



ASSOCIATED INDUSTRIES OF FLORIDA

The Voice of Florida Business Since 1920



2009 SESSION PRIORITIES



As we approach the 2009 Legislative Session, AIF is pleased to provide this publication that highlights our legislative priorities. We make this publication available to all 160 members of the Florida Legislature, all agency heads of the executive branch, the Florida Cabinet, and all AIF members across the state of Florida so that all will know where we stand on a given issue. This document also serves as the basis for determining how legislators vote. We are the only business association which tracks committee, council, and floor votes in our voting record.

So how does AIF determine what its priorities will be? Each year, the AIF Lobby Team advises on which issues will be of great interest or concern to our members. Then we seek the input of our valued corporate and association members on those issues and any other issues companies may have. Once that process is complete, we then present the issues to the AIF Board of Directors for approval. This process assures that our members' needs and concerns are addressed.

On each issue page we have listed the AIF Lobby Team member(s) assigned to cover that particular area; this will direct you as to which of the 19 AIF lobbyists to contact to get more information on a particular issue. Our team is often regarded as the best in the halls of the Capitol. They are truly "experts" in their respective areas of interest.

Also of interest this year is the inclusion of a special section devoted to the business community's economic stimulus recommendations for 2009. This year we are calling the package **Economic Stimulus Package 2.0** — or **ESP 2.0** for short. 20 business groups and organizations have endorsed this year's version of the package. Given the economic hardships facing Florida, we are excited to share this plan with legislators and thought leaders across our great state.

With our Lobby Team working in concert with AIF staff and our Board, we provide our members the best chance of success on the issues vital to them. Not only do we analyze issues before the session, we also spend a great deal of time looking at new issues as they emerge during the session. As new issues arise, we work closely with our Executive Committee members to ensure that we can derive a position and move quickly to act on it.

It's all about being flexible and knowledgeable about the issues and being prepared to continue our role as leading advocate. We are "*The Voice of Florida Business Since 1920.*"

Barney T. Bishop III



President & Chief Executive Officer

Table of Contents

ASSOCIATED INDUSTRIES OF FLORIDA 2009 SESSION PRIORITIES

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Business Regulation 4

- Expedited Permitting
- Privacy and Identity Theft
- Monitoring and Oversight of Outsourcing Providers
- Fertilizer Ordinances
- Competitive Parity

Education & Workforce 6

- College and Career Readiness
- Education and Federal Economic Stimulus
- Banner Centers for Workforce Development
- Higher Education

Energy & Environment 8

- Proposed Energy and Climate Change Rules
- Offshore Exploration and Production of Oil and Natural Gas
- Conservation and Energy Efficiency
- Beverage Container Deposits

Growth Management & Transportation 10

- DCA Sunset Review
- Impact Fees
- School and Transportation Concurrency
- Transportation Trust Fund
- Additional Revenues for Transportation
- Aggregate Mining

Health Care 12

- Elimination of the Low Income Pool (LIP) Council
- Florida's Uninsured
- Federal Matching Funds for Medicaid
- Health Insurance Mandates

Insurance 14

- Property Insurance
- My Safe Florida
- Home Hurricane Rating System
- Surplus Lines Insurance
- Bad Faith Reform

2009 Legislative Issues At-A-Glance 36

Legal & Judicial 16

- Workers' Compensation
- Court Funding
- Protect Repeal of Joint & Several Liability
- Additional Medical Malpractice Reforms
- Public Notice Laws

Election Reform 18

- Revocation Process
- Campaign Spending
- Circulation Period

Space 22

- Infrastructure Investment and Incentives
- Workforce Training
- Space Florida
- Commercial Launch Zone
- STRDI
- STEM Education

Taxation 24

- Excise Taxes
- Corporate Income Tax Glitch
- Property Tax
- Amendment 6 Implementation
- Streamlined Sales and Use Tax
- Combined Reporting
- Rental Car Surcharge

Water 26

- Funding for Alternative Water Supply Programs
- Regional Partnerships
- Statutory Definitions
- Water Usage Goals

AIF Councils 27

Education, Economic & Workforce Development

Financial Services

Florida Energy

Florida Hospital

Florida Maritime

Governmental Outsourcing

Information Technology

International Affairs

AIF 2009 Lobby Team 38

Businesses are facing duplication of regulation by state agencies and local governments, costing not only an enormous amount of money, but time as well.

Business Regulation

Regulation is necessary in many cases to protect the welfare and safety of Floridians. In some cases, it is necessary to protect our environment. Recently, however, businesses are facing duplication of regulation by state agencies and local governments. This duplication is costing businesses not only an enormous amount of money, but time as well. To make matters worse, there are times when an employer complies with one regulation for a permit, only to be denied a permit from another agency because of that compliance.

Leadership in the Florida House of Representatives and Florida Senate has also acknowledged there is a problem. President Jeff Atwater (R-North Palm Beach) has created the Senate Select Committee on Florida's Economy. One of its objectives is "finding and reducing redundant, overlapping or non-essential regulatory activities which increases government spending and inhibits economic growth." In the House of Representatives, the elimination of over-regulation is one of the top priorities. The 2006 Government Accountability Act, which created the Sunset Review Process and the Joint Sunset Review Committee continues to be in effect. This process is responsible for reviewing the activities and processes of all state agencies in Florida. It has the power to recommend that an agency be abolished or that certain activities be suspended or given to another agency to manage more efficiently.

The areas where regulatory relief can be achieved are too numerous to list. For example, state agencies are currently involved in **duplicative monitoring** of outsourcing providers; efforts to **expedite permitting** for environmental and economic development permitting have been thwarted, and retailers and other businesses are forced to deal with a myriad of local and state ordinances with no **uniformity**. In addition, the issue of protection of **personal information** continues to be addressed by the Legislature. AIF will support all efforts to eliminate duplication and overlap in regulatory requirements and permitting processes.

In the area of business regulation reform, AIF will focus on the following issues:

Expedited Permitting

AIF SUPPORTS legislation aimed at improving the permitting process for existing businesses in Florida and for those companies looking to invest in our state. Accomplishing this goal will have a dramatic effect on helping stimulate our economy and reduce government spending. This proposal would require the Department of Environmental Protection (DEP) and water management districts to create a 45-day expedited permitting process for businesses that have been identified as a "targeted industry" business by the state Office of Tourism, Trade, and Economic Development (OTTED). It would also require a mandatory pre-application review process to reduce permitting conflicts by providing guidance to applicants regarding the permits needed from each agency and governmental entity, site planning and development, site suitability and limitations, facility design, and steps the applicant can take to ensure expeditious permit application review. This proposal passed the House last year, but it stalled in the Senate during the final weeks of session. We certainly expect it to be considered once again this session; and, with an emphasis on increasing efficiency and reducing government regulation, this proposal has an excellent shot of passing.

Privacy and Identity Theft

AIF will continue to OPPOSE any effort to limit legitimate commercial access to personal information. Additionally, AIF will oppose any effort to prevent access to important information used in everyday commercial transactions, including social security numbers. Identity theft and privacy concerns continue to plague Florida citizens and its businesses. As a result, the Florida Legislature will continue to search for new ways to protect those who are vulnerable. However, many proposed solutions would hinder Florida businesses who rely on the sharing of information as part of everyday commerce.

A very large part of Florida's economy is dependent upon accessing personal information. In the digital age, important information is a click away and can provide information on underwriting criteria, verification of identity in financial services and retail settings, important public records information and other information



that businesses use to make important decisions. Social Security numbers are an individual's only unique identifier and are vital to matching public records documents to the correct person when making commercial decisions. If the Legislature restricts Florida business' access to such information, then it could increase the cost of doing business here and require costly changes in commercial operations.

Monitoring and Oversight of Outsourcing Providers

AIF SUPPORTS legislation to create a more efficient and sustainable business practice for entities providing essential services to the state through the elimination of duplication and costly redundancies. One area where state government can make dramatic reductions in regulation and save money at the same time is in their monitoring practices of government outsourcing providers, particularly in the field of human services. For the 2009 Legislative Session, AIF's Governmental Outsourcing Council (GOC) has proposed significant legislation that would ensure accountability, eliminate duplication, and improve efficiencies, thereby lowering the costs associated with providing services and maximizing the use of state dollars. One way to achieve this goal is by the designation of a lead agency responsible for monitoring. Currently, non-profit providers are monitored for quality assurance by a number of agencies, thus creating inefficient duplication of services and costing providers valuable time and money. In addition, the state of Florida should consider accepting national accreditation in lieu of state agency review of documents, forms, and other monitoring requirements. For more information on this proposal, please turn to the GOC section of this publication on page 33.

Fertilizer Ordinance

AIF SUPPORTS legislation that develops an overarching model for fertilizer regulation that applies statewide. It is unreasonable and a logistical nightmare for retailers to be held responsible for keeping legal products on their shelves when the definition of what's legal and allowable can change from one town and county to their adjacent neighbors. A troublesome practice of local governments micro-managing state regulated industries has emerged across Florida. While

this is in a specialized industry at the moment, this is a bad precedent to set.

Almost 20 cities, counties, or municipalities have approved, or are in the midst of approving an ordinance regulating the application of fertilizer. In the name of saving our water resources, local governments have decided, without scientific proof, that fertilizer is the enemy. The problem with this is that the ordinances only address those persons applying fertilizer who are already regulated by the Department of Agriculture and Consumer Services (DACS). The ordinances don't address homeowners or "yard men" that purchase fertilizer and apply it themselves.

It is disconcerting when a regulated industry is required to jump through increased regulatory hoops — different ones for each city, county and municipality. Legislators should look to correct this inefficiency this session.

Competitive Parity

AIF SUPPORTS legislation that promotes more competition and choice in telecommunications.

The world of telecommunications has changed dramatically. We communicate today in ways we never envisioned — over many different transmission lines and infrastructures. Florida customers have many choices for their telecommunications needs, with providers ranging from satellite to terrestrial wireless, from cable to powerline, Voice over Internet Protocol (VoIP) to traditional wireline providers. Yet, only traditional wireline providers face regulation by the Florida Public Service Commission. We know that competition in communications delivers new and better choices to consumers. Competition is a better way to assure lower prices, product quality, service innovation and consumer choices. Florida communication laws need to be updated to ensure that there is an even playing field for communications providers to deliver more and better choices to Florida consumers.

AIF Lobby Team Members Assigned to the Area of Business Regulation Include:

Keyna Cory	Expedited Permitting
Peter Harris	Outsourcing Issues
Nick Iarossi	Privacy Issues
Frank Meiners	Competitive Parity

Education & Workforce

Much work has been accomplished in recent years to increase the performance of Florida's students in reading and math, in accelerated college coursework, and on state and national assessments. Last year, Florida's Legislature passed, with strong AIF support, important legislation that added to the school accountability system for high school grades and updated and improved the Sunshine State Standards for K-12 education. However, Florida continues to lag on several indicators of **college and career readiness**, most notably graduation requirements.

Newly elected President Barack Obama has already been working on a **federal economic stimulus plan** that will possibly infuse resources in many areas. In the education arena, President Obama's plan will undoubtedly focus on expanding access to educational technology and pre-kindergarten. Research shows that each dollar devoted to the nurturing of young children can eliminate the need for far greater government spending on remedial education, teenage pregnancy and prisons. Similarly, research shows an improvement in student engagement and achievement with the addition of access to technology.

Workforce development continues to be a huge issue for AIF and the business community as access to the best prepared and knowledgeable employees becomes even more critical during these recessionary times. According to the Agency for Workforce Innovation, there currently are 11 Banner Centers, based at either a Florida community college or university. Despite recent downturns in the economy, it is critical to continue to adapt to new technologies and industries that will ultimately restore the strength of Florida's economy. Banner Centers and their education partners help train Floridians in 10 sectors such as alternative energy, aviation/aerospace, biotechnology, construction, digital media, energy, health sciences, homeland security, logistics and manufacturing. Additionally, AIF strongly supports the "Ready to Work" program for career choice training. More than 40% of Florida students will not go to post-secondary education, so we should create innovative programs that will transition them into very good paying jobs in industry and commerce.

In the **higher education** arena, Governor Charlie

Crist recently proposed a set of university reforms that allow the state's public universities to increase tuition by up to 30% with a portion of the increase set aside for financial aid. Additionally, the 2008 Legislature created a pilot program of nine state colleges (as part of the Florida College System) to expand affordable access to the baccalaureate degree. Taken together, these changes, which could be written into law by the 2009 Florida Legislature, represent major changes to the state's public higher education system.

Many issues need to be addressed and balanced as legislation moves forward including, most importantly, the continued commitment by all parties to the decades-long tradition in Florida of a seamless transition of students between community college and state universities. Additional considerations must focus on maintaining the strength of the current college systems as these changes are occurring during a time of very limited financial resources. The ultimate benefit of these changes will be a system of public higher education in Florida that is more competitive; this will be a long-term driver of economic success for our students and our state.

