

BAY COUNTY CHAMBER OF COMMERCE

Legislative Agenda

FY 2021

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 2021 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 Now, the Civic Center is outdated, the old library and City Hall are antiquated, and the underpinnings of the dock have to be restored.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.

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.

Current Status:

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 were held and have shaped a conceptual site 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 serve as a catalyst for other investments to create vibrant attractive spaces for locals and tourists alike.



FY 2021 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 2021 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 2021 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.

A survey has been sent to Contractors to gauge support, and gather insight on additional features or considerations.



FY 2021 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 2021 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 Governor vetoed a \$2 million budget appropriation during the 2020 legislative session.



FY 2021 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 the university works to meet the needs of our area. Supporting the continued development and expansion of programs at FSUPC will help meet the needs of students, employers, family members of current and future active duty military members.

In particular, the Chamber supports the efforts of FSU PC to add programs in financial planning, public health, cybersecurity, and programs to support members and employees (including family members) of Tyndall AFB and NSA.

In addition, the Chamber supports enhanced 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. As a specific part of this effort for the FAMU-FSU College of Engineering, the Chamber supports the development of an applied engineering research facility on the Panama City campus.

Issue

Supporting the expansion of programs at FSUPC will help meet the needs of students, employers and current and future active duty military members. 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 38 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 expected needs of the community.



**FY 2021 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) widen to 4 lanes 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 2021 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 approve full funding to widen the roadway to six lanes for the segment of State Road (SR) 390 from SR 77 to SR 75 (US Hwy 231). This segment of the SR 390 corridor has recently been added as a Strategic Intermodal System Highway Corridor to provide a vital connection between the Port of Panama City and its inland intermodal facility located on US 231. The requested 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. The requested segment of SR 390 is the final portion of highway improvements needed to provide a multi-lane, SIS compatible connection between the Port and the intermodal facility.

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 soon to be completed. 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. Funds are not currently designated for completing the subsequent phases required for this vital missing segment of SR 390. The requested 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 2021 Bay County Chamber of Commerce State Legislative Agenda Item

Infrastructure: SR 30A (US 98) Panama City Beach Parkway

Action Requested/Needed

The Bay County Chamber of Commerce urges the state legislature to approve full funding to widen the roadway to six lanes for SR 30A (US 98) Panama City Beach Parkway from SR 79 to the Hathaway Bridge. The requested capacity improvement for this roadway will significantly alleviate congestion and expedite the safe transport of people and goods around this congested area that is vitally important to our tourism industry. The improvements will contribute to the economic development of Bay County by providing enhanced connectivity to the airport and improve safety by adding improved bicycle and pedestrian components and reducing hurricane evacuation time.

Issue

SR 30A (US 98) Panama City Beach Parkway, currently 4-lane highway between SR 79 and the Hathaway Bridge, serves as the backbone for east-west travel along the Bay County tourism corridor and is heavily traveled with portions currently have a failing level of service; a consequence of multiple highways merging into a single corridor. Funding is typically awarded to communities based on population, however, Panama City Beach is unique in that while its population is approximately 13,000 permanent residents, this portion of US 98 experiences over 19 million trips per year [FDOT 2019 Historical AADT Report] due to residents, part-time residents, visitors and tourists traveling on a highway that was designed to support a fraction of that amount. The requested full funding for the 6-laning of US 98 will provide significant congestion relief and safety improvements while enhancing the significant contributions to the economic success of Bay County provided by our vibrant beach tourism industry.

Current Status

FDOT has completed a Project Development and Environment Study and funded design for the requested segment of SR 30A (US 98) from SR 79 to the Hathaway Bridge, comprising three separate construction projects. However, funds are not currently designated for completing the subsequent right-of-way and construction phases required for this vital capacity and safety improvement to US 98.



FY 2021 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.



The ECP Aviation Center of Excellence is a concept to bring the public, private and education sectors together on one campus at the Airport. The concept includes the maintenance, repair and overhaul (MRO) operations, which could include engine repair and overhaul, airframe repair and overhaul, inspections, refinishing to one location enabling aircraft operators the ability to have one stop shopping for aircraft. Additionally, including the educational partnership with post-secondary educational institutions for the training and development of their employees and future employees.

