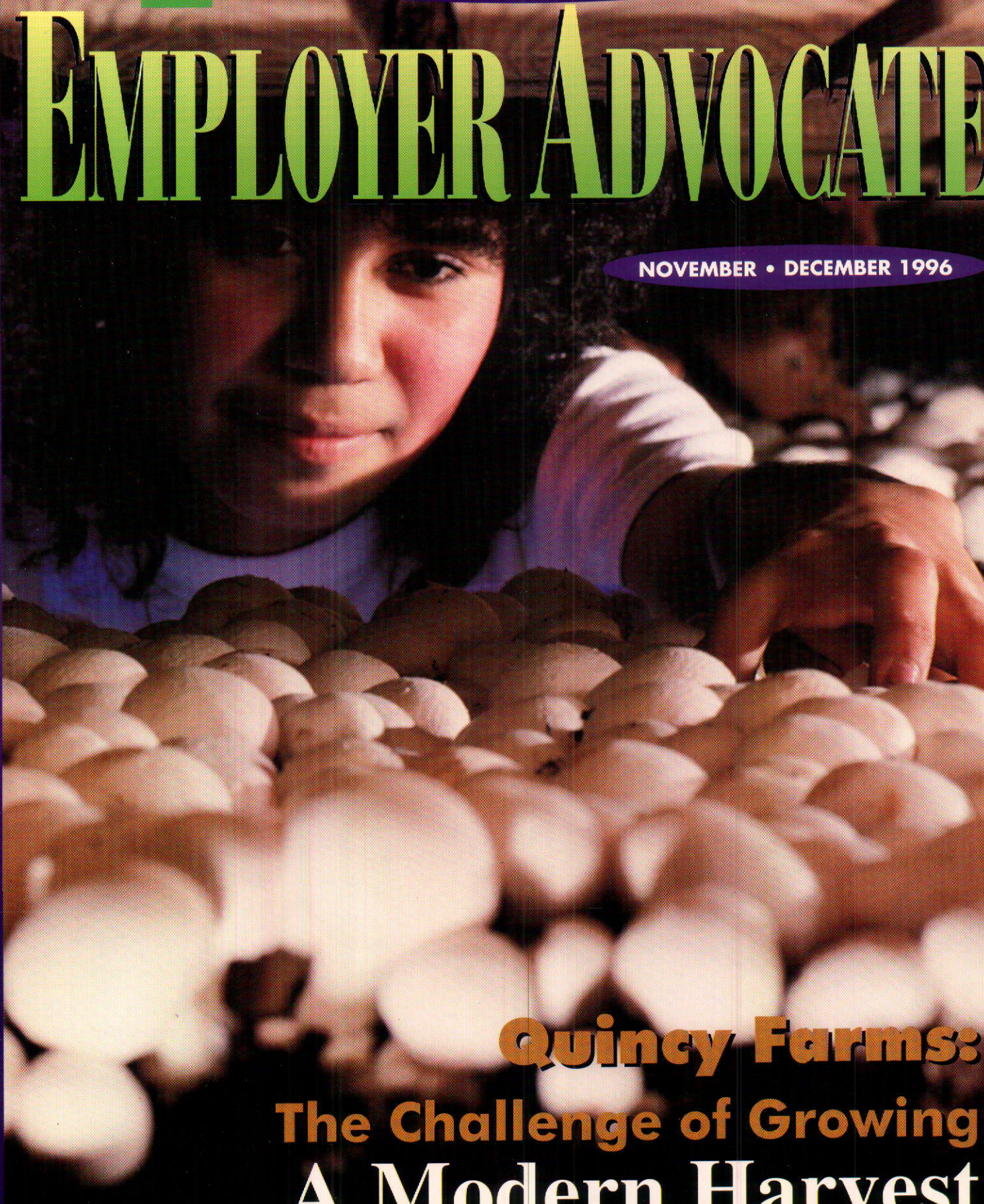


A ssociated Industries of Florida

EMPLOYER ADVOCATE

NOVEMBER • DECEMBER 1996



Quincy Farms:
The Challenge of Growing
A Modern Harvest



LET FBN PUT YOU IN THE DRIVER'S SEAT

...and gain the inside track — with Florida's premier on-line business legislation information system.

Each legislative session, while our state lawmakers migrate to Tallahassee's Capitol to mull over 4,000 bills, Florida employers hold their breath — wondering who will gain the inside track.

With Florida Business Network (FBN), you get more than a narrative of the race — you're handed the driver's wheel!

And, when that checkered flag waves, you can bet on the speed and accuracy of the FBN system to bring you toward the winner's circle safely. How?

The FBN system brings to your fingertips the inside scoop on every bill, action, vote, committee, and legislator that impacts your business.

And, when it's time for you to make your move, the FBN system flags an **"ALERT"** notice, permitting you to respond to your legislator at strategic points in the round.

Don't settle for second place. Get in the winner's circle with FBN!

System Features:

▶ Ability to track Florida business legislation through statute chapters and sections — quickly and conveniently.

▶ Expert analyses and summaries of meetings, proposals, and the **"hot"** issues.

▶ Directory and biographical information on each legislator.

▶ Programs that let you create personalized bill-tracking lists and access those reports.

▶ News articles from around the state on the major issues facing Florida businesses.

▶ Complete bill history on all House/Senate bills and PCBs, including actions and all votes on each bill.

▶ Full election coverage, including contribution data, candidate bios, position papers, and district demographics.

▶ And, much more!

For More Information:

Call Shepherd Allen, vice president, FBN, at (904) 224-7173.

**Mention this ad
when subscribing
and receive a
25% discount!**



Florida Business Network

A DIVISION OF ASSOCIATED INDUSTRIES OF FLORIDA SERVICE CORPORATION

501 NORTH DUVAL STREET • P.O. BOX 784 • TALLAHASSEE, FL 32302-0784
PHONE: (904) 224-7173 • FAX: (904) 425-5184 • E-MAIL: aif@aif.com • INTERNET: <http://aif.com>



516 N. Adams St.
P.O. Box 784
Tallahassee, FL 32302
Phone: (904) 224-7173
Fax: (904) 224-6532
E-mail: aif@aif.com
Internet: http://aif.com

The *Employer Advocate* is an award-winning magazine published bimonthly by Associated Industries of Florida Service Corporation to inform subscribers about issues pertinent to Florida's business community.

Opinions expressed in guest columns are not necessarily the views of Associated Industries of Florida.
©1996

Publisher

Jon L. Shebel
AIF President and CEO

Executive Editor

Peter J. Breslin
Senior Vice President,
Corporate Development

Managing Editor

Dwight M. Sumners
Vice President,
Corporate Communications

Editor

Jacquelyn Horkan

Art Director

Pat Cross

Graphic Designer

Gregory Vowell

Contributing Staff Writers

Jon L. Shebel
Jodi L. Chase
David P. Yon
Marian P. Johnson
Irv B. "Doc" Kokol
Kevin R. Neal
Jacquelyn Horkan

Member
Florida
Magazine
Association



EMPLOYER ADVOCATE

NOVEMBER • DECEMBER 1996

2 PRESIDENT'S MESSAGE

by Jon L. Shebel, President and CEO

4 IN BOX

Cover Story

6 A MODERN HARVEST

by Jacquelyn Horkan

14 PENETRATING THE TRAGEDY OF TERRY LEE HOGAN

by Jacquelyn Horkan

15 GET READY FOR THE SUPERPREDATORS: SOME IDEAS

by John R. Smith

19 FLORIDA EMERGENCY PLANNING AND COMMUNITY RIGHT TO KNOW ACT

by Martha Edenfield

22 SURVIVING A GOVERNMENT INVESTIGATION OF THE WORKPLACE

by William E. Curphey

25 SALES TAX EXEMPTIONS: FACT AND FICTION

by Randy Miller

27 ACCESSING GOVERNMENT INFORMATION VIA THE WORLD WIDE WEB

by Kevin R. Neal

28 WHEN ANXIETY IS OUT OF CONTROL

by Scott A. West

30 WHAT DOES A LEGISLATIVE DEPARTMENT DO WHEN THE LEGISLATURE'S NOT IN SESSION?

by Jodi L. Chase

32 SUMMARY OF TAX LAW CHANGES FOR 1997

by David P. Yon

36 MAKING MOVIE MAGIC

by Irv B. "Doc" Kokol

38 WHAT MANAGED CARE IS DOING FOR YOU

by Michael A. Jennings and Lisa York

40 IS IT OVER . . . OR JUST BEGINNING?

by Marian P. Johnson



contents



by Jon L. Shebel,
President & CEO

Scandal-Mongers

When Congress enacted the Wagner Act in 1935, racism motivated the exclusion of agricultural laborers from protection under the new law.

Or so says one well-known but poorly informed Tallahassee columnist.

Since many of today's farm workers are Hispanic or black, some commentators fall prey to the lure of intuition and conclude that racism is the only logical explanation for the exclusion. But intuition is not logic and neither is it fact-based.

The Wagner Act protected employees who banded together in a concerted effort to change the wages, hours, and terms and conditions of their employment. If they chose to, the employees could enlist the help of a labor union.

At the time, farmers presented a compelling argument in favor of their exclusion from the

act. In a factory, a strike is painful for the corporate bottom line, but when the workers return, they can, for the most part, pick up where they left off. The production materials are usually non-perishable.

If farm workers institute a strike, there's a good chance the product will rot in the fields. The fruits of a season's growing period are lost. Striking farm workers have the power to put the nation's abundant and affordable food supply at risk.

The same reasoning guided the institution of New Deal agricultural subsidies. Demonized now as corporate greed, the subsidies were favored by President Franklin Roosevelt as a method to control wildly fluctuating food supplies and prices. They were a consumer protection mechanism designed to shield Americans from the specter of scarcity and starvation.

Agricultural subsidies and the farm worker exclusion are emblems of the impoverishment of public discussion in America today. The merits of an issue no longer seem welcome in debates. We are left with nothing more than bogus revelations of scandalous behavior.

When policy decisions are made in the absence of a full-bodied examination of all sides of an issue, we end up with insincere promises of results that can't be achieved.

Accusations of greed and racism

are just two of the debate-killers in popular use. They are also wielded against businesses in controversies that have nothing to do with public policy.

In this issue's cover story, you'll read about how the weapons of allegation were wielded against Quincy Farms, a Florida mushroom farm.

Quincy Farms's story is representative of a disturbing fact of corporate life. Accusations against a business are easily made to stick. Whether it's a charge that a company has harmed the environment, cheated customers, or abused employees, accusations are accepted as fact without the necessity for substantiation.

This does more harm to the economy than it seems on the surface. Yes, it drives up costs and wastes time.

But just as harmful is the smokescreen it provides to those who really are unscrupulous. As it is with politicians, so it is with employers: the innocent are just as guilty as the guilty.

A public sense that everyone is a crook, fed by the scandal-hungry sharks in the popular press, demeans the accomplishments of those who succeed through effort, talent, and a drive to excellence.

That is shameful in a country where the ability to succeed on one's own merits has wrought so much good for so many. ■

**As it is with
politicians,
so it is with
employers:
the innocent
are just as
guilty as the
guilty.**

What if you were able to offer your employees

a benefit that **costs** them nothing?

a benefit that costs your company **nothing**?

a benefit that saves your employees money?

a benefit that saves your company **money**?

Flexible Spending Arrangements — A Service of **PayRollPlus**

A Flexible Spending Arrangement (or reimbursement account) through PayRollPlus is not another insurance program, but rather a way for employees to pay for group health plans, medical expenses not covered or reimbursed by insurance, and child/dependent care costs on a **pre-tax basis**.

Expenses applied through our Flexible Spending Arrangement (FSA) Program are not subject to Federal, Social Security, or Medicare taxes. The result is more take home pay for your employees while your company realizes the savings of the matching Social Security and Medicare taxes.

Utilizing PayRollPlus' FSA Program is easy.

Members of our trained, professional staff will provide your employees with materials explaining the benefits of the program so that they can make an informed choice on how the plan will best suit their needs.

Our FSA Program provides complete and confidential service, including:

- administration of the FSA, including plan documents;
- setup;
- claim payments to employees; and
- tax returns.

And we do it all for a portion of your company's tax savings. If there are no savings, there's no cost!

PayRollPlus is pleased to offer you and your employees the added benefit of Flexible Spending Arrangements — And we'll do all the work for you!

For more information about our FSA Program, give PayRollPlus a call at (800) 866-1234.

"Your Only Obligation Will Be To Your Business."

PayRollPlus

901 N.W. 51ST STREET • P.O. BOX 310704 • BOCA RATON, FL 33431-0704

PHONE: (800) 866-1234 OR (561) 994-9888 • FAX: (561) 997-6444 • E-MAIL: AIFS@AIF.COM • INTERNET: [HTTP://AIF.COM](http://AIF.COM)

A DIVISION OF
Associated Industries of Florida
Service Corporation



January Deadline Moved to July

In 1997, the Internal Revenue Service will unveil the new Electronic Federal Tax Payment System (EFTPS). If your company paid more than \$50,000 in employment taxes (Medicare, Social Security, withholding) in 1995, you will be required to use the new system to file all corporate federal taxes electronically.

The system is supposed to reduce the paperwork burden on businesses while allowing the IRS to get their hands on tax revenues more quickly. As usual, however, there's a hitch.

Just four months before the Jan. 1, 1997, start date, EFTPS wasn't even operational. The IRS hadn't planned any field tests before putting the system on-line at the first of the year. A significant number of employers falling under the EFTPS mandate knew nothing about the program. Those who did sometimes received inaccurate information when they called the agency's help lines.

Worst of all, the IRS planned to impose a 10-percent penalty on employers that did not use EFTPS to make their tax payments after the start of 1997.

Fortunately, Congress has intervened by delaying mandatory participation in EFTPS until July 1, 1997.

If you paid more than \$50,000 in employment taxes in 1995, you should have already received an EFTPS enrollment form from the IRS. If you have not received the form, contact the IRS at (800) 945-8400 or (800) 555-4477.

Tax experts advise affected employers not to put off until July what they can do today. The agency warns that processing your enrollment could take up to 10 weeks. Also, you will need time to work the bugs out of your procedures and the system.

IRS will also require employers that meet the employment tax threshold to file all of their federal taxes — including corporate income tax — via EFTPS. ■

Employer Advocate Wins Awards

The *Employer Advocate* magazine recently received two awards of excellence during the Florida Magazine Association's Annual Publishing Conference in Ft. Lauderdale.

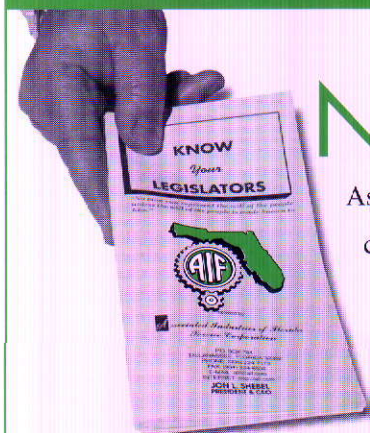


The magazine was awarded first place in the best in-depth reporting category (association publications) for editor Jacquelyn Horkan's article entitled "The Very Model of a Modern Major Company" (Sept./Oct. 1995 issue, cover story).

