



Economic Development & Tourism Subcommittee

Tuesday, March 19, 2013
2:00 PM – 3:00 PM
12 HOB

Meeting Packet



The Florida House of Representatives

Economic Development and Tourism Subcommittee

Will Weatherford
Speaker

Carlos Trujillo
Chair

Meeting Agenda
Tuesday, March 19, 2013
Room 12, House Office Building
2:00 p.m. – 3:00 p.m.

- I. Call to Order**
- II. Roll Call**
- III. Welcome and Opening Remarks**
- IV. HB 321 – Growth Management**
- V. HB 661 – Tax Exemptions**
- VI. HB 4045 – Agricultural Lands**
- VII. HB 357 – Manufacturing Development**
- VIII. Adjournment**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 321 Growth Management
SPONSOR(S): La Rosa
TIED BILLS: IDEN./SIM. **BILLS:** SB 1716

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Economic Development & Tourism Subcommittee		Flegiel MF	West RW
2) Finance & Tax Subcommittee			
3) Economic Affairs Committee			

SUMMARY ANALYSIS

Impact fees, proportionate share, and concurrency are tools local governments use to manage growth and provide adequate facilities like sewer, water, parks, roads and schools to citizens. House Bill 321 exempts new development from having to comply with impact fee, concurrency or proportionate share requirements for school or transportation impacts for three years. The exemption lasts from July 1, 2013, through June 30, 2016. The exemption window will not apply to a new development if it is revoked by a two-thirds vote of the local government's governing authority, alters a local government's financing contracts or bonds, or the developer elects to not have the exemption applied.

Because HB 321 arguably alters the authority of local governments to collect impact fees, the portion of the law it creates with regard to impact fees may be unconstitutional if HB 321 is not passed by a two-thirds vote of both houses of the legislature.

The bill will have an indeterminate negative fiscal impact on local governments.

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

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Concurrency and Proportionate Share

Concurrency requires public facilities and services to be available concurrent with the impacts of new development. Concurrency in Florida is required for sanitary sewer, solid waste, drainage, and potable water.¹ Concurrency was formerly required for transportation, schools, and parks and recreation, but in 2011 the Legislature made concurrency for these facilities optional with the passage of the Community Planning Act.² Many local governments continue to exercise the option to impose concurrency on transportation and school facilities.

Concurrency is tied to provisions requiring local governments to adopt level-of-service (LOS) standards, address existing deficiencies, and provide infrastructure to accommodate new growth reflected in the comprehensive plan.³ Local governments are charged with setting LOS standards within their jurisdiction, and if the LOS standards are not met, development permits may not be issued without an applicable exception.

Proportionate share is a tool local governments may use to require developers to help mitigate the impacts of their development. Proportionate share requires developers to contribute to or build facilities necessary to offset a new development's impacts.⁴ The State provides specific formulas local governments must use when calculating proportionate share and specify criteria for when developers have satisfied proportionate share. Local governments may require proportionate share contributions from developers for both transportation and school impacts.⁵

Impact Fees

Impact fees are enacted by local home rule ordinance. These fees require total or partial payment to counties, municipalities, special districts, and school districts for the cost of additional infrastructure necessary as a result of new development. Impact fees are tailored to meet the infrastructure needs of new growth at the local level. As a result, impact fee calculations vary from jurisdiction to jurisdiction and from fee to fee. Impact fees also vary extensively depending on local costs, capacity needs, resources, and the local government's determination to charge the full cost of the fee's earmarked purposes.

The legislature has found that impact fees are an important source of revenue for local governments to use in funding the infrastructure necessitated by growth. Due to the growth of impact fee collections and local governments' reliance on impact fees, the legislature imposes minimum standards local governments must comply with when adopting impact fees.⁶

At minimum, an impact fee adopted by ordinance of a county or municipality or by resolution of a special district must:

¹ 163.3180(1), F.S. (2012)

² L.O.F. s. 15, ch. 2011-139, "The Community Planning Act."

³ Id.

⁴ Fla. Dep't of Comty. Affairs, Transportation Concurrency: Best Practices Guide pg. 64 (2007), retrieved from www.cutr.usf.edu/pdf/DCA_TCBP%20Guide.pdf (3/11/2013).

⁵ 163.3180(5), F.S., and 163.3180(6), F.S. (2012).

⁶ S. 163.31801, F.S. (2012), the "Florida Impact Fee Act." Adopted by the legislature in 2006. s. 9, 2006-218, L.O.F.

- Require that the calculation of the impact fee be based on the most recent and localized data.
- Provide for accounting and reporting of impact fee collections and expenditures. If a local governmental entity imposes an impact fee to address its infrastructure needs, the entity shall account for the revenues and expenditures of such impact fee in a separate accounting fund.
- Limit administrative charges for the collection of impact fees to actual costs.
- Require that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased impact fee. A county or municipality is not required to wait 90 days to decrease, suspend, or eliminate an impact fee.⁷

In 2009, HB 227 amended s. 163.31801, F.S., to codify the burden of proof for impact fee ordinance challenges.⁸ Subsequently, several cities and counties and the Florida Association of Counties sued the Florida House and Senate claiming the bill was unconstitutional. One of the arguments raised by the plaintiffs was that the bill was an unconstitutional mandate.⁹ As a result of the litigation, the legislature revisited the same bill in 2011, passing it as SB 410 with a vote of over two-thirds of both chambers to insure the constitutionality of the bill.¹⁰

Effect of Proposed Changes

The bill creates a three year window exempting certain new development from satisfying school and transportation concurrency requirements and contributing to its corresponding proportionate share. The bill also exempts certain transportation impact fees from being imposed on new development. The bill will impact local governments and their citizens that have chosen to continue implementing school or transportation concurrency and proportionate share, and transportation impact fees.

The exemption window will apply to any new development beginning on or after July 1, 2013, and before July 1, 2016. To qualify for the exemption, the development must be a small to midsize project¹¹ and receive a certificate of occupancy by July 1, 2017.

The exemption window will not apply to a new development if it: is revoked by a two-thirds vote of the local government's governing authority, alters a local government's financing contracts or bonds, or the developer elects to not have the exemption applied.

B. SECTION DIRECTORY:

Section 1: Creates subsection (7) in s. 163.3180, F.S., to provide that a local government may not apply transportation or school concurrency, require proportionate-share contribution or construction for new development before July 1, 2016 unless authorized by a two-thirds vote of the local government's governing authority; provides exceptions for existing developments; requires certification for occupancy by July 1, 2017 to maintain exemption; provides certain requirements for new development to qualify; provides exceptions; provides that the subsection expires on July 1, 2017.

⁷ S. 163.31801(3), F.S. (2012).

⁸ 2009-49, L.O.F.

⁹ *Alachua County v. Cretul*, Case No. 10-CA-0478 (Fla. 2d Jud. Cir. 2010).

¹⁰ 2011-149, L.O.F.

¹¹ Under 10,000 sq. ft. for all non-residential projects; 50 dwelling units or less for any multifamily residential project; or 30 dwelling units or less for any single family residential project.

Section 2: Creates subsection (6) in s. 163.31801, F.S., to prohibit local governments from imposing impact fees on new development until July 1, 2016 unless authorized by a two-thirds vote of the local government's governing authority; provides exceptions for existing developments; requires certification for occupancy by July 1, 2017 to maintain exemption; provides that the subsection expires on July 1, 2017.

Section 3: 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:

May impact the ability of some local governments to collect impact fees and proportionate share contributions from developers.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

May lower or eliminate certain fees imposed on some types of development for three year period.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Section 18(b), Art. VII of the Florida Constitution provides that except upon approval by two-thirds of the members of each house, the Legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would reduce the authority that municipalities or counties have to raise revenues in the aggregate, as such authority exists on February 1, 1989.

