

Rules & Policy Committee

Monday, March 6, 2017 3:00 p.m. Sumner Hall (404 HOB)

MEETING PACKET

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

(AMENDED 3/3/2017 5:48:39PM)

Amended(1)

Rules & Policy Committee

Start Date and Time:

Monday, March 06, 2017 03:00 pm

End Date and Time:

Monday, March 06, 2017 06:00 pm

Location:

Sumner Hall (404 HOB)

Duration:

3.00 hrs

Consideration of the following bill(s):

HB 9 Florida Tourism Industry Marketing Corporation by Renner CS/HB 7005 Economic Programs by Appropriations Committee, Careers & Competition Subcommittee, Renner

Actionable Items

Set Special Order Calendar(s)

Consideration of Recommendation to amend House Rule 5.14

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL#:

CS/HB 7005

PCB CCS 17-01

Economic Programs

SPONSOR(S): Appropriations Committee, Careers & Competition Subcommittee, Renner

TIED BILLS:

IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Careers & Competition Subcommittee	10 Y, 5 N	Willson	Anstead
1) Appropriations Committee	18 Y, 12 N, As CS	Proctor	Leznoff
2) Rules & Policy Committee		Hamby	Birtman

SUMMARY ANALYSIS

The bill eliminates the following economic incentives and economic development programs or offices:

- Enterprise Florida, Inc. (EFI)
- Office of Film & Entertainment, and the Entertainment Industry Incentive and Tax Exemption Programs
- The Urban High-Crime Area Job Tax Credit Program
- The Capital Investment Tax Credit Program
- The Florida Small Business Development Center Network
- The Quick Response Training Program
- The Qualified Defense Contractor and Space Flight Business Tax Refund Program
- The Qualified Target Industry Tax Refund Program
- The Brownfield Redevelopment Bonus Tax Refund Program
- The High-Impact Business Performance Grant Program
- The Economic Gardening Business Loan and Technical Assistance Pilot Programs
- The Quick Action Closing Fund Program
- The Innovation Incentive Fund Program
- The Professional Sports Franchises, Spring Training Franchises, and Sports Development Programs
- The Florida Small Business Technology Growth Program
- The Florida Opportunity Fund
- The Institute for the Commercialization of Public Research
- The Florida Technology Seed Capital Fund
- The New Markets Development Program Act
- The Microfinance Guarantee Program
- The Economic Development Transportation Projects Program (Road Fund)
- The State Economic Enhancement and Development Trust Fund
- The Tourism Promotional Trust Fund
- The Florida International Trade and Promotion Trust Fund

However, the bill allows current certified participants in many of the programs to continue to participate in the programs in accordance with current contract provisions.

The bill provides that all duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds relating to the programs in EFI are transferred by a type two transfer to the Department of Economic Opportunity.

The bill was reviewed by the Revenue Estimating Conference on February 10, 2017, and it was determined that for Fiscal Year 2017-18 the bill will have a positive recurring impact to general revenue of \$231.7 million, a positive nonrecurring impact to general revenue of \$57.2 million, a net overall positive recurring revenue impact of \$45.1 million and nonrecurring revenue impact of \$75.7 million.

The bill provides a recurring appropriation of \$25 million for the Florida Tourism Industry Marketing Corporation.

The bill provides an effective date of July 1, 2017.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. STORAGE NAME: h7005b.RPC

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Florida's economic development system is multi-faceted and includes public agencies, non-profit corporations, and private entities at the state, regional, and local level. The Legislature created some of these organizations, while others are units of local government or privately formed associations or alliances. Many of the organizations have similar missions (e.g., encouraging economic development and enhancing the state's business climate) and serve the same constituencies (e.g., in- and out-of-state businesses and the state's economic and workforce development communities). The most prominent of these organizations are Enterprise Florida, Inc. (EFI) and the Department of Economic Opportunity (DEO).¹

To achieve their economic development missions, EFI and DEO perform numerous activities and collaborate via contracts. DEO serves as the contract manager for agreements with EFI, the Institute for the Commercialization of Public Research, the Florida Defense Support Task Force, the Florida Sports Foundation, Space Florida, and the Florida Tourism Industry Marketing Corporation (VISIT Florida).²

Prior to the creation of EFI, the Department of Commerce and Department of Labor and Employment Security were responsible for the state's economic development activities. In 1996, the Legislature created EFI as a public-private partnership to serve as the state's principal economic development marketing and promotion organization.³

To support the ongoing evolution of the state's economic development system, the 2011 Legislature created the Department of Economic Opportunity, transferring functions from the Agency for Workforce Innovation (AWI), Department of Community Affairs (DCA), and Governor's Office of Tourism, Trade, and Economic Development (OTTED) to the new agency. AWI had performed functions related to workforce, unemployment compensation, and early learning services, while DCA was the state's land planning and community development agency. OTTED assisted the Governor in formulating economic development policies and strategies and administered the state's economic programs.

Department of Economic Opportunity

Three core divisions carry out DEO's objectives and statutory responsibilities: Strategic Business Development, Community Development, and Workforce Services. These divisions help fulfill DEO's statutorily mandated responsibilities, which include:⁶

- ensuring that Florida's goals and policies relating to economic development, community
 planning and development, workforce development, and affordable housing are fully
 integrated with appropriate implementation strategies;
- recruiting new businesses to Florida and promoting the expansion of businesses by expediting permitting and location decisions, worker placement and training, and incentive awards;

¹ OPPAGA, Report No. 16-09, Agency Review-Enterprise Florida, Inc., and Department of Economic Opportunity, p.6 (December 2016)

² *Id.* s. 20.60(9)(b), F.S.

 $^{^{3}}$ *Id* at 7.

⁴ Chapter 2011-142, Laws of Fla. DEO began operations in October 2011.

⁵ OPPAGA, Report No. 16-09, p.7

⁶ OPPAGA, Report No. 16-09, p.24

- promoting viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities;
- coordinating with state agencies on the processing of state development approvals or permits
 to minimize the duplication of information provided by the applicant and the time before
 approval or disapproval; and
- managing the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of various programs.

DEO derives most of its funding from federal sources and transfers a significant portion to other entities. In Fiscal Year 2015-16, DEO's total budget was \$1.08 billion and the majority (\$679 million, 63%) of this funding was from federal sources. Most of DEO's total budget (\$816.4 million, 75%) was transferred to other entities. For example, \$283 million was transferred to fund local workforce boards, \$105 million supported housing programs administered by Florida Housing Finance Corporation, \$74 million went to VISIT Florida, and \$25 million went to EFI.8 Between Fiscal Year 2012-13 and Fiscal Year 2015-16, EFI's legislative appropriation increased by 56.3% (\$9 million), while DEO's appropriation decreased by 16.4% (\$207.7 million).9

Enterprise Florida, Inc.

EFI is a nonprofit corporation established by the Legislature to serve as the state's main economic development organization. ¹⁰ EFI is required to enter into a performance-based contract with DEO, which includes annual measurements of the performance of EFI. ¹¹ EFI is governed by a board of directors chaired by the Governor.

As a public-private partnership, EFI is expected to obtain private sector support to help pay for its operational costs. According to state law, the agency's legislative appropriations must be matched with private sector support equal to at least 100% of state operational funding. ¹² Under state law, private sector support includes:

- cash given directly to EFI for its operations, including contributions from at-large members of the board of directors;
- cash donations from organizations assisted by EFI's divisions;
- cash jointly raised by EFI, private local economic development organizations, a group of such
 organizations, or a statewide private business organization that supports collaborative
 projects;
- cash generated by fees charged for products or services of EFI and its divisions by sponsorship of events, missions, programs, and publications; and
- copayments, stock, warrants, royalties, or other private resources dedicated to Enterprise Florida or its divisions.

According to a recent report¹³ published by the Office of Program Policy Analysis and Government Accountability (OPPAGA), state funding has always far exceeded private sector funding.¹⁴ Specifically, private sector cash contributions during the review period¹⁵ rarely exceeded \$2 million,

⁷ s. 20.60(4)(b)(f), F.S.

⁸ OPPAGA, Report No. 16-09, p.24.

⁹ OPPAGA, Report No. 16-09, p.8.

¹⁰ s. 288.901, F.S. Chapter 92-277, Laws of Fla., created EFI, while ch. 96-320, Laws of Fla, established EFI as a public-private partnership.

¹¹ Section. 20.60(1), F.S., requires DEO to "establish annual performance standards for Enterprise Florida, Inc., CareerSource Florida, Inc., the Florida Tourism Industry Marketing Corporation, and Space Florida and report annually on how these performance measures are being met".

¹² s. 288.904(2)(a), F.S.

¹³ OPPAGA, Agency Review-Enterprise Florida, Inc., and Department of Economic Opportunity, Report No. 16-09 (December 2016).

¹⁴ OPPAGA Report No. 16-09, p. 19.

¹⁵ Review period was Fiscal Year 2012-2013 through Fiscal Year 2015-2016.

while state appropriations averaged about \$20 million per year. Funds from other private sources (e.g., event revenue, other income) averaged approximately \$2.7 million per year.

EFI works with businesses and economic development partners to determine whether projects are eligible for state economic development incentives. A project must be vetted by EFI and EFI must determine that incentives are necessary to secure a deal in order for an incentive package to be developed and sent to DEO for further review. Once the incentive package is finalized, DEO and other appropriate state bodies issue formal approvals.

EFI has the following duties:

- Responsibly and prudently manage all public and private funds received, and ensure that the
 use of such funds is in accordance with all applicable laws, bylaws, or contractual
 requirements;
- Administer certain programs;
- Prepare an annual report;
- · Prepare, in conjunction with DEO, an annual incentives report;
- Assist DEO with the development of an annual and a long-range strategic business blueprint for economic development; and
- In coordination with CareerSource Florida, Inc., identify education and training programs that
 will ensure that Florida businesses have access to a skilled and competent workforce
 necessary to compete successfully in the domestic and global marketplace.

The Legislature provides an annual appropriation to EFI for its operations. EFI is required to have divisions related to:

- International Trade and Business Development,
- Business Retention and Recruitment, Tourism Marketing;
- · Minority Business Development; and
- Sports Industry Development.

The board of directors of EFI is comprised of nineteen members: seven from the public sector and twelve from the private sector. ¹⁶ The seven members of the board from the public sector include the following: the Governor or the Governor's designee; the Commissioner of Education or his or her designee; the Chief Financial Officer or his or her designee; the Attorney General or his or her designee; the Commissioner of Agriculture or his or her designee; the chairperson of the board of directors for CareerSource Florida, Inc.; and the Secretary of State or his or her designee.

Of the twelve members from the private sector, the Governor appoints six¹⁷ and the President of the Senate and Speaker of the Florida House of Representatives each appoint three. Such members are appointed to four year terms and must include at least one director for each of the following areas of expertise:¹⁸ international business; tourism marketing; the space or aerospace industry; managing or financing a minority-owned business; manufacturing; finance and accounting; and sports marketing. In addition, the President of the Senate must appoint a member of the Senate and the Speaker of the House must appoint a member of the House of Representatives, both of which serve as ex officio members. ¹⁹The board must meet at least four times each year, upon the call of the chairperson, at the request of the vice chairperson, or at the request of a majority of the membership. A majority of the total number of current voting members constitutes a quorum. ²⁰

Florida law directs the board of directors to "integrate its efforts in business recruitment and expansion, job creation, marketing the state for tourism and sports, and promoting economic

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¹⁶ s. 288.901(5), F.S.

¹⁷ Members appointed by the Governor are subject to Senate confirmation. s. 288.901(5)(a), F.S.

¹⁸ s. 288.901(5)(b), F.S.

¹⁹ s. 288.901(7), F.S.

²⁰ s. 288.901(8), F.S.

opportunities for minority-owned businesses and promoting economic opportunities for rural and distressed urban communities with those of the department, to create an aggressive, agile, and collaborative effort to reinvigorate the state's economy."²¹ To that end, Florida law authorizes the Board to:

- secure funding for its programs and activities from federal, state, local, and private sources and from fees charged for services and published materials;
- solicit, receive, hold, invest, and administer any grant, payment, or gift of funds or property and make expenditures;
- make and enter into contracts and other instruments necessary or convenient with its powers and functions;
- elect or appoint officers, employees, and agents as required for its activities and for its divisions:
- carry forward any unexpended state appropriations into succeeding fiscal years;
- create and dissolve advisory councils, working groups, task forces, or other similar organizations, as necessary to carry out its mission;
- establish an executive committee consisting of the chairperson or a designee, the vice chairperson, and as many additional members of the board of directors as the board deems appropriate (with a minimum of five members);
- sue and be sued, and appear and defend all actions and proceedings:
- adopt, use, and alter a common corporate seal for EFI and its divisions;
- adopt, amend, and repeal bylaws;
- acquire, enjoy, use, and dispose of patents, copyrights, and trademarks and any licenses, royalties, and other rights or interests;
- use the state seal when appropriate for standard corporate identity applications; and
- procure insurance or require bond against any loss in connection with the property of EFI. 22

Florida Tourism Industry Marketing Corporation (VISIT Florida)

The Florida Tourism Industry Marketing Corporation dba VISIT Florida (VF) is a nonprofit corporation established by the Florida Legislature to serve as a direct support organization of EFI.²³ Florida law requires that EFI contract with VF "to execute tourism promotion and marketing services, functions, and programs for the state."²⁴

EFI, in conjunction with DEO, appoints VF's 31-member board of directors. The board, which meets three times per year, provides guidance, input and insight into the evolution and development of programs, processes, and messages; acts as a steering council for various committees; and works directly with VF executive staff to guide strategy.

VF's primary responsibilities include:

- administering domestic and international advertising campaigns;
- conducting research on tourism and travel trends;
- · conducting domestic and international marketing activities; and
- managing the state's welcome centers.

VF also administers a number of small grant programs that provide organizations and state agencies funding for certain tourism-related activities, including convention grants for attracting national conferences and conventions to Florida.²⁵ Grant funds total less than \$2 million per year.

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²¹ s. 288.9015(1), F.S.

²² s. 288.9015(2), F.S.

²³ s. 288.1226(2), F.S.

²⁴ s. 288.923(3), F.S.

²⁵ s. 288.124, F.S.

VF administers a cooperative advertising matching grants program whereby VF makes expenditures and enters into contracts with certain local governments and nonprofit corporations for the purpose of publicizing the tourism advantages of the state. The total annual allocation of funds for this grant program may not exceed \$40,000. Each grant awarded under the program is limited to no more than \$2,500 and must be matched by nonstate dollars. Grants are restricted to local governments and nonprofit corporations serving and located in municipalities having a population of 50,000 persons or less or in counties with an unincorporated area having a population of 200,000 persons or less.

VF collaborates with Florida is For Veterans, Inc. to market the state to veterans as a permanent home and improve veterans' knowledge of and access to benefits.²⁸ VF is required to expend \$1 million annually on the research marketing campaign through a combination of existing funds appropriated to VF by the Legislature and private funds.²⁹

VF operates the state's five official welcome centers. Four welcome centers are located along the main travel corridors leading into the state and the fifth welcome center operates in the Capitol Complex in Tallahassee. The Department of Transportation owns the buildings that house the four highway welcome centers, but the centers are staffed and managed by VF.

