



Appropriations Committee

Tuesday, February 4, 2014
9:30 AM – 12:00 PM
212 Knott Building

Action Packet

COMMITTEE MEETING REPORT

Appropriations Committee

2/4/2014 9:30:00AM

Location: Webster Hall (212 Knott)

Summary:

Appropriations Committee

Tuesday February 04, 2014 09:30 am

HB 7015 Favorable With Committee Substitute
Amendment 184891 Adopted Without Objection
Amendment 254515 Withdrawn
Amendment 644131 Adopted Without Objection
Amendment 828017 Adopted Without Objection

Yeas: 25 Nays: 0

Committee meeting was reported out: Tuesday, February 04, 2014 3:06:14PM

COMMITTEE MEETING REPORT

Appropriations Committee

2/4/2014 9:30:00AM

Location: Webster Hall (212 Knott)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Seth McKeel (Chair)	X		
Ben Albritton	X		
Dennis Baxley	X		
Marti Coley	X		
Richard Corcoran			X
Steve Crisafulli			X
Janet Cruz	X		
Erik Fresen	X		
Reggie Fullwood	X		
Joseph Gibbons	X		
Eduardo Gonzalez	X		
James Grant	X		
Ed Hooper	X		
Matt Hudson	X		
Clay Ingram	X		
Mia Jones	X		
Charles McBurney	X		
H. Marlene O'Toole	X		
Mark Pafford	X		
Jimmy Patronis	X		
Hazelle Rogers	X		
Darryl Rouson	X		
Cynthia Stafford	X		
W. Gregory Steube	X		
Perry Thurston, Jr.	X		
Alan Williams	X		
Dana Young	X		
Totals:	25	0	2

Committee meeting was reported out: Tuesday, February 04, 2014 3:06:14PM

COMMITTEE MEETING REPORT

Appropriations Committee

2/4/2014 9:30:00AM

Location: Webster Hall (212 Knott)

HB 7015 : Military and Veteran Support

Favorable With Committee Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Ben Albritton	X				
Dennis Baxley	X				
Marti Coley	X				
Richard Corcoran			X		
Steve Crisafulli			X		
Janet Cruz	X				
Erik Fresen	X				
Reggie Fullwood	X				
Joseph Gibbons	X				
Eduardo Gonzalez	X				
James Grant	X				
Ed Hooper	X				
Matt Hudson	X				
Clay Ingram	X				
Mia Jones	X				
Charles McBurney	X				
H. Marlene O'Toole	X				
Mark Pafford	X				
Jimmy Patronis	X				
Hazelle Rogers	X				
Darryl Rouson	X				
Cynthia Stafford	X				
W. Gregory Steube	X				
Perry Thurston, Jr.	X				
Alan Williams	X				
Dana Young	X				
Seth McKeel (Chair)	X				
Total Yeas: 25					
Total Nays: 0					

HB 7015 Amendments

Amendment 184891

Adopted Without Objection

Amendment 254515

Withdrawn

Amendment 644131

Adopted Without Objection

Committee meeting was reported out: Tuesday, February 04, 2014 3:06:14PM

COMMITTEE MEETING REPORT

Appropriations Committee

2/4/2014 9:30:00AM

Location: Webster Hall (212 Knott)

HB 7015 : Military and Veteran Support (continued)

Amendment 828017

Adopted Without Objection

Appearances:

HB 7015--Military and Veteran Support
Johnson, Carolyn (Lobbyist) - Waive In Support
Florida Chamber of Commerce, Policy Director
136 S. Bronough Street
Tallahassee FL 32311
Phone: (850) 521-1235

HB 7015
Carbonell, Bobby (Lobbyist) (State Employee) - Proponent
Florida Department of Veterans' Affairs, Legislative & Cabinet Affairs Director
The Capitol, Suite 2105 400 South Monroe Street
Tallahassee FL 32399
Phone: (850) 487-1533

HB 7015
Fasi, Carlo (State Employee) - Proponent
Florida Student Association, Chair
1 UNF Drive
Jacksonville FL 32224
Phone: (954) 625-9176

Committee meeting was reported out: Tuesday, February 04, 2014 3:06:14PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 7015 (2014)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<input type="checkbox"/>	(Y/N)
ADOPTED AS AMENDED	<input type="checkbox"/>	(Y/N)
ADOPTED W/O OBJECTION	<input checked="" type="checkbox"/>	(Y/N)
FAILED TO ADOPT	<input type="checkbox"/>	(Y/N)
WITHDRAWN	<input type="checkbox"/>	(Y/N)
OTHER	<input type="checkbox"/>	