Section 18(d), Art. VII of the Florida Constitution provides section 18(b) does not apply if the law would have an insignificant fiscal impact. The legislature interprets an insignificant fiscal impact as the state population times 10 cents, currently about \$1.93 million.

The bill requires a two-thirds vote from the governing body of a local government to nullify the special exemption window on impact fees. Generally, local governments may amend their charter to

impose impact fees with a simple majority vote. By requiring a super majority vote to impose impact fees, this bill arguably limits the authority of local governments to raise revenue in the aggregate. Therefore, passage of this bill by less than two-thirds of each house may render the law with regard to impact fees unconstitutional if statewide impacts are in excess of \$1.93 million.

Local governments were granted authority to require proportionate share contributions by the Legislature in 2005.¹² They did not have authority to require proportionate share contributions on February 1st, 1989. Therefore, the law with regard to proportionate share contributions would not be subject to a constitutional challenge.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

¹² L.O.F. 2005-290.

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1 A bill to be entitled
 2 An act relating to growth management; amending s.
 3 163.3180, F.S.; prohibiting a local government from
 4 applying transportation or school concurrency or
 5 requiring proportionate-share contribution or
 6 construction for new development for a specified
 7 period; providing an exception; providing for an
 8 extension of the prohibition under certain conditions;
 9 providing for applicability; providing for future
 10 expiration; amending s. 163.31801, F.S.; prohibiting
 11 certain counties, municipalities, and special
 12 districts from imposing certain new or existing impact
 13 fees for a specified period; providing an exception;
 14 providing for an extension of the prohibition under
 15 certain conditions; providing for applicability;
 16 providing for future expiration; providing an
 17 effective date.

18
 19 Be It Enacted by the Legislature of the State of Florida:

20
 21 Section 1. Subsection (7) is added to section 163.3180,
 22 Florida Statutes, to read:

23 163.3180 Concurrency.—

24 (7)(a) Notwithstanding any provision of law, ordinance, or
 25 resolution to the contrary, a local government may not apply
 26 transportation or school concurrency within its jurisdiction and
 27 may not require a proportionate-share contribution or
 28 construction for new development before July 1, 2016, unless

29 authorized by the affirmative vote of two-thirds of the local
30 government's governing authority.

31 (b) Paragraph (a) does not apply to proportionate-share
32 contribution or construction assessed on existing developments
33 before July 1, 2013.

34 (c) In order to maintain the exemption from transportation
35 or school concurrency and proportionate-share contribution or
36 construction pursuant to paragraph (a), a new development must
37 receive a certificate of occupancy by July 1, 2017. If the
38 certificate of occupancy is not received by July 1, 2017, the
39 local government may apply transportation or school concurrency
40 and require the appropriate proportionate-share contribution or
41 construction for the development that would have been applied
42 but for this subsection. The new development must consist of
43 10,000 square feet or less for anything classified as other than
44 nonresidential; 50 dwelling units or less for anything
45 classified as multifamily residential; or 30 dwelling units or
46 less for anything classified as single-family residential. Any
47 outstanding obligation related to the proportionate-share
48 contribution or construction runs with the land and is
49 enforceable against any person claiming a fee interest in the
50 land subject to that obligation.

51 (d) This subsection does not apply if it requires any
52 modification to a local government's financing that would
53 invalidate existing contracts, including debt obligations or
54 covenants and agreements relating to bonds validated or issued
55 by the local government.

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(e) Upon written notification to the local government, a developer may elect to have the local government apply transportation or school concurrency and proportionate-share contribution or construction to a development.

(f) This subsection expires July 1, 2017.

Section 2. Subsection (6) is added to section 163.31801, Florida Statutes, to read:

163.31801 Impact fees; short title; intent; definitions; ordinances levying impact fees.—

(6)(a) Notwithstanding any provision of law, ordinance, or resolution to the contrary, a county, municipality, or special district may not impose any new or existing impact fee or any new or existing fee associated with the mitigation of transportation impacts on new development until July 1, 2016, unless authorized by the affirmative vote of two-thirds of the governing authority of the county, municipality, or special district. Any governing authority of a local government imposing an impact fee in existence on July 1, 2012, must reauthorize the imposition of the fee pursuant to this paragraph.

(b) Paragraph (a) does not apply to any impact fee or fee associated with the mitigation of transportation impacts previously enacted by law, ordinance, or resolution assessed on existing development before July 1, 2013.

(c) In order to maintain the exemption from impact fees and fees associated with the mitigation of transportation impacts pursuant to paragraph (a), a new development must receive a certificate of occupancy by July 1, 2017. If the certificate of occupancy is not received by July 1, 2017, the

84 | county, municipality, or special district may impose the
85 | appropriate impact fees and fees associated with the mitigation
86 | of transportation impacts on the development that would have
87 | been applied but for this subsection. Any outstanding obligation
88 | related to impact fees and fees associated with the mitigation
89 | of transportation impacts on the development runs with the land
90 | and is enforceable against any person claiming a fee interest in
91 | the land subject to that obligation.

92 | (d) This subsection does not apply if it requires any
93 | modification to the financing of a county, municipality, or
94 | special district that would invalidate existing contracts,
95 | including debt obligations or covenants and agreements relating
96 | to bonds validated or issued by the county, municipality, or
97 | special district.

98 | (e) Upon notification to the county, municipality, or
99 | special district, a developer may elect to have impact fees and
100 | fees associated with the mitigation of transportation impacts
101 | imposed on a development.

102 | (f) This subsection expires July 1, 2017.

103 | Section 3. 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 _____

Committee/Subcommittee hearing bill: Economic Development &
Tourism Subcommittee
Representative La Rosa offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Subsection (7) is added to section 163.3180,
Florida Statutes, to read:

163.3180 Concurrency.—

(7) (a) Notwithstanding any provision of law, ordinance, or
resolution to the contrary, a local government may not apply
transportation concurrency within its jurisdiction and may not
require a proportionate-share contribution or construction for
new business development before July 1, 2016, unless authorized
by the affirmative majority vote of the local government's
governing authority.

(b) Paragraph (a) does not apply to proportionate-share
contribution or construction assessed on existing developments
before July 1, 2013.



Amendment No. 1

(c) In order to maintain the exemption from transportation concurrency and proportionate-share contribution or construction pursuant to paragraph (a), a new business development must receive a certificate of occupancy by July 1, 2017. If the certificate of occupancy is not received by July 1, 2017, the local government may apply transportation concurrency and require the appropriate proportionate-share contribution or construction for the business development that would have been applied but for this subsection. The new business development must consist of 6,000 square feet or less for anything classified as other than nonresidential. Any outstanding obligation related to the proportionate-share contribution or construction runs with the land and is enforceable against any person claiming a fee interest in the land subject to that obligation.

(d) This subsection does not apply if it requires any modification to a local government's financing that would invalidate existing contracts, including debt obligations or covenants and agreements relating to bonds validated or issued by the local government.

(e) Upon written notification to the local government, a developer may elect to have the local government apply transportation concurrency and proportionate-share contribution or construction to a business development.

(f) This subsection expires July 1, 2017.

Section 2. Subsection (6) is added to section 163.31801, Florida Statutes, to read:

163.31801 Impact fees; short title; intent; definitions;



Amendment No. 1

ordinances levying impact fees.—

(6) (a) Notwithstanding any provision of law, ordinance, or resolution to the contrary, a county, municipality, or special district may not impose any new or existing impact fee or any new or existing fee associated with the mitigation of transportation impacts on new business development until July 1, 2016, unless authorized by the affirmative majority vote of the governing authority of the county, municipality, or special district. Any governing authority of a local government imposing an impact fee in existence on July 1, 2012, must reauthorize the imposition of the fee pursuant to this paragraph.