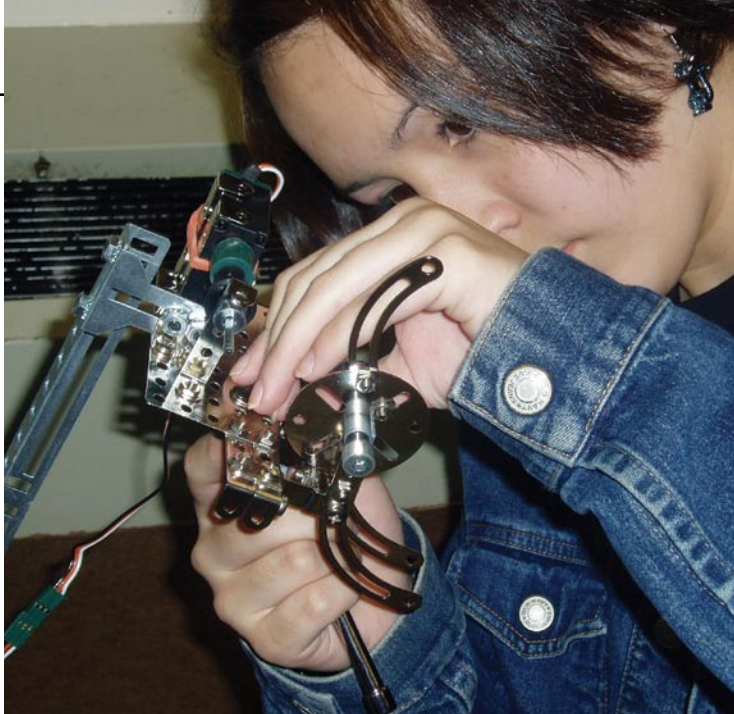
Other education issues that may emerge during the 2009 session include, but are not limited to:

- Class size – flexibility in plans to fulfill the very expensive mandates of the class-size constitutional amendment; the importance of this issue continues due to state revenue shortfalls
- School choice – legislation is likely to be proposed as a resolution to recent court decisions regarding school choice

Given the current landscape in education and workforce issues, AIF will concentrate on the following for the 2009 session:

College & Career Readiness

AIF will prioritize SUPPORT for increased rigor in high school course offerings and graduation standards particularly relating to Science, Technology, Engineering, and Math (STEM), to assure the workforce is prepared for the upcoming creative economy. This continues to be AIF's top priority in education. For example, legislative efforts to add more rigorous core course requirements to Florida's high school graduation standards and to create STEM magnet schools should be considered as important steps toward achieving more gains in the core subject areas. We must produce a workforce that can compete in a global economy — not just with other states. Increasing school standards will



More than 40% of Florida students will not go to post-secondary education, so we should create innovative programs that will transition them into very good paying jobs in industry and commerce.

help narrow the gap, but we must also stress the importance of creative courses such as art and music, which help nurture the entrepreneurial spirit and help keep students from dropping out.

Education and Federal Economic Stimulus

AIF will work with state policy makers to capitalize any available federal economic stimulus support for education technology and pre-kindergarten with a focus on increased access, improvements to student achievement, and additional teacher professional development. Maximizing federal support will allow for a short-term boost to job creation that will also lead to longer term competitiveness through better prepared students for 21st century technology skills.



Rep. Anitere Flores (R-Miami) receives a 2008 Champion for Business award for her efforts to increase curriculum standards.

Banner Centers for Workforce Development

AIF will SUPPORT the continuation and expansion of Florida's Banner Centers for Workforce Development, which support economic growth by bringing together industry and education to identify training needs and create training programs that can be shared statewide, thus reducing duplication. By bringing together educational leaders and employers, these centers are able to design and create curriculums around industry standards and make them available to schools around the state. The emphasis is around target industry clusters that create high-paying, high-tech jobs. These banner centers provide a pipeline for ready-to-go employees and provide the necessary training future business leaders require to be successful from the very start of their careers.

Higher Education

AIF will closely monitor university tuition policy changes and the implementation of the "state college system" to ensure that the needs for Florida's universities to compete nationally are balanced with the needs of students for affordable access to higher education. The number one goal is to achieve a seamless transition between the entire postsecondary continuum (community colleges, state colleges, universities, private for-profits, and private non-profits), while ensuring each institution has the necessary autonomy and accountability so as to best prepare Florida's future workforce.

AIF Lobby Team Members Assigned to the Area of Education & Workforce Include:

- | | |
|--------------|-----------------------|
| Peter Harris | Workforce Development |
| Stacey Webb | Education |

Energy & Environment

Affordable and reliable energy is essential to the long-term health of Florida's economy and the prosperity of our employees. AIF supports the development of markets that provide competitively priced energy resources, with a minimum of government intervention, and promotes an economically balanced and varied mix of energy sources consistent with prudent environmental policies. Furthermore, we fully endorse any and all energy **conservation** efforts. During these recessionary times, we must ensure that employers in Florida do not incur unwarranted future increases in the production and delivery costs of energy. While the cost of fuel has seen a dramatic and welcomed decrease in price, policymakers in Florida are poised to make some important decisions on a number of proposed rules (**California Lower Emission Vehicle Standards, Cap-and-Trade, and Renewable Portfolio Standards**), which have the potential to drive up the cost of energy and consumer goods. As the global recession takes a hold of markets, we are beginning to see some reluctance to participate in these types of climate change reduction programs by governments and the private sector because of the higher costs associated with them.

While investing in new energy sources and continuing to boost efficiency gains will play a critical role in meeting our country's energy demands in the future, America must increase its access to **domestic sources** of reliable energy. Florida has the potential to play a critical role in this endeavor, thanks to its geographic proximity to the Gulf of Mexico. Additionally, clean coal technology should not be abandoned as a reliable and affordable source of energy. According to the U.S. Department of Energy, "Clean Coal Technologies — the products of research and development conducted over the past 20 years — have resulted in more than 20 new, lower-cost, more efficient and environmentally compatible technologies for electric utilities, steel mills, cement plants and other industries." While the demand for electricity will continue to grow sharply over the next years, a sustainable and common-sense energy mix will be critical for the success of Florida's business community. **All sources of energy — nuclear, clean coal, natural gas and oil, as well as renewable varieties, should be supported.** The one guiding principle for evaluating these sources must continue to be **affordability and reliability.**

The following are AIF's official positions on the most vital energy and environmental issues to be considered by the 2009 Legislature:

Proposed Energy and Climate Change Rule

CA-LEV: AIF OPPOSES any attempt to adopt California's lower emission vehicle standards. Florida employers and consumers are facing the real possibility of the increased costs associated with this proposal should the Legislature approve this rule. Not only would CA-LEV increase the cost and lower the availability of vehicles, it would mark an unprecedented and historical move by elected officials in Florida to allow an un-elected board from another state to set policy in Florida. Additionally, the cost of California-style fuel will increase costs for consumers and businesses at a time when Floridians cannot afford it. This fact alone is worrisome for the business community since California is by no means a good example to follow. Instead, lawmakers would be wise to wait for the enactment of federal emission standards, which are just as effective and provide a uniform and predictable nationwide standard.

Cap-and-trade AIF OPPOSES the establishment of programs for the reduction of greenhouse gas emissions. AIF's concern with the development of any "cap-and-trade" program in Florida is its effect on the ability for companies and manufacturers to compete with their regional partners. Instead, the Florida Legislature should consider climate change policies at the regional, national, or international level so as to minimize the negative effects of prematurely embarking on these questionable programs. Furthermore, enactment of such emission reduction programs has the potential to cost consumers across Florida more money in the form of increased energy costs and increased consumer goods prices. In fact, according to a recent study by the Heritage Foundation, the typical household would pay a total of \$8,000 more for energy between 2012 and 2030 under these types of emission reduction programs.

Renewable Portfolio Standard (RPS): AIF recommends that the Legislature take a very deliberate approach when considering implementation of an RPS standard. In conjunction with the previous two rules, the Public Service Commission has been working over the past few months to develop a proposed RPS rule for consideration by the Legislature. This new RPS should



The one guiding principle for evaluating these [energy] sources must continue to be affordability and reliability.

be available for consideration in February 2009. Legislators should undertake a careful study of this proposed RPS as it will certainly have a direct impact on Florida's energy policy for years to come. AIF has serious concerns about any mandate. Approval of a state RPS should only be considered after a thorough cost-benefit analysis is completed so as to minimize the costs on consumers and employers and insure that the reliability of Florida's generation and distribution of energy is not compromised. One alternative to a new RPS could be the development of a Clean Portfolio Standard or CPS, which could include nuclear energy in the state's mix of energy sources.

Offshore Exploration and Production of Oil and Natural Gas

AIF SUPPORTS the passage of a Memorial to Congress encouraging increased exploration and production of oil and natural gas in the Eastern Gulf of Mexico. As discussions regarding domestic exploration for oil and natural gas off Florida's coast grip the nation's attention, recent polling commissioned by AIF continues to demonstrate a significant increase in the percent of Floridians in favor of drilling off the state's coast over the percent of those in favor this time last year. AIF was the first business association in the state to endorse more exploration and production of oil and natural gas in the Eastern Gulf of Mexico. According to the federal Minerals Management Service (MMS), there are currently approximately 86 billion barrels of oil and 420 trillion cubic feet of natural gas technically recoverable from all federal offshore areas; that is equivalent to three times the oil resources of Canada and Mexico combined and almost 6 times the natural gas resources of these two countries. Allowing environmentally-sensitive access to these resources is not only in our national interest as a means of improving energy security, diversifying

supply, and enhancing economic development; it also can serve as an important and much needed method for generating new revenues for the state of Florida.

Conservation and Energy Efficiency

AIF SUPPORTS any efforts by the Legislature to increase incentives for energy efficiency and conservation. Continued support of the existing incentive programs such as the solar energy rebate program, the renewable energy grant, and tax credits for renewable fuels, are an essential component of Florida's energy policy mix. AIF will also continue to support any legislation aimed at encouraging consumers to buy energy efficient appliances through sales tax holidays or other incentives.

Beverage Container Deposits

AIF OPPOSES efforts to enact legislation in Florida implementing a beverage container deposit program that places a mandatory refundable deposit on beer and soft drink containers. Last year's omnibus energy bill (HB 7135) included language establishing a 75% statewide recycling goal by 2020. Although this goal was meant to be aspirational rather than regulatory, it will likely lead to local and state efforts to reach this goal that may not be in the best interest of consumers or the business community. Most of the states that have advanced deposit laws enacted these programs in the 1970s, before the establishment of comprehensive solid waste management programs. Since then, very few states have passed what are known as "bottle bills."

Deposit-refund programs run counter to the comprehensive solid waste programs currently in place in Florida. Establishing a duplicate recycling system for beverage containers alongside existing community recycling programs is an economic and a strategic mistake. A deposit-refund system is a much less efficient way to handle recyclables than a comprehensive recycling program accepting many materials. The cost per ton of material recycled is typically three times higher in a deposit system than in a comprehensive curbside program.

AIF Lobby Team Members Assigned to the Area of Energy & Environment:

Keyna Cory	Environment
Jim Rathbun	Energy

Growth Management & Transportation

Now, more than any time since the passage of the Growth Management Act, there is a need for the Legislature to review and either eliminate or streamline land use rules, both planning and permitting, as carried out by the Department of Community Affairs (DCA). While local government often presents formidable barriers to the use of land in the form of impact fees and other regulation, the Legislature will begin this coming session with the two-year **review of DCA**, as mandated by the Sunset Review process. Conceivably, the Legislature could choose not to reauthorize the agency and let it “sunset,” which, although possible, is highly unlikely. The Sunset Review of DCA does offer, however, an opportunity to fully examine every aspect of DCA’s regulatory authority and make changes or cuts where warranted.

An issue that will likely surface this session will be the proper use and requirements for the development of large tracts of rural or agricultural lands (i.e., developments of regional impact or DRI), with an emphasis on those lands that can be used for economic development as opposed to their availability for housing development. A provision for agricultural and industrial centers was contained in last year’s legislation that failed to pass, but will be back again. While the DCA has said it will not have a bill of its own this year, Secretary Tom Pelham has promised to be an active participant in any legislation, in anticipation of both the House and Senate having their own committee bills.

On the transportation front, AIF will continue to oppose any further raids on the **transportation trust fund** and firmly believes, as evidenced in the recommendations of the *Economic Stimulus Package 2.0* (see page 19 for more information), that spending in transportation infrastructure is one of the best ways to stimulate our lagging economy. For example, road resurfacing offers the quickest stimulus because there are no “right of way” issues to contend with. Policymakers should also do everything in their power to position our state in such a way as to maximize any federal stimulus infrastructure dollars for transportation projects as proposed by President Barack Obama.

