

BAY COUNTY CHAMBER OF COMMERCE

Legislative Agenda

FY 2020

Governmental Affairs Committee

The mission of the Bay County Chamber of Commerce is to create superior value for all chamber members large and small, cultivate economic and personal development, promote and protect a competitive system of business, be a community leader, while embracing Bay County's opportunities and challenges.



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Local and State Agenda



FY 2020 Bay County Chamber of Commerce Local Legislative Agenda Item

Panama City Marina Revitalization

Action Requested/Needed:

The Chamber believes the principles, outlined below, are in line with what Chamber members have expressed, in numerous past surveys, to be essential for the welfare and continued growth of Downtown Panama City. New Marina development should include:

- Public access to the water to include boating and fishing
- Public and private entertainment venues
- A mix of retail, restaurant, residential and office space
- Adequate and attractive parking areas
- Civic activity space
- Connections to, and elements of, public art (to include memorials and history markers)
- A hotel
- Finally, but most important: A “tourist draw” project (or an overall mix of ventures) that provides substantial economic benefit to Downtown Panama City. It is our desire that a project showcase and stimulate the Marina site, which will then benefit the entire area.

Future development plans should make certain there is continual communication on a staff-level, which must also include individual feedback from each of the seated Commissioners, with input from their constituents. As expressed by Mayor Brudnicki, it is imperative that we “unleash the full potential for Downtown Panama City.”

Issue:

In 1957, the City Commission decided to build the marinas in Downtown Panama City and St. Andrews, which have stood the test of time. Now, the Civic Center is outdated, the old library and City Hall are antiquated, and the underpinnings of the dock have to be restored. It only makes good fiscal sense for the City to take this opportunity to enhance the Civic Center, add green space and retail enhancements, as well as incorporate other improvements. In 2012, the Chamber emphasized the importance of the revitalization of the Panama City Marina as a “top priority.” In January, 2014, the Title to the Marina cleared as a City-owned asset. At that time, it was acknowledged there should be a “balanced need for public access” and “the project would be a catalyst for growth.” The City has stated it “desires to be a premier destination.” While the Chamber whole-heartedly agrees with this stance, we encourage continued transparent and



cohesive approach to development, all the while working in tandem to create a unique experience for tourists and locals alike.

Current Status:

In 2016, the City entered into an exclusive negotiating agreement with well-known developer. However, the results of the Development Plan were deemed financially unfavorable, and the contract was terminated in spring of 2018.

The initial process gathered much public input from citizens and businesses and created a framework with learning lessons to take forward. In fall 2018, St. Joe Co. submitted a letter of interest to the City to create a Marina Hotel. Several community input sessions have been held and have shaped a conceptual plan. The plan includes utilizing the northwest quadrant of the Marina. The design concept includes a hotel, restaurant, outside dining and tiki bar, event lawn/amphitheater, paddleboard launch sites and public green space.

This project contains opportunities for transformational mixed-use growth and development initiatives to enhance downtown Panama City's character and create vibrant attractive spaces for locals and tourists alike.



**FY 2020 Bay County Chamber of Commerce
Local and State Legislative Agenda Item**

Panama City Convention Center

Action Requested/Needed

Support for the location of a new Convention Center in downtown Panama City within a walkable location to dining, shopping, marina and proposed hotel on the Panama City Marina.

Issue

As community leaders, citizens and investors work to revitalize downtown Panama City, it is critical that the arts, cultural and entertainment hub of a civic/convention center remain as a draw to the downtown district. Visitors have long desired accommodations near the current civic center location as they travel to events at the facility and would like the opportunity to walk from their hotel, dine or shop in the same locale. With the proposed St. Joe Company hotel on the Marina, the Convention Center and the combination of the two could be a huge economic boost not only for downtown but for Bay County. Moving of the civic/convention will threaten the future of the hotel project and any further efforts of downtown revitalization.

Due to Hurricane Michael, the damage incurred at the Civic Center was astronomical. As professionals work to make a determination on its future, city leaders understandably are researching the need for a hardened facility to serve as a shelter during disasters to remove pressures from the school system during the time of need. A rebuilt civic/convention center could serve that purpose.

Current Status

It is the recommendation of the Bay County Chamber of Commerce that while options for the rebuild of a civic/convention center are being explored, priority should be given to keeping the facility downtown, as it is vital to the revitalization of the area and the proposed hotel. Should the use of the facility as a hardened location require it to be relocated farther inland, we recommend that other opportunities for a hardened facility be explored.



FY 2020 Bay County Chamber of Commerce Local Legislative Agenda Item

Blight Acquisition and Redevelopment Program

Action Requested/Needed:

The Bay County Chamber supports expediting blight reduction strategies and promoting redevelopment in Bay County and its municipalities. The Chamber will participate in efforts to communicate incentive/redevelopment programs as they become available and identify/engage key stakeholders to lead in the redevelopment process.

Additionally, the Chamber encourages the following applications:

- Resource Toolkit for property owners outlining available programs, incentives and expectations. Incentives for private developers include tax incentives, waiver of easements, financing and other advantages.
- Corridors/neighborhoods selected based on proximity to education, industries, businesses and future employment.
- Housing development projects for socio-economic groups that have a positive impact on workforce development and economic growth.
- Clear code enforcement guidelines, enforced.

Issue:

Hurricane Michael caused widespread and catastrophic damage throughout the county. Destruction to homes has resulted in blight and a critical housing shortage. A strategic plan should be in place to ensure that targeted areas for redevelopment have been identified, substantial incentives are in place to attract private developers, programs are in place to assist the homeowner, land-uses accommodate emerging housing trends, and the plans are outlined and clearly communicated.

Current Status:

The Panama City Economic Strategy has detailed “Reducing and Preventing Blight” as a key priority. The draft plan, presented in August 2019, identifies implementation steps and entities. The plan aims to target corridors and neighborhoods along with major landowners and developers to first compile data. Possible programs include streamlined code enforcement process; forgivable loans for repairs and improvements; and creating a clear process to reposition land banked properties. The blight strategy will be communicated with the public, engaging land owners and developers.



The Bay County Long Term Recovery Plan, ratified July 2019, proposes project no. 185, Blight Acquisition and Redevelopment Program, to address and mitigate blight created by Hurricane Michael and provide incentives for private developers. Possible funding sources include HUD and CDBG-DR.



FY 2020 Bay County Chamber of Commerce Local/State Legislative Agenda Item

Tyndall Parkway Master Plan

Action Requested/Needed

The Bay County Chamber supports the creation a master plan for the Tyndall Parkway corridor in the cities of Parker and Callaway, and leading to Tyndall Air Force base. Additionally, the Chamber encourages participation from all parties and will serve as a facilitator in the process.

The proposed project focuses on five miles of Tyndall Parkway, from Tram Road/14th Street to the DuPont Bridge. This includes the entire length of Callaway and Parker, ending at the DuPont Bridge which connects Parker to TAFB. In addition, the plan for Long Point, at the base of the DuPont Bridge in Parker, should include the entire peninsula.

Objectives for this corridor should provide convenient shopping, dining, recreation, housing, medical and other services. Much of this corridor is located on prime waterfront property and could be an opportunity for high quality dining, relaxation and premier housing. The cities of Parker and Callaway have desire to capitalize on this opportunity to improve their image and become renewed communities; providing residential, commercial and recreational communities-of-choice for all of Bay County.

Components of a master plan include civil engineering, urban and community planning, and environmental science, at a minimum. Marketing and communication should also be incorporated to promote positive imaging and rebranding efforts.

Issue

Tyndall Parkway (U.S. Highway 98) is the main transportation and business corridor through the cities of Callaway and Parker, and Tyndall AFB. Following Hurricane Michael's massive devastation to the cities and Tyndall AFB, Air Force officials have stated they plan to rebuild Tyndall AFB as "the Base of the Future." The rebuild is estimated at \$4.2 billion, this injection of funds to the base presents unique growth and development opportunities for the surrounding communities.

In addition, thousands of new airmen and their families are anticipated to be locating to the area in the next three years in support of the incoming MQ-9 Reaper Wing and F-35 Squadrons. Many



of these airmen will work swing shifts requiring 24-hour facilities for food, daycare, etc. to accommodate non-standard work hours.

The project would create a more unified community by adding quality venues to the area. Parker and Callaway each have individual land planning documents that are currently being updated. These land planning documents should be considered and strengthened during the master planning process to provide better communities for the long term. The plan may need to account for aging or insufficient infrastructure to accommodate desired residential and commercial growth. Parker and Callaway have also partnered with NextSite, a consulting firm that connects retail developers with communities.

Implementation of this master plan over time should result in more sales, a higher tax base, additional visitors, happier existing residents and attract additional residents to Bay County.