Additionally, the magazine was awarded second place for best redesign (all divisions). The judges considered the transition between the old newsletter format and *Employer Advocate's* new magazine format.

More than 800 submissions among four divisions vied for awards this year, representing the most entries ever submitted in the contest's 40-year history. ■

Getting to Know Them



Now that the 1996 elections are history, AIF is preparing the 1997 **Know Your Legislators**.

As a member of the association, you will automatically get one free copy of the guide. If you'd like additional copies, just call our publications office at **(904) 224-7173** for ordering and pricing information. ■

1997 KYLs scheduled to be released Jan. 31, 1997

And Now, in the Category of Bad Ideas . . .

First Runner-Up comes from Interior Secretary Bruce Babbitt who says people are eager to send more money to Washington. That's why he's supporting a proposed federal tax on outdoor gear. The money would fund education, recreation, and conservation programs.

The tax is the brainchild of a coalition of environmental groups and businesses that make or sell outdoor gear. A federal excise tax of up to 5 percent would be imposed on everything from all-terrain vehicles, mountain bikes, and motor homes to sleeping bags, guide books, and bird seed. Cameras and film would also be taxed as outdoor gear.

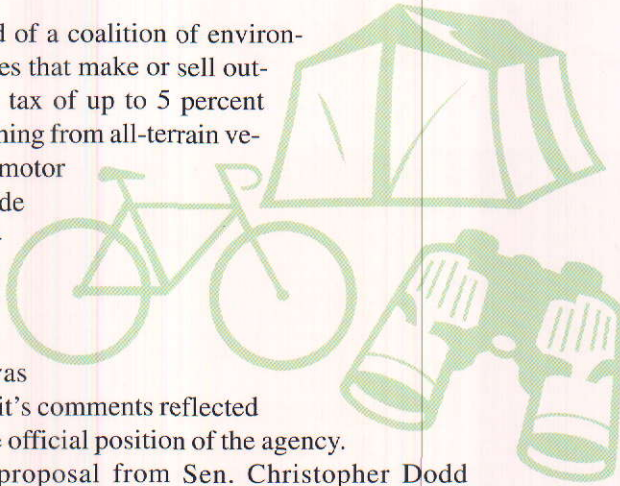
A spokeswoman from the Interior Department was quick to point out that Babbitt's comments reflected his personal opinion, not the official position of the agency.

And the Winner Is a proposal from Sen. Christopher Dodd (D-Conn.) and Rep. Pat Schroeder (D-Colo.) to expand the Family and Medical Leave Act (FMLA) to work sites with 25 to 49 employees. The law currently covers sites with 50 or more employees.

Dodd and Schroeder also want to give parents 24 hours of unpaid leave for time spent participating in their children's education. Eligible events would include teacher conferences and volunteer activities.

Why stop there? If they really cared about families, they would propose blocks of unpaid leave so that parents could attend Little League games, go Christmas shopping, and take their children on nature hikes.

Maybe they will include a subsidy for the reams of paper employers use to keep track of these kinds of proposals that flow from the meddlers in Washington. ■



Sale for Resale Exemption Certificates

Randy Miller, AIF tax consultant, has been named chairman of a committee that will study the use of resale exemption certificates.

The certificates allow businesses to claim an exemption from sales tax when they purchase items for resale. Eligible exemptions include everything from raw materials to finished products as long as the business collects tax on the subsequent sale of the item to a customer.

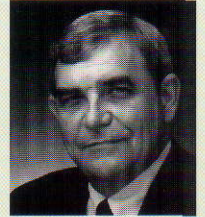
For instance, a business could claim an exemption on ball point pens that it purchases to put in a deskset that it sells to a customer, but it can't claim the exemption on a ball point pen that it uses to write down an order.

According to the Department of Revenue, some businesses use the exemption certificate on purchases of items that are not for resale. Miller's committee will review the issues surrounding the use and misuse of certificates.

"If you eliminate the exemption certificates, you're adding about \$10.2 billion in state tax revenue," says Miller. "You're also pyramiding taxes throughout the economy and that's something we don't want to happen."

Miller acknowledges that abuses are sometimes premeditated and sometimes unintentional.

The committee's report is due to the governor and Legislature by Nov. 15, 1996. To receive a copy of the report, contact AIF's governmental affairs department at **(904) 224-7173**. ■



Guilty Until Proven Innocent

Florida officials claim they want to project a pro-business attitude, but somehow they keep finding little ways to undermine their own efforts. A case in point is the World Wide Web site of our state's top lawyer (<http://legal.firn.edu>).

The attorney general's Web page is bristling with interesting information, including a listing of companies that are the subject of criminal investigations by the agency.

There's one slight problem. The names are published *before* the investigations are complete, *before* officials make a finding of probable cause, and *before* the accused have the opportunity to defend themselves.

You won't find listings of complaints against lawyers or other professionals. You also won't find the names of suspected drug dealers, murderers, felons, or other criminals. Just businesses.

The attorney general's goal of protecting consumers from unscrupulous operators is laudable, but his staff should wait until they find out whether or not the business is in fact unscrupulous before publishing an attack on its reputation.

The AIF staff is working with the attorney general's office to rectify this error. We urge you to send a letter in support of this effort to: The Honorable Bob Butterworth, Attorney General, The State of Florida, The Capitol, Tallahassee, Florida, 32399. ■

Compiled by Jacquelyn Horkan, Employer Advocate editor



A Modern

Publisher's Forward

by Jon L. Shebel

President & CEO

This is the story—unreported by other media—of a successful, modern day Florida agricultural company that pays excellent wages and benefits to its workers.

This is also a story about the tired efforts of an old and struggling union that got its start under Cesar Chavez during the 1960s in the fields of California.

The *Employer Advocate* magazine is pleased to once again present you with the *real picture*. ■

Striking Quincy Farms mushroom pickers gather outside the Gadsden County farm.

Photo by Mark Wallheiser, Tallahassee Democrat



Just what is going on at this farm tucked away in a

Harvest



by Jacquelyn Horkan, Employer Advocate Editor



When the temperature sign at the Capital City Bank of Quincy reads 95 degrees, the inside of a mushroom farm offers a pleasant refuge. The hallways and rooms are redolent with the earthy smell of mushrooms thriving in a cool environment that beckons exiles from the hot glare of a summer day in Florida.

This summer, however, the heat at Quincy Farms is emanating from more than the season's equatorial tilt toward the sun. The mushroom producer is in the midst of defending itself against a fiery corporate campaign waged by the United Farm Workers.

secluded corner of a small rural community?



"We needed jobs for unskilled workers who were good at working with their hands," remembers McCaskill.

According to the union, the farm's mushroom harvesters suffer unsafe working conditions, low wages, and the indignity of an uncaring, dictatorial regime. In support of the laborers, the United Farm Workers have unleashed the power of bureaucrats, picketers, boycotters, social and religious organizations, and reporters.

Quincy Farms President Rick Lazzarini has rebutted every charge made against his company and satisfied almost everyone in the parade of visitors who have come to Quincy Farms seeking some insight into the allegations.

This is a story typical to the modern clash between free enterprise and collectivism. One side values hard work and independence. The other only sees a world where the powerful exploit the meek.

It's a story where the popular conception of migrant farm workers following a trail of poverty from crop to crop is turned on its head.

And it's the story of a successful, innovative company, a financially troubled union, and the workers and community caught in the middle of a struggle for power.

So just what is going on at this farm tucked away in a secluded corner of a small rural community?

Economic Rebirth

Quincy, a small town 20 miles west of Tallahassee, is the seat of Gadsden County. At one time, the town boasted the highest per capita income in the U.S. Today, it is part of one of the poorest counties in Florida, with the state's third highest poverty rate.

The wealth flowed from the foresight of Mr. Pat Munroe, president of Quincy State Bank at the turn of the century, who urged his patrons to purchase stock in a fledgling Atlanta company called Coca Cola. Legend has it that if customers wanted to borrow from the bank, Mr. Munroe would lend them money to buy Coca Cola stock that he would then hold as collateral against the real loans.

The poverty came in the 1970s when Gadsden County's century-long love affair with shade tobacco came to an end as cheaper foreign exports of the commodity destroyed the domestic market. Thousands of unskilled laborers, lured to the county by the promise of steady work, found themselves idle. At the peak of the economic troubles, unemployment in the area zoomed to 38 percent.

Today, Quincy's unemployment rate hovers around the 5-percent mark. It was recently designated a 1996 All-American City by the National Civic League. It's an honor shared by nine other communities, but Quincy was the only one to get unanimous approval from the panel of judges.

The transition from then to now took a concerted effort by community leaders; the top priority was finding work suitable for the laborers left jobless by the crash in the shade tobacco market.

"We needed jobs for unskilled workers who were good at working with their hands," remembers Rick McCaskill, executive director of the Quincy Chamber of Commerce.

One answer to that need was Quincy Farms, which opened its doors in 1981. The farm currently employs about 550 workers. With a payroll of almost \$10 million a year, the farm is one of the largest non-government employers in north Florida and the largest in Gadsden county.

Growing mushrooms is a complex, highly scientific process. In its 15 years of operation, Quincy Farms has developed into an industry leader. By adopting technology developed overseas and refining it, the farm has earned a reputation for consistency and quality.

A Mushroom's World

If you picture migrant farm workers bent over in a field plucking mushrooms from the ground, banish those images right away. Mushroom harvesters work indoors at full-time, year-round employment.

Mushrooms are grown in trays of a specially prepared compost that is a mixture of straw, chicken manure (politely called dried poultry litter), and a few other ingredients.

Preparation of the material takes place over a 13-day period

on an enormous concrete slab, called a wharf. Every day a new batch of compost is prepared and every day another batch of compost, begun nine weeks earlier, reaches the end of the growing process.

The farm is currently testing an innovation on the wharf that will improve preparation of the compost. Testing of the new process has at least another year to go. When it's implemented, Quincy Farms will take a leap forward in standardizing the conditions that spur the





biological processes of converting the raw materials of the compost into a tasty meal for the mushrooms.

It will give them an enormous advantage over competitors because the key to the entire crop is the first 13 days on the compost wharf. "If you don't get it right in the beginning," says Lazzarini, "you're compromised through every phase."

After the two-week composting phase on the wharf, the operation moves indoors. Week three is spent pasteurizing the compost so that it is ready for the mushrooms. During the fourth and fifth week, spawn (the mushroom equivalent of seeds) is inoculated into the compost and allowed to colonize.

In 1991, Quincy Farms completed a \$5-million project that revolutionized the way it handles the process in the third, fourth, and fifth weeks. Tunnels constructed during the project are equipped with computerized control over temperature levels that are crucial to preparing nutrients that mushrooms need, while excluding those that attract competing fungi and molds.



After completing its spell in the tunnels, the 160 to 180 tons of compost is transferred to trays that are stacked and placed in special growing rooms. Over the next week, the "roots" of the mushrooms, called mycelium, blanket the trays in a fuzzy white layer that looks a little like those leftovers that sometimes get forgotten in the refrigerator.

The threads of the mycelium begin to fuse together until they reach a certain stage; then, carbon dioxide levels in the rooms are lowered to shock the mushrooms into sprouting.

At that point, the trays of mushrooms are moved into the harvesting rooms. Over a three-week period, each crop is harvested three times. The picking lasts about three days, with breaks in between to allow a new crop to sprout up.

Mushrooms are the hothouse flowers of the vegetable world. They require precise control over factors such as temperature, oxygen, and moisture. A 10-degree rise in temperature at the wrong time can destroy a crop. Quincy Farms has teams of quality control experts who monitor each crop at every stage to ensure optimum growing conditions.

At any given time, there are about 63 crops in progress, each in a different phase of the nine-week production process. The schedule is rigid. An interruption in one day of work can disrupt nine weeks of growing.

That's what happened on March 14, 1996, when a third of the employees in the harvesting department walked off the job. It was a dramatic watershed in a six-month standoff between the farm's management and the professional organizers of the United Farm Workers.



From composting (top) to growing (right) to packaging and shipping (left), growing of mushrooms is a nine-week process.



Photo by Mark Wallheiser, Tallahassee Democrat

The Strike

Last fall, Rick Lazzarini first started hearing rumors of a union organizing effort on the farm. A minor controversy erupted on Oct. 13 when some workers walked off the job to force the early implementation of a scheduled pay increase.

The crisis was quickly averted, but afterward Lazzarini learned that the United Farm Workers was behind the organizing effort. Harvesters began wearing UFW buttons to work and holding occasional demonstrations during their lunch breaks.

At the request of UFW president Arturo Rodriguez, a meeting was held at the Tampa offices of the labor law attorneys under retainer to Quincy Farms. The UFW officials were told by the lawyers that the company had no intention of entering into negotiations with the union.

After the meeting, the workers and the company entered a period that might be described as the eye of the hurricane. January came and the company announced that it would make matching contributions to the employees' 401(k) accounts.

The calm finally broke on the morning of March 14, when Lazzarini and his management team began hearing rumors that all the harvesters would walk out on their lunch break. The rumors gained credibility when a large crowd — including television news crews — began to gather outside the facility's gates.

At 11 a.m., the first crowd of pickers left the harvesting rooms — including some who were not scheduled to take their lunch break at that time — and gathered on the grounds for the demonstration.

Now, Lazzarini faced a difficult dilemma: with a third of his pickers gone, a third of the mushrooms could not be harvested.

Lazzarini had already decided to let the demonstration take place; he would wait until later to discipline those who left before their scheduled break. Later never came, as 11:30 a.m. passed. The workers were told to return to work. A few did, but most stayed where they were.

Since most of the harvesters were Hispanic, their Spanish-speaking supervisors were present to communicate with the workers in their native tongue. Their voices were drowned out by union organizers using bullhorns to encourage the workers to stand their ground.

Finally, the workers were told that if they wanted to continue the strike, they would have to do it off the company's property. Again encouraged by the union organizers across the street, the workers refused to leave. Sheriff's deputies began arresting the workers for trespassing. At that point, one of the union organizers raced onto the property and was also arrested.

In a few short hours, 85 harvesters — one-third of the total department — had gone on strike. Twenty-four of them, along with a UFW official, were arrested for trespassing.

Now, Lazzarini faced a difficult dilemma: with a third of his pickers gone, a third of the mushrooms could not be harvested. Not knowing how long the work stoppage would go on and how long it would take to replace the strikers, he developed a contingency plan and began throwing out portions of every crop down the line. In the months ahead, Quincy Farms would only produce 85 percent of its normal harvest.

Accusations Denied

Despite the town's not-so-distant history of economic turmoil, Quincy is relatively untouched by the controversy at the mushroom farm. A visitor can spend several hours driving through the town and its environs before spotting any sign that the United Farm Workers are waging a battle there. That evidence comes in the form of a late-model Chevy compact sporting four UFW bumper stickers — and a Texas license plate.

Heading the effort is Rebecca Harrington, a UFW vice president from Austin, Texas. She has come to Florida with a small band of lieutenants from the UFW's Texas offices.

They work for a struggling union. Founded in the 1960s by Cesar Chavez, at its peak, the United Farm Workers represented as many as 70,000 agricultural laborers. Today, that number is around 20,000, and a significant portion of its income derives, not from workers under contract, but from charitable donations.

The messianic Chavez died in 1993 and the reins of power were transferred to his son-in-law, Arturo Rodriguez. Where Chavez specialized in grand dramatic gestures, such as hunger strikes, Rodriguez concentrates on the more mundane business of getting dues-paying members for his union.