In a recent study, OPPAGA found that it is difficult to distinguish VF's influence from that of other entities that engage in similar tourism marketing activities. VF focuses much of its efforts on statewide tourism goals such as increasing total visitors and visitor spending in the state. As a result, these same indicators are often used to promote VF's success in positioning Florida as the top travel destination in the world. However, numerous other entities also actively promote the state. State agencies, county governments, the federal government, and the private sector all engage in tourism promotional activities, including statewide marketing. Moreover, county governments and private businesses specifically market local attractions and destinations.³⁰

Economic Development Incentives

Florida has a number of incentive programs intended to promote economic development in the state. These programs come in a variety of forms including tax refunds, tax credits, tax exemptions, and cash grants.

Businesses interested in expanding or relocating in Florida learn about the state's economic incentive programs through several channels, including EFI, state and local economic development organizations, and private site selection consultants. EFI provides businesses a variety of services prior to application filing, including evaluating businesses' needs, identifying potential site locations, and providing information on state and local incentives that might aid businesses with expansion or relocation projects. EFI also helps businesses complete the incentive application. Businesses can apply for more than one incentive to support their expansion or relocation projects.³¹

Once a company begins the application process, EFI notifies the division so that it may begin the formal due diligence process to determine the business's statutory eligibility and financial standing. The due diligence process has two levels. Level one due diligence is conducted for all incentive applications and includes determining whether the company satisfies statutory criteria for program participation and if the business is in good financial and legal standing. Level two due diligence is used for grant incentive programs and considers the business's credit risk and other factors that could affect its ability to repay the state should it be unable to meet incentive performance requirements.³²

²⁶ s. 288.017, F.S.

²⁷ s. 288.017(2), F.S.

²⁸ s. 295.23, F.S. Veterans research and marketing campaign.

²⁹ Id

³⁰ OPPAGA, Report No. 15-01, Florida Economic Development Program Evaluations-Year 2 (January 1, 2015)

³¹ OPPAGA, Report No. 16-09, p. 50-51.

³² *Id*.

When due diligence is complete, division staff review the application for completeness; if the application is not complete, the applicant is notified and additional information is requested. Once the application is deemed complete, the division determines what incentives and associated amounts may be available to the applicant and makes an approval or disapproval recommendation to DEO's executive director. The executive director will make a decision within 10 business days and will issue a letter of certification to the applicant. DEO will develop a contract or agreement with the applicant that specifies the total incentive amount, performance conditions that must be met to receive payment, payment schedule, and sanctions for failure to meet performance conditions.³³

Businesses found to be out of compliance with performance requirements may be subject to penalties (e.g., clawback provisions) or could be terminated from the incentive program. The division currently uses a third-party contractor to process incentive payment claims. The contractor must review each claim to assess the appropriateness and completeness of the documentation for three performance areas: (1) employment, wages, and benefits; (2) capital expenditures; and (3) tax payments. Payments are contingent upon the contractor's determination that the company has met performance requirements.³⁴

Category	Tax Refunds	Tax Credits	Tax Exemptions	Cash Grants
	Refund of taxes paid,	Credit against taxes	Exemption from taxes	Grant with a
Type of	as outlined in a	owed.	owed.	performance-based
Incentive	performance-based			contract to business.
	contract.			
	· Company pays taxes	· Company claims	· Company is issued	· Business satisfies a
	· State confirms tax	credit on state	tax exemption permit	term of the
	payments and	corporate income tax	from Florida	agreement
	validates	return after meeting	Department of	· State verifies
Claim	performance	program	Revenue	· State issues check
Process	· State issues refund	requirements	· A permit is	
	check	· State confirms jobs	presented to seller	
		and investment (if	· Seller exempts sales	
		applicable)	tax on transaction	
Revenue	Annual appropriation	Foregone revenue	Foregone revenue	Annual appropriation
Source		(no appropriation)	(no appropriation)	

Tax Credits, Tax Refunds, Cash Grants

Qualified Target Industry Tax Refund Program (QTI)

The Qualified Target Industry (QTI) Tax Refund Program was established in 1995 to attract new high quality, high wage jobs for Floridians.³⁶ Tax refunds are made to qualifying, pre-approved businesses creating new jobs within Florida's target industries. All QTI projects include a performance-based contract with the state, which outlines specific milestones that must be achieved and verified by the

³³ *Id*.

 $^{^{34}}$ Id

³⁵ DEO, 2015-2016 Annual Incentives Report, p. 7. Section 288.907, F.S., requires EFI, in conjunction with DEO, to provide a detailed incentives report quantifying the economic benefits for all of the economic development incentive programs marketed by EFI.

³⁶ s. 288.061(1), F.S.

state prior to payment of refunds. Unless waived by the Department of Economic Opportunity, 20% of the award must come from the local city or county government in which the project is located.³⁷

A project must propose to create at least ten new jobs, or in the case of a business expansion, must result in a net increase in employment of at least 10% at that business. The jobs proposed to be created or retained must pay an average annual wage of at least 115% of the average private sector wage in the area where the business is located, or the statewide private sector average wage. The amount of the refund is based on the average wages paid by the business, number of jobs created, and where in the state the eligible business chooses to locate or expand. The minimum tax refund is \$3,000 per employee, and the maximum amount is \$11,000 per employee over the term of the incentive agreement. Jobs created in rural communities and enterprise zones, as well as those paying higher annual average wages, are eligible for more incentives.

The average annual wage for the State of Florida was approximately \$46,000 during calendar years 2013 to 2015. EDR's review of wages showed that the actual wage of the QTI projects were much greater than 115 percent of the average annual wage in the state. In most years, wages were higher than 135 percent of the statewide average annual wage; however, this was down from the 150 percent seen in EDR's original review in 2014. Higher than average wages leads to higher output being associated with the projects, and that, in turn, generates more revenue for the State of Florida.³⁸

The original Return On Investment (ROI) in 2014 strongly benefited from producing more employees than contracted for during the window. During EDR's most recent review, the number of jobs confirmed was slightly less than the number of jobs committed. This placed downward pressure on the ROI relative to 2014. The ROI for the QTI Tax Refund Program is projected at 4.4, which is down from the prior ROI projected at 6.4. For every dollar spent on new high quality, high wage jobs in Florida's target industries, the state of Florida received \$4.40 back in tax revenue.³⁹

Qualified Defense Contractor and Space Flight Tax Refund (QDSC)

In 1996, the Legislature implemented the Qualified Defense Contractor and Space Flight Business Tax Refund Program (QDSC) to create and retain high quality, high wage jobs for Floridians in the defense and space industries. ⁴⁰ Historically, the program was designed to protect the state's defense businesses and jobs from reductions in federal defense spending. ⁴¹ The program provides tax refunds for job creation similar to those awarded through the Qualified Target Industry Tax Refund Program (QTI). However, the programs differ in that tax refunds under the QDSC program are paid for both created and retained jobs. In addition, QDSC program participation is limited to certain defense and space flight contractors, while QTI includes a wider range of industries. ⁴² Incentive awards range from \$3,000 to \$8,000 per job. ⁴³

QDSC tax refunds were provided to qualifying businesses bidding on new competitive contracts or consolidating existing defense or space flight business contracts, converting defense production jobs to nondefense production jobs, or reusing defense-related facilities. A business could not apply for

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³⁷ s. 288.106(1)(j), F.S.

³⁸ EDR, Economic Evaluation for Select State Economic Development Incentive Programs, p. 17 (January 2017).

³⁹ *Id.* at 2.

⁴⁰ s. 288.1045, F.S.

⁴¹ The 2008 Legislature amended the program to include space flight businesses (ch. 2008-89, Laws of Fla.).

⁴² According to state law, a program applicant is a business that holds or is a subcontractor under a valid U.S. Department of Defense contract or space flight contract, or a business entity that holds a valid contract for the reuse of a defense-related facility. ⁴³ s. 288.1045, F.S. The per-job award increases from the \$3,000 base when wages exceed 150 percent of the area or statewide annual wage, and when projects are located in specified locations. These included a rural county, an Enterprise Zone, or until 6/30/14, in any of the eight counties that were disproportionately affected by the BP Gulf Oil Spill: Bay, Escambia, Franklin, Gulf, Okaloosa, Santa Rosa, Walton and Wakulla Counties. From 7/1/11 through 6/30/14, DEO could waive wage or local financial support eligibility requirements for Disproportionately Affected Counties.

the tax refund after submitting a proposal or deciding to consolidate a defense or space flight contract. Businesses seeking to qualify for the program were required to meet several requirements including deriving not less than 60% of gross receipts in the state from defense or space flight business contracts over the last fiscal year and over the five years preceding the date an application was submitted; creating net new Florida jobs; 44 paying an annual average wage of at least 115% of the average wage in the area where the project was located; and providing a local government resolution of financial support amounting to 20% of the total tax refund.

The QDSC program was a performance-based incentive tied directly to defense or space flight business contracts. Businesses qualified for the program in three ways:

- contract or subcontract consolidations that resulted in either a 25 percent increase in employment or at least 80 new Florida jobs:
- defense production conversion projects that resulted in a net increase in nondefense employment at the applicant's facilities in Florida: or
- reuse projects that resulted in the creation of at least 100 jobs for contracts with a duration of two or more years.45

The QDSC program was a grant program subject to annual appropriation, with the grant award determined by the interaction between the number of qualifying employees, geographic location of the jobs, and certain taxes paid to both state and local governments. Each QDSC project had a performance-based contract, which outlined specific milestones that must be achieved and verified by the state prior to payment of funds. For businesses engaged in competing for private space flight contracts, other incentives offered by Space Florida such as special conduit financing, conduit construction, and infrastructure improvements may be more important to the business than this type of incentives because these businesses may pay relatively little in the eligible taxes. 46

Since the QDSC tax refund program's inception 33 applications have been approved. Of those 33 approved applications, three remain active. 47 In Fiscal Year 2013-2014, \$3,208,000 in QDSC tax refund program incentives were awarded 48

The QDSC program expired July 1, 2014. 49 However, existing tax refund agreements continue to be in effect in accordance with contract terms.

Brownfield Redevelopment Bonus Refund

The Brownfield Redevelopment Bonus Refund was established in 1997 to improve economic activity in designated Brownfield areas. 50 These areas are designated by the respective community for the presence or perceived presence of economic blight or environmental contamination. Legislation passed in 2013 changed the Brownfield Redevelopment Bonus Tax Refund requirements so that projects only qualify if the project is either on a parcel designated as a Brownfield site or on any real property abutting the Brownfield site within a Brownfield area. Prior to 2013, projects qualified if the development was simply within a Brownfield area.

As with the QTI and QDSC programs, the Brownfield program requires 20 percent of the award to come from the local government. These incentives are grant programs, subject to annual

⁴⁴ A project consolidating a U.S. Department of Defense contract must increase employment by at least 25% or create at least 80 new jobs; reuse projects must result in the creation of at least 100 jobs; defense production conversion projects must result in net increases in nondefense production jobs; and space flight business contracts or consolidation projects must result in net increases in space flight business employment. ⁴⁵ *Id*.

⁴⁶ *Id.* at 24.

⁴⁷ DEO, 2015-2016 Annual Incentives Report, p. 24.

⁴⁸ *Id.* at 19.

⁴⁹ s. 288.1045, F.S.

⁵⁰ s. 288.107, F.S.

appropriations. The Brownfield Redevelopment Bonus Refund allows eligible businesses to claim an additional \$2,500 tax refund per employee for each new Florida job created in a Brownfield area eligible for bonus refunds.

Eligible businesses include: certified QTI businesses; businesses that can demonstrate a fixed capital investment of at least \$2 million in mixed-use business activities, including multiunit housing, commercial, retail, and industrial in brownfield areas eligible for bonus refunds, and that provides benefits to its employees.

As with other programs, the Brownfield program requires performance-based contracts and specific milestones to be met in order for a project to receive awards.

The program is funded through a specific annual appropriation. DEO reported that \$2.6 million in maximum rewards was approved in Fiscal Year 2013-2014, with an additional \$875,000 in maximum awards for the Brownfield Bonus with QTI. Additionally, the department reported that of the 59 contracts executed from the beginning of the program to June 30, 2014, 33 contracts are active and 9 contracts were successfully completed. For the Brownfield Bonus with QTI, there are 103 contracts executed in the same timeframe with 40 active contracts and 6 completed. ⁵¹

Currently, an applicant may not be certified as qualified under this section after June 30, 2020. However, a tax refund agreement existing on that date shall continue in effect in accordance with its terms.

Urban High-Crime Area Job Tax Credit Program

In 1997, the Legislature created the program to encourage job creation in certain urban high-crime areas. The Urban High-Crime Area Job Tax Credit Program provides job tax credits to businesses that are in specified industries and are located in designated urban areas of the state.⁵² Businesses can use the credits to reduce sales and use tax or corporate income tax liability.

Eligible industries include agriculture, forestry, and fishing; manufacturing; retail; public warehousing and storage; hotels and other lodging places; research and development; motion picture production and allied services; public golf courses; amusement parks, and call centers or similar customer service operations that service multistate or international markets.⁵³

DEO is responsible for determining whether areas nominated by local governments are eligible for designation as a high-crime area.⁵⁴ Every third year, the department is statutorily required to rank and tier nominated areas according to five criteria:⁵⁵

- Highest arrest rates within the geographic area for violent crime and for such other crimes as drug sale, drug possession, prostitution, vandalism, and civil disturbances.
- Highest reported crime volume and rate of specific property crimes such as business and residential burglary, motor vehicle theft, and vandalism.
- Highest percentage of reported index crimes that are violent in nature.
- Highest overall index crime volume for the area.
- Highest overall index crime rate for the geographic area.

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⁵¹ The amount approved in any fiscal year may exceed the statutory cap, but payments in any fiscal year will not exceed the cap. ⁵² s. 212.097. F.S.

⁵³ OPPAGA, Research Memorandum, Urban High-Crime Area Job Tax Credit Program, p. 1 (January 5, 2015).

⁵⁴ *Id.* The local government must provide DEO the (a) overall index crime rate for the geographic area; (b) overall index crime volume for the area; (c) percentage of reported index crimes that are violent in nature; (d) reported crime volume and rate of specific property crimes such as business and residential burglary, motor vehicle theft, and vandalism; and (e) arrest rates within the geographic area for violent crime and for such other crimes as drug sale, drug possession, prostitution, disorderly conduct, vandalism, and other public-order offenses.