Current Status

State and federal disaster relief dollars are becoming available and may be utilized to support local redevelopment projects for community benefit. A Scope of Project was submitted June 2019 to the EPA's CUPP (College/Underserved Community Partnership) Program. This program harnesses university student' services to partner and deliver technical assistance to underserved communities. The project scope requests a master plan that includes civil engineering, urban and community planning, environmental science, marketing and communication components to link Callaway, Parker and Tyndall Air Force Base. Professors at multiple colleges and universities are currently reviewing the project scope and creating a framework of specific services their students may provide.



FY 2020 Bay County Chamber of Commerce Local Legislative Agenda Item

Business Recovery Center/Central Center for Contractors to Report

Action Requested/Needed:

The Bay County Chamber supports the concept of a Business Recovery Center and Central Contractors Center, encouraging collaborative efforts with business agencies and municipalities to provide planning, organization and manpower in the center following a catastrophic event.

The Business Recovery Center will be a one-stop shop to provide local, state and federal resources and services tailored for businesses.

The Central Center for Contractors will provide a place for all contractors to report, register, learn laws and permitting processes, on both the state and local levels.

Strengthened pre-disaster should develop a resource toolkit should include a communication plan with social and print media materials prepared in advance; and a process to communicate. Comprehensive plans and land development codes should be given consideration for the following items during times of disaster: temporary and permanent housing, temporary debris management, commercial development, signage, and other temporary regulations.

Issue:

The catastrophic effects of Hurricane Michael resulted in thousands of contractors coming to the area from out of the area. Bay County and its seven municipalities all have different ordinances and permitting processes. Most contractors were unaware of which municipality they were in and specific requirements for that locality. With lack of communication infrastructure, many home and business owners relied on contractors to comply with laws, but many were simply unaware. A central center would serve to educate contractors and provide them with a form of documentation so home and business owners can differentiate contractors that they have been provided with operational procedures specific to that area.

Having very little communication capabilities following the storm, many businesses were not aware of services, resources and other programs that were available. Others found navigating the system unjustifiably prolonged and daunting. A business recovery center would serve to identify each business's status and need, connecting them with the most appropriate resources and jumpstarting a more robust economic recovery.



Current Status:

The Bay County Long Term Recovery Plan references the above as project numbers 255- Business Recovery Center; 256- Central Center for Contractors to register, learn municipalities, permitting processes, laws, etc.; and 313-Strengthen Pre-Disaster Preparations. An analysis should be completed to identify other agencies, in addition to the state's Small Business Development Centers, to be included in the business recovery center. Local governments should be surveyed for their building code and permitting process requirements and results compiled into one guidebook.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Workforce Development: High School Trades

Action Requested/Needed:

The Chamber is requesting Bay District Schools to implement educational opportunities for high school students to explore technical trade electives during their secondary education.

The curriculum should:

- Establish a Construction-related curriculum in the high schools that will provide standardized training and credentialing career tech programs.
- Establish a curriculum that will provide basic knowledge of Concrete, Masonry, Carpentry, Mechanical, Plumbing, and Electrical. Upon completion student will know basics of each trade as well as construction drawing interpretation.
- Establish a curriculum that will provide basic knowledge of Welding, Marine, and Small Engines.
- Establish Welding, machine working, and manufacturing curriculum that would be well suited to meet the needs of area industries.
- Establish an apprentice program.
- Develop a bridge between secondary and post-secondary education opportunities.
- Develop a bridge between local business and the instructors of these courses to help placement of students desiring employment after high school.
- Support Bay County Career Pathways in the Advanced Manufacturing Industry
- Educate and provide exposure to what earnings are available in the professional technical fields.

The Chamber encourages the School Board to implement appropriate advisory committees.

Issue:

As a result of our membership survey, Workforce Development opportunities at the secondary-education level need to take a higher priority than currently in place. There is a significant lack of skilled tradesman and laborers in the general workforce in Bay County. Currently the construction and manufacturing industries are struggling to keep up with skilled labor demand, the demand for skilled, trained technical professionals increases *daily*. This lack of skilled workforce is hindering economic development, affordable growth of the community, growth of small business, and a better working Bay County.



Current Status:

Presently, high school students have limited opportunities to explore careers in the technical trades (i.e. construction, skilled trade) during their daily curriculum. For the non-college-bound student, there needs to be curriculum options to expose students to various technical trades, allowing them to find a career interest and develop a potential career track with certifications upon graduation.

For Rutherford High School, a Construction I class was implemented in the second semester 2015-2016 and a Construction II class implemented for the 2016-2017 school year. Arnold High School opened Construction courses during the 2017-2018 school year.

However, there needs to be a sense of urgency to develop career tech programs at the remaining secondary schools and promote credentials that will allow secondary students a greater opportunity at employment once they complete high school.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Workforce Development: High School CTE and STEM

Action Requested/Needed:

The Bay County Chamber is requesting Bay District Schools to develop educational opportunities for high school students to explore STEM related electives during their secondary education and recommends that the school board further develop existing CTE programs by increasing their size, offer more classes to students, create work-school co-ops where students work in the field, and foster pathways to local employment. These programs provide relevant STEM related knowledge and skills students need to prepare for further education and careers.

The Chamber highly supports growing programs that are currently in place at several local high schools to increase student exposure and link to community workforce needs. These programs are Safe Serve certification, Child Care Certification, Computer Assisted Design, Microsoft Office Certification, Digital Design, Photoshop, Dreamweaver, Computer Service and Repair, Microsoft Web design, Technology and Cyber Security Training program, Marketing Training for Businesses, and Agribusiness programs.

Additionally, the Chamber supports Rosenwald's plans to develop a school wide technical curriculum in three different disciplines of Agritechnology, Digital Design and Early Childhood Career Academies. This will impact all students of this vulnerable student population that have economic and family challenges that may be impediments to finishing school and obtaining employment.

Issue:

Past surveys have indicated Workforce Development opportunities at the secondary education level need to take an increased focus and higher priority than currently in place.

Current Status:

Presently, high school students have modest opportunities to explore careers in the areas of computer assisted design, computer repair, web design, food service, and other skilled trades during their daily curriculum and should be replicated in all schools. For the non-college bound student, there needs to be curriculum options to expose students to various technology related programs, thus allowing them to find a career interest and develop a potential career track.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

New Science (STEM) Building at Gulf Coast State College (GCSC)

Action Requested/Needed

Requesting \$14,490,532 from the Florida Legislature to replace the 60-year-old Science Building at Gulf Coast State College (GCSC).

Issue:

The current 60-year-old Science Building no longer meets the instructional needs of students. A study of the current facility was conducted and a number of critical concerns regarding the building were identified. The study concluded that the building was inadequate in several areas according to current standards. A critical concern was the size of the lab spaces. The current labs are smaller than what is currently recommended by the State Requirements for Educational Facilities. The small lab space impedes learning, makes it difficult to accommodate students with accessibility issues, and limits enrollment. The new facility will allow for modern labs and classrooms, flexible learning spaces, interactive technology, environmentally controlled areas, and will meet all ADA requirements.

The Science Building will be located on the Panama City Campus of GCSC, and will include:

- State of the art classrooms and labs used by both GCSC and FSU-PC students, faculty, and researchers
- In addition to the traditional biological, chemical and physics science labs, there will also be lab facilities to support engineering and advanced manufacturing programs to include materials testing, chemical analysis, and chemical testing.

Current Status

The request for the Science/STEM Building has been submitted to the State Department of Education by the GCSC Board of Trustees. To date, \$12 million has been received through legislative appropriations and Gulf Coast State College has committed \$1,000,000 for the construction of the building. The balance of \$14,490,532 is being requested this session.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Support for College of Engineering and for programs at FSUPC to meet area needs

Action Requested/Needed

The Bay County Chamber supports the efforts of Florida State University-Panama City as they work to obtain funding for additional programs to meet the needs of the community, including enhanced recurring funding for the FAMU-FSU College of Engineering. Because it is a joint college of two universities, the College of Engineering receives a separate appropriation from the legislature. The growth of the College of Engineering is critical as we expand our program offerings and meet the engineering workforce needs here in northwest Florida.

Support for the expansion of program offerings including cybersecurity, financial planning, public health and undergraduate science programs and implementation of the Engineering, Science, Technology and the development of the Advanced Workforce Center as outlined in Bay County's Long-Term Recovery Plan.

In addition, FSUPC will collaborate with several other plans proposed in Bay County's Long-Term Recovery Plan that could include collaborative development of the Lynn Haven property.

Issue

Supporting the expansion of programs at FSUPC will help meet the needs of students, employers and long-term recovery efforts. Local businesses, the Bay County School District, non-profits, social services and hospitals have called upon FSUPC for degree programs and various other professional guidance for long-term recovery.