The UFW's decline occurred under Chavez's leadership. Although he was widely hailed as a hero to impoverished, Hispanic migrant workers, some inside the organization observed a different man. They believe he was addicted to media attention. And they criticized him as autocratic, unwilling to share power, and prone to retribution.

Oddly enough, those are the same charges thrown at Lazzarini by the union organizers. Some observers of organizing efforts would dispute the charges. They would point to Lazzarini's early knowledge of employee dissatisfaction and the March 14 strike as evidence of a healthy two-way channel of communication between management and labor.

According to Harrington, Lazzarini denies his workers their basic human right "that you don't have to worry every day that you go to work whether you're on somebody's right side or wrong side."

She says that employees are afraid to express their concerns about working conditions. These are the same employees who spent six months staging occasional demonstrations on company property during their lunch breaks.

Since the strike began, Harrington has struck at Quincy Farms with a shifting bed of allegations. The union has told reporters that Quincy Farms employees are paid poverty-level wages, have no health insurance, no pension plan, and no paid leave.

In fact, Quincy Farms harvesters average about \$9 an hour (they are paid piece rate, not hourly). The most proficient pickers earn \$12 an hour. They are among the highest paid agricultural workers in the county and the second-highest paid department on the farm.

They have a choice between three different health insurance plans that include a prescription drug card that allows them to purchase generic drugs for \$7 and non-generic for \$12.

There is a 401(k) plan open to all employees who have worked at the plant for at least one year. There is a generous package of paid vacation time and a personal leave of absence policy that exceeds the requirements of the Family Medical Leave Act.

The average employee at the farm has worked there for three years. There are many who have been with the company for 10 years or more.

Although the charges leveled at Quincy Farms by the union were false, they gained the currency of truth simply by being repeated in the newspapers and on television.

Lazzarini blames the union, not just for the false allegations, but also for putting the farm's employees out of work and trying to endanger the future of the company.

"The bottom line in their whole program," says Lazzarini, "is to harass us so much that we get sick of it and give in. The people and what's best for the people isn't even close to the top priority."

Naturally, Lazzarini feels that way, after the personal attacks made on him by the UFW. Nevertheless, there are those who share in his take on the matter. Who they are might surprise you.

"We Don't Need a Union"

Sergio Soto is a former member of the United Farm Workers. Today, he is leading a group of California strawberry pickers who are fighting the union's attempt to organize them. They have formed the Pro Workers Committee to protest pressure from the UFW.

Joining a union is supposed to be an employee's decision, but that's not always how it works. In some cases, the union bypasses the employees completely and tries to pressure the company into negotiating a contract with or without employee approval.

Soto's group is worried that the UFW will destroy the area's strawberry farms in the process of applying that pressure. According to Soto, the industry suffered a \$20 to \$30 million loss in a few weeks when the UFW started a campaign urging consumers to boycott strawberries.

Soto left the UFW years ago because he didn't believe they were doing good for the members.

"They made us think that the company was the enemy and that's not necessarily true," he says. "Companies without employees are nothing and vice versa. Not everybody's capable of starting and running their own business."

Of course, the UFW claims that Soto is a puppet of the growers and that the members of the Pro Workers Committee are forced to belong by their employers. The thousands of pickers who attended an anti-UFW march in Watsonville, Calif., disagree. They say they just don't want to pay 2 percent of their earnings to a union they don't need.

Lupe Sanchez summed up the feelings of the group when she announced to the crowd, "Today we begin the fight against that evil being that wants to take 2 percent of our paychecks."

Safety at Work

Back in Florida, Rebecca Harrington insists that she is merely fulfilling her obligation to protect the well-being of the Quincy Farms harvesters. Her focus now is on allegations that the company endangers its employees.

"One of the major problems that these workers had from the very beginning," she says, "the one they always talked about — and continue to talk about — is the number of accidents at that plant."

Picking mushrooms is hard, physical labor. The mushroom tray are stacked five or six trays high. To reach the upper trays, the worker straddles two stacks and reaches in to pull the mushrooms out of the bed.

UFW criticizes this method of harvesting, but it's the

industry standard, even at those farms where the workers are covered by UFW contracts.

Climbing the trays can be dangerous if done improperly. Since the employees are paid a piece rate, there is an incentive to move quickly. Lazzarini's challenge is to let them work quickly *and* safely. Harrington believes he doesn't do that. The evidence indicates otherwise.

In the farm's first 15 years of operation, the Occupational Health and Safety Administration visited the farm once. Since May of this year, OSHA has been there twice. In August, the Department of Agriculture and Consumer Services made a surprise inspection of the farm to find out whether the company was following correct worker protection regulations.

Each inspection was conducted as the result of complaints that were prepared by the UFW and filed with the agencies.

Only one problem was revealed in all of the government inspections: light bulbs had burned out in a couple of exit signs. They were replaced before the inspection was completed.

The OSHA inspector found no evidence to support accusations of slippery floors, noxious fumes, and overexposure to contaminants, even after interviewing employees, testing the air, and reviewing accident logs.

Quincy Farms is insured by Associated Industries Insurance Company, Inc. (AIIC), the workers' compensation division of AIF. At Lazzarini's request, AIIC's safety expert, Ed Walters, also inspected the farm. Walters made a few minor suggestions but also found no evidence of unsafe working conditions.

"We've been insuring them since 1991," says Walters, "and I looked back over the records of every inspection we've done. They've always been willing to implement our suggestions. If they hadn't been, we wouldn't be writing their policy."

In fact, the Quincy Farms account shows a current loss ratio of 6.1 percent. The loss ratio is a comparison between the amount of premium collected and losses paid in a policy year. The lower the loss ratio, the better the safety record.

On average, the loss ratio for the entire state of Florida runs at about 7 or 8 percent, well above the mark established by Quincy Farms, a supposedly dangerous operation.

Harrington has told reporters that "company" doctors stuff injured workers with painkillers and send them back to work. This came as news to the physicians at the city's walk-in clinic where injured workers are treated. One offered an open invitation to any patient to come in for a review of his medical records.

The UFW trump card on the safety issue is the allegation that treatment is withheld from injured workers and that claims are never filed. Lazzarini scoffs at the notion and Harrington can offer no substantiation that this occurs.

This public smearing of Quincy Farm's reputation troubles Lazzarini, but it's just a handgun in the UFW arsenal. The big artillery is aimed at the company's customers.

Pressuring Consumers

On any given Saturday morning, if you drive past enough grocery stores in Tallahassee, you'll find one with a group of people urging customers not to buy mushrooms sold under the Prime label.

These are the mushrooms that come from Quincy Farms, and the activists are a collection of striking workers, idealistic college students, and other union sympathizers.

Boycotting a product is the favored stratagem of UFW tacticians. By convincing consumers to avoid a company's product, the organizers put an economic noose around the company in an attempt to either kill it or force it to give in to the union's demands.

The UFW gained an early victory when Harvey's supermarkets announced that it would discontinue carrying Quincy Farms' mushrooms at its 39 stores. The union then turned its attentions to Publix Super Markets.

Boycotters started appearing at stores in Tallahassee, Miami, and St. Petersburg. The union announced that Gloria Steinem would appear at one Miami Beach Publix, but the feminist was a no-show.

At about the same time, letters began arriving at the store's Lakeland headquarters demanding that Publix discontinue sales of the Quincy Farms' mushrooms. Although aware of the circumstances behind the requests, Publix decided that the concerns of the customers deserved investigation.

A group of the company's buyers made an unscheduled trip to the farm to seek out the alleged human rights violations. They found none and Publix decided to continue selling the mushrooms.

"We've been doing business with Quincy Farms for 15 years," says Clayton Hollis, Publix vice president for public affairs. "They've always offered our customers a good product at a good price."

The pressure has now abated on Publix as the union has turned its attention to Bruno's stores. The boycotters now make their weekly pilgrimages to the chain's Tallahassee supermarkets. So far, Bruno's is also resisting the pressure.

Despite the lukewarm reception from the grocery stores, Harrington calls the boycott a success. To prove her point, she cites a 30-percent drop in sales that she found in a June 30, 1996, annual report prepared by the Quincy Farms parent company.

Actually, the report is for sales in the second quarter of 1996.





Lazzarini traces the decline in sales, not to the boycott, but to the annual dip in sales that occurs when mushrooms have to compete for shelf space with the abundance of summer produce. The most significant factor in the decrease, however, was the 15-percent drop in production caused by the strike.

Business is beginning to pick up again. Lazzarini reports that average weekly sales in August were higher than sales in the first week of March, before the strike and boycott began.

Growing Amid the Controversy

In remarks to a reporter, Harrington said that the UFW “can’t evade our responsibility to farmworkers [in Florida] any longer.”

Asked about that statement, she cites Florida’s large agricultural sector as the source of the responsibility. For a struggling union, the sheer number of Florida farm workers is tempting.

Three years ago, the UFW lost the only contract it ever held in Florida. Negotiating a contract with Quincy Farms might give the union the foothold it seeks.

Harrington says the union is committed to winning a Quincy Farms contract. In September, the union announced its plans to increase the pressure on the company. The organizers deny it, but this may be a last-ditch effort.

There are many who believe the union will never win. Florida law doesn’t give the UFW the organizing edge it has in some other states. And those who study unions say that the legal advantage becomes more important the longer the organizing ac-

tivity drags on because support among employees usually diminishes with time.

In other words, if the UFW isn’t gaining momentum, it’s got to be losing it.

And, as Rick McCaskill observes, “If there was anything behind what they’re saying, you would have seen other people join in [the boycott].” The lack of support among customers also holds true among the farm’s employees. Those willing to go on strike in support of the union totalled about 35 percent of the harvesters. The strikers represent less than 13 percent of the total workforce.

The company promises to keep fighting the organizing effort. It has been an expensive and time-consuming exertion for Lazzarini. He is bitter that so many in the public were ready to believe the worst about him and the company before hearing their side of the story.

The UFW’s tactics of harassment have killed any desire he may have ever had to negotiate with the union.

“After everything that’s happened,” says Lazzarini, “I wouldn’t be a responsible president of this company if I gave in to them.”

And so he turns back to the real work of producing jobs, meeting a payroll, and finding ways to grow ever bigger, better, and tastier mushrooms. ■

The MYSTERIOUS Mushroom

Centuries ago, Mexican mystics called them *teonanacatl* — “God’s flesh” — and used hallucinogenic mushrooms to induce visions in religious rituals.

Egyptian pharaohs and Roman patricians passed laws to ban commoners from eating the edible versions of the fungi.

It wasn’t until the 19th century, when French farmers began experimenting with the commercial production of the mushroom, that the rare delicacy became commonplace.

The father of the American mushroom industry was William Swayne of Kennett Square, PA. In 1896, before central air gave him the power to control temperatures, Swayne’s greenhouses stood idle during the cold winter months. He decided to experiment with growing mushrooms. You might say the industry mushroomed from there.

Last year, American mushroom farmers sold 787 million pounds of the tasty fungi. Total sales equaled \$728 million.

Pennsylvania is still the largest producer, sending 353 million pounds to the market in 1995. California comes in second with 141 million pounds and Florida is third with 42 million pounds.

Over two-thirds of the sales are sent to the fresh market; the rest are sold to canneries.

To keep those mushrooms fresh once you’ve plucked them from the grocery shelf, take them out of the plastic wrap. Store them in a paper bag or put a paper towel over the carton. Don’t wash them until you’re ready to use them and then just wipe them off with a damp towel. Mushrooms will last up to five days in your refrigerator.

If you’ve got a yen to head out to a forest to pick your own mushrooms, take an expert with you. The wrong kind of fungi can cause permanent liver damage.

The right kind of mushrooms — the ones you find in the produce section — will add a little zest to your favorite recipes. What they won’t add is, fat, cholesterol, or sodium. ■



Penetrating the Tragedy of Terry Lee Hogan

by Jacquelyn Horkan, Employer Advocate Editor

On September 19, 1996, Terry Lee Hogan walked into the West Palm Beach office of the law firm Danielson, Clark, Pumpian & Ford and took over 40 people hostage. By the time the four-hour standoff ended, Hogan had severely wounded one attorney and taken the lives of another and himself.

Hogan was a disgruntled workers' comp claimant; his victims were the employees of the law firm representing his employer's insurance company.

He wasn't the first to threaten the other side in a dispute over a workers' comp claim. As reported in the September/October issue of this magazine, the 1996 Legislature funded security measures for judges of compensation claims. No matter what claimants' attorneys say, the need for security wasn't the result of the 1994 reforms.

The fear of violence has steadily grown over the last decade as the enmity in the system and the violence in society have increased.

Hogan was the first workers' comp claimant to cross the boundary between making threats and acting upon them.

The claimant's lawyers point to him as the emblem of a merciless system that abandons those who have suffered through no fault of their own. This tragedy is a weapon in their hands.

"We should be careful not to let anyone capitalize on this," warns Mary Ann Stiles.

Stiles, a lawyer and a consultant to AIF, has spent over two decades in the workers' comp system. Throughout that time, she has watched the system deteriorate from an automatic procedure to care for injured workers to one that is increasingly adversarial.

There is a lesson to be learned from the Hogan tragedy, but it's not one the claimants' attorneys want published.

The problem with workers' comp is the same as it has been for the last three decades. The system is rife with antagonism that is fed by the trial lawyers. The 1994 reforms were designed to reduce the influence of trial lawyers in the system. Any success in achieving that goal has been modest and tenuous as the trial lawyers have learned how to maneuver past the curbs to their power.

The key is to keep the claimant away from the job. Claimants' lawyers attend seminars to learn the latest techniques to achieve this goal. They advise their clients to refuse rehabilitation and retraining. If one doctor says a claimant is healthy, the lawyer sends him to another and another until the lawyer finds one who says the claimant can't return to work.

Claimants' lawyers convince their clients to expect undeserved generosity. They also breed distrust and animosity toward the employer, the carrier, and the system. That antagonism is essential; without it, disputes over benefits would, for the most part, be quickly and easily resolved.

Terry Lee Hogan was a deeply troubled man who couldn't step back from the brink. He killed Kennie Edwards, wounded Arthur Pumpian, and then took his own life.

There is always a desire to ease sorrow by finding a greater purpose in tragedy. In this case, there is no purpose to be found, only sorrow.

Claimants' lawyers warn that it could happen again. They may well be right because the workers' comp system is warped and leaves claimants vulnerable to cynical manipulation by trial lawyers intent on driving up their fees.

If another tragedy does occur, some of the responsibility for a family's sorrow will inevitably rest on the shoulders of the claimants' attorneys. ■

There is a lesson to be learned from the Hogan tragedy, but it's not one the claimants' attorneys want published.

Get Ready for the Superpredators: Some Ideas

Hardly a week goes by that we don't see another media story about teenage crime and violence, usually concluding with warnings that the problem will steadily worsen over the next several years.

For example, Northeastern University criminal justice professor James Alan Fox, commenting on a 1995 Justice Department report on juvenile crime, noted that, "this generation is the young and the ruthless. [They have] more deadly weapons in their hands, more dangerous drugs in their bodies, and a much more casual attitude about violence."