As state revenues continue to shrink as a result of the economic recession and global fiscal crisis, the need arises to find alternate sources of revenue for road

building and transportation projects. That is why AIF is joining a number of other business groups in calling for a scaled adjustment in **tag and title fees** over a three-year period that would raise an additional \$1.5 billion in new revenue by the end of the third year. These additional funds would be dedicated solely for road and other transportation projects.

As such, AIF will concentrate on the following issues related to growth management and transportation:

DCA Sunset Review

AIF SUPPORTS such a review and streamlining of DCA’s authority and functions. This year, much of the focus of the Community Affairs Committee in both chambers will likely be on removing as many road-blocks to economic development as possible. While no one expects to see sound planning or environmental protection to be the target, duplicative and overly burdensome regulations will take center stage.

Impact Fees

AIF SUPPORTS a thorough review and, where appropriate, a limitation on the use of such “shadow taxes.” Although down, the building and development industries are not out; look for them to capitalize on the opportunity of the devastated building economy to press for more reasonable use and limitations on impact fees and other user fees that have been emerging for several years as a major impediment to residential and commercial development. Through all of the Legislature’s attempts to lower taxes, they have yet to place any mandates of fairness or limitation on the ever-growing local government funding source of “user fees,” which thereby significantly increases the cost of home ownership.

School and Transportation Concurrency

AIF SUPPORTS a true fair share payment for school and transportation concurrency. The Legislature will also look at the issue of what is a “fair share” of the costs of school construction and transportation infrastructure as it applies to a developer’s charges for concurrency. The DCA has, in the past, supported the payment of a true fair share for development, as opposed to local government’s frequent billing for the

As state revenues continue to shrink as a result of the economic recession and global fiscal crisis, the need arises to find alternate sources of revenue for road building and transportation projects.



backlog in facilities and infrastructure. Such an imposition has had the effect of making an applicant for a permit have to pay for those who came before him, rather than his own impacts; such charges can and have made projects financially unfeasible.

Transportation Trust Fund

AIF OPPOSES any withdrawals from the State Transportation Trust Fund for non-transportation expenditures, and believes the state budget should emphasize the advancement of all construction-ready road projects to maximize the impact of transportation spending as an economic stimulus as advocated in this year's *Economic Stimulus Package (ESP) 2.0*. In addition, there should be a renewed focus in road re-surfacing which can be accomplished quickly and efficiently since no right-of-way issues are involved.



Senate President Jeff Atwater (R-North Palm Beach) addresses AIF Members in West Palm Beach.

Additional Revenues for Transportation

AIF SUPPORTS efforts to obtain immediate new funding for transportation through an adjustment to Florida's title and tag fees. Florida's tag fees have not been adjusted in over 25 years. These adjustments of transportation user fees will raise \$1.5 billion by the end of year three. The maximum increase for any vehicle is less than \$2 per month.

Aggregate Mining

AIF OPPOSES efforts to place local moratoriums on the mining of essential raw materials for road construction. In fact, state assistance and resources should be dedicated to improving and expediting the permitting process for mining operations. Producing aggregate and constructing roads provides jobs, helps to decrease our transportation infrastructure backlog, and supports the development of a healthy and competitive construction industry. Local governments that impede aggregate mining should have their road projects put at the bottom of the DOT district road list. If not possible, then the state should once again establish a temporary but comprehensive ban on local mining moratoriums.

AIF Lobby Team Members Assigned to the Area of Growth Management & Transportation Include:

Richard Gentry	Growth Management DCA Review
Stephen Shiver	Transportation Aggregate Mining



According to the Kaiser Family Foundation, the average cost of individual and family coverage in 2006 was \$354 and \$957 per-month, respectively. The newly designed packages begin in the \$150 per-month range, depending on the individual.

Further, these plans are available to those who recently became unemployed, have lost their employer-sponsored coverage, or are no longer covered by a public program. AIF was proud to stand with the Governor recently when he announced the availability of these plans.

With the economic downturn, the number of Medicaid recipients is expected to grow, which increases the need to optimize the **federal matching funds**. According to a Families USA report titled "A Painful Recession: States Cut Health Safety Net Programs," an economic stimulus proposal by President Obama could deliver more matching funds to Florida. While details are still emerging, it is estimated that this proposal for providing additional dollars to the state could result in 34,000 new jobs and nearly \$1.2 billion in new wages.

Additionally, there is an inconsistency in the Capitol whereby legislators are spending long hours in meetings looking at how to jettison health care services, paid for by the state, for elder, disabled and poor Floridians, while at the same time filing legislation to expand benefits and services that private insurance and businesses must provide to workers. These **mandates** include infant eye testing, autism spectrum disorder screening, and certain breast cancer treatment.

Specifically, AIF will advocate for the following health care initiatives in 2009:

Elimination of the Low Income Pool (LIP) Council

AIF SUPPORTS legislation that eliminates the Low Income Pool (LIP) Council and place responsibility for recommendation and distribution of these funds in the hands of the Legislature and experts at the Agency for Health Care Administration (AHCA). LIP is a pool of money (approximately \$1.4 billion) that reimburses hospitals for a small percentage of the indigent care they provide. The purpose of the fund is to spread dollars on a "broad and fair" basis so that they follow the indigent

Health Care

The growing number of **uninsured** residents is a challenge being experienced by almost every state in the country. Over the last few years, a number of states have implemented their version of reform designed to increase the number of persons who have health insurance. In the end, only time will tell whether these reforms will prove successful. In Florida, Governor Charlie Crist advanced the Cover Florida initiative (supported by AIF) last year to give lower cost benefit plan options for those Floridians who may not have been able to afford coverage previously. The main component challenged private insurers to develop innovative benefit packages which were chosen through a competitive bid process.

According to the Kaiser Family Foundation, the average cost of individual and family coverage in 2006 was \$354 and \$957 per-month, respectively. The newly designed Cover Florida plans begin in the \$150 per-month range, depending on the individual. Most importantly, these plans are available to ALL Floridians age 19 to 64 that have been without health insurance for at least six months, even if there are pre-existing health conditions.

patient wherever care is provided. Unfortunately, this Council is composed of hospital executives and lobbyists who are the beneficiaries of these dollars and who get to decide how the funds are divided among themselves. To increase transparency and accountability, AIF recommends that these taxpayer dollars be distributed by the Legislature or AHCA.

Florida's Uninsured

AIF SUPPORTS examining market-based and consumer-driven proposals as a starting point to explore methods to increase the affordability and availability of health insurance for Florida's uninsured population. Studies have shown that the number of uninsured residents correlates with an increased burden on emergency rooms. The cost of providing preventative-type services in an ER is significantly higher than if those services were provided in an office setting. Further, the uninsured delay care so that, when they finally seek care in the ER, their problems are more acute and inherently more expensive to resolve. As a result, Florida employers and employees and the State of Florida subsidize care for the uninsured through higher premiums. It is clear that increasing the pool of Floridians who have health insurance is imperative to ensure the health and prosperity of Florida's employers and their employees.

Federal Matching Funds for Medicaid

AIF SUPPORTS ensuring that our state maximizes its opportunities to receive federal matching funds. While increasing private market options for coverage is important, we must ensure the efficiency of our current public programs. Florida's Medicaid program is the 5th largest in the country with an annual budget of \$15.4 billion (FY 08-09). The state funds 44.6% of our total Medicaid program, while the federal government provides 55.4% in matching funds. The state needs to remain vigilant to secure all available federal funding for its citizens.

Health Insurance Mandates

AIF SUPPORTS giving employers and individuals the power to build their health care coverage by choosing from plans with varying degrees of benefit packages. Florida law contains 51 mandated benefits (among the most in the country) that health insurance plans must provide to consumers in the state. Even though current law calls for a study of the cost of proposed benefit mandates, this provision is all but ignored when new mandates are proposed. Further, the

Legislature has not repealed a single mandate in recent years, nor has it conducted a comprehensive review of the existing mandates. Yet, both the Senate and House consider new proposed mandates each legislative session. AIF believes that it is time for the Legislature to conduct a comprehensive approach to determining what benefits insurers must provide to Floridians by implementing a comprehensive cost/benefit analysis of proposed and current mandates. Consumers, not the government, should be allowed to make their own cost/benefit analysis when deciding how much money they can allocate toward their healthcare and which services they need and desire. To bring down the cost of insurance, we must give consumers flexibility to build health insurance plans to meet their specific needs and cost constraints.

AIF believes that it is politically impossible for the Legislature to address each of the mandates individually since each has a vocal group of advocates who make repeal difficult. Therefore, AIF proposes that the Legislature create a Base Realignment and Closing Commission (BRAC) – type mechanism to empirically investigate and allocate costs to each mandate. Furthermore, the Commission could recommend which mandates are cost-beneficial to consumers, and which are not. AIF, while opposed to increasing the overall number of mandates, is willing to substitute new mandates for older mandates no longer deemed necessary.

This BRAC – type commission should consist of actuaries, medical professionals and academics and should be charged with examining each existing and currently proposed mandate. Based on scientific and actuarial data, the Commission should make a recommendation to the Legislature on whether each mandate should be retained, modified or repealed. The Legislature should then vote on the entire package in an up or down vote with no amendments.

AIF and its **Health Care Task Force** members stand ready to assist the Legislature to develop increased market-based solutions to help employers better meet the health care needs of their employees.

AIF Lobby Team Members Assigned to the Area of Health Care Include:

Bob Asztalos

Leslie Foy

Insurance

Florida's \$2 trillion insured coastal properties and its ranking as the most hurricane prone state makes **property insurance** a perennial AIF priority. Surplus lines insurance is also added to this year's priorities as a result of a Supreme Court decision which had a negative impact on this critically important issue. After the 2004 and 2005 hurricanes, property insurance rates began to rise. To keep rates in check, the state dramatically assumed greater responsibility for hurricane losses by increasing reinsurance coverage provided by Florida's Hurricane Catastrophe Fund (Cat Fund); by authorizing the state's insurance company, Citizens, to unfairly compete with private property insurance companies; and by shifting Citizens' policies to newly formed Florida-only insurers (take-out insurers).

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

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

Thus, the state has created a dilemma: potential financial meltdown resulting from the Cat Fund's short-

falls versus increasing homeowners' property insurance rates. The most popular response among the state's executives and lawmakers to this dilemma is a "federal bailout." AIF's response is to reduce Florida's reliance on the Cat Fund and protect properties against losses from hurricanes through mitigation efforts.

AIF supported 2006 legislation which established the **My Safe Florida Home** program within the Department of Financial Services. To help Floridians identify how they can strengthen their homes against hurricanes and to reduce hurricane damage exposure in Florida, the My Safe Florida Home program conducted more than 400,000 free wind inspections by qualified hurricane mitigation inspectors to eligible homeowners. Based on these inspections the Program awarded 35,000 grants. The grants helped homeowners defray the cost of retrofitting their properties to make them less vulnerable to hurricane damage.

AIF supported 2007 legislation authorizing the Financial Services Commission to adopt a uniform **home rating scale** to grade the ability of a home to withstand a hurricane. The grading scale has been developed and is used primarily by property insurers in establishing mitigation premium discounts or credits. While important, insurance savings should not be the only incentive for homeowners to retrofit their homes against hurricane losses. Protecting homes against hurricane damage is the best long-term strategy in managing Florida's hurricane losses with the hope of bringing costs down over time.

Finally, Florida law designates insurance coverage for risks which are rejected by licensed Florida insurers as "**surplus lines insurance.**" Surplus lines insurance may be procured from insurers licensed in other states. To facilitate the policy design and pricing of coverage for unique or hard to place risks, surplus lines insurance historically have not been subject to policy content requirements or the rate approval process set forth in Florida Law. On June 26, 2008, the Florida Supreme Court ruled that surplus lines insurance is not exempt from all of these requirements. The practical impact of the Supreme Court decision is the elimination of surplus lines insurance in Florida. If this finding is not addressed legislatively, insurance will not be available for hard to place or unique commercial risks as well as high value or unique residential properties. Approximately 14 percent of commercial insurance and 5 percent of residential properties are currently written through surplus lines.

they can strengthen their homes against hurricanes and to reduce hurricane damage exposure
Safe Florida Home program conducted more than 400,000 free wind inspections by qualified
hurricane mitigation inspectors to eligible homeowners.

For the 2009 Session, AIF will be advancing legislation in the following areas of insurance:

Property Insurance

AIF OPPOSES the expansion of Citizens Insurance Company at the expense of businesses in Florida. Instead, AIF supports legislation that returns Citizens to an insurer of last resort; returns Citizens' assessment base to only residential insurance; and lifts the freeze on Citizens' rate increases needed to reduce the magnitude of assessments following a hurricane. In addition, AIF supports legislation reducing the Cat Fund coverages, thus reducing the potential for Cat Fund funding shortfalls and deficit assessments on Florida's businesses as advocated by CFO Alex Sink, which AIF strongly supported last year.