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 Chicago with connections to more than 176 cities around the world. Southwest is offering seasonal non-stop service to Denver, Austin, Chicago, St. Louis, Kansas City, Denver and Baltimore and daily service to Dallas, Houston – Hobby and Nashville with same plane service to destinations around the country. Additionally, in 2018 American Airlines began service to Dallas- Ft. Worth and Charlotte, Washington, D.C. - Reagan National Airport and Chicago. These destinations allow for passengers to connect domestically and internationally with one stop.

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 2019 the total number of passengers nearly 1,300,000. 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 ever-changing needs of the air travel industry, there is a planned 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 several years, over two dozen qualified aviation and aerospace companies have inquired and are considering the Airport as a location for their economic development projects.



FY 2021 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 remained the same for FY 2019, however, Visit Florida's funding was reduced to \$50 million. Fiscal year 2020 resulted in EFI receiving only \$16



million for operational costs and no funding for the Florida Job Growth Grant Fund. Visit Florida was reauthorized for three years, until 2023, and funded at \$50 million.

FY 2021 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; and 5.5 percent, effective January 1, 2020. No action was taken in the 2020 legislature to reduce the business rent tax, the rate will remain at 5.5 percent.



FY 2021 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, rates have actually decreased.



FY 2021 Bay County Chamber of Commerce State Legislative Agenda

Support for Sadowski Funds

Action Requested/Needed

The Bay County Chamber supports the intended purpose of the William E. Sadowski Housing Act enacted by Florida Legislature in 1992 as a means to leverage and augment federal resources to finance housing. The Chamber encourages our legislators to pass Senate Bill 306/House Bill 381 to exempt Sadowski funds from being transferred to the Budget Stabilization Fund and the General Revenue Fund.

While Bay County has made tremendous strides in its recovery after Hurricane Michael made landfall on October 10, 2018 and caused widespread damage throughout Bay County, the catastrophic devastation of the County's housing stock will take time to remedy and affordable housing is critical for the ongoing livelihood of displaced households. Destruction to homes has resulted in a critical housing shortage and significantly increased the cost of labor and building supplies. As a result of the storm, Bay County has experienced:

- **Decimated Housing Stock:** Over 69 percent of residential homes and 64 percent of apartments in Bay County were damaged – half of Panama City Housing Authority's housing is estimated to have been destroyed. Additionally, since Hurricane Michael the prices of materials, labor and housing have increased significantly, leaving those that need help and assistance with no other option than to continue relying on emergency housing and assistance programs.
- **Large number of affected citizens:** An estimated 5,000 Bay County citizens are still displaced, housing insecure, or homeless due to Hurricane Michael. Full funding to the housing trust fund will allow programs to properly serve their citizens most in need.
- **Anticipated disruption to school-aged children:** For Bay District Schools, the continuing trauma and impact for students dealing with the after-effects of Hurricane Michael, including homelessness and housing insecurity, has required 128 children be institutionalized in the 2019 school year under Florida's Baker Act due to posing a physical threat to themselves or others – a significant increase due to previous years directly related to the impact of Hurricane Michael.



- **Lack of rental properties and other housing options:** The County is facing a housing crisis because of the decimated housing stock. Most, if not all, of the survivors in emergency housing cite high rent prices as the reason they cannot leave their travel trailer, mobile housing unit, or other leased unit.
- **Vast amounts of debris on residential properties:** The sheer magnitude of vegetative debris generated by the storm was deposited not only on public property and rights-of-way, but on residential property as well. The County has removed a significant amount of debris from private property so that additional housing options can be made available for disaster survivors.

As redevelopment areas are identified, Sadowski funds are needed to offset costs for private developers to assist renters/homeowners in obtaining affordable housing.

Issue

Florida Housing Finance Corporation was created in 1985 and originally accessed only federal resources to finance housing. To leverage and augment programs, the Florida Legislature began appropriating funding for state programs and ultimately enacted the William E. Sadowski Act in 1992. The Sadowski Act created a dedicated source of revenue for housing from a portion of documentary stamp taxes on the transfer of real estate. This Act provides a funding mechanism for local and state programs and a framework for local programs to operate. The 2005 Legislature placed a revenue cap of \$243 million per year that may flow into the Sadowski Trust Fund, effective 2007. Lawmakers sent the unspent \$125 million of the \$332 million from the 2019-2020 trust fund to general funds.

The dedicated revenue comes from:

- A 10-cent increase to the documentary stamp tax paid on the transfer of real estate (1992).
- A re-allocation of 10-cents of existing documentary stamp tax revenues from general revenue to the affordable housing trust funds (1995).

