

ASSOCIATED INDUSTRIES OF FLORIDA

2016 SESSION



During the legislative session, we are proud to stand up for the issues relevant to our members and work to create a business-friendly climate to benefit our state.



PRIORITIES

The Voice of Florida Business Since 1920



AIF is the collective voice of businesses from the Panhandle to the Keys involved in a multitude of industries that fuel our economy. During the 2016 Legislative Session, we are proud to stand up for the issues relevant to our members and work to create a business-friendly climate to benefit our state.

Each year, Florida's business community faces a variety of tough issues and 2016 will be no exception.

This publication highlights our 2016 legislative priorities, which will be distributed to all 160 members of the Florida Legislature, the Florida Cabinet and Agency Secretaries, as well as AIF membership.

This year, we can expect AIF to once again lead the way for businesses when it comes to policies pertaining to water through our **H2O Coalition**, workers' compensation via our **Workers' Compensation Coalition**, information technology with our **IT Council**, and energy by our **Florida Energy Council** and **Mineral Rights Working Group**.

Additionally, we will see numerous legislative proposals that revolve around Governor Rick Scott's \$79.3 billion budget proposal for FY 2016-17, which we believe will foster a pro-business environment and have a positive impact on Florida employers and employees. As the Florida affiliation of the National Association of Manufacturers, AIF joins the Governor in calling for a reduction in business rent/commercial lease tax, permanently eliminating sales tax on manufacturing machinery and equipment, and permanently eliminating income tax on manufacturing and retail businesses.

This year, Florida leaders have an opportunity to elevate the state and make it the gold standard for 49 other states by adopting a budget that includes a pro-growth, pro-jobs tax cut agenda. One billion dollars in tax cuts will help accelerate job growth and prosperity for our state.

AIF congratulates Governor Scott and the Florida Legislature on making Florida one of the best places to do business in the United States.

These important issues, as well as others, are laid out in greater detail within this publication, summarizing the guiding principles which shape AIF's legislative positions and are what AIF's lobby team will work diligently to support, in collaboration with AIF staff and our Board.

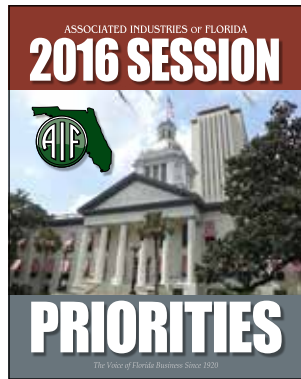
Since 1920, it has been our privilege to represent Florida businesses, and we look forward to continuing our history of success in 2016.



Tom C. Feeney

President & Chief Executive Officer

Table of Contents



Economic Development	4
Education & Workforce	5
Energy	7
Environment & Agriculture	9
Health Care	12
Insurance	13
IT Governance	15
Legal & Judicial	17
Manufacturing, Aerospace & Defense	19
Taxation	19
Transportation	20

Published by
Associated Industries
of Florida © 2016.
All rights reserved.

516 North Adams Street
Post Office Box 784
Tallahassee, FL 32302-0784
Phone: 850.224.7173
Fax: 850.224.6532
E-mail: aif@aif.com

Visit us on the Web at www.aif.com

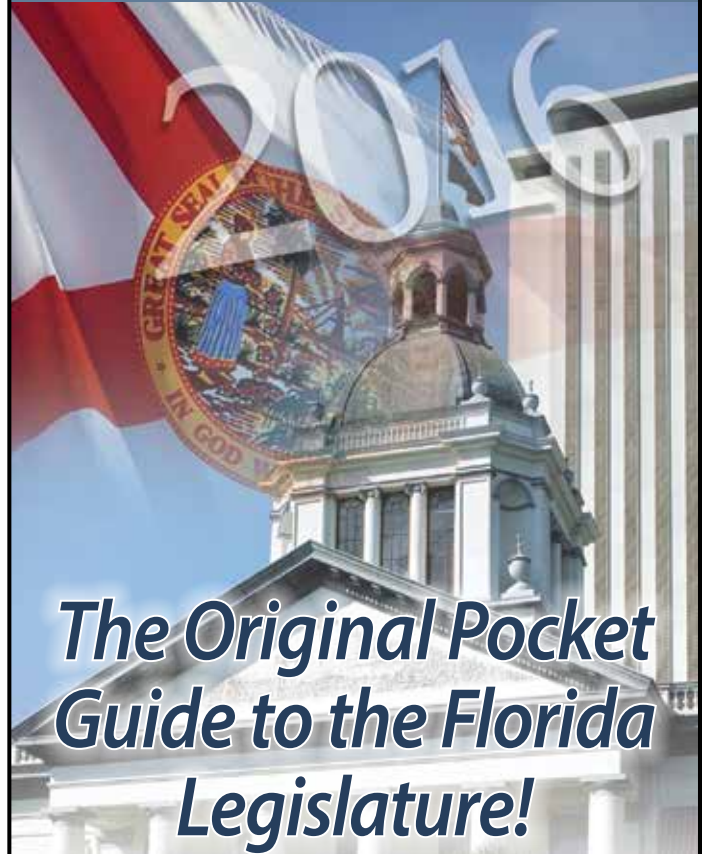


Vision & Mission of AIF

To be the preeminent organization in creating and fostering an economic climate in Florida conducive to the growth, development and welfare of industry and business and the people of Florida.

To advance economic prosperity in Florida through lobbying, political activity, public communications and other means by effecting state public policies established by AIF councils in accordance with AIF procedures.

2016 Know Your Legislators



The Original Pocket Guide to the Florida Legislature!



sample pages

To order your copies,
call 850.224.7173

Economic Development

Taxation

Building on the momentum of prior legislative sessions in which the Legislature reduced the number of Florida businesses paying the corporate income tax, **AIF SUPPORTS** continuing to phase out the corporate income tax. Also, in order to encourage the growth of Florida's manufacturing industry, attract new businesses to the state and create jobs for Floridians, **AIF SUPPORTS** permanently eliminating the sales tax on manufacturing machinery and equipment.

Integrated Resorts

Integrated Resorts would attract visitors interested in experiencing a variety of amenities including: convention and meeting space, high-end retail, fine dining, spas, entertainment venues, gaming facilities, hotel and residential towers, pools and outdoor recreation facilities. While gaming facilities are a component of these complexes, they would consume a small portion of the resort's overall footprint.

AIF SUPPORTS:

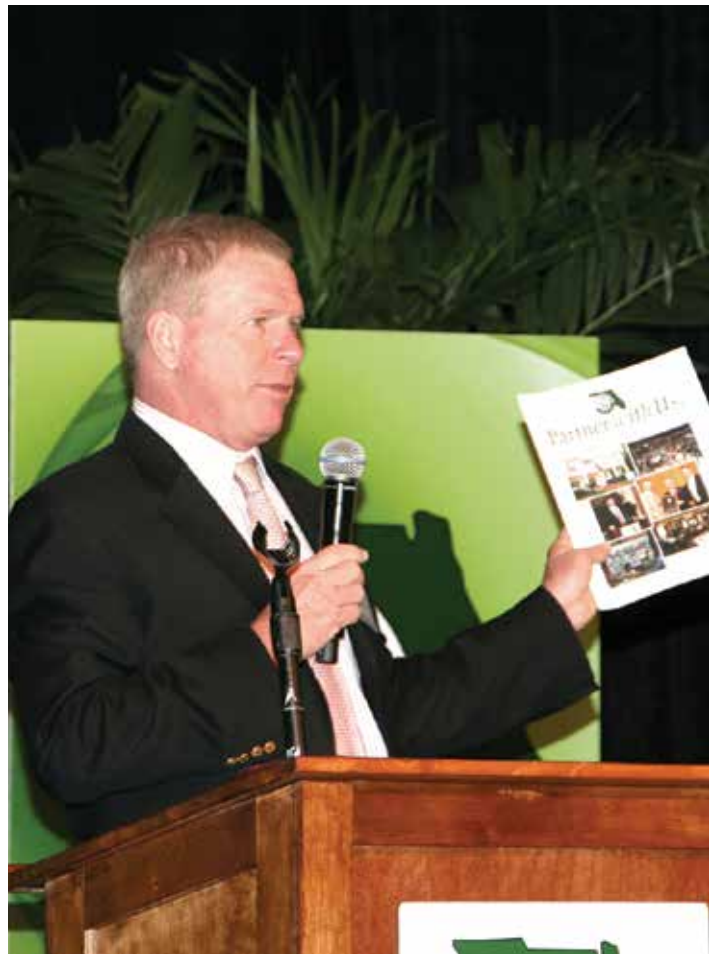
- Strong regulation and the creation of an independent gaming commission.
- Competitive bid for a limited number of Integrated Resort Licenses in counties where Class III slot machines are currently authorized.