My Safe Florida

AIF SUPPORTS continued funding of the My Safe Florida Home mitigation grants, as well as funding of the home inspection program. AIF joined CFO Alex Sink in urging the 2007 Legislature to continue funding My Safe Florida Home and its inspection programs. With the state facing a revenue crisis and a \$4 billion budget hole, it is unclear if the dollars will be available in 2009 for this worthy program. Nevertheless, legislators would be prudent to invest in mitigation efforts as this is the only way to reduce hurricane damages. In addition, AIF will seek legislation increasing penalties against hurricane mitigation inspectors who materially falsify inspection reports for the purpose of arriving at insurance premium discounts fraudulently.

Home Hurricane Rating System

AIF and its Home Hurricane Rating Coalition (HHRC) will seek legislation that provides funding for updating the existing grading scale used for premium credits and develops a simpler voluntary grading system, which can provide prospective home buyers with guidance as to the ability of a particular home to withstand hurricanes. Although in many cases consumers will be motivated by greater protection and potential insurance savings on their wind insurance, it is also hoped that many consumers will undertake hardening (or "mitigation") of their homes to realize a return on their investment through reduced

property losses from future storms and, possibly, a higher resale value of their homes.

Surplus Lines Insurance

AIF SUPPORTS legislative efforts to ensure the accessibility of surplus lines insurance in Florida. Continued access to this type of insurance is essential for a number of employers and consumers in Florida who must rely on out-of-state providers for their insurance coverage.

Bad Faith Reform

AIF SUPPORTS efforts to reform Florida's insurance laws regarding bad faith lawsuits, thereby establishing reasonable procedures which will benefit consumers. In all states, including Florida, an insured may sue their own insurance company to recover judgment amounts in excess of policy limits if the company failed to deal fairly and in good faith in attempting to settle a claim when handling a lawsuit on behalf of the insured. However, Florida bad faith litigation procedures are very favorable to trial lawyers and, unlike other states, in addition to the insured, allow an injured third party plaintiff to sue an insurer for the amount of the judgment in excess of the policy limits. These procedures make insurance companies the target for excessive lawsuits that may result in judgments which exceed policy limits resulting in the payment of questionable claims. Legislators should reform the law by establishing that only an insured person not "any person" can bring a "bad faith" action. In addition, adequate timeframes should be established so that an insurance company has a reasonable opportunity to investigate a claim before making a settlement decision and to be responsive to a claimant before they are found to have acted in "bad faith." These reforms will help Florida businesses continue to have insurance protection at a reasonable cost.

AIF Lobby Team Members Assigned to the Area of Insurance Include:

Nick Iarossi	Property Insurance
Tamela Perdue	Bad Faith Reform
Gerald Wester	Property Insurance General Insurance Issues

Legal & Judicial

Workers' compensation, a traditional priority of AIF, is one of the most important issues for Florida businesses and their employees. It has the potential to once again dominate the legislative landscape in 2009. Florida law requires employers to purchase coverage to ensure that workers who are injured on the job have ready access to medical care, receive monetary benefits while they are unable to work, and get the vocational assistance they need to return to work as quickly as possible.

Landmark reforms, led by AIF and the *Workers' Compensation Coalition for Business and Industry* to the Florida workers' compensation system in 2003 resolved a crisis producing unaffordable rates for employers, widespread fraud, and poor compliance with comp insurance requirements. Florida's comp rates were some of the highest in the country and a barrier to the creation of jobs and successful competition with bordering states for important new business and industry. The Florida Legislature tackled this crisis in a deliberative, broad-based package by focusing on cost-drivers that were clearly out-of-line with workers' comp systems in other states, including the abuse of hourly attorneys' fees.

- **Safer Workplaces** – On-the-job injuries have declined almost 30 percent in Florida over the past 5 years.
- **Available and Affordable Coverage** – By January 2009, rates will have dropped an average 61.4 percent since 2003, saving approximately \$3 billion to Florida employers.
- **Faster Recovery and Return To Work** – Benefit levels are comparable to our neighboring state as more than 80 percent of all work injuries are resolved without litigation, and there has been no decline in the percentage of attorney involvement since 2003.

The Legislature's goal of creating a market of affordable and available workers' compensation coverage has been realized over the past 5 years since the passage of this reform, with average rates decreasing around 60

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

However, the Florida Supreme Court recently issued an opinion in *Murray v. Mariner Health* that nullifies the current statutory provision of attorney fees and essentially reverts back to the costly litigation climate that employers, carriers, and legislators fought so hard to defeat. It is already clear that the resurrection of the hourly fee awards will stop the rate decreases Florida employers have received. The National Council on Compensation Insurance (NCCI), Florida's rate-making entity, has already predicted that rates will increase over 18 percent in the next two years, simply because of this ruling. Within a few months, the system will likely be headed back down the spiraling litigation path that created the chaos and crisis that necessitated the 2003 reforms.

Similarly, the issue of **court funding** is one that has the potential to negatively affect Florida's business climate. Overall judicial funding is a critical need for Florida's business community. Although legal filing fees for many types of cases, both personal and business related, were increased in 2008, those increased fees have not been used to fund the courts themselves. The fees have been collected from the litigants, but there has been little or no transparency to articulate how those dollars have been spent. As the courts coffers are dwindling, cases are taking longer to get to trial; and court personnel are being laid off or forced to seek employment elsewhere. The courts have been forced to constantly and continually make cuts in the same manner as other state agencies, but with less ability to sustain those cuts. This is particularly more troubling and difficult since the court personnel include so many constitutionally protected officers whose salaries cannot be reduced and positions cannot be eliminated.

Ideally, Florida's judicial system should embrace a specialized business court system to produce standardized procedures and consistency in rulings in complex business to business litigation matters. Unfortunately, the establishment of such innovative and efficient programs is little more than a fantasy in Florida where the judicial branch of government is equated to nothing more than a state agency from a state budgeting standpoint with only .07 percent of the state's budget. Proper and immediate funding of the judicial branch will ensure that the courts are equipped to handle the existing cases in which Florida's citizens are engaged and more frequently create

and implement creative efficiencies, such as establishing business courts, to improve the state's economic standing with our neighboring competitors.

Associated Industries of Florida will focus on the following Legal and Judicial Issues for 2009:

Workers' Compensation

AIF SUPPORTS efforts to pass workers' compensation legislation that clarifies the intent of the 2003 reforms and prevents Florida's workers' compensation system from deteriorating to pre-2003 status. Florida's economy cannot handle a workers' compensation crisis. We urge legislators to fight diligently and swiftly to avert this very real potential. The Florida Supreme Court has engaged in policy-making and has returned the system to its pre-2003 state. This move must be countered legislatively or the exact same crisis will result again. Florida's business community is once again united and committed to working with the Florida Legislature to develop a fair and equitable resolution of this attorney fee ambiguity so that our workers' compensation market remains healthy and our economy continues to grow and prosper.

Court Funding

AIF strongly encourages the Florida Legislature to fund the court system adequately and swiftly at a level equivalent to the judiciary's status as the third equal branch of government. A new mechanism for proper judicial funding, such as a dedicated trust fund for court fees, must be established to ensure that the legal needs of Florida's citizens and businesses, involved in over 4 million cases each year, are met in an efficient and just manner.

Protect Repeal of Joint & Several Liability

AIF OPPOSES the weakening or repeal of any of the 2005-06 legal reform laws. AIF will be ready to defend any proposals to undo the repeal of joint and several liability. As passed, **HB 145** repealed the remaining vestiges of joint and several liability in apportioning economic damages in negligence cases and replaced that system with a comparative fault approach. As a result, a party's degree of liability is limited to its degree of fault. Florida's business climate is facing tough challenges in the form of soaring property tax bills and property insurance rates. The repeal of joint and several liability has created a more stable legal climate that is fair and predictable. AIF will do whatever it takes to ensure that businesses in Florida only pay their "fair share" of damages, and we will continue to be the leader on tort reform issues as we have been for the last 33 years.

Additional Medical Malpractice Reforms

AIF SUPPORTS efforts by the Legislature to help control the cost of healthcare by enacting policies to slow the cost-drivers of medical inflation. One such policy where the Legislature can impact the rising cost of care is to enact greater medical malpractice reforms. Florida's legal climate encourages defensive medicine, diverts money from care to the legal system, and is a disincentive to doctors living and working in Florida. Greater legal protections for health care professionals are necessary. The following are two recommendations for the Legislature:

1. Establish sovereign immunity for physicians who provide mandated emergency services and care. The open-ended liability inherent in treating emergency patients has caused a shortage of specialists who are willing to subject themselves to the long hours and late nights involved in being on-call.
2. Pass legislation that would require out-of-state physicians to obtain an expert witness certificate to testify in Florida. Expert witness testimony not only plays a key role in the outcome of a medical malpractice case, it also impacts the way medicine is practiced in Florida.

Public Notice Laws

AIF SUPPORTS legislation that removes an exemption to S. 865.09(3)(d) for publication of a fictitious name in a newspaper. The current exemption language does not provide notice to individuals who do not have access to the internet and removed a protection placed in the statutes that was created to further the public policy of providing notice to the public. The removal of this exemption increases the opportunity for public to receive important information and protects the public by providing information on the parties who are doing business in their area. AIF recommends that to ensure protection of due process, no government entity that is required to provide notice of its actions to the public be the only entity that publishes that notice. **In addition, AIF supports legislation that requires limited liability companies to notify creditors when making a sale of all of its assets, or substantially all of its assets.** This proposal would ensure that there is enough time for a creditor/customer to contact the seller to determine if their rights are protected prior to the sale.

AIF Lobby Team Members Assigned to the Area of Legal & Judicial Include:

John Thrasher
Tamela Perdue

Election Reform

It is difficult to predict the level of election law activities that we will confront during the upcoming Session. Several legislators have indicated the intention of filing various bills that would impact the **contribution** activities of PACs and other entities or that would otherwise provide unacceptable limitations on the free-speech rights of the business community. Other potential bills provide draconian reporting requirements for these entities and will also need to be opposed.

AIF's activity in the election law field will primarily be based on the outcomes of two court cases. The first case declared the petition signature **revocation** statute to be unconstitutional, and we are waiting for a final decision from the Florida Supreme Court. Should the Court declare the statute unconstitutional, we will engage in efforts to either enact a statute that passes constitutional muster or perhaps begin an initiative effort designed to put a strong revocation process into the state constitution.

In the second case, a federal court struck down Florida's electioneering communications statute. Depending on the final outcome of that case, AIF will participate in decisions as to whether to try to craft a constitutional version of the statute or to function under similar regulatory provisions found in federal law that are applicable to such organizations. Both options have their benefits and liabilities. Crafting a fair and functioning statute will be challenging.

In addition to bills relating to campaign spending, AIF will closely monitor legislation relating to absentee ballots, the initiative process, and other areas of potential fraud and abuse. A coalition comprised of Common Cause, the League of Women Voters, and ACORN is actively promoting legislation in these critical areas which AIF will oppose if needed. Finally, AIF will watch for legislation that could impose unnecessary costs on the price of conducting elections. Election laws should be subject to the same strict scrutiny as any other area of governmental activity.

For this upcoming session, AIF will focus on the following election reform issues:

Revocation Process

AIF SUPPORTS efforts to re-enact a signature revocation process in Florida should the Florida Supreme Court find that signature revocation is unconstitutional. AIF was the first business group to successfully utilize this process through the Save our Constitution (SOC), Inc. organization. We strongly believe that citizens should have the ability to



affect change by coming together to petition for ballot initiatives. However, this process can only be fully complete, and fully democratic, when a mechanism for signature revocation is a part of the process. If you mistakenly sign a petition or are misled into signing a petition, or simply want to change your mind, then you should have the opportunity to remove your name from that petition. SOC, for pennies on the dollars, proved that petitions could be revoked, thereby defeating a ballot initiative on a congressional district-by-district basis.

Campaign Spending

AIF OPPOSES legislation aimed at curtailing free-speech rights or imposes onerous reporting requirements for electioneering activities. The business community is an active participant of the political process as are many other interest groups across the state. The state of Florida should provide a level playing field that is devoid of unnecessary or duplicitous requirements so that all participants are treated equally.

Circulation Period

AIF SUPPORTS changes to Florida law that would limit the time period of valid petition signatures from 4 years to 2 years. Currently, Florida has the longest shelf life for petition signatures in the country. Having signatures remain valid for 4 years can lead to complications with voter rolls and allows for the petition signatures of voters who no longer live in Florida to count towards the thresholds established by law.