(b) Paragraph (a) does not apply to any impact fee or fee associated with the mitigation of transportation impacts previously enacted by law, ordinance, or resolution assessed on existing business development before July 1, 2013.

(c) In order to maintain the exemption from impact fees and fees associated with the mitigation of transportation impacts pursuant to paragraph (a), a new business development must receive a certificate of occupancy by July 1, 2017. If the certificate of occupancy is not received by July 1, 2017, the county, municipality, or special district may impose the appropriate impact fees and fees associated with the mitigation of transportation impacts on the development that would have been applied but for this subsection. Any outstanding obligation related to impact fees and fees associated with the mitigation of transportation impacts on the development runs with the land and is enforceable against any person claiming a fee interest in the land subject to that obligation.



Amendment No. 1

(d) This subsection does not apply if it requires any modification to the financing of a county, municipality, or special district that would invalidate existing contracts, including debt obligations or covenants and agreements relating to bonds validated or issued by the county, municipality, or special district.

(e) Upon notification to the county, municipality, or special district, a developer may elect to have impact fees and fees associated with the mitigation of transportation impacts imposed on a development.

(f) This subsection expires July 1, 2017.

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

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

Remove lines 4-6 and insert:

applying transportation ~~or school~~ concurrency or requiring proportionate-share contribution or construction for new business development for a specified

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 357 Manufacturing Development
SPONSOR(S): Boyd
TIED BILLS: IDEN./SIM. BILLS: SB 582

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Economic Development & Tourism Subcommittee		Collins <i>CC</i>	West <i>RW</i>
2) Transportation & Economic Development Appropriations Subcommittee			
3) Economic Affairs Committee			

SUMMARY ANALYSIS

House Bill 357 directs the Department of Economic Opportunity (DEO) to create a model ordinance for local governments to use as a guide to establish local manufacturing development programs which encourage local governments to grant master development approval for manufacturers.

The bill creates a coordinated state development and permit approval process for manufacturers that are developing or expanding within the jurisdiction of a local government that has a local manufacturing development program. DEO is directed to establish, facilitate, and oversee the process with the cooperation of any involved state agencies.

The bill directs DEO to develop materials that identify each local government with a local manufacturing development program, and for those materials to be distributed to prospective, new, expanding, and relocating businesses.

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

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

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Florida's manufacturing industries are diverse and include companies in traditional manufacturing industries, such as plastics, food processing and printing, as well as those that are engaged in innovative technologies, like electronics, medical devices and aviation/aerospace. The state is home to nearly 18,000 manufacturers accounting for approximately 5 percent (315,000) of Florida's 6,359,000 private, nonagricultural jobs.¹ Nationally, manufacturing employs an estimated 12,000,000 workers which accounts for roughly 9 percent of the entire U.S. workforce.² Wages for Floridians in the manufacturing industry are higher than those in other industries. The average yearly wage for a manufacturing employee in the state is \$52,372 while the average yearly wage for a private sector employee in the state is \$41,377.³

Enterprise Florida, Inc. (EFI) has identified manufacturing as a targeted industry, along with corporate headquarters, research and development, clean technologies, life sciences, information technology, aviation/aerospace, homeland security/defense, financial/professional services, and emerging technologies. Of the 122 economic development incentive contracts completed by EFI during Fiscal Year 2012, manufacturing ranked highest in terms of number of project commitments by industry with 38, and expected capital investment with over \$425 million. During this time manufacturing projects incentivized by EFI contracted to create 2474 jobs paying an average annual wage of \$37,352.⁴

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying businesses by industry type for the purpose of statistical data collection and analysis related to the U.S. economy. NAICS Codes 31-33 include 652 unique manufacturing industry codes which include, but are not limited to, the following⁵:

- Food Manufacturing
- Beverage Manufacturing
- Distilleries
- Breweries

¹ Department of Economic Opportunity, *Nonagricultural Employment in Florida, Statewide*; January 18, 2013. Can be found at: <http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/current-employment-statistics>; (last visited on February 13, 2013)

² United State Bureau of Labor Statistics, *Current Employment Statistics: Comparison of All Employees, Seasonally Adjusted, before and after the March 2012 Benchmark*; Can be found at: <ftp://ftp.bls.gov/pub/suppl/empsit.compaes.txt>; (last visited on February 13, 2013)

³ United States Bureau of Labor Statistics, *Quarterly Census of Employment and Wages*; 2011. Can be found at: <http://www.bls.gov/cew/data.htm>; (last visited on February 28, 2013)

⁴ Enterprise Florida, Inc., *2012 Annual Incentives Report*; 2012. Can be found at: http://www.eflorida.com/IntelligenceCenter/download/ER/BRR_Incentives_Report.pdf; (last visited on March 11, 2013)

⁵ United States Census Bureau, *North American Industry Classification System*; Can be found at: <http://www.census.gov/eos/www/naics/index.html>; (last visited on March 15, 2013)

- Dairy Product Manufacturing
- Textile Mills
- Wood Product Manufacturing
- Plastics and Rubber Products Manufacturing
- Primary Metal Manufacturing
- Machinery Manufacturing
- Machine Shops
- Foundries
- Cement and Concrete Product Manufacturing
- Computer and Electronic Product Manufacturing
- Jewelry and Silverware Manufacturing
- Sign Manufacturing
- Sporting and Athletic Goods Manufacturing
- Transportation Equipment Manufacturing
- Ship and Boat Building
- Aerospace Product and Parts Manufacturing
- Furniture and Related Product Manufacturing

Under the Community Planning Act, Chapter 163, Part II, Florida Statutes, local governments are required to adopt land development regulations and comprehensive plans to guide their future development and growth within their respective jurisdictions. Presently, no statutory process exists to encourage and support local governments in the development of manufacturing-specific master development planning processes.

In addition, under current law, no manufacturing-specific coordinated development approval process exists. Manufacturing developments are currently eligible for expedited permitting under s. 403.973, F.S., as are any businesses that meet the requirements imposed under that section.

Effect of Proposed Changes

The bill would establish a model local manufacturing development program aimed at encouraging local governments to establish their own programs which would lead to increased capital investment and job creation within the manufacturing industry. The bill would also create a coordinated approval process for development approvals and permits for manufacturers which would be managed by DEO in order to streamline the process for manufacturers participating in local manufacturing development programs. The bill also directs EFI to develop materials related to local manufacturing development programs, and to distribute those to prospective, new, expanding, or relocating businesses.

Local Government Manufacturing Development Program

The bill creates a process which local governments may use to establish local manufacturing development programs through local ordinances in order to encourage manufacturing growth and development.

By December 1, 2013, the bill directs DEO to establish a model ordinance for local governments to use as a guide for the purposes of creating their own local manufacturing development programs. Local

governments that have adopted ordinances that satisfy the minimum requirements of the bill before the bill's effective date may submit their ordinance to DEO before September 1, 2013. To qualify under this bill, all manufacturing development ordinances must include:

- Procedures for manufacturers to apply for a master development plan and procedures for local government review and approval.
- Identification of areas within local government boundaries which are subject to the program.
- Minimum elements for master development plan, including:
 - Site map; list of site's available uses; maximum square footage of the development; floor ratio area/building heights for future development; and development conditions.
- A list of development impacts, including:
 - Drainage, wastewater, potable water, solid waste, onsite and offsite natural resources, historic and archaeological resources, offsite infrastructure, public services, compatibility with adjacent offsite land uses, vehicular and pedestrian entrance to/exit from the site, and offsite transportation impacts.
- A provision vesting any existing development rights authorized by local government before approval of a master development plan (if requested by a manufacturer).
- Determination whether expiration date is required, and if so, that it be no earlier than 10 years.
- A provision limiting the circumstances requiring an amendment to an approved master development plan to only an enactment of a state law or local ordinance addressing immediate or direct threats to public safety, or any revision initiated by the manufacturer.
- A provision limiting any amendment review to only the amendment and no other portion of the approved master development plan.
- A provision that local government cannot require additional approvals for development impacts covered under a master development plan other than approval of a building permit.
- A provision requiring manufacturers to submit certifications signed by an architect, engineer, or landscape architect attesting that any work to be done on the site complies with the approved master development plan.
- A provision establishing the form used by local governments to certify manufacturers eligible to participate in the program.

