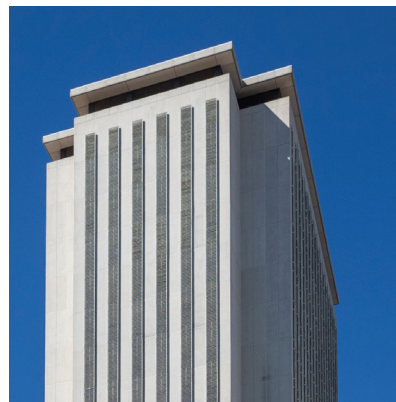




# 2025 Session Priorities



*We are proud to stand up for the issues relevant to our members and work to create a business-friendly climate to benefit our state.*

**ASSOCIATED INDUSTRIES OF FLORIDA**  
*The Voice of Florida Business Since 1920*



## a message from the CEO

For over 100 years, AIF has represented the principles of prosperity and free enterprise before the three branches of state government. AIF has proudly advocated on behalf of Florida’s employers, and thankfully, Florida’s leaders have made our state an example for the rest of the nation. However, we know that difficult issues will continue to arise that will challenge the business community in a variety of ways. Just as we have since 1920, AIF will continue to fight for those who build businesses, employ our citizens, and generate a strong economic engine for this great state.

The *2025 Session Priorities* are a collaborative effort of the AIF staff, our member-driven policy councils, and AIF members. These priorities are reviewed and approved by our Board of Directors. This publication is designed to provide detailed information on AIF’s priorities and to summarize the guiding principles that shape our legislative positions. AIF’s advocacy team will work diligently to support these positions in collaboration with AIF staff and the AIF Board of Directors. While this publication is a lengthy one, we hope you will take some time to read through it as these priorities represent major issues for Florida employers.

We are proud of our long history of legislative success on behalf of Florida’s businesses, and we look forward to the privilege of standing up for them once again in 2025. The *2025 Session Priorities* will be made available to all 160 members of the Florida Legislature, as well as the Florida Cabinet, State Agency Department heads, and AIF members.



A handwritten signature in black ink, which appears to read 'Brewster B. Bevis'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Brewster B. Bevis  
President & Chief Executive Officer

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## Building a Strong Foundation for the Future of Florida Business



The Foundation of Associated Industries of Florida (FAIF) was formed to address the education and development needs of Florida's business community. FAIF fosters programs that identify business needs today and create solutions that will last into the future.

FAIF focuses on current issues that are important to the success of Florida employers, and works to educate the public at large about these issues to make Florida a better place for its businesses and citizens to call home.

**Visit [FAIF.org](http://FAIF.org) for more information.**

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# Energy

## Energy Efficiency and Conservation

**AIF SUPPORTS** affordable and reliable energy with an “all-of-the-above” approach and efforts by the legislature to promote energy efficiency and conservation through cost-effective incentives. Additionally, **AIF OPPOSES** any legislation that expands incentives for individuals that result in long-term higher energy prices for all other customers.

## Onshore Exploration and Production

Onshore exploration and production in Florida are valuable contributors to Florida’s economy and tax base. **AIF SUPPORTS** maintaining appropriate permitting laws to protect the environment, enhancing efficiency between industry and the state, and ensuring appropriate standards are clearly communicated.

**AIF SUPPORTS** the regulatory, permitting, and zoning authority associated with the exploration and production of oil and natural gas being maintained solely by the state.

**AIF OPPOSES** bills or regulations that prohibit well stimulation techniques and hydraulic fracturing, limit technological advances, and infringe on private property rights.

## Expansion and Protection of All Energy Infrastructure

**AIF SUPPORTS** the building of future pipelines that provide safe, cost-effective energy infrastructure across the country. Further, **AIF SUPPORTS** any legislation that facilitates environmentally responsible construction of natural gas, liquid fuel, hydrogen and carbon pipelines to enhance energy reliability and affordability for Floridians. AIF also recognizes the importance of delivering energy products to the state during hurricane season through the supply channel pipelines.

The U.S. has been a net exporter of oil and natural gas because of the tremendous success of hydraulic fracturing. Liquid Natural Gas (LNG) production and exports offer new opportunities for ports and shippers. **AIF SUPPORTS** development of infrastructure for small and large-scale LNG and hydrogen ventures.

**AIF SUPPORTS** legislation that enhances state prosecution for attempts to “damage or shut down” critical infrastructure, such as pipelines, that can deprive communities of services, put lives at risk, cost taxpayers millions of dollars, and threaten the environment. Sunshine 811 was developed to identify underground infrastructure before digging. However, poor construction practices still lead to damaged infrastructure that causes unnecessary service interruptions, safety issues, and increasing repair costs. **AIF SUPPORTS** concepts that enhance the 811 program and penalties. **AIF SUPPORTS** protecting critical infrastructure workers from attacks and threats that could disrupt Florida’s infrastructure.



AIF President & CEO Brewster Bevis welcomes attendees to the 2024 Florida Water Forum in Orlando.

## Opposition to Proposed Expansion of U.S. EPA Air Regulations

Florida Department of Environmental Protection (FDEP) data indicates Florida’s ambient air quality has improved dramatically over the past twenty-five years. Ozone and fine particulate matter, two of the major air quality indexes monitored by the FDEP and the U.S. Environmental Protection Agency (EPA), have been comfortably within limits of the already tight standards. The downward trends of these two indices are expected to continue as companies adopt new technologies that enhance efficiency while reducing emissions.

**AIF OPPOSES** further reductions by the U.S. EPA in the National Ambient Air Quality Standards ozone levels and further reductions in methane emissions. These proposals will add unnecessary costs to the industry while offering nominal health benefits.

## Expansion of Natural Gas and Other Alternate Fueling for Transportation

Hydraulic fracturing has provided ample domestic supplies of natural gas and an alternative to diesel and gasoline for fleet transportation fuel. **AIF SUPPORTS** funding that has been successful in converting fleets to natural gas while ensuring the Transportation Trust Fund remains funded at adequate levels for road construction and maintenance. Emphasis should be placed on fully supporting policies that lead to the continued success of natural gas as an alternative fuel—an alternative that does not require mandates for success. **AIF SUPPORTS** the continued market development



Senator Tracie Davis (D-Jacksonville) and Representatives Chase Tramont (R-Port Orange), Yvonne Hayes Hinson (D-Gainesville) and Wyman Duggan (R-Jacksonville) at the 2024 Candidate Interviews Reception in Jacksonville.

expansion of natural gas fleets including space travel, rail, and maritime uses, as well as the continued expansion of infrastructure for electric vehicles, both for public and private use.

### Offshore Exploration and Production of Oil and Natural Gas

**AIF SUPPORTS** seismic testing in the Atlantic Ocean and Eastern Gulf of America to ascertain the volume and location of future sources of oil and natural gas. **AIF SUPPORTS** the passage of legislation that establishes a process by which the State of Florida can begin considering proposals for safe, offshore drilling in federal waters. Florida's economic recovery is heavily dependent on reasonably priced and reliable sources of petroleum. Florida typically consumes more than 30 million gallons of gasoline and diesel each day for transportation and generates more than half of its electricity from clean-burning natural gas. Allowing safe and environmentally sensitive access to these resources in federal waters while ensuring that our oceanic military ranges and areas remain intact, is in our best interest as a means of improving national security, energy security, diversifying supply and enhancing economic development. Additionally, it can also serve as an important and much needed method for generating new revenues and jobs for Florida.

### Renewable Energy

**AIF SUPPORTS** energy policies that allow for the research, development, and distribution of alternative energy fuels without mandates by the government as these lead to market distortion, uncertainty, and upward price pressures. Domestically produced alternative fuels are key elements to America's future energy

security. However, state and federal mandates, such as the federal 2007 Energy Independence and Security Act (EISA), have distorted transportation fuel markets and annually introduces fuel uncertainty. **AIF SUPPORTS** investment in university research and development into promising renewable and clean energy technologies. Also, **AIF SUPPORTS** memorials repealing alternative fuel mandates, such as EISA.

**AIF SUPPORTS** legislation that will enable interested utilities to develop renewable energy resources using the technology (solar, wind, biomass, battery, renewable natural gas, etc.) and scale (large, medium, small) that makes the most sense for those utilities and their customers. This would allow both the utilities and other suppliers in the renewable sector to make market-based decisions to deploy renewable and distributed energy resources, including small modular nuclear reactors and solar infrastructure, to meet customer needs in a cost-effective manner.

**AIF SUPPORTS** legislation that provides an economically and technically feasible framework which encourages development and investment in renewable natural gas, hydrogen and other energy technologies. The development of renewable natural gas provides independence and security for Floridians while also providing a mechanism to utilize waste streams and provide alternative revenue streams for agricultural and other business entities.