AIF Lobby Team Members Assigned to the Area of Ethics Reform:

John French

AIF Special Counsel on
Elections

José Gonzalez

Election Reform

Economic Stimulus Package (ESP) 2.0

ESP 2.0

is the continuation of a conversation of how to get Florida's economic engine humming again by putting Floridians to work. Last year, our association, alongside 20 other business groups, put together an economic stimulus package or ESP designed to nourish Florida's economy by recommending government spending in key areas and the enactment of incentives to attract new business and spur more job creation in home-grown corporations. On the heels of this first package and with Florida's economy still sputtering, AIF once again consulted with its corporate and association members to come up with a follow-up to this landmark set of recommendations. Known as the *Economic Stimulus Package 2.0* or *ESP 2.0* for short, this package picks up from where the business community left off and provides legislators with a series of recommendations in ten targeted areas. The recommendations found in this package originate from discussions with representatives from various industry associations and other business leaders who are deeply concerned with the future of Florida. They are mainly focused on infrastructure investments with a high return on investment (ROI), but given the bleak budget picture in Tallahassee, we have also included some important regulatory recommendations that can stimulate the economy without a big price tag.

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

SUPPORTING ORGANIZATIONS (AS OF 2/9/2009)

Asphalt Contractors Association of Florida
Associated Builders & Contractors of Florida, Inc.
Associated Industries of Florida
Association of Florida Community Developers
Florida Association of Broadcasters
Florida Association of Realtors
Floridians for Better Transportation
Florida Cultural Alliance
Florida Credit Union League
Florida Engineering Society
Florida Fertilizer & Agrichemical Association
Florida Home Builders Association
Florida Institute of Consulting Engineers
Florida Natural Gas Association
Florida Petroleum Council
Florida Retail Federation
Florida Roofing, Sheet Metal & Air Conditioning Contractors Association
Florida Transportation Builders Association
Florida Trucking Association
Florida United Business Association

*"The Business Community's
Recommendations for a Revival of
Florida's Economy"*



Economic Stimulus Package 2.0

At-a-Glance

Currently the package is composed of ten areas, which are divided into Infrastructure Investments and Low Cost/High Impact Alternatives.

INFRASTRUCTURE INVESTMENTS

What others are saying ...

"AIF continues to be a leader for the business community in the transportation arena. Their endorsement of a practical adjustment of tag and title fees as a source of additional transportation dollars shows the type of forward thinking needed for our state to meet its transportation challenges."

– Robert Burleson, President, Florida Transportation Builders Association

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

– Doug Mann, Chairman, Florida Water Alliance

"Associated Industries has been a major partner in the fight to protect affordable housing programs in Florida. More than most other organizations, AIF realizes the economic stimulus potential of investments in housing."

– John Sebree, Vice President of Public Policy, Florida Association of Realtors

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

– Steve Kohler, President, Space Florida

1. Transportation

- Continued investments in transportation with an emphasis on road resurfacing projects
- Creation of dedicated revenue source for the Transportation Trust Fund through a scaled adjustment in tag and title fees (\$1.5 billion raised over a span of 3 years)
- Utilization of P3's for **future** infrastructure needs only
- Distribution and warehouse centers for ports through leasing of available state/local land in or near ports, and port security issues
- Approval of the Central Florida Commuter Rail

2. Water

- Funding for alternative water supply projects because it creates jobs and is essential to business expansion and relocation efforts

3. Affordable Housing

- Support of down payment assistance dollars in order to best leverage the \$1 billion available in federal dollars from the HERA Act of 2008
- True "fast-tracking" by local governments of affordable housing projects

4. Educational Facilities

- Restoration of the 2 mill levy for educational facilities
- Maximization of PECO dollars
- Continue to build schools as needed without the necessity of meeting the lowest level of the classroom size amendment

5. Space

- Continued funding of Space Florida and its activities to attract and retain space related industry to our state, including additional dollars for the continued rehabilitation of launch facilities to entice commercial space flight to Florida
- Creation of a Commercial Launch Zone (CLZ) as advocated by Space Florida
- Additional investments in workforce training to continue the transition of aerospace workers to complementary jobs in related fields
- Diversification of the space industry through university-based research and applied technology programs across the state (STRDI Act)

- Creation of Science, Technology, Engineering and Mathematics (STEM) magnet schools
- The use of "operations & maintenance" (O&M) dollars to preserve NASA buildings no longer in use by NASA, but important to the private sector in the near future as private commercial space launches begin

6. Mitigation

- Investments in home-hardening research and development
- Leveraging federal stimulus dollars into mitigation efforts (stimulates sales tax revenue, creates job, and increases economic activity)
- Continuation of the "My Safe Florida Home" program through small increase in Citizens' premiums or through a public-private partnership

LOW COST/HIGH IMPACT

7. Regulatory Relief

- Expedited permitting for targeted industries
- Extensions of state and local government approvals for projects that fall under the "Development-of-Regional-Impact" (DRI) process
- Consider impact fee moratoria at the local government level or, at a minimum, ease the burden of proof on impact fee challenges
- Creation of a "Shovel-Ready Zone" designation

8. Tourism

- Encourage marketing of Health Care Hospitality/Tourism
- Expand marketing of Florida's arts and cultural resources as reasons to come to Florida
- Promote in-state tourism

9. New Markets Development Program

- Passage of legislation creating a program in Florida to draw down federal economic development dollars for low-income areas by providing \$250 million in private sector investment in Florida within 12 months.

10. Building Florida's Venture Economy

- Create the Florida Investment & Infrastructure "Bank"
- Encourage creation of Angel Investment Groups
- Bring entrepreneurs together with the source of capital

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

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

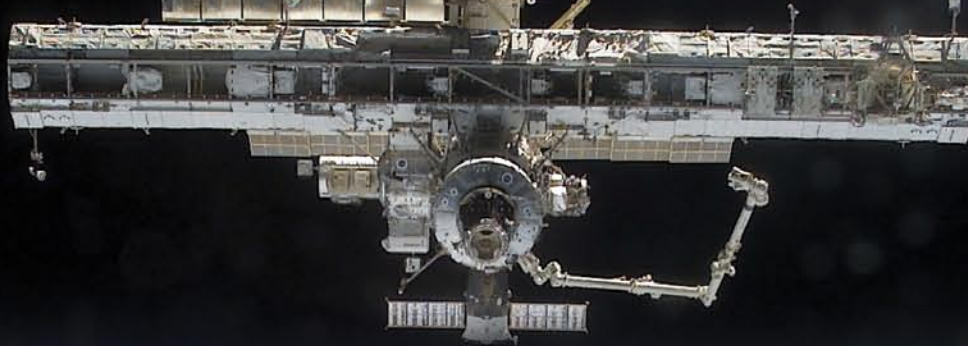
AFFORDABLE HOUSING – The passage of the federal Housing and Economic Recovery Act presents Florida with a unique opportunity to leverage over \$1 billion in federal support for our housing market and to accelerate Florida's economy. To get the biggest return on this investment, we must ensure that the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

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

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

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

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



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.

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.

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.

Taxation

Florida's unprecedented budget shortfall will dominate much of the conversation and debate during the 2009 session. By the time session arrives, legislators would have already met during a January Special Session to balance the budget and fill a \$2.3 billion hole. Even with this monumental reduction, the state is projected to be an additional \$5 billion in the red by the 2009 regular session. There are two common approaches to dealing with a shortfall. Either cut spending and reduce government services or find new sources of revenue (also known as raising taxes). Legislators find themselves in the difficult position of having to balance these two opposing forces. Revenue enhancements are difficult to come by without increasing taxes or fees. **AIF is strongly opposed to any sort of excise tax or efforts to enact combined reporting for corporations as a way to make-up revenue.** These types of taxes have proven to be unfair and ultimately harmful to the economy as a whole.

A number of other taxation issues still remain unsolved. After over a year of public meetings and votes, the Taxation and Budget Reform Commission (TBRC) was unable to produce any significant changes to Florida's tax structure. Florida's **property tax** system continues to remain unfair for businesses that are paying more than their fair share of property taxes. Additional legislation in the property tax arena is sure to be considered during the 2009 session.

The TBRC was successful in one major endeavor, the placement on the November ballot of a "**Working Waterfront**" amendment to the state constitution. Amendment 6, as it was called, was overwhelmingly approved by over 4.9 million Floridians, making it the constitutional amendment with the most favorable votes. The purpose of the amendment was to change the way working waterfront property was taxed. The current system of "highest and best use" taxation forces waterfront businesses to be appraised and taxed upon potential use of the land, such as high rise condominium or waterfront resort, instead of the current use of the property. Under Amendment 6, working waterfront property will be taxed at its current use.

Another critical tax issue left unresolved deals with **corporate income taxes** for Florida companies. Last year, the Legislature passed HB 5065 by Rep. Michael Grant (R-Port Charlotte) – the annual "piggyback" bill that codifies federal income tax code changes and ensures that businesses in Florida do not have to keep two sets of books. This bill normally just accepts all federal tax code

changes, but this year the state revenue problems did not allow them to codify the 50% federal bonus depreciation and section 179 expensing of certain assets that was part of the federal economic stimulus package. In drafting the bill to disallow this accelerated depreciation, the staff tried to make it easier for Florida companies to comply by requiring the specific expenses to be added back to income for Florida income tax purposes. This way there would not be a need for two sets of books for depreciation expenses for federal and state. Unfortunately, this caused a major problem for Florida businesses and would have forced them to overpay state corporate income taxes. On December 9th, the Cabinet passed an emergency rule recommended by the Department of Revenue Executive Director Lisa Echeverri that has the force of law for 90 days. This rule fixed the unintended problems the bill caused, but legislators must pass a statutory fix within the first week of the 2009 session.

AIF will focus and pursue legislation on the following tax issues in 2009:

Excise Taxes

AIF is OPPOSED to increases in any form of excise taxes (alcohol, cigarettes, etc.). These taxes are based on discretionary consumer spending and provide a highly unreliable and unpredictable basis for taxation. Excise taxes tend to fall on a percentage of the population instead of on the population as a whole and are thus unfair by definition. Cigarette taxes in particular tend to fall the most heavily on working people and others who can afford them the least. In sum, excise tax increases are inconsistent with the fundamental concepts of tax fairness.

The momentum for increases in the cigarette tax is based on the premise that people who smoke cigarettes do not pay their fair share of the state's Medicaid burden. However, the cost of a pack of cigarettes includes increments for the tobacco settlement payments, for state and federal excise taxes, and for sales tax that, when totaled, actually exceed the Medicaid burden alleged by proponents of a tax increase.

Corporate Income Tax Glitch

AIF SUPPORTS the passage of a corporate income tax glitch bill during the first week of the 2009 Legislative Session. This glitch bill must be passed before the 90-day emergency rule adopted by the Florida Cabinet runs out. AIF, along with a number of its business community colleagues, spent weeks during

the fall of 2008 to bring attention and ultimately resolve this glitch, which had the potential to cost employers in Florida hundreds of millions of dollars and discourage companies from making important end-of-the-year investments across the state. Legislators must act quickly and resolve this unintended mistake, especially in light of the current economic hardships facing the state.

Property Tax

AIF SUPPORTS efforts to extend the 3% cap on assessments to non-homestead properties and will support legislation that requires a super majority for additional increases in taxes and fees. Property tax issues in Florida continue to remain unresolved and fairness between homestead property owners and commercial property owners must be addressed since businesses in Florida continue to bear the brunt of the consequences of the “Save our Home” amendment, which capped increases in property taxes for homestead property owners. **AIF will also support legislation that addresses ad valorem assessment value challenges including revising the burden of proof and the presumption of correctness to level the playing field for tax payers.** Significant progress was achieved last session with the passage of HB 909 which improved the Value Adjustment Board (VAB) process, but there is still more to be done in this area.

Amendment 6 Implementation

AIF SUPPORTS the adoption by the Legislature of the necessary implementing language for Amendment 6, better known as the “working waterfront” amendment. Passage of this implementation language is vital to Florida’s economy. The marine industry alone contributes \$18 billion dollars to Florida’s economy and employs approximately 220,000 people in our state. Without this important change, many working waterfront businesses were looking at selling their property to developers because of the drastic rise in their property taxes.

Streamlined Sales and Use Tax

AIF will work with other business associations to support a joint resolution to encourage Congress to pass legislation to require internet retailers to pay state sales taxes in all states that have passed the Streamline Sales and Use Tax Compact bill, regardless of their nexus in those states. This is the only way to move forward to protect our brick and mortar business-

es that are at a competitive disadvantage with internet retailers that do not collect Florida sales tax because they have no nexus. There is a common misconception that this proposal represents a “new” tax, but in reality, the state of Florida would only be enforcing existing law.

