments over the entire year through a voluntary quarterly payment plan. Without this legislation passing, employers would be responsible for paying the entire amount of their UC tax no later than April 30th. This element is very significant for those employers struggling with cash flow in the first quarter of the year. This should also help the trust fund have a more evenly distributed balance throughout the year.

While this measure provides temporary and much needed relief to Florida businesses, it does delay the replenishment and rebuilding elements of the UC tax calculations for the next two years. This will likely cause rates to continue increasing through at least 2014 before employers can expect to see the next downturn in this tax. Hopefully, this legislation will provide enough breathing room for Florida companies to plan and prepare for the increases in future years and avoid the panic from being caught off guard that this year's sudden spike instilled.

There is no doubt that the state's UC fund is in trouble. With over 37,000 Florida companies going out-of-business last year, fewer jobs and more people collecting unemploy-

ment benefits have led to a deficit balance in the UC Trust Fund from which the benefits are paid. In September 2009, Florida had to start borrowing from the federal government to insure that benefits to the jobless would still be paid. As of February 2, 2010 Florida's cumulative loan balance was over \$1.2 billion.

Borrowing is expected to continue at least through the end of 2010 and could be needed through mid-2011. Florida employers will also be assessed in order to start paying back these loans in 2011, once interest begins to accrue. So the problem is two-fold — how to return the trust fund to a sustainable balance AND how to pay back the money received from the federal system.

There is no simple solution to this problem. The problem is absolutely tied to the economic recovery of this state. Until jobs are added back to the economy, and more workers are earning incomes and payroll on which the taxes are remitted, the fund will not be replenished or restored. (See Page 3 for AIF's Plan to Create Jobs). This is a "Catch 22" situation for Florida's employers.

AIF will continue to fight hard for these measures to be passed in the opening days of the 2010 Legislative Session so Florida employers will have immediate relief from this crippling tax. ■

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

The problem is absolutely tied to the economic recovery of this state.

Can Florida Employers Survive the “Water Tax?”

by Keyna Cory

Florida is about to face one of the most significant economic challenges it has seen. The U.S. Environmental Protection Agency (EPA) is in the process of proposing regulations governing the numeric nutrient criteria for Florida’s water bodies. Released in mid-January, the proposed rule will be finalized in October. The public will have had opportunities to provide input on these proposed rules through three hearings in Florida: February 16 in Tallahassee, February 17 in Orlando and February 18 in West Palm Beach. Environmental organizations will turn out in full force to state their case on why the rules are necessary. It was because of a lawsuit filed by EarthJustice and other environmental groups that the EPA is proposing the new rule. The lawsuit claimed that Florida had plenty of time to set their own standards, but was dragging its feet in setting numeric nutrient criteria for the state. Therefore, they want the EPA to set the criteria. The EPA entered into a consent decree and has begun the rule-making process.

Business owners and utilities are arguing against the new rule, not because they do not want clean water in our state, but because they want rules scientifically-based and not based on litigation.

The Florida Department of Environmental Protection (DEP) has been working on improving water quality over the past 10 years. The Florida Watershed Restoration Act was established in 1999 and sets up the Total Maximum Daily Load (TMDL) program. This program identifies impaired waters and reduces pollution by focusing on toxic pollutants. Florida has the most extensive monitoring network in the country with approximately 47,000 monitoring stations in the state. There is a formal rule to determine impaired water where public workshops are held for local input and to identify pollutants.

Florida has a watershed management system called Basin Management Action Plans (BMAP), which is community driven. The DEP works with communities to identify sources of pollution and determine restoration actions. It is an open, collaborative process that is scientifically-based and documented, and is the primary mechanism for restoration. So far, five BMAPs have been adopted and four more are expected to be adopted next year. One example

of the success with BMAP is the Lower St. Johns River adopted in 2008. In the freshwater section of the river, there has been an 8 percent reduction of phosphorous and 37 percent reduction of nitrogen. The marine section of the river has seen a 50 percent reduction of nitrogen. Significant bacteria reductions have resulted from the adoption of TMDL in the tributaries. However, these improvements have not been enough for the environmental organizations who sued the EPA.

Worse, this proposed rule comes with a hefty price — increasing the cost of doing business in Florida and eliminating Florida jobs. According to one utility company, if the EPA’s newly proposed rules are enacted, the cost of water to an average resident will double. In these tough economic times, that kind of increase is a disaster.

Further, water does not stop at state borders so Florida may be held responsible for cleaning polluted water from nearby states such as Tennessee, Georgia or Alabama.

This is not an issue the state Legislature can resolve. The entire business community has been working together to stop the EPA proposed rules that single out only Florida. The Florida Congressional Delegation has signed a letter asking the EPA to slow down the process and make sure any new rules do not have a significant economic impact.

Florida has a diverse set of water bodies and a one-size-fits-all solution simply won’t work. It is our water and Florida should be responsible for setting our own numeric nutrient criteria. ■

Keyna Cory, is the President of Tallahassee-based Public Affairs Consultants, Inc. and AIF’s Senior Lobbyist (e-mail: keynacory@paconsultants.com)



**For more information, go to
www.donttaxflorida.com**

What Belongs to the Courts Should Stay with the Courts

by Jesse H. Diner

It's great to be able to deliver good news about the court-funding crisis for a change.

Last year, the Legislature passed **SB 2108**, redirecting millions of dollars in filing fees to the courts' trust fund and giving the Legislature oversight of the clerks' court-related functions for budget purposes.

That signified a welcome, positive change in attitude toward the courts. No longer is the judicial branch forced into the role of a street urchin with an outstretched hand begging for a few crumbs of the state's general revenue dollars.

Thank you, Florida Legislature, for giving us what we asked for: a trust fund so that court fees assessed and paid by Florida's citizens to access their court system are dedicated to the court system.

We asked for it. We got it. And, the good news is, it's working.

Now, Legislature, please let us keep it. Largely because of the foreclosure crisis — with more than 290,000 cases sitting in the system — foreclosure filing fees have created a surplus for the court system. However, it's a temporary surplus.

Our job is to protect those trust fund dollars so the Legislature doesn't raid it for other needs.

As the Legislature gears up for the 2010 session, I pledge to walk the halls of the capitol, talk to legislators and join with the concerned business community to declare in no uncertain terms: please leave our trust fund alone.

Look around the country and it's clear other solutions are not working. In California, courts shut down every Wednesday because they can't afford to keep the courts running every business day.

We, in Florida, can finally feel proud that we have a mechanism in place to ensure ongoing stabilized funding.

That's not to say we've fixed the court-funding crisis.

We're still digging out of a backlog of civil cases that, according to a 2009 study by Coral Gables economist Tony Villamil and The Washington Economics Group, was more than 335,000 cases pending in Florida's courts. Villamil estimated at the current case disposition rates, it will take almost 18 months for the foreclosure cases currently in the courts to be disposed of.

