Florida TaxWatch Center for Competitive Florida
Research Report

Florida's Tipping Point:
Balancing Physical & Economic Security Post 9-11

Since 9-11, Florida's Economy Has Likely Lost Well Over $50 Billion Due to Federal Immigration And Visa Policies

June 2007

CENTER FOR Competitive Florida
A Florida TaxWatch Center of Excellence

Contents

EXECUTIVE SUMMARY

Properly Balancing Security, Investment, And Travel Policies is Critical to Florida's Global Competitiveness

Florida's Economy has Likely Lost Well Over $50 Billion Since 9-11

Florida's economy is highly dependent on the participation of citizens and businesses from other countries. In 2006, expenditures and investment by international visitors and businesses in Florida was responsible for employment of 300,000 Florida citizens and accounted for 15% ($91.5 billion) of the value of all goods and services produced in the state. International visitors alone contributed $15 billion to Florida's tourism industry.

A Florida TaxWatch analysis documents that changes to federal visa and immigration policy made in response to the events of September 11, 2001 have adversely impacted Florida's economy by well over $50 billion. Proposed comprehensive federal visa and immigration legislation includes remedies to address these adverse impacts and restore a balance between our ability to ensure economic security, while maintaining physical security from future international terrorist attacks. The proposed legislation would increase opportunities for highly skilled workers to come and contribute to our economic development, and to facilitate the flow of legitimate investment from international businesses and visitors.

To assist Congress in making a more informed decision on restoring a proper balance between our economic and physical security, this report by the Center for Competitive Florida at Florida TaxWatch:

- Summarizes post 9-11 federal legislation and policies to increase national security;
- Analyzes impacts of post 9-11 security actions on Florida's economy and global competitiveness;
- Summarizes federal efforts to mitigate adverse effects of post 9-11 actions; and
- Cites improvement recommendations by business, industry, civic leaders, immigration specialists, and academics in Florida and the nation.

A Florida TaxWatch analysis of the direct economic impact on four key sectors of Florida's economy shows that from September 11, 2001 through December 31, 2006, America's security response has had an adverse direct economic impact of more than **$49.5 billion on the following four sectors:**

Foreign Direct Investment: $34 billion
International Tourism: $14 billion
Post-secondary Education for International Students: $1.2 billion
Healthcare Services for International Patients: $373 million

Florida TaxWatch reviewed progress made on a 2006 initiative by the Departments of State and Homeland Security to correct unintended consequences of post 9-11 national security laws in order to build secure borders with open doors.

Introduction

As one of the nation's most globally integrated states, Florida is a primary beneficiary of cross-border flows of goods, services, capital, information, and persons, all of which have combined over the past quarter century to make it a global economic powerhouse. Approximately $100 billion worth of merchandise trade flows annually through Florida's airports and seaports. Some 15% or $91.5 billion of the state's gross domestic product (total value of all goods and services) and 300,000 workers depend on international business. An additional $15 billion is earned from international tourism.

With a 2006 gross state product (GSP) of $610 billion,[1] Florida's economic productivity exceeds that of all but a handful of nations. Our state's economic success is a result both of happenstance—its geographic positioning at the epicenter of the Americas—and successful implementation of visionary private and public sector strategies to reshape its economy from an agrarian, natural resource-based past to today's mix of leisure activity and cutting edge technologies that support innovation and investment in a global, service-based economy. Over the past several decades, Floridians have recognized and acted decisively to realize its competitive advantage.

Previous research makes clear that Florida's economic well-being has been adversely affected by unintended consequences of national security laws, policies, and procedures imposed in reaction to the terrorist attacks of September 11, 2001. Reacting to the national trauma inflicted on that day, Congress enacted an array of measures intended to safeguard against further tragedies. These include the U.S.A. Patriot Act, Aviation and Transportation Security Act, Enhanced Border Security and Visa Entry Reform Act, Intelligence Reform and Terrorism Prevention Act, Maritime Transportation Act, Public Health Security and Bioterrorism Preparedness and Response Act. Simultaneously, and to the same end, the Departments of State and Commerce and the Department of Homeland Security established in 2005 reacted with more zealous enforcement of both new and existing policies and procedures.

> "The United States has spent the last five years ensuring that our country is secure. Much has been accomplished, but we know that there is more to do. Our challenge now is to continue to meet our security needs while striking a better balance with how we welcome foreign visitors to our great country."
>
> Tom Ridge
> Former Secretary of Homeland Security
> December 2006

Now, nearly six years on, it is apparent that these well-intentioned measures in many instances have neglected to strike an appropriate balance between the interests of our physical and economic security. As a result, business and economic leaders across Florida and around the nation increasingly express concerns that the core strengths of our economy are being eroded by policies that disregard economic consequences.

[1] US Department of Commerce, Bureau of Economic Affairs.

Surprisingly, no empirical analysis has measured the economic impact of post 9-11 laws and policies on Florida. Thus, the Center for a Competitive Florida at Florida TaxWatch (CCF) has begun the process to fill this void. In February 2007, CCF conducted an immigration summit in Largo, Florida. Its purpose was to bring together leaders from Florida and the national business and policy leadership to build collaboration and develop progressive next steps for Florida to be more competitive economically while meeting national security needs. Summit participants identified several segments of Florida's economy where exclusionary visa policies and practices have hurt our economic competitiveness, including: foreign direct investment, tourism and travel, healthcare, and student enrollment at public and private colleges and universities. [2]

Based on concerns expressed by summit participants regarding the adverse impact of exclusionary visa policies on Florida's economy, Florida TaxWatch initiated a study to determine their direct economic impact on selected segments of Florida's economy. Specifically, this report by the Center for Competitive Florida at Florida TaxWatch includes:

- A summary of post 9-11 federal legislation and policies to increase national security;
- Determination of the direct economic impact of post 9-11 security actions on the level of foreign investment, the tourism and healthcare industries, and enrollment of international students at Florida's public and private colleges and universities;
- Analysis of adverse economic impacts on other sectors of Florida's economy including banking and finance, real estate, and our international ports; and
- A summary of federal efforts to mitigate adverse effects of post 9-11 actions recommended by business, industry, civic leaders, immigration specialists, and academics in Florida and the nation.

The direct economic impact of visa policies on selected segments of Florida's economy is based on differences between an estimate of economic activity .that likely would have occurred in selected economic sectors absent 9-11, and actual levels of economic activity since that day. We calculated the estimate of the most likely occurrence by extrapolating the trends established between 1996 and 2000 for each economic sector. Florida TaxWatch also included high-end and low-end estimates for each of the selected economic sectors. These estimates reflect a 50% deviation from the most likely estimated outcome had the events of September 11, 2001, and the resulting changes in federal visa and immigration policy not occurred.

The impacts on Florida's economy do not include the 'multiplier' effect of this lost economic activity that occurs when new dollars enter the economy. Although not included in this analysis, the impact of this multiplier would significantly increase the total reported economic impact.

[2] As an outgrowth of the summit, a coalition of Florida citizens and businesses formed as the Florida Employers for Immigration and Visa Reform (FEIVR) to encourage the Florida congressional delegation to push for immigration and visa reform.

Unintended Economic Consequences of America's Security Response to 9-11

In the aftermath of the September 11, 2001 attacks on the United States, the Bush Administration and Congress rightly established enhanced security measures to protect against further terrorist incidents. In some cases, the following have had substantial unintended negative impacts on economic activity in Florida and nationally.

Enhanced Border Security and Visa Entry Reform Act

Prior to 9-11, a Visa Waiver Program (VWP) allowed travelers from 27 counties, accounting for two-thirds of overseas air travel to the U.S., to enter for business or pleasure for less than 90 days without a visa.[3]

The 2002 Enhanced Border Security and Visa Entry Reform Act required visas for all entries and has slowed visa processing by mandating that all VWP countries begin producing biometrically enabled passports, and by America's failure to fully deploy a system to stop illegal immigration by assuring that visitors leave under the terms of their visa.[4] According to a 2007 report by the Discover America Partnership, a U.S. travel industry coalition, the government's message essentially has been "We're not sure whether you're going to leave as promised, so we're not letting you in."

Intelligence Reform and Terrorism Prevention Act

This 2004 Act, which includes recommendations of the 9-11 Commission, removes the pre 9-11 latitude of U.S. consular officials to selectively waive visa applicant interviews. The Act requires in-person interviews and biometric finger scans from nearly all applicants. The cost and effort associated with this process is considered a major deterrent. For example, in geographically large countries such as Brazil, China, India, and Russia, long-distance trips to U.S. consulates are required simply to apply for the right to travel to the U.S.

The Western Hemisphere Travel Initiative (WHTI), a component of the Intelligence Reform and Terrorism Prevention Act, requires everyone who applies for admission to the U.S. from within our hemisphere to present secure travel documents that denote citizenship and provide proof of identity—this includes U.S. citizens.

WHTI's first phase, effective January 23, 2007, applies solely to air travel. It requires either passports or NEXUS cards for low-risk, pre-approved travelers who regularly commute across borders. In June 2007, the Bush Administration temporarily waived this requirement for air travel to and from Canada and Mexico in an attempt to alleviate a massive backup of passport applications. A second phase expanding the requirement to all modes of travel is scheduled to be implemented by June 1, 2009.

---

[3] Participating countries are Andorra, Australia, Austria, Belgium, Brunei, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom. The Bush Administration recently proposed legislative changes to the VWP under which countries, such as South Korea and Israel, which currently are not in the program, can qualify if they implement a number of new security tests.

[4] Biometrics is the science of using biological properties to identify individuals; for example, fingerprints, retina scan and voice recognition.

U.S.A. Patriot Act

This 2001 Act directed the U.S. Secretary of State to expedite implementation of an integrated entry and exit data system for land, sea, and air ports of entry. The heart of this system is biometric technology and tamper-resistant documents that can interface with law enforcement databases.

Another provision of the Act, which has demonstrably impacted Florida's $3 billion financial services and banking industry, essentially has forced bankers into the role of law enforcement officers. "Know your client" rules require banks to collect sensitive financial data from foreign depositors which may be given to U.S. and foreign intelligence services. Compliance costs cannot easily be passed along to customers in this highly competitive market.[5] Between 2000 and 2005, international banking employment in Florida declined 35%, representing 5,700 jobs and the loss of $2.1 billion.

Aviation and Transportation Security Act

This 2001 Act led to development of the Transportation Security Administration within the Department of Homeland Security. The mission of the Transportation Security Administration protects the Nation's transportation systems to ensure freedom of movement for people and commerce.