Current Status

Florida State University Panama City (FSUPC) has served Bay County for 36 years and continues to grow to meet the needs of students from the area. Moving forward, FSUPC will be working to add programs to more closely align with Bay County's Long-Term Recovery Plan and expected needs of the community.



**FY 2020 Bay County Chamber of Commerce
Local and State Legislative Agenda Item**

Transportation Priorities for Bay County Chamber

Action Requested/Needed

The Bay County Chamber requests that the Bay County Transportation Planning Organization and the Florida Department of Transportation acknowledge the following projects as priorities for the Bay County Chamber of Commerce:

- US 231, widen to 6 lanes from US 98 to Penny Road
- SR 390, widen to 6 lanes from SR 77 to US 231
- US 98/Panama City Beach Parkway (Back Beach Road), widen to 6 lanes between Mandy Lane and Hathaway Bridge
- East Avenue and SR 389 (East Avenue) from Port (East Terminal) Entrance to Sherman Avenue

The existing and continued growth in Bay County dictates an imminent need for capacity improvements along these corridors. Prioritization and full funding for the projects listed above will provide the transportation infrastructure required for the Northwest Florida Beaches International Airport, the West Bay Sector Plan, the Port of Panama City and its inland intermodal park, improve safety for hurricane evacuation, and facilitate successful economic growth in Bay County.



**FY 2020 Bay County Chamber of Commerce
Local and State Legislative Agenda Item**

Infrastructure: State Road 390

Action Requested/Needed

The Bay County Chamber of Commerce urges the state legislature to continue coordination with FDOT on designation of the segment of State Road (SR) 390 from SR 77 to SR 75 (US Hwy 231) as a Strategic Intermodal System (SIS) roadway and approve full funding to widen the roadway to six lanes. The SR 390 corridor provides a vital connection between the Port of Panama City and its inland intermodal facility located on US 231. The requested SIS designation and six-lane improvement will expedite the transport of freight around congested corridors within the community, contribute to the economic development of Bay County, and increase safety by facilitating hurricane evacuation.

Issue

SR 390 and US Hwy 231 in Bay County are the SIS highway corridors that provide for continuous SIS highway connection between the seaport facilities at the Port of Panama City, the inland intermodal facility located along the US 231 which is a SIS rail connector, and to Interstate 10 and all point beyond.

Current Status:

FDOT has funded the six lane improvements for SR 390 from 23rd Street (SR 368) to SR 77 and the construction is currently ongoing. A Project Development and Environment Study for the requested segment of SR 390, from SR 77 to US Hwy 231, is also funded and ongoing. The road is currently a two-lane facility that is heavily traveled and has a failing level of service. The study is indicating that six lanes are required for current and future traffic levels. However, no funds are currently designated for the subsequent phases required for the design, right-of-way acquisition or construction for this vital missing segment of SR 390. The requested SIS highway connector designation and full funding for the SR 390 corridor will provide significant congestion relief and safety improvements while enhancing the significant contributions to the economic development of Bay County provide by the emerging SIS seaport at the Port of Panama City.



FY 2020 Bay County Chamber of Commerce State Legislative Agenda Item

Infrastructure: Bay Parkway, Panama City Beach

Action Requested/Needed

The Bay County Chamber of Commerce supports the full funding of Bay Parkway and encourages the adoption of local, state, and federal funds to finance the projects should funding become available. New construction of segment 2 of Bay Parkway, from Pier Park Drive to Nautilus Road, and expanding the first segment of Bay Parkway, from State Road 79 to Pier Park Drive, from two lanes to four lanes, will significantly alleviate congestion and expedite the transport of goods around this congested area of the community. The improvements will contribute to the economic development of Bay County by providing enhanced connectivity to the airport and improve safety by reducing hurricane evacuation time.

Issue

U.S. 98, west of the Hathaway Bridge, is heavily traveled and portions currently have a failing level of service; a consequence of multiple corridors merging into a single corridor. This condition may worsen as development along these areas increases. The Bay Parkway (a municipal roadway) was designed to address traffic issues to help alleviate congestion and improve traffic safety.

Funding is awarded to communities based on population. Panama City Beach is unique in that while its population is approximately 13,000 permanent residents, there are approximately 17 million trips per year [FDOT 2015 Historical AADT Report] due to residents, part-time residents, visitors and tourists traveling on infrastructure that was designed to support a fraction of that amount. Consequently much of this corridor is operating at a failing roadway level of service.

With approximately 46,000 trips per day along the U.S.98/Panama City Beach Parkway corridor, the bypass at Nautilus Road may allow the intersection of U.S. 98 and S.R. 79 to operate 14% more efficiently per hour.

Current Status

The first segment of Bay Parkway was completed and opened for use on April 2017. This new two-lane typical roadway segment connects S.R. 79 to Pier Park Drive. Funding through the County Incentive Grant Program along with Bay County and Panama City Beach Infrastructure Surtax dollars are planned for the design and construction of Segment 2 (Pier Park Drive to Nautilus Road) with anticipated completion at the end of 2020. Currently, although land is available, funding is not yet available the four-laning of segment 1.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Promoting Economic Development through Airport Capital Projects

Action Requested/Needed

We are requesting your support for the creation of an aerospace and aviation hub at the Northwest Florida Beaches International Airport. Once we have a major job creation project that is prepared to make a commitment to locate at the Airport, we will be seeking further legislative support for the appropriate incentives, grant funding, and financing tools in order to secure the project.

Issue

Bay County public and private sector leaders have a vision to establish an aviation and aerospace hub at the Northwest Florida Beaches International Airport for economic development purposes. In order to bring this vision to life, certain infrastructural improvements must be realized. In the competitive economic development landscape, companies require that sites have “project- ready” sites with all infrastructure at the site and a site that is shovel ready. Hangars, support facilities, ramps, additional taxiways, and an aerospace training center are required, on site, in order to accommodate the location of new and expanding companies and their resultant job creation and economic impact.

Current Status

Northwest Florida Beaches International Airport (ECP) opened in May 2010 on an undeveloped site and is without some of the infrastructural assets that older airports have established over time. However, this clean slate provides the opportunity for the development of modern, state of the art facilities requiring runway access or facilities that need to be close to an Airport. Many of the state and federal programs that fund infrastructure for economic development projects are tied to a business making a commitment to locate at the airport and create jobs at high wages.

In economic development, where businesses have a plethora of options regarding locations for their facilities, many will eliminate those communities that do not have the necessary assets and infrastructure in place to accommodate their operation.

Several announcements have had positive impacts on the Airport and the community. They include: GKN Aerospace’s recent announcement of opening a facility in Venture Crossings, including 170 new aerospace jobs, adjacent to the Airport, and ACMT, Inc an aviation parts manufacturer, including 105 new aerospace jobs. GKN located in shovel ready site in VentureCrossings, which is adjacent to the Airport and ACMT located in an existing building.



These site selection processes were made to speed up the time to market. Delta Airlines is utilizing larger aircraft to provide more seats and better serve our community, United Airlines continues to grow service to George Bush Intercontinental Airport and connections to more than 176 cities around the world. Southwest is offering seasonal non-stop service to Denver, Austin, Chicago, St. Louis, and Baltimore and daily service to Dallas, Houston – Hobby and Nashville with same plane service to destinations around the country. Additionally, in June of 2018 American Airlines began service to Dallas- Ft. Worth and Charlotte, and is already adding service to Reagan National Airport in January 2020. These destinations allow for passengers to connect domestically and to more than 32 countries worldwide.

The Airport continues to market our community while partnering with both business and tourist interests to expand and broaden air service opportunities. The Airport’s goal is to grow air service to new communities while growing existing air service. The success of the Airport can be seen by looking at the total passenger in 2009 of approximately 325,000 passengers and in 2018 the total number of passengers exceeded 1,000,000. 2019 growth is projected to exceed 2018 marks.

With the growth continuing at the Airport in commercial, corporate and general aviation and the fleet mix changing to accommodate the every changes needs of the air travel industry, there is a need for a crosswind runway. The crosswind runway is included in the Airport Master Plan is planned to be 7,500 feet, which will accommodate the fleet mix utilizing the Airport today and into the future.

Additionally, the Airport continues to be seen as an asset for the community with its 10,000 foot runway and the future focus of aerospace industries as well as industries that require immediate access to an airport or that want to locate near the Airport. We believe that there are several more of those projects would ultimately locate at the Airport, if the necessary infrastructure was in place and the Airport had certified shovel ready sites at the Airport.

In the past 18 months, over two dozen qualified aviation and aerospace companies have inquired and are considering the Airport as a location for their economic development projects.



**FY 2020 Bay County Chamber of Commerce
State Legislative Agenda Item**

Support for Visit Florida and Enterprise Florida, Inc.