Designated urban high-crime areas are ranked into three tiers. There is no threshold level of crime that qualifies or disqualifies an area for designation as an urban high-crime area; instead, nominees ranked 1 to 5 are tier one, those ranked 6 to 10 are tier two, and those ranked 11 to 15 are tier three. The tax credit amount awarded to an eligible business varies depending on the tier ranking of the area in which the business is located, whether the business is new or existing, and the number of qualified employees. A qualified employee must work for an eligible business at least 36 hours per week for at least three months.⁵⁶

Tier	Eligibility Requirements	Credit Amount ⁵⁷
Tier 1	 New business – At least 10 qualified employees Existing business – At least 5 qualified employees 	\$1,500 per employee
Tier 2	 New business – At least 20 qualified employees Existing business – At least 10 qualified employees 	\$1,000 per employee
Tier 3	 New business – At least 30 qualified employees Existing business – At least 15 qualified employees 	\$500 per employee

In 2015, OPPAGA found that no new areas have been nominated since program inception and DEO did not reevaluate designated area rankings as required by state law. Section 212.097(1)(e), F.S., requires DEO to rank and tier nominated urban high-crime areas using prioritized statutory criteria pertaining to crime every three years. However, this statutory provision was not followed between 1997 and August 2014. OPPAGA noted that, without periodic reevaluation of crime data within the designated areas, it is impossible to verify the ongoing accuracy of the area rankings; it is possible that such an analysis would have resulted in areas changing tiers (e.g., a shift from tier 1 to tier 2 if an area's crime rate significantly declined). After DEO's August 2014 data request, three areas changed tier—Jacksonville (from 1 to 2), Pompano Beach (from 2 to 3), and St. Petersburg (from 3 to 1). 58

According to program officials, rather than reevaluating the designated areas as required by state law, they surveyed area representatives about their willingness to submit updated crime data. These officials reported that most areas declined to provide updated information, citing the onerous process of gathering the data. In addition, the department's general counsel advised program officials that DEO has no statutory authority to compel areas to provide the crime data, and areas that did not comply should be moved to the bottom of the priority list. The department has no documentation of this internal policy.⁵⁹

The maximum credit amount that may be approved during any calendar year is \$5 million, of which \$1 million shall be exclusively reserved for tier-one areas. The Department of Revenue, in conjunction with the Department of Economic Opportunity, shall notify the governing bodies in areas designated as urban high-crime areas when the \$5 million maximum amount has been reached. Applications must be considered for approval in the order in which they are received without regard to whether the credit is for a new or existing business. This limitation applies to the value of the credit as contained in approved applications. Approved credits may be taken in the time and manner allowed pursuant to this section.

 $^{^{\}circ \circ}$ Id at 2.

⁵⁷ s. 212.097, F.S. A new or existing business will receive an additional \$500 credit if the qualified employee is a welfare transition program participant.

⁵⁸ OPPAGA, Research Memorandum, Urban High-Crime Area Job Tax Credit Program, p. 3 (January 5, 2015).

⁵⁹ *Id* at 3.

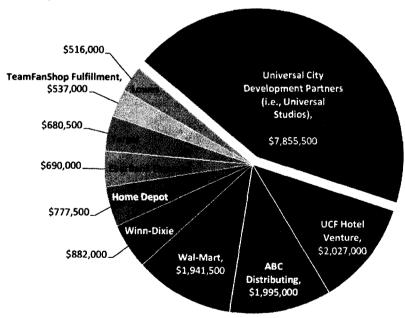
⁶⁰ s. 212.097(10)(c), F.S **STORAGE NAME**: h7005b.RPC

Between 1999 and 2015, the Urban High-Crime Area Job Tax Credit Program approved \$26,741,000 in tax credits. Annual credits have typically been well below the \$5 million cap over this period.⁶¹

Approvals, Jobs Created and Amount of Tax Credits (1999-2015):62

Calendar Year	Number of Approvals	Number of Jobs Created	Amount of Tax Credits
2015	15	1,221	\$1,644,500
2014	13	1,487	\$2,069,500
2013	7	1,056	\$1,172,500
2012	5	1,672	\$2,460,500
2011	12	589	\$790,500
2010	11	893	\$1,259,500
2009	18	803	\$855,000
2008	16	569	\$517,500
2007	10	587	\$654,000
2006	16	981	\$1,014,000
2005	3.11	2,044	\$1,761,000
2004	18	938	\$1,053,500
2003	14	1,184	\$1,069,000
2002	19	2,856	\$2,673,500
2001	22	2,214	\$2,486,500
2000	9	4,109	\$4,999,500
1999	5	221	\$260,500
Totals	221	23,424	\$26,741,000

Between January 1, 1999, and October 31, 2014, a small number of businesses account for over 70% of the approved tax credits. Universal City Development Partners (i.e., Universal Studios) received the most approved credits, or nearly \$8 million (44%).⁶³ Ten companies accounted for the majority of tax credits, as follows:⁶⁴



OPPAGA staff surveyed urban high-crime area job tax credit recipients to better understand businesses' experiences with the program, the role the incentives played in location and expansion decisions, and recipients' perceptions regarding crime in the areas around their businesses. Surveys were sent to 19 businesses that DEO identified as having received program tax credits during the

~ Id.

⁶¹ DEO, 2015- 2016 Annual Incentives Report, p. 40

⁶² *Id*.

⁶³ OPPAGA, Research Memorandum, Urban High-Crime Area Job Tax Credit Program, p. 4 (January 5, 2015).

study period. OPPAGA received responses from five of the businesses. Most of the businesses reported that the urban high-crime area job tax credits were not a factor in their decisions. Regarding crime, most of the businesses noted that their perception of crime in the area around their businesses is that it has remained about the same over the study period.⁶⁵

The ROI for the Urban High-Crime Area Tax Credit was 0.07. For every \$1.00 spent on this program, the state of Florida received \$0.07 back in tax revenue. 66

Capital Investment Tax Credit (CITC)

The Capital Investment Tax Credit (CITC) is designed to attract and grow capital-intensive industries in Florida. ⁶⁷ Eligible projects must be in designated high-impact portions of certain sectors, determined by the DEO, including clean energy, biomedical technology, financial services, information or silicon technology, or transportation equipment manufacturing. Corporate headquarters facilities are also eligible. The DEO reported that \$21.5 million in tax credits were claimed in 2014, and \$30.7 million claimed in 2015. ⁶⁸ The annual credit can be provided for up to twenty years against corporate income tax liability.

To apply for the CITC, a business must meet cumulative capital investment requirements, among other criteria. For the purposes of the CITC tax credit "cumulative capital investment" is defined as the total capital investment in land, buildings, and equipment made in connection with a qualifying project during the period from the beginning of construction of the project to the commencement of operations.

The ROI for the CITC program is projected at 0.43, which is down from the prior ROI projected at 2.3. For every dollar spent to attract and grow capital-intensive industries, the state of Florida received \$0.43 back in tax revenue.

New Markets Development Program

In 2009, the Legislature passed the New Markets Development Program Act (NMDP).⁶⁹ The program, which is modeled after the federal New Markets Tax Credit Program, allows taxpayers to earn credits against specified taxes by making qualified investments in qualified community development entities that, in turn, invest in businesses in low-income communities to create and retain jobs in such communities.⁷⁰

Qualified community development entities apply to DEO for approval of a proposed investment as a qualified investment.⁷¹ A qualified community development entity is a federally-certified Community Development Entity, which has entered into an allocation agreement with the U.S. Department of Treasury with respect to tax credits and is authorized under the allocation agreement to serve Florida businesses.⁷² A qualified investment is an equity investment in, or a long-term debt security issued by, a qualified community development entity that is issued solely in exchange for cash and is approved by DEO.⁷³ Often, the equity investor will make its investment with the help of a loan.⁷⁴

⁶⁵ *Id* at 8.

⁶⁶ EDR, Return on Investment for The Urban High-Crime Area Job Tax Credit Program, p. 8 (1/1/2015).

⁶⁷ s. 220.191, F.S.

⁶⁸ DEO, 2015-2016 Annual Incentives Report, p. 20.

⁶⁹ ch. 2009-50, Laws of Fla.

⁷⁰ s. 288.9912, F.S.

⁷¹ s. 288.9914, F.S.

⁷² s. 288.9913(6), F.S.

⁷³ s. 288.9913(7), F.S.

⁷⁴ The loan allows the taxpayer to make a larger investment, to in turn receive a greater amount of tax credits through the program. Current law does not dictate where the loan must come from. Accordingly, the loan may come from an affiliate of the qualified active low income community business.

The applications, which DEO reviews and approves on a first-come first-serve basis,⁷⁵ must include the following:

- the name, address, and tax identification number of the qualified community development entity;
- proof of certification as a qualified community development entity under 26 U.S.C. s. 45D;
- a copy of an allocation agreement executed by the qualified community development entity, or its controlling entity, and the Community Development Financial Institutions Fund, which authorizes the entity to serve businesses in this state;
- a verified statement by the chief executive officer of the entity that the allocation agreement remains in effect:
- a description of the proposed amount, structure, and purchaser of an equity investment or long-term debt security;
- the name and tax identification number of any person authorized to claim a tax credit earned as a result of the purchase of the proposed qualified investment;
- a detailed explanation of the proposed use of the proceeds from a proposed qualified investment:
- a nonrefundable application fee of \$1,000, payable to the department; and
- a statement that the entity will invest only in the industries designated by the department. 76

Once DEO has approved the qualified investment, the taxpayer is eligible to receive tax credits, and the qualified community development entities can invest the proceeds received from the qualified investment in a qualified active low-income community business (up to \$10 million per qualified active low-income community business is a business that, among other requirements, derives at least 50% of its total gross income from within a low-income community. A low-income community means a population census tract within the state with a particular poverty rate or average median family income (depending on where the tract is).

Taxpayers that make a qualified investment in qualified community development entities may receive tax credits against the corporate income tax found in s. 220.11, F.S. or the insurance premium tax found in s. 624.509, F.S. The taxpayer may not claim the credit in the first two years after the investment. In year three after the investment, the credit is worth 7% of the qualified investment, and from the fourth year through the seventh year the credit is worth 8%. As in the federal program, over seven years the credit totals 39% of the total qualified investment in the qualified community development entity. Therefore, a taxpayer with qualified investments approved for both the federal and state programs could receive 78% of the purchase price of the investment in tax credits over seven years. ⁸⁰

Any unused portion of the tax credit may be carried forward for future tax years; however, all tax credits expire on December 31, 2022. Moreover, the department may not approve a cumulative amount of qualified investments that may result in the claim of more than \$216.34 million in tax credits during the existence of the program or more than \$36.6 million in tax credits in a single state fiscal year. Page 182

⁷⁵ s. 288.9914(3), F.S.

⁷⁶ s. 288.9914(2), F.S.

⁷⁷ s. 288.9915, F.S.

⁷⁸ s. 288.9913(5), F.S.

⁷⁹ s. 288.9913(3), F.S

⁸⁰ See s. 288.9916(1), F.S.

⁸¹ s. 288.9922, F.S.

⁸² s. 288.9914(3)(c), F.S.

Qualified community development entities must follow certain time limits relating to qualified investment applications and issuance: 83

- The department must approve or deny an application for a proposed investment to become a qualified investment within thirty days after receipt. If the department intends to deny an application, the department must inform the applicant of the basis of the proposed denial. The applicant then has fifteen days after it receives such notice to submit a revised application to the department. The department must issue a final order approving or denying the revised application within thirty days after receipt of the revised application.
- A qualified community development entity must issue a qualified investment in exchange for cash within sixty days after it receives the order approving an investment as a qualified investment.
- A qualified community development entity must provide the department with evidence of the receipt of the cash they received in exchange for the qualified investment within thirty business days after receipt.
- Within thirty days after a credit allowance date, a qualified community development entity that
 has issued a qualified investment shall submit extensive information to the department relating
 to all investments they made in qualified active low-income community businesses since the
 last credit allowance date.

Section 288.9918, F.S., requires qualified community development entities that have issued a qualified investment to submit an annual report to the department by January 31 after the end of each year that includes a "credit allowance date," or date on which a qualified investment is made and the six subsequent anniversaries of that date. In addition, by April 30 after the end of each year that includes a credit allowance date, each qualified community development entity shall submit to the department annual financial statements for the preceding tax year, audited by an independent certified public accountant.⁸⁴

From its inception in Fiscal Year 2009-2010 through Fiscal Year 2015-2016, the New Markets Development Program has allocated \$216 million in tax credits to eighteen community development entities (CDE), with two CDEs having received over half (54%) of all tax credits allocated. Currently, there are no formal criteria for selecting recipients. Prior to Fiscal Year 2013-2014, DEO allocated tax credits on a first-come, first-serve basis, and in Fiscal Year 2014-2015, DEO allocated the same amount of tax credits to each applicant.

In a study released in January 2017, OPPAGA found that the New Markets Development Program projects are primarily located in two counties, with most capital invested in four industries; and that inadequate reporting requirements hamper assessment of program impact.⁸⁸

Section 288.9922, F.S., provides that the New Markets Development Program will expire December 31, 2022.

The ROI for the New Markets Development Program is 0.18. For every dollar spent with this program, the state of Florida only received \$0.18 back in tax revenue.

High-Impact Sector Performance Incentive (HIPI)

The High Impact Performance Incentive (HIPI)⁸⁹ grant program is designed to spur capital investment and job creation in designated portions of high-impact sectors including clean energy, life sciences,

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⁸³ s. 288.9914(3), F.S.

⁸⁴ s. 288.9918(2), F.S.

⁸⁵ OPPAGA, Report No. 17-02, Florida Economic Development Program Evaluations-Year 4, p. 16.

⁸⁶ Id.

⁸⁷ *Id*.

⁸⁸ Id. at 2.

financial services, information technology, silicon technology, transportation equipment manufacturing, or a corporate headquarters facility. This performance-based cash award is paid in two equal installments, one upon commencement of operations and the other upon commencement of full operations. The program has an annual cap of \$30 million for scheduled performance grant payments. This program authorizes the recapture of funds if a business fails to meet its contractual performance requirements. Currently, the DEO "certifies" a qualified high impact business for program participation.

An "eligible high-impact business" is a business in one of the high-impact sectors identified by EFI, and certified by DEO, which is making a cumulative investment in the state of at least \$50 million and creating at least fifty new full-time equivalent jobs, or a research and development facility making a cumulative investment of at least \$25 million and creating at least twenty-five new full-time equivalent jobs. Such investment and employment must be achieved in a period not to exceed three years after the date the business is certified as a qualified high-impact business.⁹⁰

DEO reviews the application before the business has made a decision to locate or expand a facility in this state. The business must provide the following information:

- A complete description of the type of facility, business operations, and product or service associated with the project.
- The number of full-time equivalent jobs that will be created by the project and the average annual wage of those jobs.
- The cumulative amount of investment to be dedicated to this project within three years.
- A statement concerning any special impacts the facility is expected to stimulate in the sector, the state, or regional economy and in state universities and community colleges.
- A statement concerning the role the grant will play in the decision of the applicant business to locate or expand in this state.
- Any additional information requested by the department.⁹¹

Amounts of the awards vary based on certain guidelines used by DEO in conjunction with other relevant applicant impact and cost information and analysis. The awards can range anywhere from \$500,000 for a cumulative investment of \$50 million and creating 50 jobs to \$12 million for a cumulative investment of \$800 million and creating 800 jobs. 92

Within ten business days after DEO receives the submitted High-Impact Sector Performance Incentive application, the executive director of DEO must approve or disapprove the application and issue a letter of certification which includes a justification of that decision, unless the business requests an extension of that time. DEO has the authority to grant awards to qualifying High-Impact Sector Performance Incentive projects without approval by the Governor or Legislative Budget Commission (LBC).⁹³

In EDR's most recent review period, only one project received a HIPI payment totaling \$2,500,000 for commencement of operations. The project is in the Television Broadcasting industry and also received a Capital Investment Tax Credit award.⁹⁴

The return on investment for the HIPI Program is 0.05, which mean that for every dollar spent on this program, the state of Florida only received \$0.05 back in tax revenue.⁹⁵

⁸⁹ s. 288.108, F.S.

⁹⁰ s. 288.108(2)(c), F.S.

⁹¹ s. 288.108(5), F.S.

⁹² s. 288.108(3)(b), F.S.

⁹³ s. 288.108(3)-(5), F.S.

