



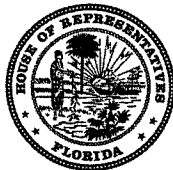
Transportation & Economic Development Appropriations Subcommittee

**Tuesday, March 5, 2013
1:00 PM - 3:00 PM
Reed Hall (102 HOB)**

MEETING PACKET

**Will Weatherford
Speaker**

**Ed Hooper
Chair**



The Florida House of Representatives

Appropriations Committee

Transportation & Economic Development Appropriations Subcommittee

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
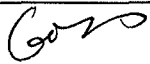
March 5, 2013

AGENDA
1:00 PM – 3:00 PM
Reed Hall

- I. Call to Order/Roll Call**
- II. Consideration of Bills**
 - CS/HB 93 Homelessness – Rep. Reed**
 - HB 7007 Department of Economic Opportunity – Rep. Trujillo**
 - PCB TEDAS 13-01 Trust Fund Terminations/DOT**
 - PCB TEDAS 13-02 Transportation Revenue Bond Trust Fund/DOT**
 - PCB TEDAS 13-03 Transportation Governmental Bond Trust Fund/DOT**
 - PCB TEDAS 13-04 Federal Grants Trust Fund/DOS**
 - PCB TEDAS 13-05 Clearing Funds Trust Fund/DOS**
 - PCB TEDAS 13-06 Federal Grants Trust Fund/DEO**
- III. Closing Remarks/Adjourn**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 93 Homelessness
SPONSOR(S): Healthy Families Subcommittee; Reed and others
TIED BILLS: IDEN./SIM. **BILLS:** SB 402

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Healthy Families Subcommittee	12 Y, 0 N, As CS	Entress	Schoolfield
2) Transportation & Economic Development Appropriations Subcommittee		Rayman 	Davis 
3) Health & Human Services Committee			

SUMMARY ANALYSIS

CS/HB 93 creates and revises multiple sections of Florida Statutes relating to homelessness. Specifically the bill makes the following changes:

- Authorizes the collection of voluntary contributions in the amount of \$1.00 to be added to motor vehicle registration and driver's license fees, both initial and renewal fees, to aid the homeless.
- Waives the \$10,000 application fee for the voluntary contribution to aid the homeless for vehicle registration and renewal forms as well as driver license application forms.
- Replaces s. 414.16, F.S., as it relates to Emergency Financial Assistance Program for Families with s. 414.161, F.S., establishing a homeless prevention grant program to be administered by local homeless continuums of care to provide emergency financial assistance to families facing the loss of their current home due to financial or other crises.
- Limits the amount a lead agency may spend on administrative costs under a Challenge Grant.

The Department of Children and Families estimates a revenue increase of \$20,000 per year to benefit the homeless from the collection of voluntary contributions. The Department of Highway Safety and Motor Vehicles estimates a one-time \$65,600 programming cost to develop the new application forms.

The bill provides an effective date of July 1, 2013, unless otherwise specified.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

The Council on Homelessness

The Council on Homelessness (council) and the State Office on Homelessness (office) were created in 2001 within the Department of Children and Family Services (DCF)¹. The office coordinates state agency responses to homelessness, serves as a single point of contact on homeless issues in the state, and administers state-funded grant programs that support the activities of the 28 local homeless coalitions². The 17-member council is comprised of representatives of state agencies, counties, homeless advocacy organizations, and volunteers³. The council's duties include developing policy and advising the office.

The office administers all homelessness prevention grants through lead agencies. The lead agency has the responsibility for continuum of care plans that help communities or regions envision, plan and implement comprehensive and long term solutions to the problem of homelessness in the community. Lead agencies are also authorized applicants for the Challenge Grant and the Homeless Housing Assistance Grant.

Emergency Assistance Program

This is a state grant program to provide support to families, with at least one minor child, who are currently without shelter or face the loss of shelter because of the following:⁴

- Nonpayment of rent or mortgage resulting in eviction or notice of eviction;
- Household disaster, which renders the home uninhabitable;
- Other emergency situations defined in rule.⁵

Families may receive up to \$400 during one period of 30 consecutive days in any 12 consecutive months.⁶ DCF serves approximately 2,000 families a year under this program and utilizes Other Personal Services (OPS) staff to assess eligibility and process payments.⁷

Homeless Housing Assistance Grants

This grant program provides homeless housing assistance grants up to \$750,000 annually to lead agencies to acquire, construct, or rehabilitate transitional or permanent housing units for homeless persons.⁸ Administrative costs are capped at 5% of the funds awarded.⁹

¹Ch. 2001-98, L.O.F

²s.420.622(3), F.S.

³s.420.622(2), F.S.

⁴s. 414.16, F.S.

⁵s. 414.16(1), F.S.

⁶65A-33.011, F.A.C.

⁷DCF Staff Analysis HB 93 (2013). On file with committee staff.

⁸s. 420.622(5), F.S.

⁹s. 420.622(5)(f), F.S.

Challenge Grant

The challenge grant is a state program which includes grants of up to \$500,000 to lead agencies who have developed and implemented a local homeless assistance continuum of care plan to provide services including outreach, emergency shelter, support services, and permanent shelter in the area.¹⁰ This grant program was not funded in the General Appropriations Act for FY 2012-13.

Voluntary Checkoffs

Voluntary checkoffs provide the opportunity for citizens to make a voluntary donation by checking a box on a form when registering a vehicle or applying for a driver's license. Current statute provides that an organization must seek authorization from the Department of Highway Safety and Motor Vehicles (DHSMV) prior to establishing a voluntary contribution checkoff. Organizations must submit the request to DHSMV, pay an application fee not to exceed \$10,000 and submit a marketing strategy prior to seeking Legislative authorization for the creation of a new voluntary contribution fee on motor vehicle registration or driver license applications.¹¹

DHSMV must discontinue the checkoff if less than \$25,000 has been contributed by the end of the fifth year, or if less than \$25,000 is contributed during any subsequent 5-year period.¹²

Currently there are 24 voluntary contribution checkoff opportunities for motor vehicle registration applicants and 17 contribution checkoff opportunities for driver license applicants.¹³ DHSMV informs that due to the increased number of voluntary contribution checkoffs, the renewal notices are overcrowded with information, making them difficult to read.¹⁴ The 2010 Legislature passed a moratorium on new voluntary checkoffs from July 1, 2010 to July 1, 2013. An exception could be made to the moratorium if certain conditions were met or a bill was filed during the 2010 Legislative session to establish a voluntary contribution and satisfy the requirements of s. 320.023 or s. 322.081, F.S.¹⁵ A bill was filed during the 2010 Legislative Session, HB 923, which attempted to establish the same voluntary contribution for the homeless (as in the HB 93) and addressed the requirements in law.¹⁶

Effect of Proposed Changes

The bill authorizes the collection of voluntary contributions in the amount of \$1.00 to be added to the motor vehicle and driver's license fees - initial and renewal fees - to aid the homeless, as of October 1, 2013. This is accomplished by adding a homelessness voluntary contribution checkoff to the forms when paying for a driver license or vehicle registration. The bill does not require the voluntary contributions be subject to the checkoff procedures and requirements of s. 320.023, F.S., and s. 322.081, F.S. Funds collected will be placed in a grants and donations trust fund for use by the Office on Homelessness to supplement Challenge Grants and Homeless Housing Assistance Grants and to provide information on homelessness to the public. The effect of this change is estimated to generate an additional \$20,000 a year.

The bill repeals s. 414.16, F.S., relating to the Emergency Assistance Program and replaces it with a Homelessness Prevention Grant Program under s. 414.161, F.S. The new program will be administered by the Office on Homelessness at DCF, with the concurrence of the Council on Homelessness. The office may provide prevention grants through contracts with local lead agencies for

¹⁰ s. 420.622(4), F.S.

¹¹ s. 320.023, F.S., 322.081, F.S.

¹² ss. 320.023(4)(a) and 322.081(4)(a), F.S.

¹³ s. 320.02(8), (14), (15), F.S. and 322.08(7), F.S.

¹⁴ Department of Highway Safety and Motor Vehicles Agency Bill Analysis, 1/25/13, on file with the committee.

¹⁵ Section 26, chapter 2010-223, LOF.

¹⁶ HB923 2010 Legislative Session.

homeless assistance continuums of care. The bill specifies the grant application process and certain preferences for applicants who can leverage additional funds and demonstrate effective programs. Eligibility for the grant program is limited to lead agencies who have implemented a local homeless assistance plan for their area. The grants are capped at \$300,000 and may be used to assist families facing the loss of their current home to pay past due rent and mortgage payments, past due utility bills, and case management. Program administrative costs are capped at 3 percent of the grant award.

The bill also limits lead agency spending at a maximum of 8 percent of funding for administrative costs expended on Challenge Grants which are authorized in s. 420.622, F.S.

B. SECTION DIRECTORY:

Section 1: Amends s. 320.02, F.S., relating to registration required; application for registration; forms.

Section 2: Amends s. 322.08, F.S., relating to application for license; requirements for license and identification card forms.

Section 3: Amends s. 322.18, F.S., relating to original applications, licenses, renewals; expiration of licenses; delinquent licenses.

Section 4: Creates s. 414.161, F.S., relating to Homelessness prevention grants.

Section 5: Amends s. 420.622, F.S., relating to the State Office on Homelessness; Council on Homelessness.

Section 6: Amends s. 420.625, F.S., relating to Grant-in-aid program.

Section 7: Repeals s. 414.16, F.S., relating to emergency assistance program.

Section 8: Provides an effective date of July 1, 2013, unless otherwise specified.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

According to DCF, the voluntary contributions from motor vehicle registrations and renewals, and original or renewal driver's licenses could provide an estimated \$20,000 annually.

The bill waives the application fees for these voluntary contributions normally required by ss. 320.023 and 322.081, F.S. The two application fees total \$20,000.

2. Expenditures:

DHSMV estimates a one-time programming cost of \$65,600 to the Highway Safety Operating Trust Fund to redesign the application forms associated with vehicle registration/renewal transaction and issuance of an original, replacement, or renewal of a driver license/identification card.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

A fiscal impact of \$65,600 in programming costs is estimated by DHSMV in order to redesign application forms. The department states it can accommodate the programming costs within existing resources.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

Line 152 has a technical deficiency and the word "paragraph" should be changed to "subsection."

Recommend changing the effective date for sections 1, 2, and 3 related to the voluntary checkoffs for homelessness contributions to provide sufficient time for DHSMV to implement form changes.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 7, 2013, the Healthy Families Subcommittee approved two amendments and reported favorably as a committee substitute. The amendments:

- Corrects a technical error in drafting changing "paragraph" to "subsection".
- Changes the effective date of the voluntary contribution sections of the bill to October 1, 2013.

1 A bill to be entitled
2 An act relating to homelessness; amending ss. 320.02,
3 322.08, and 322.18, F.S.; requiring the motor vehicle
4 registration form and registration renewal form, the
5 driver license application form, and the driver
6 license application form for renewal issuance or
7 renewal extension to include an option to make a
8 voluntary contribution to aid the homeless; providing
9 for such contributions to be deposited into the Grants
10 and Donations Trust Fund of the Department of Children
11 and Families and used by the State Office on
12 Homelessness for certain purposes; providing exemption
13 from certain application fee requirements; providing
14 that voluntary contributions for the homeless are not
15 income of a revenue nature for the purpose of applying
16 certain service charges; creating s. 414.161, F.S.;
17 establishing a homelessness prevention grant program;
18 requiring grant applicants to be ranked competitively;
19 providing preference for certain grant applicants;
20 providing eligibility requirements; providing grant
21 limitations and restrictions; requiring lead agencies
22 for local homeless assistance continuums of care to
23 track, monitor, and report on assisted families for a
24 specified period; amending s. 420.622, F.S.; limiting
25 the percentage of funding that lead agencies may spend
26 on administrative costs; amending s. 420.625, F.S.;
27 deleting a cross-reference to conform; repealing s.
28 414.16, F.S., relating to the emergency assistance

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29 program for families with children that have lost
 30 shelter or face loss of shelter due to an emergency;
 31 transferring emergency assistance program funds to the
 32 homelessness prevention grant program; providing
 33 effective dates.

34

35 Be It Enacted by the Legislature of the State of Florida:

36

37 Section 1. Effective October 1, 2013, paragraph (s) is
 38 added to subsection (15) of section 320.02, Florida Statutes, to
 39 read:

40 320.02 Registration required; application for
 41 registration; forms.—

42 (15)

43 (s) Notwithstanding s. 320.023, the application form for
 44 motor vehicle registration and renewal of registration must
 45 include language permitting a voluntary contribution of \$1 per
 46 applicant to aid the homeless. Contributions made pursuant to
 47 this paragraph shall be deposited into the Grants and Donations
 48 Trust Fund of the Department of Children and Families and used
 49 by the State Office on Homelessness to supplement grants made
 50 under s. 420.622(4) and (5), provide information to the public
 51 about homelessness in the state, and provide literature for
 52 homeless persons seeking assistance. The application fee
 53 required under s. 320.023 for an organization that seeks
 54 authorization to establish a voluntary contribution does not
 55 apply to this paragraph.

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57 For the purpose of applying the service charge provided in s.
58 215.20, contributions received under this subsection are not
59 income of a revenue nature.

60 Section 2. Effective October 1, 2013, subsection (7) of
61 section 322.08, Florida Statutes, is amended to read:

62 322.08 Application for license; requirements for license
63 and identification card forms.—

64 (7) The application form for an original, renewal, or
65 replacement driver license or identification card shall include
66 language permitting the following:

67 (a) A voluntary contribution of \$1 per applicant, which
68 contribution shall be deposited into the Health Care Trust Fund
69 for organ and tissue donor education and for maintaining the
70 organ and tissue donor registry.

71 (b) A voluntary contribution of \$1 per applicant, which
72 contribution shall be distributed to the Florida Council of the
73 Blind.

74 (c) A voluntary contribution of \$2 per applicant, which
75 shall be distributed to the Hearing Research Institute,
76 Incorporated.

77 (d) A voluntary contribution of \$1 per applicant, which
78 shall be distributed to the Juvenile Diabetes Foundation
79 International.

80 (e) A voluntary contribution of \$1 per applicant, which
81 shall be distributed to the Children's Hearing Help Fund.

82 (f) A voluntary contribution of \$1 per applicant, which
83 shall be distributed to Family First, a nonprofit organization.

84 (g) A voluntary contribution of \$1 per applicant to Stop

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85 Heart Disease, which shall be distributed to the Florida Heart
 86 Research Institute, a nonprofit organization.

87 (h) A voluntary contribution of \$1 per applicant to Senior
 88 Vision Services, which shall be distributed to the Florida
 89 Association of Agencies Serving the Blind, Inc., a not-for-
 90 profit organization.

91 (i) A voluntary contribution of \$1 per applicant for
 92 services for persons with developmental disabilities, which
 93 shall be distributed to The Arc of Florida.

94 (j) A voluntary contribution of \$1 to the Ronald McDonald
 95 House, which shall be distributed each month to Ronald McDonald
 96 House Charities of Tampa Bay, Inc.

97 (k) Notwithstanding s. 322.081, a voluntary contribution
 98 of \$1 per applicant, which shall be distributed to the League
 99 Against Cancer/La Liga Contra el Cancer, a not-for-profit
 100 organization.

101 (l) A voluntary contribution of \$1 per applicant to
 102 Prevent Child Sexual Abuse, which shall be distributed to
 103 Lauren's Kids, Inc., a nonprofit organization.

104 (m) A voluntary contribution of \$1 per applicant, which
 105 shall be distributed to Prevent Blindness Florida, a not-for-
 106 profit organization, to prevent blindness and preserve the sight
 107 of the residents of this state.

108 (n) Notwithstanding s. 322.081, a voluntary contribution
 109 of \$1 per applicant to the state homes for veterans, to be
 110 distributed on a quarterly basis by the department to the State
 111 Homes for Veterans Trust Fund, which is administered by the
 112 Department of Veterans' Affairs.

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113 (o) A voluntary contribution of \$1 per applicant to the
 114 Disabled American Veterans, Department of Florida, which shall
 115 be distributed quarterly to Disabled American Veterans,
 116 Department of Florida, a nonprofit organization.

117 (p) A voluntary contribution of \$1 per applicant for
 118 Autism Services and Supports, which shall be distributed to
 119 Achievement and Rehabilitation Centers, Inc., Autism Services
 120 Fund.

121 (q) A voluntary contribution of \$1 per applicant to
 122 Support Our Troops, which shall be distributed to Support Our
 123 Troops, Inc., a Florida not-for-profit organization.

124 (r) Notwithstanding s. 322.081, a voluntary contribution
 125 of \$1 per applicant to aid the homeless. Contributions made
 126 pursuant to this paragraph shall be deposited into the Grants
 127 and Donations Trust Fund of the Department of Children and
 128 Families and used by the State Office on Homelessness to
 129 supplement grants made under s. 420.622(4) and (5), provide
 130 information to the public about homelessness in the state, and
 131 provide literature for homeless persons seeking assistance.

132
 133 A statement providing an explanation of the purpose of the trust
 134 funds shall also be included. For the purpose of applying the
 135 service charge provided in s. 215.20, contributions received
 136 under paragraphs (b)-(r) ~~(b)-(q)~~ are not income of a revenue
 137 nature.

138 Section 3. Effective October 1, 2013, subsection (9) is
 139 added to section 322.18, Florida Statutes, to read:

140 322.18 Original applications, licenses, and renewals;

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141 expiration of licenses; delinquent licenses.-

142 (9) The application form for a renewal issuance or renewal
 143 extension shall include language permitting a voluntary
 144 contribution of \$1 per applicant to aid the homeless.
 145 Contributions made pursuant to this subsection shall be
 146 deposited into the Grants and Donations Trust Fund of the
 147 Department of Children and Families and used by the State Office
 148 on Homelessness to supplement grants made under s. 420.622(4)
 149 and (5), provide information to the public about homelessness in
 150 the state, and provide literature for homeless persons seeking
 151 assistance. For the purpose of applying the service charge
 152 provided in s. 215.20, contributions received under this
 153 subsection are not income of a revenue nature.

154 Section 4. Section 414.161, Florida Statutes, is created
 155 to read:

156 414.161 Homelessness prevention grants.-

157 (1) ESTABLISHMENT OF PROGRAM.-There is created a grant
 158 program to provide emergency financial assistance to families
 159 facing the loss of their current home due to a financial or
 160 other crisis. The State Office on Homelessness, with the
 161 concurrence of the Council on Homelessness, may accept and
 162 administer moneys appropriated to the Department of Children and
 163 Families to provide homelessness prevention grants annually to
 164 lead agencies for local homeless assistance continuums of care,
 165 as recognized by the State Office on Homelessness. These moneys
 166 shall consist of any sums that the state may appropriate, as
 167 well as money received from donations, gifts, bequests, or
 168 otherwise from any public or private source that is intended to

169 assist families to prevent them from becoming homeless.

170 (2) GRANT APPLICATIONS.—Grant applicants shall be ranked
 171 competitively. Preference shall be given to applicants who
 172 leverage additional private funds and public funds, who
 173 demonstrate the effectiveness of their homelessness prevention
 174 programs in keeping families housed, and who demonstrate the
 175 commitment of other assistance and services to address family
 176 health, employment, and education needs.

177 (3) ELIGIBILITY.—In order to qualify for a grant, a lead
 178 agency must develop and implement a local homeless assistance
 179 continuum of care plan for its designated catchment area. The
 180 homelessness prevention program must be included in the
 181 continuum of care plan.

182 (4) GRANT LIMITS.—The maximum grant amount per lead agency
 183 may not exceed \$300,000. The grant assistance may be used to pay
 184 past due rent or mortgage payments, past due utility costs,
 185 provision of case management services, and program
 186 administration costs not to exceed 3 percent of the grant award.
 187 The homelessness prevention program must develop a case plan for
 188 each family to be assisted, setting forth what costs will be
 189 covered and the maximum level of assistance to be offered.

