

**Crisis Response Report  
The Florida Council of 100**

**September 2002**

**The Florida Council of 100  
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## **Introduction**

As the first year anniversary of the September 11 terrorist attacks occurs, people all over the country and world reflect on that day, how the United States handled the crisis, and what we have learned from that unprecedented day in our country's history.

As a statewide organization of business leaders, the Florida Council of 100 was keenly aware of the critical economic situation in which Florida found itself in September 2001. Caused by a combination of an economic downturn during the months prior to September 2001 and the horrific events of September 11, the state was in a critical situation facing many great challenges, including the need for economic stimulus and major budget cuts. In an effort to help be a part of the solution, the Council of 100 established the Economic Recovery Task Force, chaired by Council Vice Chairman Chris Sullivan, Chairman and CEO of Outback Steakhouse.

The primary objective of the short-term Economic Recovery Task Force was to provide ideas and recommendations to Governor Bush and the legislature on how to stimulate Florida's economy immediately, and to improve it over the next 12 months. As evident below, the Council of 100 offered its support to the Governor and legislature by taking specific actions to help Florida's economy. By May 2002, with the recovery underway, it was agreed by the Council Board of Directors that the Economic Recovery Task Force had met its objectives and was dissolved.

The purpose of this Crisis Response Report is to provide a procedural record of what happened at the federal and state levels following the September 11 events, and how the Council of 100 worked to help stimulate Florida's economy. Based on activities and "after action" interviews with several Council members who served on the Economic Recovery Task Force, an analysis of the state's and Council's response to the crisis is presented in this report to determine how the Council should respond to future national and state emergencies.

The recommendations included in this report provide a formalized plan of action for the Council during future national or state emergencies. As our Economic Recovery Task Force demonstrated, business leaders can have a tremendous impact on helping to shape public policy and economic issues in the midst of an emergency. This report outlines specifically what needs to be done in order for the Council to be as effective and quick to respond as possible.

## **Review of Federal, State, and Council of 100 Actions Following September 11 A Chronology**

March-September, 2001

--Economic downturn

September 11, 2001

--Terrorist attacks in New York City and Washington, DC

September 12-24, 2002

--Many conversations among Council Chairman Chuck Cobb, Vice Chairman Al Hoffman, and Executive Director Charlie Ohlinger developing potential Council activities

--Several conversations with Governor Bush and other senior government officials on the economic situation and possible Council assistance

September 25, 2002

--Chairman Cobb established the Economic Recovery Task Force with Chris Sullivan as Chairman

October 2, 2002

--Chris Sullivan briefed the Executive Committee on the mission of the task force and desired membership

--Executive Committee approved all

October 12, 2001

--Council of 100 announced Economic Recovery Task Force (Attachment 1)

--Council Chairman Chuck Cobb, Council Vice Chairman Al Hoffman and Council Executive Director Charlie Ohlinger met with Governor Bush to get his views on both near-term and long-term issues

--Governor Bush press conference to announce economic stimulus package

October 18, 2001

--Economic Recovery Task Force conference call (Governor Bush participating)

October 22-November 1, 2001

--Florida Legislative Special Session B to stimulate the economy and make FY 2002 budget cuts

October 22, 2001

--Council letter to the Governor, 160 legislators, and media offering support for the Governor's economic stimulus package proposal and stating our position on what needs to be done immediately to start recovery (Attachment 2)

October 25, 2001

--Economic Recovery Task Force conference call in Tallahassee to show the Council's support for the legislature during the special session

November 8, 2001

--Economic Recovery Task Force meeting (Governor Bush participating) at Council general membership meeting in Orlando

November 27-December 6, 2001

--Florida Legislative Special Session C to develop FY 2002 balanced budget to address economic downturn

December 12, 2001

--Governor Bush signed new budget into law

December 20, 2001

--Annual Florida Economic Summit in Tallahassee chaired by Governor Bush and attended by Council Chairman Al Hoffman and other Council members

January 18, 2002

--Council letter to Governor Bush, Speaker Feeney and President McKay stating our opposition to the Senate tax reform proposal to place a constitutional amendment on the November ballot to reduce the sales tax by eliminating many of the exemptions that now exist (Attachment 3)

January 22-March 22, 2002

--2002 Florida Legislative Session

January 29, 2002

--Opinion editorial by Al Hoffman and Chris Sullivan presenting the Council's position on tax reform appeared in the *Tallahassee Democrat* (Attachment 4)

February 11, 2002

--Al Hoffman, Chris Sullivan, and Council members met with key legislative leaders (McKay/King/Feeney) in Tallahassee to reinforce the Council's position on tax reform