> "Inefficiency and rudeness at our borders only undermine national security. It makes us no safer to create a 'Fortress America' that discourages foreign tourism and legitimate business travel to our shores."
>
> Congressman William Delahunt, Chairman
> House Foreign Affairs Subcommittee on International Organizations, Human Rights and Oversight, March 20, 2007

Public Health Security and Bioterrorism Preparedness and Response Act

This 2002 Act is intended to protect the U.S. food supply by improving safety efforts of the Food and Drug Administration (FDA) in cooperation with U.S. Customs and Border Protection. The Act addresses national, state, and local preparedness and response planning and security issues. It authorizes $1.6 billion to implement state plans and conduct additional preparedness activities, subject to congressional appropriation. The Act also addresses other related public health security issues. Some of these provisions include:

- new controls on biological agents and toxins,
- additional safety and security measures affecting the nation's food and drug supply,

[5] Florida International Bankers Association. *The Economic Impacts of International Banking in Florida and Industry Survey: 2005.* http://www.fiba.net/templates/Fiba/UserFiles/File/Economic_Impact_Summary.pdf Accessed on 5/14/2007

- additional safety and security measures affecting the nation's drinking water,

- measures affecting the Strategic National Stockpile and development of priority countermeasures to bioterrorism.

Maritime Transportation Security Act

The 2002 Maritime Transportation Security Act (MTSA) is designed to protect the nation's ports and waterways from a terrorist attack. The Coast Guard estimated that implementing the MTSA will cost the U.S. sea-trade industry $7.3 billion through 2013. By contrast, between 2002 and 2007, the Department of Homeland Security's Port Security Grant Program distributed less than $1 billion. The Center for American Progress recommends designating at least 3% of $15 billion annual customs duties to MTSA implementation and ports security.

Prior to 9-11, the Florida Legislature mandated enhanced security standards for the state's ports. In 2003, Governor Bush met with the U.S. Coast Guard Commandant to discuss possible conflicts of the MTSA with Florida's standards. It was agreed that state law would prevail whenever possible.

In April 2007, Florida Congressman Gus Bilirakis and Tampa Port Authority Director Richard Wainio urged federal officials to exclude all Florida ports from the start-up of a port workers security identification card. This requirement would increase port customers' costs by duplicating post 9-11 state security credentialing previously vetted by the FBI and the Florida Department of Law Enforcement.

Post 9-11 Economic Impacts On Florida's Global Competitiveness

Florida TaxWatch conducted an analysis of the direct economic impact of visa and immigration policy changes made in response to the attacks of September 11, 2001, on four sectors of Florida's economy: Foreign Direct Investment, International tourism, Post-secondary education for international students, and Healthcare services for international visitors

To perform this analysis, Florida TaxWatch gathered data on each sector for the period from 1997 through 2006. Data obtained for the five years prior to September 11, 2001 was used to establish an estimate of the level of activity from 2002 through 2006 had the events of September 11, 2001 not occurred. Our estimates included a range of probable occurrences and included our determination of the most likely level of economic activity. Data obtained for the period post September 11, 2001 was then compared with our estimates for each sector to determine the economic impact of changes made to visa and immigration policies. Our analysis of the economic impact to each of these sectors was limited to changes in economic activity that are directly attributable to the economic sector and does not include indirect impacts such as those associated with increased employment and resulting consumption in other sectors of the economy that result with infusions of revenues from outside of the state.

While factors such as the 2004 and 2005 hurricane seasons and increased competition from other countries were also likely contributors to post 9-11 declines, other factors such as improving currency exchange rates have had a countervailing influence on these economic sectors. Also, our analysis of Florida-specific factors, such as the active hurricane seasons in 2004 and 2005, appear to have not have significantly changed the trend in Florida's share of the United States market for each of these economic sectors.

Economic Sector Definitions

Foreign Direct Investment: The criterion used to distinguish foreign direct investment, FDI, from other types of investment is ownership of at least 50 percent of the voting securities by a foreign affiliate of a business enterprise. FDI includes direct investments in new facilities or the expansion of existing facilities, as well as transfers of existing assets from local firms to foreign firms.

International Tourism: Tourism is traveling for predominantly recreational or leisure purposes or the provision of services to support this leisure travel. International tourists are people from other countries who travel to the United States for not more than one consecutive year to engage in tourism.

International Students: International students are persons that are enrolled in a public or private post-secondary institution, who are not a citizen or national of the United States, and who are in this country on a visa or temporary basis for educational purposes.

Healthcare Patients: Persons who are not citizens of the United States and are in this country on a visa or temporary basis for the purpose of obtaining healthcare services. Healthcare embraces all the goods and services designed to promote health, including prevention, treatment, and management of illness and the preservation of mental and physical well being.

Foreign Direct Investment

In 2006, more than 1,900 foreign majority owned firms, including 300 with regional or hemispheric headquarters and holdings of an estimated $24 billion operated in Florida.

> One development in recent years that has adversely affected Florida's business and financial capacity has been the implementation of tough new regulations related to U.S. homeland security…Florida may already be losing business to other locations, particularly in the Western Hemisphere, which do not have such elaborate, time-consuming, or costly financial reporting requirements and restrictions.
>
> *Florida's Global Economic Competitiveness*
> Enterprise Florida, February 2007

Exhibit 1 lists Florida's foreign direct investment statistics for 2006 by industry. The 2006 percentage of total column is typical of each year (1997-2006) included in this analysis.

Exhibit 1
Foreign-Owned Companies' Investments in Florida by Industry (2006)

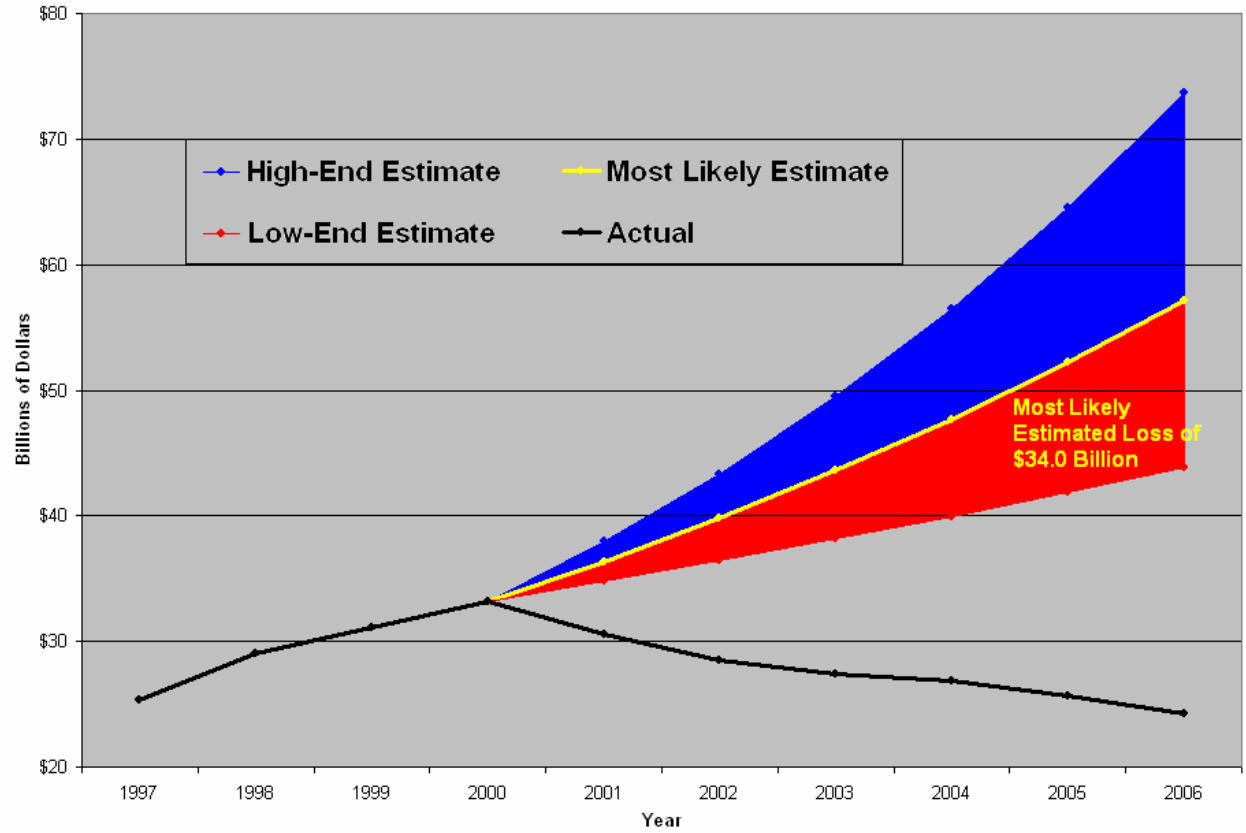
Industry	Amount (In Billions)	Percent of Total
Manufacturing	$8.357	34.5%
Real Estate and Rental Leasing	$3.754	15.5%
Wholesale Trade	$3.171	13.1%
Information	$1.332	5.5%
Retail Trade	$1.172	4.8%
Finance and Insurance	$0.421	1.7%
Professional/ Scientific/ Technical Services	$0.125	0.5%
Other	$5.863	24.2%
TOTAL	**$24.196**	**100.0%**

Data Source: Enterprise Florida, Inc. (Data was estimated by Florida TaxWatch Based on E-Florida Analysis of 2001-2004 FDI.)

Exhibit 2 shows actual foreign direct investment (FDI) in Florida between 1997 and 2006, and estimates of "high-end", "low-end" and "most likely" FDI losses since 9-11. The most likely estimate (the yellow line) shows that Florida's loss amounted to more than $34 billion of FDI between 2001 and 2006;

- The low-end estimate is that Florida lost about $19 billion.
- The high-end estimate depicts a loss of nearly $54 billion.

Exhibit 2
Post 9-11 Changes in Visa Policies Have Resulted in an Estimated $34 Billion Loss in Foreign Direct Investment in Florida



Data Source: Enterprise Florida, Inc. (Graph Data was estimated by Florida TaxWatch Based on E-Florida Analysis of 2001-2004 FDI.)

Tourism and Travel

International tourism in the U.S. is a $100 billion plus industry, and one of every seven dollars is spent in Florida.[6] Miami, Orlando, Tampa/St. Petersburg, Fort Lauderdale, and the Florida Keys rank among the top 25 destinations for overseas visitors to the U.S. One foreign tourist is considered the economic equivalent of two domestic tourists.[7] Additionally, Florida is a primary point of embarkation for the highly lucrative cruise line industry.

Florida must address the unintended but potentially negative impact of new Homeland Security regulations such as visa policies that impact the ability of foreign investors, trade representatives and tourists to enter the U.S.

Florida's 2004-09
Strategic Plan
For Economic Development

"My wife and I love the U.S. and had every intention of visiting again this year. We won't be doing so. It's not the fear of terrorism; it's the continuing bad press about U.S. immigration staff. Directly after the September 11 attacks we were welcomed with decency and gratitude. Since then, the feeling that we were at best a nuisance, or at worst a threat, has increased."