190 (5) PERFORMANCE.—The lead agency must track, monitor, and
 191 report on each family assisted for at least 12 months after the
 192 last assistance provided to the family. The goal for the
 193 homelessness prevention program is to enable at least 85 percent
 194 of the families assisted to remain in their homes and avoid
 195 becoming homeless during the ensuing year.

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196 Section 5. Paragraph (d) is added to subsection (4) of
 197 section 420.622, Florida Statutes, to read:

198 420.622 State Office on Homelessness; Council on
 199 Homelessness.—

200 (4) Not less than 120 days after the effective date of
 201 this act, the State Office on Homelessness, with the concurrence
 202 of the Council on Homelessness, may accept and administer moneys
 203 appropriated to it to provide "Challenge Grants" annually to
 204 lead agencies for homeless assistance continuums of care
 205 designated by the State Office on Homelessness. A lead agency
 206 may be a local homeless coalition, municipal or county
 207 government, or other public agency or private, not-for-profit
 208 corporation. Such grants may be up to \$500,000 per lead agency.

209 (d) A lead agency may spend a maximum of 8 percent of its
 210 funding on administrative costs.

211 Section 6. Paragraph (d) of subsection (3) of section
 212 420.625, Florida Statutes, is amended to read:

213 420.625 Grant-in-aid program.—

214 (3) ESTABLISHMENT.—There is hereby established a grant-in-
 215 aid program to help local communities in serving the needs of
 216 the homeless through a variety of supportive services, which may
 217 include, but are not limited to:

218 (d) Emergency financial assistance for persons who are
 219 totally without shelter or facing loss of shelter, ~~but who are~~
 220 ~~not eligible for such assistance under s. 414.16.~~

221 Section 7. Section 414.16, Florida Statutes, is repealed,
 222 and any balances remaining in the emergency assistance program
 223 terminated by this act shall, on the date of termination, be

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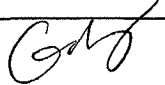
2013

224 | transferred to the homelessness prevention grant program created
225 | under s. 414.161, Florida Statutes.

226 | Section 8. Except as otherwise expressly provided in this
227 | act and except for this section, which shall take effect upon
228 | this act becoming a law, this act shall take effect July 1,
229 | 2013.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7007 PCB EDTS 13-01 Department of Economic Opportunity
SPONSOR(S): Economic Development & Tourism Subcommittee; Trujillo
TIED BILLS: **IDEN./SIM. BILLS:** SB 1024

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Economic Development & Tourism Subcommittee	12 Y, 0 N	Duncan	West
1) Transportation & Economic Development Appropriations Subcommittee		Proctor 	Davis 
2) Economic Affairs Committee			

SUMMARY ANALYSIS

Chapter 2011-142, L.O.F., consolidated the land planning and community development, workforce development, and economic development functions of state government from the Department of Community Affairs, the Agency for Workforce Innovation, and the Office of Tourism, Trade, and Economic Development within the Executive Office of the Governor, into a new state department designated the Department of Economic Opportunity (DEO). DEO evaluated its statutorily required programs and has identified several administrative efficiencies.

Statutorily Required Annual Reports

Numerous annual reports relating to economic development programs and activities are required to be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives, at various times of the year from January 1 to December 31. The bill modifies reporting dates and consolidates annual reporting requirements for economic development related programs and activities.

Florida Small Cities Community Development Block Grant Program

The Florida Small Cities Community Development Block Grant Program Act (Act), which has been administered by the state since 1983, is a federally-funded program administered by the Department of Economic Opportunity. Several statutory requirements are outdated, burdensome, or more restrictive than required by the U.S. Department of Housing and Urban Development. The bill grants rulemaking authority to DEO and revises provisions in the Act to provide greater flexibility in addressing the diverse community and economic development needs of Florida's rural communities.

Reemployment Assistance Program

The Reemployment Assistance Program provides unemployment benefits to eligible workers who are unemployed through no fault of their own, as determined by state and federal law. In order to comply with federal requirements, the bill imposes penalties on individuals who fraudulently collect reemployment benefits or unlawfully disclose confidential information.

For the 2012 tax year, the bill provides that any excess assessments from prior years will be transferred to the Unemployment Compensation Trust Fund for federal interest payments due. The bill also extends the deadline for the Reemployment Assistance Claims and Benefits Information System to become operational.

VISIT Florida Board of Directors

The bill specifies that the Governor will serve ex officio as a nonvoting member of the VISIT Florida Board of Directors.

The bill does not appear to have a fiscal impact on state funds or local government.

The bill provides an effective date of July 1, 2013.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h7007.TEDAS.DOCX

DATE: 2/28/2013

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Annual Report Consolidation

Present Situation

Numerous annual reports relating to economic development programs and activities are required to be submitted to the Governor and the Legislature at various times of the year from January 1 to December 31. Additionally, certain entities are required to compile and submit information to the Governor and Legislature and/or to the Department of Economic Opportunity (DEO) as separate reports. A lack of uniform reporting makes it difficult for DEO to effectively track and report program activities and functions.

Department of Economic Opportunity

The Department of Economic Opportunity, with assistance from Enterprise Florida, Inc., is directed to submit an annual report by January 1 to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the condition of the business climate and economic development in the state.¹

Enterprise Florida, Inc.

Enterprise Florida, Inc., (EFI) is required to prepare an annual report and an annual incentives report.² Annually, before December 1, EFI is directed to submit to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Senate Minority Leader, and the House Minority Leader, a complete and detailed report including a description of the operations and accomplishments of Enterprise Florida, Inc., and its divisions, boards, advisory councils, or similar entities created by Enterprise Florida, Inc., and an identification of any major trends, initiatives, or developments affecting the performance of any program or activity. The individual annual reports prepared by each division must be included as addenda.³

Annually, by December 30 of each year, EFI is directed to submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a detailed incentives report quantifying the economic benefits for all of the economic development incentive programs marketed by Enterprise Florida, Inc.⁴ The report is not required to be submitted in conjunction with DEO.

The following is a list of statutorily required economic development related annual reports and their due dates:

Program	Statute	Date Report Due
Corporate income tax credits for spaceflight	s. 220.194(9), F.S.	November 30 – Separate report submitted to the Governor and Legislature (Beginning 2014)
State of Florida international offices	s. 288.012(3), F.S.	October 1 – Report submitted to DEO
Rural Economic Development Initiative	s. 288.0656(8), F.S.	On or before September 1 – Separate report submitted to the Governor and Legislature

¹ Section 20.60(10), F.S.

² Section 288.903(3), F.S.

³ Section 288.906(1) and (1)(a), F.S.

⁴ Section 288.907(1), F.S.

Program	Statute	Date Report Due
Economic Development Trust Fund	s. 288.095(3)(c), F.S.	December 30 - Separate report submitted to the Governor and Legislature
Tax refund program for qualified target industry businesses	s. 288.106(7), F.S.	December 1 - Separate report submitted to the Governor and Legislature
Economic Gardening Business Loan Pilot Program	s. 288.1081(8), F.S.	June 30 December 31 Separate report submitted to the Governor and Legislature
Economic Gardening Technical Assistance Pilot Program	s. 288.1082(8), F.S.	December 31 - Separate report submitted to the Governor and Legislature
Quick Action Closing Fund	s. 288.1088(3), F.S.	Within 6 months after completion of the contract - Separate report submitted to the Governor and Legislature
Innovation Incentive Program	s. 288.1089(9) and (11)(a), F.S.	Within 90 days after the conclusion of the innovation incentive award agreement. Separate report submitted to the Governor and Legislature Report summarizing the activities and accomplishments of grant recipients from the Innovation Incentive Program during the previous 12 months. No specific date but in time to be submitted as part of the DEO's annual report.
Travel and Entertainment Expenses – Office of Film and Entertainment	s. 288.1253(3), F.S.	December 30 – Separate report submitted to the Legislature.
Entertainment Industry Financial Incentive Program	s. 288.1254(10), F.S.	October 1 - Separate report submitted to the Governor and the Legislature
Entertainment industry qualified production companies – relationship of tax exemptions and incentives to industry growth	s. 288.1258(5), F.S.	December 1 – Separate Report to the Legislature
Black Business Loan Program	s. 288.714(3), F.S.	August 31 - Separate report submitted to the Governor and Legislature

Program	Statute	Date Report Due
Florida Export Finance Corporation	s. 288.7771, F.S.	No specific date but should report on its assets and liabilities at the end of its most recent year and submitted in time to be incorporated into the DEO's annual report.
Annual Report of EFI	s. 288.906, F.S.	December 1 – Separate report due to the Governor and Legislature
Annual Incentives Report -EFI	s. 288.907, F.S.	December 30 – Separate report submitted to the Governor and the Legislature
Divisions of Enterprise Florida, Inc.	s. 288.92(3), F.S.	October 15
Florida Small Business Technology Growth Program	s. 288.95155(5), F.S.	No specific date – Report prepared for inclusion in DEO's annual report.
Enterprise Zone Development Agency	s. 290.0056(11), F.S.	December 1 – Report submitted to DEO
Information detailing the usage and revenue impact of state incentives authorized for use in support of the Florida Enterprise Zone Act provided by the Department of Revenue (DOR).	s. 290.014(1), F.S.	February 1 – Report submitted to DEO
Information provided by the enterprise zone development agencies required under the Florida Enterprise Zone Act.	s. 290.014(2), F.S.	March 1 – Separate report but combined with the information provided by DOR submitted to the Governor and the Legislature.
Displaced Homemaker Program	s. 446.50(4), F.S.	January 1 – 3 year plan and annual updates submitted to the Governor and the Legislature.

Effect of Proposed Changes

The bill consolidates annual reporting requirements of statutorily required reports and information and incorporates them into reports prepared by DEO, EFI, and the Office of Film and Entertainment.

DEO Annual Report

The bill changes the due date of DEO's annual report from January 1 to November 1 and incorporates the annual reports of the following programs:

- Rural Economic Development Initiative.

- Economic Gardening Business Loan Pilot Program and the Economic Gardening Technical Assistance Pilot Program.
- Black Business Loan Program.
- Enterprise Zone Program.
- Displaced Homemaker Program.

Enterprise Florida, Inc. Annual Report

The bill directs EFI to include, as a supplement to its annual report, information or reports required for the following programs and activities:

- State of Florida International Offices.
- The Florida Export Finance Corporation.
- EFI's division reports.

Annual Incentives Report

The bill incorporates the following reports or information into the annual incentives report:

- Beginning in 2014, the summary of activities relating to the Florida Space Business Incentives Act.
- The Economic Development Trust Fund Annual Report. Section 288.095(3)(c), F.S., relating to the annual report and its components for the Economic Development Trust Fund is repealed and most of the provision is integrated into the annual incentives report, rather than a separate report. The following information originally required as part of the Economic Development Incentives Account Report must be incorporated in the annual incentives report:
 - Tax refunds or other payments funded out of the Economic Development Incentives Account for each project.
 - The types of projects supported.
 - Separate analysis of the impact of tax refunds on state enterprise zones, rural communities, brownfield areas, and distressed urban communities.
 - The name and tax refund amounts for each business receiving a tax refund under the qualified defense contractor and space flight business tax refund program or the tax refund program for qualified target industry businesses.
- Information on the causes of a business's inability to complete its Qualified Targeted Industry (QTI) incentives agreement.
- Validation by DEO, instead of EFI, of contractor performance for the Quick Action Closing Fund which makes it consistent with the Innovation Incentive Program.
- Validation of the Innovation Incentive Program to include the evaluation as to whether the recipients were catalysts for additional economic development in Florida, is also added to the report. The bill deletes the requirement for reporting on contractor performance 90 days after completion because it is included in the annual incentives report.
- Validation of contractor performance for incentives.
- Recommended changes to the underutilized incentive programs. Current law requires the annual incentive report to identify incentive programs that are not utilized.
- Florida Small Business Technology Growth Program.

The bill revises the annual incentives report to require it be a joint report by EFI and DEO. The report due date remains December 30 as provided in current law.

Office of Film and Entertainment

The bill changes the due date of the Office of Film and Entertainment's (OFE) annual report from October 1 to November 1 and consolidates the annual reports relating to the OFE by requiring the expenditures report and the report detailing the relationship between tax exemptions and incentives to industry growth⁵ to be included. The report remains as a separate report submitted to the Governor and Legislature.

Space Florida Annual Report

The bill requires that the annual operations report be included as a supplement to the annual performance report.

Small Cities Community Development Block Grant Program

Present Situation

U.S. Department of Housing and Urban Development – State Administered Community Development Block Grant (CDBG) Program

Congress amended the Housing and Community Development Act of 1974 in 1981 to give each state the opportunity to administer Community Development Block Grant (CDBG) funds for non-entitlement areas. Non-entitlement areas include local governments, which do not receive CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD) as part of the entitlement program (Entitlement Cities and Urban Counties). Non-entitlement areas are cities with populations of less than 50,000 (except cities that are designated principal cities of Metropolitan Statistical Areas), and counties with populations of less than 200,000.⁶

The objective of the CDBG program is to develop viable communities by providing adequate housing and a suitable living environment by expanding economic opportunities, principally for persons of low and moderate income (LMI). The state must ensure that at least 70 percent of its CDBG grant funds are used for activities that benefit LMI persons over a one, two, or three-year time period selected by the state. This general objective is achieved by granting "maximum feasible priority" to activities which benefit LMI families or aid in the prevention or elimination of blighted areas. Under unique circumstances, states may also use their funds to meet urgent community development needs. A need is considered urgent if it poses a serious and immediate threat to the health or welfare of the community and has arisen in the past 18 months.⁷

HUD distributes funds to each state through a statutory formula based on population, poverty, incidence of overcrowded housing, and age of housing. Neither HUD nor states distribute funds directly to citizens or private organizations; all funds (other than administrations and the technical assistance set-aside) are distributed by states to local governments.⁸

Flexibility

According to HUD, state officials may, within reasonable limits, employ their own guidelines for interpreting the Housing and Community Development Act (HCDA). States may even apply more restrictive eligibility requirements than the HCDA, provided that state's restrictions are not inconsistent with or contradictory to the HCDA. For example, the HCDA prohibits a state from

⁵ See s. 288.1258(5), F.S.

⁶ U.S. Department of Housing and Urban Development, State Administered CDBG, State Administration, http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/stateadmin, (last visited January 16, 2013).

⁷ *Id.*

⁸ *Id.*

declaring certain statutorily eligible activities as ineligible for funding in that state's program, but allows a state to establish relative funding priorities among types of eligible activities.⁹

Citizen Participation

HUD requires a minimum of two public hearings, for the purpose of obtaining citizens' views and formulating or responding to proposals and questions. Each public hearing must be conducted at a different stage of the CDBG program. Together, the hearings must address community development and housing needs, development of proposed activities and a review of program performance. There must be reasonable notice of the hearings and they must be held at times and accessible locations convenient to potential or actual beneficiaries, with reasonable accommodations including material in accessible formats for persons with disabilities. Citizen participation is encouraged, particularly by low and moderate-income persons who reside in areas in which CDBG funds are proposed to be used.¹⁰

The applicant shall publish a proposed application consisting of the proposed community development activities and community development objectives in order to afford affected citizens an opportunity to:

- Examine the application's contents to determine the degree to which they may be affected;
- Submit comments on the proposed application; and
- Submit comments on the performance of the applicant.¹¹

In the preparation of the final application, the applicant must consider comments and views received related to the proposed application and may, if appropriate, modify the final application to include recommendations. The final application must be made available to the public and include the community development objectives, projected use of funds, and the community development activities.¹²

State of Florida Administered Community Development Block Grant Programs

DEO administers three Community Development Block Grant Programs:

- Florida Small Cities Community Development Block Grant Program
- Disaster Recovery Initiative
- Neighborhood Stabilization Program

Florida Small Cities Community Development Block Grant (CDBG) Program

Intent and Purpose

Chapter 290, F.S., provides that the intent of the Florida Small Cities Community Development Block Grant Program Act (Act) is to provide the necessary means to develop, preserve, redevelop, and revitalize Florida communities exhibiting signs of decline or distress by enabling local governments to undertake necessary community development programs. Mirroring the federal law, the overall objective of the program is to create viable communities by eliminating slum and blight, fortifying communities in urgent need, providing adequate housing and suitable living environments, and expanding economic opportunities, principally for persons of low or moderate income.¹³

"Persons of low or moderate income" means any person who meets the definition established by HUD.¹⁴ HUD defines "persons of low income" as families and individuals whose incomes do not exceed 50 percent of the median income of a service area, as determined by HUD. "Persons of

⁹ U.S. Department of Housing and Community Development, State Community Development Block Grant Program, Categories of Eligible Activities, at 2-1, *available at* http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16361.pdf.

¹⁰ See 24 C.F.R. 570.431, Subpart F, Citizen Participation.

¹¹ *Id.*

¹² *Id.*

¹³ Section 290.0411, F.S.

¹⁴ Section 290.042(6), F.S.

moderate income” are defined as families and individuals whose incomes exceed 50 percent, but do not exceed 80 percent of a service area, as determined by HUD.¹⁵

The purpose of the Act is to assist local governments in carrying out effective community development and project planning and design activities to reverse community decline.¹⁶

Powers

Current law grants DEO the power to carry out the provisions of the Florida Small Cities CDBG Program, including the power to:¹⁷

- Make contracts and agreements with the federal government; other state agencies; any other public agency; or public person, association, corporation, local government, or entity in exercising its powers and performing its duties under the Act.
- Seek and accept funding from any public or private source.
- Adopt and enforce rules¹⁸ consistent with the Act for the administration of the Small Cities CDBG Program fund.
- Assist in training employees of local governing authorities to help increase their capacity to administer programs pursuant to the Act and provide technical assistance and advice to local governing authorities involved with these programs.
- Adopt and enforce strict requirements concerning an applicant’s written description of a service area.
- Pledge CDBG revenues from the federal government in order to guarantee notes or other obligations of a public entity approved to receive funding through the Section 108 Loan Program.
- Establish an advisory committee of no more than 13 members to solicit participation in designing, administering, and evaluating the program and linking the Small Cities CDBG Program with other housing and community development resources.

Administration

The Florida Small Cities CDBG Program provides grants and loans on a competitive basis to eligible municipalities and county governments¹⁹ (non-entitlement) to serve low and moderate-income families. DEO is directed to define the broad community development objective to be achieved by the activities in the five categories of funding (excluding state administration): housing, neighborhood revitalization, commercial revitalization, economic development, and project planning and design.²⁰ Planning and design grants provide for engineering and architectural plans and designs for CDBG infrastructure or public facility projects. Priorities are defined annually and funds are allocated according to the state’s Annual Action Plan.²¹

¹⁵ 42 U.S.C 5302 a.20.

¹⁶ *Id.*

¹⁷ Section 290.048, F.S.

¹⁸ Chapter 73C-23, F.A.C.

¹⁹ Eligible local governments are non-entitlement cities with fewer than 50,000 residents; counties with fewer than 200,000 residents; and cities that opt out of the entitlement program. <http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/florida-small-cities-community-development-block-grant-program> (last visited January 18, 2013). See FFY 2012 List of Small Cities CDBG Program Eligible Communities available at <http://www.floridajobs.org/fhcd/cdbg/Files/Misc/EligibleCommunities.pdf>.

²⁰ Section 290.044(2) and (3), F.S.

²¹ The U.S. Department of Housing and Urban Development (HUD) requires each state to annually develop funding priorities and criteria for selecting projects. U.S. Department of Housing and Community Development, State Administered CDBG,

http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/stateadmin (last visited January 25, 2013). The One-Year Action Plan or Annual Action Plan is a document submitted to HUD annually, which describes the method used by the State of Florida to distribute HUD funds. It also contains information on priorities to be addressed and program objectives. The plan covers one state fiscal year and one allocation of federal funding. Florida Department of Economic Opportunity, Division of Community Development, State of Annual Action Plan

As part of its administrative responsibilities, DEO is required to establish a system of monitoring grants, including site visits, to ensure the proper expenditure of funds and compliance with the conditions of the recipient's contract.²²

Grant Categories

DEO provides specific requirements for the competitive grant categories.²³ Below are the grant categories and examples of activities DEO has authorized for funding during Federal Fiscal Year 2012.²⁴

Housing Rehabilitation

Objective: To improve housing conditions and expand housing opportunities for very low, low, and moderate income persons. The following are examples of eligible housing rehabilitation activities:

- Rehabilitation of housing or publicly owned or acquired properties.
- Demolition of dilapidated housing and the relocation of residents to replacement housing.
- Code enforcement.
- Weatherization and energy-efficiency improvements.
- Installation of wells or septic tanks where water or sewer service is unavailable.
- Mitigation of future natural disaster hazards in housing.