Approximately 30 percent flows into the State Housing Trust Fund and 70 percent flows into the Local Government Housing Trust Fund. Local and state programs include the State Housing Initiatives Partnership (SHIP) Program, which receives approximately two-thirds of the funding; the State Apartment Incentive Loan (SAIL) Program, which receives about 20 percent of the funding, and other programs, including the Predevelopment Loan Program (PLP), the Homeownership Assistance Program (HAP), the Affordable Housing Guarantee Program, and the Catalyst Training and Technical Assistance Program.

Florida Housing administers the bulk of affordable housing resources at the state level. All 67 counties and 52 cities administer federal and state funds for housing; 115 public housing authorities and 17 regional housing finance authorities.



Current Status

Florida Senate Bill 306 and House Bill 381 have been introduced in the 2020 legislative session and referred to committees. These bills are intended to exempt the State Housing Trust Fund and the Local Government Housing Trust Fund from a provision authorizing Legislature to transfer unappropriated cash balances to the Budget Stabilization Fund and General Revenue Fund. Even with the proposed bills, Sadowski fund dollars may be diverted by Legislature. Lawmakers sent the unspent \$125 million of the \$332 million from the 2019-2020 trust funds to general funds.

While we endorse the Senate and House Bills made to-date, we believe further amendments are needed to support communities who are rebuilding after disasters. Bay County, devastated by Hurricane Michael, is experiencing a housing crisis due to the catastrophic damage caused by the Category 5 event. Our community recognizes that out of a disaster can come an opportunity to redevelop stronger neighborhoods. Through locally adopted recovery plans and ordinances, we are taking a forward-thinking approach to our future following Hurricane Michael.

While the House and Senate have agreed to fully fund the Sadowski Affordable Housing Trust Fund at \$387 million during budget negotiations on March 7, 2020, only \$115 million was allocated to the State Apartment Incentive Loan (SAIL). Funding for the State Housing Initiatives and Partnership Program (SHIP) will remain in budget reserves.



FY 2021 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 until 2033 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 committed more than \$266 million to 42 economic diversification and expansion projects in all eight counties in coastal Northwest Florida as of June 2020. 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 2021 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 2020 Florida legislative session, multiple attempts were made to limit home rule, including preemption on the regulation of businesses, professions and occupations; imposing unfunded mandates; 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 2021 Florida Legislature will again attempt to override home rule on issues that should be controlled at the local level.



FY 2021 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. In July 2020 after a public input process, the Board submitted an amendment to the plan to provide funds for the incipient St. Andrew/St. Joe Bays Estuary Program. The amendment is under review by Triumph.

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, the stormwater master plan update, and the East Pass EIS. 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 was approved and the project is underway. This grant funds water quality monitoring and a summary report to provide information to decision makers.



FY 2021 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 are being used to stand-up the programs and for each estuary develop a Comprehensive Conservation Management Plan (CCMP), or long-term strategic plan. Each plan 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. An



amendment to the County's RESTORE Act plan to provide these funds is under review by the US Department of the Treasury. The Nature Conservancy is providing \$1 million for the effort. The 2020 Florida Legislature appropriated \$500,000 to enhance water quality monitoring and reporting, and to retrofit stormwater facilities. The Florida State University is hosting 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 hosts are in place for those two programs as well.



FY 2021 Bay County Chamber of Commerce State Legislative Agenda Item

State Fisheries Legislation

Actions Requested

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.

Expanding the Gulf Reef Fish Survey to a Statewide Survey will increase access to Florida's abundant fisheries for all of Florida's anglers and to those visiting the State. We thank you for doing this for Florida's anglers.

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. Reefs inshore of 20 miles of Bay County were ravaged by the storm and need to be rebuilt. Even though our fishery is abundant, anglers cannot access it due to the damage to the reefs. Those who can and do travel farther are enjoying our vibrant fishery, but not most anglers.

Second, is dolphin and shark predation. We ask that the FWC set up a focus group to discuss the very serious issue of dolphin and shark interaction with the angling and swimming public. We would be happy to assist in setting up an initial group of interested parties with the FWC.