⁹⁴ Review period: Fiscal Years 2012-13, 2013-14 and 2014-15. *See* EDR, Economic Evaluation for Select State Economic Development Incentive Programs, p. 23 (January 2017)

The low return on investment for the program is mainly attributable to the bundled nature of the one qualifying project. It produced 316 jobs, with an average confirmed wage of \$87,000. The jobs and wages produce an estimated output of \$121 million, and the project's confirmed capital investment of was \$138 million. However, the project is bundled with CITC. The HIPI portion of the project accounts for only 1.79 percent of the total incentive package, and as a result, only 1.79 percent of the total output and capital investment.⁹⁶

Quick Action Closing Fund (QAC)

The Quick Action Closing Fund (QAC) was created in 1999 as a discretionary "deal closing" tool in highly competitive negotiations where the state's traditional incentives are not enough to compel a business to relocate, initiate, or expand a project in Florida⁹⁷. The program was created in reaction to the announcement that the space shuttle program was being discontinued by NASA with expected job losses that would negatively impact families, companies, the state, and regional economies.⁹⁸

Under current law, in order to be eligible for QAC funds a project must meet the following criteria:

- Be in a qualified target industry;
- Have a positive economic benefit ratio of at least 5 to 1;
- Pay an average annual wage of at least 125 percent of the area-wide or statewide private sector average wage; and
- Be supported by the local community in which the project is to be located.

DEO and EFI jointly review applications⁹⁹ and determine the eligibility of each project. Waiver of the criteria may be considered under the following criteria:

- · Based on extraordinary circumstances;
- In order to mitigate the impact of the conclusion of the space shuttle program; or
- In rural areas of opportunity if the project would significantly benefit the local or regional economy.

DEO is required to evaluate proposals for high-impact business facilities based on the following 100:

- a description of the type of facility or infrastructure, its operations, and the product or service associated with the facility;
- the number of full-time equivalent jobs that will be created by the facility and the total estimated average annual wages of those jobs;
- the cumulative amount of capital investment to be made in the facility;
- a statement of any special impacts the facility is expected to stimulate in a particular business sector in the state or region or in the state's universities or colleges;
- a statement of the role the award will play in the decision of the company to locate or expand in the state; and
- a report evaluating the quality and value of the company submitting the proposal.

All QAC Fund projects have a performance based contract requiring specific scheduled milestones and annual compliance requirements. The program authorizes sanctions and penalties for failure to perform.

Within seven business days of evaluating a project, DEO must recommend to the Governor that a project be approved or disapproved for an award. The Governor is authorized to award projects less

⁹⁶ *Id*.

⁹⁵ Id.

⁹⁷ s. 288.1088, F.S.

⁹⁸ s. 288.1088(1)(b), F.S.

⁹⁹ s. 288.061, F.S.

¹⁰⁰ s. 288.1088(3), F.S.

than \$2 million without Legislative approval. For project awards between \$2 million and \$5 million, the Governor must provide a written description and evaluation of a project award to the chair and vice chair of the LBC at least ten days prior to giving final approval for a project award. Project awards over \$5 million must be approved by the LBC prior to funds being released. Following approval, DEO is required to enter into a contract with the business which specifies the conditions for payment of funds. ¹⁰¹ The contract must include the total amount of funds awarded, the performance conditions for the project, ¹⁰² a baseline of current service with a measure of enhanced capability following the project, methodology for measuring performance, the schedule of payments, and sanctions for failure to meet performance conditions. ¹⁰³

The program is funded by a specific annual appropriation, and has no cap. DEO reports that \$44.7 million in grant incentives was approved in Fiscal Year 2013-14. Additionally, the report stated that 144 contracts have been executed through June 30, 2014, with 106 active contracts and ten successfully completed contracts.

The ROI for the QAC program is projected at 0.60, which is down from the prior ROI projected at 1.1.¹⁰⁴ For every dollar spent on this discretionary "deal closing" tool for highly competitive negotiations, the state of Florida only received \$0.60 back in tax revenue.

Innovation Incentive Program (IIP) 105

The Innovation Incentive Program (IIP) was established in 2006 to provide financial resources so that the state can "respond expeditiously to extraordinary economic opportunities and to compete effectively for high-value research and development, innovation business, and alternative and renewal energy projects." To be eligible for consideration to receive an IIP award, an innovation business, a research and development entity, or an alternative and renewable energy company must submit a written application to DEO before making a decision to locate new operations in the state or expand an existing operation in the state.

To qualify for review by DEO, the applicant must establish that the jobs created by the project must pay an estimated annual wage of at least 130% of the average private sector wage and state awards must be matched by local sources. IIP performance contracts also include a reinvestment requirement, obliging recipients to remit a portion of their royalty revenue back to the state for reinvestment.

DEO is authorized to waive the average wage requirement and the one-to-one match from the local community at the request of EFI, for a project located in a rural area, a brownfield area, or an enterprise zone, when the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action.

DEO must make a recommendation to the Governor to approve or deny an Innovation Incentive Program award. If the project is recommended, DEO must include in their recommendation proposed performance conditions that the applicant must meet in order to obtain incentive funds and any other conditions that are required to be met before the receipt of any incentive funds. The Governor must approve or deny the award based on the valuation and recommendation received from DEO, and consult with the President of the Senate and the Speaker of the House of Representatives prior to approving an award. The funds may not be released until the award has been reviewed and approved by the LBC.

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¹⁰¹ s. 288.1088(3)(d), F.S.

¹⁰² Performance conditions include net new employment in the state, average salary, and total capital investment. *See* s. 288.1088(3)(d), F.S.

¹⁰³ s. 288.1088(3)(d), F.S.

¹⁰⁴ EDR, Economic Evaluation for Select State Economic Development Incentive Programs, p. 2 (January 2017) s. 288.1089, F.S.

Upon approval, DEO and the award recipient must enter into an agreement that specifies the amount of the award, the performance conditions and measures, and a schedule of payments and sanctions for failure to comply with performance conditions, including claw back provisions. Agreements signed on or after July 1, 2009, must also include, among other things, provisions related to job creation, reinvestment of royalty revenues, reporting requirements, and a process for amending the agreement.

Through Fiscal Year 2015-2016, nine projects have received \$435 million (96%) of the \$456 million in total contracted IIP funds. Most IIP recipients have been unable to achieve job goals and several have left the state prior to contract completion. As of June 30, 2016, program recipients had created less than half of the jobs they committed to create in their contracts. The state prior to contract the jobs they committed to create in their contracts.

The ROI for the IIP program is 0.10, which is down from the prior ROI of 0.2.¹⁰⁹ For every dollar spent on this program, the state of Florida only received \$0.10 back in tax revenue.

OTHER INCENTIVES

Quick-Response Training for Economic Development (QRT)

The 1993 Legislature established the QRT Program to meet the workforce needs of existing, new, and expanding industries. ¹¹⁰ The program provides grant funding for customized, skill-based training designed to meet the special requirements of businesses in Florida's qualified target industries. ¹¹¹ Industry associations from the target industry list may apply for consortium grants to serve multiple businesses in the same industry sector. ¹¹² CareerSource Florida (CSF), the business-led statewide workforce investment board, administers the program. ¹¹³

The program is state funded and provides grants to qualifying businesses to train their new full-time employees. For the purpose of employee retention, grants are also provided to companies that are considering leaving the state. All grant applications are given equal consideration and are processed on a first-come, first-served basis. Each grant lasts no more than 24 months. Grant recipients pay for pre-approved direct training-related costs, including instructor wages, curriculum development, and textbooks/manuals and are reimbursed for a portion of the expenses upon submission of required documentation.

Program funds are allocated to a local fiscal agent, which can be a career center, community college, or state university. The fiscal agents manage grant contracts between CSF and grant recipients. There are 30 fiscal agents to assist local businesses in the application, reporting, and reimbursement processes; fiscal agents may keep up to 5% of the grant award amount for performing these tasks. The majority of fiscal agents are community colleges, while a few are local school boards and state universities (e.g., the Hillsborough County School Board, the University of North Florida).

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¹⁰⁶ OPPAGA, Report No. 17-02, Florida Economic Development Program Evaluations-Year 4, p. 12.

¹⁰⁷ Id. at 1.

¹⁰⁸ *Id.* at 13.

¹⁰⁹ EDR, Economic Evaluation for Select State Economic Development Incentive Programs, p. 2 (January 2017)

¹¹⁰ s. 288.047, F.S. (ch. 93-187, Laws of Fla.)

From Fiscal Year 2011-12 through 2013-14, qualified target industries were aviation and aerospace, life sciences, manufacturing, defense and homeland security, information technology, financial and professional services, logistics and distribution, cleantech, and corporate headquarters.

The consortium grants are intended to fill a need for small companies creating net new jobs. Consortium grant recipients must create a minimum of 10 new jobs.

¹¹³ Prior to 2014, CSF was known as Workforce Florida, Inc. CSF is administratively housed within the Department of Economic Opportunity. In addition to administering the QRT and the Incumbent Worker Training training programs, CSF provides policy oversight and designs strategies to address statewide workforce needs and oversees 24 regional workforce boards around the state. ¹¹⁴ s. 288.047(3), F.S. The 2000 Legislature created the allocation of 5% for fiscal agents via ch. 2000-165, Laws of Florida. This allocation is used solely for indirect costs.

Recipients may provide the grant-funded training via a company employee, independent training vendor, or local fiscal agent. Although the program originally intended for fiscal agents to be the primary training providers, relatively few grant recipients use them for that purpose. Instead, most grant recipients use in-house employees or independent vendors to provide the training.

In order to qualify for QRT a company must 115:

- Be "for profit" and create new, permanent, full-time (35+ hours per week) jobs for workers requiring customized entry-level skills training not available at the local level.
- Create new, full-time, permanent, high-quality jobs in qualified target industries.
- Require non-degree, specialized skill-based training of 24 months or less not available at the local level.
- Create high-quality jobs paying an average annual wage of at least 115% of local or state private sector wages, whichever is lower.
 - Exception: For businesses located in a distressed urban or rural community, enterprise/empowerment zone, or brownfield area, average annual wage means the average, for a 12-month period or, if less than a 12-month period, converted to a 12-month period, of actual wages.
- Produce an exportable (beyond regional markets) good.
- Provide sufficient documentation for identification of all participants that would allow access
 through the automated student databases pursuant to s. 288.047(5)(e), F.S., or electronic
 listings by social security number for calculation of performance measures, and any other
 outcomes as specified in s.1008.39, F.S., or deemed pertinent to CareerSource Florida.
- May not qualify for funding if relocating from one Florida community to another Florida community.

The ROI for the QRT program was 0.09. 116 For every dollar spent on this program, the state of Florida received \$0.09 back in tax revenue.

Economic Gardening

In 2009, the Florida Legislature created the "Economic Gardening Technical Assistance Pilot Program" and "Economic Gardening Business Loan Pilot Program" to stimulate investment in Florida's economy by providing technical assistance and loans to expanding businesses in the state, respectively.¹¹⁷

The technical assistance program provides an avenue through which eligible companies can receive counseling services, access to technology and information, marketing services and advice, business management support, and other similar services. To carry out the program, DEO contracted with the University of Central Florida (UCF), which in turn established the Florida Economic Gardening Institute or "GrowFL." 119

To be eligible for assistance through GrowFL, a business must be a for-profit, privately held, investment-grade business that:

- · employs at least ten persons but not more than fifty persons;
- has maintained its principal place of business in the state for at least the previous two years;
- generates at least \$1 million but not more than \$25 million in annual revenue;
- qualifies for the tax refund program for qualified target industry businesses under s. 288.106, F.S.; and

¹¹⁵ OPPAGA Report No. 15-11, p. 48

¹¹⁶ EDR, Economic Evaluation for Select State Economic Development Incentive Programs, p. 2 (January 2017)

¹¹⁷ ss. 288.1081 and 288.1082, F.S.

¹¹⁸ s. 288.1082(2), F.S.

¹¹⁹ DEO, 2015- 2016 Annual Incentives Report Page, p. 19. **STORAGE NAME**: h7005b.RPC

 has increased both its number of full-time equivalent employees in this State and its gross revenues during three of the previous five years.¹²⁰

The loan program expired on July 1, 2016. 121

Microfinance Loan Guarantee Program

The Microfinance Loan Guarantee Program is designed to stimulate access to credit for entrepreneurs and small businesses by providing guarantees for loans made to eligible entrepreneurs and small businesses. Microloan guarantees may be used for any allowable business purpose such as startup costs, working capital, and the acquisition of materials, supplies, furniture, fixtures, and equipment. Loan guarantees cannot exceed 50 percent of the total loan amount, and are limited to loans that range between \$50,000 and \$250,000.

On February 17, 2015, DEO entered into an agreement with EFI, as required in s. 288.9935(3), F.S., for \$2.52 million to administer the loan guarantee program. On June 16, 2015, EFI received an additional allocation of \$2.3 million for the Microfinance Loan Guarantee Program, as a result of the lack of RFP responses for additional Microfinance Loan Program administrators. EFI received a total allocation of \$4.825 million to administer the loan guarantee program. 122

Sports Programs

International Game Fish Association World Center

The International Game Fish Association (IGFA) is a nonprofit organization founded in 1939 that focuses on the conservation of game fish and the promotion of responsible and ethical angling practices. The association is currently headquartered in Dania Beach, Florida.

In 1996, the Florida Legislature created a funding program for the IGFA to build and maintain its "World Center" facility in Florida. ¹²³ The program required the IGFA to apply for and receive certification from DEO, which the IGFA accomplished in February, 2000. ¹²⁴

IGFA received funding after initially meeting the following requirements 125:

- the IGFA World Center must be the only fishing museum, hall of fame, and international administrative headquarters in the U.S. recognized by the IGFA, and that one or more private sector entities committed to donate to the IGFA land upon which the facility will operate;
- IGFA is a nonprofit Florida corporation that has contracted to construct and operate the facility;
- the municipality or county (if located in an unincorporated area) in which the facility is located has passed a resolution that states the facility serves a public purpose;
- there are existing projections that the facility and co-located privately-owned facilities will attract an attendance of more than 1.8 million annually;
- there is an independent analysis which demonstrates that the amount of sales tax generated by sales at the facility will at least equal \$1 million annually;
- there are existing projections that the project will attract more than 300,000 out-of-state visitors annually;

¹²⁰ s. 288.1082(4), F.S.

¹²¹ s. 288.1081(10), F.S.

DEO, Microfinance Program Annual Report FY 2015-2016, p. 7-8.

¹²³ ch. 96-415, Laws of Fla.

¹²⁴ OPPAGA, Report No. 15-01, Economic Development Program Evaluations-Year 2, at 52 (Jan. 1, 2015)

¹²⁵ s. 288.1169(2), F.S.

- the applicant has submitted an agreement to provide \$500,000 annually in national and international media promotion of the facility during the period of time that it receives state funds;
- documentation exists that demonstrates the applicant has provided, or is capable of providing, more than one-half of the cost related to the improvements and the development of the facility; and
- the application for certification is signed by senior officials of the IFGA and is notarized according to state law.

In addition, Florida law required the World Center to be recertified every ten years by demonstrating that it was open, continued to be the only international administrative headquarters, fishing museum, and hall of fame in the country recognized by the IGFA, and was meeting at least one of the minimum projections established at the time of original certification: 300,000 annual visitors or \$1 million in annual sales tax revenue. ¹²⁶

Upon the granting of certification, the Department of Revenue distributed a lump sum payment of \$999,996 to the IGFA and \$83,333 per month thereafter for up to 168 months (for a total of \$13,999,944). The state made its last disbursement to the facility in February 2014, 127 and on March 19, 2015, the IGFA announced that it would be moving its Fishing Hall of Fame and Museum to Springfield, Missouri. 128

The ROI for the funding program for the IGFA was -0.09. 129 For every dollar spent for this program, the state of Florida lost all of its investment and incurred an additional cost of \$0.09.