When judges are struggling to deal with the foreclosure

crisis, it takes precious judicial time away from other civil cases.

And backlogged courts are simply bad for business.

Money talks, so hear this loud and clear: the court-funding crisis is costing Florida \$17.4 billion in economic output each year, just from civil case delays.

Those civil case delays also adversely impact more than 120,000 Florida jobs a year. I will never forget those startling facts delivered by Villamil at a court funding summit a year ago at the Bar's Midyear Meeting in Miami.

We used those facts as ammunition, and the 2009 Legislature heard our battle cry.

Until last year, 90 percent of the court budget — \$451,331,113 for FY 2009-10 and seven-tenths of one percent of the state budget — came from shrinking general revenue funds. The courts were in there fighting for dollars with the Department of Corrections' plea for more prison beds.

Now, with the new trust fund, 90 percent of the court's funding comes from court fees.

Next year, it's estimated there will actually be enough dollars generated from court fees to allow improvements in the court system and to restore what has been lost in the past years of draconian budget cuts.

Florida simply cannot afford a court system that is not fully funded. What's at stake?

Everything we as lawyers hold dear:

- Citizens' access to their courts — from the poorest pro se litigant to the biggest corporation.
- A fair and impartial judiciary that is the bedrock of our system of governance.
- Timely resolution of disputes.

If you don't have an adequate court system in a civil society, it is chaos. How else can people solve their disputes?

In the worst of economic times, the courts play an ever-more crucial role in stabilizing the economy by resolving disputes and establishing public confidence, not only in the courts, but also in the institutions that rely on them. As your Bar president, my number one goal is to help the judicial co-equal branch of government regain and maintain the respect it deserves and to keep the Legislature from raiding our well-deserved trust fund.

Florida can afford nothing less. ■

Jesse H. Diner, President of the Florida Bar
(e-mail: jhd@atkinson-diner.com)

Florida's Employers are Unavoidably Linked to Public Health Care Programs

By Leslie Dughi

Further complicating matters for employers is the federal health care reform effort which is stalled in Congress. At this writing, no compromise has been reached, but the current proposals on the table provide for a significant increase in the number of people eligible to enroll in Medicaid. These provisions will further exacerbate the deficit Florida is experiencing with its state budget

Across the state, human resource professionals are trying to keep the cost of doing business down. Yet, these professionals may be unaware that the future costs of providing health care benefits to employees is unavoidably tied to the manner in which Florida's Medicaid Program is operated.

That's right. Florida's employers are paying for the increased deficit in our state's Medicaid program through higher health insurance premiums for their employees.

Over the last two sessions, the reimbursement rates to providers who care for Medicaid recipients have been cut due, in part, to lower state revenues and a greater number of people enrolling in Medicaid. When reimbursements are cut for physicians, nursing homes and hospitals, they recoup those losses by raising the rates they are willing to accept for patients who have individual health insurance or receive it through their employer. Sadly, no amount of planning by a company's human resource professional can stop this cost shift from happening.

There is no one perfect fix for this problem, but the employer community must join the debate and that is why Associated Industries of Florida (AIF) has made lowering the cost of the Medicaid Program one of its 2010 legislative priorities.

Consider the following: the hole in the Medicaid program will grow to almost \$1.9 billion for two reasons — the end of the federal stimulus funding (\$986 million) along with projected increases in Medicaid recipients (\$835 million). Over the years, Florida has experimented with and currently uses many different delivery systems for its Medicaid program. These include fee-for-service, provider service networks (PSNs), disease management programs, primary care case management programs, home and commu-

nity based waiver providers, minority physician network programs, and behavioral health networks, along with health maintenance organizations (HMOs). There are now efforts to establish a "medical homes" delivery model as another option during the 2010 session as another option. Such fragmentation in the delivery of care to our Medicaid recipients makes it extremely difficult to ensure the best quality of care is provided at the lowest possible cost. Going forth, Florida must ensure it gets the "best bang for its buck" in providing services to this population.

In January, Sen. Durell Peadar (R-Crestview), Chair of the Senate Health and Human Services Appropriations Committee, tasked committee members and staff, state agencies and all stakeholders in the Medicaid program to present ideas to increase efficiencies and lower costs in the Medicaid Program. After hours of discussions (and more are planned) with the Agency for Health Care Administration, managed care organizations, nursing homes and long-term care and mental health providers, all agreed that measures had to be taken to control costs. Unfortunately, that was where the agreement ended.

It is imperative that policymakers know how the business community is affected by the growing problems with this program. At this time, AIF recommends that Florida look to the private sector to determine if any measures used by businesses to control costs could be applied to Medicaid.

A Rand Corporation study suggested the same concept and found health care spending could be reduced by employing public and private-sector options. Several of the options that could yield better health care outcomes while lowering costs include:

- **Bundled Payment Approach** – This refers to

a single payment for all services related to a given treatment or condition rather than using the “fee for service” arrangement which encourages higher volume rather than better value.

- **Health Information Technology** – Efforts funded through the federal stimulus package could facilitate improvements in health services delivery, as well as innovation in payment methods.
- **Value based insurance designs** – Market-based initiatives should be encouraged by Florida legislators and regulators. One such initiative would provide for lower drug co-payments for patients with certain chronic illnesses to encourage them to take their medications regularly.

During the 2010 Legislative Session, AIF will continue to review the deliberations over the cost of providing care to our state’s neediest citizens and further recommendations may be offered. AIF’s current role is to ensure Florida’s employers take an active interest in how the state spends its money — money paid in taxes by businesses and citizens.

Protect Your Employees from Balance Billing Practices

A law enacted in 2009 and opposed by AIF required health plans to directly pay health care providers with whom there is not a contractual relationship (i.e. out of network providers).

In-network providers (those who have joined a health plan’s network) agree to take the health plan reimbursement as payment in full in return for being paid directly and providing a steady stream of patients.

However, the new law did not stop an out-of-network provider from receiving payment from the health plan and then sending a bill for additional fees to the patient. Further, there is no statute that would ensure that what a provider charges a patient is reasonable.