Princeton University professor John J. DiIulio Jr., pointed out in a recent *Wall Street Journal* article that, "in five years we

can expect at least 30,000 more young murderers, rapists and muggers on the streets. Worse, since the 1950s, each cohort of young male criminals has done roughly three times as much serious crime as the cohort before it."

Professor DiIulio refers to these teenage thugs as "the superpredators."

There are two basic and related reasons for these dire forecasts: male teenagers commit the largest percentage of violent crime in America; by 2010 there will be 30 percent more American teenage males than there are today — an "echo boom" made up of the children of today's aging baby boomers.

The question, of course, is: What do we do to blunt this coming surge in juvenile crime?

Some Techniques That Work

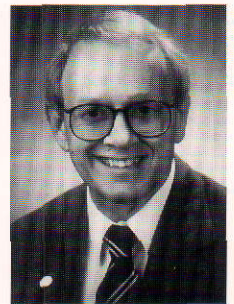
For many years, the basic approach to dealing with young people who engaged in vandalism and criminal behavior seemed to be "love 'em, hug 'em, and send 'em home" — perhaps in the belief that a bit of compassion would put them on the right track. However, as juvenile crime has worsened — both in amount and viciousness — more stringent forms of punishments and interventions have been tried and successes in that battle are now emerging. Here are a few examples.

■ Boot Camps

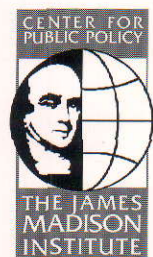
According to a high-ranking Florida Department of Law Enforcement official, boot camps have notably reduced the amount of juvenile crime in pertinent Florida communities by enabling prosecutors and judges to get many hard-core, repeat offenders off the streets. That same FDLE official adds, however, that the jury is still out on whether boot camps will ultimately prove effective in rehabilitating these young thugs.

■ Prosecuting Dangerous Juvenile Offenders as Adults

In the early 1990s, Harry Shorstein, state attorney for



by John R. Smith,
Vice President,
James Madison
Institute





the Fourth Judicial Circuit in Jacksonville, established a two-part juvenile justice system featuring early intervention for first offenders and aggressive prosecution of habitual offenders. The early intervention program consists of extensive counseling, a tour of the county jail, viewing a film about life in prison, and talks with locked-up juveniles about their life behind bars. Habitual offenders are prosecuted as adults and are sentenced to time in the Duval County jail or in state prison. The results? According to the *St. Petersburg Times*, a recent study by Florida State University economists David Rasmussen and Yiwen Yu estimates that, from 1992 to 1995, Mr. Shorstein's system prevented 7,200 robberies, burglaries, and car thefts, and saved Duval County residents about \$6 million a year in property losses.

■ *More Cops on the Street* Since 1991, Houston Police Chief Sam Nuchia has added almost 1,000 officers to the city's police force, concentrating them where and when they are most needed. In addition, citizen patrols now operate in more than 100 of the city's neighborhoods where they report

suspicious or criminal behavior. Recent studies of Houston's crime-fighting efforts report falling crime rates, improved emergency response times, higher police productivity, and reduced citizen fear of crime.

■ *More Cops on the Street II* New York City also increased the number of officers on the street and cracked down on so-called "minor" street crimes — such as public drinking, graffiti, vandalism, and other public disorders — that often set the stage for major crimes. The NYPD also beefed up action against street gangs and drug traffickers, systematically frisked suspects for weapons, and expanded community-policing projects. The outcome of these efforts has ranged from reductions in the number of aggressive panhandlers to fewer shootings and murders.

Princeton's John DiIulio cites success stories like these to support his contention that, "sentencing policies that keep violent and repeat criminals behind bars cut crime." He goes on to say that, "studies show that from 1980 to 1992, the 10 states where incarceration increased the most saw violent crime decrease by 8

percent. In the 10 states with the lowest increases, violent crime soared 51 percent." This data represents a compelling argument for the value of locking them up.

Of course, prisons and boot camps are very expensive and thus are appropriate just for those who have engaged in serious, violent, antisocial behaviors. Practically speaking, this has left only one other option for dealing with today's juvenile lawbreakers: to slap them on the wrist and release them into their parents' custody. There are very few prevention and intervention techniques between these two extremes and some are needed. The following are a few ideas for some methods that, if used in the right circumstances, might deter many at-risk juveniles from heading down the wrong path.

Some Ideas to Think About

One interesting idea for a type of early intervention has been suggested by Sen. William Turner (D-Miami). He plans to introduce a bill in the 1997 Session that would impose a fine of up to \$500 on parents of kids who are chronic disciplinary problems at school. In a recent *Ft. Lauderdale Sun-Sentinel* article, Sen. Turner points out that, "if you had to pay \$500 for your kid's misbehavior, maybe you'd take the time to counsel with that kid."

Continued on page 18

There are very few prevention and intervention techniques between these two extremes and some are needed.

PayRollPlus

Tired of dealing with a time-consuming payroll process?

Spending too much time on tax filings and deposits?

Facing government audits or problems with the IRS?

Why not let us help you? — PayRollPlus

With changing regulations, form alterations, compliance requirements, and mandatory reports, payroll has become an increasingly complex process. Enter **PayRollPlus**, the newest business service offered by Associated Industries of Florida Service Corporation. **PayRollPlus** can take over these administrative functions and perform them more efficiently and effectively. And you can get back to your business.

What can PayRollPlus do for me?

- Reduce Recordkeeping Costs—**PayRollPlus** keeps up-to-date records on employee earnings, employee withholdings, vacation/sick leave schedule, etc.
- Eliminate Payroll Check Preparation—**PayRollPlus** prepares payroll checks and W-2s, eliminating the need for in-house staff and manual or automated payroll systems. Along with payroll checks, **PayRollPlus** provides complete documentation and audit trails of all payroll-related charges. And, **PayRollPlus** assures complete confidentiality.

- Eliminate Missed Payroll Tax Deadlines—Tax deposits and filings to governmental agencies are accurately, punctually, and professionally handled by our staff. They monitor changes in the tax laws and keep you in full compliance. This means your tax reports and tax deposits are accurate and on time, which means you don't risk expensive fines and penalties.
- Calculate Your Workers' Comp. Premiums—As a Plus service (at no charge), we can also calculate your workers' comp. premiums so they can be paid as you go.

How can you participate?

Simply give **PayRollPlus** a call at (800) 866-1234 and we'll send you all the information you need to take advantage of this time-saving service. "Your only obligation is to your business."

PayRollPlus

901 N.W. 51ST STREET • P.O. Box 310704 • BOCA RATON, FL 33431-0704

PHONE: (800) 866-1234 OR (561) 994-9888 • FAX: (561) 997-6444 • E-MAIL: AIIS@AIF.COM • INTERNET: [HTTP://AIF.COM](http://AIF.COM)

A DIVISION OF
*Associated Industries of Florida
Service Corporation*



Continued from page 16

In commenting on this proposed bill, a spokesman from the Palm Beach County state attorney's office said, "Legislatively and societally, the community is saying, 'You brought them into the world, they are your responsibility.'"

Caning (paddling) is another idea worth considering as a possible early intervention. This punishment method seems to work quite well in Singapore and we ought to find out how and under what circumstances it is used in that country. More than likely this technique would work equally well with Florida kids at appropriate age levels. It might even work with some adults!

And finally, the prevention idea that I believe holds the *most* promise for steering kids away from criminal behavior is *work*. Consider the common-sense moral delivered at the end of Voltaire's novel, "*Candide*": "Work keeps away three great evils: boredom, vice, and need." Basically, that same message is also found in the old adage, "The

devil finds work for idle hands."

A 1995 documentary-type film entitled *Kids* illustrates the point. In that film, a pack of teens, age 13 to 17, aimlessly roam the streets of New York City and fill their days with drugs, booze, promiscuous sex, stealing, and violence. Of course, parents are nowhere to be seen.

For whatever reasons, the teenagers in *Kids* — like many of their real-life counterparts — were bored, not interested in attending school, needed something to do, and thus drifted into a pattern of criminal behavior. But that pattern is not inevitable. In fact, it's my judgment that, instead of becoming lawbreakers, many of today's kids in such circumstances would choose to take jobs to relieve their boredom — *if they could*. Most can't, however, because our present minimum wage laws and child labor laws have effectively put honest work beyond their reach.

Let's put this in perspective by taking a step back in time.

When most people still lived on farms, kids were an essential part of the family "workforce." In fact, our school year anachronistically still adheres to a schedule that gives kids the summer off "to help on the farm." The children of that by-gone era benefited from that work culture because they learned discipline and job skills, they were under grown-up supervision, and they were exposed to a process of socialization — all qualities that social scientists now believe are important to becoming a well-adjusted adult. As already mentioned, however, today's employment laws have closed the door of such opportunities to the present generation of young people and have thereby done much more harm than good.

Should those laws be modified? Just ask yourself this question: Wouldn't honest work make a lot more sense for many contemporary teenagers — and even some pre-teens — than endless hours of television, midnight basketball, "hanging out," and simply roaming the streets?

As we continue to search for ways to keep kids headed in the right direction, it would do well to take a hard look at some possible new punishments and interventions as well as some old ones — work, for example. We might just find that something as simple as work could prove to be one of our most effective tools for preventing at least some of today's kids from becoming tomorrow's superpredators. ■



**"Work keeps away
three great evils:
boredom, vice, and
need."**

Florida Emergency Planning

And Community Right to Know Act (EPCRA Amnesty Period)

The State Emergency Response Commission (SERC) has announced a Florida Emergency Response and Community Right to Know Act (EPCRA) amnesty period beginning Oct. 1 and ending Dec. 31, 1996.

The EPCRA was passed by Congress in 1986. It requires facilities with hazardous materials present in amounts exceeding established thresholds to provide information about the facility and the specific chemical to the SERC, the local emergency planning committee, and the local fire department.

The EPCRA is administered by the U.S. Environmental Protection Agency (EPA) and is implemented by the Florida Department of Community Affairs (DCA). The purpose of the law is to encourage emergency planning efforts at the state and local levels and to increase the public's access to information about the potential chemical hazards that may exist in their community.

The data collected in Florida is used by 11 local emergency planning committees to develop response and recovery plans in the event of a release or spill of hazardous or toxic substances. These plans are reviewed and approved by the SERC. All data collected, as well as the response plans, are available for the general public to review upon request.

Under state and federal law,

any public or private facility that has hazardous materials on-site at or above established threshold amounts may potentially be subject to the EPCRA's complex and multiple reporting requirements.

The Florida Emergency Response and Community Right to Know Act of 1988 requires non-governmental facilities subject to the requirements of the state EPCRA to pay registration fees that are due each year on March 1. Facilities are required by the SERC to pay fees for each year dating back to the enactment of the state law in 1988.

Depending on the type of facility, annual fees are calculated on the number of employees, to a maximum of either \$500 or \$2,000. Penalties for failure to file can be assessed at an amount of up to double the annual filing fee required.

The current amnesty period is designed to benefit first-time, self-reporting facilities subject to the EPCRA and the state-imposed fee requirements. Facilities that fall within these guidelines will be granted a waiver of past due annual registration fees if the owner or operator reports between Oct. 1 and Dec. 31.

The amnesty only applies to annual fee obligations for past years and does not exempt a facility from federal reporting obligations for those years. Facilities that have previously reported under the EPCRA or have been

notified of the reporting requirement by the SERC in the past would not qualify for the amnesty period.

Some examples of common reporting facilities would be cold storage facilities, water/wastewater treatment plants, agricultural interests, boat manufacturers, resorts with swimming pools, amusement parks, auto dealers, gas stations, chemical manufacturers/suppliers, golf courses, LP gas facilities, and hospitals.

Common types of hazardous substances that may be present at a facility would be chlorine, ammonia, gasoline/diesel, methyl bromide, gramoxone, styrene, nemacur, propane, and sulfuric acid.

The amnesty period covers the state-required annual registration fees only. The reporting requirement applies to any owner or operator of any facility that has any of the extremely hazardous substances at or above the threshold planning quantity or 500 pounds, whichever is less; or 10,000 pounds or more of any of the hazardous chemicals for which OSHA requires a material safety data sheet to be maintained.

For additional information, contact DCA's Hazardous Planning Section at (800) 635-7179 or (904) 413-9970. Reporting forms, chemical lists, how-to-comply manuals, and other information about EPCRA are available at no charge. ■



**by Martha Edenfield,
Pennington, Culpepper,
Moore, Wilkinson,
Dunbar & Dunlap, P.A.,
& AIF Environmental
Consultant**



FLORIDA: Y

A Premium Plan For The Future

Associated Industries Insurance Company, Inc. (AIIC), a fully capitalized non-assessable insurance company, worked very hard with our actuaries and insurance professionals to design a plan for you and your clients.

We wanted a plan that would reward your good clients. A plan that was actuarially sound. A plan that was financially secure. A plan that rewards you by having a happy client, who will stay with you. A plan for the '90s.

That plan is our Jumbo Retro. It will reward your small and medium-sized accounts with jumbo account benefits.

For additional information, call your marketing representative or your underwriter at:

1 (800) 866-1234

or fax your submission to:

1 (561) 997-6444

or use our e-mail address at:

aiis@aif.com

or use our Internet address at:

http://aif.com

JUMBO RETRO RATING PLAN

FOR WORKERS' COMPENSATION

Associated Industries Insurance Company, Inc. takes great pleasure in introducing our new Jumbo Retro rating plan. This program is approved by the Department of Insurance (DOI). It is a *guaranteed* return premium plan and is available to all insureds.

Features of the Jumbo Retro

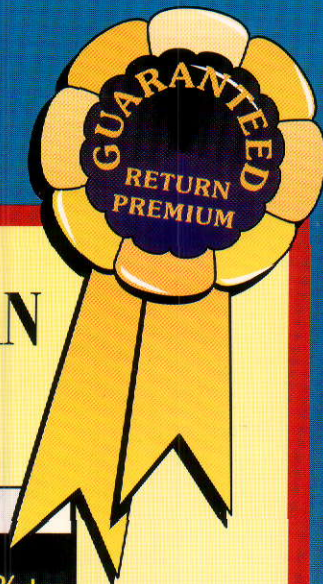
- No minimum premium requirement.
- Premium discount is *guaranteed* and provided up front.
- No upside exposure (i.e. maximum is discounted premium).
- Opportunity to earn a return premium of up to 20%.
- Return premium is based upon losses calculated six (6) months after expiration and payable shortly thereafter.
- Return premiums are **NOT** subject to Board of Directors' declaration.
- Return premiums are **NOT** subject to the DOI's approval as program is already approved.
- Return premiums will not affect your **commission**.



**"If The Losses Are Not There,
A Return Premium Check Is!"**

*A*ssociated Industries Inc.

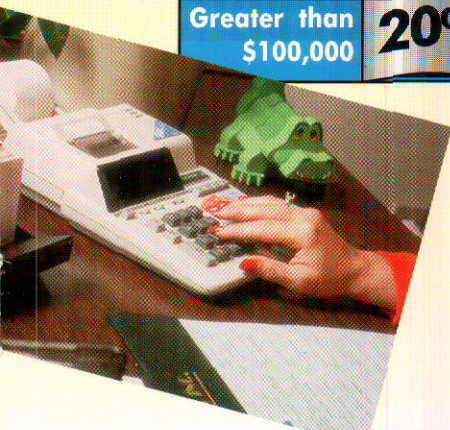
YOU ASKED FOR IT!