Florida Sports Foundation (FSF)

EFI is responsible for assisting and marketing professional and amateur sports teams and sporting events in Florida and is required to create a division to carry out such responsibility. The Florida Sports Foundation, Inc. (FSF) is a 501(c)(3) non-profit corporation, serving as the official sports promotion and development organization for the State of Florida. It is charged with the promotion and development of professional, amateur, and recreational sports, physical fitness opportunities, and assisting communities and host organizations in attracting major and minor sports events to help produce a thriving Florida sports industry and environment.

The 1989, the Legislature provided that the Office of Tourism, Trade, and Economic Development (OTTED) could authorize a "direct support organization" to assist the office with a number of sports related responsibilities. The direct-support organization that ultimately fulfilled such role was the FSF.

In 2011, when Florida lawmakers reorganized certain governmental agencies to create the Department of Economic Opportunity (which, among other responsibilities, took over the operations of OTTED), the statute providing for the direct support organization (s. 288.1229, F.S.) was repealed. ¹³¹ EFI continued as the official sports promotion and development organization for the state and the FSF is currently housed within EFI and serves as EFI's Division of Sports Industry Development. The FSF's stated mission is to:

• assist communities in the state with securing, hosting, and retaining sporting events that generate economic impact and sports-tourism for the state;

¹²⁹ EDR, Return on Investment for the Florida Sports Foundation Grants and Related Programs, p. 2 (January 2015). ss. 288.901 and 288.9015, F.S.

¹²⁶ The facility reported an average of \$3.8 million in annual sales tax revenues generated from 2000 through 2010 and received recertification in 2011. OPPAGA, Report No. 15-01, p. 52 (Jan. 1, 2015)

Brian Bandell, Fishing Hall of Fame and Museum ditching Dania Beach for Missouri, ORLANDO BUS. J. (March 19, 2015), http://www.bizjournals.com/southflorida/news/2015/03/19/fishing-hall-of-fame-and-museum-ditching-dania-for.html

¹³¹ ch. 2011-142, Laws of Fla.

- provide Floridians opportunities to participate in the Sunshine State Games and Florida Senior Games:
- serve as the state's leading source for sports-tourism research and information;
- · assist in the promotion of targeted leisure sport industries in the state; and
- assist national and state governing bodies to promote amateur sports development through the Sunshine State Games and hosting events in the state.

The FSF promotes Florida Spring Training Baseball as a tourist destination for Major League Baseball fans each March, hosting 15 MLB teams at 14 locations throughout the state. In 2016, over 1.5 million fans visited to Florida for Spring Training games, with over 26 million fans attending Florida Spring Training Games since 2000.

Professional Sports Franchise Program

Authorized by the Legislature in 1988, the Professional Sports Franchise incentive is the state's funding mechanism to attract and retain pro sport franchises in Florida. Since 1991, qualified/certified applicants are eligible for up to \$2 million annually for 30 years. These dollars are pledged with other local government resources to secure bonds to fund the acquisition, construction, reconstruction or renovation of pro sport facilities.

State law provides certification and state funding for new or retained professional sports franchises in Florida to pay for acquiring, constructing, reconstructing, or renovating facilities. DEO is responsible for screening and certifying applicants for state funding, and the FSF provides access to information about the program. Since 1994, the Legislature has allocated state funding for 8 major professional sports facilities; 10 Major League Baseball spring training facilities; and the Professional Golf Hall of Fame. ¹³²

"New professional sports franchise" means a professional sports franchise that was not based in this state before April 1, 1987. "Retained professional sports franchise" means a professional sports franchise that has had a league-authorized location in this state on or before December 31, 1976, and has continuously remained at that location, and has never been located at a facility that has been previously certified under any provision of this section.¹³³

Before certifying an applicant as a facility for a new or retained professional sports franchise, DEO must determine that 134:

- A "unit of local government" as defined in s. 218.369, F.S., is responsible for the construction, management, or operation of the professional sports franchise facility or holds title to the property on which the professional sports franchise facility is located.
- The applicant has a verified copy of a signed agreement with a new professional sports
 franchise for the use of the facility for a term of at least 10 years, or in the case of a retained
 professional sports franchise, an agreement for use of the facility for a term of at least 20
 years.
- The applicant has a verified copy of the approval from the governing authority of the league in which the new professional sports franchise exists authorizing the location of the professional sports franchise in this state after April 1, 1987, or in the case of a retained professional sports franchise, verified evidence that it has had a league-authorized location in this state on or before December 31, 1976. As used in this section, the term "league" means the National League or the American League of Major League Baseball, the National Basketball Association, the National Football League, or the National Hockey League.
- The applicant has projections, verified by DEO, which demonstrate that the new or retained professional sports franchise will attract a paid attendance of more than 300,000 annually.

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¹³² OPPAGA Report No. 16-09, p. 47.

¹³³ s. 288.1162(3), F.S.

¹³⁴ s. 288.1162(4), F.S.

- The applicant has an independent analysis or study, verified by DEO, which demonstrates
 that the amount of the revenues generated by the taxes imposed under chapter 212 with
 respect to the use and operation of the professional sports franchise facility will equal or
 exceed \$2 million annually.
- The municipality in which the facility for a new or retained professional sports franchise is located, or the county if the facility for a new or retained professional sports franchise is located in an unincorporated area, has certified by resolution after a public hearing that the application serves a public purpose.
- The applicant has demonstrated that it has provided, is capable of providing, or has financial
 or other commitments to provide more than one-half of the costs incurred or related to the
 improvement and development of the facility.
- An applicant previously certified under any provision of this section who has received funding under such certification is not eligible for an additional certification.

No more than eight facilities can be certified as facilities for a new professional sports franchise or as facilities for a retained professional sports franchise, including in the total any facilities certified by the former Department of Commerce before July 1, 1996, and no more than one certification may be granted for any facility. 135

Currently, under s. 218.64(3), F.S., counties may use up to \$3 million annually of the local government half-cent sales tax allocated to that county for a number of purposed, including, as specified in s. 218.64(3)(a), F.S., "funding a certified applicant as a facility for a new or retained professional sports franchise under s. 288.1162, F.S., or a certified applicant as defined in s. 288.11621, F.S., for a facility for a spring training franchise." ¹³⁶

Under s. 212.20(6)(b), F.S., DEO distributes 137:

- \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162, F.S., and
- up to \$41,667 monthly to each certified applicant as defined in s. 288.11621, F.S., for a facility for a spring training franchise.

However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621, F.S. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5), F.S., or s. 288.11621(3), F.S. 138

An applicant certified as a facility for a new or retained professional sports franchise may use funds provided under s. 212.20, F.S., only for the public purpose of paying for the acquisition, construction, reconstruction, or renovation of a facility for a new or retained professional sports franchise to pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect to, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.¹³⁹

¹³⁵ s. 288.1162(6), F.S.

¹³⁶ s. 218.64(3), F.S.

¹³⁷ s. 212.20(6)(a), F.S.

¹³⁸ s. 212.20(6)(a), F.S.

¹³⁹ s. 288.1162(5), F.S.

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To date, eight certified facilities for new or retained professional sports franchises have received funding distributions from DOR. Each facility receives \$166,667 monthly (\$2 million annually) for no more than 30 years, totaling a maximum of \$60 million.¹⁴⁰

The ROI for the Professional Sports Franchise incentive was 0.30.¹⁴¹ For every dollar spent on the program, the state of Florida received \$0.30 back in tax revenue.

Spring Training Baseball Franchise Program

The Spring Training Baseball Franchise incentive is the state's funding mechanism to attract and retain facilities for Major League Baseball (MLB) spring training in Florida. Qualified applicants are eligible for up to \$500,000 annually for up to 30 years. These dollars are typically pledged with designated Tourist Development Tax revenue and other local government resources to secure bonds to fund the acquisition, construction, reconstruction or renovation of spring training facilities.

In 1991, the law establishing incentives to attract professional franchises to the state was significantly revised and expanded to include an incentive for spring training baseball franchises. Certification criteria for the spring training franchise incentive included a commitment by the franchise to use the facility for fifteen years, projections for paid attendance (at least 50,000 annually), demonstration of the financial capability to provide more than one-half of the costs incurred or related to the improvement or development of the facility, proof that the facility was located within 20 miles of an interstate or other limited-access highway system, and a requirement that the county levy a four-percent Tourist Development Tax, with 87.5% of the proceeds dedicated for the construction of the complex. This law also limited the total number of awards for both the professional sports franchises and new spring training franchises to six, and prohibited facilities from receiving more than one award.

In 1999, the Legislature extended the use of the Professional Sports and Additional Professional Sports Tourist Development Taxes to fund debt service on spring training franchise facilities. At that point, no local governments had applied for the incentive. In 2000, the law was amended to limit the incentive to "retained" rather than "new" spring training franchises; delete the requirement that the facility be located within 20 miles of an interstate or other limited-access highway system; establish ranking criteria for awards; and limit the awards to publically-owned facilities, authorized for in-state relocations. At the control of the professional Sports and Additional Professional Professio

In 2006, the number of authorized awards for spring training facilities was expanded to ten, with the imposition of additional certification criteria. Counties were authorized to use up to \$2 million of their local option half-cent sales tax revenues annually to fund facilities for new or retained professional sports franchises and facilities for retained spring training franchises. Finally, the scope of the incentive was expanded in 2010, to include any spring training franchise rather than only "retained" spring training franchises 147, and by August 2012, ten facilities were certified for the incentive. 148

Currently, under s. 218.64(3), F.S., counties may use up to \$3 million annually of the local government half-cent sales tax allocated to that county for a number of purposes, including, as specified in s. 218.64(3)(a), F.S., "funding a certified applicant as a facility for a new or retained

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¹⁴⁰ EDR, Return on Investment for the Florida Sports Foundation Grants and Related Programs, p. 18-19 (January 2015).

¹⁴¹ Id

¹⁴² ch. 91-274, Laws of Fla.

¹⁴³ ch. 99-287, Laws of Fla.

¹⁴⁴ EDR, Return on Investment for the Florida Sports Foundation Grants and Related Programs, p. 21. (January 2015).

¹⁴⁵ ch. 2000-186, Laws of Fla.

¹⁴⁶ ch. 2006-262, Laws of Fla.

ch. 2010-140, Laws of Fla. (with provisions relating to the spring training incentive were transferred from s. 288.1162 to newly created s. 288.11621, F.S.)

¹⁴⁸ EDR, Return on Investment for the Florida Sports Foundation Grants and Related Programs, p. 21. (January 2015).

professional sports franchise under s. 288.1162, F.S., or a certified applicant as defined in s. 288.11621, F.S., for a facility for a spring training franchise." ¹⁴⁹

Before certifying an applicant to receive state funding for a facility for a spring training franchise, DEO must verify that ¹⁵⁰:

- The applicant is responsible for the acquisition, construction, management, or operation of the facility for a spring training franchise or holds title to the property on which the facility for a spring training franchise is located.
- The applicant has a certified copy of a signed agreement with a spring training franchise for the use of the facility for a term of at least 20 years. The agreement also must require the franchise to reimburse the state for state funds expended by an applicant under this section if the franchise relocates before the agreement expires. The agreement may be contingent on an award of funds under this section and other conditions precedent.
- The applicant has made a financial commitment to provide 50 percent or more of the funds
 required by an agreement for the acquisition, construction, or renovation of the facility for a
 spring training franchise. The commitment may be contingent upon an award of funds under
 this section and other conditions precedent.
- The applicant demonstrates that the facility for a spring training franchise will attract a paid attendance of at least 50,000 annually to the spring training games.
- The facility for a spring training franchise is located in a county that levies a tourist development tax under s. 125.0104.

Each applicant certified since July 1, 2010, enters into an agreement that 151:

- Specifies the amount of the state incentive funding to be distributed.
- States the criteria that the certified applicant must meet in order to remain certified.
- States that the certified applicant is subject to decertification if the certified applicant fails to comply with this section or the agreement.
- States that DEO may recover state incentive funds if the certified applicant is decertified.
- Specifies information that the certified applicant must report to DEO.
- Includes any provision deemed prudent by DEO.

A certified applicant may use funds provided under s. 212.20(6)(d)(6)(b), F.S., to: 152

- Serve the public purpose of acquiring, constructing, reconstructing, or renovating a facility for a spring training franchise.
- Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.
- Assist in the relocation of a spring training franchise from one unit of local government to another only if the governing board of the current host local government by a majority vote agrees to relocation.

Additionally, state funds awarded to a certified applicant for a facility for a spring training franchise may not be used to subsidize facilities that are privately owned, maintained, and used only by a spring training franchise. The expenditure of state funds distributed to a certified applicant, must begin within 48 months after the initial receipt of the state funds, with the additional requirement of the construction of, or capital improvements to, a spring training facility being completed within 24 months after the project's commencement. 154

¹⁴⁹ s. 218.64(3), F.S.

¹⁵⁰ s. 288.11621(2)(a), F.S.

¹⁵¹ s. 288.11621(2)(c), F.S.

¹⁵² s. 288.11621(3)(a), F.S.

¹⁵³ s. 288.11621(3)(b), F.S.

¹⁵⁴ s. 288.11621(3)(d)(3), F.S.

The ROI for the Spring Training Baseball Franchise program is 0.11. For every dollar spent for this program, the state of Florida only received \$0.11 back in tax revenue.

Major League Baseball Spring Training Retention Program

Section 288.11631, F.S., authorizes local governments that partner with a spring training baseball franchise to apply for certification from DEO to receive state distributions for the purpose of renovating or constructing a spring training baseball facility.¹⁵⁵

Certified applicants receive a distribution from state sales tax revenue of up to \$83,333 per month for 20 years for a facility used by a single spring training franchise facility or up to \$166,667 per month for 25 years for a facility used by more than one spring training franchise. The amount of state incentive funding per certified applicant may not exceed \$20 million if the applicant's facility is used by one franchise and \$50 million if the applicant's facility is used by more than one franchise.

Section 288.11631, F.S., which became law in 2013, mostly mirrors the provisions of s. 288.11621, F.S. The differences between the sections include:

- The agreement must be for a minimum of the length of the term of the bonds issued for the construction or renovation of the facility, or if no such bonds are issued, at least 20 years.
- A new agreement may not be signed unless the previous agreement, if any, is within 4 years of expiring.
- There is no limit to the number of applicants which may be certified.
- The net increase in recreational areas represented by the facility is not considered in the evaluation process.
- The amount of state funding provided in the agreement between the applicant and DEO may not exceed \$20 million, or if the applicant hosts 2 or more franchises, \$50 million.
- Funds provided as a result of certification under this section may not be used to acquire or reconstruct a facility, or to assist a franchise in moving from one local government to another.

A recent example of the Spring Training Retention Program is with the City of Lakeland and the Detroit Tigers who reached an agreement on the terms and conditions included in a contract extending the City's relationship with the organization another 20 years. The previous contract signed in 2000 expired December 31, 2016, with the new contract solidifying the Detroit Tigers continuing their Spring Training, their Class A Minor League operations with the Flying Tigers, and programs at Joker Marchant Stadium and the Tigertown Complex through 2036. The State of Florida, through the Spring Training Retention Program is set to fund \$1 million per year for 20 years as part of the total \$37 million to be available for capital improvements to the Joker Marchant Stadium and Tigertown Complex.