Employers and employees have no way of determining what amount they may be billed for above and beyond what the health plan has paid the provider. Between 2004 and 2007, employees’ out-of-pocket costs increased 34 percent according to a study by the National Opinion Research Center and Watson Wyatt Worldwide. Historically, employees are asked to take on higher cost-sharing during difficult economic time. Florida must stop this unfair practice that could result in employees being held responsible for paying thousands of dollars of out-of-pocket costs. **AIF will be supporting legislation to prohibit out-of-network providers from “balance billing” patients for additional fees not reimbursed by their health plan.** ■

Leslie Dughi is Assistant Director of Governmental Affairs for Greenberg Traurig and consultant for AIF (e-mail: dughil@gtlaw.com)

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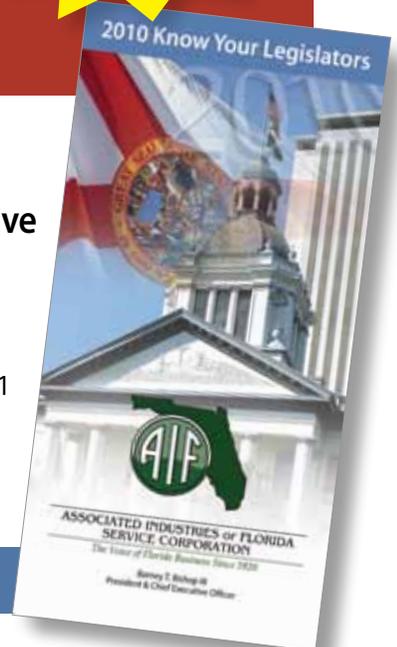
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Let Competition Work in Insurance Pricing

by Gerald Wester

To attract and retain private capital to meet Florida's insurance needs, rates must be "market based" and regulated by consumers in a competitive environment, not by government.

For a capitalist economy to work effectively, competition should be the primary determinant of pricing for consumer products and services as opposed to government regulation. Under Florida law, the Office of Insurance Regulation (OIR) reviews proposed insurance rates and either approves or disapproves them based on its interpretation of a number of statutory standards. The state has used this power in many cases to prevent insurers from charging rates necessary to have sufficient monies to pay claims and make a reasonable profit. Thus, the state's rate review process discourages insurers from entering, expanding or remaining in Florida.

The state's rate suppression is a major contributor to the transformation of Florida's homeowners' insurance market from well-capitalized insurers to Florida-only underfunded insurers that didn't exist six years ago including Citizens, the state's "public option" for property insurance. Failure of four of these insurers has cost Florida taxpayers more than \$1 billion. These failures and dismal financial results of others during the last two hurricane-free years raise serious doubts whether these insurers can survive in the long run. In the event they don't, up to a 4 percent tax will be imposed on most businesses' property and casualty insurance premiums to pay for unfunded losses.

Citizens is a glaring example of why the state should not control insurance rates. In order to boost its loss reserves, Citizens borrowed \$2.4 billion, which will be repaid by "hurricane taxes" on Florida businesses' insurance premiums. Notwithstanding, Citizens needs to boost its loss reserves and its actuaries have recommended a 40 percent rate increase to do so. Incredibly, the Insurance Commissioner increased Citizens' rates by only 5.2 percent in December.

Associated Industries of Florida (AIF) supports legislative measures that make competition the primary determinant of insurance rates including consumer choice for homeowners, flex rating for insurers and exemption of most commercial insurance rates from the state's approval process. Consumer Choice legislation will allow homeowners to decide between Citizens and a private insurer with unregulated rates for coverage. Flex rating will allow an insurer to vary their homeowners and automobile insurance rates within a specified range.

Florida's commercial insurance market is extremely competitive. For most types of commercial insurance there are not one or two insurers dominating the market share. Historically, the level of scrutiny in the state's review of commercial rates (with certain exceptions such as workers' compensation, medical malpractice and commercial property) has been considerably less than that applied to personal lines. Commercial insurers have operated in the severe recession, the worst legal environment in the country, and in the aftermath of numerous hurricanes without taxpayers' subsidies. Thus, commercial insurers are baffled by the current trend in which state regulators are applying strict control over commercial rates.

AIF is concerned with the potential impact of government intervention in commercial rates. To attract and retain private capital to meet Florida's insurance needs, rates must be "market based" and regulated by consumers in a competitive environment, not by government. ■

Gerald Wester is managing partner with Capital City Consulting, LLC a Tallahassee-based lobbying firm and consultant for AIF (e-mail: gwester@capcityconsult.com)

Keeping Small Business Strong in Florida

by Keyna Cory

Do you know how many companies are in Florida? You may be surprised to learn we have 1.9 million businesses in the state of Florida; 1.5 million of which are self-employed, more than 426,000 are small employers (less than 500 employees) and only 4,356 are large businesses (over 500 employees). Small businesses are truly the backbone of Florida's economy and the Legislature realizes their importance.

In 2008, the Legislature passed **HB 7109** to help small businesses. The new law created the Small Business Regulatory Advisory Council (SBRAC) and its primary goal is to protect small and medium-sized enterprises from bureaucratic red tape and overregulation. The Council reviews state agency rules to see if they adversely impact small businesses and requires state agencies to consider small business in its rule-making processes. The legislation also created the Office of Small Business Advocate and designated the Small Business Development Centers Network as the state's principle small business assistance organization.

The SBRAC consist of nine members — three appointed the by the Speaker of the House, three by the Senate President and three by the Governor — each of whom, by statute, must be present or former small business owners. Keyna Cory, Associated Industries of Florida (AIF) Senior Lobbyist, serves as Vice Chair of the Council. AIF's President and CEO Barney Bishop serves as one of nine advisors to the Council.

Currently, the SBRAC has 21 days to recommend to the agency any lower-cost regulatory alternatives that would lessen the burden on small businesses or to object to a rule. Although the SBRAC is required by statute to meet quarterly, Council members determined it was necessary to meet monthly in order to meet statutorily-assigned duties.

In 2009, more than 1,200 proposed rules were published. By comparison, the state of North Carolina had only 200 proposed rules in the same year. The SBRAC has formally reviewed and discussed

130 sets of rules. On 17 occasions, the Council has formally requested that state agencies adopt lower-cost regulatory alternatives to proposed rules. Unfortunately, the agencies have declined the Council's recommendations on 11 rules.

After one year in existence, the SBRAC realizes it needs a few changes to the current law and legislation will be offered this session to help the Council. For example, more time is needed for the Council to review proposed rules. Also, the definition of a small business varies in Florida Statutes. In the statute which creates the Council, "Small business" means an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has Small Business Administration 8(a) certification. As applicable to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments." Legislation may be filed to make the definition the same in all statutes and to better align it with federal standards.

Additionally, Florida should consider and recognize current business trends in using staffing agencies and other contract labor versus direct "employees" of a business when accounting for the number of "workers" necessary to meet program and policy eligibility requirements. It should not matter whether a job is created by the business as a direct employee or if it is a contract worker through a staffing company — the point is a Florida resident is now gainfully employed.

AIF will be working closely with the SBRAC on its legislative agenda so that small businesses can continue to be a vital sector of Florida's economy. ■

Keyna Cory is the president of Tallahassee-based Public Affairs Consultants, Inc., and AIF's Senior Lobbyist
(e-mail: keynacory@paconsultants.com)

In 2009, more than 1,200 proposed rules were published. By comparison, the state of North Carolina had only 200 proposed rules in the same year.



