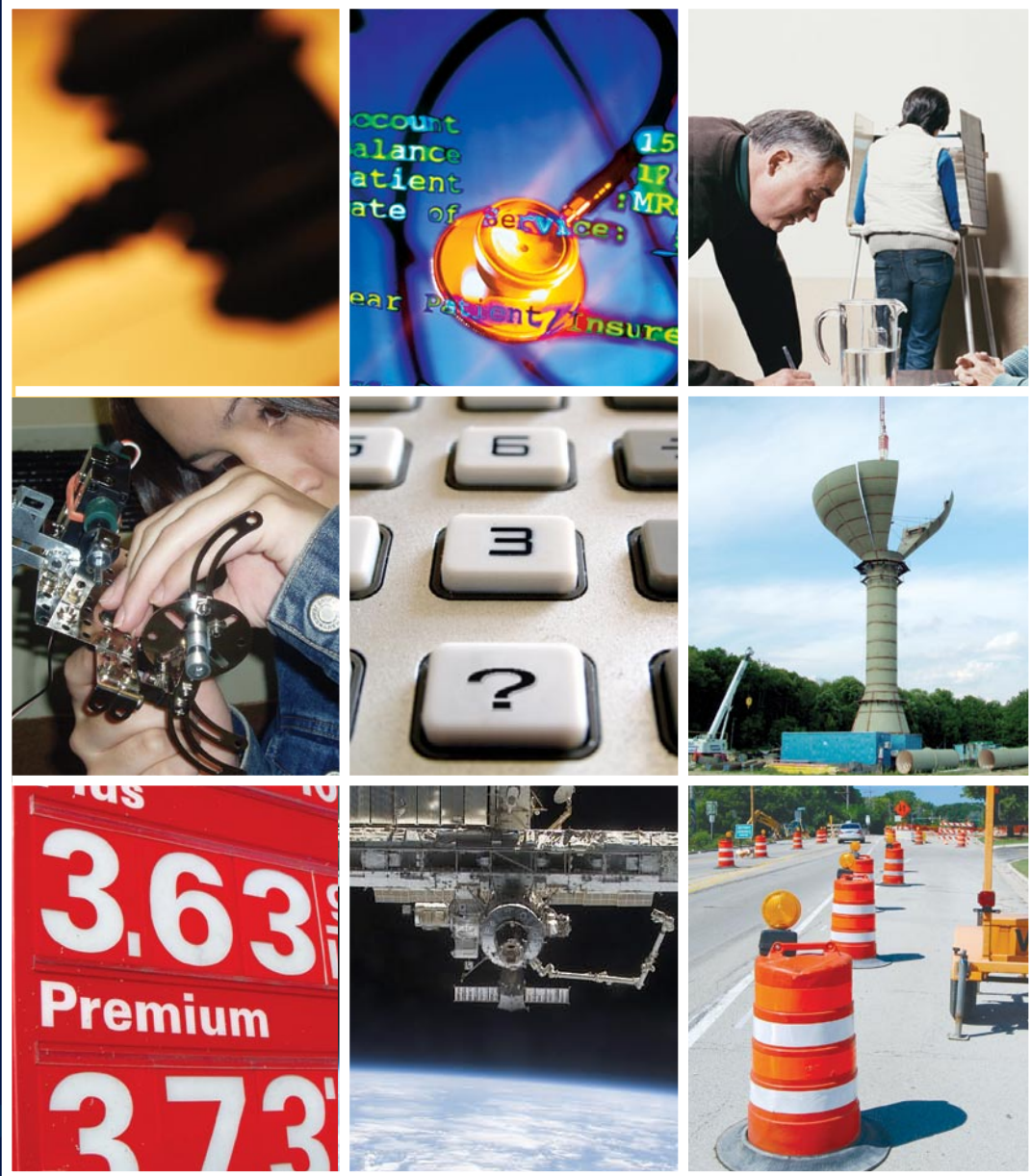


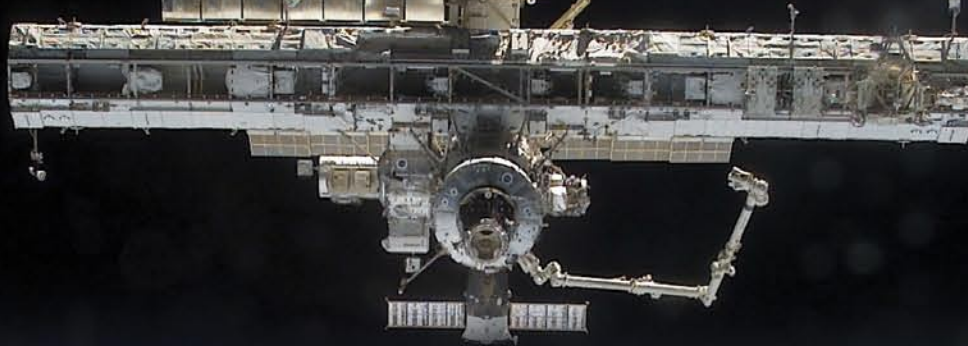


ASSOCIATED INDUSTRIES OF FLORIDA

The Voice of Florida Business Since 1920



2009 SESSION PRIORITIES



Space

In Florida, the space industry is a \$2 billion economic driver that employs nearly 30,000 Floridians. Our great state is home to more than 1,000 space-related companies located in 47 of Florida's 67 counties. On the heels of a very successful 2008 legislative session, Associated Industries of Florida is proud to continue leading the way on the expansion and **commercialization** of the space industry in Florida. With our partners at Space Florida and the Economic Development Commission of Florida's Space Coast, AIF has expanded its commitment to be the business leader in the state capitol on space related opportunities for commerce and industry, education and the workforce.