Sports Development Program

In 2014, the Florida Legislature enacted the Sports Development Statute for "[t]he purpose of ... provid[ing] applicants state funding ... for the public purpose of constructing, reconstructing, renovating, or improving a [sports] facility." An applicant qualifying as a new professional sports franchise must be a professional sports franchise that was not based in Florida prior to April 1, 1987. Applicants qualifying as retained professional sports franchises must have had a league-authorized location in the state on or before December 31, 1976, and be continuously located at the location.

¹⁵⁵ s. 288.11631(1)-(2), F.S.

¹⁵⁶ s. 212.20(6)(d)(6)(e), F.S.

¹⁵⁷ s. 288.11631(2)(c), F.S.

¹⁵⁸ City News Blog, CITY OF LAKELAND (July, 18, 2014),

The number of certified professional sports franchises, both new and retained, is limited to eight total franchises.

The statute tasks DEO with screening applications and provides two distinct application processes. The general application and approval process, found in s. 288.11625(4), F.S., includes a competitive evaluation and ranking component. The special application process, found in subsection s. 288.11625(11), F.S., modifies the general application and approval process by providing a separate process for any applications for new facilities or projects commenced between March 1, 2013, and July 1, 2014. The special application process specifically omits a competitive evaluation and ranking component and also permits the LBC, rather than the Legislature, to "approve" applications.

Under either application process, it is not the DEO's role to allocate funding; that is a decision the statute explicitly reserves for the Legislature under the general application process and for the LBC under the special application process. A DEO recommendation under the special application process is not a subjective determination by DEO that an applicant's project will have a positive economic impact, but is simply a certification that the statutory criteria are met.

Within the statute, any "beneficiary" means a professional sports franchise of the National Football League, the National Hockey League, the National Basketball Association, the National League or American League of Major League Baseball, Minor League Baseball, Major League Soccer, the North American Soccer League, the Professional Rodeo Cowboys Association, the promoter or host of a signature event administered by Breeders' Cup Limited, or the promoter of a signature event sanctioned by the National Association for Stock Car Auto Racing. ¹⁶⁰ A beneficiary may also be an applicant under this section. However, a professional sports franchise of the National League or the American League of Major League Baseball or Minor League Baseball may not be a beneficiary unless, before filing an application under s. 288.11625(3), F.S., it meets specified conditions.

No applications have been approved under this program.

Florida Sports Specialty License Plates

Florida law authorizes the Legislature to create "specialty" license plates that are available to any owner or lessee of a motor vehicle willing to pay an annual fee of typically \$25. The collected fees are distributed by the Department of Highway Safety and Motor Vehicles (DMSMV) to statutorily designated organizations in support of a particular cause or charity. With respect to specialty license plates related to sports, the DHSMV distributes collected fees to EFI, which in turn administers the fees as statutorily directed. Currently, such sports-related specialty license plates include the following:

- the Florida United States Olympic Committee license plate;
- Florida Professional Sports Team license plates;
- the Florida Golf license plate;
- the Florida NASCAR license plate; and
- the Florida Tennis license plate.

Entertainment Industry Incentives

Office of Film and Entertainment

The Office of Film and Entertainment (OFE) within the DEO develops, markets, promotes, and provides services to Florida's entertainment industry, including serving as a liaison between the industry and government entities and facilitating access to filming locations. ¹⁶¹ The Commissioner of Film and Entertainment is selected through a national search and must meet certain qualifications.

¹⁶⁰ s. 288.11625(2)(c), F.S.

¹⁶¹ s. 288.1251, F.S.; see also Florida Office of Film & Entertainment, http://filminflorida.com/ (last visited February 4, 2017).

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The OFE is assisted by the Florida Film and Entertainment Advisory Council (council), which is composed of seventeen members, of which seven members are appointed by the Governor, and five members each are appointed by the President of the Senate and the Speaker of the House of Representatives. ¹⁶²

The OFE gathers statistical information related to the state's entertainment industry; provides information and services to businesses, communities, organizations, and individuals engaged in entertainment industry activities; administers field offices outside the state; and coordinates with regional offices maintained by counties and regions of the state. The OFE is also required to develop a five year strategic plan to guide its activities, which is updated on an annual basis and aligns with the DEO's Strategic Plan for Economic Development. The OFE's mission is to build, support, and market the entertainment industry in Florida.

Entertainment Industry Incentive Programs

In 2003, the Legislature created the Entertainment Industry Financial Incentive Program, ¹⁶³ which is a six year program that began July 1, 2010, and sunsets June 30, 2016. The program provides tax credits for qualified expenditures related to filming and production activities in Florida. These tax credits may be applied against the corporate income tax or sales and use taxes. Additionally these tax credits may be transferred or sold one time. ¹⁶⁴

Over the six year period, a total of \$296 million in tax credits were authorized. Annual limitations for tax credits were set at:

- \$53.5 million in Fiscal Year 2010-11:
- \$74.5 million in Fiscal Year 2011-12; and
- \$42 million in each Fiscal Year 2012-13, 2013-14, 2014-15, and 2015-16.

The OFE reports that all of the tax credits authorized for the six year period have been certified (allocated to certified productions). ¹⁶⁶ Entertainment industry qualified production companies are eligible for several exemptions from taxes under ch. 212, F.S. A qualified production company can obtain a certificate to avoid paying tax at the point of sale, rather than claiming a refund after paying the tax. ¹⁶⁷ Qualified production companies are exempt from paying sales tax for the following:

- Lease or rental of real property that is used as an integral part of an activity or service
 performed directly in connection with the production of a qualified motion picture (the term
 "activity or service" includes photography, casting, location scouting, and designing sets).
- Fabrication labor when a producer uses his or her own equipment and personnel to produce a qualified motion picture.¹⁶⁹
- Purchase or lease of motion picture and video equipment and sound recording equipment
 used in Florida for motion picture or television production or for the production of master tapes
 or master records.¹⁷⁰
- Sale, lease, storage, or use of blank master tapes, records, films, and video tapes. 171

The OFE reviews and approves applications for the exemptions and the Department of Revenue (DOR) issues certificates of exemption to the production companies.

¹⁶² s. 288.1252, F.S.

¹⁶³ s. 288.1254, F.S. See ch. 2003-81, Laws of Fla. In 2010, the incentive program was changed from a cash reimbursement type program to the current form. See ch. 2010-147, Laws of Fla.

¹⁶⁴ Also, tax credits may be relinquished to the Department of Revenue for 90% of the amount of the relinquished tax credit.

¹⁶⁵ s. 288.1254(7), F.S. In 2012, an additional year was added to the program. See s. 15, Ch. 2012-32, Laws of Fla.

¹⁶⁶ EDR, Return on Investment for the Entertainment Industry Incentive Programs, p. 5 (Jan. 2015)

¹⁶⁷ s. 288.1258, F.S.

¹⁶⁸ s. 212.031(1)(a)(9), F.S.

¹⁶⁹ Section 212.06(1)(b), F.S., provides a definition of the term "qualified motion picture" for purposes of ch. 212, F.S.

¹⁷⁰ s. 212.08(5)(f), F.S.

¹⁷¹ s. 212.08(12), F.S.

The ROI for the Entertainment Industry Financial Incentive Program was 0.43.¹⁷² For every dollar spent on this program, the state of Florida received \$0.43 back in tax revenue. Additionally, the ROI for the Entertainment Industry Sales Tax Exemption was 0.54.¹⁷³ For every dollar spent on this program providing tax credits for qualified expenditures related to filming and production activities in Florida, the state of Florida received \$0.54 back in tax revenue.

Other Programs

Florida Opportunity Fund

In 2007, the Legislature found that there was a need to increase the availability of seed capital and early stage venture equity capital for emerging Florida companies in targeted industries. In response to this need, the Legislature passed the Florida Capital Formation Act.¹⁷⁴ The act provided for the creation of the Florida Opportunity Fund (FOF), which was launched in 2008, initially as a fund of funds program. In 2009, the Legislature expanded the FOF's mandate under the Capital Formation Act to create direct investment programs that invest in businesses and infrastructure projects.¹⁷⁵

FOF is a consolidated unit of EFI, and EFI appoints a five-member board of directors to govern the FOF. The individuals selected for the board serve without compensation and have expertise in the selection and supervision of early stage investment managers or in the fiduciary management of investment funds.¹⁷⁶

To manage the fund, the FOF contracts with Florida First Partners, a joint venture between Arsenal Venture Partners and Grosvenor Capital Management's Customized Fund Investment Group. ¹⁷⁷ Florida First Partners provides the FOF with investment advisory services. In this capacity, the fund manager must evaluate the suitability of possible investments, perform due diligence on venture capital firms and direct investment candidates, ensure proper allocation of funds across FOF programs, and measure the performance of individual investments and the fund at large. As of June 30, 2013, EFI has paid Florida First Partners fund management fees of approximately \$4.7 million. ¹⁷⁸

The Capital Formation Act authorized the creation of the FOF, which as of June 30, 2013, was funded with approximately \$103.9 million from state and federal sources. These funds support three programs: Fund of Funds, Clean Energy Investment, and Florida Venture Capital. The Legislature appropriated \$29.5 million to the Fund of Funds Program, while the federal government provided \$74.4 million for direct investments in the Clean Energy Investment Program and Florida Venture Capital Program. ¹⁷⁹

State law requires that the FOF invest in venture capital funds that are either based in the state, have a record of successful investments in the state, or have an office in the state staffed with a full-time professional investment executive. Similarly, federal law requires that all direct investments through

subsequent years, the Clean Energy Investment Program and Florida Venture Capital Program were established and funded with federal American Recovery and Reinvestment Act and State Small Business Credit Initiative funds, respectively.

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¹⁷² EDR, Return on Investment for the Entertainment Industry Incentive Programs, p. 5 (Jan. 2015)

 $^{^{173}}$ *Id*.

¹⁷⁴ s. 288.9621, F.S.

¹⁷⁵ OPPAGA, Status of Florida Opportunity Fund Investments, p. 1 (August 13, 2014)

^{1/6} *Id*.

¹⁷⁷ The FOF issued an RFP for Venture Capital Investment Advisory Services in 2008. Firms were required to submit a proposal to EFI providing information regarding the firm's level of experience, quality of management, investment philosophy and process, provable success in fundraising, prior investment fund results, and plan for achieving the purposes of the Capital Formation Act.

¹⁷⁸ *Id.* The fund manager may also receive a percentage of the realized gains from fund investments if the return exceeds the

aggregate invested capital.

179 Id at 2. The Legislature established the Fund of Funds Program in 2008 following the passage of the Capital Formation Act. In

the Clean Energy Investment Program and Florida Venture Capital Program be awarded to companies with a Florida nexus.

The following table provides an overview of the three programs, including funding sources and total investments made as of June 30, 2013:¹⁸⁰

Program (Inception)	Purpose	Funding/Source	Investments
The Fund of Funds (2008)	Realize significant long-term capital appreciation by identifying and investing in a diversified, high-quality portfolio of seed and early stage venture capital funds that target investment opportunities within Fiorida	\$29.5 million / State appropriation	As of June 30, 2013, \$27 million had been committed to eight venture capital funds; \$11.8 had been funded.
Clean Energy Investment (2010)	Promote the adoption of energy efficient or renewable energy products and technologies in Florida by providing funding to businesses to increase the use of such technologies, equipment, and materials in the state	\$32.5 million / Federal American Recovery and Reinvestment Act funds	As of June 30, 2013, eight direct investment commitments had been made, fully committing the program's funding; \$20.2 million had been funded.
Florida Venture Capital (2011)	Provide direct investments to qualifying Florida businesses to increase the amount of capital available to small businesses	\$41.9 million / Federal State Small Business Credit Initiative funds	As of June 30, 2013, \$39.9 million had been committed to nine direct investments; \$14.2 million had been funded.

In 2016, OPPAGA reviewed the FOF and found that fund annual reports have not adequately addressed statutory information requirements, including businesses or jobs created, industry growth, or additional capital leveraged. The report noted that the FOF's fund manager was unable to provide OPPAGA information needed to fully evaluate the progress of business growth for projects funded through direct investments. To address these concerns, the FOF agreed to improve reporting to incorporate OPPAGA feedback and ensure consistent and accurate reporting of all statutorily-required information. ¹⁸¹

The Florida Institute for the Commercialization of Public Research

The Florida Legislature created the Institute for the Commercialization of Public Research (Institute) in 2007 as a non-profit organization tasked with assisting innovation businesses, and public colleges, universities, or research institutes, or any other publicly supported organization in the State in the commercialization of products. Specifically, Florida law directs the Institute to:

- maintain a centralized location to showcase companies and their technologies and products;
- develop an efficient process to inventory and publicize companies and products that have been accepted by the institute for commercialization;
- routinely communicate with private investors and venture capital organizations regarding the investment opportunities in its showcased companies;
- facilitate meetings between prospective investors and eligible organizations in the institute;
- hire full-time staff who understand relevant technologies needed to market companies to the angel investors and venture capital investment community; and
- develop cooperative relationships with publicly supported organizations all of which work together to provide resources or special knowledge that is likely to be helpful to institute companies.¹⁸²

¹⁸¹ OPPAGA, Report No. 16-09, p.46

¹⁸² s. 288.9625(8), F.S.

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Florida Technology Seed Capital Fund

In 2013, the Legislature directed the Institute for the Commercialization of Public Research to create the Florida Technology Seed Capital Fund as a corporate subsidiary 183 for the following purposes:

- foster greater private-sector investment funding.
- encourage seed-state investments in start-up companies, and
- advise companies on the restructuring of existing management, operations, or production in order to attract greater business opportunities. 18

The Institute is responsible for the administration of the Fund, and is directed to establish an advisory board consisting of venture capitalists and early stage investors to advise and guide the Fund in addition to making funding recommendations. Administrative fees associated with the Fund are determined by the advisory board. The state is required to annually evaluate the activities and results of the funding.

The Institute is required to use a thorough and detailed process modeled after the best practices of the investment industry to evaluate each proposal. To approve a company for investment, the Institute must consider if:

- The company has a strong intellectual property position, capable management team, readily identifiable paths to market or commercialization, significant job-growth potential, the ability to provide other sources of capital to leverage the state's investment, and the potential to attract additional funding.
- The company has been identified by a publicly funded research institution.
- The company operates in a targeted industry. 185
- The company has been identified by an approved private-sector lead investor who has demonstrated due diligence typical of start-up investments in evaluating the potential of the company.
- The advisory board and fund manager have reviewed the company's proposal and recommend it.

The Fund may make an investment if a company is approved for funding by the Institute and:

- The individual investment range is between \$50,000 and \$300,000.
- The total invested in a single company does not exceed \$500,000.
- There is a one-to-one match of private-sector investment for seed fund investments up to \$300,000. There is a two-to-one match of private sector investment for seed fund investments over \$300,000.

Additionally, s. 288.92655(6), F.S., provides that the Institute may:

- Provide a company with value-added support services in the areas of business plan development and strategy, the preparation of investor presentations, and other critical areas identified by the Institute to increase its chances for long-term viability and success.
- Encourage appropriate investment funds to become preapproved to match investment funds.
- Market the attractiveness of the state as an early-stage investment location.
- Collaborate with state economic development organizations, national associations of seed and angel funds, and other innovation-based associations to create an enhanced state entrepreneurial ecosystem.

The Institute is required to annually evaluate the activities and results of the funding, taking into consideration that seed investment horizons span anywhere from 3 to 7 years. 186

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¹⁸³ ch. 2013-120, Laws of Fla.