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Issue Round Up

Economic Development

Advancing Florida's Film & Entertainment Industry

by *Stephen Shiver*

Coconut Grove, Florida, is home to a permanent set for the shooting, editing and production of Fox Television Studio's *Burn Notice*, a series about a decommissioned intelligence agent. In the last year, the show's production has provided \$28.4 million in wages to Florida citizens, as well as 7,000 nights of hotel room bookings — a boost to the state's sagging economy. A recent study by the University of West Florida states that, in 2007, the film and entertainment industry directly contributed \$17.9 billion in Florida's gross state product, \$8.5 billion in personal income, \$498 million in tax revenue to Florida, and was responsible for 207,800 jobs. This same study also concluded that, in 2008, for every \$1 of incentives Florida provided to the industry, there was an additional gross state product of \$22. Furthermore, with 33 film schools and programs operated by colleges and universities in the state, the citizen workforce is both present and qualified to work in this industry.

Florida's rich history in hosting film and production companies has boomed into an economic driver for the state and one that must be expanded in order to reach its fullest potential. Created by the Legislature in 2003, Florida's Entertainment Industry Financial Incentive Program is administered by the Governor's Office of Film and Entertainment and under the oversight of the Office of Tourism, Trade and Economic Development (OTTED). In fiscal year 2009-2010, the State of Florida provided production companies \$10.8 million through legislative appropriations. This money, which is paid post-production, covers a portion of specified expenditures, including hiring Florida residents and doing business with



Florida-based companies. Yet like many other state programs, due to budget cuts and prioritization of other state needs, the incentive program has fallen dramatically resulting in the loss of production projects and ultimately lost revenues to the state coffers.

During the 2009 Legislative Session, Rep. Stephen Precourt (R-Orlando) garnered bi-partisan support for a film industry incentive bill (**HB 47**). Despite a well-written bill and strong lobbying efforts, including a bipartisan film caucus and lobbying from *Burn Notice*'s star, Jeffrey Donovan, the bill died in the Economic Development Policy Committee. Currently, Senate President-designate Mike Haridopolos (R-Melbourne) and Rep. Precourt have sponsored legislation, entitled the Entertainment Industry Economic Development Act (**SB 1430 and HB 697**). This legislation will include tax incentives of \$75 million per year for film and media productions in Florida.

According to a Tax Foundation (Washington, D.C.) report in January 2010, 44 states have incentives for entertainment and film entities to work in their states. Florida will continue to lose entertainment production revenue to other states that do provide tax and other business incentives. If Florida commits to passing this performance-based tax incentive legislation, then Florida can experience a boost in our economy with new jobs and increased revenue. Associated Industries of Florida supports passage of legislation creating a tax credit-based rebate incentive program that would not be subject to legislative appropriations.

Space Agenda

By Towson Fraser

The buzzword of the day on the Space Coast, as well as throughout Florida and the nation, is “jobs.” With unemployment higher than it has been in decades, and the Shuttle program scheduled to end this year, thousands of Florida residents who now have jobs in the aerospace industry are worried about what the future holds for them. To add insult to injury, President Obama recently announced the cancellation of the *Constellation Program*, which was to build the new Orion spacecraft to fly manned-missions to the moon and the International Space Station.

To address those fears, the members of the newly formed Legislative Space Caucus (www.spacecaucus.com) have put forth a bold agenda for the 2010 Legislative Session designed to spur economic development, save existing aerospace jobs and create new jobs throughout Florida.

In fact, Space Florida President Frank Dibello has established an aggressive goal for expanding Florida’s space industry, solidifying Florida’s position as a global aerospace power and tripling the number of aerospace jobs and subsequent contribution to Florida’s economy by 2020. To begin achieving that goal, there is a real need to ensure that Florida’s tax and regulatory environment is extremely attractive to potential new companies and investors as we compete with other states and countries throughout the world.

At the top of the list is a bill to provide Commercial Launch Zone Tax Incentives. **HB 133** by Rep. Ralph Poppell (R-Titusville) and **SB 1188** by Sen. Thad Altman (R-Melbourne) would provide corporate income tax credits for companies that invest in projects involving spaceflight. The Governor’s Office of Tourism Trade and Economic Development (OTTED) and Space Florida would work together to set up the application process and certify specific projects.

Another priority will be providing tax credits for research and development. **HB 607** by Rep. Scott Plakon (R-Longwood) and **SB 1184** by Sen. John Thrasher (R-Jacksonville) would provide corporate tax credits for specified research and development expenses in the aerospace industry.

Gaining an accurate view of not only the cost of these types of tax incentives, but also the benefits, is critical to garnering the support needed to make them successful. Therefore, bills designed to provide this accurate Cost Benefit Analysis are important to the success of Florida’s aerospace industry. **HB 93** by Rep. Steve Crisafulli (R-Merritt Island), **HB 121** by Rep. Poppell and **SB 1178** by Sen. Mike Haridopolos (R-Melbourne) would require the Revenue Estimating Conference to use Dynamic Scoring to analyze both the cost and benefit of pending legislation to ensure legislators have the complete picture in front of them as they decide how to vote.

In addition, there is **House Memorial 253** by

With unemployment higher than it has been in decades, and the Shuttle program scheduled to end this year, thousands of Florida residents who now have jobs in the aerospace industry are worried about what the future holds for them.



AIF will continue to make college and career readiness a top priority in 2010.

Rep. Ritch Workman (R-Melbourne) and **Senate Memorial 944** by Sen. Altman to urge Congress to allow one of the retiring Space Shuttle Orbiters to be put on permanent display at Kennedy Space Center. **HB 451** by Rep. Crisafulli restructures Space Florida and revises its membership while Sen. Altman is working on a bill to provide Workforce Jobs Tax Credits.

Finally, there is a request for infrastructure funding being processed through OTTED that will allow the Space Life Sciences Laboratory on NASA property to be better utilized and marketed to companies looking to take advantage of its world-class research facilities.

Florida's aerospace industry is facing an uncertain future due to the national and global economic situation, but the above agenda goes a long way toward ensuring our state maintains its position as a leader in space travel and further understanding our universe. Luckily, Gov. Crist has announced his support for more than \$30 million in state funding to help attract the commercial space industry to Florida. We commend the Governor and Lieutenant Governor for their leadership on this issue. As the top business association on space issues, Associated Industries of Florida is ready to advocate and support all aspects of this space agenda and continue to make space a top legislative priority.

Education

Florida's RACE to the Top

by Stacey Webb

Florida is poised to be part of a unique educational opportunity through the federal Race to the Top (RTTT) initiative. Based on four "assurances," the RTTT grant requires a focus on:

- Standards and Assessments
- Data Systems to Support Instruction
- Great Teachers and Leaders
- Turning Around Low-Performing Schools

Florida is well-positioned to compete for RTTT funds as we build on more than a decade of educational reforms that have resulted in unprecedented student achievement, including a nationally-recognized data system, a well-established accountability system with assessments, prior work on curriculum standards reform and teacher merit pay. Florida's RTTT grant applica-



tion will deliver a learning environment that prepares our students for the fiercely competitive global economy.