### Automobile Industry Technology and Fuel Efficiency Incentives

**AIF SUPPORTS** neutrality as the powerful free-market solution to achieving the State's important goals of reduced carbon emissions, energy independence and overall environmental sustainability. These goals should allow the private sector the freedom



AIF Chairman Gordon Bailey (Florida Blue) speaks to AIF members attending the Summer Policy & Political Retreat.

to innovate without assigning unnecessary and unsustainable economic burdens on either manufacturer or consumer.

AIF believes the most productive partnership between the government and the private sector is when government recommends desired performance outcomes and industries compete to find the best technologies to achieve those outcomes. Sound environmental policy should be inclusive of a diverse blend of electrification technologies strategies, including hybrids, and should prioritize consumer adoption and market acceptance. Additionally, monetary incentives by the government should not be used to alter consumer decisions or manufacturer investments, nor should it use its considerable powers to push one technology ahead of other viable and proven technologies. Technology-neutral policies will avoid picking winners and losers, prioritize public safety, and demonstrate consumer adoption/market acceptance, which will better reflect consumer driving habits and individual needs.

### Energy Resiliency

**AIF SUPPORTS** efforts by the Florida legislature and state agencies to create a more resilient environment for the energy industry. **AIF SUPPORTS** increasing this resiliency by enhancing the security of energy infrastructure through increasing penalties on those who intentionally attack energy infrastructure of any kind.

**AIF SUPPORTS** efforts to harden energy infrastructure and incentives to speed up this process. Cyber-attacks are a large threat to the energy industry as a whole and cybersecurity must be prioritized to help increase energy resiliency, but it should be prioritized without implementing burdensome regulations. All regulation of the energy industry comes at a cost, not only to the stakeholders involved, but the consumers as well.

**AIF SUPPORTS** creating a resilient energy future by means of alternative energy sources and technological advancements. The creation of additional storage facilities for these alternative sources,

including but not limited to liquefied natural gas, is essential to their growth as an energy source. Energy resiliency is key to the future of Florida and **AIF SUPPORTS** helping increase that resiliency through these measures to ensure the success of Florida’s business community for generations to come.

**AIF OPPOSES** efforts by local governments and political subdivisions of the state to restrict construction or access to energy infrastructure in properly zoned areas. **AIF SUPPORTS** construction policies and codes which allow for diverse uses of energy without discrimination that allow Floridians to create a resilient building and energy portfolio.

### Carbon Capture, Utilization, and Storage (CCUS)

Carbon capture is the technology of capturing carbon dioxide and permanently storing it underground. The technology enables the reduction of greenhouse gases in the environment and compliance with international laws (including various maritime policies) while extending the resilience in Florida’s energy portfolio.

**AIF SUPPORTS** state and local policies implementing CCUS that is consistent with other Gulf Coast states (Alabama, Mississippi, Louisiana, and Texas) and leverages Florida’s unique businesses, transportation infrastructure and geology. **AIF OPPOSES** efforts by local governments to restrict construction or access to CCUS infrastructure in properly zoned areas.

## Environmental Sustainability & Agriculture

Recognizing the economic impact of Florida’s agricultural industry and the undeniable connection between environmental and agricultural laws to many of Florida’s key industries, AIF formed its Environmental Sustainability and Agricultural Council. We must be good stewards of our land and water resources, and AIF and its members will lead the way in protecting those resources.

### Agriculture Best Management Practices

**AIF SUPPORTS** legislation which protects an agricultural producer’s enrollment in the Best Management Practices (BMPs) program while providing the ability to specifically tailor nutrient rates based upon variables such as crop variety, site-specific conditions, meteorological events, or pest and disease pressures.

**AIF SUPPORTS** fully funding the appropriation request from the Office of Agricultural Water Policy (OAWP) within the Florida Department of Agriculture and Consumer Services. This appropriation request will enable the OAWP to assist producers more efficiently with enrollment in appropriate BMPs and to fully implement the provisions of the Clean Waterways Act. We believe the OAWP’s role in the development and implementation of Agricultural BMPs and the continuation of cost-share programs is critical to assisting landowners with the adoption of new technologies and cost-prohibitive practices.



Representative David Silvers (D-West Palm Beach), Brian Musselwhite (Comcast) and AIF Advocacy Team member Charles Dudley (Floridian Partners) attend the AIF Taxation Council meeting at the 2024 Summer Policy & Political Retreat.

### Citrus Research Funding

**AIF SUPPORTS** robust funding for applied research which will allow growers to implement the suite of horticultural, mechanical and management strategies designed to mitigate citrus greening. The applied research approach is the next critical step in the long battle against the devastating impacts from citrus greening.

### Land Management and Acquisition

Florida continues a strong commitment to the preservation of natural lands through fee and less-than-fee land acquisitions and easement programs. Additionally, the state has long embraced the need for aggressive management of both state-owned and private lands to protect the public, businesses, and the natural environment. One key tool in the management of both private and public lands is the use of prescribed and controlled fires to mitigate wildfire risks, control invasive species, and promote economic and environmental sustainability. **AIF SUPPORTS** the state's continued investment and support of land management tools including burning on public and private lands to protect businesses, residents, visitors and our natural systems.

**AIF SUPPORTS** the Florida Department of Agriculture and Consumer Services' budgetary request for the Rural and Family Lands Protection Program which establishes a less-than-fee acquisition of the property's development rights while the land remains on the local tax roll, is managed by the private landowner, and allows agricultural production activities to continue.

### Fresh From Florida

**AIF SUPPORTS** fully funding the Fresh From Florida marketing program within the Florida Department of Agriculture and Consumer Services. Fresh From Florida continues to open new markets for Florida's agricultural businesses with a consistent and reliable brand which consumers recognize and trust.

### Springs Recovery

**AIF SUPPORTS** funding sound science-based programs and projects to improve the water quality and water quantity of Florida's major first-magnitude springs. Florida has an outstanding water quality toolbox with the Total Maximum Daily Load (TMDL) program and the requirements for Minimum Flows and Levels (MFLs).

**AIF SUPPORTS** Governor DeSantis' funding proposal for Springs Recovery efforts. AIF endorses efforts by farmers to use "Best Management Practices" as developed by the Department of Agriculture and Consumer Services as a means of reducing any environmental impacts of their operations.

### Per- and Polyfluoroalkyl Substances (PFAS)

PFAS are a complex family of chemistry which are critical in many of the products we use to power our lives. Not surprisingly, PFAS are not all created equal, and each chemistry has its own unique structure and use. Recently, legacy PFAS have shown up in locations such as airports, military bases and fire training centers, most likely due to PFAS use in many commonly used fire suppression foams. To this end, both the U.S. EPA and the state Department of Environmental Protection have contemplated new regulations and water quality standards which would include criteria for PFAS. Given the unique nature of PFAS, there is still much debate on the impacts of individual PFAS chemistry as well as the entire family compounds.

**AIF SUPPORTS** a measured and scientifically defensible approach to the creation and adoption of any PFAS standards. Further, any standards must take into consideration the technical and economic feasibility as well as the attainability of any proposed metrics or numeric criteria for PFAS.

## Water Supply and Shortage

**AIF SUPPORTS** efforts to dedicate funding to meet Florida's water supply needs through the utilization of public/private partnerships, and to dedicate state funding or other innovative approaches that can solve the problem without creating new taxes on Florida businesses, residents and visitors. **AIF SUPPORTS** policies which recognize the challenges associated with existing stormwater and other water storage projects to function and operate during natural disasters and provide practical solutions and alternatives to landowners when an emergency is declared. **AIF OPPOSES** efforts to create or impose a severance tax, usage tax, or fee on specific legally permitted water uses in the state. Florida's consumptive use process requires the proposed use to be reasonable and beneficial, be in the public interest, and to not compete with other existing legal users. These criteria underpin and support the longstanding legal doctrine of water being a resource of the state. Creating arbitrary fees or taxes undermines the "3-pronged test" and would open the door for disproportionate and unfair taxes or fees based on the type of proposed water use.

## Lake Okeechobee and Everglades Restoration

**AIF SUPPORTS** and encourages the Army Corp of Engineers to optimize their proposed Lake Okeechobee System Operating Manual (LOSOM) to meet the needs of current legal existing users of water, while recognizing the flexibility necessary to account for future reasonable and beneficial water use applications. **AIF OPPOSES** any efforts to diminish or eliminate the state's sovereign legal authority to allocate water to meet the myriad of reasonable beneficial uses, including the environment, as prescribed under state law.



**AIF SUPPORTS** Governor DeSantis' commitment to Everglades Restoration and to stopping harmful discharges from Lake Okeechobee to the east and west coasts of Florida. In addition, **AIF SUPPORTS** the identification and funding for scientific research exploring causes and contributors to red tide and blue-green algae.