¹⁸⁴ s. 288.92655, F.S.

¹⁸⁵ section 288.106(2)(q), F.S.; defined broadly by Enterprise Florida, Inc., as cleantech, life sciences, information technology, aviation/aerospace, logistics and distribution, defense and homeland security, and financial/professional services. ¹⁸⁶ s. 288.92655(7), F.S.

Economic Development Transportation Projects (Road Fund)

The Economic Development Transportation Projects (Road Fund) is a grant fund administered by the Department of Transportation (DOT). Section 339.2821, F.S., provides for DOT, in consultation with DEO and EFI, to make and approve expenditures and contract with governmental bodies¹⁸⁷ for the direct costs of transportation projects¹⁸⁸.

DOT, in consultation with DEO, reviews each transportation project for approval and funding. Transportation projects must be deemed "necessary to facilitate the economic development and growth of the state" and the review must consider:

- The cost per job created or retained considering the amount of transportation funds requested;
- The average hourly rate of wages for jobs created;
- The reliance on any program as an inducement for determining the transportation project's location;
- The amount of capital investment to be made by a business;
- The demonstrated local commitment;
- The location of the transportation project in an enterprise zone as designated in s. 290.0055, F.S.:
- The location of the transportation project in a spaceport territory as defined in s. 331.304,
 F.S.:
- The unemployment rate of the surrounding area; and
- The poverty rate of the community.¹⁹⁰

DOT must approve a transportation project if it determines that the project will:

- Attract new employment opportunities to the state or expand or retain employment in existing companies operating within the state.
- Allow for the construction or expansion of a state or federal correctional facility in a county having a population of 75,000 or fewer which creates new employment opportunities or expands or retains employment in the county.

The Road Fund is funded by the State Transportation Trust Fund. ¹⁹² The amount appropriated for this transfer varies from year to year. In 2012, the Legislature repealed s. 288.063, F.S., where the Road Fund was statutorily placed, and created s. 339.2821, F.S. ¹⁹³ The revisions did not change the purpose of the Road Fund, but moved oversight of the fund from the DEO to DOT. ¹⁹⁴

Funds for approved transportation projects may be used for expenses that are necessary for building new, or improving existing, transportation facilities, as well as administrative costs and equipment purchases specified in the contract. Funds may not be expended for the relocation of a business from one community to another community within the state unless DOT determines that, without the relocation, the business will move outside the state or determines that the business has a compelling

¹⁸⁷ Section 339.2821(1)(b)2., F.S. defines "Governmental body" as an instrumentality of the state or a county, municipality, district, authority, board, or commission, or an agency thereof, within which jurisdiction the transportation project is located and which is responsible to the department for the transportation project. Section 339.2821(2), F.S. provides that Space Florida may serve as the governmental body or as the contracting agency for a project within a spaceport territory.

188 s. 339.2821, F.S.

¹⁸⁹ s. 339.2821(1)(b)2., F.S.

¹⁹⁰ s. 339.2821(2), F.S.

¹⁹¹ s. 339.2821(3)(a), F.S.

¹⁹² s. 339.08(1)(f), F.S.

¹⁹³ ch. 2012-128, Laws of Fla.

¹⁹⁴ Budget Committee Final Analysis of SB 1998 (2012)

economic reason for the relocation, such as creating additional jobs. ¹⁹⁵ Approved projects are terminated if construction does not begin within four years after the date of the initial grant award.

The Florida Small Business Development Center Network (SBDC)¹⁹⁶

SBDC provides entrepreneurial and business development services to support Florida's economic development by assisting entrepreneurs in every stage of the business life cycle. SBDC provides professional expertise, tools, and information to small businesses to support business decisions in a complex and ever-changing marketplace. SBDC is operated by a Board, which represents various segments and industries of the economy in Florida, bringing knowledge and skills that enhance the board's collective knowledge of small business assistance needs and challenges.

Florida Small Business Technology Growth Program (SBTGP)¹⁹⁷

SBTGP is a subset of EFI that provides financial assistance to businesses in this state having high job growth and emerging technology potential and fewer than 100 employees. SBTGP and its associated nonprofit¹⁹⁸ are under the guidance of EFI. EFI must establish and monitor a separate small business technology growth account in the Florida Technology Research Investment Fund for the Florida SBTGP. This fund consists of appropriations by the Legislature, proceeds of any collateral used to secure such assistance, transfers, fees assessed for providing or processing such financial assistance, grants, interest earnings, and earnings on financial assistance.

International Trade & Development

Export Assistance Program

The International Trade & Development division within EFI offers export assistance to Florida businesses. The Export Assistance Program assists Florida firms that seek to export goods and services to international markets with activities, including grants, scholarships, and miscellaneous services. The assistance is primarily directed towards small to mid-sized businesses that have little or no history in exporting.

The Export Assistance Program provides many services including, maintaining Florida's Export Directory; maintaining international trade statistics; promoting and supporting international trade shows and trade missions; providing trade grants; and providing an Export Marketing Plan Scholarship.

Florida's Export Assistance Program offers a variety of export-related services and grants for small to medium-sized businesses. Available grants and scholarships include¹⁹⁹:

Target Sector Grants

Eligible companies may be reimbursed up to \$6,000 for expenses at qualified trade shows or exhibitions around the world. To qualify, the company must be in one of the following target sectors: Aviation & Aerospace, Clean Energy, Homeland Security & Defense, Life Sciences, Marine Industry, Professional Services (Healthcare, Architecture/Engineering, Software Development), or Manufacturing.

Gold Key/Matchmaker Grants

Companies are provided an opportunity to meet with pre-screened and pre-qualified potential buyers, importers, agents, and others with an interest in the companies' products or services. The grant covers up to \$1,000 for the cost of the matchmaking services. To qualify, the firm

¹⁹⁵ s. 339.2821(3)(c), F.S.

¹⁹⁶ s. 288.001, F.S.

¹⁹⁷ s. 288.95155, F.S.

¹⁹⁸ s. 288.9519, F.S.

must be in a qualified target sector (same as Target Sector Trade Grants) and either a new exporter, new to the interested foreign market, or an infrequent exporter (i.e., less than 50 export shipments per year).

Export Marketing Plan Scholarship

Fligible companies assisted \$2.520 pm

Eligible companies receive a \$3,530 grant to cover the cost of a customized export marketing plan done by a Small Business Development International Trade Specialist. The export marketing plan provides the company with an in-depth strategic assessment of the firm's export opportunities. The company must be an infrequent exporter to qualify and personally cover \$500 of the cost of the plan.

In addition to the grant and scholarship programs, the Export Assistance Program includes a variety of technical assistance to Florida firms looking to export, including helping a company find a distributor or sales representative, aiding in the resolution of regulatory issues, assisting with licensing, and preparing a Certificate of Free Sale or Certificate of Good Manufacturing for exporting firms.²⁰⁰

International Offices Program

Section 288.012, F.S., establishes the International Offices Program to promote foreign direct investment. EFI contracts with 13 full service foreign offices and 2 liaison offices in 13 countries. Full-service foreign offices are located in Brazil, Canada, China, France, Germany, Israel, Japan, Mexico, South Africa, Spain, and the United Kingdom. Liaison offices are located in Taiwan and the Czech Republic. ²⁰¹

In a 2015 survey of state trade directors, 40 out of the 50 states collectively operated 199 international offices. The top five countries with U.S. international offices were Germany, Mexico, China, Brazil, and Canada. One role of international offices is to increase state exports into the host country. The international offices can act as intermediaries between domestic businesses and potential international clients by arranging meetings or providing translation services between the companies. The offices also assist domestic companies at international trade shows and provide advice (e.g., trade statistics and market research).²⁰²

One role of the international offices is attracting foreign direct investment. Foreign direct investment (FDI) is defined as the full or partial ownership by a foreign investor of a business operating in the domestic country. In Florida's case, an FDI example could be a logistics center located in Jacksonville and owned, at least in part, by a German company which has more than a 10% stock in the center. Foreign direct investment can involve either a new business or an established company whose shares are bought by a foreign company. In 2012, the total stock of FDI in the United States was at \$3.9 trillion dollars, with an annual net positive inflow of \$166 billion dollars. In 2012, an estimated 245,000 Florida jobs were affiliated with companies that were either fully or partially foreign-owned.²⁰³

EFI receives about \$6.6 million each year to support international trade and development activities; payroll and foreign office contracts comprise the largest portion of expenditures. EFI's International Trade and Development unit received \$6.6 million in funding for Fiscal Year 2016-17. The Legislature allocates funds for the unit from the Florida International Trade and Promotion Trust Fund, which receives 4.25% of the state's rental car surcharge tax.

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 ²⁰⁰ Id. Certificate of Free Sale or Certificate of Good Manufacturing are documents that indicate that the exporting products are legally sold or distributed in the open market and approved by the regulatory authorities in the country of origin.
 201 EDR, Return-on-Investment for International Trade and Business Development Programs, p. 22 (December 2015)
 202 Id

²⁰³ EDR, Return-on-Investment for International Trade and Business Development Programs, p. 22 (December 2015) **STORAGE NAME**: h7005b.RPC

Trust Funds

Economic Development Trust Fund²⁰⁴

Under current law, funds transferred from local governments for the purposes of the local financial support requirements of the QDSC and the QTI programs are deposited in the Economic Development Incentives Account within the Economic Development Trust Fund. Economic Development Incentives Account funds can only be used to pay tax refunds and make other payments authorized for the QDSC, QTI, and Brownfield Redevelopment Tax Refund programs.²⁰⁵

The State Economic Enhancement and Development Trust Fund²⁰⁶

The trust fund was created for the purpose of infrastructure and job creation opportunities and for the following purposes or programs:

- Transportation facilities that meet a strategic and essential state interest with respect to the economic development of the state;
- Affordable housing programs and projects in accordance with chapter 420, F.S.;
- Economic development incentives for job creation and capital investment;
- Workforce training associated with locating a new business or expanding an existing business; and
- Tourism promotion and marketing services, functions, and programs.

The trust fund receives documentary stamp tax proceeds as specified in law, local financial support funds, interest earnings, and cash advances from other trust funds. Funds are expended only pursuant to legislative appropriation or an approved amendment to DEO's operating budget pursuant to the provisions of chapter 216, F.S.

Tourism Promotional Trust Fund²⁰⁷

Moneys deposited in the Tourism Promotional Trust Fund may only be used to support the authorized activities and operations and the tourism promotion and marketing activities, services, functions, and programs administered by EFI, through a contract with VISIT Florida. The Tourism Promotional Trust Fund receives 15.75% of the state's rental car surcharge tax.²⁰⁸

Florida International Trade and Promotion Trust Fund²⁰⁹

The Florida International Trade and Promotion Trust Fund is administered by DEO for the operation of EFI and for the operation of Florida international offices under s. 288.012, F.S. The Florida International Trade and Promotion Trust Fund receives 4.25% of the state's rental car surcharge tax.²¹⁰

Return on Investment (ROI)

The Legislature has directed the Office of Economic and Demographic Research (EDR) and the Office of Program Policy Analysis and Government Accountability (OPPAGA) to analyze and evaluate 21 state economic development incentive programs on a recurring three-year schedule.²¹¹

²⁰⁴ s. 288.095, F.S.

²⁰⁵ s. 288.095, F.S.

²⁰⁶ s. 288.1201, F.S.

²⁰⁷ s. 288.122, F.S.

²⁰⁸ s. 212.0606(3)(a), F.S.

²⁰⁹ s. 288.826, F.S.

²¹⁰ s. 212.0606(3)(a), F.S.

²¹¹ s. 288.0001, F.S.

As part of their evaluation, EDR calculates the state's return on investment (ROI)²¹² in addition to reporting the impact on the key economic variables. In their most recent report,²¹³ EDR reviewed the following programs for Fiscal Years 2012-13, 2013-14 and 2014-15:

- The Capital Investment Tax Credit (CITC) established under s. 220.191, F.S.;
- The Qualified Target Industry Tax Refund (QTI) established under s. 288.106, F.S.;
- The Brownfield Redevelopment Bonus Refund (BFR) established under s. 288.107, F.S.;
- High-Impact Business Performance Grants (HIPI) established under s. 288.108, F.S.;
- The Quick Action Closing Fund (QACF) established under s. 288.1088, F.S.;
- The Innovation Incentive Program (IIP) established under s. 288.1089, F.S.;
- Enterprise Zone Program (EZ) incentives established under ss. 212.08(5) and (15), F.S.; and
- The New Markets Development Program established under ss. 288.991-288.9922, F.S..²¹⁴

Return On Inv	estment Ana	lyses					
Conducted by the Office of Economic and Demographic Research							
Ranked Incentives and Investments	CURRENT ROI	PRIOR ROI	STATUS				
Florida Sports Foundation Grant Program	5.6						
Economic Evaluation of Florida's Investment in Beaches	5.4						
Qualified Target Industry (QTI)	4.4	6.4					
International Offices Program	4.0		More than Breaks Even				
VISIT FLORIDA Advertising	3.2		(State makes money from the investment)				
Transportation: Seaports Program Area	2.7						
Export Assistance Program	1.9						
Transportation: Aviation Program Area	1.7						
Quick Action Closing Fund (QACF)	0.60	1.1					
Entertainment Industry Sales Tax Exemption (STE)	0.54						
Capital Investment Tax Credit (CITC)	0.43	2.3					
Entertainment Industry Financial Incentives Program (Tax Credit or FTC)	0.43						
Brownfield	0.30	1.1					
Professional Sports Franchise Incentive	0.30						
Transportation: Roads & Highways	0.19		Does Not Break Even				
New Markets Development Program	0.18		(however, the State recovers a portion of the				
Spring Training Baseball Franchise Incentive	0.11		cost)				
Innovation Incentive Program (IIP)	0.10	0.20					
Quick Response Training Program	0.09						
Urban High-Crime Area Job Tax Credit	0.07						
Transportation: Public Transit	0.05						
High-Impact Sector Performance Grant (HIPI)	0.05	0.70					
Transportation: Rails	0.02						
Enterprise Zones	-0.05		State Loses All of Its Investment				
Professional Golf Hall of Fame Facility Incentive	-0.08		(plus incurs additional costs)				
International Game Fish Association World Center Facility Incentive	-0.09		(pras media saditional costs)				

Effect of Proposed Changes

Repeals

The bill repeals the following sections of Florida Statutes:

20.601 Agency Review; Department of Economic Opportunity.

212.0602 Education; limited exemption.

212.097 Urban High-Crime Area Job Tax Credit Program.

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²¹² In this report, the term Return on Investment is synonymous with economic benefit, and is used in lieu of the statutory term.