These facilities will draw out-of-state and international tourists that will add millions of dollars to our state's economy and bolster existing businesses in the tourism and hospitality industry.

Existing Pari-Mutuel Industry

Before any proposal is approved on integrated resorts, AIF strongly encourages the Legislature to consider their effect on the state's pari-mutuel industry. These long-standing members of the Florida business community provide tens of thousands of jobs around the state. Pari-mutuels should be given the ability to compete in order to provide the best entertainment value possible, including Class III gaming, as long as the local county or municipality approves such action.

AIF SUPPORTS the Legislature keeping the Pari-mutuel industry and its impact on Florida's economy in focus when considering integrated resorts or other expanded gambling activities.



AIF President & CEO Tom Feeney addresses a group of AIF members on important business issues.

Public Notice

To promote greater transparency in government, protect due process rights and to acknowledge the "digital divide," **AIF SUPPORTS** requirements that public notices be printed in local newspapers as defined by Chapter 50, Florida Statutes, as well as displayed on the Internet.

Immigration Reform

AIF recognizes that immigration reform is an important issue for our state, but contends it should be dealt with at the federal level. **AIF OPPOSES** efforts to mandate the use of the E-Verify system by employers.

Mandating E-Verify would have a negative effect on employers, especially those small business owners who do not have full-fledged human resource departments. Arizona-style immigration laws have the real potential to tarnish Florida's reputation as a global trade hub. Fears of racial profiling could make it harder for businesses to recruit employees and could harm Florida's tourism industry.

Education & Workforce

Florida's economic competitiveness is based largely on creating and continuing to promote the most skilled workforce in the nation. AIF has been at the forefront of education reform efforts for many years because a world-class workforce is a major component of job creation. Creating more jobs in the state has been, and will continue to be, a major focus for AIF and the business community. Improving our workforce through education reforms will be a key ingredient to job creation and ensuring businesses continue to establish in Florida.

Early Learning

Early learning is facilitated by a vibrant industry filled with dedicated individuals who recognize its significance in the continuum of education. If Florida can enroll more children into quality educational programs at a younger age, our state will see a measurable benefit. There is a direct correlation between quality early learning programs, third grade reading proficiency, and higher graduation rates. All of which lead to a well-educated workforce. **AIF SUPPORTS** a uniform system of regulation for health and safety standards for all early learning providers accepting



taxpayer dollars. A uniform system of regulation should also apply to the allocation of additional resources necessary to support providers that are committed to improving education quality.

Access to Technology and Innovative Learning

To fulfill the promises of virtual and online learning, **AIF SUPPORTS** removing all barriers for accessing all forms of innovative technology-driven education. Online learning is growing at over 30% per year and is projected to account for 50% of all high school classes by 2020. Our schools must innovate or they will suffocate. Staying the same means falling behind.

AIF SUPPORTS:

- Eliminating artificial enrollment caps that prevent access to high-quality virtual and online education opportunities for all students.
- Open enrollment policies that allow students to have access to the best and most appropriate individual learning environments regardless of where they live.
- Removing barriers that inhibit high-performing online schools—both public and private—from expanding.
- Flexibility in funding for instructional materials and tighter alignment with virtual and blended learning models.
- A Digital Learning Initiative to provide infrastructure, bandwidth and mobile devices to equip all Florida students with access to quality, digital learning opportunities.

Choices that Work for Individual Students

Students learn differently and instruction must be customized to meet their individual needs. Florida's families know best what works for their children. Therefore, **AIF SUPPORTS** educational choice.

AIF SUPPORTS:

- Funding for capital outlay for public charter schools.
- Removing artificial enrollment caps that prevent public charter schools from meeting the demand of students on waiting lists.
- Restricting authority of school districts from imposing additional regulatory burdens on public charter schools.
- Changing funding formulas to require that funding follows the individual student.

Competition that Drives Improved Performance

Injecting free-market competition will improve performance, unleash new opportunities and drive innovation.

Congressman David Jolly (R) speaks at the AIF Annual Conference.



Senate President Andy Gardiner (R) addresses AIF members.

AIF SUPPORTS:

- Equitable funding for public charter schools.
- Performance funding that aligns resources with student accomplishment, not simply time spent in the classroom.
- Successful implementation of Common Core Standards with professional development support for public school teachers and administrators.

Talent Pipeline and Economic Development

Creating the talent pipeline should be a major focus for the Florida Legislature this session. Promoting the talent pipeline will help ensure the competitiveness of Florida.

AIF SUPPORTS the following:

- Create a comprehensive higher education plan for the State of Florida
- Provide institutions with proper incentives that more closely aligns degree programs and baccalaureate production to the needs of Florida's businesses, entrepreneurs and innovators by closing the talent gap
- Allow private institutions to compete for state funding for dual enrollment, as current law only allows state universities and colleges to be eligible for state reimbursement per Full Time Enrollment (FTE)

Funding

AIF SUPPORTS the smart investment of state resources into the production of baccalaureate degrees to help thousands of Florida residents' access quality higher education. The Legislature should focus state resources toward the development of a skilled workforce for Florida businesses, employers and entrepreneurs.

- Florida's nonprofit institutions within the Independent Colleges and Universities of Florida (ICUF) produce 22%-25% of all baccalaureate degrees annually in Florida.

AIF SUPPORTS encouraging more state investment into this system by increasing per student funding for the Florida Resident Access Grant (FRAG) to \$3,200 per student as it demonstrates one of the strongest returns on investment for the state's education system.

Science, Technology, Engineering, Mathematics and Medical (STEMM)

Emerging industries are important to Florida's economy. To continue the building, development and relocation of businesses employing such high-technology workers, we must produce the workforce that fills the needs at every level, from undergraduate to graduate degrees. **AIF SUPPORTS:**

- Defining STEMM degrees to include medical professionals seeking high-technology degrees such as nurse practitioners, physician assistants, biotechnologists and others. This should result in high-wage salaries for thousands of new entrants into the workforce in these areas.
- Encouraging the production of workforce in Science, Technology, Engineering, Mathematics and Medical (STEMM) program degree graduates.
- Identifying matching grant programs to encourage and incentivize our private institutions of higher education to increase the degree production in STEMM careers—another smart investment by the state.

Online Education

Florida has many unique options in constructing a quality and viable distance education plan for the future; public and private universities should partner to maximize resources and increase access to higher education and the production of degrees in targeted industries. **AIF SUPPORTS:**

- Opening up distance education choices and ensure cost-effective programs succeed, not by reinventing the wheel, but by recognizing online systems already in place by SACS-accredited, independent institutions.

Florida Lt. Governor, Carlos Lopez-Cantera (R) gives AIF an update on issues important to Florida.

- Establishing a cooperative venture to oversee and promote distance education, which offers every interested and committed Florida SACS-accredited higher education institution the option to join in a strategy to reach more Florida students with better learning options and opportunities delivered online.
- Creating a focus for the cooperative venture on associate and bachelor degree production, and be comprised of two representatives, each, from the Board of Governors, the Florida College System, the Governor's office, and from independent colleges and universities.

Accountability

AIF SUPPORTS accountability in higher education and promoting student outcomes. The Legislature should:

- Create a taskforce to identify outcomes, which measure the quality of degree offerings of higher education institutions.
- Consider student population and demographics when identifying the appropriate measurement of student outcomes and performance.