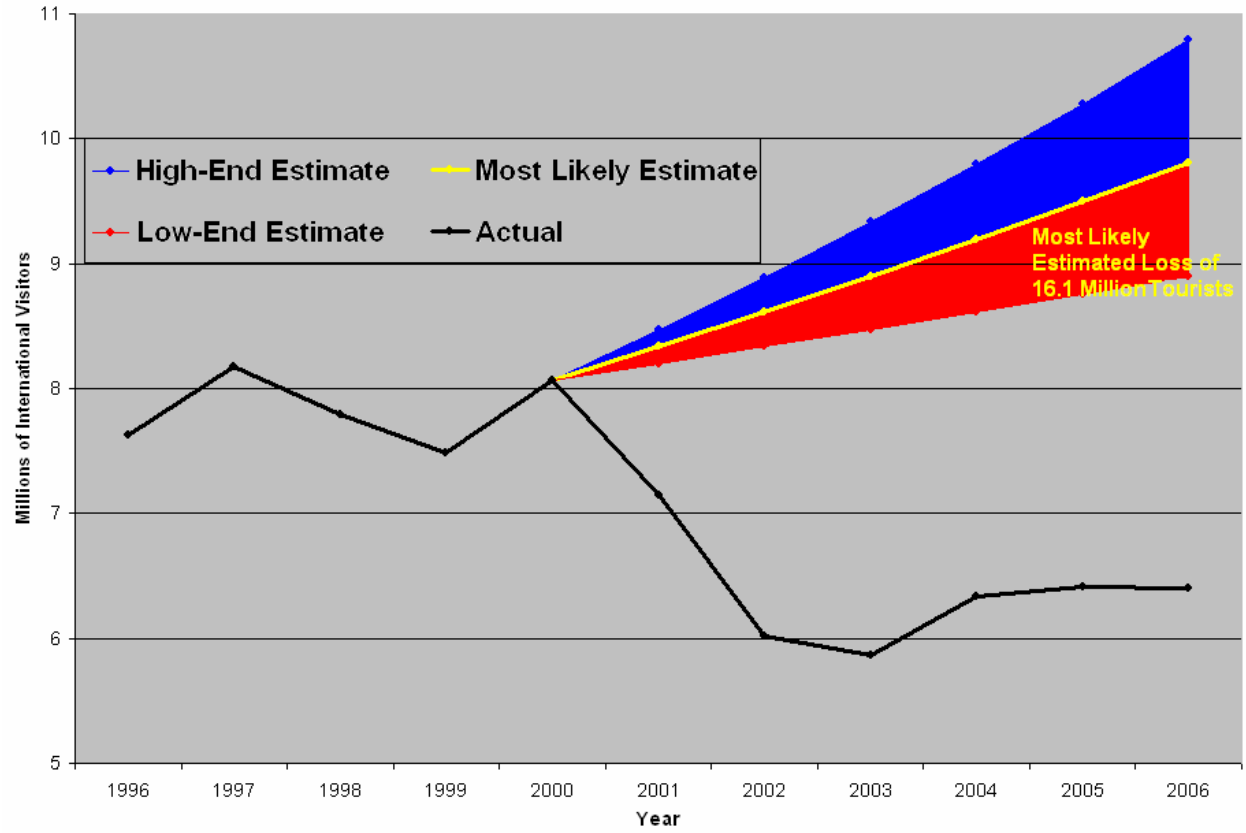
Kevin Wright
Daily Telegraph
September 9, 2006

Exhibit 3 shows that between 2000 and 2003, there was a sharp decline in the number of foreign visitors coming to Florida. Some recovery has occurred since then, but by extrapolating the trend from between 1996 and 2000, the estimate suggests what might have occurred, absent 9-11 and tighter security policies, with the most likely, or median, estimate indicating a loss of more than 16 million foreign visitors.

[6] Travel Industry Association of America. Discover America Partnership. *A Blueprint to Discover America.* (01/31/07). http://www.tia.org/resources/PDFs/Gov_affairs/Blueprint_to_Discover_America.pdf Accessed on 5/14/2007

[7] Greater Miami Chamber of Commerce & Florida International University, "The Impact of Post-9-11 Security Measures on Florida's International Business Community," October 2003, page 11, footnote 29.

Exhibit 3
Changes in Visa Policies Have Resulted in an Estimated Loss of 16.1 Million International Tourists since 9-11



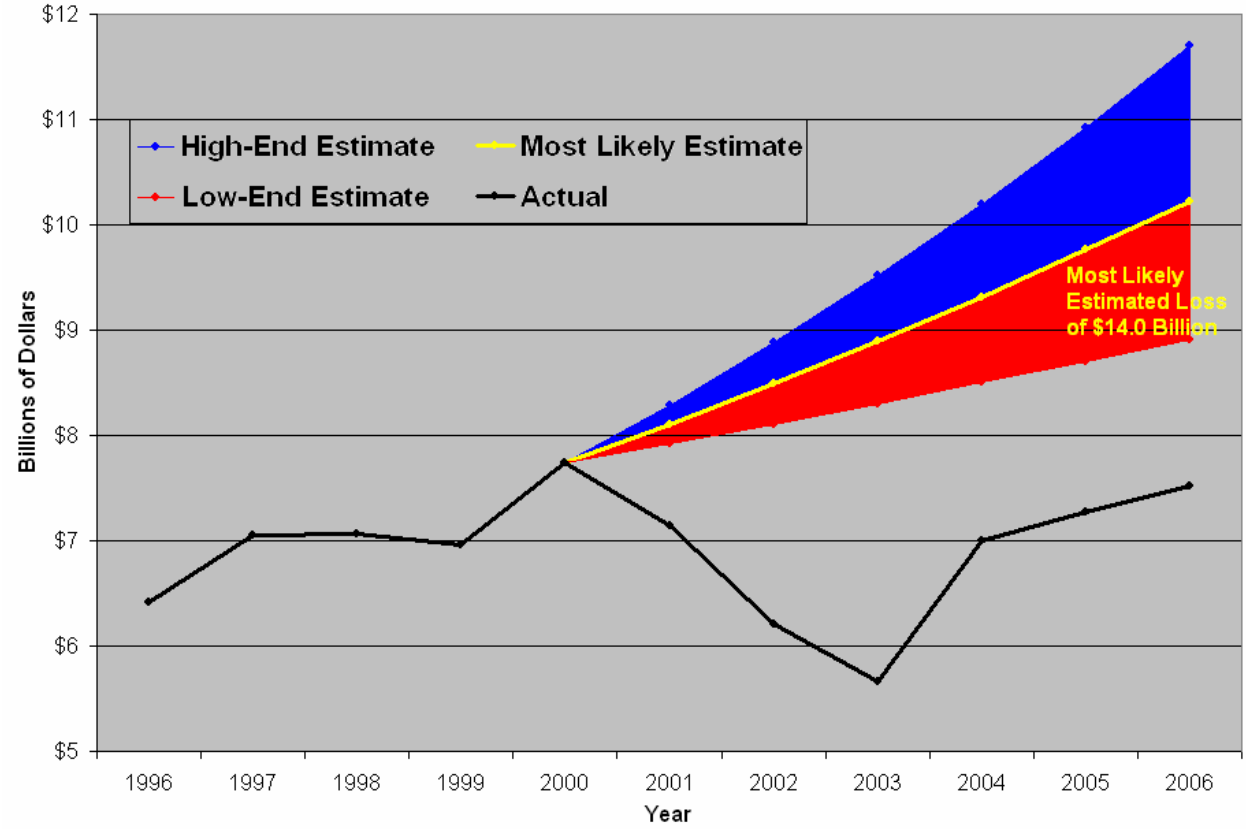
Data Source: Visit Florida.com; Florida Visitor Studies: 2001, 2003, 2004, 2005 and 2006. (Trend Based on 1996-2006 Data)

Based on this estimated reduction in the number of international tourists coming to Florida since September 2001, Florida TaxWatch calculated that this has resulted in a direct loss of $14 billion in revenue to the state. (See Exhibit 4) This direct loss in revenue is based on the average number of days per visit and the average expenditure per visitor each day.[8]

- The low-end estimate is that Florida lost about $19 billion.
- The high-end estimate depicts a loss of nearly $54 billion.

[8] Source: Visit Florida.com; Florida Visitor Studies: 2001, 2003, 2004, 2005 and 2006. (Trend Based on 1996-2006 Data.)

Exhibit 4
Changes in Visa Policies Have Resulted in an Estimated $14 Billion Revenue Reduction for Florida's Economy from International Tourists since 9-11



Data Source: Visit Florida.com; Florida Visitor Studies: 2001, 2003, 2004, 2005, and 2006.

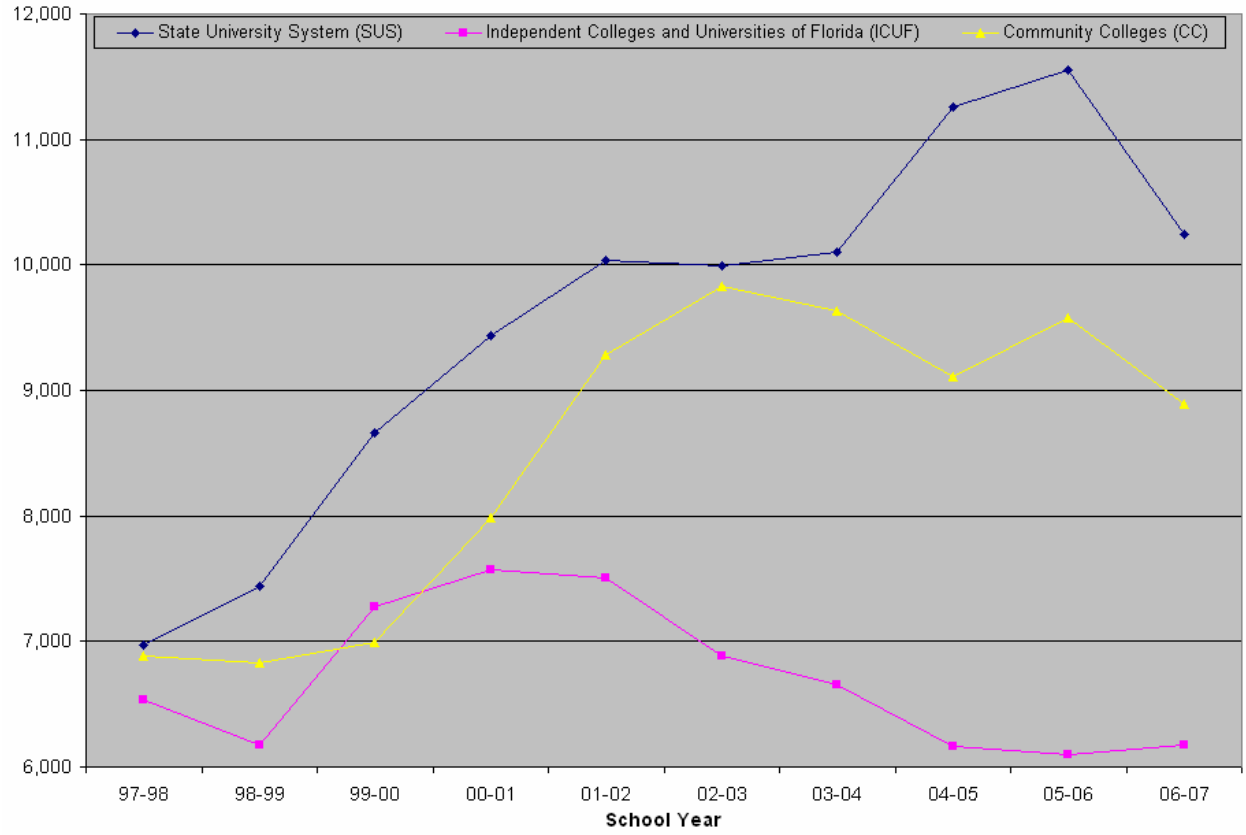
"I have traveled to the U.S. almost every year for the past 15 years, but it's time for a halt. The attitude at ports of entry is often—and increasingly—sarcastic, suspicious, patronizing and downright rude towards British tourists. They are happy to extract money from tourists but think that we should put up with being treated like criminals or suspicious aliens."