Third, is the issue of venting tools and/or descending devices. There is Federal legislation, Senate Bill S.2960, in the works for requiring venting tools and/ descending devices aboard fishing boats to reduce dead discards-too many fish thrown back due to size or off-season regulations die if not handled properly. We support having these tools *available* and *encourage* their use, but do not support mandatory venting. Depending on the depth of water and size of fish, it may not be necessary to poke a hole in its air bladder for it to survive. If they can live without that, it is better.

Lastly, we ask that you direct the FWC's rep on the Gulf Council to encourage council members, as you do, to use common-sense judgement when making regulations. We believe the President 's Executive Order 13921 was, in part, meant to do this, by making science-based but fair regulatory



decisions. Protecting the fishery while, at the same time, seriously considering and acting on the economic impacts on fishing industry, we believe is the intent of the President's Executive Order.

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. Access to our abundant fishery will return if funding is received with expedited approval to replace the thousands of reefs that were lost in Hurricane Michael. Thank you for your continuing support of this issue.

The process required to set up reef-building is more regulated for Florida's interests than that of Alabama, even though the same Federal law applies to both States. Consideration of dealing with this inequity would expedite the process of rebuilding significantly. Alabama's [Federal] Corps of Engineers office is much more amenable to quickly responding to reef building requests. Florida's Jacksonville office is not. Both are under the same Federal laws.

Additionally, the issue of dolphin and shark interaction with anglers is continuing to be more aggressive. 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. People have gotten into trouble for harming the dolphin in their frustration. Often on party boats, many more fish are lost to dolphins and sharks than other causes of 'dead discards.' We are asking for a study to see if there is a non-lethal, harmless way to prevent or discourage the dolphins from interacting with fishermen. This will prevent further harm to the species.

Venting tools and descending devices used properly and in the right circumstance can be a good thing. If not used properly, they can harm the fish that we are attempting to save. A lot of education to the public will be required for these tools to be helpful. We have, in our experience, seen them work well under some circumstances, and exacerbate the problem of dead discards in others.

On May 20, 2020, Presidential Executive Order 13921 was signed, Promoting American Seafood Competitiveness and Economic Growth, "to strengthen the American economy...ensure coordinated, predictable, and transparent Federal actions; and remove unnecessary regulatory burdens." The Gulf Council has not acted on it yet. Case in point, Triggerfish opened March 1. COVID stopped most fishing by mid-March and Triggerfish season closed in May. This season was scheduled to open again August 1. But because the data collection had not been processed to prove we did not overfish this species, it will not reopen until September 1, 2020, with 3 days'



notice. Due to COVID closures, there is no way this species was overfished, and yet, the season was not reopened as scheduled in August, costing the industry thousands of dollars in lost revenue.

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 in State and Federal waters.

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.

Dolphins constantly attempt to catch a fish that is being reeled in. They will follow the boat as you move from place to place, you cannot out run them, or, if you do, there is another pod waiting to catch the easy prey. This affects safety and impacts the fishery as you continue to 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 for resolution as they have so many other times-together. At this time, a notice has been published in the Federal Register for public comments on this issue. This is access to the link for the proposed rule and comments:

<https://www.federalregister.gov/documents/2020/08/31/2020-18718/guidelines-for-safely-deterring-marine-mammals>

Venting tools have been used for many years. At one time they were mandatory for for-hire charters and headboats. When video came out proving that the preferred result was not what was happening in real life, the mandatory use became optional. Inserting a needle in the fish bladder to allow it to descend quickly also slows it down, making it easy prey for dolphins and sharks.

We still have tools on board and are used as practical. Descending devices cannot be used practically on large passenger vessels. Deckhands are needed for every one or two passengers to use the devices properly, which would create a significant financial burden. Normally, larger vessels have one deckhand for 12-15 passengers.

Currently, the 'official' Federal Gulf Triggerfish season is closed January-February, open March 1 through May 31, closed June and July, then reopens August 1 through December 31. This year, the season opened March 1 and due to COVID, there was little or no harvesting Triggerfish after that. But, because the data collection was not in for all of May-June, the Gulf Council chose to



keep the season closed. Of special note is, the Gulf regulations require limit of 1 Triggerfish per person with a 15” fork length. In the South Atlantic, using the same NOAA Science Center, the limit is 10 Triggerfish with a 12” fork length. Inequitable regulations like these cause concern. On August 28, 2020, NOAA Fisheries notified anglers that Triggerfish season would reopen from September 1, 12:01 a.m. through October 26, 12:01 a.m., as long as scientists do not believe they are approaching the Annual Catch Target for 2020. We urge the FWC to match this opening to prevent any misunderstandings between private angler seasons and Federal seasons.