Energy

Over the past decade, the United States has undergone an energy renaissance that has propelled the U.S. into the position of world's largest energy producer. The U.S. has surpassed Russia as the largest natural gas producer and is expected to produce more oil than Saudi Arabia by 2020. This stunning reversal in oil and natural gas production is attributable to entrepreneurs, technological advances, and vast private sector investments. The economic benefits expand well beyond the oil and natural gas industry; secure and inexpensive supplies of domestic natural gas have enhanced factors favoring the location of chemical and manufacturing plants in the U.S. Sustaining the momentum of this energy revolution is critical to continue the boost for the long-term success of Florida's economy, the prosperity of our employees and the creation of jobs.

AIF led Florida's business community to engage in the energy debate. We have long supported the development of supply options leading to diverse, reliable and reasonably priced energy resources, with minimum government



intervention, and promoting an economically balanced and varied mix of energy sources consistent with prudent environmental policies. Recent access to large supplies of domestic natural gas supplies has mitigated many of the previously perceived vulnerabilities in Florida's electricity generation mix. While the demand for electricity will continue to grow, 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, oil and renewable varieties—should be supported and encouraged within a competitive marketplace. Affordability and reliability must continue to guide the evaluation of all potential energy sources. The game changing capability of our domestic energy resources is important to America's workers, to the environment and to our future security.

AIF SUPPORTS efforts by the Legislature to promote energy efficiency and conservation through cost-effective incentives. **AIF OPPOSES** any legislation that expands incentives for individuals that result in higher energy prices for all other customers.

Onshore Exploration and Production

Onshore exploration and production in Florida is a valuable contributor to Florida's economy and tax base. **AIF SUPPORTS** maintaining appropriate permitting laws to protect the environment, to enhance efficiency between industry and the state and to ensure appropriate standards are clearly communicated. Further, **AIF SUPPORTS** the

regulatory, permitting, and associated zoning authority associated with oil and natural gas exploration and production be maintained solely by the state. Onshore oil and gas production in Florida can be performed safely while fully protecting water resources and the environment. **AIF OPPOSES** bills or regulations that prohibit well stimulation techniques, hydraulic fracturing or otherwise limit new technological advances.

Expansion of Infrastructure for Affordable and Reliable Energy

AIF SUPPORTS the expansion of hydraulic fracturing and the building of the Keystone XL Pipeline. Further, **AIF SUPPORTS** any legislation that facilitates environmentally sensitive construction of natural gas and liquid fuel pipelines to enhance energy reliability and affordability for Floridians. Hydraulic fracturing has reversed the declining trend of oil and natural gas in the U.S. and has been the primary driver for significantly lower oil and natural gas prices. Completion of the Keystone XL pipeline will bring five million additional barrels per day to Gulf Coast ASK refineries—the same facilities that refine the gasoline, diesel, and jet fuel powering Florida’s economy today. In addition, construction of clean burning natural gas electricity generating facilities necessitates construction of pipelines to facilitate the safest and most environmentally sensitive transport of increased supplies of natural gas to meet the future demand.

Repeal of Oil Export Ban Policies

AIF SUPPORTS the repeal of 1970’s policies banning the export of domestically produced crude oil. More than a dozen studies—conducted by experts ranging from the Congressional Budget Office and Government Accountability Office to Columbia University and Harvard Business School—project that lifting the ‘70s-era ban will generate significant economic and security benefits for American families. As the world’s leading oil and natural gas producer, energy should be a key tool in America’s diplomatic arsenal. Adding more American energy to world markets will further stabilize global supply, counterbalance disruptions and reduce the power that foreign suppliers have over our allies.

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

Florida Department of Environmental Protection (FDEP) data indicates Florida’s ambient air quality has improved dramatically over the past two decades. Ozone and fine particulate matter, two of the major air quality



Sen. Tom Lee (R) speaks at the AIF Session Briefing.

indexes monitored by the FDEP and U.S. EPA, have been comfortably within limits of the already tight standards. The downward trends of these two indices are expected to continue as companies adopt new technologies that enhance efficiency while reducing emissions. **AIF OPPOSES** proposals by the U.S. EPA for additional reductions in the National Ambient Air Quality Standards ozone levels and further reductions in methane emissions. These proposals will add unnecessary costs to the industry while offering nominal health benefits.

Expansion of Natural Gas Fleet and Transportation Fueling

Hydraulic fracturing has provided new domestic supplies of natural gas and an alternative to diesel and gasoline for fleet transportation fuel. **AIF SUPPORTS** the continued funding of the Natural Gas Fuel Fleet Vehicle Rebate program that has been successful in converting fleets to natural gas while ensuring the Transportation Trust Fund remains funded at adequate levels for road construction and maintenance. Emphasis should be placed on continued support for policies leading to the continued success of natural gas as an alternative fuel—an alternative that does not require mandates for success.

Clean-Coal Technology

AIF SUPPORTS efforts to bring back clean-coal technology as a source for reliable and reasonably priced energy. According to the U.S. Department of Energy, “Clean Coal Technologies—the products of research and develop-

ment 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.” The state and nation should not pass up opportunities to contribute to advancing the knowledge and science of using America’s more abundant energy source in an environmentally acceptable way. At a minimum, legislators should look at ways to accelerate and streamline permitting for coal plants and other reliable, low-cost sources of electricity.

Offshore Exploration and Production of Oil and Natural Gas

AIF SUPPORTS the passage of legislation that establishes a process by which the State of Florida can begin considering proposals for safe offshore drilling in federal and state waters. Florida’s economic recovery is heavily dependent on reasonably priced and reliable sources of petroleum. Florida typically consumes more than 27 million gallons of gasoline and diesel each day for transportation and generates more than half its electricity from clean burning natural gas. According to federal statistics, the U.S. federal offshore areas hold the equivalent of three times the oil resources of Canada and Mexico combined and almost six times their natural gas resources. Allowing safe and environmentally sensitive access to these resources in state and federal waters is not only in our national interest as a means of improving energy security, diversifying supply and enhancing economic development; it also can serve as an important and much-needed method for generating new revenues and jobs for Florida.

Renewable Energy

AIF SUPPORTS energy policy allowing for the research, development, and distribution of alternative energy fuels without mandates by government that lead to market distortion, uncertainty, and upward price pressures. Domestically produced alternative fuels are key elements to America’s future energy security; however, state and federal mandates, such as the federal 2007 Energy Independence and Security Act (EISA), have distorted transportation fuel markets and annually introduce fuel uncertainty. **AIF SUPPORTS** investment in university research and development into promising technologies. **AIF also SUPPORTS** memorials repealing alternative fuel mandates like EISA.

AIF SUPPORTS legislation that will enable interested electric utilities to develop renewable energy supply sources using the technology (solar, wind, biomass, etc.) and scale (large, medium, small) that makes the most sense for those electric utilities and their customers. This would

allow both the electric utilities and other suppliers in the renewable sector to make market-based decisions to deploy renewable sources to meet customer needs in a cost-effective manner.

Environment & Agriculture

Environment and agriculture issues are very important to AIF members as they have a direct correlation to many of Florida’s key industries. Environmental laws affect almost every Florida business directly or indirectly. Agriculture is one of Florida’s main industries, which is why AIF formed its Environmental Sustainability & Agriculture Council. We must be good stewards of our land and water resources, and AIF and its members will lead the way in protecting those resources.

Comprehensive Statewide Water Package

AIF SUPPORTS legislation to address Florida’s major water challenges. Florida’s legislators made great strides towards addressing these challenges in 2015. **AIF SUPPORTS** the major provisions from last year’s legislation highlighted below:

Springs Protection: **AIF SUPPORTS** sensible deadlines for the protection and recovery of threatened springs using processes that rely on sound science.

Central Florida Water Initiative (CFWI): **AIF SUPPORTS** addressing looming water shortages in the footprint of the CFWI through implementation of a water supply plan and uniform regulatory process for that region.