Action Requested/Needed:

The Bay County Chamber supports state funding of Enterprise Florida, Inc. (EFI) and incentives for high-wage job creation and capital investment. These programs and projects diversify Florida's economy through innovation and attract industries that will have a multiplier effect on the economy. Additionally, the Chamber strongly supports the state's official tourism marketing corporation, Visit Florida. Through Visit Florida's marketing efforts, out-of-state and international visitor travel has increased annually, having a positive financial impact across all business sectors, directly and indirectly.

Issue:

States are in direct competition to attract and retain business. To remain competitive with other states, initiatives that create high-skill, high-wage jobs and/or make significant capital investments must be supported. This requires Florida to take a proactive approach to attract new jobs and new businesses while retaining current businesses and engaging in expansion projects. Enterprise Florida, the state's lead economic development agency, was designed to expand and diversify the state's economy through job creation and to market our state's diverse business climate.

Tourism is Florida's No. 1 industry. Visit Florida's marketing efforts have generated another a record-breaking year resulting in 124.7 million out-of-state and international visitors in 2018. For every 85 visitors, one job is created, resulting in 1.5 million employed Floridians.

Current Status:

Funding for these programs has been challenged annually by legislature for several consecutive years. HB 1, passed during 2017 special session, reorganized Visit Florida and EFI under the Department of Economic Opportunity, created the Florida Job Growth Grant Fund, and increased transparency and accountability measures. Funding was appropriated in the amounts of \$76 million to Visit Florida, \$16 million to EFI, and \$85 million to the newly created Florida Job Growth Grant Fund for FY's 2017 and 2018. EFI funding shall remain the same for FY 2019, however, Visit Florida's funding has been reduced to \$50 million, and future funding is in jeopardy.



FY 2020 Bay County Chamber of Commerce State Legislative Agenda

Florida's Qualified Target Industry Tax Refund (QTI) Incentive

Action Requested/Needed

The Bay County Chamber urges our legislators to renew the QTI Incentive for another ten years from July 1, 2020 to June 30, 2030. Effective July 1, 2010, the QTI program is set to 'sunset' on June 30, 2020.

Issue

The Qualified Target Industry (QTI) Tax Refund program is awarded to target sector companies that fall within the target sectors as defined by Enterprise Florida. These are industries that create goods and services that can be exported out of the local economy. Examples include manufacturers, software developers, biotech/ pharma companies, cybersecurity firms, aerospace companies, etc.

The QTI incentive is available for companies that create high wage jobs in targeted high value-added industries. This incentive includes refunds on corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. Pre-approved applicants who create jobs in Florida receive tax refunds of \$3,000 per net new Florida full-time equivalent job created; \$6,000 in a Rural Community (county). For businesses paying 150 percent of the average annual wage, add \$1,000 per job; for businesses paying 200 percent of the average annual salary, add \$2,000 per job; businesses falling within a designated high impact sector or increasing exports of its goods through a seaport or airport in the state by at least 10 percent in value or tonnage in each year of receiving a QTI refund, add \$2,000 per job. The selected local community contributes 20 percent of the total tax refund. The program is managed by the FL Dept. of Economic Opportunity (DEO).*

Current Status

The QTI program is a critical economic development tool used by the State of Florida and the local economic development organizations to attract and facilitate the expansion of businesses operating in targeted industries. The program began in 1995. The program has been successful at its mission to promote economic growth by attracting high-wage jobs to communities statewide and enabling the expansion of existing Florida businesses. *

Locally, in order to participate, a company must apply to Enterprise Florida through Bay Economic Development Alliance (Bay EDA) prior to a decision to locate or expand. In order to qualify for consideration under the program, an applicant must create new job opportunities paying at least



115% of the state, county or Metropolitan Statistical Area (MSA) average annual wage. whichever is lowest.

At this time, a bill has not been submitted to the Florida Senate or House of Representatives for the renewal of the QTI Program.

**- Sources include Enterprise Florida, Florida Economic Development Council, and associated economic development entities.*



FY 2020 Bay County Chamber of Commerce State Legislative Agenda

Reducing Business Rent Tax

Action Requested/Needed

The Bay County Chamber urges our legislators to continue reducing business rent tax. Creating a fair and equitable tax system is key to attracting and retaining businesses of all sizes in our state.

Issue

Florida is one of few states that charges sales tax on commercial leases. This tax affects any business that leases space. This can be seen as a hindrance to business growth. In Bay County, businesses are paying property tax as well as an additional sales tax on the property they rent. Reducing this tax puts money directly into the pockets of job creators, allowing them to expand, grow, and become more productive. We want to create a business climate that attracts our nation's top job creators.

Current Status

If a tenant makes payments such as mortgage, ad valorem taxes, or insurance on behalf of a landlord, those payments are included in the total amount of rent paid and are subject to sales tax and surtax.

Examples of commercial real property rentals are considered for purposes of this tax are:

- Office Space
- Retail Space
- Convention and Meeting Rooms
- Mini-warehouses
- Warehouses

The Florida legislature has taken incremental steps in previous legislative sessions. The original total amount of rent paid for the right to use or occupy commercial real property was subject to Florida's sales and use tax, a six-percent levy. This levy was reduced to 5.8 percent for 2018, 5.7 percent for 2019. The next reduction is scheduled to begin January 1, 2020 and will bring the tax down to 5.5 percent.



FY 2020 Bay County Chamber of Commerce State Legislative Agenda Item

Supporting Legislative Remedy for Workers Compensation Insurance

Action Requested/Needed

The Bay County Chamber encourages and supports Workers Compensation Insurance reforms and policies that ensure rates and premiums paid by Florida businesses are reasonable while also ensuring that injured workers continue to receive access to quality medical care and meaningful benefits to assist in the goal of returning to gainful employment. Additionally, this Chamber recommends and supports a workers' compensation ratemaking process that is transparent and actuarially sound with excess profits being returned to Florida businesses.

Issue

In 2003, Florida's Workers Compensation Insurance rates were 2nd highest in the nation. These rates were threatening Florida's competitiveness. A series of legislative reforms were enacted, cutting rates by 60%. In 2016, the Florida Supreme Court ruled in two separate cases that certain provisions of the 2003 reform were unconstitutional – namely, the mandatory presumptive attorney fee structure and the 104 week limitation on temporary disability benefits. Based on these rulings and certain changes to medical reimbursement rates, there was concern claims would increase and rates paid by Florida businesses would once again to unacceptable levels. Beginning 12/1/16, the Florida Office of Insurance Regulation (OIR) approved a recommended 14.5% increase for work comp premiums. However, based on an actual decline in claims (thought to be due to safer working environments leading to fewer injuries), OIR subsequently implemented recommended rate decreases of 9.6% effective January 1, 2018 and 1.8% effective June 1, 2018. NCCI released a recommendation on August 21, 2019 of an additional decrease of 5.4%. OIR's final order for an overall decrease of 7.5%. The rate decrease is effective January 1, 2020.

Current Status

During the 2017 and 2018 legislative sessions, comprehensive bills were introduced (but not passed) out of concern that rate increases were imminent. As of this date, this has not happened.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Triumph Gulf Coast, Inc. Funding

Action Requested/Needed

The Bay County Chamber of Commerce recognizes the importance of [Triumph Gulf Coast, Inc.](#), established by Florida's Gulf Coast Economic Corridor Act, and will act to ensure the Gulf Coast Economic Corridor Act is implemented and will participate in the activities of Triumph Gulf Coast, Inc. The Chamber supports the purpose of Triumph funds and strongly opposes any move to divert these monies to elsewhere in the state.

Issue

Triumph Gulf Coast, Inc. is a non-profit organization with a seven-member board defined by the Florida Legislature in the 2013 Gulf Coast Economic Corridor Act and subsequent legislation. Triumph is to receive, hold, invest, and administer 75% of all state economic damages funds recovered from the 2010 Deepwater Horizon oil spill for the benefit of the eight disproportionately-affected counties in the Panhandle - Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, Walton, and Wakulla Counties. These funds are designated for economic recovery, diversification and enhancement, essentially to deepen and broaden economic opportunities in Northwest Florida. The total payment to the State of Florida for economic damages is expected to be \$2 billion, with an initial payment of \$400 million received in 2016. The initial appropriation for Triumph by the Legislature in 2017 was \$300 million. After a two-year hiatus, Florida will receive approximately \$107 million per year for 15 years until the total reaches \$2 billion.

Triumph will receive 75% of the total economic damages payment. This will be approximately \$80 million per year, totaling \$1.5 billion. Future payments for Triumph do not have to go through the legislative appropriation process. Future Legislatures do have the power to modify the Triumph legislation and distribution of funds.

The remaining 25% (\$500 million) of the economic damages payment will be distributed by the Florida Legislature. Northwest Florida will be tasked with fending off state legislators for the next 16 years for the settlement money reserved for Triumph.