Any manufacturing development plan approved by a local government must be consistent with the DEO model ordinance and establish procedures for:

- Application review.
- Master development plan approval (which may include conditions that address development impacts over the life of the development).
- Developing the site consistent with the master development plan without requiring additional local development approvals aside from building permits.
- Certifying that a manufacturer is eligible to participate.

A local government cannot abolish a program until it has been in existence for at least 24 months. If the ordinance creating the program is repealed, then any application submitted prior to the effective date of repeal is treated as if the program were still in effect.

Manufacturing Development Coordinated Approval Process

DEO will oversee the manufacturing development coordinated approval process for manufacturers participating in a local government manufacturing development program. DEO will establish, facilitate and oversee the process in cooperation with participating agencies. The bill defines participating agencies as:

- The Department of Environmental Protection (DEP).
- The Department of Transportation (DOT).
- The Fish and Wildlife Conservation Commission, when acting pursuant to statutory authority granted by the Legislature.
- Water Management Districts.

The approval process must include collaboration, coordination, and simultaneous review by participating agencies with oversight of the following state development approvals:

- Wetland or environmental resource permits.
- Surface water management permits.
- Stormwater permits.
- Consumptive water use permits.
- Wastewater permits.
- Air emission permits.
- Permits relating to listed species.
- Highway or roadway access permits.
- Any other state development approval within the scope of a participating agency's authority.

An application filed with DEO and each participating agency must include proof that its project is located within a local government with a manufacturing program. If a local government repeals its program, a manufacturer is entitled to participate in the coordinated approval process if it submitted its application for state or local approval before the effective date of repeal.

If at any time during the coordinated approval process a manufacturer requests that DEO convene a meeting with participating agencies to facilitate the process, then DEO is directed to convene the meeting.

If an agency determines that an application is incomplete it will notify the applicant and DEO in writing, and request the missing information. Unless the deadline is waived in writing by the manufacturer, an agency must request any additional information within 20 days from the date the application was filed. If the agency does not request additional information within that 20 day period, the agency may not then deny the application based on insufficient information. Within 10 days after the manufacturer's response, an agency may make a second request for additional information only for clarification regarding the manufacturer's response.

Unless the deadline is waived in writing by the manufacturer (or a different deadline is imposed by federal law), each state agency must take final action on the application within 60 days after a completed application is filed unless that period is tolled by legal action. A state agency must notify DEO if it intends to deny an application, and will convene a meeting to facilitate a resolution. If a state agency does not take action on an application within the 60 day window, within the time allowed under

a federal permitting program, or if a legal proceeding is initiated⁶ within 45 days after a recommended order is submitted to the agency and involved parties, the application is deemed approved.

Any time a legal proceeding is initiated the manufacturer may demand expedited resolution by serving notice on an administrative law judge and all other parties to the proceeding. The judge must set the matter for final hearing no more than 30 days after receiving such notice. After the final hearing is set, a continuance may not be granted without the written agreement of all parties.

Materials

DEO is required to develop materials that identify each local government that has implemented a manufacturing development program, and make those materials available to the public. DEO, EFI, or any other assigned agency, will distribute those materials to prospective, new, expanding, or relocating businesses seeking to conduct business within the state.

B. SECTION DIRECTORY:

Section 1: Creates section 288.1101, F.S., the "Manufacturing Competitiveness Act."

Section 2: Creates section 288.1102, F.S., to provide definitions.

Section 3: Creates section 288.1103, F.S., the "Local Manufacturing Development Program," to provide the requirements and procedures for a local government to create a local manufacturing development program.

Section 4: Creates section 288.1104, F.S., the "Manufacturing Development Coordinated Approval Process," to provide a process for the Department of Economic Opportunity and participating agencies to review and approve applications

Section 5: Creates section 288.1005, F.S., to provide that the Department of Economic Opportunity shall develop materials to be distributed by DEO, Enterprise Florida, Inc., or another state agency to be distributed to new, expanding, or relocating businesses.

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.

⁶ Under either s. 120.569, F.S. or s. 120.57, F.S.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may help facilitate private industry growth in areas which have implemented local manufacturing development programs.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not require a reduction of the percentage of state tax shared with municipalities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill allows DEO to adopt rules regarding the administration of this section.

C. DRAFTING ISSUES OR OTHER COMMENTS:

- The Department of Economic Opportunity conducted an analysis of the bill and recommended that the Manufacturing Competitiveness Act be placed in Chapter 163, Part II, F.S., the Community Planning Act, instead of Chapter 288, F.S. Chapter 163, Part II, generally deals with local government land use planning and development.
- The bill requires that participating agencies simultaneously review applications for various state development approvals, but does not address how such a simultaneous review among participating agencies would function, or what repercussions would exist for participating agencies who fail to simultaneously review applications.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
2 An act relating to manufacturing development; creating
3 s. 288.1101, F.S.; providing a short title;
4 establishing the Manufacturing Competitiveness Act;
5 creating s. 288.1102, F.S.; providing definitions;
6 creating s. 288.1103, F.S.; authorizing local
7 governments to establish a local manufacturing
8 development program that provides for master
9 development approval for certain sites; providing
10 specific time periods for action by local governments;
11 requiring the Department of Economic Opportunity to
12 develop a model ordinance containing specified
13 information and provisions; requiring a local
14 manufacturing development program ordinance to include
15 certain information; providing certain restrictions on
16 the termination of a local manufacturing development
17 program; creating s. 288.1104, F.S.; requiring the
18 department, in cooperation with participating
19 agencies, to establish a manufacturing development
20 coordinated approval process for certain
21 manufacturers; requiring participating agencies to
22 coordinate and review applications for certain state
23 development approvals; requiring a manufacturer to
24 file certain documents; requiring the department to
25 convene a meeting when requested by a certain
26 manufacturer; providing for requests for additional
27 information and specifying time periods; requiring
28 participating agencies to take final action on

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applications within a certain time period; requiring the department to facilitate the resolution of certain applications; providing for approval by default; authorizing the department to adopt rules; creating s. 288.1105, F.S.; requiring the department to develop materials that identify local manufacturing development programs; requiring the department and other entities to distribute such material; providing an effective date.

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

Section 1. Section 288.1101, Florida Statutes, is created to read:

288.1101 Short title.—Sections 288.1101-288.1105 may be cited as the "Manufacturing Competitiveness Act."

Section 2. Section 288.1102, Florida Statutes, is created to read:

288.1102 Definitions.—As used in ss. 288.1101-288.1105, the term:

(1) "Local government" means a county or municipality.

(2) "Local government development approval" means a local land development permit, order, or other approval issued by a local government, or any modification of such permit, order, or approval, which is required for a manufacturer to physically locate or expand and includes, but is not limited to, the review and approval of a master development plan required under s. 288.1103(2)(c).

(3) "Local manufacturing development program" means a program enacted by a local government for approval of master development plans under s. 288.1103.