JUMBO RETRO RATING PLAN RETURN PREMIUM TABLE

Premium Range	Incurred Loss Ratio					
	Less Than 10%	10% to 19%	20% to 29%	30% to 39%	40% to 49%	50%+
Percentage of Return Premium						
Less than \$5,000	5%	3%	3%			
\$5,000 to \$10,000	6%	5%	3%	3%		
\$10,000 to \$20,000	8%	6%	5%	3%		
\$20,000 to \$30,000	10%	8%	6%	5%	3%	
\$30,000 to \$50,000	12%	9%	7%	5%	3%	
\$50,000 to \$75,000	15%	12%	9%	6%	3%	
\$75,000 to \$100,000	17%	13%	10%	6%	3%	
Greater than \$100,000	20%	15%	10%	6%	3%	

Our safety team is "on the road" showing employers how to keep their businesses safe.



The retro return percentage shown in the table are for premium sizes and loss ratios at the mid-point of the range. Actual retro returns will be calculated by interpolation using both actual premium and loss as weights. The Jumbo Retro Plan provides a policyholder with an opportunity to earn a return premium based upon its loss experience developed during the policy period.



Insurance Company, Inc.



Surviving a Government Investigation of the Workplace

by

William E. Curphey,

Stiles, Taylor &

Metzler, P.A.

Employers increasingly are faced with more and more regulations effecting the workplace. The Occupational Safety and Health Administration (OSHA), Equal Employment Opportunity Commission (EEOC), Americans with Disabilities Act, Family Medical Leave Act, wage and hour, child labor, immigration, and a host of other federal and state laws present a bewildering array of compliance requirements for the employer.

Some governmental agencies, such as OSHA, will arrive at a workplace unannounced to conduct a safety inspection. Others, such as the Federal Wage and Hour Division, will schedule appointments so that the employer will have available the necessary books, records, and documents that the compliance officer needs to review in order to ascertain whether or not the company is in compliance with the various laws regulated by the U.S. Department of Labor, including wage and hour, child labor, family medical leave, and immigration.

Likewise, the EEOC will most

often schedule a workplace interview to review personnel files and interview supervisory and hourly employees to either ascertain compliance with Title VII of the Civil Rights Act of 1991 or as part of an investigation of a complaint received by the agency involving charges of discriminatory treatment.

How the employer responds to these investigations can greatly affect the outcome in any subsequent litigation that might occur. Everything that an employer says and does at any of these investigations and interviews can and will be used against the employer in a court of law or in further agency proceedings.

The agencies are not required to issue the Miranda warnings (you have the right to remain silent, you have the right to an attorney, etc.). We have all heard those warnings on television and in movies and almost everyone is generally familiar with them. Even though criminal sanctions can be imposed in certain instances, particularly under OSHA, the courts have ruled that

there is no obligation on the compliance officer or investigator to warn the employer that information he supplies can and will be used in subsequent agency proceedings or in a court of law.

It is important, therefore, for employers to prepare themselves far in advance of an investigation to respond appropriately and legally to the investigator without causing harm to themselves or the company.

The first step is to designate someone at the workplace who will respond to government investigations. Instruct all employees that they are not to speak to a government investigator until told to do so by the designated company official.

Different representatives can be appointed for different agencies. For example, the human resources director or some other supervisory or managerial employee may be the appropriate person to respond to the EEOC, but not necessarily to OSHA. A safety officer or someone knowledgeable about the workings of equipment, machinery, and work methods may be the appropriate official for OSHA.

Note, too, that government contractors are subject to audit by the Office of Federal Contract Compliance Programs (OFCCP) to ensure compliance with affirmative action requirements. This only applies to government contractors but, clearly, an official should be designated to respond to the OFCCP as well.

The individual chosen as the company representative in any government investigation should



Juries in labor and employment law cases tend to believe the written documentation more than the spoken word at a trial.

be well-versed in company policies and procedures and have a good understanding of the law in the various areas. Knowing what you can say and what you should not say are keys to preventing potential liability.

The investigators are well trained in getting information from employers and most often employers feel that if they give information to the investigator and show a cooperative attitude, the investigator will go easy on them. Nothing could be further from the truth. Information gathered in any investigation by a government compliance officer will be used against the company if there is the potential for a violation.

Remember, too, that all information supplied or given to an investigator can subsequently be disclosed under the Freedom of Information Act to an opposition party. For example, if an employee files a claim of sex discrimination and the EEOC investigates that charge (which they most often will do), any information supplied to the EEOC can and will subsequently be turned over to the complaining employee pursuant to the Freedom of Information Act.

Certain guidelines apply to what information can and cannot be released under the Freedom of Information Act; just keep in mind that any information you

provide to a government agency may subsequently be read by a jury. As of 1991, juries hear all cases under the EEOC and punitive damages can be awarded. It is, therefore, important to provide only the information necessary to defend and support the company's position without providing information that can subsequently be used by the opposition against you.

Investigators will also want to review files and, therefore, documentation is important. There should only be one personnel file for each employee and it should be periodically reviewed to ensure that the information contained therein is appropriate for the workplace and does not include information that does not belong there.

For example, medical information must be kept separately and provided only on a "need to know" basis. The same is true of insurance or employee assistance program requests.

Be careful about putting personal notes or comments in the personnel file. In a recent case, an employee had been hired but the notation "too old" was included in the supervisor's handwriting on the employee's resume. The employee was only 28-years old. The supervisor himself was puzzled until he looked more closely and realized

that it was the resume that was too old. The employee had subsequently been asked to submit an updated resume that was also included in the file. There was no reason to keep the outdated resume in the file.

Certainly, the application form; necessary tax, insurance and social security forms; employee appraisals; warning letters; letters of commendation or praise; payroll information; etc., should be kept in the file. This is the first line of defense in any proceeding.

Juries in labor and employment law cases tend to believe the written documentation more than the spoken word at a trial. Why is that? Studies have shown the jurors believe that when a document is created in the workplace, no one is thinking of a lawsuit. When the witness testifies on the stand, however, everybody is thinking about the lawsuit. Therefore, jurors tend to believe the written word or document is more credible than the spoken word from the witness stand since the document in the file was created in a less adversarial situation.

Liability can be avoided by having knowledgeable personnel who are trained in the requirements of the law and in what they can, should, and must provide government investigators. ■

FLORIDA: WE'RE ON THE MOVE!

To better serve you, we've moved and expanded our facility. We think you will like our new products and services.

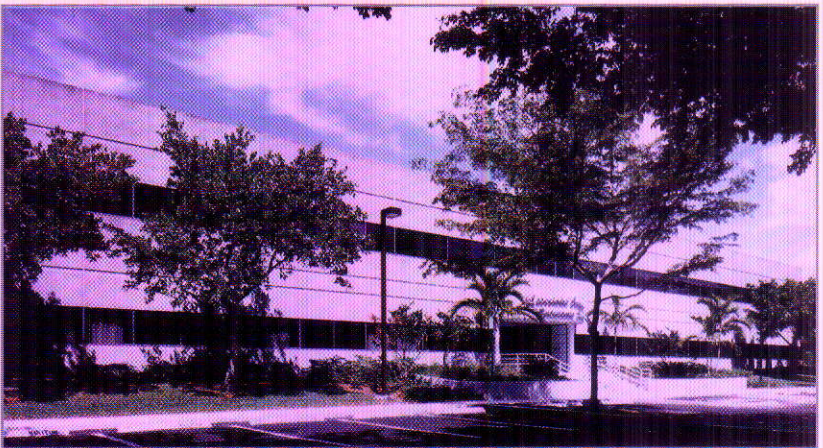
For those employers that are self-insured, AIIS is prepared to assist you in the management of your workers' compensation program. Also, AIIS now provides Third Party Administration (TPA), which means we will administer your claims and safety programs.

Our move will also enable our non-assessable workers' comp. insurance company — Associated Industries Insurance Company, Inc. (AIIC) — to continue providing the same underwriting and safety programs that have rewarded us with the reputation as having one of the lowest loss ratios in the state of Florida.

Our new Jumbo Retro rating plan — designed especially for small and medium size employers — provides the same advantages that larger employers enjoy with their workers' compensation plans. See our center spread ad for a clearer view of what is available to you.

So that you can reach us more readily according to your communications style, we have added our own internet and e-mail addresses. Or, you may reach us toll free.

1 (800) 866-1234



Associated Industries
Insurance Services, Inc.



901 NW 51ST ST., BOCA RATON, FL 33431-4425 • FAX (407) 997-6444 • INTERNET <http://aif.com> • E-MAIL aiais@aif.com

Sales Tax Exemptions: Fact and Fiction

The largest single source of revenue for the state of Florida is the sales and use tax, which is estimated to generate \$11.3 billion for the 1995-1996 fiscal year.

Every year, numerous bills are filed in the Legislature to grant some exemption from this tax for some well-meaning group or activity, to expand existing exemptions, or to create an entirely new exemption. These bills are always discussed in the context that the exemption being considered makes more sense than some of the existing exemptions, and for that reason should be adopted.

Some argue that any new exemption should be offset by the repeal of a current exemption worth the same dollar value. However, all agree that some exemptions are needed, some may have outlived their usefulness, and some sort of review is needed.

Attempts have been made over the last few years to set up a review mechanism to evaluate the need or necessity for all the current exemptions. These bills are generally opposed because they always start with the premise that the exemption is repealed effective a date certain, unless the Legislature acts to reinstate

the exemption. This method of review is not acceptable to the business community and others because it does not ensure adequate discussion or debate on the public policy considerations that should be reviewed with each and every exemption that currently exists.

There is always the hope, however, that some agreement can be reached in the future that will encourage a systematic review.

Nevertheless, there are always generalizations made about the "never-ending" list of sales tax exemptions. One such statement asserts that the sales tax law actually exempts more than it taxes.

As a point of fact, this is a true statement. It is currently estimated that the sales tax receipts for the 1996-1997 fiscal year will be \$11.9 billion, while the estimated exemptions, exclusions, deductions, and credits from the sales tax are worth approximately \$15.2 billion.

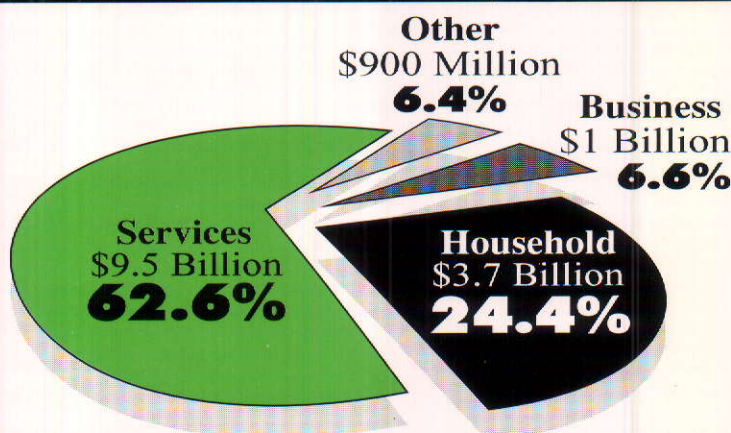
This raw data appears to indicate that the tax is only being levied on about half the items against which the tax could be applied. Upon further investigation, it becomes quite clear why the exemption, exclusion, deduction number is so large.

A close analysis of the \$15.2 billion amount reveals that some items that are included in this list-



by Randy Miller,
Pennington, Culpepper,
Moore, Wilkinson,
Dunbar & Dunlap, P.A.,
& AIF Tax Consultant

Who's *Saving* Money on Sales Tax Exemptions?



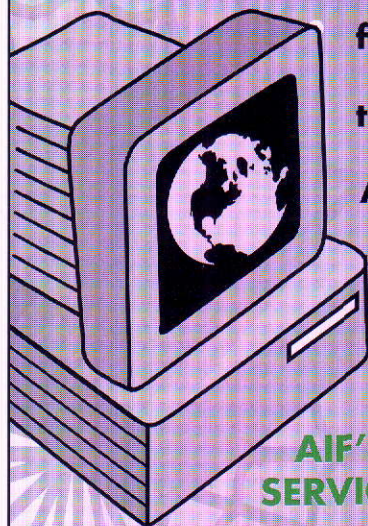
Dollar amounts do not add up to \$15.2 billion because they have been rounded.

WE CAN GIVE YOU THE WORLD OF BUSINESS



**By giving your company a presence
on the Internet/World Wide Web, you'll
have the opportunity to be a part of the**

**future rather than
the past. And now,
Associated Industries
of Florida can help
you get there.**



AIF'S INTERNET/WEB SERVICES INCLUDE:

- Complete site creation and design. We'll custom build your site or you can create your own site from several standard page designs.
- All HTML programming.
- Complete storage on AIF's server.
- Routine monthly maintenance.
- E-Mail forwarding.
- Free listing of your company's Internet Web page on AIF's business page.
- Internet/Web consulting.
- Reasonable fee structures (a la carte pricing and package pricing...and we offer discounts for AIF members).

*For a quote or more information, contact
Robert D. McRae, senior vice president & MIS
director, at (904) 224-7173.*

Associated Industries of Florida Service Corporation

516 NORTH ADAMS STREET • P.O. BOX 784 • TALLAHASSEE, FL 32302-0784
PHONE: (904) 224-7173 • FAX: (904) 224-6532
E-MAIL: aif@aif.com • INTERNET: <http://aif.com>

ing would not ordinarily be thought of as being taxable in the first place. As an example, money lending by banks is listed as being exempt and would generate \$656 million if it was taxed. Health services of physicians, hospitals, and laboratories are exempted, but would generate \$1.2 billion annually if taxed. Levying taxes on the services of insurance agents and brokers, and real estate agents, brokers, and appraisers would generate \$374 million. Taxing the services of lawyers and accountants would add another \$375 million.

All in all, taxing personal services would generate approximately \$9.5 billion in sales tax revenue on an annual recurring basis. In 1986, the Florida Legislature imposed a sales and use tax on some of the services included in the \$9.5 billion exemption, but repealed the services tax after a six-month period of intense opposition.

Other major exemptions include \$1.5 billion for food and groceries; \$630 million to exempt rent payments on residential housing; \$651 million to exempt residential power and heating fuels; \$269 million to exempt charges for hospital meals and rooms; \$268 million to exempt water; \$240 million for the exemption of prescription and non-prescription drugs; and \$214 million for residential telephone service. The aforementioned exemptions are generally regarded as necessary to blunt the regression of the sales tax on residents

of the state of Florida.

Of course, there are many smaller exemptions that cover a wide range of miscellaneous issues, from the exemption of Bibles to the exemption of the sales of U.S. flags.

There are also exemptions for business activities that reduce the pyramiding of taxes in certain manufactured items produced in this state. Most of the business exemptions were adopted as economic development incentives to make Florida more attractive to industry and business. These business exemptions, in total, come to about \$1 billion or about 6.6 percent of the \$15.2 billion worth of exemptions.

On the other hand, household items account for \$3.7 billion, which equates to 24.4 percent; organizations account for \$200 million, or 1.6 percent; services account for \$9.5 billion, or 62.6 percent; and miscellaneous items account for \$700 million, or 4.9 percent of the total for all exemptions.