1 Committee/Subcommittee hearing bill: Appropriations Committee
2 Representative Smith offered the following:

3
4 **Amendment**

5 Remove lines 165-188 and insert:

6 (9) (a) Beginning in the 2014-2015 fiscal year, the sum of
7 \$5 million in recurring funds is appropriated from the General
8 Revenue Fund to the Department of Military Affairs to pay the
9 full tuition and fees, not to exceed the in-state rate at the
10 applicable state college or state university, for members
11 deployed on or after October 31, 2013. Funds appropriated in
12 this paragraph may be used to reimburse student textbook and
13 instructional material costs, but only after tuition and fees
14 for all eligible members are paid for that fiscal year.

15 (b) If a member who is eligible pursuant to paragraph (a)
16 elects to benefit from funds appropriated pursuant to
17 paragraph(a), he or she must:

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Published On: 2/3/2014 7:50:37 PM

Amendment No. 1

18 1. Enroll in a classroom-based or online baccalaureate
19 degree program at a state university or Florida College System
20 institution within 1 year after the end of his or her
21 deployment.

22 2. Meet the eligibility criteria and application
23 requirements for the Educational Dollars for Duty program.

24 Section 2. For the 2014-2015 fiscal year, the sum of
25 \$250,000 in nonrecurring funds is appropriated from the General
26 Revenue Fund to the Department of Military Affairs for the
27 purpose of information technology upgrades to accommodate
28 administering and auditing the Educational Dollars for Duty
29 program.

30

Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<input checked="" type="checkbox"/>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Appropriations Committee
 2 Representative Smith offered the following:

3

4 **Amendment (with title amendment)**

5 Between lines 224 and 225, insert:

6 Section 5. Paragraph (b) of Subsection (1) of Section
 7 220.13, Florida Statutes, is amended to read:

8 220.13 "Adjusted federal income" defined.—

9 (1) The term "adjusted federal income" means an amount
 10 equal to the taxpayer's taxable income as defined in subsection
 11 (2), or such taxable income of more than one taxpayer as
 12 provided in s. 220.131, for the taxable year, adjusted as
 13 follows:

14 (b) Subtractions.—

15 1. There shall be subtracted from such taxable income:

16 a. The net operating loss deduction allowable for federal
 17 income tax purposes under s. 172 of the Internal Revenue Code

Amendment No. 2

18 for the taxable year, except that any net operating loss that is
19 transferred pursuant to s. 220.194(6) may not be deducted by the
20 seller,

21 b. The net capital loss allowable for federal income tax
22 purposes under s. 1212 of the Internal Revenue Code for the
23 taxable year,

24 c. The excess charitable contribution deduction allowable
25 for federal income tax purposes under s. 170(d)(2) of the
26 Internal Revenue Code for the taxable year, and

27 d. The excess contributions deductions allowable for
28 federal income tax purposes under s. 404 of the Internal Revenue
29 Code for the taxable year.

30
31 However, a net operating loss and a capital loss shall never be
32 carried back as a deduction to a prior taxable year, but all
33 deductions attributable to such losses shall be deemed net
34 operating loss carryovers and capital loss carryovers,
35 respectively, and treated in the same manner, to the same
36 extent, and for the same time periods as are prescribed for such
37 carryovers in ss. 172 and 1212, respectively, of the Internal
38 Revenue Code.

39 2. There shall be subtracted from such taxable income any
40 amount to the extent included therein the following:

41 a. Dividends treated as received from sources without the
42 United States, as determined under s. 862 of the Internal
43 Revenue Code.

Amendment No. 2

44 b. All amounts included in taxable income under s. 78 or
45 s. 951 of the Internal Revenue Code.

46
47 However, as to any amount subtracted under this subparagraph,
48 there shall be added to such taxable income all expenses
49 deducted on the taxpayer's return for the taxable year which are
50 attributable, directly or indirectly, to such subtracted amount.
51 Further, no amount shall be subtracted with respect to dividends
52 paid or deemed paid by a Domestic International Sales
53 Corporation.

54 3. In computing "adjusted federal income" for taxable
55 years beginning after December 31, 1976, there shall be allowed
56 as a deduction the amount of wages and salaries paid or incurred
57 within this state for the taxable year for which no deduction is
58 allowed pursuant to s. 280C(a) of the Internal Revenue Code
59 (relating to credit for employment of certain new employees).

60 4. There shall be subtracted from such taxable income any
61 amount of nonbusiness income included therein.