As the space shuttle program begins its phase-down, Florida finds itself in an important crossroads: maintain our dominance in space or lose ground to states like Virginia and New Mexico who are making significant investments in commercial space flight. Florida is unique in its environment, geography, and its already existing infrastructure. Policymakers must leverage these inherent advantages in order to attract commercial space activities that will help fill the void of the expected five-year window between the last space shuttle launch and its successor the "Constellation" program. Legislators would be wise to support policies, investments, and legislation that clearly identify Florida as the best location for the next generation of federal and commercial space opportunities. Also essential is the support of **workforce training** as a tool to retain and develop Florida's space industry. In order to maximize Florida's existing infrastructure, a concerted effort must be made to find the dollars necessary to rehabilitate and refurbish these existing facilities. Last year, space advocates were successful in arriving at \$14.5 million in funding for the rehabilitation of an existing launch complex at the Kennedy Space Center. Now that the state is facing a daunting budget shortfall, we must protect these dollars and continue investments in launch infrastructure so we can use them in the most efficient manner and with the greatest return on investment.

Last, but not least, AIF supports the retirement of a shuttle orbiter in Florida. The Florida Legislature should pass a formal resolution to NASA requesting that one space shuttle orbiter be retired in the state of Florida as recognition of Florida's significant contributions to space exploration and to NASA's shuttle program.

For the 2009 Legislative Session, AIF will be supporting a number of space priorities:

Infrastructure Investment and Incentives

Despite a down economy, AIF strongly SUPPORTS continued investments in Florida's existing space infrastructure, as well as the continuation of incentive programs for aerospace companies. Annual investments to improve launch infrastructures for manned and unmanned space flights are critical to Florida's continued domination in space activities. In addition, Florida would be wise to provide for "operations and maintenance" dollars at the Kennedy Space Center's surplus facilities, which could be used for future commercial space endeavors.

Workforce Training

AIF SUPPORTS enhanced funding for space workforce training. The last mission for the Space Shuttle program is scheduled for March 2010. The "Moon to Mars" successor program (Constellation) is currently scheduled to begin in 2015. The intervening period is referred to as the "shuttle gap," in which a number of employees in the space industry need to be transitioned to new positions in the aerospace and other industries. In response to this anticipated shuttle gap, the 2008 Florida Legislature provided \$1.25 million for services focused on retention and retraining of personnel employed in the space industry. AIF supports the continued educational and financial resources of the state to continue the transition of aerospace workers to complementary jobs in related fields.

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Space Florida

AIF SUPPORTS the continued funding of Space Florida. Since the passage of the Space Florida Act in 2006, the Governor and the Florida Legislature have empowered Space Florida to strengthen and expand Florida's role as the global leader in aerospace. Space Florida serves as the single point of focus for all aerospace development, and has as its primary purpose, the goal of attracting and retaining space related industry in our state. AIF supports the continued funding and support of Space Florida as the most important asset in aerospace economic development.

Commercial Launch Zone

AIF strongly SUPPORTS the creation of a Commercial Launch Zone. A state adopted commercial launch zone would create a zone, similar to a foreign trade zone, which could expand throughout the state specifically for space related commerce. Economic incentives would be provided for launch, manufacturing, and research and development within the zone. Incentive options such as a business net income tax or property tax credit, the ability for a company to carryover net operating losses forward to the next year, or tax credits designed to encourage research and development, investment in equipment, and a generation of new permanent employees are all opportunities that exist within a Commercial Launch Zone.

STRDI

AIF SUPPORTS university-based research and applied technology programs. AIF supports a multi-university based program to develop high-impact space research and applied technology programs. Known as the Space Transportation Research and Development Institute (STRDI), these programs would not only help recruit world class researchers to our state universities, they would advance the state's commercial industry interests by focusing on university-based emerging technology created in Florida and tested in space for global application.

STEM Education

AIF SUPPORTS the creation of Science, Technology, Engineering and Mathematics (STEM) magnet schools in Florida. As Florida continues to attract

future investment in commercial space activities, it is essential for there to be a workforce ready to meet the high-tech needs of these employers. Additionally, the proposal to establish a Governor's School for Space Science and Technology within the K-20 public education system (administered by DOE) to offer intensive instruction for grade 9-12 students and summer programs for teachers should be supported. Another way to achieve this goal would be through creative incentive programs that would provide tax credits to aerospace companies that hire engineers or the establishment of an education reimbursement credit for engineering graduates employed by Florida companies.

AIF Lobby Team Members Assigned to the Area of Space:

Chris Dudley
John Thrasher
Stacey Webb



AIF President & CEO Barney T. Bishop presents Sen. Thad Altman (R-Melbourne) with a 2008 Champion for Business for his efforts to help the space industry.