Current Status

The Triumph board has established application and evaluation processes for potential projects. Local elected governing boards of each county have a voice in recommending to the Triumph



Board how a portion of the funds will be spent. Triumph made the first funding award in June 2018 and has approved 12 grants as of June 2019. Triumph considers and advances additional projects at their regular meetings.

Laws of Florida Ch. 2017-63; 2017 HB 7077

288.8013(2)(b) Triumph Gulf Coast, Inc., shall make awards for projects or programs within the geographic boundaries of each disproportionately affected county based on the following minimum allocations:

1. At least 40 percent of the moneys transferred to Triumph Gulf Coast, Inc., pursuant to subparagraph (a)1., must be allocated equally among the eight disproportionately affected counties based on a minimum allocation of at least 5 percent per county.
2. For each transfer of funds to Triumph Gulf Coast, Inc., pursuant to subparagraph (a)2., at least 32 percent of the moneys must be allocated equally among the eight disproportionately affected counties based on a minimum allocation of at least 4 percent per county.

(c) Each board of county commissioners shall solicit proposed projects and programs from other elected local governing boards within the county and shall provide Triumph Gulf Coast, Inc., with a list of proposed projects and programs located within its county. The submitted list of proposed projects and programs must include projects and programs submitted by other elected local governing boards and projects and programs recommended by the board of county commissioners.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Home Rule/Local Control

Action Requested/Needed

The Bay County Chamber of Commerce recognizes the importance of Home Rule/Local Control by local government and will act to ensure that Home Rule/Local Control is protected. The Chamber supports the concept of Home Rule/Local Control and strongly opposes efforts to remove or reduce this authority.

Issue

Home Rule/Local Control is a central tenet of local government. Unlike the state legislature, local governments are part of the communities they serve, meet throughout the year, and are able to timely respond to local needs and desires. Home Rule language was proposed in the 1968 Constitutional revision and was adopted by the people. After several legal challenges, the Legislature adopted the Home Rule Powers Act in 1973, which ended challenges related to city and county powers. The Florida Constitution states in Article VIII, Section 2(b) for municipalities:

“Municipalities shall have governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions and render municipal services, and may exercise power for municipal purposes except as otherwise provided by law.”

These powers do not extend to fiscal Home Rule: the state reserves all taxing authority unto itself.

During the 2019 Florida legislative session, multiple attempts were made to limit home rule, including preemption on the regulation of businesses, professions and occupations; imposing unfunded mandates; limiting and restraining the creation and operation of community redevelopment agencies (CRAs); placing utility poles in municipal rights of way; adding restrictions on impact fees and various zoning and land use regulations; and restricting regulations of short-term rentals. Some of these attempts succeeded, others failed.

Current Status

Indications are that the 2020 Florida Legislature will again attempt to override home rule on issues that should be controlled at the local level.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Gulf of Mexico Restoration Funding

Action Requested/Needed

As an advocate of the original RESTORE Act, the Chamber wholeheartedly supports the Bay County Board of County Commissioners and the State of Florida in obtaining and distributing the settlement delegated to Bay County for economic development and environmental restoration. The Chamber has participated in the local RESTORE process, providing comment and has supported projects.

The Chamber will also support efforts to obtain other Gulf restoration funds, such as Natural Resource Damage Assessment (NRDA), Gulf Environmental Benefit Fund, and RESTORE Act Pots 2 and 3 funds for Bay County economic and environmental projects.

Issue

As a result of the Deepwater Horizon disaster, various sources of funds are available for Gulf Coast environmental and economic restoration. Some of these funds are reserved for Bay County; the majority is not. Bay County has the opportunity to influence how these funds are spent.

The RESTORE Act, signed in July of 2012, will provide 5.3 billion dollars for Gulf of Mexico environmental and economic restoration from settlements with BP, Transocean, and Anadarko. This will lead to Bay County directly receiving \$42.2 million dollars. The \$34.9 million from BP will be received in approximately equal payments over 15 years, starting in 2017. Substantial amounts are also available through other Gulf restoration funds, such as the Natural Resource Damage Assessment (NRDA), Gulf Environmental Benefit Fund and RESTORE Act Pots 2 and 3.

Current Status

RESTORE funds

Bay County has a Treasury-approved plan for Bay County's share of RESTORE Act Direct Component (Pot 1) funds. The RESTORE Act Advisory Committee, appointed by the Board of County Commissioners, reviewed proposed projects and, after substantial public comment, made recommendations to the Board. The Board approved the recommended projects, added another project and approved the Multi-Year Plan for submittal to the U.S. Department of the Treasury.



Treasury accepted the plan in May 2017. Each project in the plan must have a separate grant application. The County is the grant recipient for all projects.

The projects included in the plan are: Bay Technology Initiative, North Bay Wastewater Collection System Improvements, Restoring Bay County's Recreational Fishing Industry through Artificial Reef Construction and Monitoring, Porter Park Improvements, Bay County East Pass Environmental Impact Statement (EIS), Carl Gray Park Boat Ramp, Bay County Master Plan and Capital Improvement Strategic Plan Update, and AMIkids Panama City Marine Institute Dock Repair, and City of Panama City Beach and Bay County Continuous Outfall Sediment Reduction Projects. The County has received grant awards for the AMIkids dock project, Porter Park Improvements, the Carl Gray project, the artificial reef project, and the stormwater master plan update. Project status information is available under “Quick Links” on the County’s RESTORE web page (<http://co.bay.fl.us/227/RESTORE-Act>).

The Gulf Consortium, consisting of one representative for each of Florida’s 23 Gulf coastal counties and six ex-officio members, prepared a State Expenditure Plan for the RESTORE Act Spill Impact Allocation funds (Pot 3). Bay County is a member of the Consortium. Both environmental and economic development projects are eligible. About \$286 million will be available to Florida, from the Transocean settlement and BP (approximately equal payments over 15 years). The Consortium decided to allocate equal amounts of Florida’s Pot 3 to each of the 23 counties, about \$12 million per county. Bay County nominated nine projects, focusing on the water quality and habitat of the Bay. The plan was submitted in July 2018 to the Gulf Coast Ecosystem Restoration Council and subsequently approved. The grant application for the Bay County St. Andrew Bay Stormwater Improvement Program – St. Andrew Bay Watch – Water Quality Monitoring is pending before Council staff. This grant will fund water quality monitoring and a summary report to provide information to decision makers.



FY 2020 Bay County Chamber of Commerce Local and State Legislative Agenda Item

Northwest Florida Estuary Programs Funding

Action Requested/Needed

Recognizing that the bay systems are an essential component of Northwest Florida's economic viability and quality of life, the Chamber wholeheartedly supports Florida legislative funding for Northwest Florida Estuary Programs, including the St. Andrew/St. Joe Bays Estuary Program.

The Chamber has participated in the local Gulf restoration process, providing comments and supporting projects. The Chamber will also support efforts to obtain other funds, such as Natural Resource Damage Assessment (NRDA), Gulf Environmental Benefit Fund, and Gulf RESTORE Council (Pot 2) funds for the Estuary Programs, including for environmental restoration projects.

Issue

An Estuary Program is a locally-driven, non-regulatory effort to identify and solve issues facing a bay and watershed, based on objective, scientific information. The program provides stakeholders with a permanent forum for reviewing information, agreeing on issues, and collaborating to develop action plans, solutions, and funding to address those issues. Estuary Programs lead and support wide-ranging projects, including coastal infrastructure, seagrass and shellfish restoration, water quality improvement, and science and monitoring to guide decision-making.

Northwest Florida counties and partners are establishing Estuary Programs in Pensacola/Perdido, Choctawhatchee, and St. Andrew/St. Joe bays, an initiative modeled on the National Estuary Program. The Bay County Board of County Commissioners has pledged ten percent of Bay County's RESTORE Act Direct Component funds to match funds from other sources to establish the St. Andrew/St. Joe Bays Estuary Program (SASJBEP). Counties forming the other two Estuary Programs have also pledged moneys. Funds will be used to stand-up the programs and for each estuary develop a Comprehensive Conservation Management Plan (CCMP), or long-term strategic plan, which will be a fully vetted roadmap for the restoration and preservation of each bay. The initial effort will also implement pilot projects for healthy bays.

Current Status

The Bay County Board of County Commissioners has pledged 10 percent of RESTORE Act Direct Component (Pot 1) funds for the establishment and continuation of the Estuary Program. The Florida State University has agreed to host the St. Andrew/St. Joe Bays Estuary Program at the Panama City campus. Local governments in the Pensacola/Perdido and Choctawhatchee bays systems have pledged funds and identified hosts for those two programs as well.



FY 2020 Bay County Chamber of Commerce State Legislative Agenda Item

State Fisheries Legislation

Actions Requested

First, the Bay County Chamber would like to thank the Florida Fish and Wildlife Commission for their continuing involvement working with Federal legislators to ensure Florida's anglers access to our vibrant fishery.