62 5. There shall be subtracted any amount of taxes of
63 foreign countries allowable as credits for taxable years
64 beginning on or after September 1, 1985, under s. 901 of the
65 Internal Revenue Code to any corporation which derived less than
66 20 percent of its gross income or loss for its taxable year
67 ended in 1984 from sources within the United States, as
68 described in s. 861(a)(2)(A) of the Internal Revenue Code, not
69 including credits allowed under ss. 902 and 960 of the Internal

Amendment No. 2

70 Revenue Code, withholding taxes on dividends within the meaning
71 of sub-subparagraph 2.a., and withholding taxes on royalties,
72 interest, technical service fees, and capital gains.

73 6. There shall be subtracted from such taxable income 4
74 percent of the amount of the subcontract award certified by the
75 Department of Economic Opportunity pursuant to s. 288.1046.

76 76. Notwithstanding any other provision of this code,
77 except with respect to amounts subtracted pursuant to
78 subparagraphs 1. and 3., any increment of any apportionment
79 factor which is directly related to an increment of gross
80 receipts or income which is deducted, subtracted, or otherwise
81 excluded in determining adjusted federal income shall be
82 excluded from both the numerator and denominator of such
83 apportionment factor. Further, all valuations made for
84 apportionment factor purposes shall be made on a basis
85 consistent with the taxpayer's method of accounting for federal
86 income tax purposes.

87 Section 6. Section 288.1046, Florida Statutes, is created
88 to read:

89 288.1046 Defense Works in Florida Incentive.-

90 (1) As used in this section, the term:

91 (a) "Florida prime contractor" means a business entity
92 operating in the state that is awarded a prime contract.

93 (b) "Florida small business subcontractor" means a
94 business entity that:

95 1. Maintains its primary place of business in the state;

Amendment No. 2

96 2. Has 250 or fewer employees;

97 3. Is awarded a subcontract from a Florida prime
98 contractor; and

99 4. Has no subsidiary or affiliate business relationship to
100 the prime contractor making the award.

101 (c) "Prime contract" means a contract that is awarded
102 directly from the Federal Government.

103 (d) "Qualified defense work" means a prime contract
104 awarded for manufacturing, engineering, construction,
105 distribution, research, development, or other activities related
106 to equipment, supplies, technology, or other goods or services
107 that directly or indirectly support the United States Armed
108 Forces or that can be reasonably determined to support national
109 security, including space related activities. The term also does
110 not include contracts awarded before October 1, 2013.

111 (e) "Qualified subcontract award" means qualified defense
112 work, in part or in whole, subcontracted from a Florida prime
113 contractor to a Florida small business subcontractor, which is
114 executed in the state and is determined by the department to
115 meet the criteria in paragraphs (a) through (d).

116 (2) A Florida prime contractor may apply to the department
117 to certify that it may reduce its computation of adjusted
118 federal income under s. 220.13 by an amount equal to 4 percent
119 of the subcontract award if such prime contractor:

120 (a) Is subject to chapter 220;

121 (b) Is awarded qualified defense work; and

Amendment No. 2

122 (c) Awards a qualified subcontract award of at least
123 \$250,000.

124 (3) A Florida prime contractor may claim the incentive
125 under subsection (2) only for taxable years beginning on or
126 after January 1, 2014, and must apply separately to the
127 department, for each qualified subcontract award and provide the
128 department required documentation including, but not limited to,
129 the application for the award and copies of contracts, tax
130 records, or employment records.

131 (4) The department may establish application, approval,
132 appeal, and accountability processes as necessary. The
133 department may consult with Enterprise Florida, Inc., and the
134 Florida Defense Support Task Force as necessary to administer
135 this section.

136 (a) Within ten (10) days after certifying a qualified
137 subcontract award, the department shall provide:

- 138 1. A letter certifying the award to the applicant; and
139 2. A copy of the letter certifying the award to the
140 Department of Revenue.

141 (b) The department may certify, per each Florida prime
142 contractor applicant per calendar year, up to \$250 million in
143 aggregate qualified subcontract awards, up to \$10 million in
144 reduced taxable income, and up to \$550,000 in reduced taxes.

145 (c) The department may certify in total, per calendar
146 year, up to \$2.5 billion in aggregate qualified subcontract

Amendment No. 2

147 awards, up to \$100 million in reduced taxable income, and up to
148 \$5.5 million in reduced taxes.

149 (d) For a multiyear qualified subcontract award:

150 1. The department shall certify the full amount of the
151 award under paragraphs (b) and (c) in the calendar year it was
152 awarded; and

153 2. The Florida prime contractor may claim the incentive in
154 the taxable year in which payment is made to the Florida small
155 business subcontractor.