**AIF SUPPORTS** the following project and programmatic objectives below to achieve the restoration goals:

- Continued focus of resources north of Lake Okeechobee to capture, store and treat water before it enters the lake thus alleviating much of the excess nutrient loading.
- The completion of the Everglades Agricultural Area (EAA) reservoir as well as Comprehensive Everglades Restoration Plan (CERP) projects like the C-43 and C-44 reservoir projects to address local basin runoff.
- The implementation of the Aquifer Storage and Recovery Wells component of the CERP Lake Okeechobee Watershed Restoration Project which will alleviate up to 80% of the wet-weather discharges from Lake Okeechobee when combined with the currently authorized projects.
- Support continued implementation of the recommendations contained in the 2015 UF Water Institute study to find solutions which reduce harmful discharges including capture and storage north of Lake Okeechobee, underground storage options and completing the Lake Okeechobee Watershed Planning Project.

## Septic System Pollution Remediation

**AIF SUPPORTS** continued investment by the legislature to the Florida Department of Environmental Protection to administer a grant program enabling the transition of septic tanks to waste water treatment systems. Further, **AIF SUPPORTS** the allocations of resources specifically within areas discharging into Lake Okeechobee, the Indian River Lagoon, the St. Lucie or Caloosahatchee watersheds, or the Florida first and second order magnitude spring sheds.

## Alternative Water Supply and Reclaimed Water Legislation

**AIF SUPPORTS** legislation and funding which grows Florida's "water pie" including support for alternative water supply (AWS) projects, increased conservation, and water from reuse and recycled sources. **AIF SUPPORTS** policies which provide greater incentives to invest in these AWS projects including, but not limited to, long "during use" permits—up to 50-years—which provide predictability and certainty for the capital investments; legislation which increases Florida's water supply by encouraging and providing incentives for greater utilization of reclaimed water; direct and indirect potable technology; as well as other alternative water sup-

Florida Commissioner of Agriculture Wilton Simpson speaks to the 2024 Fall Political & Policy Retreat attendees.





AIF leadership meets with U.S. Senator Rick Scott in Washington, DC.

plies. Where appropriate, **AIF also SUPPORTS** efforts to allow the owners of surface water storage projects providing water resource benefits to be eligible for a consumptive use permit for 50 years.

### Fertilizer/Pesticides

**AIF SUPPORTS** legislation addressing the patchwork of inconsistent, unscientific, and arbitrary county and municipal ordinances related to fertilization of urban turf, lawns, and landscapes. AIF will continue to lead efforts to ensure sound science is the foundation of fertilizer use policies to protect Florida's environment and provide predictable guidelines for residential users and businesses without having to navigate through arbitrary and emotionally driven local government ordinances. **AIF SUPPORTS** preserving the Florida Department of Agriculture and Consumer Services' exclusive authority to implement Florida Pesticide and Worker Safety Laws, including licensing, testing, and inspection activities designed to protect workers, the public, and our natural system.

**AIF OPPOSES** legislation which authorizes local jurisdictions to implement rules which require arbitrary pesticide, fertilizer formulations or application black-out periods. **AIF SUPPORTS** the continued use of science-based, economically and technically feasible methods, including herbicide applications, for the management and control of aquatic weeds.

### Recycling

**AIF SUPPORTS** legislation to create and encourage increased access to efficient and financially sustainable recycling and collection systems including the infrastructure to process for any recyclable material used for consumer goods,

including plastic, aluminum, cardboard, paper, and glass.

**AIF OPPOSES** legislation that would impose bans or restrictions on materials defined as "recyclable" per Florida Statute 403.706.

### Endangered Species

As development pressure increases in Florida, habitat for the state's wildlife species shrinks. This is especially critical for endangered species as identified by U.S. Fish and Wildlife Service and the Florida Fish and Wildlife Conservation Commission. Protection and conservation of listed species is important, yet the process for listing and delisting must be clear, predictable, and technically and economically feasible so as not to create regulatory chaos for the private sector to navigate. AIF appreciates the working relationships the regulatory agencies have fostered with the private sector historically, and **AIF SUPPORTS** the continued strengthening of the public-private partnerships in order to protect and conserve species.

### Agricultural Housing

Labor supply and availability is a struggle for all Florida businesses and especially within Florida's agricultural sector. In the absence of available and dependable domestic workers, agriculture businesses will utilize the legal process of bringing guest workers into the country. To secure guest workers, the agricultural employer must provide housing to accommodate workers, yet there are growing instances where local jurisdictions deny or delay construction of legal agricultural worker housing. **AIF SUPPORTS** legislation which creates a reasonable and predictable framework for agricultural employers to provide housing for legal guest workers.



Representative Jennifer Canady (R-Lakeland) speaks to the Transportation & Maritime Council members at the AIF Summer Policy & Political Retreat.

**AIF SUPPORTS** legislation that protects Florida’s critical agricultural, energy and supply chain security from unnecessary over regulation and radical anti-business agendas.

### Hurricane Resiliency

In recent years, Florida has experienced a significant number of severe weather events which have strained infrastructure, power grids and created significant personal and business interruptions. Providing common sense and reasonable assistance to businesses and residents alike to harden infrastructure should help ameliorate some of the damage caused by severe weather and allow for a return to normal more quickly. **AIF SUPPORTS** the investments the legislature has made in both resiliency and agricultural disaster relief. Furthermore, **AIF SUPPORTS** a continued commitment to “storm hardening” Florida, from roads, bridges and beach renourishment to helping Florida businesses bridge the gap between storm impact and normal business operations.

### Food Banks/Food for Medicine

Florida is known as the nation’s “winter salad bowl.” With more than 400 different crops grown in the Sunshine State, our farm products can be on the menu every day. Nevertheless, there are still “food desert” areas in Florida where an alarming number of Floridians do not have access to fresh fruits, vegetables and proteins. **AIF SUPPORTS** legislation and funding to assist food banks in the purchase of Florida grown fruits, vegetables and proteins to bridge the divide between the food we grow and Floridians who simply don’t have access.

Additionally, as health care costs continue to increase in this country and state, one potential area which provides opportunities for quicker patient recovery and overall health improvement is access to fresh fruits and vegetables as part of the diet. **AIF SUPPORTS** legislation which creates a nexus between farm products and hospitals as part of a food for medicine or “food pharmacy” pilot program.

## Insurance & Financial Services

For years, Florida has been identified as an outlier on civil justice. Florida remains an outlier now, but for an entirely different reason. During the 2023 Legislative Session, Florida passed the most transformational and comprehensive tort reform package in a generation. Such action was on the heels of significant property insurance reforms that passed the previous December. Both of these reform packages went into effect at the end of 2024. They have unleashed significant economic opportunities for businesses and consumers alike, who have struggled mightily with the increasing cost of insurance as a result of excessive litigation, nuclear verdicts, and other civil justice imbalances.

### Wetland Mitigation

Under the current regulatory practices through the Florida Department of Environmental Protection (FDEP) there are instances where the agency duplicates the protection of mitigation projects from future disturbance under existing rules by imposing a requirement for permanent conservation easements on the mitigation areas. By requiring the easements, the department exacerbates the challenges of managing scattered, fragmented conservation lands unduly burdens the owner of the mitigation project land, and reduces the taxable value of the mitigation project land. These requirements are particularly problematic where there are leases or other land title issues tied to a parcel of land. In addition, these requirements, which are unrelated to the actual mitigation activities, also seem to disregard any financial responsibilities demonstrated through the permitting process nor do they factor in the value of the underlying mitigation project.

**AIF SUPPORTS** legislation which clarifies the requirements for mitigation by preserving the ability of permittees to mitigate activities through the construction and implementation of appropriate mitigation projects, recognizes the demonstrated financial responsibility of the permittee, does not discount the value of a mitigation project and prevents the direct or indirect imposition of a conservation easement on mitigation projects.

### Supply Chain Security

Global events over the past several years have highlighted vulnerabilities in the global supply chain impacting both the U.S. and Florida economies. Most notably, the supply chain crisis has demonstrated an over-dependency of internationally sourced goods. To the maximum extent practical, Florida needs to be economically self-secure.

From fair settlement to transparency in damages, one-way fee reform to premises liability fairness, and construction defect clarity to statute of limitations sensibility, Florida has made historic strides. AIF's advocacy will focus on protecting these accomplishments, to ensure that productivity and innovation generated by the economic engines of our state no longer just transfers to the bank accounts of the trial bar. AIF will always support a fair and balanced civil justice system, and a stable and responsive insurance marketplace.