David George
Daily Telegraph
September 9, 2006

International students, referred to as non-resident aliens, pay the highest chargeable tuition rates at Florida's post-secondary institutions, averaging three times more than for Florida residents to take full course loads at public colleges and universities. In 2004-05, more than 26,000 non-resident aliens spent an estimated $625 million on education and living expenses.

Exhibit 5 shows the number of non-resident alien students who attended post-secondary institutions in Florida from 1997 through 2006. Independent colleges and universities have been more adversely affected than the state university or community college systems.

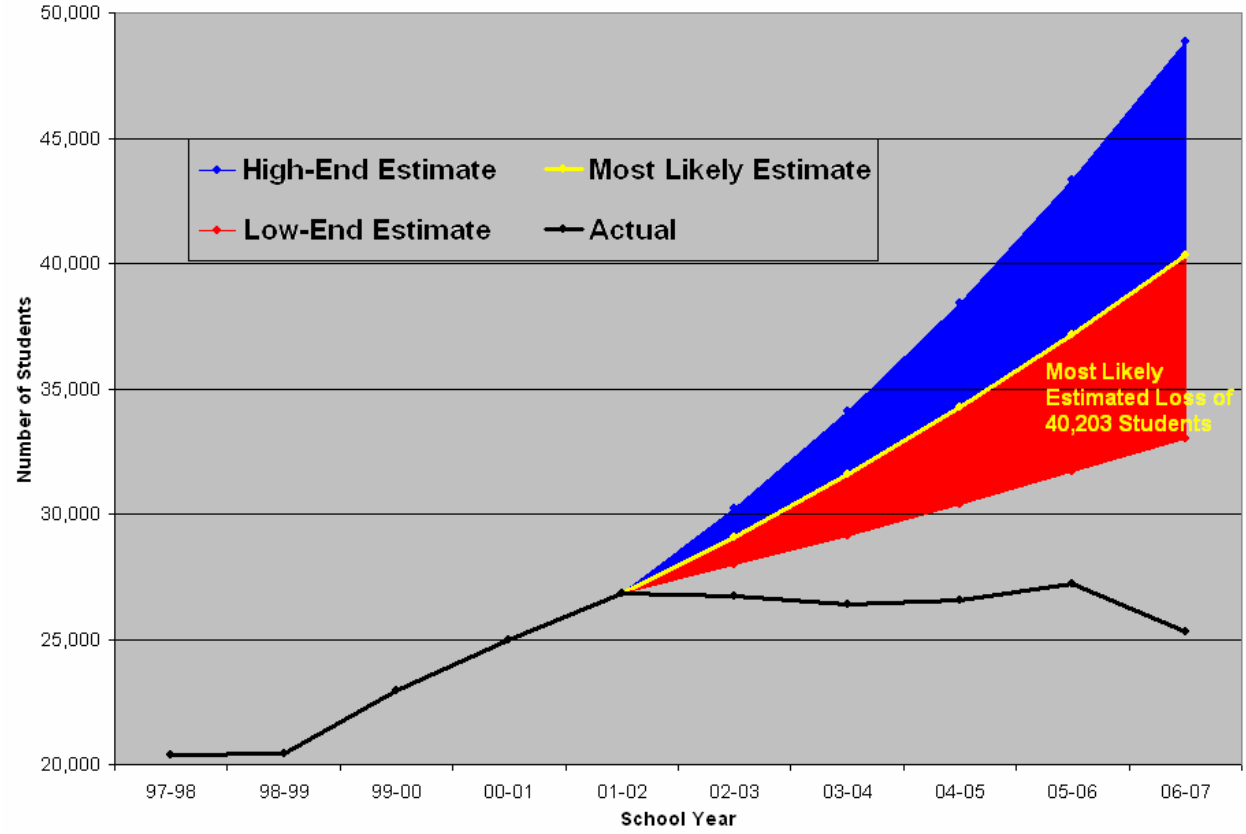
Exhibit 5
Growth Rate of International Student Enrollment in Florida's Public and Private Universities and Community Colleges Has Declined During Most Years Since 9-11



Data Source: State University System (SUS), Florida Department of Education (FL DOE), and Independent Colleges and Universities of Florida (ICUF).

Exhibit 6 depicts the number of post-secondary non-resident alien students that Florida could have received, had the circumstances of coming into the state for educational purposes not changed after September 11, 2001. The black line shows the actual number of students who came to attend universities and community colleges between the 1997-98 and 2006-2007 school years.

Exhibit 6
Changes in Visa Policies Have Resulted in an Estimated Loss of More Than 40,000 International Students in Florida's Private and Public Colleges and Universities since 9-11



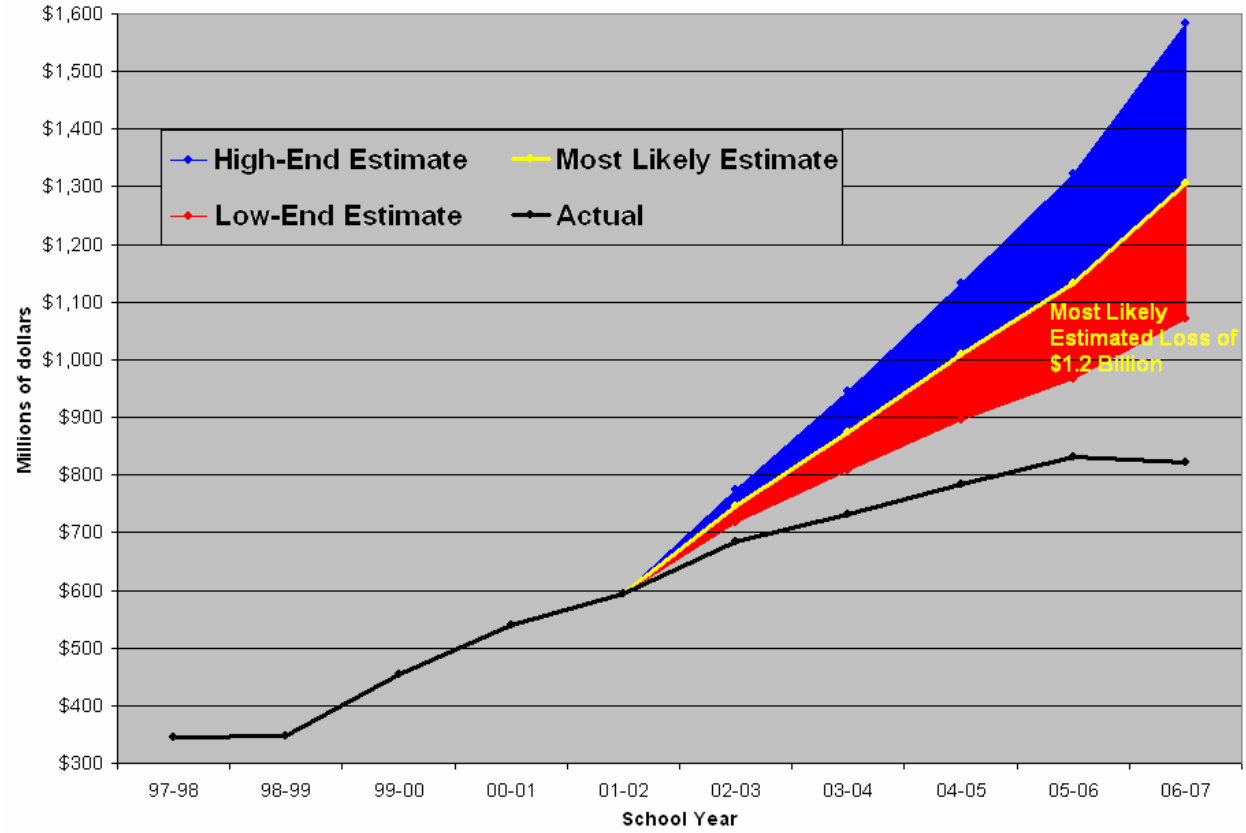
Data Source: SUS, FL DOE, & ICUF.

Exhibit 7 represents the corresponding weighted dollar value[9] associated with the loss of these students. When taken as a whole, the three estimates in both exhibits show that the most likely (median) estimate is that the state lost 40,203 students, and more than $1.2 billion;

- According to the low-end estimate, Florida lost 20,011 students, which accounts for over $607 million;
- According to the high-end estimate, the state lost 62,721 students, accounting for over $1.9 billion in lost revenues for these institutions.

[9] Weighted Dollar Value: The average tuition, fees, and cost of attendance for every Public and Private University and Community College in Florida for a given year.
Note: Cost of attendance is equal to total expenses for room and board, books, transportation, and all other miscellaneous expenses reported by each institution.

Exhibit 7
Post 9-11 Changes in Visa Policies Have Resulted in an Estimated $1.2 Billion Revenue Reduction for Florida's Public and Private Universities and Colleges



Data Source: SUS, ICUF, U.S. and Florida Departments of Education.