156 (5) The department and the Department of Revenue may adopt
157 rules to administer this section.

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159

160

161

T I T L E A M E N D M E N T

162
163 Remove line 14 and insert:
164 available for such purpose; creating s. 288.1046, F.S.;
165 providing definitions; providing that certain prime contractors
166 may apply to the Department of Economic Opportunity to certify
167 that such contractors may reduce their computation of adjusted
168 federal income by a certain amount when awarded a prime
169 contract; providing requirements to apply for a reduction in
170 computation of income; providing that a prime contractor must
171 apply separately for each qualified subcontract award; providing
172 for required documentation; providing guidelines for the

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 7015 (2014)

Amendment No. 2

173 department to certify an award; providing rulemaking authority;
174 amending ss. 295.065,

175

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 7015 (2014)

Amendment No. 3

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED (Y/N)

ADOPTED AS AMENDED (Y/N)

ADOPTED W/O OBJECTION ✓ (Y/N)

FAILED TO ADOPT (Y/N)

WITHDRAWN (Y/N)

OTHER

1 Committee/Subcommittee hearing bill: Appropriations Committee
2 Representative Smith offered the following:

3
4 **Amendment (with title amendment)**

5 Between lines 902 and 903, insert:

6 Section 20. For the 2014-2015 fiscal year, the sum of \$4.9
7 million in nonrecurring funds is appropriated from the General
8 Revenue Fund to the Military Base Protection Program within the
9 Department of Economic Opportunity to allow the Board of
10 Trustees of the Internal Improvement Trust Fund to acquire,
11 pursuant to s. 288.980, nonconservation land adjacent to MacDill
12 Air Force Base for the purpose of securing and protecting the
13 installation against encroachment.

14 Section 21. For the 2014-2015 fiscal year, the sum of \$2.4
15 million in nonrecurring funds is appropriated from the General
16 Revenue Fund to the Military Base Protection Program within the
17 Department of Economic Opportunity to allow the Board of

Amendment No. 3

18 Trustees of the Internal Improvement Trust Fund to acquire,
19 pursuant to s. 288.980, nonconservation land adjacent to Naval
20 Support Activity Panama City for the purpose of securing and
21 protecting the installation against encroachment.

22 Section 22. For the 2014-2015 fiscal year, the sum of \$1.5
23 million in nonrecurring funds is appropriated from the General
24 Revenue Fund to the Military Base Protection Program within the
25 Department of Economic Opportunity to allow the Board of
26 Trustees of the Internal Improvement Trust Fund to acquire,
27 pursuant to s. 288.980, nonconservation land adjacent to Naval
28 Station Mayport for the purpose of securing and protecting the
29 installation against encroachment.

30

31

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34

T I T L E A M E N D M E N T

35

Remove line 44 and insert:

36

providing applicability; providing appropriations; providing an
37 effective date.

38

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 7015 (2014)

Amendment No. 4

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> ✓ </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Appropriations Committee
2 Representative Smith offered the following:

3
4 **Amendment (with title amendment)**

5 Between lines 902 and 903, insert:

6 Section 20. For the 2014-2015 fiscal year, the sum of
7 \$12.5 million in nonrecurring funds is appropriated from the
8 General Revenue Fund to the Department of Military Affairs for
9 the purpose of continuing renovations to state readiness centers
10 to meet state and federal building codes.

11
12
13
14 -----
15 **T I T L E A M E N D M E N T**

16 Remove line 44 and insert:

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 7015 (2014)

Amendment No. 4

17 providing applicability; providing appropriations; providing an
18 effective date.

19

COMMITTEE MEETING REPORT

Appropriations Committee

2/4/2014 9:30:00AM

Location: Webster Hall (212 Knott)

Presentation/Workshop/Other Business Appearances:

Presentation of the Governor's Recommended Budget FY2014-15

Kelly, Cynthia (Lobbyist) (State Employee) - Information Only

EOG, Office of Policy & Budget, State Budget Director

1702 Capitol Building 400 South Monroe Street

Tallahassee FL 32399

Phone: (850) 717-9506

Presentation of the Governor's Recommended Budget FY2014-15

Valenstein, Noah (Lobbyist) (State Employee) - Information Only

EOG, Office of Policy & Budget, Environmental Policy Unit, Policy Coordinator

The Capitol, Room 1801 400 South Monroe Street

Tallahassee FL 32399

Phone: (850) 717-9508