## Civil Justice

### Litigation Financing

While Florida has made great strides in removing trial lawyer largesse from the civil justice system, unscrupulous investing practices persist. While loans and financial products to support litigation costs are routine, the practice of taking a contingent interest in the outcome of litigation is not. Increasingly, non-plaintiffs are taking ownership interests in a lawsuit, whether it is to view discovery of sensitive or protected information, or merely to return a profit. The erosion of anti-champerty provisions, which paved the way for this practice, has made a mockery of the restorative benefits of the civil justice system. However, should this practice continue, at a minimum, the parties should be required to disclose these arrangements to triers of fact.

### Medical Malpractice

Plaintiff lawyers have also continued to push the limits of reason in areas like medical malpractice. In 2003, common sense caps on noneconomic damages were placed on medical malpractice awards. By leaving economic damages untouched, injured patients could still fully recover their cost of care, lost wages, and the like. Unfortunately, the former Florida Supreme Court threw out this commonsense solution, throwing medical malpractice insurance rates back into a steady climb. Doctors and hospitals are some of Florida's most critical first responders. Florida should re-institute common sense for their share of liability in the event of mistakes or unavoidable risks. This would bring the cost of medical malpractice insurance down, thereby increasing the take-up rate for providers, which would better protect injured patients.

### Cybersecurity Liability

Enterprising trial lawyers are constantly looking for ways to create or expand liability for everyday occurrences. Data breach attempts, once seldomly heard of, have become daily occurrences for large businesses, many of which do everything in their power to prevent them. Yet, offshore criminals and adversarial governments evolve faster and quicker than the means to protect data, in an effort to steal and monetize it for their gain. Similarly, businesses that invest in safety and security to prevent accidents and optimize safety are regularly targeted for unfortunate, yet unpreventable, occurrences. Florida needs to rein in these pugilistic attempts by trial lawyers to siphon money away from our economic engines and into their billboard empires.



Senator Tom Leek (R-Ormond Beach) speaks to the 2024 Fall Political & Policy Retreat attendees in Orlando.

### Cause of Action

In recent years, legislation has been filed that intended to address "bad actors" across Florida's business landscape. However, AIF believes these proposals can enable and expand frivolous lawsuits against Florida businesses who are operating in good faith. These proposals raise costs on these critical Florida businesses through increased litigation expenses. **AIF OPPOSES** proposals that encourage more litigation and enrich trial lawyers at the expense of Florida businesses.

### Longterm Care

The long-term care industry has continuously been unable to access civil justice safeguards that already exist for nursing homes. Given Florida's senior population, **AIF SUPPORTS** extending tools such as nonbinding arbitration, expert witness fairness, and evidentiary guidelines to this industry to prevent predatory lawsuits from sapping resources away from vulnerable populations.

### Auto Insurance /Personal Injury Protection

Florida automobile insurance policies currently carry \$10,000 of no-fault personal injury protection (PIP). Removing PIP in favor of mandatory bodily injury coverage at higher limits will likely result in auto premium increases for Floridians who can least afford it: drivers currently carrying policy minimum coverage. It will also move these injuries away from no-fault coverage to the tort system, which, while improved, does not provide a speed of reimbursement comparable to PIP.

While many other states have moved away from a no-fault system, data shows that with its passage in 2023, HB 837 provided



Florida CFO Jimmy Patronis addresses AIF members at the 2024 Fall Political & Policy Retreat in Orlando.

immense benefits to Florida, likely producing near-term consumer savings for the first time in years. More data on those improvements should be collected and analyzed before considering a repeal of PIP.

**AIF OPPOSES** PIP repeal until sufficient data is collected to show that the proposed replacement system will enhance competitiveness, ensure access to medical care, and promote consumer affordability.

### The Florida Hurricane Catastrophe Fund

The Florida Catastrophe Fund (CAT Fund) is a state-run program that provides reinsurance coverage. Over the last decade, its capable management has allowed Florida to benefit from this reinsurance backup without the need to resort to assessments on private insurance policies.

The Florida market is stabilizing after the historic 2022 reforms, allowing the reinsurance market to better predict, price, and manage investments in Florida's market. Continued operation of the CAT Fund within its originally designed parameters helps foster stability, whilst allowing global reinsurance parameters the competitive runway to offer needed protection to Florida's property insurance market. **AIF SUPPORTS** the continued responsible management of the CAT Fund, without resorting to new coverages or layers that interrupt and impede private market forces.

### Citizens Property Insurance Corporation

Much like the CAT Fund, Citizens Property Insurance Corporation's leadership has led to a dramatic, but positive realignment of

risk from the state to the private market. Citizens has, to the extent possible, attempted to return to its original goal of being an "insurer of last resort." The rate cap, in conjunction with unfortunate market developments such as the proliferation of litigation and the deterioration of the private market, took Citizens on an unsustainable trajectory relative to its significant policy count growth. In December 2022, the legislature enacted reforms to ameliorate some of Citizens' rate needs, which will inevitably minimize the potential of assessments. **AIF SUPPORTS** the legislature's work to return Citizens to a true residual market entity and fix the litigation problems that created its quick expansion, and its leadership should be commended for their continued and significant efforts to improve the market and reduce premium payers unanticipated liabilities.

### Health Insurance

**AIF CONTINUES TO SUPPORT** making health care affordable for employers and employees. Employers and health insurers alike need to understand the cost of care, as well as have the runway to design and utilize tools that maximize efficiency and competition.

**AIF CONTINUES TO OPPOSE** legislative proposals that increase costs to employers.

### Life Insurance

Life insurance is a product purchased to protect family members and loved ones upon passing. Akin to every other type of insurance, risk is a factor in how premiums are calculated for life insurance. Therefore, medical documentation is routinely reviewed before a life insurance policy is bound to ensure the appropriateness of the premium. Recently, with the advent of genetic testing, some are advocating that such information not be included as part of a medical review. This creates a tremendous cost shift in the marketplace and allows for adverse selection, which has the very real potential of creating significant rate distortions for premium payers. AIF believes that all insurers, due to their inherent business goal of covering risk, must be allowed to fully evaluate that risk before they then decide to risk its capital, which is supported by all other premium payers. Not doing so ignores the practical reality of insurance and creates market aberrations. **AIF SUPPORTS** a strong and competitive life insurance market.

### Workers' Compensation

Although Florida's workers' compensation marketplace was dealt several curveballs from the Florida Supreme Court, which pose a great risk to the litigiousness of the system, rates have not yet borne out the full brunt of the associated costs. Positive loss experience has led to several rate decreases in the most recent National Council on Compensation Insurance (NCCI) annual filings. However, the industry is bracing for the eventual impact of unchecked attorney's fees, which are likely to erode the moderating effects of

the rate decreases. AIF and its Workers' Compensation Coalition are actively monitoring the trends in this system to ensure that action is taken, as appropriate, for the benefit of employers and employees.

### Director and Officer (D&O) Insurance

Professionals, business owners, and other risk takers that participate meaningfully in our economy often have to purchase insurance to cover their own liability, including Director and Officer (D&O) Insurance. **AIF SUPPORTS** a robust and competitive market for this insurance so that leaders can feel secure in making decisions, taking new opportunities, and fostering good governance. Unfortunately, where there is insurance, there are trial lawyers seeking to exploit a system for their own enrichment. It is crucial that the legislature reject the expansion of causes of action or liability that would result in punitive litigation against the very people who contribute meaningfully to Florida's economy.

### Flexible Flood Insurance

In January 2024, Citizens phased in mandatory flood insurance requirements for its 1.3M+ policyholders, regardless of whether the dwellings are located within a special flood hazard area (SFHA) defined by the Federal Emergency Management Agency (FEMA). For policyholders with dwellings located outside SFHAs, this can be a significant living expense increase resulting in \$1B+ in new aggregate insurance premiums, with no statutory exception.

In general, federal law requires homes with federally based mortgages located within a SFHA to secure flood insurance that meets the coverage standards of a standard flood insurance policy



National Pollster Jim McLaughlin gives an update to AIF members at the 2024 Summer Policy & Political Retreat in Orlando.

(SFIP) under the National Flood Insurance Program (NFIP). Conversely, for mortgaged homes located outside a SFHA, flood insurance coverage is not required by the lender and is at the discretion of the homeowner.

Currently, the Florida Insurance Code authorizes insurers to write four types of primary flood insurance: three that meet or exceed SFIP coverage standards and one—"flexible flood"—that allows for excluding certain coverages that can result in lower premiums.

However, Citizens statutes do not afford the affected policyholder the same discretion afforded by the lender or allow the affected policyholder to satisfying Citizens' flood insurance requirements by securing a lower cost "flexible flood" policy, as authorized by the Florida Insurance Code.