(4) "Manufacturer" means a business that is classified in Sectors 31-33 of the National American Industry Classification System (NAICS) and is located, or intends to locate, within the geographic boundaries of an area designated by a local government as provided under s. 288.1103.

(5) "Participating agency" means:

(a) The Department of Environmental Protection.

(b) The Department of Transportation.

(c) The Fish and Wildlife Conservation Commission, when acting pursuant to statutory authority granted by the Legislature.

(d) Water management districts.

(6) "State development approval" means a state or regional permit or other approval issued by a participating agency, or any modification of such permit or approval, which must be obtained before the development or expansion of a manufacturer's site, and includes, but is not limited to, those specified in s. 288.1104(1).

Section 3. Section 288.1103, Florida Statutes, is created to read:

288.1103 Local manufacturing development program; master development approval for manufacturers.--A local government may adopt an ordinance establishing a local manufacturing development program through which the local government may grant master development approval for the development or expansion of

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85 sites that are, or are proposed to be, operated by manufacturers
86 at specified locations within the local government's geographic
87 boundaries.

88 (1) (a) A local government that elects to establish a local
89 manufacturing development program shall submit a copy of the
90 ordinance establishing the program to the department within 20
91 days after the ordinance is enacted.

92 (b) A local government ordinance adopted before the
93 effective date of this act establishes a local manufacturing
94 development program if it satisfies the minimum criteria
95 established in subsection (3) and if the local government
96 submits a copy of the ordinance to the department on or before
97 September 1, 2013.

98 (2) By December 1, 2013, the department shall develop a
99 model ordinance to guide local governments that intend to
100 establish a local manufacturing development program. The model
101 ordinance, which need not be adopted by a local government, must
102 include:

103 (a) Procedures for a manufacturer to apply for a master
104 development plan and procedures for a local government to review
105 and approve a master development plan.

106 (b) Identification of those areas within the local
107 government's jurisdiction which are subject to the program.

108 (c) Minimum elements for a master development plan,
109 including, but not limited to:

110 1. A site map.

111 2. A list proposing the site's land uses.

112 3. Maximum square footage, floor area ratio, and building

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heights for future development on the site, specifying with particularity those features and facilities for which the local government will require the establishment of maximum dimensions.

4. Development conditions.

(d) A list of the development impacts, if applicable to the proposed site, which the local government will require to be addressed in a master development plan, including, but not limited to:

1. Drainage.

2. Wastewater.

3. Potable water.

4. Solid waste.

5. Onsite and offsite natural resources.

6. Preservation of historic and archeological resources.

7. Offsite infrastructure.

8. Public services.

9. Compatibility with adjacent offsite land uses.

10. Vehicular and pedestrian entrance to and exit from the site.

11. Offsite transportation impacts.

(e) A provision vesting any existing development rights authorized by the local government before the approval of a master development plan, if requested by the manufacturer.

(f) Whether an expiration date is required for a master development plan and, if required, a provision stating that the expiration date may not be earlier than 10 years after the plan's adoption.

(g) A provision limiting the circumstances that require an

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amendment to an approved master development plan to the
following:

1. Enactment of state law or local ordinance addressing an
immediate and direct threat to the public safety that requires
an amendment to the master development order.

2. Any revision to the master development plan initiated
by the manufacturer.

(h) A provision stating that the scope of review for any
amendment to a master development plan is limited to the
amendment and does not subject any other provision of the
approved master development plan to further review.

(i) A provision stating that, during the term of a master
development plan, the local government may not require
additional local development approvals for those development
impacts listed in paragraph (d) that are addressed in the master
development plan, other than approval of a building permit to
ensure compliance with the state building code and any other
applicable state-mandated life and safety code.

(j) A provision stating that, before commencing
construction or site development work, the manufacturer must
submit a certification, signed by a licensed architect,
engineer, or landscape architect, attesting that such work
complies with the master development plan.

(k) A provision establishing the form that will be used by
the local government to certify that a manufacturer is eligible
to participate in the local manufacturing development program
adopted by that jurisdiction.

(3) A local manufacturing development program ordinance

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must, at a minimum, be consistent with subsection (2) and
establish procedures for:

(a) Reviewing an application from a manufacturer for
approval of a master development plan.

(b) Approving a master development plan, which may include
conditions that address development impacts anticipated during
the life of the development.

(c) Developing the site in a manner consistent with the
master development plan without requiring additional local
development approvals other than building permits.

(d) Certifying that a manufacturer is eligible to
participate in the local manufacturing development program.

(4)(a) A local government that establishes a local
manufacturing development program may not abolish the program
until it has been in effect for at least 24 months.

(b) If a local government repeals its local manufacturing
development program ordinance:

1. Any application for a master development plan which is
submitted to the local government before the effective date of
the repeal is vested and remains subject to the local
manufacturing development program ordinance in effect when the
application was submitted; and

2. The manufacturer that submitted the application is
entitled to participate in the manufacturing development
coordinated approval process established in s. 288.1104.

Section 4. Section 288.1104, Florida Statutes, is created
to read:

288.1104 Manufacturing development coordinated approval

process.—The department, in cooperation with participating agencies, shall establish, facilitate, and oversee the manufacturing development coordinated approval process for manufacturers that are developing or expanding in a local government that has a local manufacturing development program.

(1) The approval process must include collaboration and coordination among, and simultaneous review by, the participating agencies of applications for the following state development approvals:

(a) Wetland or environmental resource permits.

(b) Surface water management permits.

(c) Stormwater permits.

(d) Consumptive water use permits.

(e) Wastewater permits.

(f) Air emission permits.

(g) Permits relating to listed species.

(h) Highway or roadway access permits.

(i) Any other state development approval within the scope of a participating agency's authority.

(2)(a) When filing its application for state development approval, a manufacturer shall file with the department and each participating agency proof that its development or expansion is located in a local government that has a local manufacturing development program.

(b) If a local government repeals its local manufacturing development program ordinance, a manufacturer developing or expanding in that jurisdiction remains entitled to participate in the process if the manufacturer submitted its application for

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a state or local government development approval before the effective date of repeal.

(3) At any time during the process, if a manufacturer requests that the department convene a meeting with one or more participating agencies to facilitate the process, the department shall convene a meeting.

(4) If a participating agency determines that an application is incomplete, the participating agency shall notify the applicant and the department in writing of the additional information necessary to complete the application.

(a) Unless the deadline is waived in writing by the manufacturer, a participating agency shall provide a request for additional information to the manufacturer and the department within 20 days after the date the application is filed with the participating agency.

(b) If the participating agency does not request additional information within the 20-day period, the participating agency may not subsequently deny the application based on the manufacturer's failure to provide additional information.

(c) Within 10 days after the manufacturer's response to the request for additional information, a participating agency may make a second request for additional information for the sole purpose of obtaining clarification of the manufacturer's response.

(5)(a) Unless the deadline is waived in writing by the manufacturer or a different deadline is mandated by a federally delegated permitting program, each participating agency shall

take final agency action on a state development approval within its authority within 60 days after a complete application is filed. The 60-day period is tolled by the initiation of a proceeding under ss. 120.569 and 120.57.

(b) A participating agency shall notify the department if it intends to deny a manufacturer's application and, unless waived in writing by the manufacturer, the department shall timely convene an informal meeting to facilitate a resolution.

(c) Unless waived in writing by the manufacturer, if a participating agency does not approve or deny an application within the 60-day period, within the time allowed by a federally delegated permitting program, or, if a proceeding is initiated under ss. 120.569 and 120.57, within 45 days after a recommended order is submitted to the agency and the parties, the state development approval within the authority of the participating agency is deemed approved. A manufacturer seeking to claim approval by default under this subsection shall notify, in writing, the clerks of both the participating agency and the department of that intent. A manufacturer may not take action based upon the default approval until such notice is received by both agency clerks.