Housing rehabilitation is intended to keep affordable housing owned or occupied by LMI persons within the community. Substandard conditions can be addressed using CDBG housing funds. Communities that do not have the capacity to undertake large scale affordable housing projects are able to maintain the stock of affordable housing by using CDBG and state housing funds for rehabilitation and replacement.²⁵

Neighborhood Revitalization

Objective: To revitalize declining neighborhoods and improve infrastructure. A neighborhood revitalization project may involve a single activity or various activities. The following are examples of eligible neighborhood revitalization activities:

- Improvements to deteriorating infrastructure.
- Construction or rehabilitation of handicapped facilities.
- Constructing roads and drainage facilities.
- Construction or rehabilitation of neighborhood facilities which provide health, social, recreational or other community services for a neighborhood.²⁶

Commercial Revitalization

Objective: To revitalize commercial areas that are showing signs of decline by addressing problems that cause deterioration. The following are examples of eligible commercial revitalization activities:

- Installation or reconstruction of streets, utilities, parks, playgrounds, public spaces, public parking facilities, pedestrian malls, and other necessary public improvements.
- Selling, leasing or otherwise making available land in commercial areas for public use.
- Correction of architectural barriers to handicap access.

for Programs Funded by the U.S. Department of Housing and Urban Development, Federal Fiscal Year 2012, at 9, available at <http://www.floridajobs.org/fhcd/cdbg/Files/ConsolidatedPlan/DRAFT2012AnnualActionPlan.pdf>

²² Section 290.044(5), F.S.

²³ Rule 73C-23.0045, F.A.C.

²⁴ Florida Department of Economic Opportunity, Division of Community Development, State of Annual Action Plan for Programs Funded by the U.S. Department of Housing and Urban Development, Federal Fiscal Year 2012, at 9, available at <http://www.floridajobs.org/fhcd/cdbg/Files/ConsolidatedPlan/DRAFT2012AnnualActionPlan.pdf>.

²⁵ *Id.* at 13.

²⁶ *Id.* at 13-14.

- Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of building facades or other exterior improvements and repair of code violations.

All activities in the commercial revitalization category must assist the local government in achieving the objectives of its community redevelopment plan. A proposal under this category may involve a single type of activity, such as rehabilitation of commercial facades, or several activities designed to address various aspects of the local government's community redevelopment plan.²⁷

Economic Development

The objectives associated with the economic development category are to promote investment of private capital; to retain local economic enterprises; and provide long-term jobs with growth potential, primarily for very low, low, and moderate-income households. The following are examples of eligible economic development activities:

- Acquisition of real property.
- Acquisition, construction or rehabilitation of commercial and industrial buildings and structures, funding for local governments to provide loans for the purchase of capitalized machinery and equipment with a useful life of at least five years.
- Energy conservation improvements designed to encourage the efficient use of energy.
- Public, commercial or industrial real property or infrastructure improvements, including railroad spurs or similar extensions, tied to a specific project in a public or private easement.
- Activities to remove barriers that restrict access for elderly or handicapped to publicly owned or privately owned buildings, facilities, and improvements; and
- Activities designed to provide job training and placement.

According to HUD, each state takes a different approach to economic development in its CDBG Program, reflecting the unique needs and established priorities of the state. One state may choose to fund only single-user deals emphasizing manufacturing facilities which promote economic diversification or another state may encourage regional revolving loan funds focusing on revitalizing small town business districts.²⁸

Emergency Set-Aside Funding

DEO is authorized to set aside up to five percent of the funds annually for use in any eligible local government for which an emergency or natural disaster has declared by executive order. Such funds may only be provided to a local government to fund eligible emergency-related activities when no other federal, state, or local funds are available.²⁹

Citizen Participation

Local governments applying for Small Cities CDBG Program funding are required to:

- Make available to the public information concerning the amounts of funds available for various activities and the range of activities that may be undertaken.
- Hold at least one public hearing to obtain the views of citizens on community development needs.
- Develop and publish a summary of the proposed application that will provide citizens with an opportunity to examine the application's contents and submit comments.
- Consider any comments and views expressed by citizens on the proposed application and, if appropriate, modify the proposed application.
- Hold at least one public hearing in the jurisdiction in which the project is to be implemented to obtain the views of citizens on the final application prior to its submission to DEO.

²⁷ *Id.* at 9.

²⁸ See *supra* note 9 at 2-82.

²⁹ Section 290.044(4), F.S.

The local government is required to establish a citizen advisory task force composed of citizens in the jurisdiction in which the proposed project is to be implemented to provide input relative to all phases of the project.³⁰

At the state level, DEO is required to establish an advisory committee to participate in designing, administering, and evaluating the program and linking the program with other housing and community development resources.³¹ According to DEO, this advisory committee has not been active since 2004.³²

Section 108 Loan Guarantee Program

Section 108 is the loan guarantee provision of the CDBG program.³³ Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. It allows eligible communities to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects. Such public investment is often needed to encourage private economic activity, providing the initial resources that private firms and individuals may need to invest in distressed areas. Section 108 loans are not risk-free, however; the principle security for the loan guarantee is a pledge by the state of its current and future CDBG funds.³⁴

Activities eligible for Section 108 financing include:³⁵

- Economic development activities eligible under CDBG;
- Acquisition of real property;
- Rehabilitation of publicly owned real property;
- Housing rehabilitation eligible under CDBG;
- Construction, reconstruction, or installation of public facilities (including street, sidewalk, and other site improvements);
- Related relocation, clearance, and site improvements;
- Payment of interest on the guaranteed loan and issuance costs of public offerings;
- Debt service reserves; and
- Public works and site improvements.

DEO is authorized to pledge existing revenues on deposit or projected future revenues in the Florida Small Cities CDBG Program in order to guarantee the payment of principal or interest on a loan.³⁶

Upon a determination by DEO that the application meets eligibility requirements and the applicant has submitted the proposed activity to a loan underwriter for documentation of financial feasibility, DEO is required to submit all applications to HUD for approval, in the order received.³⁷ The local government must provide evidence to DEO that alternative financing was investigated and determined to be unavailable or insufficient to meet the financing needs of the activity.³⁸

The maximum amount of loan guarantee commitments that any eligible local government may receive may be limited to \$7 million.³⁹ The maximum amount of loan guarantee commitments statewide may

³⁰ Section 290.046(5) and (6), F.S.

³¹ Section 290.048(7), F.S.

³² House Economic Development & Tourism Subcommittee staff conversation with staff of the Florida Small Cities Community Development Block Grant Program, January 24, 2013.

³³ 24 C.F.R. 570, Subpart M, Loan Guarantees.

³⁴ U.S. Department of Housing and Urban Development, Section 108 Loan Guarantee Program, Loan Details, Security http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/108 (last visited January 22, 2013).

³⁵ *Id.*

³⁶ Section 290.0455(3), F.S.

³⁷ Section 290.0455(4), F.S.

³⁸ Section 290.0455(7), F.S.

³⁹ See 24 C.F.R., s. 570.705.

not exceed an amount equal to five times the amount of the most recent grant received by DEO under the Florida Small Cities CDBG Program.⁴⁰ Loans guaranteed by the program must be repaid within 20 years.⁴¹

Current Section 108 Loans:⁴²

HUD has approved three Section 108 loans since the inception of Florida's Small Cities CDBG. In 2001, HUD approved the first Section 108 Loan for a major economic development project in the City of Alachua (Alachua County). This loan, in the amount of \$2,250,000, provided infrastructure for the development of a Dollar General Distribution Center that created 448 new jobs for low and moderate-income citizens. The City of Key West addressed critical housing needs with a \$16 million loan that was approved in 2003. The project funded the rehabilitation of 144 housing units at Poinciana Plaza, a former military base housing area.

In 2004, the City of Sebring received a loan for \$5,250,000 to restore a hotel, historic Harder Hall. In late 2006, the developer for the project, Joran Realty, experienced financial shortfalls, filed bankruptcy and work ceased on the project. The city, who now holds possession of the property, foreclosed on the loan. The value of the property is reported to exceed the loan amount owed. The hotel and accompanying property are currently being marketed for sale and proceeds will be used to pay back the loan. The city reports that it is current with interest payments to HUD.

Florida Small Cities CDBG Funds Awarded 2009-2011⁴³

FFY 2009: \$28,531,157
 FFY 2010: \$29,565,984
 FFY 2011: \$24,840,889

FFY 2012 Funding Distribution⁴⁴

2012 Allocation	\$22,887,374
State Administration (unmatched)	\$100,000
2% State Administration (matched with GR)	\$457,747
2.5% Emergency Set-Aside	\$572,184
1% Training/Technical Assistance	\$228,874
TOTAL PASS THROUGH	\$21,528,569
Neighborhood Revitalization	\$8,826,713
Housing Rehabilitation	\$3,444,571
Economic Development	\$8,611,428
Commercial Revitalization	\$645,857

Effect of Proposed Changes

Legislative Intent and Purpose

The bill amends the legislative intent and purpose of the Small Cities Community Development Block Grant Program Act to include economic need as one of the factors that make a Florida community eligible to participate in the program and includes economic development programs as an activity for such communities to undertake. The bill also clarifies that community and economic development activities will assist communities in reversing community decline and restore community vitality. The

⁴⁰ Section 290.0455(5), F.S.

⁴¹ Section 290.0455(6), F.S.

⁴² Florida Department of Economic Opportunity, Division of Community Development, Email dated January 29, 2013. (On file with the House Economic Development & Tourism Subcommittee.)

⁴³ *Id.*

⁴⁴ *Id.* Funds are not available for new Planning and Design Specifications grants in FFY 2012; however, construction funding for previously awarded planning grants will be made available from deobligated funds. (Deobligated funds are funds left over from grants that close out at amounts lower than the original funding.) See *supra* note 24 at 4.

definition of "persons of low and moderate income" is clarified by including a reference to the federal definition used in the Code of Federal Regulations.

Program Administration and Distribution of Funds

The bill requires DEO to develop, by rule, the guidelines for the distribution of the Small Cities CDBG Program funds through a competitive selection process. The bill directs DEO to define broad community development objectives. However, community development objectives must still meet the national objectives outlined in the Code of Federal Regulations. The bill deletes a requirement that applicants compete against each other in specific grant categories and clarifies that emergency set-aside funds are only provided to a local government when no other source of federal, state, or local disaster assistance is available.

Section 108 Loan Guarantee Program

The bill revises the provisions relating to the Section 108 Loan Guarantee Program to reduce the risk to the state and eligible local governments. The bill requires an applicant approved by HUD to receive a Section 108 loan to enter into an agreement with DEO, which requires the applicant to pledge half the amount necessary to guarantee the loan in the event of default.

The bill clarifies that DEO is directed to review all Section 108 loan applications in the order received, subject to a determination that each application meets all eligibility requirements and has been deemed financially feasible by a loan underwriter approved by DEO. If the statewide maximum available for loan guarantee commitments has not been committed, then DEO is authorized to submit the Section 108 loan application to HUD, with a recommendation that the loan be approved, with or without conditions, or be denied.

In order to reduce the state's risk, the bill reduces from \$7 million to \$5 million the maximum amount of an individual loan guarantee commitment that an eligible local government may receive and reduces the maximum amount of loan guarantee commitments statewide from 5 times to 2 times the amount of the most recent grant received by DEO under the Small Cities CDBG Program. If a local government defaults on a Section 108 loan requiring DEO to reduce its annual grant award in order to pay the annual debt service on the loan, any future CDBG Program funds that the local government receives must be reduced in the amount equal to the amount of the state's grant award used in payment of the debt service on the loan.

Additionally, if a local government is a recipient of a Section 108 loan guarantee through the Small Cities CDBG Program and is granted entitlement status by HUD prior to paying the loan in full, the local government must pledge its CDBG entitlement allocation as a guarantee of its previous loan and request HUD to release DEO as the guarantor of the loan.

Grant Applications, Procedures, and Requirements

The bill permits DEO to establish application procedures by rule. With the exception of economic development projects, each local government eligible to apply for a grant during an application cycle may submit one application for a non-economic development project during the application cycle.

A local government that is eligible to apply for an economic development grant may apply up to three times each funding cycle for an economic development grant and is permitted to have more than one open economic development grant. DEO is required to establish minimum criteria pertaining to the number of jobs created for persons of low or moderate income, the degree of private sector financial commitment, and the economic feasibility of the proposed project. A grant may not be awarded until DEO completes a site visit to verify the information provided in the application.

DEO must rank each application received based on criteria established by rule. The rule may take into consideration factors, such as community need, poverty levels, unemployment, condition of physical structures, and low and moderate populations. The ranking system must incorporate a procedure intended to eliminate or reduce any existing population-related bias that places exceptionally small communities at a disadvantage in the competition of funds.

Project funding must be determined by the rankings established in each application cycle. If economic development funds remain available after an application cycle closes, then funds will be awarded to eligible projects on a first-come, first-served basis until funds for this category have been fully obligated.

Citizen Participation

All citizen participation provisions required by HUD remain as in current law. However, the provision requiring a local government to establish a citizen advisory task force is deleted. According to DEO, many of the eligible local governments are unable to encourage citizens to participate on the task force or meetings are not properly noticed, which has impacted the ability for several local governments to apply for funding. Citizens will continue to have the opportunity to attend public hearings and comment on the proposed application and project.

Establishment of Grant Ceilings

The bill directs DEO to adopt rules to establish grant ceilings; the maximum percentage of block grant funds which an eligible local government can use for administrative costs; the grant administration procurement procedures for eligible local governments; and the maximum amount of funds that may be spent on architectural and engineering costs by an eligible local government.

An eligible local government is prohibited from contracting with the same individual or business entity for more than one service to be performed in connection with a CDBG unless the eligible local government can demonstrate that such individual or business entity is the sole source of the service or is the responsive proposer whose proposal is determined in writing as a result of a competitive process to be the most advantageous to the local government.

The bill clarifies the circumstances under which an application is determined to be ineligible and removes obsolete language relating to the description of proposed service areas. One of the circumstances under which an application may be rejected – a misrepresentation that is not a mathematical error, which may be discovered and corrected by readily computing available numbers or formulas provided in the application is deleted. According to DEO, this provision is difficult to prove and is not valuable criteria. The bill also deletes DEO's authority to establish an advisory committee of no more than 13 members to participate in designing, administering and evaluating the Small Cities CDBG Program and linking the program with other housing and community development resources. According to DEO, the advisory committee has not been active in since 2004.

Reemployment Assistance

Present Situation

The Federal-State Unemployment Insurance Program provides unemployment benefits to eligible workers who are unemployed through no fault of their own, as determined by state law, and meet the requirements of state law. The program is administered as a partnership of the federal government and the states.

Florida's Reemployment Assistance (RA) Program is funded solely by employers who pay quarterly state reemployment taxes provided in ch. 443, F.S., and annual payroll taxes under the Federal Unemployment Tax Act.⁴⁵ State reemployment taxes are deposited into the Unemployment Compensation Trust Fund (UC Trust Fund), which are then used to pay reemployment benefits at no cost to eligible workers. Taxes collected from employers pursuant to FUTA fund the administrative costs of the RA Program. A portion of these funds is also used to finance the federal share of the Extended Benefits program, which is available during periods of high unemployment.

In general, states are permitted to set eligibility conditions for benefit recipients, the amount and duration of benefits, and the state tax structure, so long as state provisions are not in conflict with

⁴⁵ Federal Unemployment Tax Act is codified at 26 U.S.C. 3301-3311.

FUTA or the Social Security Act.⁴⁶ DEO is the agency responsible for administering the RA program.⁴⁷

Benefit Structure

Qualified claimants may receive state reemployment benefits equal to 25 percent of their wages, not to exceed \$6,325 in a benefit year.⁴⁸ Benefits range from a minimum of \$32 to a maximum weekly benefit amount of \$275 for up to 23 weeks, depending on the claimant's length of prior employment and wages earned.⁴⁹

The number of benefit weeks and total benefit amount is subject to the "Florida average unemployment rate," which is used to determine the maximum benefit weeks a claimant may receive. If the Florida average unemployment rate is 10.5% or higher, a claimant is eligible for up to a maximum of 23 weeks. If the Florida average unemployment rate is 5% or below, the maximum number of available weeks is 12. Each 0.5% increment in the unemployment rate above 5% adds an additional week of benefits.

To receive unemployment compensation benefits, claimants must meet certain monetary and non-monetary eligibility requirements.⁵⁰ Key eligibility requirements include a claimant's earnings during a certain period of time, the manner in which the claimant became unemployed, and the claimant's efforts to find new employment.

Tax Structure

Through the FUTA, the IRS levies an unemployment tax of 6.0% on employers.⁵¹ This tax is applied to a taxable wage base of \$7,000 per employee. Federal law provides employers up to a 5.4% credit against that tax. Due to having outstanding federal advances for more than two years, Florida had its FUTA tax credit reduced by 0.6% for the 2012 tax year.

In addition to FUTA, Florida employers pay a state reemployment tax which funds the UC Trust Fund, an account used to pay weekly benefits. Currently, employers pay quarterly state reemployment taxes on the first \$8,000 of each employee's annual wages.⁵²

An employer's initial state tax rate is 2.7 percent.⁵³ After an employer is subject to benefit charges for 8-calendar quarters, the standard tax rate is 5.4 percent, but may be adjusted down to a low of 1.0 percent.⁵⁴ The adjustment in the tax rate is determined by calculating a statutory formula that incorporates an employer's experience rating⁵⁵, size of the UC Trust Fund, and other socialized costs.

Fraudulent Claims

Under current law, claimants found to be collecting benefits fraudulently are disqualified from receiving benefits from the date the fraudulent claim was made. This disqualification may continue up to one year from the date DEO discovers a fraudulent claim and until any fraudulent overpayments are repaid in full.⁵⁶ Federal law requires states to assess a penalty, equal to at least

⁴⁶ Title III, Title IX, and Title XII of the Social Security Act.

⁴⁷ Sections 20.60(5)(c)(3) and 443.171, F.S.

⁴⁸ Section 443.111(5), F.S.

⁴⁹ Section 443.111(3), F.S. A benefit week begins on Sunday and ends on Saturday.

⁵⁰ Section 443.091(1), F.S.,

⁵¹ The FUTA surcharge of .02% expired on June 30, 2011. This reduced the federal tax rate for employers from 6.2% to 6.0%.

⁵² Section 443.1217(2), F.S.

⁵³ Section 443.131(2)(a), F.S.

⁵⁴ Section 443.131(2)(b), F.S.

⁵⁵ Section 443.131(3)(b), F.S.

⁵⁶ Section 443.101(6), F.S.

15 percent of the amount overpaid, on any claimant who fraudulently receives benefits.⁵⁷ Currently, Florida does not apply a penalty for fraudulent overpayments.

Interest Assessments

When persistent high unemployment causes state UC Trust Funds to fall into deficit, states are authorized to seek advances from the federal government in order to continue the payment of reemployment benefits. Since 2009, Florida has borrowed \$3.5 billion and, of this total, \$647 million remains outstanding. According to the Revenue Estimating Conference (REC), all federal advances should be repaid by June of 2013 and a final interest payment of \$9.6 million will be due on September 30, 2013.

Section 443.131(5), F.S., imposes an additional assessment on employers to pay the interest on federal advances. Using the interest estimate provided by the REC, the Department of Revenue is required to calculate and bill the assessment before February 1st of this year. An employer has until June 30th to pay this assessment. Current law provides that any remaining assessments on deposit in the Audit and Warrant Clearing Trust Fund are to be credited to employer accounts after all federal advances and associated interest due has been paid.