**AIF SUPPORTS** mirroring federal discretion with respect to flood insurance requirements for mortgaged homes located outside SFHAs.

**AIF SUPPORTS** amending the Citizens statutes at s. 627.351(6) (aa), F.S., to allow a policyholder whose dwelling is located outside a SFHA to satisfy Citizens' flood insurance requirement by securing a "flexible flood" policy.

### Insurer Investments

Positive cash flows from property insurers' investment portfolios play a critical role in preventing insolvencies by offsetting underwriting losses. For an insurer with a combined ratio above 100%, the performance of its investment portfolio may be the only revenue source preventing its insolvency. In 2022, the total Florida property insurance market had a net combined ratio of 136.1%. However, Florida did not adopt the National Association of Insurance Commissioners' (NAIC) 2017 amendments to its Investments of Insurers Model Act 280—adopted by 9 other states—which would raise levels on diversification caps, keep pace with modern investment practices, and place domestic insurers on equal footing with national carriers who are expressly exempt from Florida's investment statutes. Currently, the Office of Insurance Regulation (OIR) enforces a set of insurer investment statutes that have been unchanged since 1991, resulting in suboptimized portfolio performance, comparatively lower investment returns, and forced divestment.

**AIF SUPPORTS** fostering a level investment environment for Florida's insurance market participants.

**AIF SUPPORTS** updates to s. 625.305, F.S. – Diversification – and s. 625.326, F.S. – Foreign Investment – by incorporating sections 23, 24, and 30 of the NAIC's Investments of Insurers Model Act 280.

### Earned Wage Access

Millions of hourly employees in Florida's workforce currently face the ongoing struggle of not being able to easily access wages that they have already earned through their employer or payroll service. Earned wage access (EWA) is a financial technology that allows an employee the option to access wages they have already earned at their discretion. This technology does not offer loans,

and it is its own financial product. There are several companies who provide this technology in the state of Florida, partnering with employers to offer this service to employees. This service provides an opportunity for employers to aid in employee retention by allowing them access to wages before payday.

Currently, EWA is not regulated in Florida, which creates opportunities for bad actors to take advantage of the market or for other regulatory bodies to over-regulate the market, preventing employees from having access to these helpful services. **AIF SUPPORTS** legislation that provides common sense regulatory boundaries for EWA products that allow for industry competition while preventing scams by bad actors.

## Health Care

Access to quality affordable health care is vital to Florida employers and the state's economy as a whole. To ensure a thriving Florida, AIF will focus its efforts on proposals that seek to increase the accessibility and affordability of quality health care for Florida residents. Further, AIF will continue to encourage the legislature to leverage available federal funding that will deliver health care to more Floridians in a manner that best safeguards Florida's citizens and protects the state's financial health. The following topics represent the types of inventive solutions for which AIF will advocate during the 2025 Legislative Session.

### Health Care Workforce

Florida is now the third most populous state in the nation. Our residents reflect diversity in age, income, talent and most importantly, needs. Almost 1/4 of the state's physicians are aged 60 or older and will retire or cut back their practice within the next 10 years. These statistics illustrate the importance of increasing our health care workforce.

**AIF SUPPORTS** increasing the number of graduate medical education slots available in Florida and urges consideration of other available workforce resources that are currently underutilized.

**AIF SUPPORTS** removing regulatory scope-of-practice obstacles for qualified health care professionals to ensure greater access to quality care for more Floridians at more affordable costs. Further, AIF will urge the legislature to encourage institutions of higher education to include technological advances in degree curriculum and recognize that private institutions of higher education contribute in a significant manner to those health care professionals who serve our residents.

**AIF SUPPORTS** flexibility in funding for instructional materials and tighter alignment with virtual and blended learning models.

**AIF SUPPORTS** creating a digital learning initiative that provides a technology plan that encourages new bandwidth infrastructure and technology equipment investments to enable and empower all Florida students with access to quality, digital learning opportunities.



AIF President & CEO Brewster Bevis and AIF VP of Governmental Affairs Adam Basford present Senator Joe Gruters (R-Sarasota) his award for voting 100% with AIF during the 2024 Legislative Session.

### Behavioral Health

Access to behavioral health care is critical for attracting new businesses to Florida, as well as for public safety. A robust behavioral health workforce is key. In an effort to ensure Florida has the behavioral health workforce necessary to meet the state's needs, **AIF SUPPORTS** increasing the mental health workforce to ensure Floridians get the right care they need, when they need it.

**AIF SUPPORTS** interjurisdictional licensure compacts for behavioral health care practitioners. Additionally, Floridians in need of behavioral health care services deserve to be treated in the most appropriate settings. Additionally, **AIF SUPPORTS** increasing access to community state hospital beds.

### Health Insurance

Health insurers play a critical role in ensuring the affordability of health insurance for Floridians.

**AIF SUPPORTS** making health care affordable for employers and employees. **AIF SUPPORTS** efforts to mitigate cost and make health insurance more affordable.

**AIF OPPOSES** policies that would increase the cost of health care for employers and employees.

**AIF SUPPORTS** investigating methods to decrease the number of uninsured. The uninsured result in uncompensated care that gets shifted back to employers and employees—a tax on those that pay for and have insurance to pay for those that are uninsured. Eliminating the uninsured is good for business.

### Medical Malpractice

The cost of medical malpractice insurance has increased exponentially in recent years and is having a chilling effect on physician and provider recruitment and retention in Florida. **AIF SUPPORTS**

instituting caps for economic and non-economic damages in medical malpractice lawsuits.

### **Institutional Provider Reimbursement Rates**

Health care providers in Florida are constantly challenged to maintain high quality and efficient operations, particularly when public sector payors are a significant portion of a facility's case mix.

**AIF SUPPORTS** preserving Medicaid reimbursement rates for Florida health care providers. **AIF SUPPORTS** increased access for Medicaid funding.

## **Information Technology**

### **Cybersecurity**

**AIF SUPPORTS** prioritizing significant state funding to fortify the State and local governments' cybersecurity framework in order to mitigate potential events that may adversely impact constituents and the governments' ability to perform its duties.

**AIF SUPPORTS** increased liability protection for businesses that implement industry recognized cybersecurity frameworks or standards designed to protect against unpreventable attacks. Businesses that take all reasonable measures to protect data and are still attacked should not be sued and held liable. **AIF SUPPORTS** the establishment of reasonable standards and associated liability protections for companies that meet those standards.

### **State Procurement**

**AIF SUPPORTS** reforms to the state procurement of information technology, with an emphasis on expediting the deployment of contemporary technologies to address state-specific challenges effectively. Too often, state term contracts that are in place for five years or longer prevent new technologies or companies from doing business with the state, regardless of whether they have the best product or services. In order to best serve the interests of the state, AIF believes reforms should be implemented to create a path for companies to be added or dropped from state term contracts during the time period they are in place.

**AIF SUPPORTS** increased transparency in state procurement, including but not limited to:

- Requiring state agencies to publish all procurements, regardless of contract vehicle chosen, on My Florida Market-place.
- Publishing a record of who asks what questions during the question and answer periods of a procurement.

### **Access to Technology and Innovative Learning**

**AIF SUPPORTS** investing and expanding the use of technology and other methods of school instruction that provide for the unique learning needs of the child. Online learning is growing at over 30% per year and will continue to grow as a result of the COVID-19 pandemic. Our schools must innovate, or they will suffocate. Remaining the same means falling behind.

Specifically, **AIF SUPPORTS**:

- Eliminating artificial enrollment caps that prevent access to high-quality virtual and online education opportunities for all students.
- Allowing open enrollment policies for students to have access to the best and most appropriate individual learning environments, regardless of where they live.
- Removing barriers that inhibit high-performing online schools—both public and private—from expanding.
- Providing flexibility in funding for instructional materials and tighter alignment with virtual and blended learning models.
- Supporting a digital learning initiative to provide a technology plan that maximizes existing and encourages new infrastructure investments in bandwidth; and technology equipment to enable and empower all Florida students with access to quality, digital learning opportunities.

### **Science, Technology, Engineering, Mathematics and Medicine (STEMM)**

Emerging industries are important to Florida's economy. To continue the building, development, and relocation of businesses employing such high-technology workers, we must produce the workforce that meets the needs at every level, from national third-party certifications to undergraduate and graduate degrees.

**AIF SUPPORTS**:

- Defining STEMM degrees to include medical professionals seeking high-technology degrees such as nurse practitioners, physician assistants, biotechnologists and others. This should result in high-wage salaries for thousands of new entrants into the workforce in these areas.
- Encouraging the production of workforce in STEMM program degree graduates.
- Identifying matching grant programs to encourage and incentivize our private institutions of higher education to increase the degree production in STEMM careers—another smart investment by the state.
- Promoting the employment pathway for non-degree seeking students/employees with national third-party certification attainment, affirming competencies needed for the STEMM industries.