Healthcare

Providing healthcare services for foreign patients is a $6 billion per year industry nationwide.[10] Foreign nationals impact Florida's healthcare system in several ways:

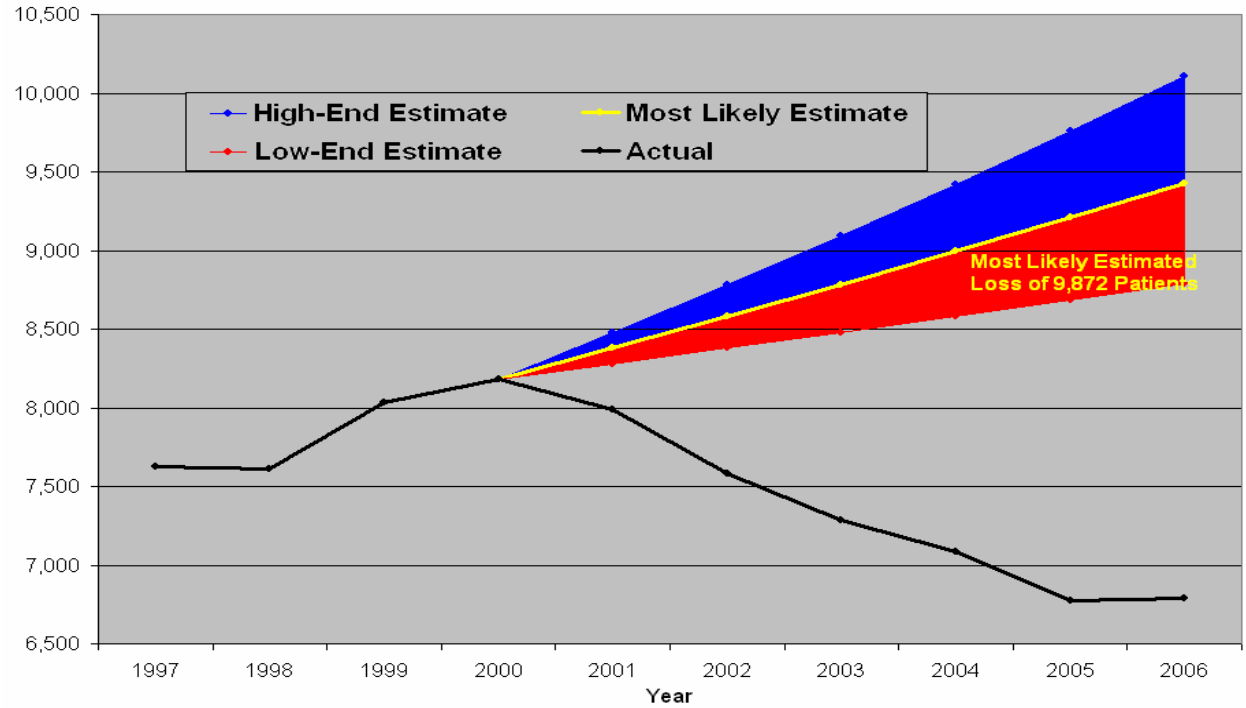
Florida Facilities Serving Foreign Nationals

Healthcare providers, particularly in Central and South Florida, and at specialty clinics across the state, meet the healthcare needs of foreign nationals. Often, they are accompanied by family who may establish temporary residency while their loved ones receive care. This multiplies the beneficial economic impact of the foreign patients care industry.[11]

Exclusionary visa policies and practices, including long application processing times and requiring selected applicants to prove to U.S. consular officials that treatment sought is not available in their home countries, have depressed this once-thriving, high-value industry. Healthcare facilities that cater to the cultural expectations and linguistic needs of foreign clients have reported substantially lower bed occupancy rates since 2001.

Exhibit 8 shows Florida's loss of foreign healthcare patients since 2001. The most likely estimate of 9,872 may seem small, but when considered in conjunction with the rising costs of hospital care, the impact on Florida's economy is multiplied.

Exhibit 8
Post 9-11 Changes in Visa Policies Have Resulted in an Estimated Loss of 9,872 International Patients to Florida's Healthcare Industry



Data Source: Agency for Health Care Administration (AHCA).

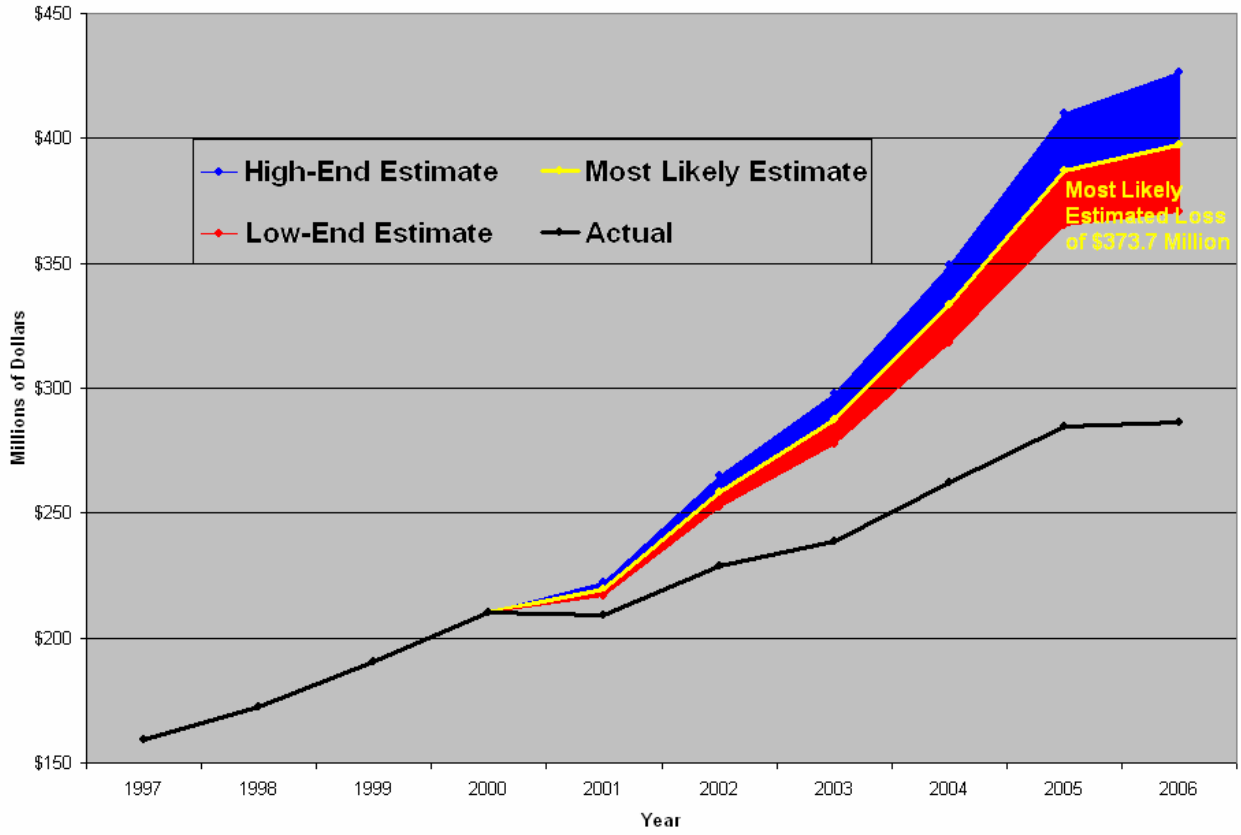
[10] Enterprise Florida," Discussion Paper on the Impact of Homeland Security Measures on International Business in the State of Florida (unpublished), March 2005, page 7.
[11] Greater Miami Chamber of Commerce & Florida International University, ibid, page 13.

Exhibit 9 shows that revenues generated by international medical patients continued to climb after 9-11, even though the number of patients steadily declined. If 9-11 had not occurred:

The most likely (median) estimate is that an estimated 9,872 additional patients would have generated $373.7 million more in revenues;

- According to the low-end estimate, 7,689 more patients would have generated $290.7 million more revenue;
- According to the high-end estimate, 12,142 more patients would have generated $460.2 million more revenue.

Exhibit 9
Post 9-11 Changes in Visa Policies Have resulted in a $373 Million Reduction in Revenue for Florida's Healthcare Industry



Data Source: Agency for Health Care Administration (AHCA).

Other Areas Impacted By 9-11

Changes made to visa and immigration policies as a result of the attacks on September 11, 2001 have also affected other segments of Florida's economy. Florida Tax Watch identified several of these other segments of Florida's economy that have been adversely impacted. While Florida TaxWatch did not calculate the direct economic impact on these segments, we identified specific causes for the associated adverse economic consequences, which include specific federal legislation relating to visa and immigration policies, changing economic conditions and statutory changes made by the Florida Legislature.

Financial Services and International Banking

Financial services and international banking is a $3 billion a year industry in Florida. With more than 70 foreign and domestic banks active in international trade and finance, including six of the world's ten largest banks, Miami is second only to New York as a U.S. center for international banking. Nearly every major international bank headquartered in the U.S., Europe, and Latin America doing business with Latin America has an office in Miami.

As noted previously, the 2001 Patriot Act, in effect has forced bankers into the role of law enforcement officers. "Know your client" rules promulgated under the Act force banks to collect sensitive financial data from foreign depositors. The prospect that highly sensitive personal financial data will be shared by the U.S. government with police and intelligence services in countries that cannot assure its security (particularly in Latin America) have resulted in a flight of international banking business to Switzerland, the Cayman Islands, and other jurisdictions with less intrusive regulatory requirements.[12] Between 2000 and 2005, employment in international banking in Florida declined 35%, representing 5,700 jobs and $2.1 billion.

Another reason for financial services job losses is that mortgage lenders can hire eight or nine times as many employees in India as they can in the U.S. for the same amount of money, and in many cases that staff is better educated. Moreover, due to geography (New Delhi is 10.5 time zones from the East Coast); lenders sending work to India can take advantage of what amounts to a second shift in a 24-hour day.[13]

Real Estate

About 15% of annual real estate transactions, totaling nearly 82,000 in 2006, involve foreign nationals.[14] In 2005, *the Economist* newsweekly reported that one in three new homes in South Florida was sold to a foreigner.[15] While specific data on real estate transactions is not available, anecdotal evidence provided by experts in the field indicate that the number of sales of real estate to foreign nationals has declined since September 2001. These experts provided several reasons for this decline including:

- Exclusionary visa policies;
- Application of intrusive financial reporting requirements of the U.S.A. Patriot Act;

---

[12] ibid, pages 9-10.
[13] Wernick, David; Florida International University. *Impact of Globalization on Florida's Industry,* Workforce and Environment: Public Policy Dimensions. (2004).
[14] The National Association of REALTORS® Research Division. *The 2005 National Association of REALTORS® Profile of International Home Buyers in Florida*. (2005). www.REALTOR.org/research. Accessed on 5/4/2007.
[15] *The Economist*, August 20, 2006, page 26.

- Increased competition for climate-sensitive buyers in locations as diverse as Turkey, Mexico, South Africa, and Croatia;[16] and
- Bursting of the housing price "bubble," during which some foreign investors purchased and "flipped" properties.

"Many of our foreign nationals who own real estate here in Florida complain of the grilling they get each time they try to enter the country. These are well-documented people, who are healthy, wealthy, and wise and don't pose any threat."

Tony Macaluso, Palm Beach Gardens Realtor
(At Center for Competitive Florida Summit)

"It's not high property insurance or property taxes that are keeping foreign investors away from Florida. They tell us it's because of immigration policies. People are having a hard time coming to Florida to visit their money."

Manny Mencia
Senior Vice President
Enterprise Florida

Ports

Two of the top dozen U.S. ports of entry are Miami and Orlando. Port security regulations threaten to impose three layers of sometimes-conflicting rules - local, state and federal - on port workers and visitors. Ports in competing states like Alabama aren't so encumbered.[17]

In 2000, Florida adopted the Port Security Standards and Compliance Plan in an attempt to slow the trafficking of illegal items (narcotics, contraband, etc.).[18] Under 311.09, Florida Statutes, this plan created the Florida Seaport Transportation Economic Development (FSCTED) Council that was to review and evaluate the construction and infrastructures of the 14 major seaports in the state. This enabled Florida to be at the forefront of port security with ready-designed projects and proposals when post 9-11 funding became available to achieve the FSCTED's goals.

The 2003 Legislature enacted a law mandating a streamlined, uniform port access credentialing system (or FUPAC). This plan has been growing in support around the country and has even been included in other federal level initiatives that attempt to secure our borders against terrorists and their threats. The technology is meant to create one uniform card system for those who wish to work or gain access to a Florida port.