Supporting HR 3697, Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act, will assist in this effort.

We respectfully ask that FWC work with Senate to pass a companion bill to HR 3697 to include issues below:

- Inter-sector trading still needs to be stopped. No inter-sector trading between commercial and recreational sectors, nor for-hire and private angler sectors should be allowed.
- *Referendums shall be conducted on all Amendments or changes in the current regulations by including ALL permit holders, regardless of catch history or quota allocation.* While this is a very big and good step, we request that Councils may not add additional “qualifiers” that limit some who are permitted to vote in the referendums.
- A fair referendum system should be designed for Amendments affecting private anglers, or their sectors, so they may be included in decision-making on fish tags, privatization of their fishery and other access-reducing measures. Notices to private anglers need to be more widespread. *This needs to be addressed once the States' databases for private anglers have been updated with the implementation of their EFPs.*
- Halt Councils from promoting recreational catch share programs in the Gulf Reef Fish fishery by working with the States to improve data collection and monitoring. Developing and implementing real-time reporting and data collection will give scientists more improved data to work with for regulations. The caveat here is when the data is used to shorten published seasons *with little notice* which negatively impacts anglers who have already made plans in which to participate.
- Councils should be required to undergo periodic re-examinations of allocations of mixed sector fisheries, based on scientific guidelines established independently by the National Academy of Sciences. This is necessary for more fair regulations and allocations, and the social and economic impacts of all sectors and subcomponents need to be considered in this examination of allocations.



- Throughout the document, clarification needs to be made where and when 'Recreational Sector' is mentioned, to specify if private angling, charter fishing, and headboat fishing, all three subcomponents are included.
- Councils should be directed to consider alternative forms of management for recreational fisheries when hard pound quotas are not working for the sector. *This is covered in HR 200, but vague on whether all subcomponents are included-very important to the industry.*

Second, we request the continuation of building a state-of-the-art artificial reef system throughout Florida, especially in areas such as off Bay County shoreline that were heavily impacted by the Hurricane Michael.

Increasing efforts to add significant numbers of artificial reefs off the coast of Bay County, from 5 to 25 miles out, is more important than ever. Most of the reefs that the fishery and anglers have relied on for decades have been destroyed by the hurricane. Rebuilding the reefs will significantly help to restore the fishery.

Third, an issue has taken a dramatic turn. We ask that the FWC set up a focus group to discuss the very serious issue of dolphin and shark interaction with the angling public.

Issue

Significant funding is available for artificial reefs and materials that meet Federal and State environmental mandates. The benefits artificial reefs provide are needed in State AND Federal waters. With just a few months growth on them, reefs that were placed by charter boat owners in the spring of 2019 already have fish using them for habitat. The abundant fishery will return if funding is received with expedited approval to replace the thousands of reefs that were lost in Hurricane Michael.

Additionally, the issue of dolphin and shark interaction with anglers has gone from occasional to more aggressive attacks. There needs to be a study or at least a discussion on how to protect the animals exhibiting aggressive behavior while protecting the angling public.

The MSA is to be reauthorized every 5-7 years. It is well overdue. We need to work with legislators to pass this bill with the needed changes to be cognizant of the environment and fair to all who need access to the abundant fisheries of the U.S.

Current Status

Under current policy, the FWC has authority to dictate private angler seasons in State and Federal waters. There is no longer a reason for the FWC to limit funding for artificial reefs to State waters



only. Florida's anglers and Florida's tourist anglers should continue to enjoy a vibrant fishery. This can only be done if a healthy ecosystem, healthy habitat is provided.

Florida FWC has the support of a majority of recreational fishing organizations as well as many of the head-boat and charter boat industry. The FWC has an excellent record in rebuilding and protecting species of fish and other wildlife within the state, all while shielding its citizens from economic hardship.

Florida, being surrounded by water, has much invested in its ability to access and preserve our fisheries and fishery habitat. Florida's solution would advocate growing the fisheries through artificial reefs rather than limiting who can fish. Growing the fishery to meet the demands of a growing recreational angling public makes good economic and environmental sense for Florida.

Currently, boaters are being followed, sometimes even their transoms are being breached as dolphins attempt to catch a fish that is being reeled in. Once you move from one area to another, there is another pod waiting to catch the easy prey. This affects safety and impacts the fishery as you feed dolphins as many fish as you actually harvest at times.

Working with the FWC on this issue, anglers, scientists and regulators can work together to resolve this issue as they have so many other times-together.



Federal Agenda



FY 2020 Bay County Chamber of Commerce Federal Legislative Agenda Item

Reforming the Magnuson-Stevens Act and Catch Share Program

Actions Needed/Requested:

The Bay County Chamber respectfully requests the U.S. Senate file a companion bill to HR 3697, Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act. This bill was introduced in the 116th Congress on June 11, 2019 and is sponsored by Rep. Don Young (R-AK) and Co-sponsored by Rep. VanDrew (D-NJ) and Rep. Pallone (D-NJ).

Reauthorization of the Magnuson-Stevens Act (MSA) is imperative to prevent further depletion of participants in the fishery as it continues to grow, and to meet the demands of the fishing public and consumers.

We encourage our Senators to work with Representative Young and the industry to provide the necessary Senate version of HR 3697.

Several changes to MSA that should be included in the final reauthorization are:

- Halt inter-sector trading. No inter-sector trading between commercial and recreational sectors, nor for-hire and private angler sectors should be allowed.
- *Referendums must be conducted on all the Amendments or changes in the current regulations by including ALL permit holders, regardless of catch history or quota allocation.* While this is a very big and good step, we request that Councils may not add additional “qualifiers” that limit some who are permitted to vote in the referendums.
- A fair referendum system must be designed for Amendments affecting the private anglers, or their sectors, so they may be included in decision-making on fish tags, privatization of their fishery and other access-reducing measures. Notices to private anglers should be more widespread. *This needs to be addressed once the States' databases for private anglers have been updated with the implementation of their EFPs.*
- Stop Councils from promoting recreational catch share programs in the Gulf Reef Fish fishery by working with the States to improve data collection and monitoring. Developing and implementing real-time reporting and data collection will give scientists more improved data to work with for regulations. The caveat here is when the data is used to shorten published seasons *with little notice* which negatively impacts anglers who have already made plans in which to participate.



- Councils should be required to undergo periodic re-examinations of allocations of mixed sector fisheries, based on scientific guidelines established independently by the National Academy of Sciences. This is necessary for more fair regulations and allocations, but the social and economic impacts of all sectors and subcomponents need to be considered in this examination of allocations.
- Throughout the bill, clarification needs to be made where and when 'Recreational Sector' is mentioned, to specify if private angling, charter fishing, and headboat fishing, all three subcomponents are included.
- Councils should be directed to consider alternative forms of management for recreational fisheries when hard pound quotas are not working for the sector. *This is covered in HR 200, but vague on whether all subcomponents are included-very important to the industry.*

Issue

The reauthorization of the Magnuson-Stevens Act of 2007 increased the federal government's control over fisheries management. Environmental groups instrumental in passing extreme measures in the Act are pushing to limit access to Florida fisheries for commercial and recreational anglers through the Act and catch shares programs. The catch shares program privatizes Florida's and the Gulf's natural fisheries and causes job losses among fishermen and related industries.

Current Status

The Magnuson-Stevens Act of 2007 was enacted to *consolidate* fisheries control over territorial waters and fish stocks. It established eight regional councils, which in 2009, through the organization of the Catch Shares Task Force, were charged with implementing catch shares. The program-works similar to a cap-and-trade system, where a limited amount of fishing permits are issued and businesses can trade access to territorial waters. The catch share program is based on the idea that overfishing is caused by an overabundance of fishing vessels, and aims to reduce overcapacity rather than focusing on rebuilding and expanding existing fisheries.

The current Commercial catch share program fails to either rebuild the affected fisheries or improve data collection for fishery managers. Rather, it has resulted in drastically reducing the number of fishing vessels in the commercial fleet, and consolidated the same % of catch to the control of a few. NOAA data shows the Commercial sector in the Gulf was not overfishing their quotas before the catch share system was implemented.

Recreational Fishing in the Gulf is a \$16.5 billion industry; it is almost \$12 billion in Florida alone. Food and Water Watch, an environmental watch-dog organization, has thoroughly documented catch share programs both internationally and domestically, and has found them to be harmful to fishermen, the environment, and the economy. All the while the key species in the Gulf are being



singled out for this program. Red Snapper, has grown from 15 million fish, 2 pounds or greater (avg size 2 pounds), to 30 million fish, 5-7 pound average. This relates to a growth from 30 million pounds of Red Snapper to a minimum of 120 million pounds of the species, 2 pounds each or greater. Meanwhile, anglers' access has continued to decrease substantially.