### **The Cloud**

**AIF SUPPORTS** policy expediting the state's move to a secure cloud environment, in line with its cloud first initiative, and the establishment of clear definitions of what constitutes true cloud hosting, ensuring the business community and state enjoy a mutual understanding of what constitutes truly moving to the cloud.

### **Data Privacy**

**AIF SUPPORTS** amending Florida's data privacy law to bring it into conformity with the consensus consumer privacy frameworks adopted by states across the country.



Taylor Ferguson (Google) and Representative Kevin Steele (R-Dade City) participate in the Foundation of AIF's Lunch and Learn roundtable discussion on Artificial Intelligence (AI) and Its Impact on the Business Community.

## Artificial Intelligence (AI)

Artificial intelligence (AI) is a transformative technology with limitless applications for manufacturing, transportation, health care, agriculture, defense, and many other areas of our economy. It is imperative to understand how Florida's current laws and rules impact AI use to avoid possible conflicts or duplication. Further, a piecemeal approach to state regulation of AI can lead to a fragmented regulatory landscape that may exacerbate existing issues and create new challenges. **AIF SUPPORTS** continuing to monitor and engage in the work of the U.S. Department of Commerce's National Institute for Standards and Technology (NIST) for possible use of their recommendations once published.

**AIF SUPPORTS** tailoring AI application regulations to specific risk profiles to ensure a balanced environment that promotes responsible innovation while safeguarding the welfare of its residents. This nuanced approach can help prevent stifling technological growth while ensuring that AI's benefits are realized safely and ethically. **AIF SUPPORTS** measures that would foster innovation and promote the adaptation of emerging technologies.

## Manufacturing, Aerospace & Defense

As the state affiliate for the National Association of Manufacturers, AIF is committed to ushering in the next generation of manufacturing in Florida through educating both our current and future workforce, bolstering the state's supply chain, providing flexibility for the implementation of cutting-edge technology and creating new opportunities while capitalizing on those that currently exist.

Florida's manufacturing sector is the highest indirect job creator

of any employment sector in the state—with three indirect jobs created for every manufacturing job. In other words, Florida's roughly 380,000 manufacturing jobs create one million additional jobs for Floridians. The state's manufacturing sector is also a significant provider of high wage and high value-added jobs. The intrinsic value of Florida's manufacturing sector is unquestionable as our leaders continue to work toward diversification of our state's economy.

For over a decade, AIF's Manufacturing, Aerospace and Defense Council (MAD) has established itself as a leading advocate for pro-manufacturing policies. The Council was instrumental in passing the "Manufacturing Competitiveness Act"—legislation that has given Florida manufacturers the ability to effectively respond to national and world market opportunities and move Florida into a more competitive recruiting position among states seeking to reinvigorate the manufacturing sector of their economy. Additionally, this Council played a key role in passing a permanent elimination of sales tax on manufacturing equipment—encouraging Florida's manufacturers to reinvest and grow their businesses.

In 2025, the MAD Council will look to build on its successes. To that end, **AIF SUPPORTS** continuing state efforts to enhance and grow the manufacturing workforce by:

### Increasing educational and training tools

- Expanding access to manufacturing career academies for middle and high school students by investing in career-tech programs for priority sectors that culminate in associate degrees (5-6 year programs).
- Expanding opportunities for pathways to earning stackable workforce national certifications that articulate college credit leading to high-skill, high-wage careers.
- Expanding the use of short-term and on the job training programs.



- Encouraging increased industry participation in workforce apprenticeship programs by adopting measures to offset costs required to implement effective “earn-and-learn” programs that enable students to transition into longer-term career job opportunities.
- Creating and expanding programs to ensure the deployment of competency-based training leading to national third-party credentials.
- Implementing certifications and training solutions that help to increase the knowledge and skills of the Florida workforce to create and maintain an exceptional talent base.

### Strengthening the resilience of Florida’s manufacturing sector and economic development initiatives

- Reauthorizing and funding the Qualified Defense and Space Contractor Tax Refund in statute to attract defense contracts to the state of Florida.
- Reauthorizing the Qualified Target Industry (QTI) Tax Refund Program to create jobs in advanced manufacturing.
- Investing in programs focused on accelerating the adoption and use of advanced digital technologies.
- Continuing efforts to repeal the tax imposed on commercial leases.
- Continuing to create capital investment incentives and increase funding for the research and development tax credit.
- Allowing local governments to consider jobs retained in the same manner they consider jobs created from capital investment to existing businesses when approving property tax abatement.
- Establishing a Florida supplier tax credit initiative to encourage use and development of local suppliers and contribute to developing a more robust and resilient supply chain.
- Appropriating recurring state matching funds to secure the federal investment by the National Institute of Standards and Technology (an agency of the U.S. Department of Commerce) in a statewide, manufacturing extension partnership (MEP) program for Florida to strengthen and advance the manufacturing economy by improving the productivity and technological performance of Florida’s manufacturers.
- Codifying the position of Florida’s Chief Manufacturing Officer within the Department of Commerce.
- Creating a “Made In Florida” designation and marketing program to recognize and promote Florida-made products and goods. Secure funding to launch a marketing campaign to improve the perception of the manufacturing industry in Florida.
- Establishing a Biennial State of Florida Manufacturing Report. Statutory authority should be provided to Florida Commerce for the biennial creation of a “State of Florida Manufacturing” survey and report to highlight the strength and economic importance of Florida’s manufacturing ecosystem.

## Transportation & Maritime

### Transportation Trust Fund and Dedicated Funding for Infrastructure Projects

Florida’s policymakers have long sought to protect short-term and long-term funding for Florida’s infrastructure, and when possible, provide additional support by the way of grants and Federal drawdowns. Florida currently utilizes a healthy State Transportation Trust Fund (STTF) as its primary source for funding state infrastructure. Planning for new infrastructure projects such as bridges, ports, airports and roads complex, often requires partnerships with local governments and planning agencies to execute these projects in the most efficient and expeditious way. Predictability from the state in providing financial resources is critical and keeping the funds within the STTF for the sole purpose of infrastructure is one of AIF’s Transportation Council’s top priorities. Additionally, infrastructure projects serve as an economic stimulator across the state, employing thousands of Floridians each day and providing for the state’s tax base.

**AIF SUPPORTS** level, and when appropriate, increased funding for the FY 2025-26 budget for transportation and infrastructure projects. Additionally, **AIF OPPOSES** redirecting state funds and STTF commitments to other areas of state government, or STTF sweeps to areas outside of transportation infrastructure.

### Alternatives for Funding Florida’s Transportation Infrastructure

Funding mechanisms for the state’s transportation needs vary with a number of funding sources dedicated to infrastructure projects, both at the state and local levels, with the heaviest reliance on the STTF. Gas tax revenues have long been the primary source of these funds, leveraging the state’s robust tourism industry to help in this regard. Experts in infrastructure policy have warned that with the emergence of fuel efficiency standards, vehicle technology and electric vehicle sales, Florida’s dependence on gas tax revenues as a major source of infrastructure funding is not as sustainable as it appeared to have been a decade ago. Additionally, the pandemic caused a change in work environments as well as a decline in the commute of Florida’s massive workforce in some areas of the state. To that end, public policy makers and state officials must continue to seek alternative funding mechanisms intended to complement the gas tax as the primary source of funding. With technological vehicle advancements siphoning tax dollars away from the gas tax, Florida must ensure the drivers of those vehicles are paying their share of transportation funding. Other states have advanced user fees for these types of vehicles, and Florida should explore all options.

**AIF CONTINUES TO SUPPORT** exploring alternative solutions to the state’s current reliance on a declining gas tax revenue for state infrastructure needs.

## Florida Seaport Transportation and Economic Development Program (FSTED)

Florida's unique geographic proximity to the Americas requires a certain level of commitment from local, state, and federal governments to maximize the effectiveness of the port system around the state and ensure a steady pace of economic growth. Florida has successfully advanced the maritime industry by ensuring high quality representation on port authorities across the state, reducing regulations, and by fostering strategic partnerships within the port system. The Florida Seaport Transportation and Economic Development Program (FSTED) is a notable example of a program that continues to support ports around the state. FSTED provides crucial funds which serve as an important mechanism for seaport capital improvement projects that will continue to grow the state's seaport footprint at home and abroad. In recent years, deep water ports have had a challenge acquiring the land necessary to grow the port system, making the continuation of this program even more necessary for the expansion of Florida's maritime activity.

**AIF SUPPORTS** increased funding to support Florida's ports including \$25 million in funding for the FSTED program and \$75 million in the FDOT ports budget.