---

[16] *Florida Trend*, ibid.
[17] Thorner, James. St. Petersburg Times. *Security Shuts Out a World of Wealth*. Business Section; February 26, 2007. http://www.sptimes.com/2007/02/26/Business/Security_shuts_out__a.shtml Accessed on 5/1/2007.
[18] James E. "Jim" King Jr., President. The Florida Senate, Committee on Home Defense, Public Security, and Ports. *Interim Project Report 2004-150*. December, 2003.

Law enforcement and security-related operational costs at Florida's 14 deepwater seaports increased nearly 400% between the fourth quarter of 2001 and the first quarter of 2005. Security costs at the Port of Miami are reported to have increased by 600% since September 11, 2001.[19] Similar cost increases have been reported elsewhere among Florida's ports.

On average, it takes 1-2 days longer for cargo clearance at Florida's deepwater ports. This is highly disruptive of supply chain operations and drives up costs to shippers, carriers, and customers. Florida businesses are particularly sensitive to disruption, and there is little relief in sight in the near-term, according to transportation interests.[20]

Since 2001, Florida has received about 20% of all homeland security funding aimed at improving port security. This merely scratches the surface of the total amount needed for this purpose.

"We're certainly experiencing more delays…More hands have had to touch that box, there is increased paperwork for tracking…and certifying and sealing these containers. Certainly all the bureaucracy has had an impact."

Phillip Allen
Director of Port Everglades

[19] ibid, page 5.
[20] Greater Miami Chamber of Commerce & Florida International University, ibid, page 7.

Mitigating Unintended Economic Impacts of Post 9-11 Security Measures Will Boost Florida's Competitiveness

Rice-Chertoff Initiative

In January 2006, Secretary of State Condoleezza Rice and Secretary of Homeland Security Michael Chertoff announced a three-part initiative to help improve the balance between the nation's heightened security and facilitation of travel. The initiative's goals are to:

- Again make the U.S. perceived as a welcoming country that encourages foreign nationals to visit, study, and transact business;
- Achieve global compliance with standards for more secure travel documents to expedite crossing international borders; and
- Rely on screening processes that leverage technology to help officials at U.S. embassies, consulates, and ports of entry into the U.S. to efficiently handle travelers.

Florida TaxWatch assessed progress on implementing ten components of the Rice-Chertoff initiative to help gauge current and prospective relief from adverse post 9-11 security impacts on Florida's economy. This assessment included review of first-year progress reports by the Departments of State and Homeland Security, and by the Discover America Partnership, a coalition of American business leaders. Additionally, information and informed opinion was solicited from knowledgeable persons in Florida and nationally; and academic studies, documents, and media articles were consulted.

Based on this assessment, Florida TaxWatch finds that full implementation of the following components of Rice-Chertoff are critical to Florida's global competitiveness:

Model Ports of Entry

Each day, more than one million travelers entering the U.S. are inspected at 314 U.S. ports of entry. A decades-long challenge, heightened after 9-11, is barring entry of illegal immigrants and criminals while facilitating entry of legitimate international travelers to conduct business, work, study, receive medical treatment, and visit friends or sight see.

Long wait times at U.S. airports are not a new phenomenon, but they became more problematic after 9-11 when Congress removed a requirement to inspect arriving travelers in 45 minutes or less. A model airport program intended to provide a more welcoming environment for foreign visitors began in the spring of 2006 at Washington's Dulles International Airport and Houston's Bush Intercontinental Airport.

This initiative seeks to assist foreign travelers from the time they request visas through their arrival in the U.S. It is viewed by the Discover America Partnership as the most tangible component of the Rice-Chertoff initiative for the public, and the one with the greatest potential for making real change.

Discover America's first-year progress report on Rice-Chertoff suggests the following:

- Implement an International Registered Traveler program for frequent fliers;
- Automate forms handling and traffic management processes;
- Redesign processing under the National Security Entry-Exit Registration System that is required of nationals from high-risk countries, or folding it into the US-VISIT process; and
- Use technology to validate identity and ensure availability of background checks.

More than half of all overseas visitors to the U.S. arrive at one of six airports, the top three of which includes **Miami International**. Discover America calls for implementation of the above improvements in Miami, New York, and Los Angeles within one year at a cost of $10 million.

"Security and tourism are not mutually exclusive. There are ways to protect our homeland while promoting international tourism. Amendments included in the Senate 9-11 bill are examples of pragmatic steps we can take to improve our image abroad and foster a $703 billion industry while ensuring we are safe at home."

Congressman Jon Porter, Nevada, March 20, 2007

Business and Temporary Worker Visa Processing

Processing non-immigrant visa applications for foreign nationals seeking to enter the U.S. to conduct business or work temporarily is a long-time challenge.

Prior to 9-11, U.S. embassies and consulates had latitude to design systems to expedite visa processing. This latitude was rescinded between 9-11 and 2006 as Congress and the Bush Administration worked to create a more secure and uniform system. In 2006, U.S. officials in more than 100 countries again were authorized to expedite visa applications for business travelers, in part by working with local American Chambers of Commerce. Additionally, the Department of State's Business Visa Center helped nearly 140,000 international travelers with visa application procedures.

According to Discover America's progress report on the Rice-Chertoff initiative, visa wait times for international business travelers seeking to enter the U.S. generally have been reduced, but underlying issues that deter or refuse business travelers remain. Discover America suggests:

- Processing visa applicants within 30 days or less;[21]
- Expanding the number of countries eligible for the Visa Waiver Program;
- Expanding proven security programs such as US-VISIT;
- Reducing traffic bottlenecks by increasing Customs Border Protection (CPB) staffing, particularly at peak hours. In Ft. Lauderdale and Orlando, for example CBP is operating at 80% or less of an optimal staffing level; and

[21] The Discover America Partnership's 2006 survey found travelers are willing to wait an average of 46.5 days to get a visa to visit the U.S – 15 days beyond U.S. State Department standards, but far less than wait times have been in many countries.

- Reversing negative perceptions of the U.S. entry experience by launching a targeted promotion campaign. Discover America offers to assist U.S. agencies in communicating documentation changes and process improvements.

Digital Videoconferencing Technology

As noted above, visa approval delays result, in part, because some applicants must travel substantial distances to be interviewed at U.S. diplomatic posts. In 2006, the Department of State tested digital video conferencing to conduct visa processing interviews. Initial results were positive, but as of early 2007 the Department had not sought Congressional authorization for this program.

Discover America's progress report states that some foreign markets may be better served by a mobile consular presence than a virtual one.

E-Passports and Visa Waiver Program

By the spring of 2007, all 17 federal agencies that issue passports were to convert to e-Passport production.

Discover America's progress report commends the federal government for switching to e-Passports that more quickly and efficiently verify travelers' identities, and for cooperating with Visa Waiver Program countries' deployment of their e-Passports.

The progress report suggests expanding the Visa Waiver Program to countries such as South Korea, Israel, and additional European allies on the condition that they provide the level of law enforcement cooperation outlined in a Department of Homeland Security proposal, and make increased use of biometric information on travelers.

Secure, Less Expensive Passport for U.S. Land Borders

As noted above, the Western Hemisphere Travel Initiative (WHTI) requires everyone applying for admission to the U.S., including U.S. citizens, to present secure travel documents that denote citizenship and proof of identity. This change resulted from recommendations by the 9-11 Commission which Congress included in the 2004 Intelligence Reform and Terrorism Prevention Act.

Since January 2007, all travelers entering the U.S. by air, including American citizens, have been required to submit passports or other secure documents. In June 2007, the Bush Administration temporarily waived this requirement for air travel to and from Canada and Mexico in an attempt to alleviate a massive backup of passport applications. This requirement will apply to all modes of travel by June 2009. A biometric passport card can be used by U.S. citizens who frequently cross land borders to work, shop, visit friends, and attend sporting and cultural events.

Discover America's progress report suggests that implementing the WHTI should result in customs and border protection officers examining fewer travel documents, thereby decreasing wait times.

Entry-Exit System with US-VISIT

Launched in January 2004 at most major U.S. airports and seaports, the US-VISIT system facilitates screening of foreign passengers using integrated systems of information on individuals with criminal, immigration violation, or terrorism-related histories. Within seconds, border officers compare fingerprints taken in real-time against travelers' visa applications, prior travel records and watch lists.

Discover America's progress report states that US-VISIT has not increased wait times for arriving international travelers, and that the federal government's outreach to educate and inform international travelers serves as a model public/private partnership. The report finds, however, that an initial burst of activity in 2003-05 has not been maintained, and that the Rice-Chertoff initiative does not promise specific action regarding US-VISIT. The report recommends that US-VISIT should include:

- An exit tracking system that enables the government to identify wanted persons as they attempt to leave the country and flag visa over-stayers for appropriate law enforcement action.
- Deployment of 10-fingerscan readers at U.S. consulates and ports of entry to screen foreign visitors and visa applicants against name-based terror watch lists, criminal-records databases, and databases of latent fingerprints left by terrorists on weapons or in safe houses.
- Deployment of a biometric screening capability on a pilot basis to selected international hub departure locations that are coordinated with air carriers' manifest and passenger information in order to provide the Department of Homeland Security with more robust traveler profiles.
- Enhanced information sharing between the U.S. government, other governments, the European Union and Interpol of biometric information and lost and stolen travel documents.

> "The schism between how the world perceives the United States and how we perceive ourselves is a danger to our place within the global community. We must strike a balance between legitimate national security concerns and legitimate immigration and travel concerns. These are not competing priorities but two critical components of a comprehensive public diplomacy policy."
>
> Congressman Sam Farr
> Chairman, Congressional House Tourism Caucus
> March 20, 2007

Preferred Traveler Programs

A **Global Enrollment Network** is intended to help expedite border processing. Applicants will submit identity, citizenship, and other information one time for use by Department of Homeland Security and Department of State personnel. Discover America's progress report states that the network has not been deployed for travelers arriving from outside North America.

A **Consolidated Trusted Traveler Program** is for repeat foreign travelers coming to the U.S. who previously provided complete biographical and biometric information. It is intended to

provide expedited processing during air, land, and sea travel departure and arrival. The Discover America progress report states that prioritizing low-risk travel is the right message, but that the Department of Homeland Security's performance as of early 2007 had not matched its message.

An **International Registered Traveler (IRT) Program** is scheduled to be piloted in 2007 at Washington Dulles and George Bush Intercontinental airport in Houston.

Discover America's progress report notes that other countries including Israel, Canada, Japan, and the Netherlands have successfully demonstrated how an IRT program can work to ensure security, focus attention on lesser known travelers, and provide a smoother and more predictable travel schedule for repeat travelers. The British government is enrolling up to one million passengers in its program, which allows UK nationals to re-enter the country without encountering immigration officers under normal conditions.

Encourage Students and Academic Study in the U.S.

International students attending U.S. colleges and universities annually contribute an estimated $13 billion to the nation's economy.