Lake Okeechobee & the Northern Everglades: **AIF SUPPORTS** the bundle of proposed changes that will update water permitting for Lake Okeechobee and the Northern Everglades consistent with water permitting in the rest of Florida under the Clean Water Act and existing Florida environmental laws.

Regulatory Reform: **AIF SUPPORTS** placing additional assistance in state law for self-suppliers, prohibiting reductions in water permit quantities due to successful water conservation efforts, support for public-private partnerships, and updating and upgrading the required elements

AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, addresses attendees at AIF's Pre-Session Briefing to provide an outlook of the upcoming Legislative Session.



of a regional water supply plan to make the plans more useable and reliable.

Some minor technical differences remain between the final versions passed in the Senate and House Water bills during the 2015 Session. **AIF SUPPORTS** efforts to get these minor differences resolved so that full passage in the both chambers can occur in the 2016 Legislative Session.

Agriculture Water Funding

AIF SUPPORTS continued funding of the Office of Agricultural Water Policy within Commissioner Putnam's Department of Agriculture and Consumer Services.

Citrus Research

AIF SUPPORTS \$8.5 million in state funding for research into the causes and cure of citrus greening disease. The citrus business is a significant player in the state's agricultural industry. The industry continues to suffer losses from greening. This is a critical time to develop research to defeat citrus greening disease.

Rural and Family Lands

AIF SUPPORTS Commissioner of Agriculture Adam Putnam's budgetary request for \$25 million for the Rural and Family Lands Protection Program here in our state. The Rural and Family Lands Protection Program is a preservation program designed to protect important agricultural lands through the acquisition of permanent land conservation easements.

Springs Recovery Legislation

AIF SUPPORTS funding science-based programs and projects to improve the water quality and water quantity of Florida's major first-magnitude springs. Florida has an outstanding water quality tool box with the Total Maximum Daily Load program and the requirements for Minimum Flows and Levels. We support legislation that will use these science-based techniques on a water body specific basis, rather than a one-size-fits-all approach. We support reasonable deadlines to implement these programs by state and water management districts. We support Governor Scott's proposed \$50 million funding for the springs recovery efforts. We endorse efforts by farmers to use "Best Management Practices" developed by the Department of Agriculture and Consumer Services as a means of reducing the impact of their operations on the environment.

Water Storage

AIF SUPPORTS legislation, which allows landowners to continue to have their property classified as "agricultural" if they are participating in a water retention program sponsored by a water management district. Water retention and storage are vital to expanding Florida's water supply. AIF, through its Florida H2O Coalition, has supported legislative efforts to increase Florida's water supply. AIF also endorses efforts to allow the owners of a surface water storage project, which provides water resource benefits to be eligible for a consumptive use permit for 50 years.

Alternative Water Supply Funding

AIF SUPPORTS state funding for alternative water supply projects. When planning for Florida's future, the state must have an adequate supply of water. Unless we begin to fund and build new water infrastructure that provides a sufficient amount of water to all users, we will not be in a position to meet future demand. It takes seven years to plan, design, build and permit a major new water facility. Experts have consistently opined that alternative water supply projects are the state's best bet to achieve water security including reclaimed water projects, desalination plants, aquifer storage and recovery, reservoirs, water conservation, and similar tools. Those states with adequate water supplies will have a head start on economic development and jobs in the future.



Rep. Albritton (R), CEO Tom Feeney, Sen. Alan Hays (R) and Herschel Vinyard at the 2015 AIF Water Forum.

Fertilizer Ordinances

AIF SUPPORTS legislation addressing the patchwork of inconsistent, unscientific and arbitrary county and municipal ordinances related to fertilization of urban turf, lawns and landscapes. AIF will continue leading efforts to ensure sound science is the foundation of fertilizer use policies to protect our environment and provide predictable guidelines for residential users and businesses without having to navigate arbitrary and emotionally driven local government ordinances.

Recycling

AIF OPPOSES any “bottle bill” legislation to help pay for recycling efforts. This tax is unnecessary as a majority of Florida’s cities and counties have an excellent curbside-recycling program. Forcing Florida’s families to pay even more at a store with no real improvement in our environment does not make economic or environmental sense, especially in these challenging times.

Agriculture Sales Tax Exemption

AIF SUPPORTS the removal of sales tax on the purchase and repair of agricultural processing and packaging machinery, as well as the expansion of sales tax exemptions on items used in the production of agricultural products including fence materials, trailers and other items integral to the farm operation.

Federal Waters of the U.S. (WOTUS)

AIF OPPOSES the Federal Environmental Protection Agency’s (EPA) implementation of the overreaching rule, Waters of the U.S. (WOTUS), due to the extreme detrimen-

tal impact it will have on Florida businesses and homeowners. Specifically, it would cause great swaths of private property in Florida to fall under the jurisdiction of the Federal EPA.



Sen. Oscar Braynon (D) speaks at an AIF member event.



Sen. Charlie Dean (R) accepting his Champion for Business Award.

Health Care Workforce

Florida is now the third most populous state in the nation; our residents reflect diversity in age, income, and talent and most importantly needs. Almost $\frac{1}{4}$ of the state's physicians are age 60 or older and will retire or cut back their practice within the next 10 years. These statistics illustrate the need to increase our health care workforce. **AIF SUPPORTS** increasing the number of graduate medical education slots available in Florida, and must consider other available workforce resources that are currently underutilized. **AIF also SUPPORTS** removing regulatory scope of practice obstacles for qualified health care professionals to ensure greater access to quality care for more Floridians at more affordable costs. Further, AIF will urge the Legislature to encourage institutions of higher education to include technological advances in degree curriculum and recognize that private institutions of higher education contribute significantly to those health care professionals serving our residents.

Telehealth

Every day Floridians are discovering how technology makes their lives simpler by giving them access to information, goods and services at their fingertips. Florida's companies are finding new ways to virtually join consumers and products, which lower costs and ease the burden of accessibility. In health care delivery, however, these advances are not currently being used to their fullest potential. Current rules and regulations have not kept up with available technology and terminology and now hamper the operation of the free market. **AIF SUPPORTS** legislation that permits an unfettered role for telehealth services that will allow our citizens access to better quality care at lower costs.

Quality & Cost Protocols

Employers rely on insurers so that their employees receive access to the most clinically effective treatments—this allows employees to be at work rather than at home or in the hospital. Currently, the many health insurance carriers in Florida—each with many different policy product offerings, containing tens or hundreds of prior-authorization and step-therapy programs—change their standards of care in real time based on the protocols advanced and adopted by a myriad of physician specialty societies—based on their latest evidence-based research. These procedures and protocols allow for the use of the safest, most cost-effective drug and permit progressing to other, more costly drugs, in accordance with FDA approvals. However, sev-

Genetically Modified Organisms

Genetically Modified Organisms (GMO) allow farmers to have better harvests with higher yields while using less water and less land. GMO crops are critical to providing balanced meals to the world's growing population.

AIF OPPOSES any legislation that would mandate a company to label their foods and/or ingredients as being genetically modified. Requiring GMO labeling would be a major cost burden on Florida companies, and would cause great confusion in transportation supply chains.

Health Care

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



eral legislative proposals have been initiated to dismantle this rational, cost-effective protocol and force insurers and consumers to purchase the most expensive drugs and treatments even when equally effective therapies are available at much lower costs. The use of specialty pharmacies, drug formularies, and cost sharing incentives are examples of benefit designs that have helped and should be permitted to continue helping patients get the care they need while keeping their coverage affordable.

AIF SUPPORTS continued flexibility for health plans to ensure consumers receive high quality, high value, and affordable care, through continued use of innovative plan designs to achieve this balance.

Insurance

Florida has a dynamic, challenging, and vast insurance marketplace. Legal issues persist in all markets and, despite the state's good fortune regarding hurricanes, property insurance cost drivers abound. AIF will continue to push a responsible insurance agenda and support initiative that continue to address cost drivers, increase regulatory efficiency, and foster stability for the benefit of the insurance-buying public.