Confidential Information

Federal regulations require Florida to provide penalties for the unlawful disclosure of confidential information related to the RA Program.⁵⁸ Florida's penalties were inadvertently removed from statute in 2012.

Reemployment Assistance Claims and Benefits Information System

Section 443.1113, F.S., provides for DEO to create a unified internet portal to replace several outdated electronic processing systems. The system is required to be fully operational by June 30, 2013.⁵⁹ According to DEO, the vendor deploying the system will be unable to meet this deadline.

Effect of Proposed Changes

Fraudulent Claims

The bill assesses a penalty, equal to 15 percent of the amount overpaid, on any claimant who fraudulently acquires reemployment benefits. Any recovered penalties must be deposited into the Unemployment Compensation Trust Fund.

Interest Assessments

The bill authorizes DOR to use assessments on deposit in the Audit and Warrant Clearing Trust Fund and any earned interest to pay the interest on advances received from the federal government. Further, the bill provides that no additional assessment on employers may occur if remaining assessments on deposit, plus any earned interest, is at least 80 percent of the estimated amount of the interest due on federal advances. The bill also provides that any excess assessments will be transferred to the Unemployment Compensation Trust Fund four months after all federal advances are repaid. The provisions related to interest assessments on federal advances will sunset on July 1, 2014.

Confidential information

The bill provides penalties for the unlawful disclosure of confidential information.⁶⁰ This provision aligns s. 443.1715, F.S., with federal requirements and corrects a drafting error.

Reemployment Assistance Claims and Benefits Information System

⁵⁷ The Trade Adjustment Assistance Extension Act of 2011, P.L. 112-40.

⁵⁸ 20 C.F.R. part 603.

⁵⁹ Section 443.1113(4)(b), F.S.

⁶⁰ The bill provides that a violation under s. 443.1715(1), F.S., is a misdemeanor of the second degree, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S.

The bill extends the deadline by which the system must be operational to June 30, 2014.

VISIT Florida Board of Directors

Present Situation

The Florida Tourism Industry Marketing Corporation (VISIT Florida) board of directors is comprised of 31 tourism-related members, appointed by EFI in conjunction with DEO. The board has 16 members, appointed as to equitably represent all geographic areas of the state, with no fewer than two members from any of the following regions:

- **Region 1:** Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties.
- **Region 2:** Alachua, Baker, Bradford, Clay, Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Lafayette, Levy, Madison, Marion, Nassau, Putnam, St. Johns, Suwannee, Taylor, and Union Counties.
- **Region 3:** Brevard, Indian River, Lake, Okeechobee, Orange, Osceola, St. Lucie, Seminole, Sumter, and Volusia Counties.
- **Region 4:** Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties.
- **Region 5:** Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.
- **Region 6:** Broward, Martin, Miami-Dade, Monroe, and Palm Beach Counties.⁶¹

The 15 additional tourism-industry-related members include one representative from the statewide rental car industry; seven representatives from tourist-related statewide associations, including those that represent hotels, campgrounds, county destination marketing organizations, museums, restaurants, retail, and attractions; three representatives from county destination marketing organizations; one representative from the cruise industry; one representative from an automobile and travel services membership organization that has at least 2.8 million members in Florida; one representative from the airline industry; and one representative from the space tourism industry, who will each serve for a term of two years.⁶²

Effect of Proposed Changes

The bill specifies that the Governor will serve ex officio as a nonvoting member of the VISIT Florida Board of Directors.

The bill provides an effective date of July 1, 2013.

B. SECTION DIRECTORY:

Section 1: Amends s. 20.60(10), F.S., relating to the Department of Economic Opportunity; creation; powers; and duties, to change the due date of DEO's annual report from January 1 to November 1 and directs DEO to incorporate various economic development reports into the agency's annual report prepared in consultation with Enterprise Florida, Inc. on the condition of the business climate and economic development in the state and submitted to the Governor and Legislature.

Section 2: Amends s. 220.194(9), F.S., relating to corporate income tax credits for spaceflight projects, to require a summary of the activities relating to the Florida Space Business Incentives Act be included in the annual incentives report required in s. 288.907, F.S.

⁶¹ Section 288.1226(4)(a), F.S.

⁶² Section 288.1226(4)(b), F.S.

Section 3: Amends s. 288.012(3), F.S., relating to the State of Florida international offices; state protocol officer; protocol manual, to require each international office to submit its annual report to Enterprise Florida, Inc.(EFI) for inclusion in EFI's required annual report pursuant to s. 288.906, F.S.

Section 4: Amends s. 288.061(3), F.S., relating to economic development incentive applications, to require contractor performance validation be included in the annual incentives report pursuant to s. 288.907, F.S.

Section 5: Amends s. 288.0656(8), F.S., relating to the Rural Economic Development Initiative, to require its annual report to be included as a supplement to DEO's annual report pursuant to s. 20.60, F.S.

Section 6: Amends s. 288.095(3), F.S., to delete the requirement for EFI to submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on activities relating to the Economic Development Incentives Account, including an analysis of benefits and costs, types of projects supported, and employment and investment created.

Section 7: Amends s. 288.106(7)(d), F.S., relating to the tax refund program for qualified target industry businesses, to require DEO to submit its findings and recommendations regarding DEO's attempt to determine the causes for a business's failure to complete its agreement in the annual incentives report pursuant to s. 288.907, F.S.

Section 8: Amends s. 288.1081(8), F.S., relating to Economic Gardening Business Loan Pilot Program, to report information regarding this program be included in DEO's annual report pursuant to s. 20.60, F.S., rather than submitted to the Governor and Legislature as a separate report.

Section 9: Amends s. 288.1082(8), F.S., relating to the Economic Gardening Technical Assistance Pilot Program to require the report information relating to this program be included in DEO's annual report pursuant to s. 20.60, F.S., rather than submitted to the Governor and Legislature as a separate report.

Section 10: Amends s. 288.1088(3)(e), F.S., relating to the Quick Action Closing Fund, to require contractor performance validation be included in the annual incentives report pursuant to s. 288.907, F.S.

Section 11: Amends s. 288.1089(9) and (11)(a), F.S., relating to the Innovation Incentive Program to delete the requirement that at the conclusion of an innovation incentive award agreement or its early termination, DEO submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives detailing whether recipients of innovation incentive grants achieved its outcomes; providing that such information be included in the annual incentives report pursuant s. 288.907, F.S. The section is further amended to require the report summarizing the activities and accomplishments of the Innovation Incentive Program's grant recipients from the previous 12 months to be included in the annual incentives report pursuant to s. 288.907, F.S.

Section 12: Amends s. 288.1226(4), F.S., relating to the Florida Tourism Marketing Corporation board of directors to specify that the Governor will serve ex officio as a nonvoting member of the board.

Section 13: Amends s. 288.1253(3), F.S., relating to travel and entertainment expenses for the Office of Film and Entertainment to require the annual report of the expenditures of the OFE to be included in the annual report required under the Entertainment Industry Financial Incentive Program pursuant to s. 288.154(10), F.S.

Section 14: Amends s. 288.1254(10), F.S., relating to the Entertainment Industry Financial Incentive Program to change the due date of the annual report from October 1 to November 1 and to require the annual report to include the OFE's expenditure report pursuant to s. 288.1253(3), F.S., and the report detailing the relationship between tax exemptions and incentives to industry growth pursuant to s. 288.1258(5), F.S.

Section 15: Amends s. 288.1258(5), F.S., relating to entertainment industry qualified production companies, to require the annual report on the relationship of tax exemptions and incentives to industry

growth to be included in the Entertainment Industry Financial Incentive Program annual report pursuant to s. 288.1254(10), F.S.

Section 16: Amends s. 288.714(3), F.S., relating to the quarterly and annual reports for the Black Business Loan Program, to require the annual report to be included in DEO's annual report pursuant to s. 20.60, F.S.

Section 17: Amends s. 288.7771, F.S., relating to the annual report for the Florida Export Finance Corporation, to require the report be submitted to EFI for inclusions in EFI's annual report pursuant to s. 288.906, F.S., instead of DEO.

Section 18: Amends s. 288.903(3), (4), and (5), F.S., relating to the duties of EFI, to require EFI to prepare the annual incentives report in conjunction with DEO pursuant to s. 288.907, F.S.

Section 19: Add subsection (3) to s. 288.906, F.S., relating to EFI's annual report, to provide that the annual report of the Florida Export Finance Corporation pursuant to s. 288.7771, F.S., and the report on international offices pursuant to s. 288.012, F.S., must be included as supplements to EFI's annual report.

Section 20: Amends s. 288.907(1), F.S., relating to the annual incentives report, to provide that EFI must prepare the annual incentives report in conjunction with DEO to include tax refunds paid or other payments made out of the Economic Development Incentives Fund and the types of projects supported; requiring a separate analysis of the impact of tax refunds on rural communities, brownfield areas, distressed urban communities, and state enterprise zones pursuant to s. 290.0065, F.S.; list the name and tax refund amount for each business that has received a tax refund under the qualified defense contractor and space flight business tax refund pursuant to s. 288.1045, F.S., and the tax refund program for qualified target industry businesses pursuant to s. 288.106, F.S.; include recommendations for changes to underutilized tax incentive programs; include information related to the validation of contractor performance required under s. 288.061, F.S.; and beginning in 2014, summarize the activities related to the Florida Space Business Incentive Act pursuant to s. 220.194, F.S.

Section 21: Amends s. 288.92(3), F.S., relating to the divisions of EFI, to remove the report due date and to require the division annual reports to be included in EFI's annual report pursuant to s. 288.906, F.S.

Section 22: Amends s. 288.95155(5), F.S., relating to the Florida Small Business Technology Growth Program, to require EFI to include the program's annual report in EFI's annual incentives report pursuant to s. 288.907, F.S.

Section 23: Amends s. 290.0056(11), F.S., relating to the Florida Enterprise Zone Development Agency, to require the Agency to submit the required annual report before October 1 rather than December 1 to be included in DEO's annual report pursuant to s. 20.60, F.S.

Section 24: Amends s. 290.014, F.S., relating to annual reports for enterprise zones, to require information compiled by the Department of Revenue detailing the usage and revenue impact by county of the state incentives authorized under the Florida Enterprise Zone Act to be submitted to DEO annually by October 1 rather than February 1 to be included in DEO's annual report pursuant to s. 20.60, F.S.

Section 25: Amends s. 290.0411, F.S., relating to the legislative intent and purpose of the Florida Small Cities Community Development Block Grant Act, to include economic need as one of the factors that make a Florida community eligible to participate in the program and includes economic development programs as an activity for such communities to undertake.

Section 26: Amends s. 290.042(1) and (6), F.S., relating to definitions for the Florida Small Cities Community Development Block Grant Act, to make a technical change and to reference the Code of Federal Regulations under "persons of low or moderate income."

Section 27: Amends s. 290.044(2), (3), and (4), F.S., relating to the Florida Small Cities Community Development Block Grant Act (CDBG) Program Fund, to require DEO to adopt rules establishing

guidelines for the distribution of the Small Cities CDBG Program funds through a competitive selection process; direct DEO to define broad community development objectives consistent with national objectives outline in the Code of Federal Regulations; remove the specific program categories currently provided in statute; clarify that emergency set-aside funds are only provided to a local government to fund eligible emergency-related activities when no other source of federal, state, or local disaster assistance is available.

Section 28: Amends s. 290.0455, F.S., relating to the Small Cities CDBG Loan Guarantee Program, to rename the section; substantially revise the provisions relating to the Section 108 Loan Guarantee Program to require an applicant approved by HUD to receive a Section 108 loan to enter into an agreement with DEO, which requires the applicant to pledge half the amount necessary to guarantee the loan in the event of default to limit the amount of risk of such loans to the state.

Section 29: Amends s. 290.046, F.S., relating to applications for grants, to provide that DEO will establish rules regarding the application process; substantially revises the Small Cities CDBG Program application procedures and requirements.

Section 30: Amends s. 290.047, F.S., to substantially revise the provisions relating to the establishment of grant ceilings and maximum administrative cost percentages; directs DEO to adopt rules to establish grant ceilings; the maximum percentage of block grant funds which an eligible local government can use for administrative costs; the grant administration procurement procedures for eligible local governments; and the maximum amount of funds that may be spent on architectural and engineering costs by an eligible local government.

Section 31: Amends s. 290.0475, F.S., relating to the rejection of grant applications, to delete obsolete language; clarify the circumstances under which an application is determined to be ineligible; and make technical changes.

Section 32: Amends s. 290.048, F.S., relating to the general power of DEO under the Florida Small Cities CDBG Act, to remove obsolete language relating to the description of proposed service areas.

Section 33: Amends s. 331.3051(11), F.S., relating to the duties of Space Florida, to change the due date of the annual performance report from September 1 to November 30 and requires the annual report to include operations information as required under s. 331.310(2)(e), F.S.

Section 34: Amends s. 331.310(2)(e), F.S., relating to the powers and duties of Space Florida's board of directors, to require the annual report of operations to be submitted as a supplement to the performance annual report pursuant to s. 331.3051(11), F.S.

Section 35: Amends s. 443.1113(4)(b), F.S., extending the full deployment date of the Reemployment Assistance Claims and Benefits Information System to June 30, 2014.

Section 36: Amends 443.131(5), F.S., providing for when the Revenue Estimating Conference shall make an estimate on the amount of interest due on federal advances; providing for when a reemployment tax assessment may not be made; requiring assessments on deposit to be available to pay interest on federal advances; requiring excess funds to be transferred to the Unemployment Compensation Trust Fund after a certain time period; providing an expiration date of July 1, 2014.

Section 37: Amends s. 443.151(6)(a), F.S., imposing a penalty of 15 percent on reemployment benefits overpaid due to fraud.

Section 38: Amends s. 443.1715(1), F.S., imposing penalties for the unlawful disclosure of confidential information related to the Reemployment Assistance Program.

Section 39: Amends s. 443.191(1), F.S., directing that penalties related to fraudulent reemployment benefits must be deposited into the Unemployment Compensation Trust Fund.

Section 40: Amends s. 446.50(3)(b) and (4), F.S., relating to the Displaced Homemaker Trust Fund, to delete the requirement for the development of a three year state plan to be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives; requiring an annual plan be submitted as a part of DEO's annual report pursuant to s. 20.60, F.S.

Section 41: Provides an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Indeterminate. See Fiscal Comments.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

To the extent that more eligible local governments apply for and receive funding for eligible activities under the Florida Small Cities CDBG Program, the private sector will benefit.

D. FISCAL COMMENTS:

The Unemployment Compensation Trust Fund

The collection of penalties related to fraudulent claims may have a positive impact on the balance of the Unemployment Compensation Trust Fund. In FY 2011-12, DEO issued 25,294 fraud determinations totaling \$33.2 million in overpaid benefits. If these benefits had been subject to the 15 percent penalty, up to an additional \$4.9 million would have been directed to the Unemployment Compensation Trust Fund. However, in FY 2011-12, only 25 percent of the \$33.2 million in overpaid benefits were recovered by DEO.

The bill also provides that when all federal advances are repaid, any excess assessments on deposit in the Audit and Warrant Clearing Trust Fund will be transferred to the Unemployment Compensation Trust Fund. While the amount of funds transferred will likely be minimal, this provision may have a positive impact on the balance of the Unemployment Compensation Trust Fund.

The bill sunsets the statutory provision authorizing an additional assessment on employers for paying interest on federal advances which continue the payment of re-employment benefits. In the event the federal government advances funds for this purpose in the future, the legislature would need to either reauthorize this subsection or find an alternative funding mechanism for paying this interest.

Department of Economic Opportunity

According to DEO, the bill's provision extending the deadline for the Reemployment Assistance Claims and Benefits Information System to be operational will not have a fiscal impact on the state, but may result in additional administrative costs for DEO that can be absorbed within existing resources.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to: require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill authorizes DEO to adopt rules relating to the guidelines for the distribution of Small Cities CDBG Program grants; application procedures; grant ceilings; the maximum percentage of funds which can spent on administrative costs by an eligible local government; and the methodology used to determine the maximum amount of funding that may be spent on architectural and engineering costs by an eligible local government.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to the Department of Economic
 3 Opportunity; amending ss. 20.60, 288.906, and 288.907,
 4 F.S.; revising requirements for various annual reports
 5 submitted to the Governor and Legislature, including
 6 the annual report of the Department of Economic
 7 Opportunity, the annual report of Enterprise Florida,
 8 Inc., and the annual incentives report; consolidating
 9 the reporting requirements for various economic
 10 development programs into these annual reports;
 11 amending ss. 220.194, 288.012, 288.061, and 288.0656,
 12 F.S.; conforming provisions to changes made by the
 13 act; amending s. 288.095, F.S.; deleting requirements
 14 for an annual report related to certain payments made
 15 from the Economic Development Incentives Account of
 16 the Economic Development Trust Fund; amending ss.
 17 288.106, 288.1081, 288.1082, 288.1088, and 288.1089,
 18 F.S.; conforming provisions to changes made by the
 19 act; amending s. 288.1226, F.S.; revising membership
 20 of the board of directors of the Florida Tourism
 21 Industry Marketing Corporation; providing that the
 22 Governor shall serve as a nonvoting member; amending
 23 ss. 288.1253, 288.1254, and 288.1258, F.S.; revising
 24 requirements for annual reports by the Office of Film
 25 and Entertainment; amending ss. 288.714 and 288.7771,
 26 F.S.; conforming provisions to changes made by the
 27 act; amending s. 288.903, F.S.; revising the duties of
 28 Enterprise Florida, Inc., with respect to preparation

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29 of the annual incentives report; amending ss. 288.92,
30 288.95155, 290.0056, and 290.014, F.S.; conforming
31 provisions to changes made by the act; amending ss.
32 290.0411 and 290.042, F.S.; revising legislative
33 intent and definitions applicable to the Florida Small
34 Cities Community Development Block Grant Program Act;
35 amending s. 290.044, F.S.; requiring the department to
36 adopt rules for the distribution of block grant funds
37 to eligible local governments; deleting authority for
38 block grant funds to be distributed as loan guarantees
39 to local governments; requiring that block grant funds
40 be distributed to achieve the department's community
41 development objectives; requiring such objectives to
42 be consistent with certain national objectives;
43 amending s. 290.0455, F.S., relating to the Small
44 Cities Community Development Block Grant Loan
45 Guarantee Program; providing for the state's guarantee
46 of certain federal loans to local governments;
47 requiring applicants for such loans to pledge a
48 specified amount of revenues to guarantee the loans;
49 revising requirements for the department to submit
50 recommendations to the Federal Government for such
51 loans; revising the maximum amount of the loan
52 guarantee commitment that a local government may
53 receive; providing for reduction of a local
54 government's future community development block grants
55 if the local government defaults on the federal loan;
56 amending s. 290.046, F.S.; revising application

57 requirements for community development block grants
 58 and procedures for the ranking of applications and the
 59 determination of project funding; amending s. 290.047,
 60 F.S.; revising requirements for the establishment of
 61 grant ceilings and maximum expenditures on
 62 administrative costs from community development block
 63 grants; limiting an eligible local government's
 64 authority to contract for specified services in
 65 connection with community development block grants;
 66 amending s. 290.0475, F.S.; revising conditions under
 67 which grant applications are ineligible for funding;
 68 290.048, F.S.; revising the department's duties to
 69 administer the Small Cities Community Development
 70 Block Grant Loan Guarantee Program; deleting
 71 provisions authorizing the establishment of an
 72 advisory committee; amending ss. 331.3051 and 331.10,
 73 F.S., revising requirements for annual reports by
 74 Space Florida; amending s. 443.1113, F.S., relating to
 75 the Reemployment Assistance Claims and Benefits
 76 Information System; revising timeframe for deployment
 77 of a certain Internet portal as part of such system;
 78 amending s. 443.131, F.S., revising requirements for
 79 the estimate of interest due on advances received from
 80 the Federal Government to the Unemployment
 81 Compensation Trust Fund and the calculation of
 82 additional assessments to contributing employers to
 83 repay the interest; providing an exemption from such
 84 additional assessments; amending ss. 443.151 and

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85 443.191, F.S.; imposes penalty against claimant who is
 86 overpaid reemployment assistance benefits due to fraud
 87 by the claimant and provides for deposit of moneys
 88 collected for such penalties in the Unemployment
 89 Compensation Trust Fund; amending s. 443.1715, F.S.;
 90 prohibiting the unlawful disclosure of certain
 91 confidential information relating to employing units
 92 and individuals under the Reemployment Assistance
 93 Program Law; providing penalties; amending s. 446.50,
 94 F.S.; conforming provisions to changes made by the
 95 act; providing an effective date.