After September 11, the number of foreign students nationwide declined for the first time since the 1950s.[22] Surprisingly, just 20% of schools where foreign student enrollment declined reported the primary reason as issues with obtaining visas. More important was a less convenient, less predictable, and more expensive educational environment in the U.S. For example, foreign students were required to prove they could afford their living expenses and tuition before receiving visas. Fortunately, a steep four-year slide from 1.04 million students in 2001 to 564,766 in 2005 began to turn around in 2006 when the Department of State issued 591,000 student visas, up 13.9% from the previous year and up 5.5% from 2001.

According to Discover America's progress report, since 2004:

- The Departments of Homeland Security and State have improved services offered by the Student and Exchange Visitor Information System;
- All overseas consular posts have been instructed to give priority to students and exchange visitors; and
- The period for issuing visas in advance of students' departure to the U.S. has been lengthened from 90 to 120 days, plus the amount of time prior to classes starting that students can arrive in the U.S. has been increased from 30 to 45 days.

Enhanced Partnership with the Private Sector

Numerous surveys and press reports cite poor treatment of foreign travelers by U.S. government officials. According to Discover America's January 2007 survey, 70% of travelers were concerned about U.S. government officials versus 54% concern about the threat of terrorism or criminal activity.

[22] The News Press. *International Students Aid Economy, Culture*. May 8, 2007. http://www.pieronline.org/default.aspx?page=newsarticle&NewsId=519 Accessed on 5/4/2007.

An Open Doors Advisory Committee composed of representatives from academia, business, travel and tourism, and industry began meeting with the Departments of State and Homeland Security in December 2006. A working group is focusing on visa policy and processing issues.

One Stop Redress for Travelers

The Traveler Redress Inquiry Program (TRIP) was announced on January 17, 2007. Under this component of the Rice-Chertoff initiative, individuals who repeatedly have been identified for additional screening can file an inquiry with the Department of Homeland Security in order to have erroneous information corrected. Discover America's progress report notes that the best way to eliminate unnecessary names from watch lists is to deploy a next-generation passenger screening program that can process millions of transactions.

Comprehensive Immigration Reform Legislation

Provisions in the Security Through Regularized Immigration and a Vibrant Economy Act (STRIVE), which was recently debated in Congress and whose fate remains uncertain, addresses issues that are critical to Florida's economy, such as:

- Providing opportunities for high skilled workers to come to, and remain in, the U.S.;
- Addressing employment needs in shortage occupations, such as nursing;
- Overhauling the family-based and employment-based immigration system to reduce backlogs and inefficiencies; and
- Establishing a guest worker program through which 400,000 new workers, plus their spouses and minor children on an unlimited basis, may come to the U.S. annually to perform labor or services for which no unemployed U.S. citizens living domestically can be found.

"The STRIVE ACT addresses all the major elements needed by the business community in reform: a realistic path for the economy to get the future workers needed from abroad when US workers are unavailable, a mechanism for the undocumented to earn legal status after paying a penalty, and a new employment verification system."

Laura Reiff
Co-Chair, Essential Worker Immigration Coalition
Partner, Greenberg Traurig Law Firm

Florida Employers for Immigration and Visa Reform

Florida Employers for Immigration and Visa Reform (FEIVR) is an outgrowth of the February 2007 Summit on immigration issues sponsored by the Center for Competitive Florida at Florida TaxWatch. FEIVR recommends that the Security Through Regularized Immigration and a Vibrant Economy Act (STRIVE) of 2007, which recently was debated in Congress, should create better conditions for foreign traders and investors for obtaining E-1 trader and E-2 investor visas by abolishing the requirement that visa applicants prove they do not have immigrant intent, and by creating a new permanent residence category based on maintaining a qualifying business for eight years.

FEIVR also recommends that foreign students should not have to prove that they intend to return home upon completion of their studies. Rather, they should have a two-year optional practical training period with work authorization upon completion of their program of study. Foreign students who have completed their studies in the U.S. in scientific, engineering, and medical fields should not be subject to the H-1B visa cap, and should be given preferential treatment in pursuing permanent residence such as, for example, being exempted from the annual quota in their employment-based green card category.

"America's need for highly skilled workers has never been greater. Barring high skilled immigrants from entry to the U.S., and forcing the ones that are here to leave because they cannot obtain a visa, ultimately forces U.S. employers to shift development work and other critical projects offshore. We can retain these research projects in the United States; by contrast, we can stimulate domestic job and economic growth."

Microsoft Chairman Bill Gates
(Testimony before the Senate Committee on Health, Education, Labor, and Pensions, March 2007)

Area for Further Study

Florida's Declining Share of Foreign Direct Investment and International Tourism

In addition to the adverse economic impacts that are associated with the federal visa and immigration policies enacted in response to the events of September 11, 2001, Florida has continued to experience a decline in the proportion of tourists and foreign investment coming into the United States. As shown in the following two exhibits, these declines began prior to the events of September 11, 2001 and have continued. As shown in Exhibit 10, Florida's share of the Foreign Direct Investment in the United States has steadily declined from 3.8% in 1997 to 2.4% in 2006.

Exhibit 10
Florida's Share of Foreign Direct Investment in the United States Continues to Decline

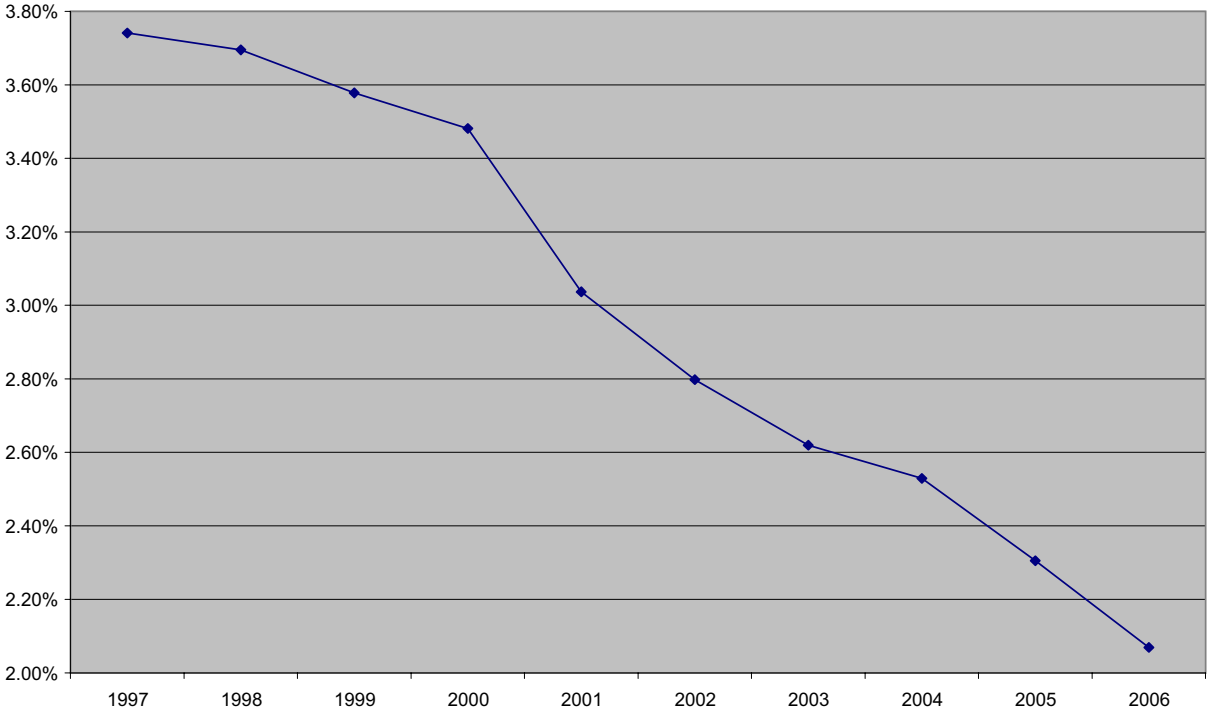
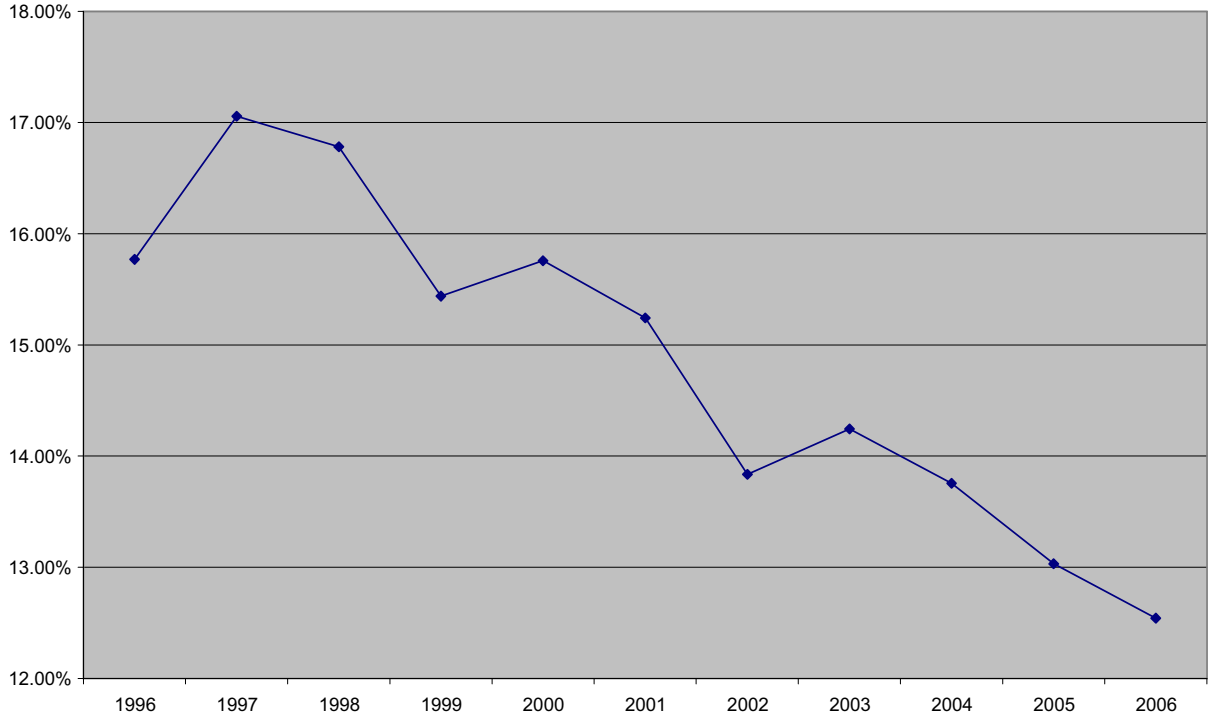


Exhibit 11 shows that the Florida's share of the international tourism market has been declining since 1997. In 1997, 17% of all tourists coming to the United States called Florida their destination. By 2006, this percentage had fallen by 25% to 12.6% of the United States market. The cause(s) for this decline in market share for both of these economic sectors is probably not due to any changes in federal visa and immigration policy, but to state specific factors that have adversely affected Florida's competitive position. While an identification and analysis of the causes for this loss of United States market share was not included as part of this evaluation, Florida TaxWatch may consider conducting such an analysis at a later date.