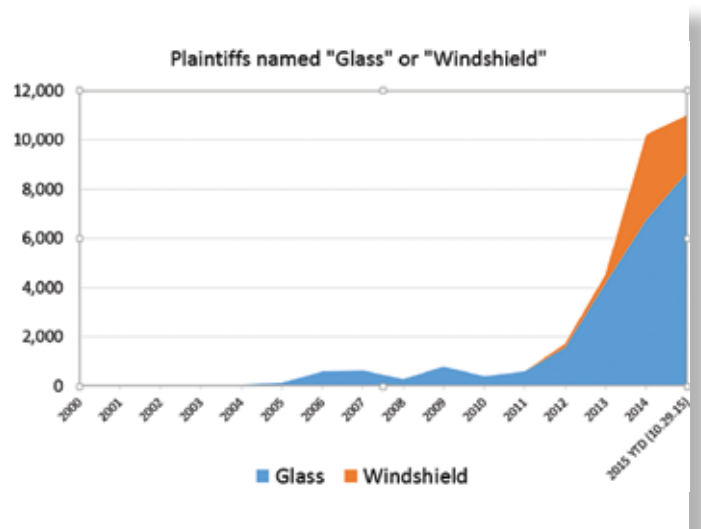
Workers' Compensation

In November 2015, the Office of Insurance Regulation issued an order lowering workers' compensation rates by 4.7%. Since the historic reforms of 2003, Florida workers' compensation rates are over 50% lower than they were more than a decade ago, and the market is competitive and sustainable. Despite some successes in the courtroom, the business community needs to remain vigilant in the face of continued challenges to the workers' compensation system's exclusive remedy and attorney fee provisions. These particular provisions account for a large portion of the premium savings. AIF is on the front lines of a coordinated and well-developed response to the many challenges by the trial bar. **AIF SUPPORTS** Florida's current workers compensation law and any proposed change to the workers' compensation system—in the courtroom or the Legislature—will be evaluated through the prism of coverage affordability, market stability, and employee safety.

Automobile Insurance

While the personal lines automobile market avoided a meltdown in 2012 when personal injury protection (PIP)

was reformed, providers and attorneys continue attempts to erode protections that help control costs. Specifically, third party bad faith continues unrestrained, with attorneys taking advantage of the lack of legal structure to intentionally manipulate and impede the claims process. Additionally, some of the PIP problems—with third parties stripping benefits away from policyholders and asserting such benefits in their own right—have bled over to comprehensive collision coverage, resulting in a sharp increase in litigation, brought by a small subset of providers, over auto glass claims. Despite failed legislative attempts last





AIF's VP of Political Operations, Ryan Tyson, gives a political update to members.

ship. As such, the corresponding risk of assessments to all Florida policyholders—individuals and businesses alike—has been minimized. Unfortunately, segments of certain industries have devised schemes to contrive, or increase the price of, repair work for non-catastrophic claims. This typically involves stripping the policyholder's benefits, which are then given, oftentimes irrevocably and in total, to a third party. Such "assignments of benefits" have created a wave of litigation unseen even during periods of natural disaster. It is critically important to be on guard for market distortions like this to ensure that the problem does not increase costs in the absence of hurricanes, or become magnified when a natural disaster strikes, creating potentially crippling economic effects. **AIF SUPPORTS** steps to shrink Florida's residual market and lessen property insurance cost drivers, and will actively oppose anything that undermines the health of the private property insurance market.

Assignment of Benefits (AOB)

AIF SUPPORTS all efforts to stamp out cost drivers and control attorneys' fees for the benefit of premium payers statewide. Last year, legislation introduced in both chambers sought to cut down on AOB abuse. Predictably, it was met with significant opposition from those who currently profiteer on asserting policyholder benefits as their own. Working together, these vendors and attorneys conspire to inflate claims and rack up attorneys' fees. In October, the Office of Insurance Regulation (OIR) released cost information about data call seeking, a fairly new and inventive scheme. AIF looks forward to working with stakeholders, regulators, and legislators to advocate for policyholder benefits to remain intact and for common sense regulations with regard to notifications, communications, the provision of estimates, and policyholder consent.

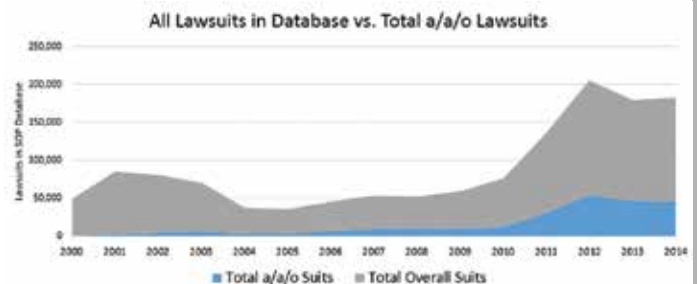
year, uncertainty surrounding insurance requirements for ridesharing providers remain. As ridesharing becomes more popular, these safety and liability questions must be resolved. AIF will continue to advocate for smart reforms to Florida's automobile insurance market.

Rental Car Liability

Given AIF's historic commitment to promoting Florida as the best state in which to live, work, and play, proposals that could hinder or impede services to tourists must be carefully scrutinized. Previously, legislation subjecting rental car companies to higher minimum financial responsibility levels—essentially increasing liability for their customer's actions—was appropriately rejected. This legislation also sought to impose higher financial responsibility requirements on tourists who reside in other states or countries. Given the punitive effects on tourists and the rental car companies who support Florida's tourism industry, AIF will continue to **OPPOSE** these higher financial requirements, which are at the expense of tourism industry stakeholders.

Property Insurance

Citizens Property Insurance Corporation has consistently reduced its policy count, a nod to sound, free-market reforms enacted by legislative and executive branch leader-



Residual Market

AIF SUPPORTS continued focus on reducing the reliance on Florida’s residual market entities, Citizens Property Insurance Corporation and the Florida Hurricane Catastrophe Fund. These entities, designed to insure risks that the private market cannot cover and allow for reinsurance on a tax-preferred and economical basis, must continue to be evaluated and reviewed to ensure they continue to meet their narrow and targeted purposes. Most importantly, they must carefully scrutinize any situation where their roles may bleed over into the private market or no longer fill a void from the private market. Florida’s leadership has done a very effective job of narrowly tailoring these entities’ responsibilities, and AIF looks forward to continuing to work with these leaders in that endeavor.

Stranger Originated Life Insurance (STOLI)

AIF expects that certain life insurance speculators will again try to undo established case law requiring an insurable interest in a life insurance policy. Instead, these speculators will attempt to ease restrictions on the ability for “strangers” to originate a life insurance policy on another person as an investment tool. These Stranger Originated Life Insurance (STOLI) arrangements will continue to be disavowed by the insurance community as a predatory practice that undermines the integrity of the insurer/insured relationship. This year, legislation has been filed

to regulate viaticals and practices related to purchases of life insurance policies by third parties. This legislation requires certain disclosures by viatical settlement providers to the OIR, cracks down on fraudulent acts by viaticals, and requires specific financial disclosure to violators’ attendant to executing such a contract. **AIF SUPPORTS** legislation to ensure that third parties cannot profiteer from the life insurance policies of strangers, which is necessary to establish reasonable bounds in currently unrestrained territory.

Bad Faith

Over the years, Florida’s common law regarding how insurers’ handle claimants who seek windfall recoveries in excess of policy limits has evolved to allow lawsuit gamesmanship that pierces policy limits even when no objective “bad faith” occurs. Left uncorrected, then litigious practices threaten the availability and affordability of insurance. AIF will continue to advocate for a bill that sets clear rules as to what good faith dealings are to ensure certainty and fairness for all parties.

IT Governance

Investment in Information Technology (IT)

AIF SUPPORTS the need for investment in IT for the modernization of Florida’s outdated systems and processes. IT should not be viewed as an expense that can be cut year after year, but rather as an investment in the future of Florida. Our citizen-facing systems, including web portals and call centers, are woefully inadequate and outdated. Many of the State’s core systems are decades old and unsustainable.