Commercial fishermen have been hit hard by their catch share program in the Gulf. In 2010 a fisherman could get \$3.75 per pound for Red Snapper, while the cost to buy a permanent share was four times more, permit shares are now \$30-35. Most small scale fishermen simply cannot afford to buy permanent shares (assuming they can find a willing seller), while large shareholders continue to buy excess shares as people drop out of the industry. This disadvantages small-scale fishermen who must lease shares from the large shareholders at inflated prices, reducing their profit margins significantly.

As of 2010 the number of commercial permit holders dropped to 380, a reduction in the fleet of 50%. This translates into job losses between 1,000 and 1,700. The large 16 shareholders who own over 90% of the Gulf's Red Snapper commercial quota, benefited from the catch share program and the program is unrepresentative of all shareholders. Only 167 of 800 permit holders were allowed to vote due to the tiered system that was enacted. Powerful advocates for the catch share program are affluent enough to fund front groups that lobby extensively for expanding the program. For example, the Environmental Defense Fund (EDF), Ocean Conservancy, Gulf Seafood Institute (GSI) and the Gulf Reef Fish Shareholders Alliance, and the Walton Family Foundation mobilize and fund groups that state they speak on behalf of all fishermen and lobby on Capitol Hill for support of funding and expanding the catch share program. Fewer than 10% of fishermen in the Gulf are associated with these front groups. Furthermore, local fishermen cannot afford regular trips to Washington D.C., to Council meetings in the Gulf States, and to the advisory panel meetings in Tampa to defend their business and industry.

The Gulf Council, having passed the Sector Separation Amendment 40 which divided the Gulf's recreational sector between for-hire and private anglers, has emboldened the advocates of this economically harmful policy. It was passed with a 3-year sunset clause. However, Amendment 45 delayed the sunset several more years, and now the sunset has been removed. Please assist in stopping this travesty and bringing recreational fishery management into a balanced system that is fair and sustainable to the fish and the fishermen.

Secretary of Commerce, Wilbur Ross, and the NOAA Assistant Administrator/NMFS Director, Chris Oliver, are reviewing Council practices in recent years and are implementing management changes-encouraging for sure. But we must change the laws, make necessary clarifications and



direct changes to correct the actions of past NOAA interpretations in their guidelines, so these bad decisions will not be made in the future.

Possible Action Items:

- Support a companion bill in the Senate of H.R. 3697: Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act *with the needed changes*.
- We must request support from Senators Rubio and Rick Scott for a companion bill to HR 3697 in the Senate.



FY 2020 Bay County Chamber of Commerce Federal Legislative Agenda

Opposition to Offshore Drilling in Federal Waters of the Gulf of Mexico

Action Requested/Needed

As the issue to expand into protected areas comes up every year, the Bay County Chamber of Commerce continues to strongly oppose any action expanding drilling in the Gulf of Mexico within or east of the Military Mission Line, as it would disrupt the planning area already established by the Department of Interior's Mineral Management Services and the Department of Defense. The Chamber requests the moratorium established in the Gulf of Mexico Energy Security Act be respected as movements are underway to expand offshore drilling in the Gulf of Mexico. Further, The Chamber supports extending the moratorium or implementing a permanent ban when the current moratorium expires in 2022.

Issue

Considering increasing attention paid to expanding offshore drilling in the Eastern Gulf of Mexico, there is concern the federal government will overturn the moratorium established by the Gulf of Mexico Energy Security Act of 2006. The military testing and training areas in the Gulf of Mexico, both above and below the surface, could be threatened as expansion of DOD missions in the Eastern Gulf of Mexico requires ready access for testing and training, it is imperative the Gulf Test Range be protected from encroachment.

Current Status

The oil industry has over 7,700 leases on the Continental Shelf, but only about 20% are active. It is imperative we avoid any further drilling in areas that would threaten the Military Mission Line, which is critical to Department of Defense testing and training.

Currently, the area East of the Military Mission Line is part of the Eastern Gulf of Mexico Planning area that is protected by a federal government moratorium. This moratorium, established in the Gulf of Mexico Energy Security Act of 2006 (GOMESA), holds that offshore drilling should be prohibited in these areas until 2022. The Department of Interior proposed 5 year drilling plan for 2012-2017 and 2017-2022 respects the boundaries established by GOMESA. However, planning is underway 2017 for the 5 year (post-moratorium) drilling plan for 2022-2027. Without an extension of the moratorium or a permanent ban on drilling east of the Military Mission Line, the entire Eastern Gulf will be open for drilling after 2022. Over 50 counties, cities, chambers, and other local organizations in the state of Florida are aligned with the Bay County Chamber in



advocating against drilling in the Eastern Gulf Planning Area. In a May 2018 report to Congress, the DOD states “The eastern Gulf of Mexico is an irreplaceable national asset used by the Department of Defense to develop and maintain the readiness of our combat forces and is critical to achieving the objectives contained in the 2018 National Defense Strategy.”



FY 2020 Bay County Chamber of Commerce Federal Legislative Agenda Item

Support for Naval Support Activity-Panama City Enhanced Turning Basin

Action Requested/Needed

The Bay County Chamber supports the Naval Support Activity Panama City (NSA PC) and local defense supporters as they work to obtain Federal funding to incorporate a strategically located turning basin near the entrance to the installation's berthing facility to accommodate future mission needs and increase mission efficiency.

This includes the costs of preliminary engineering design, environmental considerations, mobilization and demobilization of equipment to and from the site, dredged material removal and placement cost, relocation and establishment of aids to navigation, and the cost for environmental protection measures for the submerged aquatic vegetation (SAV).

Issue

The NSA PC facility channel is located on the western side of St. Andrew Bay approximately 5,400 feet south of the Hathaway Bridge. The channel's western terminus is in Alligator Bayou and the channel extends eastward to deep water in St. Andrew Bay. The channel is used by the Navy and also serves the U.S. Coast Guard Station Panama City dock located in Alligator Bayou.

The current port facilities and navigational channel at NSA PC can accommodate shallow draft vessels like the U.S. Navy's LCS-class ship, but requires the vessel to back out when exiting the installation, deterring them from using the facilities. Most ship commanding officers consider backing a vessel through a narrow channel as an unnecessary risk they are not willing to take. Due to the lack of a turning basin, LCS class ships use the Panama City Operating Area for testing and evaluation but transit to and from the port facility at Naval Air Station Pensacola due to its accessibility. The addition of a turning basin would allow vessels to use the local operating areas and have easy and safe access to port facilities at NSA PC.

NSA PC and its tenant commands are growing and continuing to expand research activities and other missions. As the largest tenant command at NSA PC, the Naval Surface Warfare Center Panama City Division (NSWC PCD) is designated as the Navy's lead in the development and integration of LCS Warfare Mission Modules and Command and Control Systems. Although the



testing and evaluation of these systems are conducted in the Panama City Operating Area, hundreds of thousands of dollars are spent sending equipment and personnel NAS Pensacola.

The creation of a ship's turning basin at NSA PC will ensure the safe transit for large shallow draft vessels and increase mission efficiency by allowing LCS Mine Warfare Module testing to be conducted entirely at NSA PC, saving the Navy both time and money.

Current Status

A Feasibility Study, “Proposed Turning Basin Naval Support Activity, Panama City, Bay County, Florida,” was prepared for the Bay County Board of Commissioners and completed December 2016 through a grant provide by the Florida Defense Support Task Force. The cost of this project was estimated at \$4.5M. The Bay Defense Alliance continues to actively seek ways to fund the project and to lower the estimated cost. One cost saving option is to leverage Port of Panama City dredging projects to reduce both mobilization and demobilization cost.



FY 2020 Bay County Chamber of Commerce Federal Legislative Agenda Item

Support for Senate Bill 1000: Disaster Opportunity Zones Act

Action Requested/Needed

The Bay County Chamber supports the Disaster Opportunity Zones Act and encourages its passage. A new allocation of opportunity zones would supplement state and federal disaster relief packages by encouraging private investment in low-income census tracts affected by Hurricane Michael, Hurricane Florence and the California Wildfires.

Issue

Many areas around the United States continue to feel the effects of the destruction of recent natural disasters. Businesses have closed and residents have moved away resulting in a severe economic disadvantage.

Qualified Opportunity Zones were created to stimulate long-term economic development in underserved, low-income census tracts by reducing or exempting portions of capital gains tax liability. Opportunity zones encourage private investment by providing tax incentives for investors who invest in qualified firms and property within specified census tracts.

The Disaster Opportunity Zone Act (DOZA) would enact a new round of opportunity zone designations for low-income census tracts in selected 2018 disaster areas. The process would be identical to the opportunity zones enacted by the Tax Cuts and Jobs Act and certified tracts would be eligible for the same tax treatment as the opportunity zones. North Carolina, South Carolina, Georgia, Florida, and California governors could select up to the greater of 25 percent, or 25, low-income census tracts affected by natural disasters from January 1, 2018 to March 1, 2019 under the Stafford Act to be disaster opportunity zones. The new opportunity zones would also have to be approved by the U.S. Treasury.