Combined Reporting

AIF OPPOSES any legislation that would bring about “combined reporting” or establish a unitary tax in Florida. Taxing our way out of a recession is not feasible. This type of legislation sends a terrible message to companies and investors looking to invest in our state. Florida tried this approach in the 1980s, and it was a disaster, costing the state thousands of jobs. This proposal would mandate “combined” reporting, which would require all corporations to file a tax return combining income from subsidiaries outside of Florida and then apportion the combined income to Florida based upon a specific formula.

Rental Car Surcharge

AIF OPPOSES measures that seek to increase “hidden taxes” and those taxes that disproportionately affect a select group of citizens or businesses. One such tax — the rental car surcharge — fits that mold. Current Florida law requires car rental companies to collect \$2 a day on every car they rent in Florida and remit them to the state to be used for transportation projects. Over the last several sessions, there have been attempts to double this tax to \$4 a day.

A recent study by researchers at the Brookings Institute and the Urban Institute entitled, “Taken for a Ride: Economic Effect of Car Rental Excise Taxes” noted that “taxes should be designed to promote equity, simplicity and economic prosperity ... car rental excise taxes fail all of these tests.” Supporters of this tax increase say that tourists should help pay for our transportation needs. However, this tax increase is levied on all renters of vehicles, including Florida citizens and businesses.

AIF Lobby Team Members Assigned to the Area of Taxation:



Keyna Cory

José Gonzalez

Frank Meiners

Water

For several years now, AIF has placed a priority on the funding of **alternative water supply programs**. This year will be no different. AIF will stay actively involved with the *Florida Water Alliance* and seek beneficial ways to fund the programs. But funding is going to be hard to find as the Florida's economy has slowed. Thanks to SB 444 passed in the 2005 session, money was previously set aside in the Water Protection and Sustainability Trust Fund (WPSTF) to fund different water projects. Unfortunately, with general revenue dollars declining, so is the revenue going to the trust fund.

Florida needs to be serious about its water resources as we expect 21.8 million residents by 2025. As Florida continues to grow, we need a reliable source of water, and we need to make sure we have that source by planning for it now. You cannot build roads, schools or hospitals without water. In the Century Commission's Second Annual Report, they focus on five important strategic areas for their recommendations. The first one listed is "Ensuring an adequate and reliable water supply for current and future generations."

Our policy leaders need to prioritize water needs and coordinate a comprehensive long-term plan on water use and supply including conservation, re-use, and alternative water supply programs, especially in these economic times. By funding alternative water supply programs, we can help the economy as well since the return on investment is 5 to 1.

With water supply at a crisis level, the Century Commission convened the state's first Water Congress last September in Orlando. AIF was asked to participate in the Water Congress to represent the business community. Approximately 100 people were chosen as delegates to discuss the problems facing Florida today and make recommendations on how we need to plan for future water needs.

Four final recommendations were approved by the Water Congress, all of which will be supported by AIF.

Funding for Alternative Water Supply Programs

AIF SUPPORTS efforts to reinstate the annual state funding for alternative water supply development and water quality improvements (i.e., SB 444 funding to be matched by Water Management Districts and local governments/utilities). Lawmakers should make SB 444 funding a recurring source of



annual state funding for alternative water supply development and reinstate original funding levels at a minimum.

Regional Partnerships

AIF SUPPORTS efforts to encourage regional partnerships, incentives and cooperative approaches to address long-term water sustainability for Florida. The Water Management Districts, the Florida Department of Environmental Protection and local governments should aggressively identify opportunities and develop incentives for establishing multi-jurisdictional utility arrangements or water supply authorities and engage in other areas where such partnerships should be beneficial and cost effective to the public.

Statutory Definitions

AIF SUPPORTS efforts to amend (as necessary) any statute, rule or policy so that quantifiable water conservation best management practices are considered as an "alternative water supply" and are equally as eligible for funding as capital facility expansion proposals.

Water Usage Goals

AIF SUPPORTS efforts to set a per capita target or goal for water use and quantifiable best management water practices and provide a stable funding base for the Conserve Florida program directed by Section 373.227, F.S., including the statewide water conservation clearinghouse for public water supply.



**AIF Lobby Team Members
Assigned to the Area of Water:**

Keyna Cory



ASSOCIATED INDUSTRIES OF FLORIDA

COUNCILS



The Councils of Associated Industries bring together unique sectors of the business community in order to develop and promote issues vital to those respective industries. The following pages represent the 2009 Legislative Agendas for each of the eight councils within AIF.

Education, Economic & Workforce Development



In its second year of existence, the Florida Education, Economic and Workforce Development Council (EEWDC) has a new name, a new chair, and a new charge. We've added the word "economic" to the name to highlight the belief that education and workforce development are ultimately the base of the pyramid for economic development and sustainability. Amy Evancho, President of the Florida Economic Development Council, will serve as Chair of the EEWDC for 2009 with a desire to expand participation in the Council from business and economic development professionals across the state. AIF has charged the EEWDC to focus in 2009 on two priority issues: College and Career Readiness and Economic Development.

Why College and Career Readiness?

"...a strong positive relationship exists between the amount and kind of high school coursework students take and their readiness for college. The more courses students take and the more challenging those courses, the more likely these students will be college ready and will persist to a college degree."

Crisis at the Core; Preparing All Students for College

In short, up to 70 percent of the nation's college-bound high school graduates are not ready for college, according to common readiness standards (ACT, 2005). Additionally, Florida lags in several key measures of college and career readiness — most notably, our graduation requirements are not aligned with college and workplace expectations.

Commissioner Eric Smith and the State Board of Education have listed college and career readiness as one of six priorities to achieve a strategic vision for Florida. Focusing on career readiness will change the culture of our schools by raising the ceiling and raising the floor to better enable students for success in the 21st century.

Council Position

The EEWDC supports efforts to establish linkages between business and the education sector as a way to develop programs and accountability measures across the entire education continuum with an emphasis on college and career readiness that will foster the development of an educated and prepared workforce.

Education, Economic & Workforce Development Lobbyists:

Peter Harris	Workforce Development
Stephen Shiver	Economic Development
Stacey Webb	Education

Council Priorities

A prepared workforce is critical to the long-term economic health of our state. Without proper preparation, Florida's students cannot be successful in college or the workplace. College and Career Readiness is the base of Florida's economic pyramid. AIF's EEWDC will place top priority on improving college and career readiness for Florida's students.

- **Changes to Florida's graduation requirements to better align with college and career readiness**
- **Increased access to rigorous coursework**
- **An alignment of Florida's high school assessments with college and career readiness**
- **Reporting to parents and students on the assessment scores and readiness for college and career**



Chief Financial Officer Alex Sink is the first Cabinet Member to receive an AIF Champion for Business award.

Financial Services

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

The Council has consistently voiced concern that the property insurance structure created by the Legislature, which relies on post-hurricane bond issues to fund over 70% of hurricane losses, is not sustainable. Unfortunately, the current economic recession is bringing the Council's fears to fruition. The lynch pin to the existing structure, the Florida Hurricane Catastrophe Fund (Cat Fund), is projecting a \$19 billion shortfall for 2009 in its bonding capacity necessary to fund its maximum potential obligations of \$28 billion. The failure of the Cat Fund to fully meet its obligations in the event of a hurricane or series of hurricanes will result in delays or non-payment of claims and the financial failure of the state's insurance company, Citizens, and many Florida-only property insurance companies. The expansion of the Cat Fund and the growth of Citizens has placed the state of Florida in great financial peril. The state's insistence on paying for hurricane losses after the fact requires that storm losses be paid in the form of assessments (taxes) on virtually all lines of insurance. This includes auto, personal and professional liability, etc. Florida's property owners (residential and commercial) will become responsible for paying off the state's enormous exposure in the event of a bad storm or series of storms rather than spreading the risk world-wide, which is the Council's goal.

Council Position

The FSC opposes the expansion of Citizens Property Insurance Corporation at the expense of businesses in Florida. Instead, the Council supports legislation that establishes a process to return Citizens to an insurer of last resort and returns Citizens' assessments base to only residential insurance. In addition, the Council supports efforts by CFO Alex Sink and others to reduce the Florida Cat Fund's significant exposure.

Council Priorities

In 2009, the Council will focus on insurance measures that will:

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

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

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

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

*Financial Securities Council
Lobbyist: **Gerald Wester***

Florida Energy

AIF has and will continue to support conservation, efficiency, all fossil fuels, all alternative fuels, and nuclear energy because Florida needs diverse energy sources. Likewise, we support conceptually the idea of moving to a greener economy, but not unilaterally. For the past three years, AIF and its Florida Energy Council (FEC) have provided a voice for Florida's business community as it relates to energy policy. With the passage of last year's landmark energy bill, policymakers in Tallahassee are poised to make some very important and long lasting decisions relating to Florida's energy and climate change policies. A number of administrative rules are currently being considered by their respective state agencies or will be taken up by the Legislature for ratification. These rules are the byproduct of a series of Executive Orders signed by Governor Charlie Crist in 2007 and include such policy proposals as the adoption of California Lower Emission Vehicle (CA-LEV) standards, a renewable portfolio standard, and a "cap-and-trade" program for Florida.

Last year's omnibus energy bill also included the creation of the new Florida Energy and Climate Change Commission (FECC). This new entity has been charged with setting energy policy for the state and to provide consultation to the Public Service Commission and other policy-making bodies in a number of energy related areas such as energy grants, the new renewable portfolio standards, and conservation and efficiency goals. The business community needs to pay very close attention to the decisions of this newly created commission as it will undoubtedly play a large role in determining Florida's future energy policies, and the impact on energy costs and on Florida's economy.



House Energy & Utilities Policy Committee Chair Rep. Paige Kreegel (R-Punta Gorda) attends a FEC meeting in Tallahassee.

Council Priorities

The FEC will concentrate their efforts in 2009 **on the passage of a Memorial to Congress encouraging increased exploration and production of oil and natural gas in the Eastern Gulf of Mexico.** Not only will increased exploration and production assist in decreasing our country's dependence on foreign oil, it represents a future source of revenue for Florida in the form of royalty payments during a time when dollars for the state coffers are scarce. Florida's employers depend on access to affordable and reliable energy to run their businesses. They are also affected by higher energy costs, which increase their prices while reducing customers' purchasing power. **Thus the Council will pay close attention to the various climate change rules being considered, which have the potential to drive up the cost of energy and durable goods and decrease the profitability and viability of Florida's businesses.** The goals established in these rules (although worthy) could cause an economic disadvantage for goods and services produced in Florida with the effects being an undesirable economic climate for the creation of jobs and slowing business activity in an already challenging economic period.

Council Position

The FEC recognizes the importance energy plays in keeping Florida's economy healthy and vibrant. Any recommendations, rules, or legislation should allow for reasonable implementation, should support efficiencies and should ensure that undue mandates and costs are not placed on Florida's businesses and consumers, thereby creating a unilateral economic disparity. Florida should insure that every effort is made to undertake a balanced approach that avoids unrealistic requirements on energy producers and suppliers, while planning for the state's future energy needs. It is imperative that Florida not be alone in this arena, but that it needs to be a collective effort by other Southeastern states. Otherwise, we could become the east coast version of California.

Florida Energy Council Lobbyist: Jim Rathbun

Florida Hospital

Because a strong health care system is important to attracting and keeping businesses in Florida, AIF formed the Florida Hospital Council (FHC) in 2007. The group is made up of representatives from hospitals across the state and continues to be chaired by Robert Broadway, Vice President of



*Florida Hospital Council
Lobbyist: **Bob Asztalos***

Bethesda Healthcare System. With AIF as the backbone of the Council, this group feels the Florida Legislature and Executive Branch will hear its collective voice. Its purpose is to bring attention to those concerns and the special issues hospitals face as major providers of health care in the state. As stated earlier in this document, health care is not a commodity or a retail business; but to survive, hospitals must follow various business models while providing high quality care to their patients. Hospitals strive to provide the best health care possible despite burdensome and duplicative regulations and providing uncompensated care to a growing number of uninsured persons in Florida.

Health care is the largest consumer of Florida's budget, but the Legislature has not been able to meet existing needs in light of state budget deficits. Emergency rooms and trauma centers are becoming the source of health care for the poor. Florida's number of uninsured is growing and with ever-shrinking sources of revenue, hospitals must work together to ensure the quality of care is not compromised. Floridians believe there is a crisis in the future, and we as industry leaders must address these issues.

Council Priorities

The FHC has discussed health care issues facing Florida's hospitals in preparation for the regular session.