Also, **AIF SUPPORTS** the FDOT Business Development Program as a mechanism to help educate and provide expertise to small Florida businesses looking to work within the Department's often complex procurement process.

## Emergency Declarations

Under Governor Ron DeSantis, and in partnership with state and local elected officials as well as the transportation industry, Florida's response has been nothing short of remarkable during the 2024 Hurricane Season. Hurricanes, tropical storms, fires, and tornadoes affect every Floridian in the impacted region. Ensuring that the Governor's administration and the Department of Emergency Management continues to have the flexibility through emergency declarations to respond immediately without statutory or regulatory hurdles is an important part of disaster response and recovery. **AIF SUPPORTS** the continued streamlining of emergency functions for the Governor during a State of Emergency. **AIF CONTINUES TO SUPPORT** automatic emergency extensions for Florida businesses for the payment of state taxes upon the issuance of a State of Emergency by the Governor.

## Liquefied Natural Gas

Federal and international maritime regulations are beginning to shift fueling demands for shipping and cruise vessels. In order to help meet those demands in a safe, effective, cost-saving manner, **AIF SUPPORTS** efforts to study and promote the supply of liquefied natural gas (LNG) to Florida's ports.

## Critical Habitat Designation for Right and Rice's Whales

In 2021, the National Marine Fisheries Services (NMFS), a division of the National Oceanic and Atmospheric Administration (NOAA), under the U.S. Department of Commerce, issued a proposed rule that would expand the critical habitat for the Rice's whale from Florida all the way across Alabama, Mississippi, Louisiana, and Texas over to the U.S./Mexico border. This zone encompasses approximately 6 million acres and intersects with key shipping lanes for Florida's ports. The impacts of expanding this habitat will be felt across the Gulf of America from vessels supporting offshore oil and gas operations, commercial fisheries, renewable energy developers, cruise lines, port and cargo operations, not to mention the U.S. economy. Much of Florida's business community could face increased regulatory processes as it relates to the Critical Habitat area, with consumers likely bearing the brunt of the cost.

**AIF SUPPORTS** community concern for whales. However, concern must be balanced with a matched concern for ongoing commerce for the wellbeing of mankind. **AIF OPPOSES** using outdated methods for knowing the location of whales such as men on the bow, no night vessel movement, no vessel transit in fog. **AIF SUPPORTS** the use of satellite monitoring and acoustic tracking of whales, on sight reporting to a central location, and data transmission for intermittent slow vessel areas when whales are verified as present via warning system similar to NOAA transmission of adverse weather alerts. Whale alerts can be broadcast on VHF and mapped on chart plotters with an alert. **AIF OPPOSES** outright slow zones for vessels for extended periods of time for any vessel regardless of length. The Florida peninsula requires unhindered maritime access for commerce to economically support the people of Florida. **AIF SUPPORTS** mapped whale warning zones on chart plotters.

## Strategic Road and Bridge Funding

**AIF has long SUPPORTED** lawmakers making strategic infrastructure funding for projects in areas of critical need for new roadways, increased capacity and bridge repair. With over 22 million residents, and counting, strategic long-term planning remains critical, however, attention to short-term infrastructure needs can relieve congestion and provide relief to strained infrastructure in communities. Resiliency of existing infrastructure should continue with investments intended to harden and improve existing roadways and bridges. Expansion of capacity across the state's existing roads and bridges are essential to retain and grow economic development, commerce and trade. Often, these types of projects require strategic vision by working with local planning agencies and receiving funding from the legislature. **AIF SUPPORTS** prioritizing and advancing strategic infrastructure investments in immediate road and bridge projects intended to keep Florida a leader in economic development across the country and the Caribbean region.



AIF members join legislators, business leaders and other key attendees at AIF's 2024 Legislative Reception in Tallahassee.

## Transportation and Infrastructure Workforce

Florida is a national leader in the caliber of its infrastructure across the state. At its foundation is the workforce behind the infrastructure and transportation industry. The men and women that make up the industry tirelessly dedicate their work into producing quality projects for Floridians. However, in recent years there has been a decline in employment across the industry and employers have struggled to find employees for projects. Recently, lawmakers have prioritized state programs to increase workforce opportunities in areas of healthcare, and education. Yet, there is still more work to be done across the employment spectrum.

**AIF SUPPORTS** the creation of programs and incentives to grow a sustainable and robust workforce to meet the needs of the future. With Florida's strong track record of utilizing its trade education programs, college resources and the Department of Commerce to create employment incentives, the transportation and infrastructure industry stands ready to partner with state government to grow an already dedicated workforce into one of the healthiest in the country for transportation and infrastructure.

## Truck Parking

Florida depends heavily on the efficient movement of goods by way of trucks. The substantial lack of availability of truck parking impacts a driver's ability to find proper parking which leads to safety issues and increased costs for drivers, companies and consumers. **AIF SUPPORTS** efforts to increase the availability of proper truck parking in Florida.

# Taxation

## Sales Tax on Energy

**AIF SUPPORTS** reducing the state sales tax on commercial electricity and gas consumption. Reducing this expense is a good way to make Florida more attractive for businesses to locate in the state.

## Corporate Income Tax

**AIF SUPPORTS** efforts to reduce or permanently eliminate corporate income tax on Florida businesses. The reduction or elimination of this tax will reduce the cost of doing business in Florida, attract more businesses to the state, and diversify Florida's economy by helping more businesses succeed. In addition, this effort to reduce or repeal the corporate income tax provides an excellent incentive for businesses to expand in Florida and for companies looking to relocate here. **AIF OPPOSES** any structural changes to the corporate income tax which would increase taxes and/or increase compliance costs to Florida's businesses, such as combined reporting or "water's edge." **AIF SUPPORTS** legislation that would decouple Florida's Corporate Income Tax from provisions enacted in late 2017 by the federal government. Florida should decouple from the Section 163(j) limitation on interest deductibility.

The Florida Department of Revenue issued its final report on the state impact of the Tax Cuts and Jobs Act (TCJA) on the Florida tax base. With respect to 965 income, the Department confirms that 965 income is not included in the Florida tax base, therefore no legislative action is needed. With respect to Section 163(j), the Department confirms that the limitation will be included in the computation of the state tax base and provides that the Florida taxpayer would re-compute the Section 163(j) limitation on a separate company basis since Florida is a separate reporting state. **AIF SUPPORTS** legislation that would correct the Florida Corporate Income Tax issue associated with Congress' repeal of like-kind exchange for personal property under the TCJA.

At the federal level, the repeal in like-kind exchange was mitigated by the 100% bonus depreciation deduction. However, Florida requires bonus depreciation to be added back and deducted over seven years. As an example, for leasing car companies, a typical lease on a car is three years. For Florida income tax purposes, businesses may be required to depreciate assets long after those assets have been disposed of by the business. **AIF SUPPORTS** federal conformity legislation that supports business growth and minimizes the taxpayer's compliance burden.

## Business Rent Tax

**AIF SUPPORTS** the continued incremental reduction of taxes imposed on rental or license fees charged for use of commercial real property. Florida is the only state that charges taxes on the lease of commercial property. While this is a major part of the state's tax revenues, we believe the reduction adopted in 2021



AIF Leadership meets with U.S. Representative Aaron Bean (R) in Washington, DC.

should be fully implemented and ultimately, this tax should be repealed to enhance the business-friendly climate in Florida.

### **Sales Tax Holidays for School and Hurricane Supplies**

**AIF SUPPORTS** sales tax holidays for school supplies, hurricane or disaster preparedness supplies, and purchases by veterans. We believe these tax holidays are a win-win for both consumers and the state as sales tend to increase more than they would without the tax holiday.

### **Research and Development Tax Credit on Corporate Income Tax**

**AIF SUPPORTS** the elimination of the \$9 million annual cap on research and development credits applied against state income tax. Additional credits would encourage an increase in research and development work in Florida as well as incentivize research and development enterprises to move to the state.

### **Communications Service Tax—Land Line, Wireless, Cable TV and Satellite TV Services**

**AIF SUPPORTS** continued reductions in the state portion of the communications service tax (CST) and supports reviewing and standardizing the local communications services tax rates. Floridians pay the CST on their monthly wireless, wireline, and satellite communications services bills. The CST specifically applies to residential, business and wireless phone service, cable, and satellite television services. The tax rate on communications services is higher than on general sales of other goods and services by Floridians and makes the communications services expense a significant recurring monthly expense for consumers.

**AIF also SUPPORTS** simplifying Florida's communications services tax with a standard local tax rate. Such change would bring transparency to consumers, ease administration for businesses, and resolve potential constitutional concerns related to the tax unduly burdening interstate commerce.