Our state's economic and financial future depends on a skilled and highly-trained workforce. The students of today represent the community leaders, business owners and entrepreneurs of tomorrow. They must be given the foundation necessary to prepare for their future and funding from RTTT will provide the resources necessary to equip our teachers to do just that.

Specifically, Florida's RTTT strategy has a strong focus on college and career readiness and STEM (Science, Technology, Engineering and Mathematics), contained in its plan for teacher development and turning around low-performing schools. When Associated Industries of Florida (AIF) formed our education council three years ago, our sole focus was, and continues to be, college and career readiness. We've stood with the Commissioner of Education and the Legislature as they worked to increase curriculum standards and increase access to rigorous courses in all Florida high schools. AIF will continue to make college and career readiness a top priority in 2010 as lawmakers consider legislation that will raise high school graduation standards.

AIF also applauds Florida's RTTT focus on improving the quality of teachers in Florida's classrooms because we know the best tool for turning around low performing students is a high-quality teacher. Through the professional development opportunities illustrated in the RTTT plan, educators will be given the time and resources to

perfect their craft, resulting in a more successful learning experience for our students.

We are hopeful that Florida's Department of Education will be successful in obtaining this federal stimulus funding (approximately \$700 million) in order to transform our education system into one that is unmatched anywhere in the nation. A challenge of this magnitude requires every segment of our society to come together and carry out this bold vision to redefine the culture of our schools. AIF is encouraged by Florida's RTTT application, and the possibilities it may bring for our education system.

Elections

Elections and Redistricting

By John French, Esq.

The primary focus this legislative session as it relates to election issues will be on the re-enactment of laws regulating "Electioneering Communications Organizations" (ECOs—the Florida version of 527s). Legislation is necessary to replace statutes stricken by a federal court right before the 2008 General Election on the basis that state requirements were too broad in scope to satisfy the First Amendment. The most likely outcome will be a regulatory scheme that tracks the federal model. It would limit the time for ECO regulation to the 60 days before a primary and 90 days before a general election, limit the scope of the regulated means of communication to broadcast and cable communication, and require reporting of contributions and expenditures on the same schedule as candidates and other groups. While the inclusion of direct mail and telephone calling seems desirable from a policy perspective, there are sufficient doubts that these additions would pass constitutional muster. AIF supports the regulation of ECOs in a constitutionally-acceptable manner.

Senate leadership is also proposing the creation of Leadership Funds for money raised by the incoming Senate and House leadership of each party. The Funds would be operated under the auspices of the parties but maintained and reported as separate accounts. They would be used to elect each party's legislative candidates. Although these funds operate on a *de facto* basis now, their financial activities are homogenized

into the general campaign reports of the respective parties and the names of donors to these accounts cannot be identified. The establishment of separate funds with individual reporting requirements would enhance transparency and accountability. AIF supports the establishment of these funds.

The Legislature is required to reapportion the state's Congressional and legislative districts every 10 years based on the results of the most recent federal census. Although this process will not occur until 2012, the respective legislative committees are wisely gearing up for these critical tasks. The focus this session will be on the "Fair Districts" amendments that were placed on the 2010 ballot via the initiative process funded by trial lawyers, labor unions and large Democratic donors. These amendments provide specific and contradictory criteria for redistricting that appear to promote a more Democratic Legislature and Congressional delegation.

Lawyers for the legislative committees and others knowledgeable in the field believe the criteria in the amendments are impossible to satisfy and Florida would be facing endless court battles should the amendments be ratified by voters. In addition, minority legislators of both parties fear the amendments will have a very negative effect on minority representation. While the effects and products of legislative deliberations about the amendments remain to be seen, it is apparent that some sort of judicial remedy will be sought to have the amendments stricken from the ballot.

Lawyers for the legislative committees and others knowledgeable in the field believe the criteria in the amendments are impossible to satisfy and Florida would be facing endless court battles should the amendments be ratified by voters.



Environmental

Recycling in Florida – Can We Do Better Than Average?

by Keyna Cory

Currently, Florida has a recycling rate of approximately 28 percent (about average when compared to other states). A little over two decades ago, the Florida Legislature set a recycling rate of 30 percent, but it seems as though the state is sliding backwards. Legislation passed in 2008 required the Florida Department of Environmental Protection (DEP) to create a plan to increase Florida's recycling rate to 75 percent by 2020. Recently the DEP published a report outlining recommendations to the Legislature on how to achieve this 75 percent goal. Now, it is up to the Legislature to decide whether to adopt the DEP's plan, come up with a different plan, or chose to do nothing at all.

Some of the recommendations in the DEP plan include:

- Requiring each state agency, as well as counties with a population greater than 100,000 and cities with a population greater than 50,000, to meet the 75 percent goal;
- Requiring mandatory commercial recycling for the same large counties and cities;
- Directing all local school districts to implement recycling programs whenever possible and without incurring a negative fiscal impact;
- Creating a recycling grants or revolving loan program for local governments to help them reach the 75 percent goal;
- Phasing in a separation process for construction and demolition debris at landfills or material recovery facilities (MRF); and
- Creating a Recycling Business Assistance Center.

Associated Industries of Florida (AIF) believes more can be done to reduce waste, reuse materials, increase recycling and divert waste from our landfills. Not only will this help extend the life of our landfills, it will also help Florida's economy by creating markets for recyclables and beneficial reuse of key materials. Many of our members have already implemented innovative and effective programs to manage their waste.

This January, the AIF Environmental Sus-

tainability Council was asked by House and Senate committees to share some of our members' programs. Presentations by Keyna Cory, Council Lobbyist, highlighted successful recycling, reduction of waste and reuse programs by Walmart, Hewlett-Packard, Tropicana and Frito Lay, Nestle Waters North America and AT&T.

The AIF Environmental Sustainability Council has been working on a plan to increase Florida's recycling rate without any mandates being placed on the private sector and will submit the plan to the Legislature during the 2010 session. We agree with many of the recommendations made by the DEP such as asking state government to lead the way in recycling efforts and purchasing materials with recycled contents. We also support the creation of the Recycling Business Assistance Center to help existing companies be as profitable as possible and recruit recycling companies to our state. Innovative grants and revolving loans should be made available to both local governments and the private sector to fund programs that increase recycling efforts.

However, the AIF Environmental Sustainability Council disagrees with placing commercial recycling mandates on the private sector. Successful programs by large and small companies are already in place without government mandates.

We also disagree that a container deposit fee, better known as a "bottle bill," will help recycling efforts. Bottles and plastic containers used for beverages are only 6 percent of the total waste generated in Florida. Therefore, we should not focus on such a small portion of the waste stream especially when recycling rates for these materials are high. Instead, we believe a statewide waste composition study should be commissioned so we can see what materials are not being recycled and why. Then, the Recycling Business Assistance Center under the direction of Enterprise Florida and the DEP can recruit the appropriate recycling/reuse businesses to our state. Landfill disposal fees are not the answer either.