Exhibit 11
Florida's Share of International Tourist Visiting the United States Continues to Decline



SOURCES OF INFORMATION

Adler, Ben. TNR Online. *First Word: Social Cost.* (04/06/05). https://ssl.tnr.com/p/docsub.mhtml?i=w050404&s=adler040605 Accessed on 5/14/2007

Bouchard, Joseph. Center for American Progress. *New strategies to Protect America: Safer Ports for a More Secure Economy.* http://www.americanprogress.org/atf/cf/%7BE9245FE4-9A2B-43C7-A521-5D6FF2E06E03%7D/port_security.pdf Accessed on 5/3/2007

Canada Border Services Agency. *Travel Documents for Crossing the Border: What is the Government of Canada doing?* (3/8/07). http://cbsa.gc.ca/agency/whti-ivho/gov-gouv-e.html Accessed on 5/14/2007

Canada Border Services Agency. *Travel Documents for Crossing the Border: What is WHTI?* (3/8/07). http://cbsa.gc.ca/agency/whti-ivho/what-quoi-e.html Accessed on 5/14/2007

Colavecchio, Shannon and Sickler, Van. St. Petersburg Times. *Medical Schools Get Okay, Not Cash: The State Says UCF and FIU Can Build Schools. Now They Need Millions of Dollars to Make It Happen.* (3/24/06). http://www.sptimes.com/2006/03/24/State/Medical_schools_get_o.shtml Accessed on 5/16/2007

De Lollis, Barbara. USA Today. *USA Tries to be Less Daunting to Foreign Visitors.* (2/16/06). http://www.usatoday.com/money/biztravel/2006-02-16-foreign-visits-usat_x.htm Accessed on 5/14/2007

Department of Homeland Security. *Fact Sheet: Western Hemisphere Travel Initiative (WHTI) Passport Card Technology Choice: Vicinity RFID.* (10/17/06). http://www.sptimes.com/2007/02/26/Business/Security_shuts_out__a.shtml Accessed 5/3/2007

Department of Homeland Security. Office of Grants and Training. *Overview: FY 2007 Infrastructure Protection Program.* (1/9/07). http://www.dhs.gov/xlibrary/assets/grants_ippawardsfy07.pdf Accessed on 5/3/2007

Devore, Scott D. (Devore & Devore, P.A.; Palm Beach Gardens, Florida). *Letter to Congressman Klein*. April 11, 2007.

Discover America Partnership. *A Blueprint to Discover America.* (01/31/07). http://www.tia.org/resources/PDFs/Gov_affairs/Blueprint_to_Discover_America.pdf Accessed on 5/14/2007

Discover America Partnership. *Discover America Partnership/RT Strategies Survey of International Travelers.* (11/20/06). http://www.poweroftravel.org/pdf/International_Travel_Survey_Summary.pdf Accessed on 5/14/2007

Discover America Partnership. *Secure Borders and Open Doors: The Travel Industry's One-Year Evaluation of the Rice-Chertoff Joint Vision*. (01/31/07). http://www.poweroftravel.org/pdf/RCJV_Evaluation.pdf Accessed on 5/14/2007

Enterprise Florida. [Marketing & Strategic Intelligence Division] *Florida's Global Economic Competitiveness.* (2/2007). http://www.eflorida.com/intelligencecenter/reports/Florida_Global_Economic_Competitiveness.pdf Accessed on 5/3/2007

Enterprise Florida. *Foreign Direct Investment.* http://eflorida.com/globaladvantages/default.asp?level1=25&level2=119 Accessed on 5/3/2007

Enterprise Florida. *Road Map to Florida's Future: 2004-2009 Statewide Strategic Plan for Economic Development: Diversifying Florida's Economy: Florida's Competitiveness.* http://www.eflorida.com/strategicplan/2005/FLCompetitivenessStudy.pdf Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *Dual Citizenship.* (2007). http://immigration.findlaw.com/immigration/immigration-citizenship-naturalization/immigration-citizenship-naturalization-dual(1).html Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *Employment Based Visas.* (2007). http://immigration.findlaw.com/immigration/immigration-green-card/immigration-green-card-employment-overview.html Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *Immigration Through Investment.* (2007). http://immigration.findlaw.com/immigration/immigration-green-card/immigration-green-card-investment-overview.html Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *Immigration Through Investment: Status and Filing FAQ.* (2007). http://immigration.findlaw.com/immigration/immigration-green-card/immigration-green-card-investment-faq.html Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *Immigration Through Investment: Visa Eligibility.* (2007). http://immigration.findlaw.com/immigration/immigration-green-card/immigration-green-card-investment-eligibility.html Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *Immigration Visas FAQ.* (2007). http://immigration.findlaw.com/immigration/immigration-green-card/immigration-green-card-faq.html Accessed on 5/14/2007

Find Law. (From U.S. Citizenship and Immigration Services). *U.S. Citizenship & Naturalization.* (2007). http://immigration.findlaw.com/immigration/immigration-citizenship-naturalization/ Accessed on 5/14/2007

First Southwest Company. *An Analysis of the Funding Capacity of Florida's Seaports to Meet their Five-Year Capital Plans and An Assessment of the Cost of Enhanced Seaport Security after 9-11.* (11/30/05). http://www.flaports.org/docs/fsw%20-%20fpfc%20final%20report%20-%20executive%20summary%20only%20-%2011-30-05.pdf Accessed on 5/14/2007

Florida International Bankers Association. *The Economic Impacts of International Banking in Florida and Industry Survey: 2005.* http://www.fiba.net/templates/Fiba/UserFiles/File/Economic_Impact_Summary.pdf Accessed on 5/14/2007

Florida Senate. [Committee on Home Defense, Public Security, and Ports] *Seaport Security.* (10/22/03). http://www.flsenate.gov/data/Publications/2004/Senate/reports/interim_reports/pdf/2004-150hp.pdf Accessed on 5/14/2007

Florida TaxWatch. Research Report: *Termites in Florida's Basement: The Economic Impact of national Security Policy on Florida's Economy*. December 2005.

Galewitz, Phil. Palm Beach Post. *Official Cites Doctor 'Crisis' in Death*. March 28, 2007. http://palmbeachpost.com Originally Accessed on 4/11/2007; Florida TaxWatch acquired a copy from Devore & Devore, P.A. on 5/21/2007

Health Resources and Services Administration. [U.S. Department of Health and Human Services] *The Florida Health Workforce: Highlights from the Health Workforce Profile.* http://bhpr.hrsa.gov/healthworkforce/reports/statesummaries/florida.htm Accessed on 5/16/2007

House, Billy. The Tampa Tribune. *Federal Port Security Plan May Conflict with Florida's*. (4/27/07). http://www.tbo.com/news/money/MGBGIJHXZ0F.html Accessed on 5/3/2007

Huettel, Steve. St. Petersburg Times. *Some Overseas Visitors are Over Florida. (*2/12/07). http://www.sptimes.com/2007/02/12/Business/Some_overseas_visitor.shtml Accessed on 5/14/2007

International Chamber of Commerce: The World Business Organization. *How does it Work?* (2007). http://www.iccwbo.org/policy/trade/id2804/index.html Accessed on 5/14/2007

International Chamber of Commerce: The World Business Organization. *Policy and Business Practices.* (2007). http://www.iccwbo.org/policy/trade/id1158/index.html?cookies=no Accessed on 5/14/2007

McLaughlin, Camilla. Unique Homes. *Why Foreigners Love Florida.* http://www.uniquehomes.com/cms/0207-42-loveflorida.html Accessed on 5/3/2007

NAFSA: Association of International Educators. *Summary of Security Through Regularized Immigration and a Vibrant Economy Act of 2007 (STRIVE ACT of 2007).* http://www.nafsa.org/_/File/_/strive_summary.pdf Accessed on 5/3/2007

Negative Population Growth. *Focus on Florida: Population, Resources, and Quality of Life.* http://www.npg.org/specialreports/FL/fl_report.html Accessed on 5/3/2007

Olson, Anthony. Florida Employers for Immigration and Visa Reform. *Comprehensive Immigration Reform Now Talking Points – Updated April 9, 2007*. (4/9/07) http://www.feivr.org/images/Revised_Policy_Talking_Points_04-09-2007.doc Accessed on 5/3/2007

Petway III, Thomas. [Chair, External Commission on the Future of FSU] *Presentation to Internal Commission on the Future.* http://www.fsu.edu/~future/petway.html Accessed on 5/16/2007

Reveron, Derek. *Coming Ashore: A Florida law in the Works would make it Easier for Foreigners to buy Coverage.* (July 2005). http://findarticles.com/p/articles/mi_m0BEK/is_7_13/ai_n14874185 Accessed on 5/14/2007

Thorner, James. St. Petersburg Times. *Security Shuts Out a World of Wealth State Business Officials are up in Arms Over Entry Rules they Say are Costing Florida Billions in Foreign Trade.* (02/26/07). http://www.sptimes.com/2007/02/26/Business/Security_shuts_out__a.shtml Accessed on 5/14/2007

U.S. Department of State [Remarks by Secretary Rice & Secretary Chertoff] *Rice-Chertoff Joint Vision: Secure Borders and Open Doors in the Information Age.* (1/17/06). http://www.state.gov/r/pa/prs/ps/2006/59242.htm Accessed on 5/27/2007

Wainio, Richard. [Port Director & CEO, Tampa Port Authority] *House Committee on Homeland Security: Subcommittee on Border, Maritime, and Global Counterterrorism.* (4/26/07). http://homeland.house.gov/SiteDocuments/20070427081310-85150.pdf Accessed on 5/3/2007

Wernick, David; Florida International University and the Greater Miami Chamber of Commerce. *The Impact of Globalization on Florida's Industry, Workforce, and Environment: Public Policy Dimensions.* (2004). http://64.233.179.104/scholar?hl=en&lr=&q=cache:4QkcYB1rOdAJ:business.fiu.edu/web/pdf/dw_FloridaGlobalFrontiers.pdf+david+wernick+the+impact+of+globalization Accessed on 5/3/2007

About The Center for Competitive Florida

The Florida TaxWatch Center for a Competitive Florida evaluates state government fiscal policies; researches economic, demographic and other trends that affect economic competitiveness; and makes policy recommendations that enhance Florida's ability to compete successfully to assure Florida's continued economic growth, security, and sustainability.

This Research Report was written by Dave Davis and Chuck Hefren, Sr. Research Analysts, with economic analysis and assistance by Dr. Tony Villamil, CEO of The Washington Economics Group, Inc., Dr. Necati Aydin, Sr. Research Analyst, Benjamin Browning, Research Analyst, Joseph Pierre, Graduate Intern, Askew School of Public Administration and Policy, Florida State University, and Victoria Zepp, Executive Director, Center for Competitive Florida at Florida TaxWatch.

For a copy of the Research Report, please call:
(850) 222-5052
OR
Write Florida TaxWatch at:
P.O. Box 10209
Tallahassee, FL 32302
OR
Access and download the *Research Report* at:
www.floridataxwatch.org where the *Research Report* was released before being printed in hardcopy format.