(d) At any time after a proceeding is initiated under ss. 120.569 and 120.57, the manufacturer may demand expeditious resolution by serving notice on an administrative law judge and all other parties to the proceeding. The administrative law judge shall set the matter for final hearing no more than 30 days after receipt of such notice. After the final hearing is set, a continuance may not be granted without the written

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agreement of all parties.

(6) The department may adopt rules to administer this section.

Section 5. Section 288.1105, Florida Statutes, is created to read:

288.1105 Information concerning local manufacturing development programs.—The department shall develop materials that identify each local government that establishes a local manufacturing development program under s. 288.1103. The materials, which the department may elect to develop and maintain in electronic format or in any other format deemed by the department to provide public access, must be updated at least annually. The department, Enterprise Florida, Inc., or such other state agency or office assigned the principal responsibility of distributing the materials, shall provide them to prospective, new, expanding, and relocating businesses seeking to conduct business in this state.

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



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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: Economic Development &
2 Tourism Subcommittee
3 Representative Boyd offered the following:
4

Amendment (with title amendment)

6 Remove everything after the enacting clause and insert:
7

8 Section 1. Section 163.325 is created to read:

9 163.325 Short title.—Sections 163.325-163.3253 may be cited
10 as the "Manufacturing Competitiveness Act."

11 Section 2. Section 163.3251 is created to read:

12 163.3251 Definitions.—As used in ss. 163.3251-163.3253, the
13 term:

14 (1) "Department" means the Department of Economic
15 Opportunity.

16 (2) "Local government development approval" means a local
17 land development permit, order, or other approval issued by a
18 local government, or any modification of such permit, order, or
19 approval, which is required for a manufacturer to physically
20 locate or expand and includes, but is not limited to, the review



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and approval of a master development plan required under s.
163.3252(2)(c).

(3) "Local manufacturing development program" means a
program enacted by a local government for approval of master
development plans under s. 163.3252.

(4) "Manufacturer" means a business that is classified in
Sectors 31-33 of the National American Industry Classification
System (NAICS) and is located, or intends to locate, within the
geographic boundaries of an area designated by a local
government as provided under s. 163.3252.

(5) "Participating agency" means:

(a) The Department of Environmental Protection.

(b) The Department of Transportation.

(c) The Fish and Wildlife Conservation Commission, when
acting pursuant to statutory authority granted by the
Legislature.

(d) Water management districts.

(6) "State development approval" means a state or regional
permit or other approval issued by a participating agency, or
any modification of such permit or approval, which must be
obtained before the development or expansion of a manufacturer's
site, and includes, but is not limited to, those specified in s.
163.3253(1).

Section 3. Section 163.3252 is created to read:

163.3252 Local manufacturing development program; master
development approval for manufacturers.-A local government may
adopt an ordinance establishing a local manufacturing
development program through which the local government may grant



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master development approval for the development or expansion of sites that are, or are proposed to be, operated by manufacturers at specified locations within the local government's geographic boundaries.

(1) (a) A local government that elects to establish a local manufacturing development program shall submit a copy of the ordinance establishing the program to the department within 20 days after the ordinance is enacted.

(b) A local government ordinance adopted before the effective date of this act establishes a local manufacturing development program if it satisfies the minimum criteria established in subsection (3) and if the local government submits a copy of the ordinance to the department on or before September 1, 2013.

(2) By December 1, 2013, the department shall develop a model ordinance to guide local governments that intend to establish a local manufacturing development program. The model ordinance, which need not be adopted by a local government, must include:

(a) Procedures for a manufacturer to apply for a master development plan and procedures for a local government to review and approve a master development plan.

(b) Identification of those areas within the local government's jurisdiction which are subject to the program.

(c) Minimum elements for a master development plan, including, but not limited to:

1. A site map.

2. A list proposing the site's land uses.



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77 3. Maximum square footage, floor area ratio, and building
78 heights for future development on the site, specifying with
79 particularity those features and facilities for which the local
80 government will require the establishment of maximum dimensions.

81 4. Development conditions.

82 (d) A list of the development impacts, if applicable to the
83 proposed site, which the local government will require to be
84 addressed in a master development plan, including, but not
85 limited to:

86 1. Drainage.

87 2. Wastewater.

88 3. Potable water.

89 4. Solid waste.

90 5. Onsite and offsite natural resources.

91 6. Preservation of historic and archeological resources.

92 7. Offsite infrastructure.

93 8. Public services.

94 9. Compatibility with adjacent offsite land uses.

95 10. Vehicular and pedestrian entrance to and exit from the
96 site.

97 11. Offsite transportation impacts.

98 (e) A provision vesting any existing development rights
99 authorized by the local government before the approval of a
100 master development plan, if requested by the manufacturer.

101 (f) Whether an expiration date is required for a master
102 development plan and, if required, a provision stating that the
103 expiration date may not be earlier than 10 years after the
104 plan's adoption.



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105 (g) A provision limiting the circumstances that require an
106 amendment to an approved master development plan to the
107 following:

108 1. Enactment of state law or local ordinance addressing an
109 immediate and direct threat to the public safety that requires
110 an amendment to the master development order.

111 2. Any revision to the master development plan initiated by
112 the manufacturer.

113 (h) A provision stating that the scope of review for any
114 amendment to a master development plan is limited to the
115 amendment and does not subject any other provision of the
116 approved master development plan to further review.

117 (i) A provision stating that, during the term of a master
118 development plan, the local government may not require
119 additional local development approvals for those development
120 impacts listed in paragraph (d) that are addressed in the master
121 development plan, other than approval of a building permit to
122 ensure compliance with the state building code and any other
123 applicable state-mandated life and safety code.

124 (j) A provision stating that, before commencing
125 construction or site development work, the manufacturer must
126 submit a certification, signed by a licensed architect,
127 engineer, or landscape architect, attesting that such work
128 complies with the master development plan.

129 (k) A provision establishing the form that will be used by
130 the local government to certify that a manufacturer is eligible
131 to participate in the local manufacturing development program
132 adopted by that jurisdiction.



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133 (3) A local manufacturing development program ordinance
134 must, at a minimum, be consistent with subsection (2) and
135 establish procedures for:

136 (a) Reviewing an application from a manufacturer for
137 approval of a master development plan.

138 (b) Approving a master development plan, which may include
139 conditions that address development impacts anticipated during
140 the life of the development.

141 (c) Developing the site in a manner consistent with the
142 master development plan without requiring additional local
143 development approvals other than building permits.

144 (d) Certifying that a manufacturer is eligible to
145 participate in the local manufacturing development program.

146 (4) (a) A local government that establishes a local
147 manufacturing development program may not abolish the program
148 until it has been in effect for at least 24 months.

149 (b) If a local government repeals its local manufacturing
150 development program ordinance:

151 1. Any application for a master development plan which is
152 submitted to the local government before the effective date of
153 the repeal is vested and remains subject to the local
154 manufacturing development program ordinance in effect when the
155 application was submitted; and

156 2. The manufacturer that submitted the application is
157 entitled to participate in the manufacturing development
158 coordinated approval process established in s. 163.3253.

159 Section 4. Section 163.3253 is created to read:

160 163.3253 Coordinated manufacturing development approval



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161 process.—The department shall coordinate the manufacturing
162 development approval process with the participating agencies, as
163 set forth in this section, for manufacturers that are developing
164 or expanding in a local government that has a local
165 manufacturing development program.

166 (1) The approval process must include collaboration and
167 coordination among, and simultaneous review by, the
168 participating agencies of applications for the following state
169 development approvals:

170 (a) Wetland or environmental resource permits.