96

97 Be It Enacted by the Legislature of the State of Florida:

98

99 Section 1. Subsection (10) of section 20.60, Florida
 100 Statutes, is amended to read:

101 20.60 Department of Economic Opportunity; creation; powers
 102 and duties.—

103 (10) The department, with assistance from Enterprise
 104 Florida, Inc., shall, by November 1 ~~January 1~~ of each year,
 105 submit an annual report to the Governor, the President of the
 106 Senate, and the Speaker of the House of Representatives on the
 107 condition of the business climate and economic development in
 108 the state. The report shall include the identification of
 109 problems and a prioritized list of recommendations. The report
 110 shall also include the following information from reports of
 111 other programs, including:

112 (a) Information from the displaced homemaker program plan

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113 required under s. 446.50.

114 (b) Information from the report on the usage and revenue
 115 impact by county of state incentives required under s. 290.014,
 116 and from the report of each enterprise zone development agency
 117 required under s. 290.0056. The report shall include an analysis
 118 of the activities and accomplishments of each enterprise zone.

119 (c) Information from the report on the use of loan funds
 120 awarded pursuant to the Economic Gardening Business Loan Pilot
 121 Program required under s. 288.1081(8) and from the report on the
 122 progress of the Economic Gardening Technical Assistance Pilot
 123 Program required under s. 288.1082(8).

124 (d) Information from the report of the performance of the
 125 Black Business Loan Program and a cumulative summary of
 126 quarterly report data required under s. 288.714.

127 (e) Information from the report of all Rural Economic
 128 Development Initiative activities required under s. 288.0656.

129 Section 2. Subsection (9) of section 220.194, Florida
 130 Statutes, is amended to read:

131 220.194 Corporate income tax credits for spaceflight
 132 projects.-

133 (9) ANNUAL REPORT.-Beginning in 2014, the Department of
 134 Economic Opportunity, in cooperation with Space Florida and the
 135 department, shall include in the ~~submit an~~ annual incentives
 136 report required under s. 288.907 a summary of ~~summarizing~~
 137 activities relating to the Florida Space Business Incentives Act
 138 established under this section ~~to the Governor, the President of~~
 139 ~~the Senate, and the Speaker of the House of Representatives by~~
 140 ~~each November 30.~~

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141 Section 3. Subsection (3) of section 288.012, Florida
 142 Statutes, is amended to read:

143 288.012 State of Florida international offices; state
 144 protocol officer; protocol manual.—The Legislature finds that
 145 the expansion of international trade and tourism is vital to the
 146 overall health and growth of the economy of this state. This
 147 expansion is hampered by the lack of technical and business
 148 assistance, financial assistance, and information services for
 149 businesses in this state. The Legislature finds that these
 150 businesses could be assisted by providing these services at
 151 State of Florida international offices. The Legislature further
 152 finds that the accessibility and provision of services at these
 153 offices can be enhanced through cooperative agreements or
 154 strategic alliances between private businesses and state, local,
 155 and international governmental entities.

156 (3) ~~By October 1 of each year,~~ Each international office
 157 shall annually submit to Enterprise Florida, Inc., ~~the~~
 158 ~~department~~ a complete and detailed report on its activities and
 159 accomplishments during the previous ~~preceding~~ fiscal year for
 160 inclusion in the annual report required under s. 288.906. In the
 161 ~~a~~ format and by the annual date prescribed ~~provided~~ by
 162 Enterprise Florida, Inc., the report must set forth information
 163 on:

- 164 (a) The number of Florida companies assisted.
- 165 (b) The number of inquiries received about investment
 166 opportunities in this state.
- 167 (c) The number of trade leads generated.
- 168 (d) The number of investment projects announced.

169 (e) The estimated U.S. dollar value of sales
 170 confirmations.

171 (f) The number of representation agreements.

172 (g) The number of company consultations.

173 (h) Barriers or other issues affecting the effective
 174 operation of the office.

175 (i) Changes in office operations which are planned for the
 176 current fiscal year.

177 (j) Marketing activities conducted.

178 (k) Strategic alliances formed with organizations in the
 179 country in which the office is located.

180 (l) Activities conducted with Florida's other
 181 international offices.

182 (m) Any other information that the office believes would
 183 contribute to an understanding of its activities.

184 Section 4. Subsection (3) of section 288.061, Florida
 185 Statutes, is amended to read:

186 288.061 Economic development incentive application
 187 process.—

188 (3) The department shall validate contractor performance
 189 and report, such validation ~~shall be reported~~ in the annual
 190 incentives incentive report required under s. 288.907.

191 Section 5. Subsection (8) of section 288.0656, Florida
 192 Statutes, is amended to read:

193 288.0656 Rural Economic Development Initiative.—

194 (8) REDI shall submit a report to the department Governor,
 195 ~~the President of the Senate, and the Speaker of the House of~~
 196 ~~Representatives each year on or before September 1~~ on all REDI

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197 | activities for the previous ~~prior~~ fiscal year as a supplement to
 198 | the department's annual report required under s. 20.60. This
 199 | supplementary report shall include:

200 | (a) A status report on all projects currently being
 201 | coordinated through REDI, the number of preferential awards and
 202 | allowances made pursuant to this section, the dollar amount of
 203 | such awards, and the names of the recipients.

204 | (b) ~~The report shall also include~~ A description of all
 205 | waivers of program requirements granted.

206 | (c) ~~The report shall also include~~ Information as to the
 207 | economic impact of the projects coordinated by REDI, ~~and~~

208 | (d) Recommendations based on the review and evaluation of
 209 | statutes and rules having an adverse impact on rural
 210 | communities, ~~and~~ proposals to mitigate such adverse impacts.

211 | Section 6. Paragraphs (d) and (e) of subsection (3) of
 212 | section 288.095, Florida Statutes, are redesignated as
 213 | paragraphs (c) and (d), respectively, and present paragraph (c)
 214 | of that subsection is amended to read:

215 | 288.095 Economic Development Trust Fund.—

216 | (3)

217 | ~~(e) Pursuant to s. 288.907, Enterprise Florida, Inc.,~~
 218 | ~~shall submit a complete and detailed annual report to the~~
 219 | ~~Governor, the President of the Senate, and the Speaker of the~~
 220 | ~~House of Representatives of all applications received,~~
 221 | ~~recommendations made to the department, final decisions issued,~~
 222 | ~~tax refund agreements executed, and tax refunds paid or other~~
 223 | ~~payments made under all programs funded out of the Economic~~
 224 | ~~Development Incentives Account, including analyses of benefits~~

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225 ~~and costs, types of projects supported, and employment and~~
 226 ~~investment created. The department shall also include a separate~~
 227 ~~analysis of the impact of such tax refunds on state enterprise~~
 228 ~~zones designated pursuant to s. 290.0065, rural communities,~~
 229 ~~brownfield areas, and distressed urban communities. The report~~
 230 ~~must also discuss the efforts made by the department to amend~~
 231 ~~tax refund agreements to require tax refund claims to be~~
 232 ~~submitted by January 31 for the net new full-time equivalent~~
 233 ~~jobs in this state as of December 31 of the preceding calendar~~
 234 ~~year. The report must also list the name and tax refund amount~~
 235 ~~for each business that has received a tax refund under s.~~
 236 ~~288.1045 or s. 288.106 during the preceding fiscal year.~~

237 Section 7. Paragraph (d) of subsection (7) of section
 238 288.106, Florida Statutes, is amended to read:

239 288.106 Tax refund program for qualified target industry
 240 businesses.—

241 (7) ADMINISTRATION.—

242 (d) Beginning with tax refund agreements signed after July
 243 1, 2010, the department shall attempt to ascertain the causes
 244 for any business's failure to complete its agreement and shall
 245 include report its findings and recommendations in the annual
 246 incentives report required under s. 288.907 ~~to the Governor, the~~
 247 ~~President of the Senate, and the Speaker of the House of~~
 248 ~~Representatives. The report shall be submitted by December 1 of~~
 249 ~~each year beginning in 2011.~~

250 Section 8. Subsection (8) of section 288.1081, Florida
 251 Statutes, is amended to read:

252 288.1081 Economic Gardening Business Loan Pilot Program.—

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253 | (8) ~~On June 30 and December 31 of each year,~~ The
 254 | department shall include in its annual ~~submit~~ a report required
 255 | under s. 20.60 a detailed description of ~~to the Governor, the~~
 256 | ~~President of the Senate, and the Speaker of the House of~~
 257 | ~~Representatives which describes in detail~~ the use of the loan
 258 | funds. The report must include, at a minimum, the number of
 259 | businesses receiving loans, the number of full-time equivalent
 260 | jobs created as a result of the loans, the amount of wages paid
 261 | to employees in the newly created jobs, the locations and types
 262 | of economic activity undertaken by the borrowers, the amounts of
 263 | loan repayments made to date, and the default rate of borrowers.

264 | Section 9. Subsection (8) of section 288.1082, Florida
 265 | Statutes, is amended to read:

266 | 288.1082 Economic Gardening Technical Assistance Pilot
 267 | Program.—

268 | (8) ~~On December 31 of each year,~~ The department shall
 269 | include in its annual ~~submit~~ a report required under s. 20.60 a
 270 | detailed description of ~~to the Governor, the President of the~~
 271 | ~~Senate, and the Speaker of the House of Representatives which~~
 272 | ~~describes in detail~~ the progress of the pilot program. The
 273 | report must include, at a minimum, the number of businesses
 274 | receiving assistance, the number of full-time equivalent jobs
 275 | created as a result of the assistance, if any, the amount of
 276 | wages paid to employees in the newly created jobs, and the
 277 | locations and types of economic activity undertaken by the
 278 | businesses.

279 | Section 10. Paragraph (e) of subsection (3) of section
 280 | 288.1088, Florida Statutes, is amended to read:

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281 288.1088 Quick Action Closing Fund.—

282 (3)

283 (e) The department ~~Enterprise Florida, Inc.,~~ shall
 284 validate contractor performance and report, such validation in
 285 the annual incentives report required under s. 288.907 ~~shall be~~
 286 ~~reported within 6 months after completion of the contract to the~~
 287 ~~Governor, President of the Senate, and the Speaker of the House~~
 288 ~~of Representatives.~~

289 Section 11. Subsection (9) and paragraph (a) of subsection
 290 (11) of section 288.1089, Florida Statutes, are amended to read:

291 288.1089 Innovation Incentive Program.—

292 (9) The department shall validate the performance of an
 293 innovation business, a research and development facility, or an
 294 alternative and renewable energy business that has received an
 295 award. At the conclusion of the innovation incentive award
 296 agreement, or its earlier termination, the department shall
 297 include in the annual incentives report required under s.
 298 288.907 a detailed description of, ~~within 90 days, submit a~~
 299 ~~report to the Governor, the President of the Senate, and the~~
 300 ~~Speaker of the House of Representatives detailing~~ whether the
 301 recipient of the innovation incentive grant achieved its
 302 specified outcomes.

303 (11)(a) The department shall include in ~~submit to the~~
 304 ~~Governor, the President of the Senate, and the Speaker of the~~
 305 ~~House of Representatives, as part of the annual incentives~~
 306 report required under s. 288.907, a report summarizing the
 307 activities and accomplishments of the recipients of grants from
 308 the Innovation Incentive Program during the previous 12 months

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309 and an evaluation of whether the recipients are catalysts for
 310 additional direct and indirect economic development in Florida.

311 Section 12. Subsection (4) of section 288.1226, Florida
 312 Statutes, is amended to read:

313 288.1226 Florida Tourism Industry Marketing Corporation;
 314 use of property; board of directors; duties; audit.—

315 (4) BOARD OF DIRECTORS.—The board of directors of the
 316 corporation shall be composed of the Governor and 31 tourism-
 317 industry-related members, appointed by Enterprise Florida, Inc.,
 318 in conjunction with the department.

319 (a) The Governor shall serve ex officio as a nonvoting
 320 member of the board.

321 (b) ~~(a)~~ The board shall consist of 16 members, appointed in
 322 such a manner as to equitably represent all geographic areas of
 323 the state, with no fewer than two members from any of the
 324 following regions:

325 1. Region 1, composed of Bay, Calhoun, Escambia, Franklin,
 326 Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty,
 327 Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties.

328 2. Region 2, composed of Alachua, Baker, Bradford, Clay,
 329 Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Lafayette,
 330 Levy, Madison, Marion, Nassau, Putnam, St. Johns, Suwannee,
 331 Taylor, and Union Counties.

332 3. Region 3, composed of Brevard, Indian River, Lake,
 333 Okeechobee, Orange, Osceola, St. Lucie, Seminole, Sumter, and
 334 Volusia Counties.

335 4. Region 4, composed of Citrus, Hernando, Hillsborough,
 336 Manatee, Pasco, Pinellas, Polk, and Sarasota Counties.

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337 5. Region 5, composed of Charlotte, Collier, DeSoto,
338 Glades, Hardee, Hendry, Highlands, and Lee Counties.

339 6. Region 6, composed of Broward, Martin, Miami-Dade,
340 Monroe, and Palm Beach Counties.

341 ~~(c)-(b)~~ The 15 additional tourism-industry-related members
342 shall include 1 representative from the statewide rental car
343 industry; 7 representatives from tourist-related statewide
344 associations, including those that represent hotels,
345 campgrounds, county destination marketing organizations,
346 museums, restaurants, retail, and attractions; 3 representatives
347 from county destination marketing organizations; 1
348 representative from the cruise industry; 1 representative from
349 an automobile and travel services membership organization that
350 has at least 2.8 million members in Florida; 1 representative
351 from the airline industry; and 1 representative from the space
352 tourism industry, who will each serve for a term of 2 years.

353 Section 13. Subsection (3) of section 288.1253, Florida
354 Statutes, is amended to read:

355 288.1253 Travel and entertainment expenses.—

356 (3) The Office of Film and Entertainment ~~department~~ shall
357 include in the annual report for the entertainment industry
358 financial incentive program required under s. 288.1254(10) a
359 ~~prepare an annual~~ report of the office's expenditures ~~of the~~
360 ~~Office of Film and Entertainment and provide such report to the~~
361 ~~Legislature no later than December 30 of each year for the~~
362 ~~expenditures of~~ the previous fiscal year. The report shall
363 consist of a summary of all travel, entertainment, and
364 incidental expenses incurred within the United States and all

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365 | travel, entertainment, and incidental expenses incurred outside
 366 | the United States, as well as a summary of all successful
 367 | projects that developed from such travel.

368 | Section 14. Subsection (10) of section 288.1254, Florida
 369 | Statutes, is amended to read:

370 | 288.1254 Entertainment industry financial incentive
 371 | program.—

372 | (10) ANNUAL REPORT.—Each November 1 ~~October 1~~, the Office
 373 | of Film and Entertainment shall submit ~~provide~~ an annual report
 374 | for the previous fiscal year to the Governor, the President of
 375 | the Senate, and the Speaker of the House of Representatives
 376 | which outlines the incentive program's return on investment and
 377 | economic benefits to the state. The report shall also include an
 378 | estimate of the full-time equivalent positions created by each
 379 | production that received tax credits under this section and
 380 | information relating to the distribution of productions
 381 | receiving credits by geographic region and type of production.
 382 | The report shall also include the expenditures report required
 383 | under s. 288.1253(3) and the information describing the
 384 | relationship between tax exemptions and incentives to industry
 385 | growth required under s. 288.1258(5).

386 | Section 15. Subsection (5) of section 288.1258, Florida
 387 | Statutes, is amended to read:

388 | 288.1258 Entertainment industry qualified production
 389 | companies; application procedure; categories; duties of the
 390 | Department of Revenue; records and reports.—

391 | (5) RELATIONSHIP OF TAX EXEMPTIONS AND INCENTIVES TO
 392 | INDUSTRY GROWTH; REPORT TO THE LEGISLATURE.—The Office of Film

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393 and Entertainment shall keep annual records from the information
 394 provided on taxpayer applications for tax exemption certificates
 395 beginning January 1, 2001. These records also shall reflect a
 396 ratio of the annual amount of sales and use tax exemptions under
 397 this section, plus the incentives awarded pursuant to s.
 398 288.1254 to the estimated amount of funds expended by certified
 399 productions. In addition, the office shall maintain data showing
 400 annual growth in Florida-based entertainment industry companies
 401 and entertainment industry employment and wages. The employment
 402 information shall include an estimate of the full-time
 403 equivalent positions created by each production that received
 404 tax credits pursuant to s. 288.1254. The Office of Film and
 405 Entertainment shall include ~~report~~ this information in the
 406 annual report for the entertainment industry financial incentive
 407 program required under s. 288.1254(10) to the Legislature no
 408 later than December 1 of each year.

409 Section 16. Subsection (3) of section 288.714, Florida
 410 Statutes, is amended to read:

411 288.714 Quarterly and annual reports.-

412 (3) ~~By August 31 of each year,~~ The department shall
 413 include in its annual report required under s. 20.60 provide to
 414 ~~the Governor, the President of the Senate, and the Speaker of~~
 415 ~~the House of Representatives~~ a detailed report of the
 416 performance of the Black Business Loan Program. The report must
 417 include a cumulative summary of the quarterly report data
 418 compiled pursuant to ~~required by~~ subsection (2) ~~(1)~~.

419 Section 17. Section 288.7771, Florida Statutes, is amended
 420 to read:

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421 288.7771 Annual report of Florida Export Finance
 422 Corporation.—The corporation shall annually prepare and submit
 423 to Enterprise Florida, Inc., ~~the department~~ for inclusion in its
 424 annual report required under s. 288.906 ~~by s. 288.095~~ a complete
 425 and detailed report setting forth:

- 426 (1) The report required in s. 288.776(3).
- 427 (2) Its assets and liabilities at the end of its most
 428 recent fiscal year.

429 Section 18. Subsections (3), (4), and (5) of section
 430 288.903, Florida Statutes, are amended to read:

431 288.903 Duties of Enterprise Florida, Inc.—Enterprise
 432 Florida, Inc., shall have the following duties:

- 433 (3) Prepare an annual report pursuant to s. 288.906.
- 434 (4) Prepare, in conjunction with the department, ~~and~~ an
 435 annual incentives report pursuant to s. 288.907.

436 ~~(5)(4)~~ Assist the department with the development of an
 437 annual and a long-range strategic business blueprint for
 438 economic development required in s. 20.60.

439 ~~(6)(5)~~ In coordination with Workforce Florida, Inc.,
 440 identify education and training programs that will ensure
 441 Florida businesses have access to a skilled and competent
 442 workforce necessary to compete successfully in the domestic and
 443 global marketplace.

444 Section 19. Subsection (3) is added to section 288.906,
 445 Florida Statutes, to read:

446 288.906 Annual report of Enterprise Florida, Inc., and its
 447 divisions; audits.—

- 448 (3) The following reports shall be included as supplements

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449 | to the detailed report required by this section:

450 | (a) The annual report of the Florida Export Finance
 451 | Corporation required under s. 288.7771.

452 | (b) The report on the state's international offices
 453 | required under s. 288.012.

454 | Section 20. Subsection (1) of section 288.907, Florida
 455 | Statutes, is amended to read:

456 | 288.907 Annual incentives report.—

457 | (1) ~~In addition to the annual report required under s.~~
 458 | ~~288.906,~~ Enterprise Florida, Inc., in conjunction with the
 459 | department, shall, by December 30 of each year, submit an annual
 460 | incentives report to shall provide the Governor, the President
 461 | of the Senate, and the Speaker of the House of Representatives
 462 | which details and quantifies a detailed incentives report
 463 | ~~quantifying~~ the economic benefits for all of the economic
 464 | development incentive programs marketed by Enterprise Florida,
 465 | Inc.