- **Medicaid Funding:** Medicaid, the payer of last resort, currently reimburses hospitals for care of Medicaid patients at the rate of 60 percent of Medicare. In the 2007-2008 budget, 18 percent of Medicaid funding was provided by the state of Florida through general revenue. The Council supports a steady funding stream for Medicaid programs and providers including the Medically Needy and Meds AD programs that provide critical services to low income Floridians. Florida should pursue the maximum federal match for its Medicaid program.
- **Regulatory Relief:** Currently, hospitals and other health care providers face a myriad of regulations and duplicative enforcement by various government agencies who do not always coordinate enforcement standards and actions. The Council supports the creation of a panel, consisting of business community members, to review and recommend the sunset of those regulations that are found to be outdated, unnecessary or duplicative.
- **Additional Mandates on Hospitals:** Appropriate care standards should be determined by the doctors and local hospital officials, not legislators in Tallahassee. For example, we oppose HB 241 which would create staffing ratios for registered nurses in Florida hospitals

Council Position

AIF and the Florida Hospital Council support full funding of Medicaid to take full advantage of federal matching dollars. We support the elimination of duplicative and unnecessary regulations and oppose additional mandates on care provided in hospitals.

Florida Maritime

AIF formed the Florida Maritime Council (FMC) in 2006 in response to the critical security and economic needs that Florida's port businesses continue to face. Initially, the Council members (representing more than 80 companies with operations covering the state) identified seaport security as Florida's most critical port issue. They have also revealed other serious problems that threaten their ability to compete with other port facilities located in other states, such as competing land uses and property taxes. The Council and its members will also play a vital role in maintaining and advancing Florida's economic position in the country, but its more short term problems must be addressed to ensure these businesses survive long enough to benefit from strategic and long-term financial planning.

Adoption and enforcement of fair and uniform seaport security measures is the most critical port issue in Florida. A few of the most time consuming and costly circumstances that port employers currently face include:

- Duplication of credentialing to meet separate federal and state requirements;
- Security weaknesses;
- Inconsistent application of minimum standards in the waiver process; and
- Arbitrary application of security requirements by local law enforcement.

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



*Florida Maritime Council
Lobbyist: Tamela Perdue*

Council Priorities

Specifically, the Council will advocate for the following important legislative changes for Florida's maritime industry:

- **Streamline security requirements to eliminate duplication in credentialing;**
- **Address inconsistency with Federal and State security standards and with the security waiver process;**
- **Identify and reduce regulatory impediments that stymie economic growth at Florida's Ports;**
- **Establish better lines of communication between regulators and port tenants, primarily by addition of port tenants and tenant employees to the Florida Seaport Security Advisory Council (FSSAC);**
- **Address arbitrary application of security requirements;**
- **Require the Florida Department of Law Enforcement to brief port authority board members and local security taskforce co-chairs concerning results of unannounced seaport inspections ;**
- **Restrict encroachment on or near port property of alternative land uses;**
- **Support economic development funding for Florida's ports; and**
- **Support funding to deepen ports in Florida to take full advantage of the bigger ships that will use the newly expanded Panama Canal.**

Council Position

The FMC supports efforts to establish better lines of communication between regulators and port tenants primarily focused through the Florida Seaport Security Advisory Council (FSSAC). The maritime industry has been unduly burdened with the expense and inconsistencies of seaport security regulations. A course correction is warranted if Florida is going to protect the profitability and ensure the survival of its ports.

Governmental Outsourcing

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

The State of Florida currently spends over \$7 billion per year on outsourced health and human services contracts, with both for-profit and not-for-profit companies throughout the state. This is a significant portion of the state's economy, and outsourcing allows the state to provide essential services to citizens in need. Given the current fiscal environment, the initiatives proposed by the GOC would save the state millions of dollars while more efficiently and accountably providing these needed services.



*Governmental Outsourcing
Council Lobbyist:
Peter Harris*

Council Priorities

For the 2009 Legislative Session, the GOC has proposed significant legislation that would ensure accountability, eliminate duplication, and improve efficiencies, thereby lowering the costs associated with providing services and maximizing the use of state dollars. Specifically, the legislation requires state agencies procuring services in the affected areas to:

- **Provide a list of mandated requirements, forms, and other monitoring requirements that are satisfied through accreditation by appropriate national accreditation organizations to the Legislature on an annual basis;**
- **Coordinate with other state agencies that provide funding to the same provider and designate a lead agency to ensure that monitoring activities are coordinated. They will also be required to develop a common monitoring protocol with minimum standards; and**
- **Develop a master list of core required documents for contract monitoring that is readily accessible to providers.**

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

- **Require agencies to negotiate a contract amendment with the service provider to increase the maximum obligation amount or unit price to offset any material adverse financial impact of changes requested by the agency;**
- **Ensure that payment will be made on all items not under dispute and that in no event will payment be withheld on undisputed issues pending the resolution of disputed issues;**
- **Provide that any dispersed funds remaining unexpended during the contract term be authorized revenue for the purposes of cash flow, program expansion and development, or administrative costs; and**
- **Provide for cost of living increases subject to legislative appropriation.**

Council Position

The GOC supports efforts to create a more accountable, efficient and sustainable business climate for all business entities providing essential services to the state. Clarifying the requirements of procurement outcomes and contract management provisions will create a more stable environment for business and a more efficient use of the state's limited financial resources.

Information Technology



Sen. Al Lawson (D-Tallahassee) receives the IT Council "Legislator of the Year" Award.

During the 2008 legislative session, the Information Technology Council (ITC)

reviewed all bills filed and identified twelve bills that would have an impact on IT companies. Of those, SB 1892 established the policy groundwork for eventual consolidation of state data center facilities to achieve cost savings gained through greater economies of scale. In summary, the current law provides for:

- Creation of the Northwood Shared Resource Center and the Southwood Shared Resource Center as "primary data centers" managed by boards of trustees acting as the agency head of the data center;
- Creation of the State Data Center System (SDCS) comprised of all data centers and computing facilities; and
- Transfers of certain data center functions to the new shared resource centers.

The ITC provided input on the bill as it moved rapidly through the Legislature. The Governor's office asked the ITC for our position after it passed and it was delivered to the Governor for his signature. In responding to the Governor, the Council restated its neutrality, but added three points. They were the need for up-front funding, the need for the Agency for Enterprise Information Technology (AEIT) executive director to be named, and the need to have an overall champion of the project to ensure the success. Only the appointment of a permanent Executive Director has occurred so far due to the unfortunate financial issues facing the state.

In addition to the data center consolidation bill, the ITC provided detailed input and testimony on SB 2008. This bill was the glitch bill for the Agency for Enterprise Information Technology (AEIT), but due to lack of money as well as the desire to implement data center consolidation, this bill did not pass. Portions of it were added to SB 1892, the Data Center Consolidation bill.

Florida's state government has legacy IT equipment and a decreasing number of professionals that are able to maintain them. In a time of shrinking state budgets and economic uncertainty, technology has the potential to turn government around and save money at the same time. As legislators consider how to cut government programs without hurting the people being served, IT emerges as one solution to providing the most efficient level of service.

Council Position

The ITC will continue to encourage the enhancement of government spending on IT in order to provide better service to citizens and employers. In addition, the Council will continue its support of the AEIT and will work towards ensuring that its structure is conducive to achieving sound IT policies and governance for all state agencies.

Information Technology Council Lobbyist: Frank Meiners

Council Priorities

With the lobbying expertise and influence of Associated Industries of Florida and the continued success and exceptional growth of its Information Technology Council, the acceptance of our input on technology issues is great. We hope to again have a good year in 2009 in spite of the terrible budgetary problems that exist in Florida and the country. The ITC's 2009 legislative priorities are as follows:

- Track and provide approved input for the expected glitch bill regarding the Agency for Enterprise Information Technology (AEIT);
- Track and provide approved input for the expected glitch bill regarding the State Data Center System (SDCS);
- Support funding for the AEIT and the SDSCS;
- Identify any bill or proposed bill that impact procurement and/or IT companies and provide approved input; and
- Track and provide input to agency technology projects and issues.

International Affairs



*International Affairs Council
Lobbyists: Al Cardenas,
Stephen Shiver*

AIF and its International Affairs Council (IAC) recognize the tremendous value international trade represents for Florida's economy.

According to Enterprise Florida, the total value of merchandise trade flowing in and out of the U.S. through Florida's 14 seaports and 20 major airports reached approximately \$115 billion in 2007. Florida's continued competitive edge in the global economy depends on maintaining our international trade dominance in the western hemisphere. Florida leads the nation in serving as the regional corporate headquarters for over 300 companies from Latin America and the Caribbean. Florida also continues to emerge as a leader in the country on foreign investment reaching \$39.3 billion in investment last year. In 2006, Florida ranked 5th nationally for employment by foreign firms with over 248,000 Florida-based jobs. A key ingredient to maintaining a balance of trade that is friendly to Florida businesses is a continued and aggressive marketing strategy abroad. In 2008, the Governor led an aggressive trade mission to Europe visiting the UK, France, Russia and Spain.

Florida exporters need global opportunities to showcase Florida merchandise and talent. Florida companies are key suppliers to buyers across the Americas. Critical access to foreign investment and markets is gained through regular trade missions. In fact, during the 2007 trade mission to Brazil over \$300 million was generated in actual and anticipated sales. Since 1999, over 1,270 Florida executives have participated in trade missions, resulting in more than \$700 million dollars in actual and expected sales for Florida companies.

Trade missions target key markets of specific opportunities to Florida. High level meetings are held to promote Florida's economic advantages, generate trade and reverse investment and develop linkages in the target markets. Specific networking opportunities are also created for businesses that participate in the mission.

Despite the growing importance of international trade to Florida's dynamic economy, state funding for Florida trade missions has been steady over the past years at just over \$5 million annually. Emphasis should be placed on establishing diverse economic development programs that cater to the global economy. Preparing our workforce for this multicultural environment is vital to achieving this goal.

Council Priorities

AIF's IAC applauds Governor Crist's support of international trade and his commitment to maintain Florida's prominence in the global market. AIF and the IAC are currently working on efforts to:

- Enhance funding for international trade activities; and
- Provide support at the federal level for the passage of additional free-trade agreements with countries like Colombia, who are vital trade partners for our state.

Council Position

The IAC believes that businesses, small and large, all across Florida benefit from Florida's position as a hemispheric hub for international trade. Florida businesses get the opportunity to act as a key supplier to buyers around the globe and sell goods made locally in Florida to global markets. Increased funding for trade missions equals increased opportunity for Florida exporters to access tailor made programs of business-to-business appointments and prearranged meetings with prospects. For public policymakers, the sales generated represent a return on the investment of public funds in the form of an enhanced tax revenue base.



2009 LEGISLATIVE ISSUES

The following is a listing of all the issues that AIF will be involved in (as of February 10, 2009) for the upcoming 2009 Session. These issues and our positions can change based on amendments. When our position does change, it will be noted in both the *Daily Brief* and *Weekly Update* Reports that AIF provides to members and legislators throughout the session.

Contracting

- Support legislation to ensure consistent and fair contract elements for entities providing health and human services to the State of Florida

Economic Development

- Support efforts to reduce regulatory burdens that inhibit businesses ability to establish and expend in Florida
- Support reestablishing funding levels of Enterprise Florida's economic development "Tool Kit," including the Innovation Incentive program designed to entice world class research centers like Scripps, Torrey Pines, Burnham, SRI and Marx Planck Society as well as hi-tech companies to the state
- Support legislation aimed at providing tax credits for venture capitalists that invest in Florida's emerging businesses
- Support efforts to draw down federal economic development dollars through the New Markets, Fast Track Economic Stimulus for Small Business Program
- Support efforts to expand the film and entertainment tax credit program

Education

- Support increasing access to rigorous coursework and increased high school graduation standards, particularly in STEM subject areas: Science, Technology, Engineering, and Math; so that students can compete globally in the 21st century
- Support efforts to increase education in the arts, multilingualism, multiculturalism, and technology literacy to assure the workforce is prepared for the creative economy
- Advocate flexibility in plans to fulfill the mandates of the class-size constitutional amendment
- Support the continuation of the Banner Centers for Workforce Development and Ready-to-Work programs

Elections

- Support efforts to re-establish Florida's signature revocation process
- Support reforms to the process for amending the state constitution by citizen initiative
- Support efforts to change the life span of petition signatures for citizen initiatives from the current 4 years to 2 years

Energy

- Encourage the exploration, production and storage of petroleum and natural gas in an environmentally safe manner while ensuring a continuous supply and reasonable cost of fuel for all of Florida's needs
- Support incentives for the use of hydrogen fuel and the future expansion of alternative fuels and clean coal technologies
- Support environmental and economic regulatory policies that create a stable investment climate so that electric utilities can build more fuel diverse generation systems to meet Florida's growing energy needs, and continue to maintain and enhance where possible the resiliency of the transmission and distribution system to hurricanes
- Oppose government mandates that will unnecessarily drive up the cost of essential energy services for businesses in order to reduce greenhouse gas emissions
- Support the expansion and building of future nuclear facilities in Florida