We support the need for positive returns on the State’s investment. However, the measured “return” should not overlook the positive impact of citizen-friendly systems, the positive benefit to Florida’s economy and the mitigation of the future failure of unsustainable systems. In order to produce a positive return on the State’s investment in IT, there must first be an investment.

Structure for IT and IT Procurement

AIF applauds the creation of the Agency for State Technology (AST) and the good work done by the AST thus far. However, additional improvement in the State’s IT governance structure is still needed.



Jason Allison, Florida’s State Chief Information Officer, addresses the AIF IT Council.



AIF CEO Tom Feeney welcomes House Speaker Steve Crisafulli (R) and Agriculture Commissioner Adam Putnam (R) to the AIF Annual Conference.

AIF SUPPORTS legislative changes that will designate the AST as the responsible agency for policy matters relating to IT in all state contracts.

Policy includes such things as the determination of need for various IT-related contracts, evaluation criteria, the contract term (not to exceed statutory limits) and the maximum number of vendors allowed on each contract. It is also AIF's position that the Department of Management Services (DMS) remain responsible for the execution of state contract procurements and contract administration.

Current statute only calls for collaboration between DMS and AST. AIF commends the collaboration achieved thus far, but believes the requirement for collaboration is vague and does not provide adequate authority and responsibility to either agency.

AIF SUPPORTS legislative changes that will designate systems and processes to be implemented and operated at an enterprise (statewide or agency grouping) level and provide operational authority and funding to the AST.

Current statute requires the AST to identify opportunities for enterprise projects but does not provide authority to execute such projects. It is highly inefficient and wasteful for "utility" operations like help desks, email and call centers, to be "stove-piped" in every agency. **AIF SUPPORTS** the consolidation of such systems within the AST and calls for legislation that will specify services to be provided by the AST across all agencies.

Fraud Reduction

AIF SUPPORTS investment in technologies and processes to significantly reduce fraud. Particularly as related to social services programs such as Medicaid, Temporary Assistance to Needy Families (TANF), Supplemental Nu-

tritional Assistance Program (SNAP) and childcare.

AIF believes that particular attention should be given to reducing fraud in Florida's childcare system. Recommendations have been made on this issue previously by both Florida TaxWatch (Government Efficiency Recommendations, 2015) and by the Government Efficiency Task Force (2011 Recommendations).

The State's Early Learning Information System project (ELIS) was cancelled prior to completion in 2013. If this project had been successful, some improvement to administrative and financial processes would have been made. However, this system did not include a point-of-delivery time and attendance system.

AIF SUPPORTS legislation and funding that would require the Office of Early Learning to implement a statewide fraud deterrent time and attendance system for childcare.

Modernizing and Improving the Florida Educational System

AIF SUPPORTS the needed investment and legislative mandate to improve the quality of education delivered to Florida's children. **AIF SUPPORTS** initiatives and concepts that are of common interests to both state and local educational leaders. These include Digital Classroom, Online Testing, Digital Educational Materials, and Blended Virtual Learning

Protection of State Assets, Systems and Data

A significant cyber-attack on our state could have devastating results far beyond a data breach. First responder systems, corrections systems, public assistance systems, food inspection systems, health care systems and many others could be impacted with catastrophic result.

We applaud the creation of the Information Security Office within the Agency for State Technology (AST) and support its mission to provide strategic direction for information security initiatives and IT security best practices and policies for the State of Florida.

AIF is concerned that traditional "budgetary constraints" could put Florida at undue risk.

AIF SUPPORTS the AST Information Technology Security Plan. Although it is a workable high-level plan, it is highly contingent upon adequate support and funding from the Legislature and operational support from the Governor's Office. The State of Florida is in need of a much more detailed operational plan that will encompass all of state government as a single "enterprise." We believe that cyber security for the State of Florida should be under

the operational authority of a single entity—the AST. As such, AIF will actively support efforts to secure legislative authority for the AST in this regard and for the required funding. The time to make prudent investments and governance changes is now—not after a major attack.

Greater Competition in State Government Contracting

In order to foster an environment where the State of Florida is enlisting the most innovative and cost-effective partners to provide solutions through state contracting, **AIF SUPPORTS** Florida favoring openness and competitiveness instead of sole-sourcing contracts, which often restrict transparency and do not always yield the best return on investment for taxpayers. Additionally, policymakers should be sensitive to the integrity of the competitive procurement process and not support legislation or funding that creates an unfair advantage for a specific vendor.

Legal & Judicial

Florida's low taxes, beautiful weather, and growing population make it a top place for businesses to grow and thrive. Unfortunately, those conditions must be footnoted by Florida's litigious culture. Although steps have been made to improve this, there are still several very significant looming tort threats that strangle Florida's ability to surpass states like Texas in job growth and development.

Florida's businesses need a clear and level playing field in the courtroom. AIF will fight for any legal reform that decreases the cost of litigation and removes unfair and unpredictable barriers to growth. Businesses must know that Florida is looking to cultivate a healthy and prosperous arena for commerce. AIF will continue to lead the charge on legal reform by engaging in the following specific issues.

Accuracy in Damages

AIF SUPPORTS legislation to address accuracy in medical damages. In personal injury cases, the most significant factors in the amount awarded to a plaintiff for economic damages are often medical expenses. Under current law, a plaintiff can artificially inflate medical expenses because only the amount billed is admissible as evidence at trial. The amount that is billed is not necessarily the amount that has been accepted as payment in full for the medical services rendered. There is also no provision in current law to ensure that medical treatments are indeed "medically necessary." Florida law should require that if medical expenses



Awards table at the 12th Annual Champions for Business Reception & Awards Presentation held in Orlando.

have already been paid, only evidence of the amount actually paid for medically necessary treatments should be admissible at trial. In addition, Florida law should recognize common sense evidentiary principles, such as allowing a trier of fact to hear factors such as reasonableness, necessity, and customary charges for future treatment.

Fair Settlement Reform

AIF SUPPORTS legislation establishing a 60-day period during which an insurer may investigate and, if warranted, tender policy limits to settle a liability claim. An offer of policy limits within 60 days should be legally sufficient to demonstrate a "good faith effort" by the insurer to settle a liability claim on behalf of its policyholder and bar a bad faith cause of action.

An unbalanced civil justice system in Florida dampens the ability of employers to recover from the economic downturn and create new jobs. Increased civil litigation directly costs businesses through increased premiums for liability and automobile insurance and indirectly through management and employees' time diverted to lawsuits. One of the most egregious abuses in the system is denying a business and its insurer a reasonable time to settle a liability claim without litigation.

Bottom line: in order to grow and expand, businesses need a vibrant and competitive insurance market to help protect them against risks that could undermine such progress. Without a process in place to fairly and clearly



Governor Rick Scott (R) greets members at the AIF Legislative Reception.

settle claims, competition for businesses in the purchase of insurance will never truly be optimal.

Court Reforms and Judicial Activism

AIF SUPPORTS legislation to clarify that in determining whether a statute or a rule governs a certain legal principle, that the Legislature intended for the statute to supersede the rule and that deference be given to the statute by the court. For example, in the recent case of *Diamond Aircraft Industries, Inc. v. Alan Horowitz*, Florida's Supreme Court found that an offer of judgment is not valid under *Florida Rule of Civil Procedure 1.442* if it does not meet the strict requirements of that rule, even though the statute provides a broader interpretation. Activism on behalf of Florida's courts to negate legislative action only ensures that our legal precedents will continue to negatively impact our business climate.

Claims Bills

AIF OPPOSES claims bills that attempt to expand current law to create new—or modify existing—legal precedents and causes of action for the benefit of trial lawyers. In recent years, claims bills have been brought forward in an attempt to sidestep the legislative process and allow pursuit of claims against businesses instead of governmental entities. AIF has led the charge to ensure these bills are not passed and the parties at fault are culpable and the claims are not simply aimed at the “deep pockets.”