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.

We truly thank you for all you do for our industry.



**FY 2021 Bay County Chamber of
Commerce
State Legislative
Agenda
Competitive Florida Tax Refund Program**

Action Requested/Needed

The Bay County Chamber urges our legislators to renew and reinstate the Qualified Industry Tax Refund Program (QTI) or comparable economic recovery tax refund initiative. The QTI program was not reauthorized in the 2020 Florida Legislative Session and ‘sunset’ on June 30, 2020.

Issue

Since June 30, 2020, the Qualified Target Industry (QTI) tax refund program that enhanced Florida’s competitive advantage has not been available. This incentive – which has helped the state secure over 50,000 high-wage jobs and billions in capital investment since 2011 – provided a significant return on investment and posed zero risks to taxpayers. If the jobs promised were not created or the salaries were not above average wages, no payout was made to the company deemed eligible for QTI.

More importantly, *the QTI incentive is a revenue generator* for the State of Florida, with a return on investment of 4.4, according to Amy Baker with the Florida Office of Economic and Demographic Research.

The loss of QTI this year came at the worst time for Bay County and the entire state of Florida, as the COVID- 19 pandemic has put many Floridians out of work, driven up unemployment, and adversely affected our state’s economy.

Current Status

The QTI program (or comparable tax refund initiative) 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. This 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. *

Currently, the State of Florida has very limited economic development tools to be competitive in a global economy.



The Florida Economic Development Council, in partnership with Governor Ron DeSantis' office and Enterprise Florida are working on draft legislation to present for future bill consideration.

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



Federal Agenda



FY 2021 Bay County Chamber of Commerce Federal Legislative Agenda Item

Reforming the Magnuson-Stevens Act and Catch Share Program

Actions Requested

The Bay County Chamber respectfully encourages the Gulf of Mexico Fishery Management Council (Gulf Council) members to make science-based but fair regulatory decisions. The Presidential Executive Order 13921, signed May 20, 2020, intended, in part, to do this, by making science-based but fair regulatory decisions. Protecting the fishery while, at the same time, seriously considering and acting on the prevention of negative economic impacts on the fishing industry, we believe, is the intent of the President's Executive Order.

We request the continuation of building a state-of-the-art artificial reef system throughout the Gulf of Mexico, especially in areas such as off Florida's hard-hit areas that were heavily impacted by Hurricane Michael. Reefs inshore of 20 miles of Bay County were ravaged by the storm and need to be rebuilt. Even though our fishery is abundant, anglers cannot access it due to the damage to the reefs. Those who can and do travel farther are enjoying our vibrant fishery, but not most anglers. Without access within 20-25 miles of shore poses a negative economic impact to our area's anglers-locals and tourists.

Dolphin and shark predation has become a very serious issue in recent years. We ask that the Gulf Council set up a focus group to discuss this issue of dolphin and shark interaction with the angling and swimming public and implement measures to hopefully, resolve this serious problem. If there is additional funding needed for this study, we would ask that funds be made available specifically for this issue. It is a nation-wide issue, not just in the Gulf of Mexico.

Last is the issue of venting tools and/or descending devices. Federal legislation, Senate Bill S.2960, is in the works for requiring venting tools and/ descending devices aboard fishing boats to reduce dead discards. Too many fish thrown back due to size or off-season regulations die if not handled properly. We support having these tools *available* and *encourage* their use, but do not support mandatory venting. Depending on the depth of water and size of fish, it may not be necessary to poke a hole in its air bladder for it to survive. If they can live without that, it is better. We ask that



rules concerning the use of venting tools and descending devices not be mandatory for every fish returned to the waters.

Issue

On May 20, 2020, Presidential Executive Order 13921 was signed, Promoting American Seafood Competitiveness and Economic Growth, “to strengthen the American economy...ensure coordinated, predictable, and transparent Federal actions; and remove unnecessary regulatory burdens.” The Gulf Council has not acted on it yet. Triggerfish opened March 1, COVID stopped most fishing by mid-March and Triggerfish season closed in May. This season was scheduled to open again August 1. But because the data collection had not been processed to prove we did not overfish this species, it will not reopen until September 1, 2020, with 3 days’ notice. Due to COVID closures, there is *no way* this species was overfished, and yet, the season was not reopened as scheduled in August, costing the industry thousands of dollars in lost revenue.