466 | (a) The annual incentives report must include for each
 467 | incentive program:

- 468 | 1. A brief description of the incentive program.
- 469 | 2. The amount of awards granted, by year, since inception.
- 470 | 3. The economic benefits, as defined in s. 288.005, based
 471 | on the actual amount of private capital invested, actual number
 472 | of jobs created, and actual wages paid for incentive agreements
 473 | completed during the previous 3 years.
- 474 | 4. ~~The report shall also include~~ The actual amount of
 475 | private capital invested, actual number of jobs created, and
 476 | actual wages paid for incentive agreements completed during the

477 previous 3 years for each target industry sector.

478 (b) For projects completed during the previous state
 479 fiscal year, the report must include:

480 1. The number of economic development incentive
 481 applications received.

482 2. The number of recommendations made to the department by
 483 Enterprise Florida, Inc., including the number recommended for
 484 approval and the number recommended for denial.

485 3. The number of final decisions issued by the department
 486 for approval and for denial.

487 4. The projects for which a tax refund, tax credit, or
 488 cash grant agreement was executed and, identifying for each
 489 project:

490 a. The number of jobs committed to be created.

491 b. The amount of capital investments committed to be made.

492 c. The annual average wage committed to be paid.

493 d. The amount of state economic development incentives
 494 committed to the project from each incentive program under the
 495 project's terms of agreement with the Department of Economic
 496 Opportunity.

497 e. The amount and type of local matching funds committed
 498 to the project.

499 5. Tax refunds paid or other payments made funded out of
 500 the Economic Development Incentives Account for each project.

501 6. The types of projects supported.

502 (c) For economic development projects that received tax
 503 refunds, tax credits, or cash grants under the terms of an
 504 agreement for incentives, the report must identify:

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- 505 | 1. The number of jobs actually created.
- 506 | 2. The amount of capital investments actually made.
- 507 | 3. The annual average wage paid.

508 | (d) For a project receiving economic development
 509 | incentives approved by the department and receiving federal or
 510 | local incentives, the report must include a description of the
 511 | federal or local incentives, if available.

512 | (e) The report must state the number of withdrawn or
 513 | terminated projects that did not fulfill the terms of their
 514 | agreements with the department and consequently are not
 515 | receiving incentives.

516 | (f) The report must include an analysis of the economic
 517 | benefits, as defined in s. 288.005, of tax refunds, tax credits,
 518 | or other payments made to projects locating or expanding in
 519 | state enterprise zones, rural communities, brownfield areas, or
 520 | distressed urban communities.

521 | (g) The report must also include a separate analysis of
 522 | the impact of tax refunds on rural communities, brownfield
 523 | areas, distressed urban communities, and state enterprise zones
 524 | designated pursuant to s. 290.0065.

525 | (h) The report must list the name of each business that
 526 | received a tax refund during the previous fiscal year, and the
 527 | amount of the tax refund, pursuant to the qualified defense
 528 | contractor and space flight business tax refund program under s.
 529 | 288.1045 or the tax refund program for qualified target industry
 530 | businesses under s. 288.106.

531 | ~~(i)~~ (g) The report must identify the target industry
 532 | businesses and high-impact businesses.

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533 (j)~~(h)~~ The report must describe the trends relating to
 534 business interest in, and usage of, the various incentives, and
 535 the number of minority-owned or woman-owned businesses receiving
 536 incentives.

537 (k)~~(i)~~ The report must identify incentive programs not
 538 used and include recommendations for changes utilized.

539 (l) The report must include information related to the
 540 validation of contractor performance required under s. 288.061.

541 (m) Beginning in 2014, the report must summarize the
 542 activities related to the Florida Space Business Incentives Act,
 543 s. 220.194.

544 Section 21. Subsection (3) of section 288.92, Florida
 545 Statutes, is amended to read:

546 288.92 Divisions of Enterprise Florida, Inc.—

547 (3) ~~By October 15 each year,~~ Each division shall draft and
 548 submit an annual report for inclusion in the report required
 549 under 288.906 which details the division's activities during the
 550 previous ~~prior~~ fiscal year and includes ~~any~~ recommendations for
 551 improving current statutes related to the division's ~~related~~
 552 area of responsibility.

553 Section 22. Subsection (5) of section 288.95155, Florida
 554 Statutes, is amended to read:

555 288.95155 Florida Small Business Technology Growth
 556 Program.—

557 (5) Enterprise Florida, Inc., shall include in the annual
 558 incentives report required under s. 288.907 ~~prepare for~~
 559 ~~inclusion in the annual report of the department required by s.~~
 560 ~~288.095~~ a report on the financial status of the program. The

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561 report must specify the assets and liabilities of the program
 562 within the current fiscal year and must include a portfolio
 563 update that lists all of the businesses assisted, the private
 564 dollars leveraged by each business assisted, and the growth in
 565 sales and ~~in~~ employment of each business assisted.

566 Section 23. Subsection (11) of section 290.0056, Florida
 567 Statutes, is amended to read:

568 290.0056 Enterprise zone development agency.—

569 (11) Before October 1 ~~December 1~~ of each year, the agency
 570 shall submit to the department for inclusion in the department's
 571 annual report required under s. 20.60 a complete and detailed
 572 written report setting forth:

573 (a) Its operations and accomplishments during the fiscal
 574 year.

575 (b) The accomplishments and progress concerning the
 576 implementation of the strategic plan or measurable goals, and
 577 any updates to the strategic plan or measurable goals.

578 (c) The number and type of businesses assisted by the
 579 agency during the fiscal year.

580 (d) The number of jobs created within the enterprise zone
 581 during the fiscal year.

582 (e) The usage and revenue impact of state and local
 583 incentives granted during the calendar year.

584 (f) Any other information required by the department.

585 Section 24. Section 290.014, Florida Statutes, is amended
 586 to read:

587 290.014 Annual reports on enterprise zones.—

588 ~~(1)~~ By October 1 ~~February 1~~ of each year, the Department

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589 of Revenue shall submit a ~~an annual~~ report to the department for
 590 inclusion in the department's annual report required under s.
 591 20.60 which details ~~detailing~~ the usage and revenue impact by
 592 county of the state incentives listed in s. 290.007.

593 ~~(2) By March 1 of each year, the department shall submit~~
 594 ~~an annual report to the Governor, the Speaker of the House of~~
 595 ~~Representatives, and the President of the Senate.~~ The report
 596 shall also include ~~the information provided by the department of~~
 597 ~~Revenue pursuant to subsection (1) and the information provided~~
 598 by the enterprise zone development agencies pursuant to s.
 599 290.0056(11) ~~290.0056~~. In addition, the report shall include an
 600 analysis of the activities and accomplishments of each
 601 enterprise zone.

602 Section 25. Section 290.0411, Florida Statutes, is amended
 603 to read:

604 290.0411 Legislative intent and purpose of ss. 290.0401-
 605 290.048.—It is the intent of the Legislature to provide the
 606 necessary means to develop, preserve, redevelop, and revitalize
 607 Florida communities exhibiting signs of decline, ~~or~~ distress, or
 608 economic need by enabling local governments to undertake the
 609 necessary community and economic development programs. The
 610 overall objective is to create viable communities by eliminating
 611 slum and blight, fortifying communities in urgent need,
 612 providing decent housing and suitable living environments, and
 613 expanding economic opportunities, principally for persons of low
 614 or moderate income. The purpose of ss. 290.0401-290.048 is to
 615 assist local governments in carrying out effective community and
 616 economic development and project planning and design activities

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617 | to arrest and reverse community decline and restore community
 618 | vitality. Community development and project planning activities
 619 | to maintain viable communities, revitalize existing communities,
 620 | expand economic development and employment opportunities, and
 621 | improve housing conditions and expand housing opportunities,
 622 | providing direct benefit to persons of low or moderate income,
 623 | are the primary purposes of ss. 290.0401-290.048. The
 624 | Legislature, therefore, declares that the development,
 625 | redevelopment, preservation, and revitalization of communities
 626 | in this state and all the purposes of ss. 290.0401-290.048 are
 627 | public purposes for which public money may be borrowed,
 628 | expended, loaned, pledged to guarantee loans, and granted.

629 | Section 26. Subsections (1) and (6) of section 290.042,
 630 | Florida Statutes, are amended to read:

631 | 290.042 Definitions relating to Florida Small Cities
 632 | Community Development Block Grant Program Act.—As used in ss.
 633 | 290.0401-290.048, the term:

634 | (1) "Administrative closeout" means the notification of a
 635 | grantee by the department that all applicable administrative
 636 | actions and all required work of an existing ~~the~~ grant have been
 637 | completed with the exception of the final audit.

638 | (6) "Person of low or moderate income" means any person
 639 | who meets the definition established by the department in
 640 | accordance with the guidelines established in Title I of the
 641 | Housing and Community Development Act of 1974, as amended, and
 642 | the definition of the term "low- and moderate-income person" as
 643 | provided in 24 C.F.R. s. 570.3.

644 | Section 27. Subsections (2), (3), and (4) of section

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645 | 290.044, Florida Statutes, are amended to read:

646 | 290.044 Florida Small Cities Community Development Block
647 | Grant Program Fund; administration; distribution.—

648 | (2) The department shall adopt rules establishing
649 | guidelines for the distribution of ~~distribute such funds as loan~~
650 | ~~guarantees and grants~~ to eligible local governments through ~~on~~
651 | ~~the basis of~~ a competitive selection process.

652 | (3) The department shall define ~~the~~ broad community
653 | development objectives consistent with national objectives
654 | established by 42 U.S.C. s. 5304 and 24 C.F.R. s. 570.483
655 | ~~objective~~ to be achieved through the distribution of block grant
656 | funds under this section. ~~by the activities in each of the~~
657 | ~~following grant program categories, and require applicants for~~
658 | ~~grants to compete against each other in these grant program~~
659 | ~~categories:~~

- 660 | ~~(a) Housing.~~
- 661 | ~~(b) Economic development.~~
- 662 | ~~(c) Neighborhood revitalization.~~
- 663 | ~~(d) Commercial revitalization.~~
- 664 | ~~(e) Project planning and design.~~

665 | (4) The department may set aside an amount of up to 5
666 | percent of the funds annually for use in any eligible local
667 | government jurisdiction for which an emergency or natural
668 | disaster has been declared by executive order. Such funds may
669 | only be provided to a local government to fund eligible
670 | emergency-related activities but must not be provided unless ~~for~~
671 | ~~which~~ no other source of federal, state, or local disaster funds
672 | is available. The department may provide for such set-aside by

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673 rule. In the last quarter of the state fiscal year, any funds
 674 not allocated under the emergency-related set-aside shall be
 675 distributed to unfunded applications from the most recent
 676 funding cycle.

677 Section 28. Section 290.0455, Florida Statutes, is amended
 678 to read:

679 290.0455 Small Cities Community Development Block Grant
 680 Loan Guarantee Program; Section 108 loan guarantees.—

681 (1) The Small Cities Community Development Block Grant
 682 Loan Guarantee Program is created. The department shall
 683 administer the loan guarantee program pursuant to Section 108 ~~s.~~
 684 ~~108~~ of Title I of the Housing and Community Development Act of
 685 1974, as amended, and as further amended by s. 910 of the
 686 Cranston-Gonzalez National Affordable Housing Act. The purpose
 687 of the Small Cities Community Development Block Grant Loan
 688 Guarantee Program is to guarantee, or to make commitments to
 689 guarantee, notes or other obligations issued by public entities
 690 for the purposes of financing activities enumerated in 24 C.F.R.
 691 s. 570.703.

692 (2) Activities assisted under the loan guarantee program
 693 must meet the requirements contained in 24 C.F.R. ss. 570.700-
 694 570.710 and may not otherwise be financed in whole or in part
 695 from the Florida Small Cities Community Development Block Grant
 696 Program.

697 (3) The department may pledge existing revenues on deposit
 698 or future revenues projected to be available for deposit in the
 699 Florida Small Cities Community Development Block Grant Program
 700 in order to guarantee, ~~in whole or in part,~~ the payment of

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701 principal and interest on a Section 108 loan ~~made under the loan~~
 702 ~~guarantee program.~~

703 (4) An applicant approved by the United States Department
 704 of Housing and Urban Development to receive a Section 108 loan
 705 shall enter into an agreement with the Department of Economic
 706 Opportunity which requires the applicant to pledge half of the
 707 amount necessary to guarantee the loan in the event of default.

708 (5) The department shall review all Section 108 loan
 709 applications that it receives from local governments. The
 710 department shall review the applications ~~must submit all~~
 711 ~~applications it receives to the United States Department of~~
 712 ~~Housing and Urban Development for loan approval,~~ in the order
 713 received, subject to a determination by the department
 714 ~~determining~~ that each the application meets all eligibility
 715 requirements contained in 24 C.F.R. ss. 570.700-570.710~~7~~ and has
 716 been deemed financially feasible by a loan underwriter approved
 717 by the department. If the statewide maximum available for loan
 718 guarantee commitments established in subsection (6) has not been
 719 committed, the department may submit the Section 108 loan
 720 application to the United States Department of Housing and Urban
 721 Development with a recommendation that the loan be approved,
 722 with or without conditions, or be denied ~~provided that the~~
 723 ~~applicant has submitted the proposed activity to a loan~~
 724 ~~underwriter to document its financial feasibility.~~

725 ~~(6)(5)~~ The maximum amount of an individual loan guarantee
 726 commitment that an ~~commitments that any~~ eligible local
 727 government may receive is ~~may be~~ limited to \$5 ~~\$7~~ million
 728 ~~pursuant to 24 C.F.R. s. 570.705,~~ and the maximum amount of loan

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729 | guarantee commitments statewide may not exceed an amount equal
 730 | to two ~~five~~ times the amount of the most recent grant received
 731 | by the department under the Florida Small Cities Community
 732 | Development Block Grant Program.

733 | (7) ~~(6)~~ Section 108 loans guaranteed by the Small Cities
 734 | Community Development Block Grant Program ~~loan-guarantee program~~
 735 | must be repaid within 20 years.

736 | (8) ~~(7)~~ Section 108 loan applicants must demonstrate
 737 | ~~guarantees may be used for an activity only if the local~~
 738 | ~~government provides evidence~~ to the department that the
 739 | applicant investigated alternative financing services ~~were~~
 740 | ~~investigated~~ and the services were unavailable or insufficient
 741 | to meet the financing needs of the proposed activity.

742 | (9) If a local government defaults on a Section 108 loan
 743 | received from the United States Department of Housing and Urban
 744 | Development and guaranteed through the Florida Small Cities
 745 | Community Development Block Grant Program, thereby requiring the
 746 | department to reduce its annual grant award in order to pay the
 747 | annual debt service on the loan, any future community
 748 | development block grants that the local government receives must
 749 | be reduced in an amount equal to the amount of the state's grant
 750 | award used in payment of debt service on the loan.

751 | (10) If a local government receives a Section 108 loan
 752 | guaranteed through the Florida Small Cities Community
 753 | Development Block Grant Program and is granted entitlement
 754 | community status as defined in subpart D of 24 C.F.R. part 570
 755 | by the United States Department of Housing and Urban Development
 756 | before paying the loan in full, the local government must pledge

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757 its community development block grant entitlement allocation as
 758 a guarantee of its previous loan and request that the United
 759 States Department of Housing and Urban Development release the
 760 department as guarantor of the loan.

761 ~~(8) The department must, before approving an application~~
 762 ~~for a loan, evaluate the applicant's prior administration of~~
 763 ~~block grant funds for community development. The evaluation of~~
 764 ~~past performance must take into account the procedural aspects~~
 765 ~~of previous grants or loans as well as substantive results. If~~
 766 ~~the department finds that any applicant has failed to~~
 767 ~~substantially accomplish the results proposed in the applicant's~~
 768 ~~last previously funded application, the department may prohibit~~
 769 ~~the applicant from receiving a loan or may penalize the~~
 770 ~~applicant in the rating of the current application.~~

771 Section 29. Section 290.046, Florida Statutes, is amended
 772 to read:

773 (Substantial rewording of section. See
 774 s. 290.046, F.S., for present text.)
 775 290.046 Applications for grants; procedures;
 776 requirements.-

777 (1) The department shall adopt rules establishing
 778 application procedures.

779 (2)(a) Except for economic development projects, each
 780 local government that is eligible by rule to apply for a grant
 781 during an application cycle may submit one application for a
 782 noneconomic development project during the application cycle. A
 783 local government that is eligible by rule to apply for an
 784 economic development grant may apply up to three times each

785 funding cycle for an economic development grant and may have
 786 more than one open economic development grant.

787 (b) The department shall establish minimum criteria
 788 pertaining to the number of jobs created for persons of low or
 789 moderate income, the degree of private sector financial
 790 commitment, the economic feasibility of the proposed project,
 791 and any other criteria the department deems appropriate.

792 (c) The department may not award a grant until the
 793 department has completed a site visit to verify the information
 794 contained in the application.

795 (3) (a) The department shall adopt rules establishing
 796 criteria for evaluating applications received during each
 797 application cycle and the department must rank each application
 798 in accordance with those rules. Such rules must allow the
 799 department to consider relevant factors, including, but not
 800 limited to, community need, unemployment, poverty levels, low
 801 and moderate income populations, health and safety, and the
 802 condition of physical structures. The department shall
 803 incorporate into its ranking system a procedure intended to
 804 eliminate or reduce any existing population-related bias that
 805 places exceptionally small communities at a disadvantage in the
 806 competition for funds.

807 (b) Project funding must be determined by the rankings
 808 established in each application cycle. If economic development
 809 funding remains available after the application cycle closes,
 810 funding will be awarded to eligible projects on a first-come,
 811 first-served basis until funding for this category is fully
 812 obligated.

813 (4) In order to provide the public with information
 814 concerning an applicant's proposed program before an application
 815 is submitted to the department, the applicant shall, for each
 816 funding cycle:

817 (a) Conduct an initial public hearing to inform the public
 818 of funding opportunities available to meet community needs and
 819 eligible activities and to solicit public input on community
 820 needs.

821 (b) Publish a summary of the proposed application which
 822 affords the public an opportunity to examine the contents of the
 823 application and submit comments.

824 (c) Conduct a second public hearing to obtain public
 825 comments on the proposed application and make appropriate
 826 modifications to the application.

827 Section 30. Section 290.047, Florida Statutes, is amended
 828 to read:

829 (Substantial rewording of section. See
 830 s. 290.047, F.S., for present text.)

831 290.047 Establishment of grant ceilings and maximum
 832 administrative cost percentages.—

833 (1) The department shall adopt rules to establish:

834 (a) Grant ceilings.

835 (b) The maximum percentage of block grant funds that may
 836 be spent on administrative costs by an eligible local
 837 government.

838 (c) Grant administration procurement procedures for
 839 eligible local governments.

840 (2) An eligible local government may not contract with the

841 same individual or business entity for more than one service to
 842 be performed in connection with a community development block
 843 grant, including, but not limited to, application preparation
 844 services, administrative services, architectural and engineering
 845 services, and construction services, unless it can be
 846 demonstrated by the eligible local government that the
 847 individual or business entity is the sole source of the service
 848 or is the responsive proposer whose proposal is determined in
 849 writing from a competitive process to be the most advantageous
 850 to the local government.

851 (3) The maximum amount of block grant funds that may be
 852 spent on architectural and engineering costs by an eligible
 853 local government must be determined by a methodology adopted by
 854 the department by rule.

855 Section 31. Section 290.0475, Florida Statutes, is amended
 856 to read:

857 290.0475 Rejection of grant applications; penalties for
 858 failure to meet application conditions.—Applications received
 859 for funding are ineligible if ~~under all program categories shall~~
 860 ~~be rejected without scoring only in the event that any of the~~
 861 ~~following circumstances arise:~~

862 (1) The application is not received by the department by
 863 the application deadline.