Attorney Fees

Litigation that could threaten the workers' compensation premium since 2003 is underway. AIF, through its Workers' Compensation Coalition, has coordinated the business community's response to this coordinated legal attack throughout the pendency of this litigation and stands ready to address any adverse decision legislatively.

Workers' Compensation is just one example of a much larger issue—the steady and coordinated attempt of the plaintiffs' bar to maximize their fees at any cost to the people and business who fuel Florida's economic engine. These plaintiffs' attorneys thrive on an unlevelled playing field and **AIF SUPPORTS** all efforts to inject common sense into Florida's litigation system through attorney fee reform.

Ethics & Elections

AIF will monitor all proposals related to public ethics and elections and advocate as necessary to protect the rights of individuals and businesses to redress legislative and executive branch policy makers.

Frye to Daubert Standard for Expert Witness Testimony

AIF SUPPORTS moving to the higher standard established by the *Daubert* case for admissible expert witness testimony. During the 2013 Legislative Session, the Legislature chose to move Florida from the *Frye* standard for expert witness testimony to the *Daubert* standard. The Florida Bar Board of Governors is considering whether Florida should adopt into the evidence rules of procedure

the law changing the standards for qualifying expert witness testimony. The higher standard of *Daubert* will ensure that expert witness testimony is accurate and unbiased and will align Florida with the standard adopted by most other states. Adopting the *Daubert* standard will provide stability and predictability to businesses in Florida or those looking to do business in Florida. In addition, adopting the *Daubert* standard discourages forum shopping because Florida law currently allows less credible expert witness testimony to be admitted into evidence under the current standard.

Manufacturing, Aerospace & Defense

As the state affiliate for the National Association of Manufacturers, AIF is committed to providing a member venue to discuss and advance the interests of Florida's manufacturing community in all sectors. Florida's manufacturing sector is the highest indirect job creator of any employment sector in the state — three indirect jobs for every manufacturing job. In other words, Florida's roughly 325,000 manufacturing jobs create nearly one million additional jobs for Floridians. The state's manufacturing sector is also a significant provider of high-wage and high value-added jobs. Florida's need to grow manufacturing jobs is unquestionable as our state continues to diversify its economy.

Now in its fifth session, AIF's Manufacturing, Aerospace & Defense Council (MAD) has established itself as an effective advocate for pro-manufacturing policies. In 2013, the Council was instrumental in passing the "Manufacturing Competitiveness Act" - legislation that has given Florida manufacturers the ability to effectively respond to national and world market opportunities and effectively moved Florida into a more competitive recruiting position among states seeking to reinvigorate the manufacturing sector of their economy. Additionally, the MAD Council played a key role in passing a three-year elimination of sales tax on manufacturing equipment – a change that has benefited Florida manufacturers as they have reinvested and grown their businesses. In 2016, AIF will look to build on its successes on manufacturing, aerospace & defense issues by **SUPPORTING** the following:

- permanently repealing sales tax on manufacturing equipment;

- repealing the tax imposed on commercial leases;
- statutory reenacting of enterprise zones;
- creating capital investment incentives for the sector, including tax credits for research and development;
- continuing efforts of the state to enhance the manufacturing workforce as a career choice for middle and high school students by replicating the North West Florida manufacturing career academy model; and
- renewing of the Qualified Defense & Space Contractor tax refund.

Taxation

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

AIF SUPPORTS continuing reductions in the state portion of the Communications Service Tax, which applies to business and wireless phone service, cable, and satellite television services. The tax rate on communications services is higher than on general sales and makes the communications services expense a significant deterrent for businesses to locate here. The reduction of the state portion is good for Florida businesses and makes Florida more attractive to companies looking to relocate.

Sales Tax on Electricity

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

Corporate Income Tax

AIF SUPPORTS Governor Scott's proposal to permanently eliminate corporate income tax on manufacturing and retail businesses. The elimination of this tax will reduce the cost for businesses in Florida by about \$770 million annually, attract more businesses to the state, and diversify Florida's economy by helping more businesses succeed. In addition, this proposal provides an excellent incentive for businesses to expand in Florida and for companies looking to relocate here. AIF continues to **OPPOSE** any structural changes to the corporate income tax such as combined reporting or the "throwback" rule or any other "loophole" issues.

Online Travel Companies

AIF OPPOSES any legislation that seeks to permanently provide online travel companies with an unfair tax advantage.

Online Travel Companies (OTCs) should not have an unfair advantage over companies located and doing business in Florida. Instead of collecting and remitting occupancy taxes on the retail rates paid by consumers for hotel rooms, OTCs have chosen to remit such taxes based on the wholesale rate they pay hotels for rooms. This inequity in how taxes are remitted hurts Florida's tourism economy and hoteliers—who have been collecting and remitting occupancy taxes to the state, counties and municipalities for years. Legislation permanently codifying the OTC's business model would be harmful to Florida's tourism market. It would also open the door to demands from other wholesale-to-retail businesses seeking a similar tax windfall if this market-distorting tax advantage were enacted by the Legislature.

Commercial Lease Tax

AIF SUPPORTS an incremental reduction of tax imposed on rental or license fees charged for use of commercial property. Florida is the only state that charges tax on the lease of commercial property; and while this is a major part of the state's tax revenues, it needs to be gradually reduced and eventually eliminated to make Florida more attractive to business.

Sales Tax Holidays for School and Hurricane Supplies

AIF SUPPORTS Sales Tax Holidays for school and hurricane supplies. This tax holiday is a win-win for customers and the state, as sales tend to increase more than they would without the tax holiday.

Sales Tax Exemption on Manufacturing Machinery and Equipment

AIF SUPPORTS the removal of the three-year sunset on the complete elimination of sales tax imposed on the purchase of manufacturing equipment and machinery. Current Florida law provides a sales tax exemption on industrial machinery and equipment purchased for use in expanding manufacturing facilities or plants, but the exemption sunsets after three years. We would like the sales tax exemption to become permanent.

Research and Development Tax Credit on Corporate Income Tax

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

Services Tax

AIF OPPOSES any legislation, administrative rule or

proposed constitutional amendment that would attempt to create a new tax on services. A tax on any services would put Florida businesses at a competitive disadvantage and would discourage new businesses from coming to the state.

Entertainment Industry Tax Credit Program

AIF SUPPORTS the entertainment industry tax credit program. This economic development program allows Florida to compete with other states and international locations for economic development generated by attracting feature films, high impact television and digital media productions to Florida.

Transportation & Maritime

Transportation Trust Fund and Dedicated Funding

There are few areas of the state budget in greater need of consistent, sustainable funding more than transportation and infrastructure. The nature of these projects requires long-term planning and funding outlays necessary to address both current and future needs for years to come. All the while, for every \$1 invested in the Department of Transportation Work Plan, nearly \$6 is returned to the state's economy; and for every \$1 billion invested in road construction and improvements, more than 28,000 new jobs are created for Floridians. Economic impact and job creation resulting from investment in transportation infrastructure relies upon the security of the State Transportation Trust Fund.

AIF OPPOSES redirecting financial resources, and State Transportation Trust Fund commitments to any areas other than the State Transportation Trust Fund or sweeping funds from the State Transportation Trust Fund to areas outside of transportation infrastructure.

Future Funding of Transportation Infrastructure

In recent years, the construction industry, various trade associations, and the Florida Department of Transportation have asked Florida policymakers to consider new and creative ways to fund transportation infrastructure projects in the face of declining state gas tax revenues. Increased fuel efficiency standards and innovations in the automobile industry have caused some to fear that this could eventually lead to a decrease to sustainable levels of funding for the Five Year Work Plan.

AIF SUPPORTS creating an alternative narrative to the State's current exclusive reliance on fuel tax revenues as

a means to seek sustainable funds for state infrastructure needs. This should include a fair and equitable way for both the Federal Government and Floridians alike to support and provide financial stability across the transportation and infrastructure spectrum.