March 9, 2002

--Federal economic stimulus package signed into law by President Bush

March 18, 2002

--Council letter sent to all Council members to support President Bush, the U. S. Congress, Governor Bush, and Tom Feeney, Speaker of the Florida House of Representatives, in their efforts to implement federal economic stimulus in Florida (Attachment 5)

March 22, 2002

--Senate and House agreed upon tax reform plan that provides for a constitutional initiative to appear on the ballot in November; proposal would create a 12-member joint committee of the House and Senate to review all of Florida's sales tax exemptions

April 2-April 5, 2002

--Florida Legislative Special Session D

April 29-May 13, 2002

--Florida Legislative Special Session E to pass FY 2003 budget, the re-write of the Florida School Code, and other issues

May 9, 2002

--Economic Recovery Task Force dissolved

June 4, 2002

--Governor signed the state's FY 2003 \$50.4 billion budget into law

### **Florida Economic Stimulus Package**

The Council of 100 supported Governor Bush's economic stimulus package that was announced at his press conference on October 12, 2001. Our October 22 letter to Governor Bush and all legislators encouraged the legislature to pass the economic stimulus proposal to restore Florida's business environment, as outlined below:

- Accelerate transportation and school construction/renovation projects to create more than 30,000 jobs

- Temporarily redirect funds from the aviation fuel tax to improve airport security and operations
- Increase funding by \$20 million or more for marketing and outreach programs to promote tourism
- Expand the existing capital investment tax credit program
- Apply statutory fast-track permitting to additional capital investment projects
- Temporarily end sanctions for companies in the Qualified Targeted Incentive and the Qualified Defenses Contractor programs
- Expand the Qualified Defenses Contractor program to include general and commercial aviation sectors
- Expand housing assistance initiatives by the Florida Housing Finance Corporation

Based on broad consensus during the legislative special sessions, aspects of these proposals were passed and signed into law. The final outcome of the economic stimulus package is depicted below:

- Acceleration of Transportation Projects - Special Session B
  - General Appropriations Act - \$529.1 million additional budget authority to advance projects
  - CS/SB 24-B - flexibility in design/build contracting
- Acceleration of Education Projects - Special Session B
  - General Appropriations Act - \$261 million additional budget authority to advance projects
- Visit Florida - Special Session B
  - General Appropriation Act - \$20 million for tourism marketing campaign
- Airport Funding Flexibility - Special Session B
  - SB 48-B - allowed capital outlay funds to be used for operational and security purposes (flexibility expanded during the 2002 Regular Session)
- Economic Development Program - Special Session E
  - SB 40-E - Capital Investment Program, QTI moratorium, QD moratorium/expansion
- Special Session B included a bill that delayed implementation of the building codes from January 1 to March 1, 2002

Although governments have limited ability to impact the economy, Council of 100 members believed that the state took appropriate actions necessary to help stimulate the economy.

### **Interview Feedback**

Interviews with Council members who served on the Economic Recovery Task Force provide useful feedback for how the state and Council responded to September 11:

- The Council of 100 organized its task force relatively quickly with a focused mission to address economic downturn and played an effective role in helping the state address business needs

- Government did all the appropriate things—very limited it what it could do given the political process but it addressed all of the issues. However, state government needs to have a response process in times of crisis that is quicker and more immediate
- The state’s tourism outreach was an effective policy action, particularly the focus on the drive-in market
- Short-term and long-term policy actions and solutions are necessary to stimulate the economy
- Florida needs a greater industrial base in order to be less reliant on the tourism industry

### **Council of 100 Response Process for Future National Disasters**

The Council of 100 can be effective during times of crisis to provide CEO-level expertise directly to policy makers. While the state must focus on the steps necessary to take by the government, the Council can address the impact of the situation on the business community in Florida and help to improve the business climate for all Floridians.

Following is the process for the Council of 100 to respond to future national and/or state disasters.

#### **Week 1**

1. Convene Council Executive Committee meeting immediately to brainstorm ideas
2. Contact Governor’s office to determine how Council can be of assistance
3. Contact other business organizations and continue to stay in touch about what they are doing, how Council can collaborate with them
4. Establish task force and appointed chair

#### **Weeks 2-4**

5. Develop task force mission, goals and objectives
6. Select task force members
7. Convene first task force meeting

#### **On-Going**

8. Conduct weekly/bi-weekly conference calls
9. Stay in touch daily with Governor’s office to keep abreast of what is happening
10. Publish position papers and op-eds, write letters to Governor and legislators, to take other action as necessary