864 (2) The proposed project does not meet one of the three
 865 national objectives as described ~~contained~~ in s. 290.044(3)
 866 ~~federal and state legislation.~~

867 (3) The proposed project is not an eligible activity as
 868 contained in the federal legislation.

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869 (4) The application is not consistent with the local
 870 government's comprehensive plan adopted pursuant to s. 163.3184.

871 (5) The applicant has an open community development block
 872 grant, except as provided in s. s. 290.046(2)(a) and department
 873 rule 290.046(2)(e).

874 (6) The local government is not in compliance with the
 875 citizen participation requirements prescribed in ss. 104(a)(1)
 876 and (2) and 106(d)(5)(c) of Title I of the Housing and Community
 877 Development Act of 1984, s. 290.046(4), and department rule
 878 rules.

879 ~~(7) Any information provided in the application that~~
 880 ~~affects eligibility or scoring is found to have been~~
 881 ~~misrepresented, and the information is not a mathematical error~~
 882 ~~which may be discovered and corrected by readily computing~~
 883 ~~available numbers or formulas provided in the application.~~

884 Section 32. Subsections (5), (6), and (7) of section
 885 290.048, Florida Statutes, are amended to read:

886 290.048 General powers of department under ss. 290.0401-
 887 290.048.—The department has all the powers necessary or
 888 appropriate to carry out the purposes and provisions of the
 889 program, including the power to:

890 ~~(5) Adopt and enforce strict requirements concerning an~~
 891 ~~applicant's written description of a service area. Each such~~
 892 ~~description shall contain maps which illustrate the location of~~
 893 ~~the proposed service area. All such maps must be clearly legible~~
 894 ~~and must:~~

895 ~~(a) Contain a scale which is clearly marked on the map.~~

896 ~~(b) Show the boundaries of the locality.~~

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897 ~~(c) Show the boundaries of the service area where the~~
 898 ~~activities will be concentrated.~~

899 ~~(d) Display the location of all proposed area activities.~~

900 ~~(e) Include the names of streets, route numbers, or easily~~
 901 ~~identifiable landmarks where all service activities are located.~~

902 (5)(6) Pledge community development block grant revenues
 903 from the Federal Government in order to guarantee notes or other
 904 obligations of a public entity which are approved pursuant to s.
 905 290.0455.

906 ~~(7) Establish an advisory committee of no more than 13~~
 907 ~~members to solicit participation in designing, administering,~~
 908 ~~and evaluating the program and in linking the program with other~~
 909 ~~housing and community development resources.~~

910 Section 33. Subsection (11) of section 331.3051, Florida
 911 Statutes, is amended to read:

912 331.3051 Duties of Space Florida.—Space Florida shall:

913 (11) Annually report on its performance with respect to
 914 its business plan, to include finance, spaceport operations,
 915 research and development, workforce development, and education.
 916 The report shall be submitted to the Governor, the President of
 917 the Senate, and the Speaker of the House of Representatives by
 918 November 30 ~~no later than September 1~~ for the previous ~~prior~~
 919 fiscal year. The annual report shall include operations
 920 information as required under s. 331.310(2)(e).

921 Section 34. Paragraph (e) of subsection (2) of section
 922 331.310, Florida Statutes, is amended to read:

923 331.310 Powers and duties of the board of directors.—

924 (2) The board of directors shall:

925 (e) Prepare an annual report of operations as a supplement
 926 to the annual report required under s. 331.3051(11). The report
 927 shall include, but not be limited to, a balance sheet, an income
 928 statement, a statement of changes in financial position, a
 929 reconciliation of changes in equity accounts, a summary of
 930 significant accounting principles, the auditor's report, a
 931 summary of the status of existing and proposed bonding projects,
 932 comments from management about the year's business, and
 933 prospects for the next year, ~~which shall be submitted each year~~
 934 ~~by November 30 to the Governor, the President of the Senate, the~~
 935 ~~Speaker of the House of Representatives, the minority leader of~~
 936 ~~the Senate, and the minority leader of the House of~~
 937 ~~Representatives.~~

938 Section 35. Paragraph (b) of subsection (4) of section
 939 443.1113, Florida Statutes, is amended to read:

940 443.1113 Reemployment Assistance Claims and Benefits
 941 Information System.—

942 (4) The project to implement the Reemployment Assistance
 943 Claims and Benefits Information System shall be comprised of the
 944 following phases and corresponding implementation timeframes:

945 (b) The Reemployment Assistance Claims and Benefits
 946 Internet portal that replaces the Florida Unemployment Internet
 947 Direct and the Florida Continued Claims Internet Directory
 948 systems, the Call Center Interactive Voice Response System, the
 949 Benefit Overpayment Screening System, the Internet and Intranet
 950 Appeals System, and the Claims and Benefits Mainframe System
 951 shall be deployed to full operational status no later than the
 952 end of fiscal year 2013-2014 ~~2012-2013~~.

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953 Section 36. Subsection (5) of section 443.131, Florida
 954 Statutes, is amended to read:

955 443.131 Contributions.—

956 (5) ADDITIONAL RATE FOR INTEREST ON FEDERAL ADVANCES.—

957 (a) When the Unemployment Compensation Trust Fund has
 958 received advances from the Federal Government under the
 959 provisions of 42 U.S.C. s. 1321, each contributing employer
 960 shall be assessed an additional rate solely for the purpose of
 961 paying interest due on such federal advances. The additional
 962 rate shall be assessed no later than February 1 in each calendar
 963 year in which an interest payment is due.

964 (b) The Revenue Estimating Conference shall estimate the
 965 amount of ~~such~~ interest due on federal advances by no later than
 966 December 1 of the calendar year before ~~preceding~~ the calendar
 967 year in which an interest payment is due. The Revenue Estimating
 968 Conference shall, at a minimum, consider the following as the
 969 basis for the estimate:

- 970 1. The amounts actually advanced to the trust fund.
- 971 2. Amounts expected to be advanced to the trust fund based
 972 on current and projected unemployment patterns and employer
 973 contributions.
- 974 3. The interest payment due date.
- 975 4. The interest rate that will be applied by the Federal
 976 Government to any accrued outstanding balances.

977 (c) ~~(b)~~ The tax collection service provider shall calculate
 978 the additional rate to be assessed against contributing
 979 employers. The additional rate assessed for a calendar year
 980 shall be determined by dividing the estimated amount of interest

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981 | to be paid in that year by 95 percent of the taxable wages as
982 | described in s. 443.1217 paid by all employers for the year
983 | ending June 30 of the previous ~~immediately preceding~~ calendar
984 | year. The amount to be paid by each employer shall be the
985 | product obtained by multiplying such employer's taxable wages as
986 | described in s. 443.1217 for the year ending June 30 of the
987 | previous ~~immediately preceding~~ calendar year by the rate as
988 | determined by this subsection. An assessment may not be made if
989 | the amount of assessments on deposit from previous years, plus
990 | any earned interest, is at least 80 percent of the estimated
991 | amount of interest.

992 | (d) The tax collection service provider shall make a
993 | separate collection of such assessment, which may be collected
994 | at the time of employer contributions and subject to the same
995 | penalties for failure to file a report, imposition of the
996 | standard rate pursuant to paragraph (3)(h), and interest if the
997 | assessment is not received on or before June 30. Section
998 | 443.141(1)(d) and (e) does not apply to this separately
999 | collected assessment. The tax collection service provider shall
1000 | maintain those funds in the tax collection service provider's
1001 | Audit and Warrant Clearing Trust Fund until the provider is
1002 | directed by the Governor or the Governor's designee to make the
1003 | interest payment to the Federal Government. Assessments on
1004 | deposit shall be available to pay the interest on advances
1005 | received from the Federal Government under 42 U.S.C. s. 1321.
1006 | Assessments on deposit may be invested and any interest earned
1007 | shall be part of the balance available to pay the interest on
1008 | advances received from the Federal Government under 42 U.S.C. s.

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1009 | 1321.

1010 | (e) Four months after ~~In the calendar year that~~ all
 1011 | advances from the Federal Government under 42 U.S.C. s. 1321 and
 1012 | associated interest are repaid, ~~if there are assessment funds in~~
 1013 | ~~excess of the amount required to meet the final interest~~
 1014 | ~~payment,~~ any such excess assessed funds in the Audit and Warrant
 1015 | Clearing Trust Fund, including associated interest, shall be
 1016 | transferred to ~~credited to employer accounts in~~ the Unemployment
 1017 | Compensation Trust Fund. Any assessment amounts subsequently
 1018 | collected shall also be transferred to the Unemployment
 1019 | Compensation Trust Fund ~~in an amount equal to the employer's~~
 1020 | ~~contribution to the assessment for that year divided by the~~
 1021 | ~~total amount of the assessment for that year, the result of~~
 1022 | ~~which is multiplied by the amount of excess assessed funds.~~

1023 | (f) If ~~However,~~ if the state is permitted to defer
 1024 | interest payments due during a calendar year under 42 U.S.C. s.
 1025 | 1322, payment of the interest assessment shall not be due. If a
 1026 | deferral of interest expires or is subsequently disallowed by
 1027 | the Federal Government, either prospectively or retroactively,
 1028 | the interest assessment shall be immediately due and payable.
 1029 | Notwithstanding any other provision of this section, if interest
 1030 | due during a calendar year on federal advances is forgiven or
 1031 | postponed under federal law and is no longer due during that
 1032 | calendar year, no interest assessment shall be assessed against
 1033 | an employer for that calendar year, and any assessment already
 1034 | assessed and collected against an employer before the
 1035 | forgiveness or postponement of the interest for that calendar
 1036 | year shall be credited to such employer's account in the

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1037 Unemployment Compensation Trust Fund. However, such funds may be
 1038 used only to pay benefits or refunds of erroneous contributions.

1039 (g) This subsection expires July 1, 2014.

1040 Section 37. Paragraph (a) of subsection (6) of section
 1041 443.151, Florida Statutes, is amended to read:

1042 443.151 Procedure concerning claims.—

1043 (6) RECOVERY AND RECOUPMENT.—

1044 (a) Any person who, by reason of her or his fraud,
 1045 receives benefits under this chapter to which she or he is not
 1046 entitled is liable for repaying those benefits to the Department
 1047 of Economic Opportunity on behalf of the trust fund or, in the
 1048 discretion of the department, to have those benefits deducted
 1049 from future benefits payable to her or him under this chapter.

1050 In addition, the department shall impose upon the claimant a
 1051 penalty equal to 15 percent of the amount overpaid. To enforce
 1052 this paragraph, the department must find the existence of fraud
 1053 through a redetermination or decision under this section within
 1054 2 years after the fraud was committed. Any recovery or
 1055 recoupment of benefits must be commenced within 7 years after
 1056 the redetermination or decision.

1057 Section 38. Subsection (1) of section 443.1715, Florida
 1058 Statutes, is amended to read:

1059 443.1715 Disclosure of information; confidentiality.—

1060 (1) RECORDS AND REPORTS.—Information revealing an
 1061 employing unit's or individual's identity obtained from the
 1062 employing unit or any individual under the administration of
 1063 this chapter, and any determination revealing that information,
 1064 is confidential and exempt from s. 119.07(1) and s. 24(a), Art.

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1065 | I of the State Constitution. This confidential information may
 1066 | be released in accordance with the provisions in 20 C.F.R. part
 1067 | 603. A person receiving confidential information who violates
 1068 | this subsection commits a misdemeanor of the second degree,
 1069 | punishable as provided in s. 775.082 or s. 775.083. The
 1070 | Department of Economic Opportunity or its tax collection service
 1071 | provider may, however, furnish to any employer copies of any
 1072 | report submitted by that employer upon the request of the
 1073 | employer and may furnish to any claimant copies of any report
 1074 | submitted by that claimant upon the request of the claimant. The
 1075 | department or its tax collection service provider may charge a
 1076 | reasonable fee for copies of these reports as prescribed by
 1077 | rule, which may not exceed the actual reasonable cost of the
 1078 | preparation of the copies. Fees received for copies under this
 1079 | subsection must be deposited in the Employment Security
 1080 | Administration Trust Fund.

1081 | Section 39. Subsection (1) of section 443.191, Florida
 1082 | Statutes, is amended to read:

1083 | 443.191 Unemployment Compensation Trust Fund;
 1084 | establishment and control.—

1085 | (1) There is established, as a separate trust fund apart
 1086 | from all other public funds of this state, an Unemployment
 1087 | Compensation Trust Fund, which shall be administered by the
 1088 | Department of Economic Opportunity exclusively for the purposes
 1089 | of this chapter. The fund shall consist of:

1090 | (a) All contributions and reimbursements collected under
 1091 | this chapter;

1092 | (b) Interest earned on any moneys in the fund;

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1093 (c) Any property or securities acquired through the use of
 1094 moneys belonging to the fund;

1095 (d) All earnings of these properties or securities;

1096 (e) All money credited to this state's account in the
 1097 federal Unemployment Compensation Trust Fund under 42 U.S.C. s.
 1098 1103; ~~and~~

1099 (f) All money collected for penalties imposed pursuant to
 1100 s. 443.151(6) (a); and

1101 (g) Advances on the amount in the federal Unemployment
 1102 Compensation Trust Fund credited to the state under 42 U.S.C. s.
 1103 1321, as requested by the Governor or the Governor's designee.

1104
 1105 Except as otherwise provided in s. 443.1313(4), all moneys in
 1106 the fund shall be mingled and undivided.

1107 Section 40. Paragraph (b) of subsection (3) and subsection
 1108 (4) of section 446.50, Florida Statutes, is amended to read:

1109 446.50 Displaced homemakers; multiservice programs; report
 1110 to the Legislature; Displaced Homemaker Trust Fund created.—

1111 (3) POWERS AND DUTIES OF THE DEPARTMENT OF ECONOMIC
 1112 OPPORTUNITY.—

1113 (b)1. The department shall enter into contracts with, and
 1114 make grants to, public and nonprofit private entities for
 1115 purposes of establishing multipurpose service programs for
 1116 displaced homemakers under this section. Such grants and
 1117 contracts shall be awarded pursuant to chapter 287 and based on
 1118 criteria established in the program state plan as provided in
 1119 subsection (4) developed pursuant to this section. The
 1120 department shall designate catchment areas that together, shall

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1121 | compose the entire state, and, to the extent possible from
 1122 | revenues in the Displaced Homemaker Trust Fund, the department
 1123 | shall contract with, and make grants to, entities that will
 1124 | serve entire catchment areas so that displaced homemaker service
 1125 | programs are available statewide. These catchment areas shall be
 1126 | coterminous with the state's workforce development regions. The
 1127 | department may give priority to existing displaced homemaker
 1128 | programs when evaluating bid responses to the request for
 1129 | proposals.

1130 | 2. In order to receive funds under this section, and
 1131 | unless specifically prohibited by law from doing so, an entity
 1132 | that provides displaced homemaker service programs must receive
 1133 | at least 25 percent of its funding from one or more local,
 1134 | municipal, or county sources or nonprofit private sources. In-
 1135 | kind contributions may be evaluated by the department and
 1136 | counted as part of the required local funding.

1137 | 3. The department shall require an entity that receives
 1138 | funds under this section to maintain appropriate data to be
 1139 | compiled in an annual report to the department. Such data shall
 1140 | include, but shall not be limited to, the number of clients
 1141 | served, the units of services provided, designated client-
 1142 | specific information including intake and outcome information
 1143 | specific to each client, costs associated with specific services
 1144 | and program administration, total program revenues by source and
 1145 | other appropriate financial data, and client followup
 1146 | information at specified intervals after the placement of a
 1147 | displaced homemaker in a job.

1148 | (4) DISPLACED HOMEWORKER PROGRAM ~~STATE~~ PLAN.—

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1149 ~~(a)~~ The Department of Economic Opportunity shall include
 1150 in its annual report required under s. 20.60 a develop a 3-year
 1151 state plan for the displaced homemaker program which shall be
 1152 updated annually. The plan must address, at a minimum, the need
 1153 for programs specifically designed to serve displaced
 1154 homemakers, any necessary service components for such programs
 1155 in addition to those described ~~enumerated~~ in this section, goals
 1156 of the displaced homemaker program with an analysis of the
 1157 extent to which those goals are being met, and recommendations
 1158 for ways to address any unmet program goals. Any request for
 1159 funds for program expansion must be based on the ~~state plan~~.

1160 ~~(b)~~ The displaced homemaker program ~~Each annual update~~
 1161 ~~must address any changes in the components of the 3-year state~~
 1162 ~~plan and a report that~~ must include, but need not be limited to,
 1163 the following:

1164 (a)1- The scope of the incidence of displaced homemakers;

1165 (b)2- A compilation and report, by program, of data
 1166 submitted to the department pursuant to subparagraph 3. by
 1167 funded displaced homemaker service programs;

1168 (c)3- An identification and description of the programs in
 1169 the state which receive funding from the department, including
 1170 funding information; and

1171 (d)4- An assessment of the effectiveness of each displaced
 1172 homemaker service program based on outcome criteria established
 1173 by rule of the department.

1174 ~~(e)~~ ~~The 3-year state plan must be submitted to the~~
 1175 ~~President of the Senate, the Speaker of the House of~~
 1176 ~~Representatives, and the Governor on or before January 1, 2001,~~

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1177 | ~~and annual updates of the plan must be submitted by January 1 of~~
1178 | ~~each subsequent year.~~

1179 | Section 41. This act shall take effect July 1, 2013.

Amendment No. 1

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: Transportation & Economic
 2 Development Appropriations Subcommittee
 3 Representative Patronis offered the following:

Amendment (with title amendment)

Between lines 565 and 566, insert:

Section 23. Subsection (6) of section 290.0055, Florida Statutes, is amended to read:

290.0055 Local nominating procedure.—

(6) (a) The department may approve a change in the boundary of any enterprise zone which was designated pursuant to s. 290.0065. A boundary change must continue to satisfy the requirements of subsections (3), (4), and (5).

(b) Upon a recommendation by the enterprise zone development agency, the governing body of the jurisdiction which authorized the application for an enterprise zone may apply to the department for a change in boundary once every 3 years by adopting a resolution that:

1. States with particularity the reasons for the change;

and

Amendment No. 1

21 2. Describes specifically and, to the extent required by
22 the department, the boundary change to be made.

23 (c) At least 90 days before adopting a resolution seeking
24 a change in the boundary of an enterprise zone, the governing
25 body shall include in a notice of the meeting at which the
26 resolution will be considered an explanation that a change in
27 the boundary of an enterprise zone will be considered and that
28 the change may result in loss of enterprise zone eligibility for
29 the area affected by the boundary change.

30 (d)1. The governing body of a jurisdiction which has
31 nominated an application for an enterprise zone that is at least
32 15 square miles and less than 20 square miles ~~no larger than 12~~
33 ~~square miles~~ and includes a portion of the state designated as a
34 rural area of critical economic concern under s. 288.0656(7) may
35 apply to the department to expand the boundary of the existing
36 enterprise zone by not more than 3 square miles. ~~An application~~
37 ~~to expand the boundary of an enterprise zone under this~~
38 ~~paragraph must be submitted by December 31, 2012.~~

39 2. The governing body of a jurisdiction which has
40 nominated an application for an enterprise zone that is at least
41 20 square miles and includes a portion of the state designated
42 as a rural area of critical economic concern under s.
43 288.0656(7) may apply to the department to expand the boundary
44 of the existing enterprise zone by not more than 5 square miles.

45 3. An application to expand the boundary of an enterprise
46 zone under this paragraph must be submitted by December 31,
47 2013.

Amendment No. 1

48 4. ~~2.~~ Notwithstanding the area limitations specified in
 49 subsection (4), the department may approve the request for a
 50 boundary amendment if the area continues to satisfy the
 51 remaining requirements of this section.

52 5. ~~3.~~ The department shall establish the initial effective
 53 date of an enterprise zone designated under this paragraph.