All these exemptions will continue to grow in dollar value in future years and will remain a potential target for additional state revenue. It is also evident from looking at the mix of exemptions that there is no easy revenue fix in the repeal of the current sales tax exemptions. There was a reasonable purpose behind the original adoption of all of these exemptions. Whether or not the purpose is still reasonable is the question that will have to be addressed in the future. ■



Government Information Via the World Wide Web

The World Wide Web is one of the more developed components of the information superhighway known as the Internet. If you believe that information is power, just think of the Web as a user-friendly tool for harnessing that power.

The World Wide Web consists of millions upon millions of pages of information. Each Web page has its own unique address or URL (Universal Resource Locator), which works similar to one's home address by allowing users from all over the world to find and retrieve the information contained in the Web site.

Assuming you're connected to the Internet, you'll need a Web browser to navigate through the millions of Web pages available. The two most well known browsers are Netscape Navigator and Internet Explorer.

Once you're connected, you simply type in the URL for the Web site you wish to go to, or click on any of the sites bookmarked by your Web browser. You will then be immediately transported to the host computer containing the Web page with the URL you requested.

Web pages usually consist of text, graphics, sound, and even video. Most Web pages are created using HTML (Hypertext Markup Language), which is a type of computer programming language used to instruct Web

browsers about how to display Web pages on your computer. Most Web pages also contain links to other sites. You move from one Web page to another simply by clicking on the links, which are usually set out in a different color.

If you're all gassed up (connected to the Internet and equipped with a Web browser) and don't know where to go, check out the numerous Florida-specific Web pages offering a wealth of information on government in the state of Florida. Following are home pages for all three branches of state government.

Buckle up and have a good trip!

Florida Supreme Court

<http://justice.courts.state.fl.us/courts/supct/>

In addition to providing bios and pictures of the seven current justices, the Supreme Court's home page contains an extensive legal research collection, including Florida and federal reference material. You can access such primary legal resources as the *Florida Administrative Weekly*, Florida attorney general opinions, the Florida Constitution, and *Florida Statutes*. You can also retrieve Florida Supreme Court opinions, as well as opinions from the various federal courts of appeal and the U.S. Supreme Court.

Online Sunshine

<http://www.leg.state.fl.us/>

The home page of the Florida Legislature consists of the *Citizen's Guide to the Legislature*, which provides an overview of the legislative process, including an explanation of how bills become law in the state. The site also includes a directory of state lawmakers that lets you identify which representative and senator represents you if you don't already know.

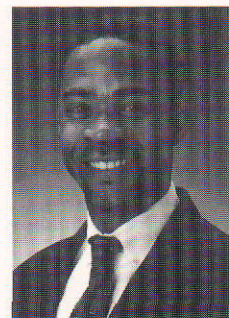
Online Sunshine also allows users to access, search, and print sections of the *Florida Statutes* and Florida Constitution. The statutes, however, have not been updated. In addition, Online Sunshine provides lobbyist information, including the ability to search for registered legislative and executive branch lobbyists by name or principal.

The Florida Communities Network

<http://fcn.state.fl.us/fcn/3/index.phtml>

A very useful site that provides links to many executive branch agencies and local governments is the Florida Communities Network (FCN).

FCN's Web page contains a statewide telephone directory that allows you to search for state employees by name. The "Access to Government" option has links to various state government sites and also includes links to local and federal government information. ■



by Kevin R. Neal,
Assistant Vice
President,
Governmental
Affairs





by **Scott A. West,**
M.D., President,
Psychiatric
Institute of
Florida

When Anxiety is Out of Control

Carol walked into the office seemingly well prepared. She had spent the majority of the past evening reviewing her presentation for today. With some trepidation, she began to discuss the ramifications of the corporate merger and how it would affect the company. Would further layoffs be necessary in order to increase the bottom line? Would job descriptions change to the point that employees no longer enjoyed or even recognized their positions? Could the employees survive yet another round of uncertainty, and how would this affect morale?

As the presentation continued, tension mounted throughout the room. Suddenly, Carol felt extremely frightened and anx-

ious. Her heart started pounding as if it would jump out of her chest. She became short of breath, felt her hands go numb, and she began to tremble and sweat profusely. Nauseous and dizzy, Carol was offered a chair and sat down to try and collect herself. Over the next five minutes her symptoms subsided, but Carol was left feeling embarrassed and humiliated. She wondered, "Why does this keep happening to me?"

Panic disorder occurs in approximately 1 percent of the population, and can have devastating consequences on job performance. While panic attacks often occur in the context of some obviously stressful event, attacks also frequently occur out of the blue. For example, it is common for people with panic disorder to be awakened from sleep in the midst of an attack.

Agoraphobia, the fear of being away from home or in public places, frequently develops as panic attacks continue. This happens because attacks are largely unpredictable events and the potential for embarrassment and humiliation becomes too great to risk venturing out into society. Indeed, agoraphobia often becomes the paralyzing component of this disorder, resulting in work absenteeism, limited social engagements, and dependence

upon delivery services for food and other necessities.

Although panic disorder is readily recognized by professionals familiar with treating this illness, it is often mistaken for other illnesses. The two most common conditions that mimic panic attacks are heart attacks (or angina) and thyroid abnormalities, and it is very important to consider these conditions during the initial evaluation. However, once these disorders are ruled out, panic disorder should be a top consideration.

Numerous people endure countless physical examinations, laboratory workups, and trips to the emergency room prior to receiving a proper diagnosis of panic disorder. Indeed, it is estimated that as many as 40 percent of the people who are referred for an evaluation by a cardiologist suffer from panic disorder.

What happens when a person is told, "It's all in your head?" Although this is often meant to be comforting, it is stigmatizing and provides little reassurance that one will be okay given the robust physiological symptoms that are experienced. However, the truth is that it *is* all in your head. A small nucleus in the deep part of the brain, the locus ceruleus, is the trigger point for the cascade of neurophysiological events that occur during a panic attack. This system modulates normal or appropriate anxiety; when it goes awry, panic disorder ensues. Messages are

**It is estimated
that as many
as 40 percent of
the people who
are referred for
an evaluation by
a cardiologist
suffer from
panic disorder.**

sent from the locus ceruleus to various other parts of the brain that are then transmitted to the rest of the body, resulting in an intense, aroused, anxious state. In susceptible persons, panic attacks may be precipitated by the infusion of lactate, a procedure that is occasionally used to diagnose panic disorder.

Anxiety disorders in general, and panic disorder in particular, are very responsive to treatment, with over 90 percent of patients improving substantially. Numerous treatment options exist, and most physicians recommend one of several classes of medications that work very well. The tricyclic antidepressants (such as imipramine) have been around for many years and are effective, but their side effects are often bothersome, which may limit their use.

Newer agents [selective serotonin reuptake inhibitors, including paroxetine (Praxil) and sertraline (Zoloft)] are also very effective and tend to cause fewer side effects.

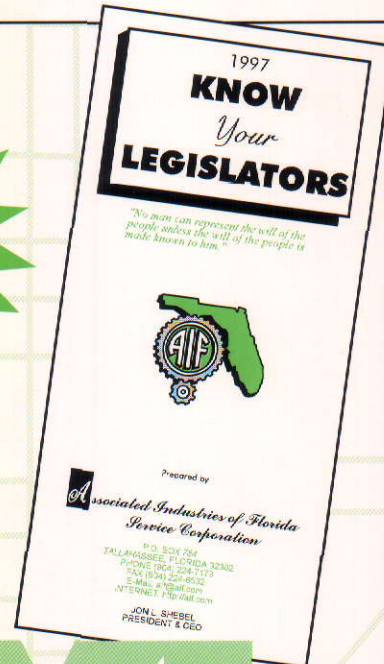
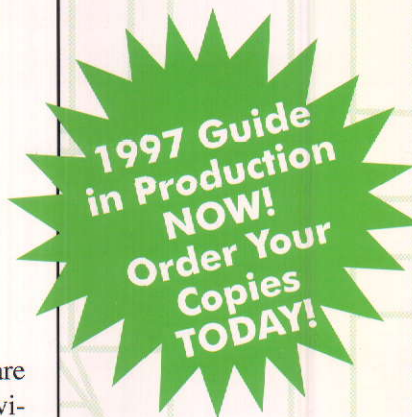
A third class of commonly prescribed medications are the benzodiazepines, which include lorazepam (Ativan) and alprazolam (Xanax). This class of medications is the most effective in providing immediate relief, in addition to their efficacy in preventing future attacks. Typically, benzodiazepines are also well tolerated, although when used over a long period of time (months to years) they may become addicting.

All of these medications are helpful in reducing (if not alleviating) both the frequency and intensity of panic attacks.

In addition to medications, psychotherapy may also be very helpful, especially during the initial phase of treatment. Psychotherapy typically focuses on different ways of managing stress, relaxation techniques, and creating alternative thought patterns to help alleviate panic episodes. If agoraphobia is significant, challenging patients to systematically do more outside their homes becomes very important. Once it is realized that panic attacks are well controlled, agoraphobia typically resolves. In general, the course of psychotherapy is very brief relative to pharmacological maintenance.

Panic disorder is a real, treatable illness that is often misunderstood and misdiagnosed. More than 2.5 million people suffer from this disorder in this country alone. Fortunately, remarkable progress has been made in the last decade in understanding the pathophysiology of this disorder and defining treatment modalities that are effective.

If you would like more information about panic disorder or other anxiety disorders, you may contact the Anxiety Disorders Association of America in Rockville, MD; the National Institute of Mental Health in Rockville, MD; or the Psychiatric Institute of Florida in Orlando at (800) 939-6337. ■



KYL

Know Your Legislators

Your Road Map to the Florida Legislature

In Florida, all political roads lead to Tallahassee where the Capitol becomes the center of bargaining and decision-making. To help you reach the right decision-makers for your topics of interest, we have just the road map for you—**Know Your Legislators**, a pocket-size handbook that fills you in on:

- Committee staff and assignments;
- Legislator addresses, staff, and phone numbers in Tallahassee and the districts;
- Maps showing the boundaries for Senate, House, and Congressional districts;
- Complete cross-reference list of county representation for each district in each chamber.

1997 KYLs to be released Jan. 31, 1997

To order your copy of the 1997 edition of Know Your Legislators, call (904) 224-7173.
VISA and MasterCard accepted.



What Does a Legislative Department Do When the Legislature's Not in Session?



by Jodi L. Chase,
Executive
Vice President &
General Counsel

As in sports, so it is in advocacy: the best defense is a good offense. Waiting for the session to begin and reacting to issues as they arise is a recipe for disaster. That's why the interim — the time between legislative sessions — is a strategic period.

The keys to successful governmental relations are preparation and communication. Immediately after the session adjourns, communication begins. The AIF legal and governmental affairs staff reviews the bills that passed, a complex task since many bills have huge amendments attached to them in the last hours of session. These amendments often are an entire piece of legislation that couldn't get passed on its own. Simply reading a bill's title will never tell you what it truly does. The AIF staff reads all the major pieces of legislation and meets with legislative staff to decipher just what the lawmakers did.

At the same time, we work with the governor's office to present the opinions of the busi-

ness community as to which bills should be signed into law and which should be vetoed.

Once AIF staff is sure of the outcome, we begin preparing the information that lets you know what the politicians did for — and to — your business. Then it's time for us to hit the road.

AIF holds a three-day corporate lobbyist retreat after each session. The staff briefs corporate lobbyists on outcomes of the session. We talk about which legislators were helpful, and which were not. We gear up for elections and begin planning for the next legislative session. A preliminary issues list is developed as well as the beginning of an election plan.

Since this is an election year, AIF staff and corporate lobbyists followed the retreat by spending weeks on the road. We traveled all over the state, from Pensacola to Miami, interviewing more than 150 candidates for legislative office.

Candidate interviews give us a chance to meet potential members of the Legislature early and

to talk to them about their views in an informal atmosphere. We have found that a person who is pro-business in the interview process will generally remain pro-business as a legislator.

After the interviews, the board of AIFPAC (the association's political action committee) met to determine which candidates merited AIF endorsements. AIFPAC is made up of member companies who sit on the board and make endorsement decisions. Once those decisions were made, the political department took over and helped to elect the candidates chosen by the AIFPAC board.

During the interim, we do more than get ready for the next crop of lawmakers; we figure out just what we think they should do when they get here in March. And it's a time we use to reconnect with AIF members. The AIF facility calendar is quite full during the fall months. AIF committees meet as needed. This is the time when AIF members tell staff what issues they would like to have addressed. It is also a

time to begin building support for AIF issues among other interest groups.

Preparation can mean the difference between a successful session and a disastrous one. Asking the Legislature to change the law is no minor undertaking. If you want to change something, you'd better be ready to prove the necessity for the change. At AIF, we carefully prepare our case. Summer and fall months are spent conducting legal research to pinpoint problem areas and carefully craft solutions. Florida case law and the law in other states is examined. Facts to support our position are gathered.

Despite what you might read in the popular press, the Florida Legislature is a *deliberative* body. All bills go through at least one subcommittee and at least two full committees before they are sent on to the full chamber. This process must be completed in both the House and Senate. The bill is debated at every step and is the subject of an in-depth staff analysis. Throughout that process, the AIF staff is hard at work, making sure your side of the story gets heard.

One of the basic rules of lobbying is to be prepared to make your case in 30 seconds. All information must be presented in a concise, easy-to-digest format so a busy legislator can quickly understand our issue and position. We strive to have all of our necessary information prepared for major issues before the leg-

islative session begins.

Success in this arena doesn't come easily. Every issue is multifaceted. Every issue brings out people with opposing viewpoints. Every issue also carries a certain amount of political intrigue with it. The end result is never assured. The interim period is the time we have to lay the groundwork for success.

Associated Industries is devoted to governmental relations. We share a strong belief in the right to petition government and have your voice heard by leaders and lawmakers. As the Voice of Business, AIF informs lawmakers of the problems faced by employers in our state. We try to offer comprehensive, real-life solutions to those problems. Then, we work to have the solution enacted into law or policy.

Our information and positions on issues come from business men and women all around the state. As your lobbyist, we are a reflection of your business beliefs and needs. A lobbyist is a communication vehicle. Without a voice in the halls of the Capitol, your business needs would never be communicated. Special interests would prevail. Taxes on business would rise to pay for some organization's pet project and the business climate would turn cold.

So, while the Legislature only sits in regular session for two, out of the 12 months of the year, the work of legislating goes on full-time. ■

major issues

The interim
political intrigue

period is
business voice

the time
real-life solutions

we have
strategic period

to lay the
position

groundwork
communication

for success.



Summary of Tax Law Changes for 1997



by David P. Yon,
Executive
Vice President
& CFO

There were four important pieces of legislation enacted into law in the summer of 1996.

- **The Small Business Jobs Protection Act of 1996**, which includes the minimum wage increase and contains many tax breaks for small businesses.
- **The Health Insurance Portability and Accountability Act of 1996**, which helps taxpayers with their medical expenses.
- **Personal Responsibility and Work Opportunity Reconciliation (welfare reform)**, which revises the requirements for claiming the earned income credit.
- **Taxpayer Bill of Rights II**, which gives taxpayers more than 40 new procedural rights in their dealings with the Internal Revenue Service.