Current Status

Senate Bill 1000, The Disaster Opportunity Zones Act, was introduced by Senator Rubio and Senator Scott to the 116th Congress on April 3, 2019. It was read twice and referred to committee on Senate Finance.



FY 2020 Bay County Chamber of Commerce Federal Legislative Agenda Item

U.S. Department of Labor's Overtime Rule

Action Requested/Needed:

The Bay County Chamber encourages the U.S. Department of Labor (DOL) to account for regional economic differences and gradual implementation when amending and proposing a new Overtime Rule.

Additionally, the Chamber requests the DOL consider the below decisions businesses will be forced to make that will negatively impact the very people the proposed rule is drafted to assist:

- Layoffs
- Changing employees from salary to hourly, impacting benefits or reducing pay for weeks where less hours are worked
- Reducing base pay to account for overtime pay
- Reclassifying job duties
- Providing less flexibility in hours worked
- Inability to expand the size of the business
- Ultimately raising the prices of goods and services, pass the cost to consumers

Employees and employers alike are best served by a system that promotes flexibility in structuring schedules, provides career advancement opportunities, and offers clarity for employers when classifying employees.

Issue:

On July 6, 2015, the DOL published a notice of proposed rulemaking and in May 2016, announced that it will publish the Final Rule in December 2016 to update overtime exemption regulations. Ten days before it went into effect, a Texas district court issued a nationwide preliminary injunction that prevented the DOL from implementing and enforcing the Overtime Rule. A permanent injunction followed on August 31, 2017.

This Final Rule would have set the salary level at the 40th percentile of earnings of full-time salaried workers in the lowest-wage Census region, which is currently the South. This is equivalent to \$913 per week (\$47,476 annual). Currently, it is set at \$455 per week (\$23,660 annual).



The Bay County Chamber acknowledges the need for the establishment of a salary threshold below which overtime must be paid, and that the threshold is revised from time to time. However, the proposed rule would disproportionately impact regions of the country where the cost of living is significantly lower, such as Northwest Florida, compared to large metropolitan areas, the West Coast and the Northeast. The proposed rule failed to account for regional economic differences.

Current Status:

The Department of Labor issued a request for information for a new rule and accepted comments July through September 2017. The DOL plans to propose a new overtime regulation which is expected to cover fewer workers than the previous proposal. The new rule is expected to be posted sometime between Labor Day and Thanksgiving, 2019. A 60 to 90 day comment period will likely follow. The proposed revamp would set the salary threshold to \$35,000 annually, up from the current \$23,000 annual. The previous proposed salary threshold was set at \$47,000 annual.



FY 2020 Bay County Chamber of Commerce Local/Federal Legislative Agenda Item

FEMA Coastal Flood Hazard Maps

Action Requested/Needed

The Bay County Chamber will monitor and review developments associated with proposed Flood Insurance Rate Maps (FIRMs) and the Flood Insurance Study (FIS) for Bay County. Additionally, the Chamber will advocate that the proposed changes in flood zones, floodways, and base flood elevations are based on scientific/technical issues reflective of community characteristics and engineering improvements.

Further, the Chamber will review the overall constraint levels the new proposed maps (FIRMs) impose on the community in regards to limiting a property owner's right of improvement of property. Bay County currently participates in the National Flood Insurance Program (NFIP), managed by Federal Emergency Management Agency (FEMA), which limits property owners Substantial Improvement plans to their property to less than 50% of the market value of the structure. Although the new enlarged floodplain management maps will provide a higher degree of property protection, this 50% threshold will cause hardship to existing property owners when that owner would like to reconstruct, rehabilitate, add an addition, or any other type of improvement of the structure. The Chamber will advocate for a process that should take into consideration the home's current characteristics to provide for reasonable, not unfeasible building upgrades.

Issue

The status of all buildings/properties that will be conveyed into the floodplain with the new maps, or removed from the floodplain altogether, is a major source of uncertainty and is coupled with recent changes to the National Flood Insurance program, namely BW-12 (Biggert-Waters Flood Insurance Reform Act of 2012) and HFIAA (Homeowner Flood Insurance Affordability Act of 2014). Under this legislation, surcharges are going up, deductibles are going up and grandfathering of policies will sunset – i.e., annual rates will be gradually increased until the actual rate is achieved. This represents a potential and significant economic impact to residents, property owners, and businesses alike. FEMA's large grid format does not consider individual parcels that are at an adequate elevation and may not be in a flood zone. Further, the new enlarged flood map updates will impose unrealistic cost increases for those owners wanting to perform substantial improvements, detriment to real estate transactions, and limitations to an owners' property due to the codes and enforcement regulations involved with (NFIP).



Current Status

Coastal FEMA Flood Hazard Maps for Bay County are in the process of being updated. Once they reach preliminary status, (date unknown) community officials will have 30 days to review the maps. After this review, NFWFMD will meet with community officials to address revisions and identify minor issues. Following the meeting, a Flood Map Open House will allow the public to view preliminary FIRMs. A 90-day public input period will allow for comments and appeals on the draft version of the coastal flood maps. After the appeals period, there will be a 6-month community compliance period. Updated flood elevation requirements for permitting and new flood insurance requirements will go into effect following the compliance period, possibly in 2020.



**FY 2020 Bay County Chamber of Commerce
Federal Legislative Agenda Item**

**Oppose Panama City Crayfish Federally Threatened Listing
Proposed Rule FWS-R4-ES-2017-0061**

Action Requested/Needed

The Bay County Chamber believes the community impacts of designating the Panama City Crayfish as a Federally Threatened Species listing status causes unreasonable and unjustifiable strain to a growing local economy and opposes the proposed listing status under Rule FWS-R4-ES-2017-0061.

Issue

The U.S. Fish and Wildlife Service has found the Panama City Crayfish meets the definition of “threatened” under the Endangered Species Act and is proposing it for listing to the Endangered and Threatened Wildlife list (50CFR 17.11(h)). Designation of this status poses serious economic impacts and progress delays for homeowners, businesses, builders, developers, and the construction industries.

Federal protections would restrict and result in expenses associated with mitigating loss of habitat. These additional costs will be passed on to taxpayers on all levels of government-funded projects, forcing lessened services or additional taxes as mitigation expenses drive up the cost of project plans. There are several approved infrastructure developments and roadway expansions (widening of Star Avenue, Kern Avenue, Tram Road) that are planned for construction. The type of impact and the amount of land involved will determine whether on-site or off-site mitigation or payment into the PC Crayfish Conservation Fund would apply.

The Panama City Crayfish is a small semi-terrestrial crayfish that grows about two-inches long. Not much is known about the PC Crayfish, but it is believed they have a 1.5 to 3 year lifespan. Eight crayfish species occur in the same area and at least two other species are closely related, making it difficult to differentiate. The PC Crayfish’s habitat comprises a 56-square mile area in Bay County consisting of open pine flat woods and wet prairie-marsh communities. Current populations exist in human-altered settings such as planted pine plantations, roadside ditches, and utility rights-of-way. Almost 90 percent of PC Crayfish habitat is on private land.



Current Status

The U.S. Fish and Wildlife has found that the Panama City Crayfish (a two-inch long crustacean) meets the definition of threatened and is proposed for listing. A 60-day public comment period ended March 5, 2018.

According to U.S. Fish and Wildlife, final determinations are largely driven by the number and types of comments the agency receives during the public comment period. The agency plans to make a decision within one year of the proposed rule publication date. As of July 2019, a final determination has not been made. However, a rulemaking action to set forth provisions for this species under section 4(d) of the Act at RIN 1018-BD50 is being developed. This would designate critical habitat for the PC Crayfish, removing the need for a listing. Gulf Power is currently working with FWC on PC Crayfish habitat solutions to fulfill 4(d) requirements. Additionally, this item is listed as a project in the Bay County Long-Term Recovery Plan and habitat solutions are currently being explored.

Locally, the Panama City Crayfish has a state listing of “Species of Special Concern” (State Code 68A-27.005). The FWC has developed voluntary draft guidelines for developers to consider when undertaking projects that may affect the PC Crayfish and its habitat. These are not regulatory in nature. The “Species of Special Concern” category is a Florida specific listing targeted for elimination. This will likely result in the PC Crayfish receiving an up-listing designation of “Threatened,” which will require a management plan. Florida Fish and Wildlife Conservation Commission has developed a Species Conservation Measures and Permitting Guidelines and Panama City Crayfish Management Plan for the PC Crayfish. Currently draft versions, these documents continue to be under agency review.