Finally, the DEP needs to report to the Legislature every two years on Florida's recycling rate so it can see how we are progressing and what adjustments may be needed to keep our rate growing.

Florida can be a leader in the reduction of waste, reuse of beneficial materials, increase in recycling and diversion of waste from our



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landfills. Let's not focus on just recycling, but an overall, comprehensive plan.

AIF believes we can be better than just average.

Growth Management

The Future of Growth Management in Florida

by Richard Gentry, Esq.

Members of House and Senate leadership have advocated simply steering clear of growth management legislation altogether this session. However, that is problematic in a year when the business community must pass a "fix" to last year's **SB 360** also known as the Community Renewal Act, which gave developers the option of following through on approved Developments of Regional Impact (DRIs) in progress, or abandoning the DRI process and following the more relaxed provisions of the new legislation. Now, with 20 local governments challenging the bill as unconstitutional, and the possibility that those developers who relied on its provisions may be left without law to rely on, something must pass. Also at stake are provisions in **SB 360** which extended some state and local permits tied to the development for a two-year period; once again placing developers that relied on those provisions in an untenable position.

To make matters worse, the Legislature faces more holes in the budget, pledges of "no new taxes," and many members vying for higher ground in their re-election bids. Add to that a proposed constitutional amendment taking reapportionment away from the Legislature, and you have an atmosphere that wouldn't normally pay much attention to growth management, but not so this year. Enter Amendment 4 — the Hometown Democracy proposal which, although kept off the 2008 ballot by Associated Industries of Florida (AIF) and other groups, has now been certified to the general election ballot for this November.

With some polls showing it exceeding the necessary 60 percent approval of voters, Amendment 4 has had an effect on the Legislature's plans for growth management legislation, including the sunset review of the Department of Community Affairs (DCA). The message that is being heard loud and clear is don't do anything that drives more people to support Hometown Democracy



by being seen as undermining growth management or the agency that enforces it.

AIF feels strongly that the needed fixes for **SB 360** referenced above as well as other "tweaks" still offer an opportunity for economic development and some semblance of revived growth to an almost moribund development industry. As the session draws to a close in late April, the test for any growth management proposals, particularly in light of Amendment 4, will undoubtedly be "is the juice worth the squeeze?" ■

The message that is being heard loud and clear is don't do anything that drives more people to support Hometown Democracy by being seen as undermining growth management or the agency that enforces it.

2010 Issue Round Up

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Fall 2009 was an extremely busy time for AIF and its members as preparations for the 2010 legislative session began almost as soon as the 2009 session came to a close. Here are just a few of the events that have taken place in recent months.



Sen. Lee Constantine headlines a Power Lunch event with member's of AIF's Environmental Sustainability Council.



AIF's Vice-President of Governmental Affairs, José L. Gonzalez and AIF Chairman Mike Jennings recognize Rep. Bryan Nelson as a 2009 Legislator of the Year.

Rep. Trudi Williams Chair of the House Agriculture & Natural Resources Committee addresses AIF members during a Power Lunch event.



Commissioner of Education Eric Smith attends a meeting of the EEWDC in Tallahassee.



Wal-Mart's Cindi Marsiglio presents a check to AIF President & CEO Barney T. Bishop and Foundation for Associated Industries of Florida Chairman Ed Tancer.

Celebrating 90 Years in 2010.

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ASSOCIATED INDUSTRIES OF FLORIDA POLITICAL COUNCIL

For more than a decade, helping employers ensure a positive political climate for prosperity.

Associated Industries of Florida Political Council (AIFPC) takes the guesswork out of Florida politics. AIFPC provides members with the most up-to-date information on state legislative candidates, allowing them to make informed political decisions.

Our services to members are second to none. Business leaders around the state utilize these services to enhance their ability to stay in touch with Florida politics.

Candidate Interviews

Each election year, members of the Council will meet in several cities around the state to sit face-to-face with candidates to discuss their stand on business issues.

Election Watch: Outline of Races

This publication has become the "can't miss" tool for everyone following state legislative races. It provides information on all House and Senate candidates, including, personal & professional information, fundraising totals, political history, and current campaign news.

Email Information Services

Members of the Political Council receive frequent updates via email to ensure they are kept up-to-date. *Political Insight* is a monthly report on all the current political news and campaign updates. *Information Express* is designed to provide rapid delivery of hot political happenings as they occur.

Members-Only Website

A one-of-a-kind website available only to members of the Council. This site provides the most in-depth information available anywhere on candidates for the Florida Legislature — includes, profiles, expansive contribution reporting, in-depth questionnaires, district demographics, etc.

To learn more about AIF Political Council, please contact Michelle Mattox, AIF's Chief Political Officer, at 850-224-7173



AIF Councils Update

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.

Education, Economic and Workforce Development

AIF's Education, Economic, and Workforce Development Council (EEWDC) has been busy preparing for the 2010 legislative session. The three entities charged with education, economic, and workforce development in Florida were all undergoing strategic planning processes this fall and the Council hosted leaders from each as background for shaping the 2010 agenda.

Chris Hart, who serves as president of Workforce Florida, Inc. (WFI) and was recently tapped by Gov. Crist to head his Office of Tourism, Trade and Economic Development, along with Agency for Workforce Innovation (AWI) Executive Director Cynthia Lorenzo visited with the Council to discuss workforce development issues. Hart previewed the WFI strategic planning process, which focused on building a talent supply chain in Florida. Director Lorenzo provided an update on AWI priorities from early learning initiatives to serving record number of unemployed Floridians in this recession.

The EEWDC also received from Education Commissioner Eric Smith an update on the Next Generation Strategic Plan, which was nearing adoption by the State Board of Education. At the same meeting, John Adams, CEO of Enterprise Florida, updated the Council on the Enterprise Florida Roadmap for Florida's Future process and early findings.

After hearing input from leaders in education, workforce, and economic development, the AIF EEWDC met to begin shaping their legislative agenda for 2010. The discussion was framed around the three major areas within the Council's name — education, economic development and workforce development — with a focus on capitalizing on the common themes from the strategic planning processes

that took place over the summer and fall months.

The preliminary agenda centered on the following priorities:

Education

- Continue focus on college and career readiness.
- Support increased high school graduation requirements.
- Support foundational skills upgrade.
- Increase use of technology in public schools.
- Increase business involvement with education, particularly with the alignment of needs and outcomes and increasing the quality and professionalism of educational and instructional leaders.

Workforce Development

- Support short term programs that provide training and skills upgrade.
- Support programs that provide connection of workforce training to the industries targeted for economic development.

Economic Development

- Support state-funded incentives and economic development tools.
- Support long-term sustainability of economic development in Florida.