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. Access to our abundant fishery will return if funding is received with expedited approval to replace the thousands of reefs that were lost in Hurricane Michael. Thank you for your continuing support of this issue.

The process required to set up reef-building is more regulated for Florida’s interests than that of Alabama, even though the same federal law applies to both states. Consideration of dealing with this inequity would expedite the process of rebuilding significantly. Alabama’s [Federal] Corps of Engineers office is much more amenable to quickly responding to reef building requests. Florida’s Jacksonville office is not. Both are under the same federal laws.

Additionally, the issue of dolphin and shark interaction with anglers is continuing to be more aggressive. There needs to be a study on how to protect the animals exhibiting aggressive behavior while protecting the angling public. People have gotten into trouble for harming the dolphin in their frustration. Often on party boats, many more fish are lost to dolphins and sharks than other causes of ‘dead discards.’ We are asking for a study to see if there is a non-lethal, harmless way to prevent or discourage the dolphins from interacting with fishermen. This will prevent further harm to the species.

Venting tools and descending devices used properly and in the right circumstance can be a good thing. If not used properly, they can harm the fish that we are attempting to save. A lot of public education will be required for these tools to be helpful. We have, in our experience, seen them



work well under some circumstances, and exacerbate the problem of dead discards in others, even with proper use.

Current Status

Consider this in light of EO 13921: Currently, the ‘official’ Federal Gulf Triggerfish season is closed January-February, open March 1 through May 31, closed June and July, then reopens August 1 through December 31, or until the annual catch target is estimated to be met. This year, the season opened March 1 and due to COVID, there was little or no harvesting Triggerfish after that. But, because data collection was not in for all of May-June, the Gulf Council chose to keep the season closed. This has caused many anglers to cancel fishing trips in August due to this lack of access to triggerfish. Every change in regulations has an economic impact. On August 28, 2020, NOAA Fisheries notified anglers that Triggerfish season would reopen from September 1, 12:01 a.m. through October 26, 12:01 a.m., as long as scientists do not believe they are approaching the Annual Catch Target for 2020.

Of special note is, the Gulf regulations require limit of 1 Triggerfish per person with a 15” fork length. In the South Atlantic, using the same NOAA Science Center, the limit is 10 Triggerfish with a 12” fork length. Inequitable regulations like these are cause for concern.

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 in State and Federal waters.

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. We ask that our Federal partners, legislative and NOAA, support their efforts.

Dolphins constantly attempt to catch fish that are being reeled in. They will follow the boat as you move from place to place, cannot be outrun, and there is almost always another pod waiting to catch the easy prey. This affects safety and impacts the fishery as dolphins may eat as many fish as are actually harvested at times. Working with the Gulf Council and NOAA scientists on this issue, anglers, scientists and regulators can work together for a resolution that would be healthy for the dolphins and sharks while preserving access to one of America’s most favorite pastimes-fishing. At this time, a notice has been published in the Federal Register for public comments on this issue. This is access to the link for the proposed rule and comments:

<https://www.federalregister.gov/documents/2020/08/31/2020-18718/guidelines-for-safely-deterring-marine-mammals>



Venting tools have been used for many years. At one time they were mandatory for for-hire charters and headboats. When video came out proving the preferred result was not what was happening in real life, the mandatory use became optional. Inserting a needle in the fish bladder to allow it to descend quickly also slows it down, making it easy prey for dolphins and sharks, and sometimes injures the fish beyond recovery.

Descending devices cannot be used practically on large passenger vessels. Deckhands are needed for every one or two passengers to use the devices properly, which would create a significant financial burden. Normally, the larger vessels have one deckhand for 12-15 passengers. We truly thank you for all you do for our industry and look forward to working with you on these issues.



FY 2021 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 2021 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.



**FY 2021 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. Federal and state wildlife agencies are favorable on Gulf Power transmission right of ways and maintenance practices as possible habitat solutions to assist with fulfilling 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.



FY 2021 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 requests a legislative solution to extending the moratorium or implementing an indefinite ban when the current extension sunsets in 2032.

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.

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, all the area east of the Military Mission Line is part of the Eastern Gulf of Mexico Planning Area and is under a special protective lease by the federal government known as a moratorium. This lease, 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. 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 2032. 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.