171 (b) Surface water management permits.

172 (c) Stormwater permits.

173 (d) Consumptive water use permits.

174 (e) Wastewater permits.

175 (f) Air emission permits.

176 (g) Permits relating to listed species.

177 (h) Highway or roadway access permits.

178 (i) Any other state development approval within the scope
179 of a participating agency's authority.

180 (2)(a) When filing its application for state development
181 approval, a manufacturer shall file with the department and each
182 participating agency proof that its development or expansion is
183 located in a local government that has a local manufacturing
184 development program.

185 (b) If a local government repeals its local manufacturing
186 development program ordinance, a manufacturer developing or
187 expanding in that jurisdiction remains entitled to participate
188 in the process if the manufacturer submitted its application for



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a local government development approval before the effective date of repeal.

(3) At any time during the process, if a manufacturer requests that the department convene a meeting with one or more participating agencies to facilitate the process, the department shall convene a meeting which the involved participating agencies must attend.

(a) The department is not required to mediate between the participating agencies and the manufacturer but may participate as necessary to accomplish the purposes set forth in s. 20.60(4)(f).

(b) The department shall not be a party to any proceeding initiated under s. 120.569 and 120.57 relating to approval or disapproval of an application for state development approval processed under this section.

(c) The department's participation in a coordinated manufacturing development approval process under this section shall have no effect on its approval or disapproval of any application for economic development incentives sought under s. 288.061 or any other incentive requiring department approval.

(4) If a participating agency determines that an application is incomplete, the participating agency shall notify the applicant and the department in writing of the additional information necessary to complete the application.

(a) Unless the deadline is waived in writing by the manufacturer, a participating agency shall provide a request for additional information to the manufacturer and the department



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within 20 days after the date the application is filed with the participating agency.

(b) If the participating agency does not request additional information within the 20-day period, the participating agency may not subsequently deny the application based on the manufacturer's failure to provide additional information.

(c) Within 10 days after the manufacturer's response to the request for additional information, a participating agency may make a second request for additional information for the sole purpose of obtaining clarification of the manufacturer's response.

(5) (a) Unless the deadline is waived in writing by the manufacturer, each participating agency shall take final agency action on a state development approval within its authority within 60 days after a complete application is filed. The 60-day period is tolled by the initiation of a proceeding under ss. 120.569 and 120.57.

(b) A participating agency shall notify the department if it intends to deny a manufacturer's application and, unless waived in writing by the manufacturer, the department shall timely convene an informal meeting to facilitate a resolution.

(c) Unless waived in writing by the manufacturer, if a participating agency does not approve or deny an application within the 60-day period, within the time allowed by a federally delegated permitting program, or, if a proceeding is initiated under ss. 120.569 and 120.57, within 45 days after a recommended order is submitted to the agency and the parties, the state development approval within the authority of the participating



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244 agency is deemed approved. A manufacturer seeking to claim
245 approval by default under this subsection shall notify, in
246 writing, the clerks of both the participating agency and the
247 department of that intent. A manufacturer may not take action
248 based upon the default approval until such notice is received by
249 both agency clerks.

250 (d) At any time after a proceeding is initiated under ss.
251 120.569 and 120.57, the manufacturer may demand expeditious
252 resolution by serving notice on an administrative law judge and
253 all other parties to the proceeding. The administrative law
254 judge shall set the matter for final hearing no more than 30
255 days after receipt of such notice. After the final hearing is
256 set, a continuance may not be granted without the written
257 agreement of all parties.

258 (6) Subsections (4) and (5) do not apply to permit
259 applications governed by federally delegated or approved
260 permitting programs to the extent that subsections (4) and (5)
261 impose timeframes or other requirements that are prohibited by
262 or inconsistent with such federally delegated or approved
263 permitting programs impose timeframes or other requirements that
264 are prohibited by or inconsistent with subsections(4) and (5).

265 (7) The department may adopt rules to administer this
266 section.

267 Section 5. Section 288.111 is created to read:

268 288.111 Information concerning local manufacturing
269 development programs.—The department shall develop materials
270 that identify each local government that establishes a local
271 manufacturing development program under s. 163.3252. The



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materials, which the department may elect to develop and maintain in electronic format or in any other format deemed by the department to provide public access, must be updated at least annually. Enterprise Florida, Inc., shall, and other state agencies may, distribute the materials to prospective, new, expanding, and relocating businesses seeking to conduct business in this state.

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

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

Remove everything before the enacting clause and insert:
An act relating to manufacturing development; creating s. 163.325, F.S.; providing a short title; establishing the Manufacturing Competitiveness Act; creating s. 163.3251, F.S.; providing definitions; creating s. 163.3252, F.S.; authorizing local governments to establish a local government manufacturing development program that provides for master development approval for certain sites; providing specific time periods for action by local governments; requiring the Department of Economic Opportunity to develop a model ordinance containing specified information and provisions; requiring a local manufacturing development program ordinance to include certain information; providing certain restrictions on the termination of a local manufacturing development program; creating s. 163.3253, F.S.; requiring the department, in cooperation with



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300 participating agencies, to establish a manufacturing development
301 coordinated approval process for certain manufacturers;
302 requiring participating agencies to coordinate and review
303 applications for certain state development approvals; requiring
304 the department to convene a meeting when requested by a certain
305 manufacturer; requiring participating agencies to attend
306 meetings convened by the department; specifying that the
307 department is not required to mediate between the participating
308 agencies and a manufacturer; providing that the department shall
309 not be party to certain proceedings involving state development
310 approvals; requiring that the coordinated approval process have
311 no effect on the department's economic development incentive
312 approval process; providing for requests for additional
313 information and specifying time periods; requiring participating
314 agencies to take final action on applications within a certain
315 time period; requiring the department to facilitate the
316 resolution of certain applications; providing for approval by
317 default; providing for applicability with respect to permit
318 applications governed by federally delegated or approved
319 permitting programs; authorizing the department to adopt rules;
320 creating s. 288.111, F.S.; requiring the department to develop
321 materials that identify local manufacturing development
322 programs; requiring Enterprise Florida, Inc. to distribute such
323 material; providing an effective date.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 661 Tax Exemptions
SPONSOR(S): Hood, Jr. and others
TIED BILLS: IDEN./SIM. **BILLS:** SB 432

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Economic Development & Tourism Subcommittee		Tecler <i>AT</i>	West <i>RW</i>
2) Finance & Tax Subcommittee			
3) Economic Affairs Committee			

SUMMARY ANALYSIS

HB 661 exempts rotary wing aircraft with maximum takeoff weight exceeding 2,000 pounds from the sales and use tax imposed on repair and maintenance charges related to labor, parts, and installed equipment. This change will allow helicopters to qualify for tax exemptions under the same requirements as currently applied to airplanes.

The Revenue Estimating Conference (REC) adopted negative recurring impact on state funds over the next five fiscal years as follows: \$1.0 million in FY 2013-14; \$1.2 million in FYs 2014-15, 2015-16 and 2016-17; and \$1.3 million in FY 2017-18. Further, the REC adopted a negative recurring impact of \$200,000 on local governments.

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

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Rotary wing aircraft may be defined as any aircraft that is supported in flight by rotors on a substantially vertical axis.¹ In general, rotary wing aircraft include helicopters, gyroplanes, and certain types of compound rotorcraft. Helicopters are considered high-value items because of their mobility, operational flexibility, and their capacity to provide rapid response.