Environmental Sustainability

AIF's newest council, the Environmental Sustainability Council (ESC), has been created from our former Recycling Task Force to address these issues and educate policy makers about their impact on Florida's economic and natural environment. AIF members have been active leaders on many environmental issues over the years, including proactive solutions to reduce, re-use and recycle. Senator Lee Constantine (R-Altamonte Springs), Chair of the Environmental Preservation and Conservation Committee, applauded AIF



for stepping up and being a leader on the recycling issue. By participating and creating cost-effective recycling programs, Florida can realize an increase in its recycling rate and businesses can save money while protecting Florida's natural resources. Recycling can also provide additional economic development that Florida needs.

The impact of new water quality standards will affect every major industry — agriculture, landscaping, power generation, silviculture, mining, seaports, development, small businesses, even tourist attractions and recreational facilities. As of late, the state of Florida has been singled out by the federal government to comply with arbitrary and unreasonable “numeric nutrient criteria” for water quality standards. Non-scientific standards set by the EPA will inhibit Florida's economic development, as well as Florida's natural environment. Excessively reducing nutrient standards could damage fisheries in some of Florida's most productive lakes, are impractically expensive to undertake and could stymie reclaimed water projects.

In 2010, the ESC will focus on issues relating to:

Water Quality

- Encourage state and federal elected officials to oppose the enactment of unscientific numeric nutrient content levels in Florida's bodies of water. This proposal will cost hundreds of millions of dollars and stifle any economic development in Florida.
- Oppose the enactment of “Springs Protection” legislation, which will cost residents and businesses incredible amounts of money in order to comply with septic tank regulations not scientifically based.
- Encourage the Legislature to appropriately fund alternative water supply programs.

Recycling

- Develop a “Plan to Increase Florida's Recycling Rate and Reduce Waste” in response to the state's 75 percent recycling goal.
- Oppose efforts to enact a tax on retail plastic bags as Florida's business community is already doing a lot to encourage consumers to use reusable bags.
- Oppose efforts to enact a “bottle bill” or Solid waste disposal tax in order to raise possible funds for recycling efforts.

Financial Services

AIF formed the Financial Services Council (FSC) three years ago to provide business leaders across the state with an opportunity to concentrate on key financial service issues facing Florida consumers and businesses. Council members include representatives from the property casualty, life and health insurance industries, as well as representatives from all other financial services organizations.

The Council has consistently voiced concern that the state's suppression of private insurers' rates and the property insurance structure created by the Legislature, which relies on post-hurricane taxes to pay claims, are not sustainable. Unfortunately, the current economic recession and the politicization of the rates approval process brought the Council's fears to fruition in 2009 when potential multi-billion dollar shortfalls in both the Florida Hurricane Catastrophe Fund and Citizens were included in the state's long-range financial outlook for budgeting purposes; three property insurers went into bankruptcy proceedings; private insurers announced plans to drop in excess of 300,000 additional homeowners' policies; Insurance Commissioner Kevin McCarty increased rates for Citizens by an average of only 5.4 percent despite the fact it needed a 40-percent increase in order to pay claims; A.M. Best downgraded the financial strength ratings of the state's fourth largest property insurer from B (fair) to D (poor); and many insurers reported underwriting losses.

In 2010, the Council will focus on insurance measures that will:

- Require a 10-percent rate increase for all Citizens policyholders each year until it has sufficient reserves and reinsurance to cover losses from a major hurricane.
- Provide for a fair and supportable mitigation insurance premium discount process as a secondary incentive for homeowners to install features that protect their homes and families against hurricanes.
- Make competition the primary determinant of insurance rates, including consumer choice for homeowners, flex rating for insurers and exemption from the state's approval of rates for certain commercial policies.
- Eliminate abuses associated with stranger originated

life insurance (STOLI) arrangements.

- Oppose additional health insurance mandates.

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

Florida Development & Infrastructure

AIF has created the Florida Development & Infrastructure Council (FDIC) to address issues related to growth management in Florida, as well as aggregate mining, transportation and other infrastructure issues. One of its newest Councils, AIF's FDIC will focus on issues of concern to this industry segment so that Florida and our economy will be better positioned to prosper in the future.

The FDIC steps into an arena that, for growth management issues, is unlike any other year in recent memory. Any consideration of policies for the development industry must be made in the shadow of the Amendment 4's (Home-town Democracy) presence on the November 2010 general election ballot.

The ongoing economic downturn has underscored Florida's reliance on growth and development and its impact on all business sectors. AIF understands there are several ways that Florida's economy can be supported, including the expansion of infrastructure projects, tax incentives for emerging and existing companies, and the creation of high wage jobs. Additionally, the FDIC will work to single out superfluous regulatory measures while seeking legislative relief through expedited measures that streamline licensing and permitting processes.

The FDIC has been created to address these issues and modernize business practices that will stimulate growth in the state of Florida.

In the areas of growth management and infrastructure, the FDIC will focus on:

- Support efforts to bring efficiency and innovation to the growth management process in Florida.
- Support funding for all types of infrastructure projects to help promote much needed job growth and development in Florida.
- Support legislation that seeks to streamline the permitting and licensing processes that are redundant, cumbersome and hinder job creation.
- Develop proposals that will lead to smart growth in Florida.
- Encourage the increase of funding for affordable housing projects.

Florida Energy

For the past five years, AIF and its Florida Energy Council (FEC) have provided a voice for Florida's business community as it relates to energy policy.

Currently, Florida's House and Senate leadership are considering legislation that would open up Florida's territorial waters to oil and natural gas exploration. A number of hearings, debates and conferences have been held on the proposal, which has the potential to create much-needed jobs and additional revenue at a time when Florida desperately needs this influx of capital and job creation. The proposal, which was first debated last session, would create a process for the Florida Cabinet to review and approve proposals for drilling and exploration in water three to 10 miles off shore. Companies would be required to provide a non-refundable million-dollar application fee just to be considered and the Cabinet would have the ultimate say on whether the projects are approved.

The FEC will concentrate their efforts in 2010 on the passage of legislation opening up Florida waters for oil and natural gas exploration. Not only will increased exploration and production assist in decreasing our country's dependence on foreign oil, it also represents a future source of revenue for Florida in the form of royalty payments during a time when dollars for state coffers are scarce.

Florida's employers depend on access to affordable and reliable energy to run their businesses. They are also affected by higher energy costs, which increase their prices while reducing customers' purchasing power. Thus, the Florida Energy Council will pay close attention to any climate change rules being considered or proposed at the state or federal level, which have the potential to drive up the cost of energy and durable goods, as well as decrease the profitability and viability of Florida's businesses. The goals established by these proposals (although worthy) could cause an economic disadvantage for goods and services produced in Florida with the effects being an undesirable economic climate for the creation of jobs and slowing business activity in an already challenging economic period.