Florida Seaport Transportation and Economic Development Program

Under the leadership of Governor Rick Scott, Florida's seaports and the state have partnered to advance Florida's maritime industry's role in growing Florida's economy both domestically and internationally. Through the reduction of regulations, quality appointments to port authorities and in conjunction with individual port authority directors, never before has the state utilized its port system in a way that can make Florida as competitive in the hemisphere as it is today. An important program to the growth of the state's port system is the Florida Seaport Transportation and Economic Development (FSTED) program, which serves as an important mechanism for seaport capital improvement projects. Continuing this program and increasing its value to Florida's seaport partners is critical.

AIF SUPPORTS permanently increasing FSTED funding and spending cap levels from \$15 million to \$25 million, a very important provision for Florida's ports. AIF also supports creating the FDOT Business Development Program as a mechanism to help educate and provide expertise to Florida's small businesses looking to do work in the Department's often-complex procurement process.

Natural Gas Rebate Program

During the past several years, exploration has uncovered a supply of natural gas in the United States, resulting in a reduction in the price of natural gas and an increased interest in natural gas-powered vehicles, fuel plants, and refueling infrastructure. In 2013, the Florida Legislature took the lead in encouraging public and private sector organizations to convert their gas and diesel powered fleets to compressed natural gas (CNG), through the natural gas fuel fleet vehicle rebate program within the Department of Agriculture and Consumer Services (DACs). The purpose of the program is to help to reduce transportation costs and encourage freight mobility investments that contribute to the economic growth of the state by incentivizing organizations to convert their fleets through rebates.

AIF SUPPORTS the natural gas fuel fleet vehicle rebate program, and allowing both public and private entities to reapply for additional rebates when converting their fleets to CNG when there are outstanding funds for the program at DACs.

Incentive Reform

States are constantly competing for high wage jobs and Florida must ensure its incentive programs are structured in a manner that maximizes our opportunity to attract these jobs. **AIF SUPPORTS** removing the individual company cap on Qualified Target Industry and Qualified Defense Contractor tax credits.

Florida's Innovation Incentive Fund was once only used for large-scale projects in which the ability to react quickly wasn't a major driver in completing a deal. More recently, Innovation Fund projects vary and the state's ability to respond quickly is a key component for our competitiveness. For this reason, **AIF SUPPORTS** reforms to close deals more promptly and make the Innovation Fund approval process mirror that of the Quick Action Closing fund.

Transportation Network Companies

AIF SUPPORTS statewide digital transportation service policies to create price competition, promote consumer choice, enhance customer experience, create jobs and remove anti-competitive local regulations. As it relates to insurance, ridesharing drivers, their passengers, and the insurers that indemnify them will benefit from a comprehensive, statewide framework for insurance responsibilities. AIF will continue to advocate for legislation that balances the need for insurance certainty with our support for the innovation and technology represented by ridesharing companies.



For more information,
please visit aif.com



ASSOCIATED INDUSTRIES OF FLORIDA POLICY COUNCILS

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

AIF Builders and Developers Council (BDC)

This council will align the shared interests of Florida's top residential and commercial building and development companies and establish a major governmental affairs presence to achieve its goals. Will work to enhance Florida's economy to insure that proposed state laws and rules don't impede or negate our current growth opportunities.

Environmental Sustainability & Agriculture Council (ESAC)

Addressing recycling, water quality, product stewardship, and other environmental issues important to the business community. Efforts include issues relating to Florida's statutorily created 75% statewide recycling goal and furthering the business community's "Plan to Improve Florida's Recycling Rate and Reduce Waste," which was developed by AIF and its members working together through the AIF Recycling Task Force.

Florida Energy Council (FEC)

Developing resources to meet Florida's future energy needs—producers, suppliers, storage facilities, marketers, retailers, wholesalers and users, working together to help drive future energy policy both in Tallahassee and Washington, to ensure continued availability of adequate, reasonably priced energy to meet the growing needs of Florida's population and business sectors.

Financial Services Council (FSC)

Insurance and financial industries, working in concert with other interested parties, to secure a stable fiscal climate for Florida—developing long-term, market-based solutions and public-policy recommendations on property, casualty, life, and health insurance, plus other financial issues facing Florida consumers and businesses.

Florida Transportation & Maritime Council (FTMC)

Fostering Florida's transportation and maritime industries to ensure their continued economic prowess in a global marketplace—Provides a forum for businesses that operate or support operations at any of Florida's 14 deep water ports, such as shipping, trucking, rail, stevedoring, etc., to address concerns relating to port security, infrastructure needs, strategic planning, funding, land use encroachment, taxation, etc.

Information Technology Council (ITC)

Promoting Florida's move to the cutting edge of technology—For IT contractors providing government services, working to grow state government's IT capabilities to meet the demands of a diverse, fast-growing population, while balancing the needs of the state and private sector.

Manufacturing, Aerospace & Defense Council (MAD)

Advancing the interests of Florida's manufacturing community to help Florida diversify its economy and provide more high-wage and high value-added jobs in the state. As the state affiliate for the National Association of Manufacturers (NAM), AIF is committed to growing manufacturing output and jobs—which creates three indirect jobs for each manufacturing employee, performs half of all research and development, and drives more innovation than any other business sector. and development, and drives more innovation than any other business sector.

Want to Participate? Membership is required to participate on AIF's Councils and to receive our member communications.

Not a Member? To learn more about AIF membership services and/or apply for membership, please contact:

Brewster Bevis, Senior Vice President – State and Federal Affairs at **850.224.7173** or **bbevis@aif.com**

AIF 2016 LOBBYING TEAM



OFFICERS



Tom C. Feeney
President & Chief
Executive Officer



Brewster B. Bevis
Senior Vice President –
State and Federal Affairs



Tamela Perdue, Esq.
General Counsel



Chris Verlander
Senior Vice President –
Corporate Development
(Jacksonville)

CONSULTANTS



Slater Bayliss
*The Advocacy Group at
Cardenas Partners*



Sarah Busk
*The Advocacy Group at
Cardenas Partners*



Al Cardenas, Esq.
*The Advocacy Group at
Cardenas Partners*



Jorge Chamizo
Floridian Partners



Chris Chaney
*The Advocacy Group at
Cardenas Partners*



Chuck Cliburn
New Capitol IT



Jon Costello
Rutledge Ecenia



Carlos Cruz
Cruz & Company



R. Justin Day
*The Advocacy Group at
Cardenas Partners*



Charles F. Dudley
Floridian Partners



Leslie Dughi
Greenberg Traurig



Cory Guzzo
Floridian Partners



Doug Mann
*Littlejohn, Mann & Associates
Governmental Consulting*



Ashley Kalifeh
Capital City Consulting, LLC



Frank Mayernick
The Mayernick Group



Tracy Hogan Mayernick
The Mayernick Group



Sean Pittman
Pittman Law Group P.L.



Teye Reeves
Floridian Partners



Stephen W. Shiver
*The Advocacy Group at
Cardenas Partners*



Gerald Wester
Capital City Consulting, LLC



Follow Us on Twitter @VoiceofFLBIZ

ASSOCIATED INDUSTRIES OF FLORIDA

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



PRESORTED
STANDARD
US POSTAGE PAID
TALLAHASSEE FL
PERMIT NO 904

What's in a Name? Everything.



ASSOCIATED INDUSTRIES OF FLORIDA
The Voice of Florida Business Since 1920
www.aif.com

Lead by former Speaker of the Florida House and Congressman Tom Feeney, along with the most talented lobby team in Florida, AIF can help your company achieve the level of success in the State Capitol that you have been looking for.

Tools of AIF:

- State & Federal Legislative Advocacy
- Pre-Legislative Session Issue Briefing
- Issue Advocacy Campaigns; State wide & Local
- Industry Centric Council Advocacy
- Issue & Campaign Related Polling; Statewide & Local
- Political Candidate Interviews
- Issue Oriented Focus Groups
- Business Centric Publications
- Issue Based Statewide Conferences

ASSOCIATED INDUSTRIES OF FLORIDA

516 North Adams Street
Tallahassee, Florida 32301
Phone: 850.224.7173
www.aif.com