Rather than enumerate the major changes in each individual piece of legislation, this summary provides an overview of the cumulative changes as they affect individuals, businesses, the Taxpayer Bill of Rights, and electronic filing of payroll taxes. Please note the different effective dates of each provision.

Tax Provisions For Business

Minimum Wage Increase

The federal hourly minimum wage will be increased by 90 cents in two steps: a 50-cent increase to \$4.75 effective Oct. 1, 1996; and a 40-cent increase to \$5.15 on Sept. 1, 1997. There is also a "subminimum wage" of \$4.25 per hour for the first 90 calendar days of employment of new workers under 20 years of age.

Section 179 Expensing Election

Qualifying taxpayers can expense in the current tax year the cost of assets acquired that would otherwise have to be depreciated. Currently, the annual limit is \$17,500. In 1997, this amount increases to \$18,000, and it continues to increase every year thereafter until 2003, at which time it reaches a maximum of \$25,000. There was no change in the phase-out of the available expense when the cost of assets acquired exceeds \$200,000.

Treatment of Disposed Leasehold Improvements

A lessor of leased property that disposes of leasehold improvement made by the lessor on behalf of a lessee may take a gain or loss if the improvement is irrevocably disposed of or aban-

doned by the lessor at the end of the lease. Separate accountability is required, and this does not allow the deduction of demolition expenses or losses.

Increase in Health Insurance Deduction for Self-Employed

The current 30-percent "above-the-line" deduction for health insurance premiums rises to 40 percent in 1997, and increases in increments after that until an 80-percent deduction is allowed in 2006 and later years. This covers premiums for both medical and dental insurance. Long-term-care insurance premiums for contracts issued after 1996 are also covered.

Worker Classification

My previous article (September/October 1996 *Employer Advocate*) provided an update on worker classification and highlighted some of the complexities involved in this issue. The 1996 Small Business Job Protection Act clarifies and modifies the "safe haven," which generally allows an employer to treat a worker as an independent contractor regardless of the worker's actual status under the 20-point test, unless the employer has no reasonable basis for the treatment. These changes are supposed to reduce the number



of disputes over the application of the "safe haven" rules, and under certain circumstances can shift the burden of proof to the IRS.

Major Changes to Subchapter S Corporation Rules.

Most of the rules governing "S" corporations have been liberalized to make them more flexible. All of the changes are generally for tax years beginning after 1996.

"S" corporations can now have a maximum of 75 shareholders instead of 35.

The types of trusts that can be "S" corporation shareholders have been expanded.

The IRS can now waive the effect of an invalid "S" election, which is caused by the inadvertent failure to meet the qualification requirements for an "S" election.

"S" corporations can now own stock in regular (or "C") corporations or other "S" corporations.

Qualified retirement plans or 501(c)(3) charitable organizations can be shareholders in "S" corporations.

SIMPLE Retirement Plan

A Savings Incentive Match Plan for Employees (SIMPLE) retirement plan is created for tax years beginning after 1996. SIMPLE plans can be adopted by

employers who employ 100 or fewer employees with at least \$5,000 in compensation for the previous year, and who do not have another employer-sponsored retirement plan. Self-employed persons can participate in SIMPLE plans. A SIMPLE plan can be either an individual retirement account (IRA) for each employee or part of a 401(k) plan where salary is deferred. There are varying requirements for each, with employer matches required.

Nondiscrimination Provisions Simplified and Tightened

The definition of what constitutes a highly compensated employee has been simplified so that the determination of which employees are highly compensated is made easier. Also, the minimum participation requirements, designed to prevent employers from maintaining multiple plans, only apply to defined-benefit pension plans beginning after 1996. This could favor highly-compensated employees. The new law modifies the nondiscrimination testing applicable to 401(k) plans, allowing the testing be done earlier in the year instead of waiting until the end of the year. There are other pension and benefit provisions; these, however, are the most significant.

Tax Provisions For Individuals

Long-Term-Care Insurance

Beginning with contracts issued after 1996, long-term-care insurance contracts are generally treated the same as accident and health insurance contracts for income tax purposes.

Premiums paid on qualified policies will qualify as medical expenses for itemized deduction purposes.

Benefits paid are generally received on a tax-free basis.

Unreimbursed long-term-care expenses are treated as medical expenses if the services are not provided by a relative (unless the relative is licensed to provide these services).

Long-term-care expenses must be incurred for services required by a chronically ill individual.

Long-term-care coverage cannot be provided through a flexible spending arrangement.

Employer-provided coverage through a cafeteria plan can be included in the employee's income.

Withdrawals from IRAs for Medical Expenses and Insurance

Early distributions from an IRA can be made penalty-free for the medical expenses of the taxpayer and the taxpayer's spouse



or dependents if the expenses exceed 7.5 percent of the taxpayer's adjusted gross income. In addition, early distributions made to pay medical insurance can be made penalty-free if the taxpayer has received unemployment compensation for at least 12 weeks and the withdrawal is made in the year the compensation is received or in the following year.

Medical Savings Accounts

Beginning in 1997, the law will, through a test program, allow certain taxpayers to make tax-deductible contributions to a medical savings account (MSA). MSAs are private savings accounts that are set up in conjunction with high-deductible medical insurance policies. Contributions to an MSA are limited to a percentage of the policy deductible. They are deductible by an employee or tax-free. Contributions are not subject to payroll tax if made by the employer, subject to certain compensation/earned income limits. Amounts can be withdrawn from the MSA to pay for medical expenses not covered by the insurance policy. These withdrawals are not taxed to the employee unless used for non-medical purposes. They are available only to an employer who has no more than 50 employees or a self-employed person with a high-deductible medical insurance plan. There

should be no coverage under any other medical plan.

MSAs were a very controversial provision of the new legislation. For this reason, a compromise was reached, treating MSAs as an experiment for a period of four years and limiting participation to 750,000 taxpayers.

Adoption Expense Assistance

Individuals adopting an eligible adoptee can qualify for a nonrefundable tax credit of up to \$5,000 of qualified adoption expenses for each adoptee. An eligible adoptee is one who is under the age of 18 at the time of adoption or who is mentally or physically incapable of self care. There is also an exclusion of up to \$5,000 of adoption expenses paid for by an employer. Unused credits can be carried forward for up to five years. The amount of credit phases out at higher income levels.

Education Exclusion Extended

The income exclusion of up to \$5,250 annually of benefits paid under an employer's educational assistance program has been retroactively extended. It had expired after 1994. This exclusion generally expires for tax years beginning after May 31, 1997. The exclusion does not apply to graduate level courses beginning after June 30, 1996. For tax years beginning in 1997, only the expenses for undergraduate courses beginning before July 1, 1997, qualify.

Spousal IRAs

The current \$2,000 annual limit for individuals, plus an additional \$250 limit for the individual's nonworking spouse, has been changed. The new law allows IRA contributions of up to \$2,000 for each spouse, even when only one spouse works, so long as the combined compensation of both spouses is at least equal to the amount contributed to the IRA.

Personal Injury Damages

The new law provides that the exclusion from gross income for personal injury or sickness damages only applies to amounts received on account of a personal *physical* injury or sickness. Emotional distress is not to be treated as a physical injury or physical sickness, so the exclusion will not apply for damages resulting from this. This means that any damages not received as a result of physical injury or sickness and all *punitive* damages (unless in connection with a wrongful death action) are taxable.

Taxpayer Bill Of Rights

The following are the major changes enacted by the Taxpayer Bill of Rights II.

- *Establishes a taxpayer advocate* to assist in resolving problems with the IRS. The taxpayer advocate will have expanded



authority to issue taxpayer assistance orders and to act on behalf of taxpayers suffering a hardship as a result of actions by the IRS. This does not eliminate the Problem Resolutions Office.

- *A shift in the burden of proof* for attorney's fee awards. The IRS must now show its position was substantially justified in an action by a taxpayer for attorney's fees and litigation costs. Additionally, the cap on recoverable attorney's fees has been raised and is now indexed for inflation.
- *A private delivery service* will now qualify to prove timely filing of returns. Currently only a U.S. Postal Service postmark provides proof of timely mailing. The IRS will publish an approved list of private delivery services.
- *The IRS's authority to forgive interest* has been expanded.
- *Payroll deposit penalties can be abated* by the IRS if: there is an inadvertent failure to deposit any employment tax; if the depositing entity is a small business; if the failure occurs during the first quarter that employment tax deposits are due;

and the related tax return was filed on time.

- *A public notice of tax lien* can be withdrawn before payment is made in full if: the filing of the notice was premature and not in compliance with procedures; the taxpayer has entered into an installment agreement to satisfy the tax liability; withdrawal of the lien facilitates collection of the tax; and if withdrawal of the lien is in the best interest of the taxpayer and the government as determined by the taxpayer advocate.

Electronic Filing Of Payroll Taxes

The requirement that most businesses file their payroll taxes electronically arose from an unrelated provision of the 1993 NAFTA legislation, which required that the federal government build a nationwide electronic federal tax payment system in order to receive federal depository taxes electronically. As part of the phase-in required by this legislation, businesses whose aggregate federal payroll tax deposits exceeded \$50,000 in 1995 were to have begun depositing these taxes electronically beginning Jan. 1, 1997.

The IRS began sending out notices to these businesses earlier this year, catching most of them by surprise. This requirement of NAFTA and the result-

ing notice also caught many accountants unawares. As can be imagined, there was much confusion regarding what was required, as well as how it was to be implemented. Also, the large number of businesses affected (approximately 2 million) meant that the time required to register with the IRS was short. If that wasn't enough, there was to be no testing to see if the system worked properly.

Fortunately, the Small Business Jobs Protection Act extends the deadline for electronic depositing to July 1, 1997, so that businesses can more fully understand how to comply with the law. This extension also helps the IRS better prepare itself and educate the businesses affected.

Businesses should use this extra time to ensure they know how to comply with the law. Be advised that the requirement for electronic depositing drops to \$20,000 in 1999.

Conclusion

As you can see, there were a number of substantive changes made in the income tax laws in the summer of 1996. Some of the major changes have been outlined here. There are numerous other provisions that are not included in this article in the interest of brevity. You should contact your accountant or CPA to determine the impact all of these provisions will have on your taxes. ■



Making Movie Magic



by Irv B. "Doc"

Kokol, Vice

President, Video

Productions & COO,

White Hawk

Pictures

So, you say you want to make a movie? Well, let's talk.

More and more businesses are making use of film and video as a method to communicate, educate, and motivate. For first-time users, there is a certain fear of the unknown involved. After all, how many of you watch the credits at the end of a movie and ask yourself, "Just what is a best boy?"

Unless you really want to make your movie by yourself, you don't need to worry about such matters; just find someone to produce the project for you. Making the right choice is your most important — and most difficult task — in the process. This column should help you make that selection by giving you some insight into the questions you should ask, and perhaps more importantly, the questions the prospective production company should ask you.

First on the list are some decisions you should reach before you make this foray into the communications world.

What audience do you want to reach? Be specific: Is your audience local and in a defined geographic area, or large and dispersed? Will your production be seen in group settings, or on television or cable?

What is the purpose for the production? Are you selling a product, a service, or an image? Is it about a complex topic that needs careful explanation? Is there an action that needs to be taken?

Once the viewers have watched your video, what do you want them to do? Do you want them to call you, remember facts that you presented, or select your product over a competitor's product?

How much of your company's resources are you willing to invest in the project? What's it worth to your company to end up with a production that is successful and meets your expectations?

After you have considered these questions and are prepared to discuss them, you are ready for the next step: selecting a producer.

Where will you find him? Some are independent producers, others work for full-service production companies or advertising agencies. Each brings a unique set of benefits to the table.

The independent producer will pick a script writer, production group, people to run the cameras, editors, and duplicators from among the available talent. Advertising agencies often have script writers on staff but contract out for production and post-production work. The full service production company has all the people and equipment necessary to take your product from start to finish under one roof.

Your selection process should include consideration of some or all of the following factors.

Ask to see some examples of similar projects completed by the producer.

Make sure the producers you interview let you tell them what you want, rather than *them* telling you what you want.

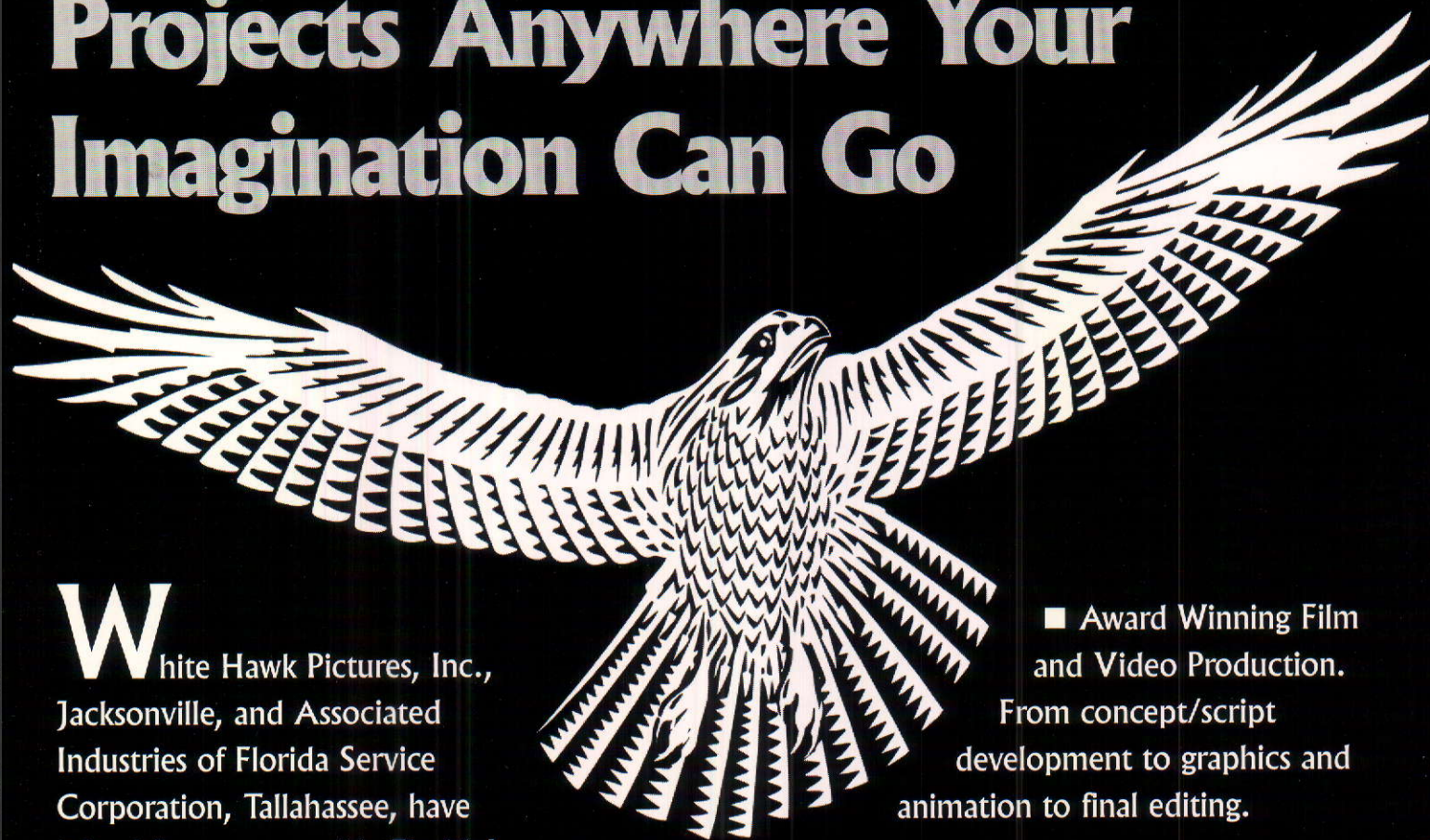
Ask for references; then contact the references. Ask about how the producer handled deadlines and changes.