The Local Communications Services Tax was enacted to replace

existing taxes on communications providers and also to replace franchise fees and permit fees that were designed to compensate local governments for the occupation and use of the rights of way AND to fund the local government's management of the rights of way. Local governments who do not utilize these tax revenues for these dedicated purposes won't be able to comply with the statutory "60 day shot clock" for the issuance of permits to communications services providers. The timely and regular issuance of permits and inspection of work are critical success factors in Florida's deployment of broadband, especially those projects across the state involving state and federal broadband funding grants which contain time-specific performance requirements.

**AIF SUPPORTS** efforts to further streamline and improve the administration of this complicated tax structure to provide more efficiency and transparency.

### **Broadband Equipment Sales Tax Exemption**

**AIF SUPPORTS** exempting network investment or business inputs used to provide broadband communications services from sales and use tax. Taxing network investments or business inputs creates an increase in costs for businesses that result in increased costs for the consumer and has the potential to delay the further deployment of broadband communication services in certain parts of the state. Further, as Florida continues to award and monitor the deployment of hundreds of millions of dollars in state broadband deployment grant dollars and another \$1.1 billion in federal Broadband, Equity, Access and Deployment funding, a tax on broadband equipment reduces the ability to maximize the use of these funds to deliver broadband communications services to Floridians who currently lack available broadband communications services.

### **Services Tax**

**AIF OPPOSES** any legislation, administrative rule or proposed constitutional amendment that would attempt to create a new tax on services. Any tax on services would put Florida businesses at a competitive disadvantage and would discourage new businesses from coming to the state.

### **Production Industry Programs**

**AIF SUPPORTS** the production industry tax credit/rebate program, including sales tax exemptions for motion picture, sound, and video equipment. This economic development program and tax exemption allows Florida to compete with other states and international locations for economic development generated by attracting feature films, high impact television, and digital media productions.

### **Urban and Rural Jobs Tax Credit Programs**

**AIF SUPPORTS** the Urban and Rural Jobs Tax Credit Programs. These programs encourage economic activity and job creation in areas designated as high crime areas as well as designated Qualified Rural Areas.

## Salary Tax Credit

**AIF OPPOSES** legislation that would remove the insurance salary tax credit. Repeal of this credit would cause a nearly \$300 million tax increase on Florida's insurance industry, resulting in an increase in insurance premiums for Florida's business community. Florida is one of only a few states that have two separate taxes for insurers—a corporate income tax paid by all businesses and a second, punitive tax on the insurance premiums paid by Floridians. This premium tax credit was created in 1987 to lessen the burden on insurers while also allowing them to reinvest these funds back into their business. Repealing this insurance salary tax credit would remove the mechanism that helps keep insurance rates for everyday Floridians as low as possible.

## Water Extraction Tax

According to the International Bottled Water Association, bottled water usage represents only .004% of water usage in the U.S. Enacting a tax on bottled water would mark the first time a severance tax is imposed on a renewable resource. As such, **AIF OPPOSES** legislation imposing an excise tax on bottled water.

## Tourist Development Tax

**AIF OPPOSES** expanded uses of Tourist Development Tax (TDT) revenues unrelated to the promotion and marketing of tourism. Providing local governments the authority to spend TDT revenues

for new uses will hinder the effectiveness of these limited revenues and negatively impact the ability to promote Florida's tourism industry. Requiring periodic re-adoption of the TDT through voter referendum will jeopardize this much-needed source of funds and eliminate the ability of local governments to pledge these funds for bonding for any project that would exceed the period of re-adoption. In addition to expending the additional dollars to pay for these referenda, local governments will spend time and resources every five years to promote re-adoption rather than concentrating their efforts on the work of tourism promotion.

## Tangible Personal Property Tax (TPP)

TPP are annual taxes owed on equipment and other articles of value which are capable of manual possession and whose chief value is intrinsic to the article itself. Any proprietorship, partnership, corporation, self-employed agent or contractor must file TPP with their local property appraiser. Florida's Constitution directs the payment of TPP as well as the partial exemptions from TPP owed each year. **AIF SUPPORTS** legislative efforts to increase exemptions or eliminate TPP for all Florida businesses including Florida's Agricultural businesses.

## Manufacturing Sales Tax Exemptions

**AIF SUPPORTS** sales tax exemptions for essential equipment, materials and services used in manufacturing for Florida companies.

# 2025 EVENTS SAVE THE DATES

Notices will be sent to members providing agenda and registration information.

All events are sponsorship opportunities. Sponsoring AIF meetings and events is a great way to promote your organization or association to other business leaders, legislators and your peers.

Your sponsorship commitment also helps to further support AIF's mission on behalf of our members across the state.

If you have any questions, contact Stephen Trickey, Executive Vice President & COO, at 850.224.7173 or [stickey@aif.com](mailto:stickey@aif.com).

MAR	5	<b>CHAIRMAN'S VIP RECEPTION</b> 5:30 PM – 6:00 PM • AIF, TALLAHASSEE <i>FOR PARTNERS AND CHAIRMAN'S CIRCLE SPONSORS ONLY</i>
APR	2	<b>MID-SESSION LEADERSHIP DINNER</b> TALLAHASSEE <i>FOR PARTNER SPONSORS ONLY</i>
JUN	23-25	<b>SUMMER POLICY &amp; POLITICAL RETREAT</b> HENDERSON BEACH RESORT, DESTIN
SEP	9-11	<b>FALL POLITICAL &amp; POLICY RETREAT</b> SEMINOLE HARD ROCK HOTEL, HOLLYWOOD
OCT	7-9	<b>FLORIDA U.S. CAPITOL SUMMIT</b> WASHINGTON, DC



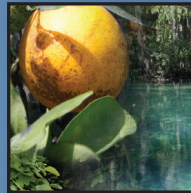
# Associated Industries of Florida Policy Councils & Coalitions

Our councils bring together unique sectors of the business community in order to develop and promote issues vital to those respective industries. These Councils are the backbone of policy making at AIF as the member companies of each Council voice their issues, concerns and ideas and help develop the policies that are presented to our Board of Directors for approval.

## Want to Participate?

As a member, you can take a leadership role in the public policy issues that affect your company. Membership is required to participate on AIF's Councils and to receive our member communications.

To learn more about AIF membership services and/or apply for membership, please contact **Adam Basford, Vice President of Governmental Affairs** at 850.224.7173 or [abasford@aif.com](mailto:abasford@aif.com).



### Environmental Sustainability & Agriculture Council

Addressing recycling, water quality, product stewardship, and other environmental issues important to the business community.



### Financial Services Council

Insurance and financial industries, working in concert with other interested parties, to secure a stable fiscal climate for Florida.



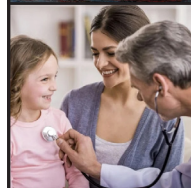
### Florida Energy Council

Developing resources to meet Florida's future energy needs — producers, suppliers, storage facilities, marketers, retailers, wholesalers and users.



### Florida Transportation & Maritime Council

Ensuring their continued economic prowess in a global marketplace for businesses that operate or support operations at any of Florida's 14 deep water ports.



### Health Care Council

Working to craft a more functional and sustainable health care delivery system for Florida, incorporating the core principles of access, quality and affordability.



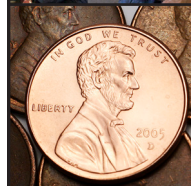
### Information Technology Council

Promoting Florida's move to the cutting edge of technology to meet the demands of a diverse, fast-growing population, while balancing the needs of the state and private sector.



### Manufacturing, Aerospace & Defense Council

Advancing the interests of Florida's manufacturing community to help Florida diversify its economy and provide more high-wage and high value-added jobs in the state.



### Taxation Council

State tax revenues are necessary to fund essential state services and programs, but those needs must be balanced against the impact of taxation on Florida's businesses.



### H2O Coalition

Supporting science-based solutions and adequate funding to address Florida's water quality and water capacity issues.

AIF Coalition for the Future of  
**Artificial Intelligence (AI)**



**in Business**



# ADVOCACY TEAM

Visit [AIF.com](http://AIF.com) for more information on AIF's Advocacy Team.

“For more than 100 years, AIF has been the go-to organization for business advocacy in Florida. The AIF team has perfected driving collaboration amongst employers to deliver massive legislative wins for the business community.” – José Gonzalez, Director, Government & Industry Relations at Walt Disney Parks & Resorts

## AIF TEAM



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President & Chief Executive Officer



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**Cameron J. Fink**  
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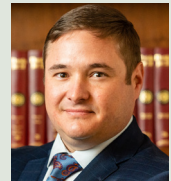
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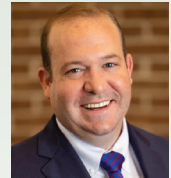
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