Environmental

- Support "Incentive Based Permitting" for those companies who are good stewards of Florida's natural resources
- Support the environmental self-audit privilege
- Support the expansion of the Environmental Litigation Reform Act (ELRA)

General Business

- Support legislation providing for personal identity-theft protection and for protection of personal and business data held by state and local governments while at the same time balancing the needs of commercial entities to have access to such information to service their customers and promote commerce
- Oppose legislation that requires businesses to rely on flawed federal verification systems for immigration status of employees
- Support efforts to create statewide regulation of fertilizer sales
- Support constitutional amendment protecting Floridians' right to a secret ballot

Growth Management

- Support legislation to streamline the plan amendment process at the DCA level during the "sunset" review of the agency by the Legislature
- Support legislation prohibiting the inclusion of backlog in the determination of a developments school or transportation concurrency requirements
- Support legislation establishing transportation concurrency exception areas in highly urbanized settings
- Encourage the increase of affordable housing through the modification of the planning process at all levels of government
- Provide for the "fast track" of any project deemed to be economic development

Health Care

- Support efforts to eliminate LIP council
- Oppose legislation that would mandate any percentage of payroll for health care benefits regardless of the size of the employer
- Continue to support Medicaid reform proposals that inject market-based solutions in order to control the program's growth, while protecting elderly, poor and disabled Floridians' access to services
- Support proposals that allow insurers more flexibility to ensure the health care products they offer to employers and individuals are tailored to their needs and resources
- Oppose proposals that would inject government regulation into the private contracting process between insurers and providers

Insurance

- Continue efforts to bring about affordability and availability of commercial and residential property insurance utilizing sound business principles
- Support efforts to reform Florida's bad faith insurance laws
- Support efforts to curb the sale of "Stranger-owned Life Insurance" which threaten the basic tenant of life insurance
- Support continued funding of the My Safe Florida Home mitigation grants as well as home inspection programs
- Support efforts to ensure accessibility of surplus lines insurance in Florida
- Oppose burdensome restrictions on health insurers, such as "any willing provider" and provider contract restraints, that drive health care costs

- Support proposals to expand access to uninsured Floridians using market-based solutions which allow health plans to offer benefits tailored to consumers' needs and allow them to reduce the number of mandates they must provide
- Oppose legislation that would place additional mandates on health insurance policies

International Affairs

- Support additional funding for Enterprise Florida in the trade mission area so that Florida can continue to be a leader in international trade and expand our economy internationally
- Promote Florida's economic diversity by investing in projects that attract global investments and partnerships

Legal & Judicial

- Oppose the weakening or repeal of any of the 2005-06 legal reform laws
- Support adequate funding of judicial branch
- Preserve the rights of parties to settle cases independently without interference from their attorneys
- Continue support for existing caps on non-economic damages arising from medical malpractice lawsuits
- Support measures expanding immunity to health care providers providing medical attention in certain emergency situations

Taxation

- Support legislation to adopt the 2008 version of the IRS code so that Florida businesses do not have to keep two sets of records
- Support legislative ideas that would help to lower the rising cost of property tax for both homeowners and businesses across the state
- Support legislation to reduce the communications services tax currently on all communications devices (except residential lines)
- Support a resolution to Congress that would place Florida alongside other states in implementing the Streamlined Sales and Use Tax Agreement
- Fight the efforts to divert money from trust-fund revenue streams to general revenue
- Support sales tax holidays, such as exemptions from sales tax on items to be used for hurricanes supplies, school readiness, and energy efficient products
- Support legislative fix to the corporate income tax glitch created by the passage of HB 5065
- Support statutory efforts to review Florida's sales tax exemption, but oppose any mandated review or sunset provision associated with this review
- Support passage of Amendment 6 implementing bill
- Oppose the enactment of combined reporting or an "Unitary Tax" in Florida or increases in excise taxes

Technology

- Encourage the enhanced government spending on IT in order to provide better services to citizens and businesses and to ensure that Florida's state government remains at the cutting edge of IT
- Support funding for redesign of legacy or outdated agency IT systems
- Support increasing compensation and competency requirements for state CIOs
- Support the creation of an "Innovation Fund" in order to incentivize state agencies to be more novel in their service delivery
- Monitor and influence any bill filed on the Agency for Enterprise Information Technology (AEIT), or data consolidation efforts
- Codify IT definitions in statute pursuant to AEIT direction

Transportation

- Strongly support responsible measures that increase funding for transportation and infrastructure projects while securing existing streams of revenue for the Transportation Trust Fund

- Encourage changes in growth management policies that timely and fairly apportion the cost of transportation infrastructure
- Support legislation that would allow regional transportation authorities to operate
- Support legislation that allows for the installation of automated enforcement systems, such as red light cameras, at busy intersections and on all state highways
- Strongly support legislation that allows for aggregate rock materials to be mined without obstruction from irresponsible interest groups or ill intended county/municipal moratoriums
- Oppose efforts that would allow local governments to increase the rental car surcharge

Unemployment Compensation

- Support enhanced IT solutions for AWI's legacy computer systems
- Oppose extending number of weeks unemployment benefits are paid with no additional funding or other incentives to employers to cover such expenses
- Oppose any uniform or arbitrary benefit amount increases
- Oppose enactment of permanent benefit expansion provisions
- Oppose funding ancillary programs unrelated to unemployment compensation programs, since this increases the cost of doing business while undermining the purpose for which the unemployment benefits program was created
- Oppose any increases to costs, including but not limited to defining additional beneficiaries
- Support a legislative fix to the 1st DCA ruling on extended unemployment compensation benefits
- Oppose expansion of mandatory leave benefits for non-work related activities
- Oppose any new reporting requirements that employers provide certain data or information to employees or governmental agencies regarding use of or eligibility for accrued leave time

Workers' Compensation

- Support legislation to correct the statutory ambiguity identified by the Florida Supreme Court in Murray v. Mariner Health
- Oppose any efforts to erode the savings experienced by all Florida employers as a result of the AIF-supported 2003 Workers' Compensation Reform Act which resulted in savings now of over 50%
- Oppose the creation of a state fund or other state risk bearing entity
- Continue support for increased funding for state fraud investigations
- Oppose any efforts to statutorily establish procedures, guidelines or other provisions that are currently available through administrative action for which statutory authority already exists
- Oppose any raid on the Workers' Compensation Trust Fund without first giving back money to employers

Workforce Development

- Support the establishment of career academies in Florida's schools that will prepare Florida's students with industry certifications to compete with students from around the world, not just other states
- Continue support for Florida's Banner Centers for Workforce Development.
- Support the "Ready to Work" program

Workforce Housing

- Support legislation that would repeal the cap placed on the Sadowski Affordable Housing Act Trust Fund, which provides valuable financial assistance for housing
- Encourage local governments to establish "Fast-track permit" systems and reward those jurisdictions with proven systems with greater access to affordable housing funds

ASSOCIATED INDUSTRIES OF FLORIDA

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

OFFICERS



Barney T. Bishop III

President & CEO of Associated Industries of Florida ... former aide to state Treasurer Bill Gunter ... former Executive Director of the Florida Democratic Party ... more than 30 years experience in legislative and political affairs ... areas of expertise include appropriations, criminal justice, and behavioral health care issues ... B.S. in Political & Judicial Communication from Emerson College in Boston.



Tamela Ivey Perdue, Esq.

General Counsel for Associated Industries of Florida ... more than 17 years legislative and legal experience, representing insurers and the business community on tort, workers' compensation, insurance and other legal issues before the legislative and executive branches of government ... established legal practice specializing in insurance defense and administrative law ... formerly worked in The Florida Senate ... B.S. from Lee University and J.D. from Stetson University.



Chris Verlander

Senior Vice President – Corporate Development of Associated Industries of Florida ... more than 29 years expertise in insurance lobbying activities ... former president (1994-1997) and Vice Chairman (1997-1999) of American Heritage Life Insurance Company ... B.S. from Georgia Tech and M.B.A. from the University of Florida.



Jose L. Gonzalez

Vice President – Governmental Affairs for Associated Industries of Florida ... coordinates AIF's lobbying team and all research and advocacy efforts for the association ... six years legislative experience ... Master's degree in Public Administration with a specialization in Public Policy and a Bachelor's degree in Political Science from the University of Florida.

CONSULTANTS



Keyna Cory (Chief Lobbyist)

President, Public Affairs Consultants, a public affairs and governmental relations consulting firm ... more than 24 years experience representing a variety of clients, from small entrepreneurs to Fortune 500 companies, before the Florida Legislature ... majored in Political Science at the University of Florida.



Robert P. Asztalos

Partner with Buigas, Asztalos & Associates and the Director of Governmental Affairs for Delta Health Group ... directed the nursing home profession's litigation reform campaign in 2000-01 and served as the Director of the Heal Healthcare in Florida Coalition ... over 23 years legislative experience ... Master's degree in Legislative Affairs and a Bachelor's degree in Political Science from George Washington University.



Al Cardenas, Esq.

Partner with the law firm of Tew Cardenas LLP, chairs the Advocacy and Governmental Affairs group in Miami, Tallahassee and Washington, DC ... over 30 years legislative experience ... served two terms as Chairman of the Republican Party of Florida ... twice-named one of Washington, DC's top lobbyists ... currently represents some of Florida's largest corporate and governmental entities before the Florida Legislature ... graduate of Florida Atlantic University and the Seton Hall University School of Law.



Chris Dudley

Joined Southern Strategy Group in 2000 ... over 16 years legislative experience ... formerly served as Assistant to the Chief of Staff and Acting Deputy Chief of Staff to Governor Jeb Bush and as Deputy Chief of Staff, Deputy Legislative Director, and Special Assistant to former Lt. Governor Frank T. Brogan ... Bachelor's degree in Political Science from the University of South Florida.



Leslie Foy

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



Richard Gentry

Head of Gentry & Associates, a government consulting firm in Tallahassee ... prior General and Legislative Counsel for the Florida Home Builders Association ... in his 25 years with the association, Mr. Gentry was actively involved in legislation which included growth management, affordable housing and environmental laws.

FLORIDA 2009 LOBBYING TEAM



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



Peter Harris, Esq.

President and CEO of ADG Business & Governmental Consultants ... more than 18 years experience successfully designing and implementing substantive legislative, governmental and management programs for business and government ... effectively worked with key policy makers in all branches of government ... graduate of the University of Miami and Florida State University College of Law.



Nick Iarossi, Esq.

Founding Partner of Capital City Consulting, LLC ... with more than eight years legislative experience ... formerly worked in the Florida Senate, The Florida House of Representatives and the Office of Insurance Regulation ... expertise in banking and insurance, privacy and public records, health care, procurement, parimutuels, technology, and education ... graduate from Florida State University College of Law.



H. Frank Meiners

President, Frank Meiners Governmental Consultants, LLC ... formerly with BellSouth as their Executive Director in Tallahassee where he lobbied communications issues ... more than 30 years legislative experience ... graduate of the University of South Florida in Mathematics and of the Fuqua School of Business at Duke University.



David Rancourt

Founding Partner of Southern Strategy Group with more than 22 years legislative experience ... formerly served as Director of the Florida Division of Elections, as Deputy Secretary of State, and Deputy Chief of Staff under Governor Jeb Bush ... serves a strong client base with varied interests in both executive and legislative branches of government ... holds a B.S. in Economics from Florida State University and a Master's degree in Political Science from the University of Florida.



Jim Rathbun

President of Rathbun & Associates ... more than 20 years experience representing individuals and entities before the legislature, state agencies, Governor, and Cabinet ... formerly worked with the Florida House of Representatives and served as Staff Director of the House Republican Office ... B.S. from Florida State University.



Stephen W. Shiver

Director of Governmental Affairs for the Advocacy Group at Tew Cardenas ... over 10 years legislative and campaign experience ... former aide to House Speaker Tom Feeny and Majority Office Liaison to House Majority Leader Mike Fasano ... former Executive Director for the Republican Party of Florida ... has represented some of Florida's largest corporate and governmental agencies before the Florida Legislature ... graduate of Florida State University.



John Thrasher, Esq.

Florida's Speaker of the House from 1999-2000 ... while leading the House, helped to pass some of the landmark reforms advanced by Gov. Bush, including an overhaul of the state's entire system of education ... the new medical school at FSU, John's alma mater, honors his name ... more than 26 years of legislative and government affairs experience.



Stacey Webb

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



Gerald Wester

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

***A powerful force for 89 years,
promoting issues vital to the
state's business community.
Navigating the 21st Century
with visionary leadership and
enterprising strategies to promote a prosperous future for Florida
through unparalleled lobbying and political action.***



ASSOCIATED INDUSTRIES OF FLORIDA

POLITICAL COUNCIL

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

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

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

Candidate Interviews

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

Election Watch: Outline of Races

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

Email Information Services

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

Members-Only Website

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