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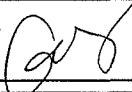
T I T L E A M E N D M E N T

Remove lines 29-30 and insert:

of the annual incentives report; amending ss. 288.92 and
 288.95155 F.S.; conforming provisions to changes made by the
 act; amending 290.0055 F.S.; providing for the expansion of
 enterprise zones that meet certain mileage requirements and
 include a portion of the state designated as a rural area of
 critical economic concern; providing an application deadline;
 amends ss. 290.0056, and 290.014, F.S.; conforming

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB TEDAS 13-01 Trust Fund Terminations/DOT
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: IDEN./SIM. **BILLS:** SB 204

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky 	Davis 

SUMMARY ANALYSIS

This bill provides for the termination of the Everglades Parkway Construction Trust Fund, the Jacksonville Transportation Authority Project Construction Trust Fund, and the Federal Law Enforcement Trust Fund within the Department of Transportation.

The Everglades Parkway Construction Trust Fund was originally used to hold bond proceeds and interest earned on investments of the bond proceeds from revenue bond issues for the Everglades Parkway. There is currently no remaining cash balance or anticipated future receipts for this fund.

The Jacksonville Transportation Authority Project Construction Trust Fund was originally used to hold bond proceeds and interest earned on investments of the bond proceeds from revenue bond issues for the Jacksonville Transportation Authority. There is currently no remaining cash balance or anticipated future receipts for this fund.

The Federal Law Enforcement Trust Fund was originally used to hold revenues received as a result of federal criminal, administrative, or civil forfeiture proceedings, or civil forfeiture proceedings and revenues received from federal asset-sharing programs. There is currently no remaining balance or anticipated future receipts for this fund.

The bill has no fiscal impact.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Legislative review of trust funds is required at least once every four years pursuant to section 215.3208, Florida Statutes. The schedule for review is included in the legislative budget instructions developed pursuant to the requirements of section 216.023, Florida Statutes. A trust fund analysis indicated the need to terminate three trust funds within the Department of Transportation.

The Everglades Parkway Construction Trust Fund, FLAIR number 55-2-199, was originally used to hold bond proceeds and interest earned on investments of the bond proceeds from revenue bond issues for the Everglades Parkway.¹ There is currently no remaining cash balance or anticipated future receipts for this fund; the fund is inactive.

The Jacksonville Transportation Authority Project Construction Trust Fund, FLAIR number 55-2-413, was originally used to hold bond proceeds and interest earned on investments of the bond proceeds from revenue bond issues for the Jacksonville Transportation Authority.² There is currently no remaining cash balance or anticipated future receipts for this fund; the fund is inactive.

The Federal Law Enforcement Trust Fund, FLAIR number 55-2-719, was originally used to hold revenues received as a result of federal criminal, administrative, or civil forfeiture proceedings, or civil forfeiture proceedings and revenues received from federal asset-sharing programs.³ During the 2011 legislative session, the Office of Motor Carrier Compliance was transferred from the Department of Transportation to the Department of Highway Safety and Motor Vehicles, as well as appropriations funding the office.⁴ The Department of Transportation no longer has any law enforcement responsibilities. There is currently no remaining cash balance or anticipated future receipts for this fund; the fund is inactive.

The Department of Transportation has concurred and requested the termination of these trust funds.

Effect of Proposed Changes

This bill terminates the Everglades Parkway Construction Trust Fund and the Jacksonville Transportation Authority Project Construction Trust Fund within the Department of Transportation. The current remaining balance and any proceeds thereof will be transferred to the State Transportation Trust Fund within the Department of Transportation.

This bill also terminates the Federal Law Enforcement Trust Fund within the Department of Transportation. The current remaining balance and any proceeds thereof will be transferred to the Federal Law Enforcement Trust Fund within the Department of Highway Safety and Motor Vehicles.

B. SECTION DIRECTORY:

Section 1. Terminates the Everglades Parkway Construction Trust Fund and the Jacksonville Transportation Authority Project Construction Trust Fund within the Department of Transportation.

¹ Ch. 97-125, §2, Laws of Fla.

² §349.061, Fla. Stat. (2011).

³ §339.082, Fla. Stat. (2011).

⁴ Ch. 2011-66, Laws of Fla.

- Section 2. Terminates the Federal Law Enforcement Trust Fund within the Department of Transportation.
- Section 3. Repeals section 339.082, Florida Statutes.
- Section 4. Repeals paragraph (j) of subsection (6) of section 932.7055, Florida Statutes.
- Section 5. Repeals paragraphs (b) and (f) of subsection (2) of section 2 of chapter 2004-235, Laws of Florida.
- Section 6. Provides an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

The bill has no fiscal impact.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to the termination of trust funds
 3 within the Department of Transportation; terminating
 4 the Everglades Parkway Construction Trust Fund;
 5 terminating the Jacksonville Transportation Authority
 6 Project Construction Trust Fund; providing for the
 7 transfer of any balances or revenues in the trust
 8 funds; requiring that the department pay outstanding
 9 debts or obligations of the trust funds; requiring
 10 that the Chief Financial Officer close out and remove
 11 the terminated funds from the state accounting
 12 systems; terminating the Federal Law Enforcement Trust
 13 Fund within the Department of Transportation;
 14 providing for the transfer of any balances or revenues
 15 in the trust fund; requiring that the department pay
 16 outstanding debts or obligations of the trust fund;
 17 requiring that the Chief Financial Officer close out
 18 and remove the terminated fund from the various state
 19 accounting systems; repealing s. 339.082, F.S.,
 20 relating to the Federal Law Enforcement Trust Fund;
 21 repealing s. 932.7055(6)(j), F.S., relating to an
 22 exception to proceeds deposited into the General
 23 Revenue Fund by the Department of Transportation;
 24 repealing s. 2(2)(b) and (f) of ch. 2004-235, Laws of
 25 Florida, relating to an exemption from termination for
 26 the Everglades Parkway Construction Trust Fund and the
 27 Jacksonville Transportation Authority Project
 28 Construction Trust Fund within the Department of

29 Transportation; providing an effective date.

30

31 Be It Enacted by the Legislature of the State of Florida:

32

33 Section 1. (1) The following trust funds within the
34 Department of Transportation are terminated:

35 (a) The Everglades Parkway Construction Trust Fund, FLAIR
36 number 55-2-199; and

37 (b) The Jacksonville Transportation Authority Project
38 Construction Trust Fund, FLAIR number 55-2-413.

39 (2) All current balances remaining in, and all revenues
40 of, the trust funds terminated by subsection (1) shall be
41 transferred to the State Transportation Trust Fund.

42 (3) For each trust fund terminated in this section, the
43 Department of Transportation shall pay any outstanding debts and
44 obligations of the terminated trust fund as soon as practicable,
45 and the Chief Financial Officer shall close out and remove the
46 terminated trust fund from the various state accounting systems
47 using generally accepted accounting principles concerning
48 warrants outstanding, assets, and liabilities.

49 Section 2. (1) The Federal Law Enforcement Trust Fund
50 within the Department of Transportation, FLAIR number 55-2-719,
51 is terminated.

52 (2) All current balances remaining in, and all revenues
53 of, the trust fund shall be transferred to the Federal Law
54 Enforcement Trust Fund within the Department of Highway Safety
55 and Motor Vehicles.

56 (3) The Department of Transportation shall pay any

57 outstanding debts and obligations of the terminated trust fund
 58 identified in this section as soon as practicable, and the Chief
 59 Financial Officer shall close out and remove the terminated
 60 trust fund from the various state accounting systems using
 61 generally accepted accounting principles concerning warrants
 62 outstanding, assets, and liabilities.

63 Section 3. Section 339.082, Florida Statutes, is repealed.



64 Section 4. Paragraph (j) of subsection (6) of section
 65 932.7055, Florida Statutes, is repealed.

66 Section 5. Paragraphs (b) and (f) of subsection (2) of
 67 section 2 of chapter 2004-235, Laws of Florida, are repealed.

68 Section 6. This act shall take effect July 1, 2013.

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB TEDAS 13-02 Transportation Revenue Bond Trust Fund/DOT
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: IDEN./SIM. **BILLS:** SB 200

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky 	Davis 

I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Transportation Revenue Bond Trust Fund was created in the Department of Transportation effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This legislation re-creates the Transportation Revenue Bond Trust Fund within the Department of Transportation without modification, effective July 1, 2013, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Transportation Revenue Bond Trust Fund was created in the Department of Transportation effective July 1, 2010, by chapter 2010-14, Laws of Florida, in section 339.0815, Florida Statutes, and is scheduled to terminate on July 1, 2014.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

This trust fund serves as a depository for funds to be used for funding adopted work program projects located within the county or counties where the projects are located.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The trust fund comprises funds received by the Department from the proceeds or issuance of revenue bonds secured by state and federal revenues and credited to the trust fund.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

Total projected receipts into this fund are based upon bond proceeds received, and there are no current year appropriations from the fund.

B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Transportation Revenue Bond Trust Fund within the Department of Transportation without modification, effective July 1, 2013, and repeals the scheduled termination of the trust fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to trust funds; re-creating the
 3 Transportation Revenue Bond Trust Fund within the
 4 Department of Transportation without modification;
 5 repealing s. 339.0815(4), F.S.; abrogating provisions
 6 relating to the termination of the trust fund to
 7 conform; providing an effective date.

8
 9 WHEREAS, the Legislature wishes to extend the life of the
 10 Transportation Revenue Bond Trust Fund within the Department of
 11 Transportation, which is otherwise scheduled to be terminated
 12 pursuant to constitutional mandate, and

13 WHEREAS, the Legislature has reviewed the trust fund before
 14 its scheduled termination date and has found that it continues
 15 to meet an important public purpose, and

16 WHEREAS, the Legislature has found that existing public
 17 policy concerning the trust fund sets adequate parameters for
 18 its use, NOW, THEREFORE,

19
 20 Be It Enacted by the Legislature of the State of Florida:



21
 22 Section 1. The Transportation Revenue Bond Trust Fund
 23 within the Department of Transportation, FLAIR number 55-2-734,
 24 which is to be terminated pursuant to Section 19(f), Article III
 25 of the State Constitution on July 1, 2014, is re-created.

26 Section 2. Subsection (4) of section 339.0815, Florida
 27 Statutes, is repealed.

28 Section 3. This act shall take effect July 1, 2013.

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB TEDAS 13-03 Transportation Governmental Bond Trust Fund/DOT
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: IDEN./SIM. **BILLS:** SB 202

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky 	Davis 

I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Transportation Governmental Bond Trust Fund was created in the Department of Transportation effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This legislation re-creates the Transportation Governmental Bond Trust Fund within the Department of Transportation without modification, effective July 1, 2013, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Transportation Governmental Bond Trust Fund was created in the Department of Transportation effective July 1, 2010, by chapter 2010-15, Laws of Florida, in section 339.0816, Florida Statutes and is scheduled to terminate on July 1, 2014.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

The purpose of the trust fund is for deposit and management of bond proceeds, separate from other funds and in compliance with bond covenants and Florida statutes.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The trust fund serves as a depository for bond proceeds upon issuance of Fixed Guideway and Grant Anticipation Revenue Vehicle (GARVEE) bonds authorized in ss. 215.615 and 215.616, F.S., and interest earned on investments of those bond proceeds.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

Total projected receipts into this fund are based upon bond proceeds received, and there are no current year appropriations from the fund.

B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Transportation Governmental Bond Trust Fund within the Department of Transportation without modification, effective July 1, 2013, and repeals the scheduled termination of the trust fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to trust funds; re-creating the
 3 Transportation Governmental Bond Trust Fund within the
 4 Department of Transportation without modification;
 5 repealing s. 339.0816(3), F.S.; abrogating provisions
 6 relating to the termination of the trust fund, to
 7 conform; providing an effective date.

8
 9 WHEREAS, the Legislature wishes to extend the life of the
 10 Transportation Governmental Bond Trust Fund within the
 11 Department of Transportation which is otherwise scheduled to be
 12 terminated pursuant to constitutional mandate, and

13 WHEREAS, the Legislature has reviewed the trust fund before
 14 its scheduled termination date and has found that it continues
 15 to meet an important public purpose, and

16 WHEREAS, the Legislature has found that existing public
 17 policy concerning the trust fund sets adequate parameters for
 18 its use, NOW, THEREFORE,

19
 20 Be It Enacted by the Legislature of the State of Florida:



21
 22 Section 1. The Transportation Governmental Bond Trust Fund
 23 within the Department of Transportation, FLAIR number 55-2-739,
 24 which is to be terminated pursuant to Section 19(f), Article III
 25 of the State Constitution on July 1, 2014, is re-created.

26 Section 2. Subsection (3) of section 339.0816, Florida
 27 Statutes, is repealed.

28 Section 3. This act shall take effect July 1, 2013.

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB TEDAS 13-04 Federal Grants Trust Fund/DOS
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: IDEN./SIM. **BILLS:** SB 206

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky 	Davis 

I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Federal Grants Trust Fund was created in the Department of State effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This legislation re-creates the Federal Grants Trust Fund within the Department of State without modification, effective July 1, 2013, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Federal Grants Trust Fund was created in the Department of State effective July 1, 2010, by chapter 2010-17, Laws of Florida, in section 20.105, Florida Statutes and is scheduled to terminate on July 1, 2014.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

This trust fund serves as a depository for funds to be used for allowable grant activities funded by restricted program revenues from federal sources.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Moneys in the trust fund consist of grants and funding from the Federal Government, interest earnings, and cash advances from other trust funds. Included are funds from the Federal Library Services and Technology Act, the Federal Help America Vote Act (HAVA), the National Park Service, and the National Endowment for the Arts.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

The total projected receipts into this fund for the current year are \$16,094,771 and current year appropriations from the fund are \$21,774,791.

B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Federal Grants Trust Fund within the Department of State without modification, effective July 1, 2013, and repeals the scheduled termination of the trust fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to trust funds; re-creating the
 3 Federal Grants Trust Fund within the Department of
 4 State without modification; repealing s. 20.105(3),
 5 F.S.; abrogating provisions relating to the
 6 termination of the trust fund, to conform; providing
 7 an effective date.

8
 9 WHEREAS, the Legislature wishes to extend the life of the
 10 Federal Grants Trust Fund within the Department of State, which
 11 is otherwise scheduled to be terminated pursuant to
 12 constitutional mandate, and

13 WHEREAS, the Legislature has reviewed the trust fund before
 14 its scheduled termination date and has found that it continues
 15 to meet an important public purpose, and

16 WHEREAS, the Legislature has found that existing public
 17 policy concerning the trust fund sets adequate parameters for
 18 its use, NOW, THEREFORE,

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. The Federal Grants Trust Fund within the
 23 Department of State, FLAIR number 45-2-261, which is to be
 24 terminated pursuant to Section 19(f), Article III of the State
 25 Constitution on July 1, 2014, is re-created.

26 Section 2. Subsection (3) of section 20.105, Florida
 27 Statutes, is repealed.

28 Section 3. This act shall take effect July 1, 2013.

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB TEDAS 13-05 Clearing Funds Trust Fund/DOS
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: IDEN./SIM. BILLS: SB 210

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky <i>CL</i>	Davis <i>CD</i>

I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Clearing Funds Trust Fund was created in the Department of State effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This legislation re-creates the Clearing Funds Trust Fund within the Department of State without modification, effective July 1, 2013, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Clearing Funds Trust Fund was created in the Department of State effective July 1, 2010, by chapter 2010-16, Laws of Florida, in section 20.104, Florida Statutes and is scheduled to terminate on July 1, 2014.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

This trust fund is used to transfer candidate filing fees to statutorily authorized recipients and to transfer revenue from cable franchise fees to the Department of Agriculture.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Moneys in the trust fund consist of candidate filing fees, collected pursuant to ss. 99.092, 99.093, and 99.103, F.S.; notary surcharges, collected pursuant to ss. 113.01, 113.03, and 117.01, F.S.; elections campaign finance donations pursuant to s. 99.103, F.S.; and cable franchise fees collected pursuant to s. 610.104, F.S.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

The total projected receipts into this fund for the current year are \$456,565 and there are no current year appropriations from the fund.

B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Clearing Funds Trust Fund within the Department of State without modification, effective July 1, 2013, and repeals the scheduled termination of the trust fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to trust funds; re-creating the
 3 Clearing Funds Trust Fund within the Department of
 4 State without modification; repealing s. 20.104(3),
 5 F.S.; abrogating provisions relating to the
 6 termination of the trust fund, to conform; providing
 7 an effective date.

8
 9 WHEREAS, the Legislature wishes to extend the life of the
 10 Clearing Funds Trust Fund within the Department of State, which
 11 is otherwise scheduled to be terminated pursuant to
 12 constitutional mandate, and

13 WHEREAS, the Legislature has reviewed the trust fund before
 14 its scheduled termination date and has found that it continues
 15 to meet an important public purpose, and

16 WHEREAS, the Legislature has found that existing public
 17 policy concerning the trust fund sets adequate parameters for
 18 its use, NOW, THEREFORE,

19
 20 Be It Enacted by the Legislature of the State of Florida:



21
 22 Section 1. The Clearing Funds Trust Fund within the
 23 Department of State, FLAIR number 45-2-537, which is to be
 24 terminated pursuant to Section 19(f), Article III of the State
 25 Constitution on July 1, 2014, is re-created.

26 Section 2. Subsection (3) of section 20.104, Florida
 27 Statutes, is repealed.

28 Section 3. This act shall take effect July 1, 2013.

HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

BILL #: PCB TEDAS 13-06 Federal Grants Trust Fund/DEO
SPONSOR(S): Transportation & Economic Development Appropriations Subcommittee
TIED BILLS: IDEN./SIM. **BILLS:** SB 208

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Lipsky 	Davis 

I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Federal Grants Trust Fund was created in the Department of Economic Opportunity effective July 1, 2010, and is scheduled to terminate on July 1, 2014.

This legislation re-creates the Federal Grants Trust Fund within the Department of Economic Opportunity without modification, effective July 1, 2013, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

II. SUBSTANTIVE ANALYSIS

A. PRESENT SITUATION:

1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The Federal Grants Trust Fund was created in the Department of Community Affairs effective July 1, 2010, by chapter 2010-21, Laws of Florida, in section 20.181, Florida Statutes, and was transferred to the Department of Economic Opportunity by chapter 2011-142, Laws of Florida. It is scheduled to terminate on July 1, 2014.

2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

This trust fund serves as a depository for funds to be used for allowable grant activities funded by restricted program revenues from federal sources.

3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Moneys in the trust fund consist of grants and funding from the Federal Government, interest earnings, and cash advances from other trust funds.

4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

The total projected receipts into this fund for the current year are \$181,266,879, and current year appropriations from the fund are \$148,648,913.

B. EFFECT OF PROPOSED CHANGES:

This legislation re-creates the Federal Grants Trust Fund within the Department of Economic Opportunity without modification, effective July 1, 2013, and repeals the scheduled termination of the trust fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

IV. COMMENTS

V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to trust funds; re-creating the
 3 Federal Grants Trust Fund within the Department of
 4 Economic Opportunity without modification; repealing
 5 s. 20.181(3), F.S.; abrogating provisions relating to
 6 the termination of the trust fund to conform;
 7 providing an effective date.

8
 9 WHEREAS, the Legislature wishes to extend the life of the
 10 Federal Grants Trust Fund within the Department of Economic
 11 Opportunity, which is otherwise scheduled to be terminated
 12 pursuant to constitutional mandate, and

13 WHEREAS, the Legislature has reviewed the trust fund before
 14 its scheduled termination date and has found that it continues
 15 to meet an important public purpose, and

16 WHEREAS, the Legislature has found that existing public
 17 policy concerning the trust fund sets adequate parameters for
 18 its use, NOW, THEREFORE,

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. The Federal Grants Trust Fund within the
 23 Department of Economic Opportunity, FLAIR number 40-2-261, which
 24 is to be terminated pursuant to Section 19(f), Article III of
 25 the State Constitution on July 1, 2014, is re-created.

26 Section 2. Subsection (3) of section 20.181, Florida
 27 Statutes, is repealed.

28 Section 3. This act shall take effect July 1, 2013.