Be fair in your budgeting process, giving each group the same information about what you want and what you want to spend. If you don't give the bidders that information, they won't give you what you want and you'll end up comparing apples to oranges to kiwis.

Keep in mind that your film is an investment and you expect some kind of return. The more you know about the terms of your investment before you make it, the higher your yield will be. ■

**Making the right choice
is your most important
— and most difficult
task — in the process.**

Take Your Communications Projects Anywhere Your Imagination Can Go



White Hawk Pictures, Inc., Jacksonville, and Associated Industries of Florida Service Corporation, Tallahassee, have joined forces to provide Florida's education and business communities with a new level of service.

Together, we combine the business expertise of Associated Industries and the communication expertise of White Hawk, allowing us to provide our clients with the latest in advanced communications skills.

Here are some of the products that we offer together:

- Internet Presence. From site conception to final on-line design.
- Interactive Television. We offer all formats — laser disk, CD-ROM, CD-I.

■ Award Winning Film and Video Production.

From concept/script development to graphics and animation to final editing.

The AIF/White Hawk team's ability to interpret and motivate business audiences is unmatched. Put our combined expertise to work for you.

FOR MORE INFORMATION, CONTACT IRV B. "DOC" KOKOL, AT (904) 224-7173, OR E-MAIL HIM AT WHITEHAWK@AIF.COM.

**WHITE
HAWK**
P I C T U R E S





What Managed Care is Doing for You

by **Michael A. Jennings,**
Vice President,
Government Relations,
and Lisa York,
Legislative Consultant,
The Prudential

Thousands of anti-managed care bills have been introduced over the past few years which would have severely limited or totally gutted the coordinated care system. If passed, these bills could have caused your health care costs to spiral out of control and, in some cases, even diminished the quality of care your employees receive.

You, as part of the business community, have consistently stood up for managed care by fighting initiatives that would have led to the deterioration of the health care innovation. It is your support that has allowed us to provide for the delivery of affordable, quality health care. We want to ensure lower benefit costs to you, but in order to do so, we continue to need your assistance in defeating these onerous anti-managed care initiatives.

The rapid movement to network health care has compelled one of the most well-established, financially stable, and well-respected sectors of our economy to change significantly the way it has done business for decades. The momentum for reform will

continue because many Americans, particularly those in the business community, believe that we can ultimately offer better value for our health care expenditures by "managing" health care.

For most of this century, the phenomenal developments in medicine have gone unquestioned by a public that saw itself benefiting from these developments. Abundant resources went into research and education. Physician fees increased, and their self-proscribed practice patterns went unchecked. Communities indebted themselves to buy bigger and newer facilities, even when neighboring facilities duplicated these services and resources.

All of this led to astronomical health care costs. Businesses that once offered health care plans to their employees could no longer afford to provide such benefits. Employers and employees demanded a solution to the health care crisis. Managed care is the response to those demands.

Overall premium increases have slowed substantially for managed care plans in each of the last five years. This year,

HMO premiums are actually expected to go down an average of 1.2 percent.

The Congressional Budget Office recognized these cost trends in a recent report on the effects of managed care. The report said that if all Americans were enrolled in either HMOs or plans with effective utilization management programs, insured spending would have been almost 12 percent lower in 1990, and overall national spending would have been nearly 89 percent lower.

At the same time premiums have flattened, employer-sponsored health care coverage has dropped from 53 percent a few years ago to 50 percent today. Many employers have been forced to drop dependent coverage and/or require that their employees contribute more. That decline in coverage has occurred despite the decline in premiums. Just think what the impact will be if we lose the savings associated with managing care. More than likely, we would return to the years of double-digit increases in the cost of health care.

Recent studies conducted by

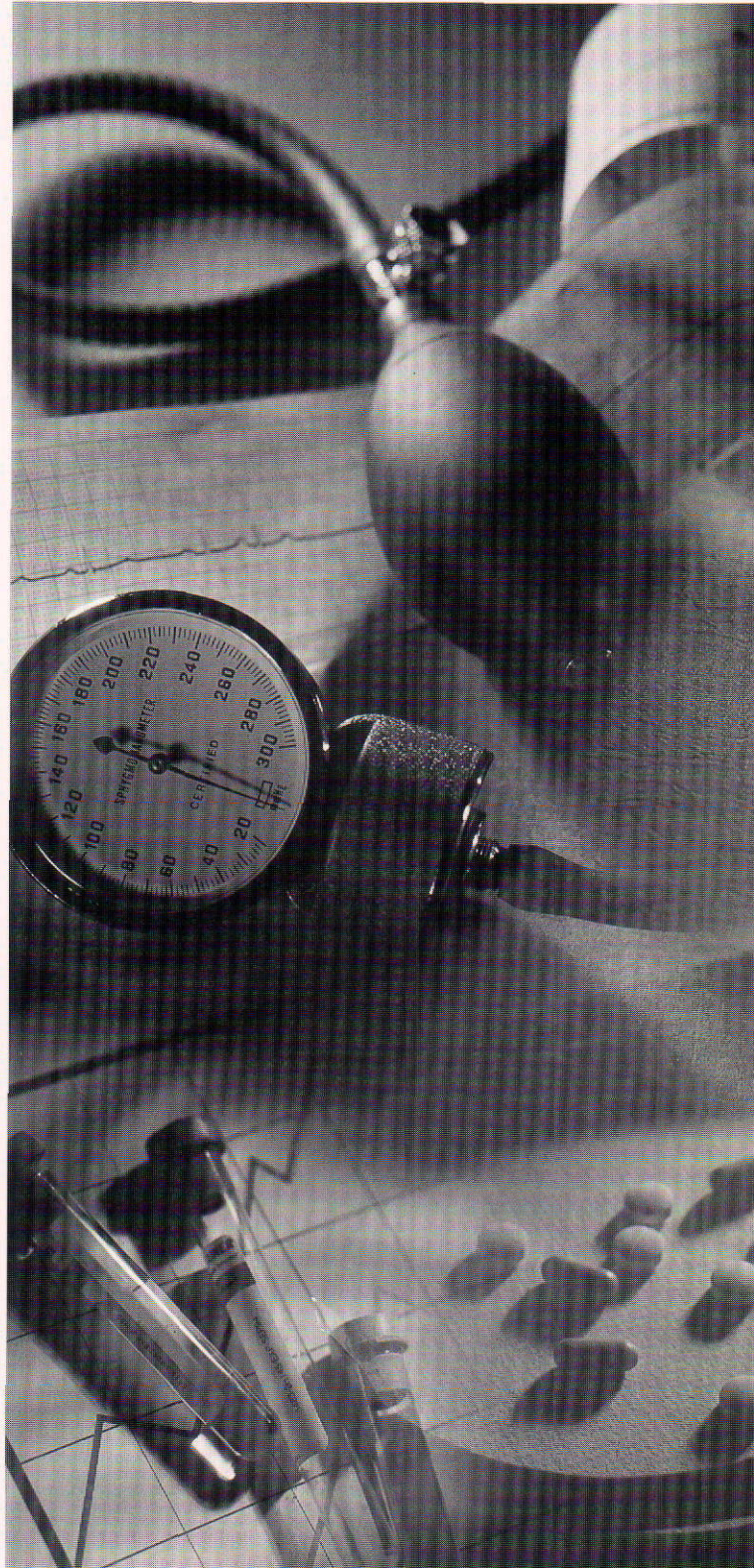
Peat Marwick indicate dramatic increases in health care costs if certain anti-managed care legislation is enacted. For instance, Oklahoma employers, with most of their employees enrolled in managed care, would find their health costs increasing between 6 percent and 12 percent, or between \$38 million and \$76 million in 1996. Over 60 percent of the increase would be borne by firms with fewer than 100 employees.

In essence, coordinated care is changing the way health care is delivered. We have finally discovered a way to provide quality, affordable health care. Unfortunately, certain organizations feel financially wounded by this new delivery system and have orchestrated horror stories to try to lead to its demise.

Managed care organizations have been under siege in the Florida Legislature for years, and every year the attacks become more vicious. We expect the 1997 Legislative Session to be the worst yet.

More than ever, we will need our business allies, like yourself, to assist us in keeping your benefit costs down by defending high-quality, affordable health care.

Your past assistance has been enormously beneficial. We hope we can continue to count on your support.



**We have finally
discovered a way to
provide quality,
affordable health care.**



Is It Over . . . Or Just Beginning?



by **Marian P. Johnson,**
Senior Vice President,
Political Operations

For those of us who seem to thrive on the “*every-other-year, late-July-to-early-November-campaign adrenaline-rush*,” it seems too quiet now; maybe we are even feeling a little dejected and sad. For me, it almost feels like what I would call a brain transmission freeze. That is a period of time when your mind seems to get stuck in one gear and cannot move forward.

It’s strange how the brain seems to get stuck in the whys and what ifs of the losing campaigns. *Why didn’t that message work? What if one more precinct had been walked?* Time becomes the medical miracle and after a few days in this state, the mind and body begin to heal. Then you are able to assess the campaigns and figure out the right things that were done, and file those things away in your mind for future campaign strategy use.

You remember a comic moment in the campaign; for example, the time you were told the most important mail piece did not get mailed as planned (causing campaign heart failure), then later found out that it really did. Or maybe you recall a time when something really came together and worked just the way you said it would. You simply file those thoughts away for a future

memory-sharing session with others.

All of the candidates deserve respect because they cared enough to expose themselves to the scrutiny of the election process. Sometimes you wish both candidates in a race could have won because you know how much the citizens of Florida would have benefited if both were legislators. But that’s not how the system works, so we can only hope those who did not win this time — and should have — will attempt a future run.

And they probably will because the campaigning process can be addictive. Sometimes it seems that it actually changes your personality. You find yourself frantically clicking through the channels searching for the latest predictions. Or the newspaper to find the latest poll results. Or exploring the Internet to see which candidate has the latest “no new taxes” promise.

You feel your anger swell when those newspapers endorse the wrong candidate!

And as election day draws closer, you find yourself answering the phone, “Yes, I am going to vote — you are the 39th call I’ve had today” — only to discover it’s your daughter calling to tell you she has a flat tire.

You become so accustomed

to the candidates and their sign-wavers each morning that, with them gone, the landscape looks completely different and you find yourself wondering, “Where am I? Did I take the wrong turn?”

Then you realize: election day is over. Let the grandchildren watch *Sesame Street*. Who cares what the newspaper says? Who has the energy even to say Internet, much less to turn on the computer. The phone rings. Let the answering machine get it. Taxes? I’ll pay them. It’s total physical and mental fatigue!

Is it over? Only for a while. For soon, the victors will start doing what they were elected to do and then it’s time to let the politicking begin again. ■

**Taxes? I’ll
pay them.
It’s total
physical
and mental
fatigue!**



It's YOUR

BUSINESS

A PLEDGE

By standing up for your right to succeed, free from government intrusion and interference, Associated Industries helps companies like yours grow.

For most of this century, AIF has represented the interests of Florida's private sector before all three branches of government.

Our mission is to protect and promote the business community so that Floridians may enjoy the jobs it creates, and the goods and services it provides. Florida's employers are the very base of our economy. AIF works to keep that foundation strong.

Jon L. Shebel
PRESIDENT AND CEO



MEMBERSHIP BENEFITS

- ▶ Over a dozen of the state's top lobbyists working for your business interests.
- ▶ Direct access to Florida's senior policy-makers.
- ▶ Nation's best on-line legislative tracking service.
- ▶ Complete insurance services, including workers' compensation.
- ▶ Training seminars and polling research tailored to your needs.
- ▶ Award-winning video production services.
- ▶ Research assistance to help untangle complicated legislation that affects your business.
- ▶ Ability to network with other association members.
- ▶ Publications such as the *Employer Advocate* magazine, *Legislative Letter*, *Voting Records* and *Know Your Legislators* pocket handbook.
- ▶ Opportunity to participate in the "Politics of Business" — AIFPAC and Florida Business United.

TESTIMONIALS

If business leaders fail to speak up in our legislative halls, Florida business will be but one short step away from economic chaos. There must be a strong, effective voice for Florida business in Tallahassee. Associated Industries of Florida provides that voice.

MARK C. HOLLIS, PRESIDENT (RETIRED)
PUBLIX SUPER MARKETS, INC.

AIF does a great job of representing the business perspective before the Legislature. We also rely heavily on AIF's legislative tracking system to help us keep up with the 2,000 or so bills that are filed each year.

DOUGLAS L. MCCRARY, PRESIDENT (RETIRED)
GULF POWER CO.

The AIF staff is extremely competent and highly respected as one of the best lobbying groups in Tallahassee, and, as a result, very effective in representing business interests. I wholeheartedly endorse and support AIF's past efforts and successes.

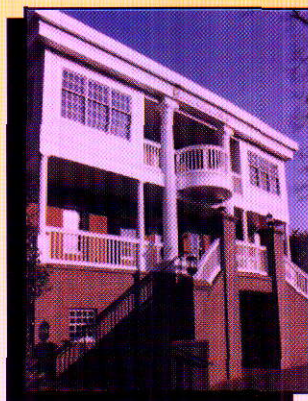
LANCE RINGHAVER, PRESIDENT
RINGHAVER EQUIPMENT COMPANY

A ssociated Industries of Florida

516 NORTH ADAMS STREET • P.O. BOX 784 • TALLAHASSEE, FL 32302-0784
PHONE: (904) 224-7173 • FAX: (904) 224-6532 • E-MAIL: aif@aif.com • INTERNET: <http://aif.com>



WHEN TOMORROW'S TOO LATE



D

elay equals lost opportunities.

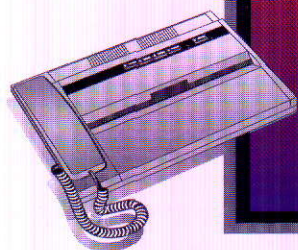
That's especially true when lawmakers meet in session. If you wait 'til tomorrow to find out what they're doing today, you've lost your opportunity to influence final decisions.

Associated Industries of Florida implemented AIF FaxNet to let Florida employers penetrate the legislative decision-making process. When you sign up for AIF FaxNet, you'll receive facsimile transmissions from the AIF lobbying team *before* lawmakers vote on pivotal business issues.

We explain the issues and give you a choice of messages you can send to your representative and senator. You fax your message back to us and we make sure your legislators hear from you.

Sign up for AIF FaxNet today. Don't lose your opportunity to make your voice heard.

AIF FaxNet – putting Tallahassee back in touch with you.



FAXNET

Call the AIF subscriptions department at (904) 224-7173

Associated Industries of Florida

516 N. ADAMS ST. • P.O. BOX 784 • TALLAHASSEE, FL 32302



BULK RATE
U.S. Postage
PAID
Tallahassee, FL
Permit No. 119