Taxable Repair and Maintenance Work

Chapter 212, F.S., imposes a sales or use tax on the installation, repair, or maintenance of tangible personal property. This tax is applicable to the entire amount charged by the repairperson, which includes parts, equipment and labor. If the repair or maintenance of tangible personal property requires only labor, such charges are not taxable.²

Aircraft Repair and Maintenance Labor Charges

Section 212.08(7)(ee), F.S., provides a tax exemption for labor charges related to the maintenance and repair of qualified aircraft and aircraft with maximum takeoff weight of more than 2,000 pounds.³ With respect to rotary wing aircraft, current law limits the exemption to aircraft with maximum takeoff weight of 10,000 pounds or less.

Parts and Equipment used in Aircraft Repair and Maintenance

Section 212.08(7)(rr), F.S., provides a tax exemption for equipment, parts, and replacement engines installed on qualified aircraft and aircraft with more than 2,000 pounds maximum takeoff weight. In order to qualify for the exemption, the aircraft must be repaired or maintained in Florida. This exemption is not applicable to rotary wing aircraft with maximum certified takeoff weight of 10,300 pounds or less.

Effect of Proposed Changes

HB 661 expands tax exemptions available for rotary wing aircraft that are repaired or maintained in the state. Specifically, the bill will exempt rotary wing aircraft with maximum takeoff weight exceeding 2,000 pounds from the sales and use tax imposed on repair maintenance charges related to labor, parts, and installed equipment. This change will allow helicopters to qualify for exemptions in ss. 212.08(7)(ee) and 212.08(7)(rr), F.S., under the same maximum takeoff weight requirements as currently applied to airplanes.

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

¹ As defined by the International Civil Aviation Organization, <http://www.icao.int/Pages/default.aspx>, last visited March 15, 2013.

² Department of Revenue, Sales and Use Tax on Repair of Tangible Personal Property, <http://dor.myflorida.com/dor/forms/>, last visited March 14, 2013.

³ • "Qualified Aircraft" means many aircraft having a maximum certified takeoff weight of less than 10,000 pounds and equipped with twin turboprop engines that meet Stage IV noise requirements that is used by a business operating as an on-demand air carrier under Federal Aviation Administration Regulation Title 14, chapter I, part 135, C.F.R., that owns or leases and operates a fleet of at least 25 of such aircraft in this state.

• "Aircraft" is defined by s. 330.27, F.S., and means a powered or unpowered machine or device capable of atmospheric flight, except a parachute or other such device used primarily as safety equipment.

• Maximum takeoff weight is the heaviest weight at which the aircraft has been shown to meet all the applicable airworthiness requirements.

B. SECTION DIRECTORY:

Section 1: Amends paragraphs (ee) and (rr) of s. 212.08(7), F.S., expanding sales tax exemptions related to aircraft repair and maintenance.

Section 2: Provides for an effective date of July 1, 2013.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The Revenue Estimating Conference adopted negative recurring impact on state funds over the next five fiscal years.

Fiscal Year	GR Recurring Impact
2013-14	\$1.0 million
2014-15	\$1.2 million
2015-16	\$1.2 million
2016-17	\$1.2 million
2017-18	\$1.3 million

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference adopted negative recurring impact of \$200,000 on local governments.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals and businesses owning rotary wing aircraft between 2,000 to 10,300 pounds maximum certified takeoff weight will no longer pay taxes on repair and maintenance charges related to labor, replacement engines, parts, and equipment.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The mandates provision appears to apply because this bill reduces the authority that counties or municipalities have to raise revenues in the aggregate; however, an exemption applies because the Revenue Estimating Conference estimated that this bill will have an insignificant fiscal impact on local governments for mandate purposes.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

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1 A bill to be entitled
2 An act relating to tax exemptions; amending s. 212.08,
3 F.S., relating to exemptions from the sales, rental,
4 use, consumption, distribution, and storage tax;
5 establishing a lower takeoff weight threshold for
6 rotary wing aircraft qualifying for certain tax
7 exemptions; providing an effective date.

8

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

10

11 Section 1. Paragraphs (ee) and (rr) of subsection (7) of
12 section 212.08, Florida Statutes, are amended to read:

13 212.08 Sales, rental, use, consumption, distribution, and
14 storage tax; specified exemptions.—The sale at retail, the
15 rental, the use, the consumption, the distribution, and the
16 storage to be used or consumed in this state of the following
17 are hereby specifically exempt from the tax imposed by this
18 chapter.

19

20 (7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any
21 entity by this chapter do not inure to any transaction that is
22 otherwise taxable under this chapter when payment is made by a
23 representative or employee of the entity by any means,
24 including, but not limited to, cash, check, or credit card, even
25 when that representative or employee is subsequently reimbursed
26 by the entity. In addition, exemptions provided to any entity by
27 this subsection do not inure to any transaction that is
28 otherwise taxable under this chapter unless the entity has
 obtained a sales tax exemption certificate from the department

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or the entity obtains or provides other documentation as required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ee) Aircraft repair and maintenance labor charges. ~~There shall be exempt from the tax imposed by this chapter~~ All labor charges for the repair and maintenance of qualified aircraft and, aircraft, including rotary wing aircraft, of more than 2,000 pounds maximum certified takeoff weight are exempt from the tax imposed under this chapter, ~~and rotary wing aircraft of more than 10,000 pounds maximum certified takeoff weight.~~ Except as otherwise provided in this chapter, charges for parts and equipment furnished in connection with such labor charges are taxable.

(rr) Equipment used in aircraft repair and maintenance. ~~There shall be exempt from the tax imposed by this chapter~~ Replacement engines, parts, and equipment used in the repair or maintenance of qualified aircraft and, aircraft, including rotary wing aircraft, of more than 2,000 pounds maximum certified takeoff weight are exempt from the tax imposed under this chapter if, ~~and rotary wing aircraft of more than 10,300 pounds maximum certified takeoff weight,~~ when such parts or equipment are installed on such aircraft that is being repaired or maintained in this state.

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57 Section 2. This act shall take effect July 1, 2013.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 4045 Agricultural Lands
SPONSOR(S): Raulerson
TIED BILLS: IDEN./SIM. **BILLS:** SB 1700

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Economic Development & Tourism Subcommittee		Tecler <i>AT</i>	West <i>RW</i>
2) Transportation & Economic Development Appropriations Subcommittee			
3) Economic Affairs Committee			

SUMMARY ANALYSIS

HB 4045 repeals s. 604.006, F.S., which provides for the Department of Economic Opportunity to develop a program for mapping and monitoring the agricultural lands in the state. This section of law was adopted in 1984 and was never implemented by the DEO or its predecessor agency, the Department of Community Affairs.

The bill does not have a fiscal impact on the state or local governments.

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

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Mapping and Monitoring of Agricultural Lands

Section 604.006, F.S., provides for the Department of Economic Opportunity (DEO) to develop a program for mapping and monitoring the agricultural lands in the state. The program was to provide governmental entities in the state with continuously updated information on the Florida's agricultural land base in order to determine whether there was a net decline in the amount of available agricultural lands.

This section of law was adopted in 1984 and was never implemented by the DEO or its predecessor agency, the Department of Community Affairs.¹

Effect of Proposed Changes

HB 4045 repeals s. 604.006, F.S., relating to the mapping and monitoring of agricultural lands.

The bill has an effective date of July 1, 2013

B. SECTION DIRECTORY:

Section 1: Repeals s. 604.006, F.S., relating to the mapping and monitoring of agricultural lands.

Section 2: 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:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not require a reduction of the percentage of state tax shared with municipalities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

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2013

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A bill to be entitled

An act relating to agricultural lands; repealing s.
604.006, F.S., relating to the mapping and monitoring
of agricultural lands by the Department of Economic
Opportunity; providing an effective date.

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

Section 1. Section 604.006, Florida Statutes, is repealed.

Section 2. This act shall take effect July 1, 2013.