Florida Maritime

AIF formed the Florida Maritime Council (FMC) in 2006 in response to the critical security and economic needs that Florida's port businesses continue to face. AIF Maritime Council members (representing more than 80 companies with operations covering the state) have identified serious problems that threaten their ability to compete with other port facilities located in other states, such as duplicative security regulations, arbitrary pilotage fees, competing land uses and property taxes. The Council and its members will also play a vital role in maintaining and advancing Florida's economic position in the country, while it's more short term problems must be addressed to ensure these businesses survive long enough to benefit from strategic and long-term financial planning. A few of the most time consuming and costly circumstances that port employers currently face

include:

- Minimal promotion of the economic development opportunities offered to the state by the maritime industries;
- Ongoing delays in security credentialing due to separate federal and state requirements; and
- Excessive pilotage fees established through an outdated and monopolistic system.

Addressing these priorities, identified as economically onerous and operationally disruptive to maritime enterprises, is most essential to port businesses and has shaped the legislative agenda they will uniformly pursue in the coming session.

Governmental Outsourcing

AIF's Governmental Outsourcing Council (GOC) has worked for the past two years to create a more stable business environment for companies contracting with the State of Florida for health and human services related to mental health, substance abuse, child welfare and juvenile justice.

For the 2010 Legislative Session, the GOC has proposed significant legislation that would ensure accountability, eliminate duplication and improve efficiencies thereby lowering the costs associated with providing services and maximizing the use of state dollars. Specifically, the legislation sponsored by Sen. Chris Smith (D-Fort Lauderdale) and Rep. Juan Zapata (R-Miami) requires state agencies procuring services in the affected areas to:

- Provide to the Legislature on an annual basis a list of mandated requirements, forms, and other monitoring requirements that are satisfied through accreditation by appropriate national accreditation organizations.
- Designate a lead state agency to ensure monitoring activities are coordinated with other agencies contracting with the same provider. The lead agency would be required to develop a common monitoring protocol with minimum standards
- For contract monitoring purposes, develop a master list of core-required documents that are readily accessible to providers and can be accessed electronically by the agencies.

Additionally, the proposed legislation would require that outsourcing contracts contain provisions that:

- Require agencies to negotiate a contract amendment with the service provider to increase the maximum obligation amount or unit price to offset any material adverse financial impact of changes requested by the agency.
- Ensure payment will be made on all items not under dispute and, in no event, payment be withheld on undisputed issues pending the resolution of disputed issues.

- Provide that any dispersed funds remaining unexpended during the contract term be authorized revenue for the purposes of cash flow, program expansion and development, or administrative costs.
- Provide for cost-of-living increases subject to legislative appropriation.

Information Technology

AIF's Information Technology Council (ITC) is a group of leading information technology and telecommunications companies representing all aspects of the technology industry. The Council includes IT systems integrators, hardware and software companies, consultants, service and support providers, and resellers ranging from Fortune 500 companies to medium-sized and small businesses.

With the lobbying expertise and influence of AIF and the continued success and exceptional growth of its ITC, the acceptance of our input on technology issues is great. We hope to again have a good year in 2010 in spite of the terrible budgetary problems that exist in Florida and the country.

The ITC's 2010 legislative priorities are as follows:

- **Legislation on Contract Restrictions:** AIF's ITC was one of the most vocal opponents of legislation passed last session, which would have placed an inordinate amount of restrictions on businesses contracting with the state. These added regulations would have required that the Legislature approve contracts worth \$500,000 or more. The bill was ultimately vetoed by Governor Crist, but we expect similar legislation to be filed in 2010.
- **Agency for Enterprise Information Technology (AEIT):** The AEIT is very important to all IT companies; therefore, we will monitor all legislation where they are mentioned. The Council supports a strong state Chief Information Officer with more authority over all state IT initiatives.
- **Data Center Consolidation:** The Council supports greater funding for this critical process and a faster pace in consolidating Florida's state data centers.
- **Legacy Systems:** Legacy systems exist within the state and some local governments. AIF has publicly criticized the state for not updating IT systems since new systems would be less costly to operate and more secure. Moreover, there are many people trained to operate and maintain them. The opposite is true for the old legacy systems. With the state in such a budget crunch, some innovative thinking is necessary to begin the process of replacing these old systems.

To join one of our councils, committees, or task forces contact

Jose Gonzalez, AIF's Vice-President of Governmental Affairs, at (850) 224-7173 or jgonzalez@aif.com

ASSOCIATED INDUSTRIES OF FLORIDA 2010 LOBBYING TEAM



"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

"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

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 31 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.



José 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 ... seven 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.



Tamela Ivey Perdue, Esq.

General Counsel for Associated Industries of Florida... more than 18 years legislative and legal experience, representing insurers and the business community on tort, workers' compensation, insurance and other legal issues before the legislative and executive branches of government ... established legal practice specializing in insurance defense and administrative law ... formerly worked in The Florida Senate ... B.S. from Lee University and J.D. from Stetson University.



Chris Verlander

Senior Vice President – Corporate Development of Associated Industries of Florida ... more than 30 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.

CONSULTANTS



Keyna Cory (Senior Lobbyist)

President, Public Affairs Consultants, a public affairs and governmental relations consulting firm ... more than 25 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.



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 31 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.



Chris Dudley

Joined Southern Strategy Group in 2000 ... over 17 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.



Nick Iarossi, Esq.

Founding Partner of Capital City Consulting, LLC ... with more than nine 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.



Leslie Dughi

Assistant Director of Greenberg Traurig's Tallahassee Governmental Affairs practice ... state legislative practice spans over 22 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.



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 31 years legislative experience ... graduate of the University of South Florida in Mathematics and of the Fuqua School of Business at Duke University.



Towson Fraser

Joined Southern Strategy Group in 2008 with more than 10 years of political and governmental experience ... most recently served Governor Charlie Crist as his Deputy Chief of Staff and Legislative Affairs Director ... served as Communications Director for Speaker Allan Bense as well as the Republican Party of Florida, the Department of Management Services, and the Department of Community Affairs ... worked in the House Majority Office under Speakers John Thrasher and Tom Feeney ... Bachelor's degree in Journalism from the University of Florida.



David Rancourt

Founding Partner of Southern Strategy Group with more than 23 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.



John French, Esq.

AIF Special Counsel for Election Law ... Forty-one 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



Jim Rathbun

President of Rathbun & Associates ... more than 21 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.



Richard Gentry, Esq.

Head of Gentry & Associates, a government consulting firm in Tallahassee ... prior General and Legislative Counsel for the Florida Home Builders Association ... in his 26 years with the association, Mr. Gentry was actively involved in legislation which included growth management, affordable housing and environmental laws.



Stephen W. Shiver

Director of Governmental Affairs for the Advocacy Group at Tew Cardenas ... over 11 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.



Peter Harris, Esq.

President and CEO of ADG Business & Governmental Consultants ... more than 19 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.



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 ... 15 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 34 years lobbying experience ... expertise in insurance, banking, and health care issues ... Bachelor's and Master's degrees from Florida State University.

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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 XX 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.**

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