²¹³ EDR, Economic Evaluation for Select State Economic Development Incentive Programs, Revised (January 2017)

With the exception of the Florida New Markets Development Program, this is EDR's second evaluation of these programs. The previous report and several presentations related to the findings of the first report can be found at EDR's website: http://edr.state.fl.us/Content/returnoninvestment/

ozo.ozoo Gapitai participation instrument.	288.1 288.1 288.1 288.1 288.5 288.9 288.9 288.9 288.9 288.9 288.9 288.9 288.9 339.2	91 901 912 917 946 945 968 988 988 989 911 9162 91625 91625 9621 9625 9621 9625 9935 933 932	Entertainment industry tax credit. Capital investment tax credit. Florida Small Business Development Center Network. State of Florida international offices, state protocol officer, and protocol manual. Cooperative advertising matching grants program. Quick-response training for economic development. Qualified defense contractor and space flight business tax refund program. Tax Refund Program for Qualified Target Industry Businesses. Brownfield Redevelopment Bonus Refunds. High-Impact Business Program. Economic Gardening Business Loan and Technical Assistance Pilot Programs. Quick Action Closing Fund. Innovation Incentive Program. Information concerning local manufacturing development programs. Professional Sports Franchises. Spring Training Baseball Franchises. Spring Training Baseball Franchises. Sports development. Retention of Major League Baseball Spring Training Baseball Franchises. International Game Fish Association World Center facility. State Economic Enhancement and Development Trust Fund. Tourism Promotional Trust Fund. Entertainment Industry Programs. Florida International Trade and Promotion Trust Fund. Enterprise Florida, Inc. Florida Small Business Technology Growth Program. Florida Capital Formation Act. Florida Technology Seed Capital Fund. Florida Technology Seed Capital Fund. Florida Opportunity Fund. Institute for the Commercialization of Public Research. New Markets Development Program Act. Microfinance Guarantee Program. Veterans research and marketing campaign. Economic development transportation projects.
	625.3	3255	Capital participation instrument.

Transfers to DEO

The bill eliminates EFI and provides that all duties, functions, records, pending issues, existing contracts, administrative authority, administrative rules, and unexpended balances of appropriations, allocations, and other public funds relating to the programs in EFI are transferred by a type two transfer to DEO.

The bill provides for DEO to assume EFI's responsibility for the Capitol Information Center.

The bill provides for DEO to assume VISIT Florida's management responsibilities for the welcome centers that are located on DOT property.

The bill provides that the Florida Sports Foundation may enter into an agreement with DEO to continue any existing program, activity, duty, or function necessary for operation of the foundation and that any funds held in trust for the foundation may be used for the purpose for which the funds were received.

Trust Funds

The bill terminates the following trust funds:

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- The State Economic Enhancement and Development Trust Fund (s. 288.1201, F.S.)
- Tourism Promotional Trust Fund (s. 288.122, F.S.)
- The Florida International Trade and Promotion Trust Fund (s. 288.826, F.S.)

The bill provides that all current balances remaining in, and all revenues of, the trust funds shall be transferred to the General Revenue Fund.

The bill provides that DEO shall pay any outstanding debts and obligations of the terminated funds as soon as practicable, and the Chief Financial Officer shall close out and remove the terminated funds from various state accounting systems using generally accepted accounting principles concerning warrants outstanding, assets, and liabilities.

The portion of the rental car surcharge tax formerly deposited in the Florida International Trade and Promotion Trust Fund and the portion of the rental car surcharge tax formerly deposited in the Tourism Promotional Trust Fund are redirected to general revenue. The portion of the documentary stamp tax proceeds formerly deposited in the State Economic Enhancement and Development Trust Fund are redirected to general revenue.

Transitional Provision

The bill provides that certified incentive projects currently in existence will be allowed to continue in accordance with the terms of the contract or agreement with DEO for the following programs:

- The Urban High-Crime Area Job Tax Credit Program (s. 212.097, F.S.)
- The Entertainment Industry Tax Credit (s. 220.1899, F.S.)
- The Capital Investment Tax Credit (s. 220.191, F.S.)
- Quick-Response Training for Economic Development (288,047, F.S.)
- The Qualified Defense Contractor and Space Flight Business Tax Refund Program (s. 288.1045, F.S.)
- The Tax Refund Program for Qualified Target Industry Businesses (s. 288.106, F.S.)
- Brownfield Redevelopment Bonus Refunds (s. 288.107, F.S.)
- The High-Impact Business Program (s. 288.108, F.S.)
- The Economic Gardening Business Loan and Technical Assistance Pilot Programs (ss. 288.1081 and 288.1082, F.S.)
- The Quick Action Closing Fund (s. 288.1088, F.S.)
- The Innovation Incentive Program (s. 288.1089, F.S.)
- Professional Sports Franchises (s. 288.1162, F.S.)
- Spring Training Baseball Franchises (s. 288.11621, F.S.)
- Sports Development (s. 288.11625, F.S.)
- The Retention of Major League Baseball Spring Training Baseball Franchises (s. 288.11631, F.S.)
- The New Markets Development Program Act (s. 288,9916, F.S.) and
- Economic Development Transportation Projects (s. 339.2821, F.S.).

The bill provides that no new or additional applications, certifications, contracts, agreements, or awards will be made, approved, issued, or executed. All certifications are rescinded except for those certified applicants or projects that continue to meet the criteria in effect before July 1, 2017. Existing contracts and agreements will continue in full force and effect in accordance with the statutory requirements in effect when the contract or agreement was executed or last modified. Except for computations made by the Department of Revenue relating to the income generated by or arising out of the qualifying project, no further modifications, extensions or waivers may be made or granted.

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VISIT Florida

The bill amends s. 288.1226, F.S., to provide additional accountability for VISIT Florida by:

- Requiring VISIT Florida to comply with state procurement laws in chapter 287.
- Limiting travel and per diem expenses of VISIT Florida employees to those of state employees under s. 112.061, F.S.
- Limiting compensation of VISIT Florida employees to no more than \$130,000 (the Governor's salary for Fiscal Year 2016-17 is \$130,273), provides that benefits of employees may not exceed the level provided as of January 1, 2017, and prohibiting bonuses for employees unless authorized by law.
- Prohibiting VISIT Florida employees or board members from receiving food, beverages, lodging, entertainment or gifts paid for by VISIT Florida funds or funds from a local tourist or economic development agency receiving revenue from a tax imposed pursuant to ss. 125.0104, 125.0108, or 212.0305, F.S.
- Prohibiting lodging expenses for an employee of VISIT Florida in excess of \$150 per day, excluding taxes. However, an employee may expend his or her own funds for any lodging expenses in excess of \$150 per day.
- Requiring VISIT Florida contracts with any entity, including a local government, private, or nonprofit entity, that receives public funds from the state or from a tax imposed pursuant to ss. 125.0104, s. 125.0108, or s. 212.0305, F.S., to contain performance standards, operating budgets and salaries of employees of the contracting entity to increase transparency of VISIT Florida contracts and partnership agreements.
- o Indicating VISIT Florida is a governmental entity as defined in s. 215.985, F.S., and therefore, is subject to the Transparency Florida Act.
- Requiring VISIT Florida to post all contracts on the Chief Financial Officer's transparency website under s. 215.985, F.S., to be easily accessible to the public at no cost.
- o Requiring the Governor to approve all out-of-state and international travel.
- Requiring VISIT Florida to take all steps necessary to provide all data that is used to develop tourism estimates and measures, including the source data, to the Office of Economic and Demographic Research to enhance their ability to evaluate the impact of tourism advertising spending by the state.
- o Removing the public records exemption for marketing projects and research.
- Prohibiting the corporation from creating or establishing any other entity, corporation, or direct support organization.
- Prohibiting expending funds, public or private, that directly or indirectly, benefit only one company, corporation or business entity.

The bill amends s. 288.1226, F.S., to provide additional oversight of VISIT Florida by:

- Requiring VISIT Florida to place proposed contracts worth \$750,000 or more on 14-day legislative notice and review under s. 216.177, F.S. Upon objection by the chair or vice chair of the LBC or Speaker or Senate President, VISIT Florida would be prohibited from executing the contract.
 - VISIT Florida may not enter into multiple related contracts to avoid the \$750,000 threshold requirement.
- Requiring 25 percent of the operating budget appropriated in the General Appropriations Act for VISIT Florida to be released on July 1st, with the remainder released in accordance with a detailed operating budget submitted to the LBC each year by August 15th, if approved.
- Requiring Senate confirmation of the VISIT Florida President/CEO.

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B. SECTION DIRECTORY:

Section	1	Amends	S.	11.45	Authority for Audits and Other Engagement
Section	2	Amends	s.	14.32	Office of Chief Inspector General
Section	3	Amends	S.	15.18	International and Cultural Relations
Section	4	Amends	S.	15.182	International Travel by State-Funded musical, cultural, or artistic organizations; notification to the Department of Economic Opportunity
Section	5	Amends	s.	20.60	Department of Economic Opportunity
Section	6	Repeals	S.	20.601	Agency Review; Department of Economic Opportunity
Section	7	Transfers			Type Two transfer of Enterprise Florida, Inc. to Department of Economic Opportunity
Section	8	Provides			Transitional provisions for terminated programs established pursuant to certain statutes
Section	9	Amends	S.	125.0104	Taxable privileges; exemptions; levy; rate
Section	10	Amends	s.	159.803	Definitions
Section	11	Amends	s.	166.231	Municipalities; public service tax
Section	12	Amends	S.	189.033	Independent special district services in disproportionally affected county; rate reduction for providers providing economic benefits
Section	13	Amends	s.	196.012	Definitions
Section	14	Amends	s.	196.101	Exemption for totally and permanently disabled persons
Section	15	Amends	s.	196.121	Homestead exemptions; forms
Section	16	Amends	S.	196.1995	Economic development ad valorem tax exemption
Section	17	Amends	s.	201.15	Distribution of taxes collected
Section	18	Amends	s.	212.031	Tax on rental or license fee for use of real property
Section	19	Amends	s.	212.06	Sales, storage, use tax; collectible from dealers; "dealer" defined; dealers to collect from purchasers; legislative intent as to scope of tax
Section	20	Repeals	s.	212.0602	Education; limited exemption
Section	21	Amends	S.	212.0606	Rental car surcharge
Section	22	Amends	s.	212.08	Sales, rental, use, consumption, distribution, and storage tax; specified exemptions
Section	23	Repeals	s.	212.097	Urban High-Crime Area Job Tax Credit Program
Section	24	Amends	S.	212.098	Rural Job Tax Credit Programs
Section	25	Amends	S.	212.20	Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected
Section	26	Amends	s.	218.61	Local government half-cent sales tax; designated proceeds; trust fund
Section	27	Amends	s.	218.64	Local government half-cent sales tax; uses; limitations
Section	28	Amends	S.	220.02	Legislative intent
Section	29	Amends	s.	220.13	"Adjusted federal income" defined
Section	30	Amends	S.	220.1895	Rural Job Tax Credit
Section	31	Repeals	s.	220.1899	Entertainment industry tax credit
Section	32	Repeals	S.	220.191	Capital investment tax credit
Section	33	Amends	S.	220.194	Corporate income tax credits for spaceflight projects
Section	34	Amends	S.	220.196	Research and development tax credits

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Section	35	Amends	s.	272.11	Capitol information center
Section	36	Amends	S.	287.0947	Florida Advisory Council on Small and Minority Business Development; creation; membership; duties
Section	37	Amends	S.	288.0001	Economic development program evaluation
Section	38	Repeals	S.	288.001	The Florida Small Business Development Center Network
Section	39	Repeals	S.	288.012	State of Florida international offices; state protocol officer; protocol manual
Section	40	Repeals	S.	288.017	Cooperative advertising matching grants program
Section	41	Amends	S.	288.018	Regional Rural Development Grants Program
Section	42	Repeals	S.	288.046	Quick-response training; legislative intent
Section	43	Repeals	s.	288.047	Quick-response training for economic development
Section	44	Amends	S.	288.061	Economic development incentive application process
Section	45	Amends	S.	288.0655	Rural Infrastructure Fund
Section	46	Amends	s.	288.0656	Rural Economic Development Initiative
Section	47	Amends	S.	288.0658	Nature-based recreation; promotion and other assistance by Fish and Wildlife Conservation Commission
Section	48	Amends	S.	288.075	Confidentiality of records
Section	49	Amends	S.	288.076	Return on investment reporting for economic development programs
Section	50	Amends	S.	288.095	Economic Development Trust Fund
Section	51	Repeals	S.	288.1045	Qualified defense contractor and space flight business tax refund program
Section	52	Repeals	s.	288.106	Tax refund program for qualified target industry businesses
Section	53	Repeals	S.	288.107	Brownfield redevelopment bonus refunds
Section	54	Repeals	s.	288.108	High-impact business
Section	55	Repeals	S.	288.1081	Economic Gardening Business Loan Pilot Program
Section	56	Repeals	S.	288.1082	Economic Gardening Technical Assistance Pilot Program
Section	57	Repeals	S.	288.1088	Quick Action Closing Fund
Section	58	Repeals	S.	288.1089	Innovation Incentive Program
Section	59	Repeals	S.	288.111	Information concerning local manufacturing development programs
Section	60	Repeals	S.	288.1162	Professional sports franchises; duties
Section	61	Repeals	s.	288.11621	Spring training baseball franchises
Section	62	Repeals	S.	288.11625	Sports development
Section	63	Repeals	S.	288.11631	Retention of Major League Baseball spring training baseball franchises
Section	64	Repeals	S.	288.1169	International Game Fish Association World Center facility
Section	65	Repeals	S.	288.1201	State Economic Enhancement and Development Trust Fund
Section	66	Terminates			State Economic Enhancement and Development Trust Fund
Section	67	Repeals	S.	288.122	Tourism Promotional Trust Fund
Section	68	Terminates			Tourism Promotional Trust Fund
Section	69	Amends	s.	288.1226	Florida Tourism Industry Marketing Corporation; use of property; board of directors; duties; audit
Section	70	Provides			\$25 million in recurring funds from General Revenue for VISIT Florida
Section	71	Amends	s.	288.1227	Welcome centers
Section	72	Repeals	S.	288.125	Definition of "entertainment industry"

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Section	73	Repeals	S.	288.1251	Promotion and development of entertainment industry; Office of Film and Entertainment; creation; purpose; powers and duties
Section	74	Repeals	S.	288.1252	Florida Film and Entertainment Advisory Council; creation; purpose; membership; powers and duties
Section	75	Repeals	s.	288.1253	Travel and entertainment expenses
Section	76	Repeals	s.	288.1258	Entertainment industry qualified production companies; application procedure; categories; duties of the Department of Revenue; records and reports
Section	77	Amends	s.	288.7015	Appointment of rules ombudsman; duties
Section	78	Amends	s.	288.706	Florida Minority Business Loan Mobilization Program
Section	79	Amends	s.	288.773	Florida Export Finance Corporation
Section	80	Amends	S.	288.776	Board of directors; powers and duties
Section	81	Amends	s.	288.7771	Annual report of Florida Export Finance Corporation
Section	82	Amends	s.	288.8017	Awards
Section	83	Amends	S.	288.816	Intergovernmental relations
Section	84	Repeals	s.	288.826	Florida International Trade and Promotion Trust Fund
Section	85	Terminates			Florida International Trade and Promotion Trust Fund within DEO
Section	86	Repeals	S.	288.901	Enterprise Florida, Inc.
Section	87	Repeals	S.	288.9015	Powers of Enterprise Florida, Inc.; board of directors.
Section	88	Repeals	S.	288.903	Duties of Enterprise Florida, Inc.
Section	89	Repeals	S.	288.904	Funding for Enterprise Florida, Inc.; performance and return on the public's investment.
Section	90	Repeals	S.	288.905	President and employees of Enterprise Florida, Inc.
Section	91	Repeals	S.	288.906	Annual report of Enterprise Florida, Inc., and its divisions; audits.
Section	92	Amends	S.	288.907	Annual Incentives Report
Section	93	Repeals	S.	288.911	Creation and implementation of a marketing and image campaign.
Section	94	Amends	S.	288.912	Inventory of communities seeking to recruit businesses
Section	95	Repeals	S.	288.92	Divisions of Enterprise Florida, Inc.
Section	96	Repeals	S.	288.923	Division of Tourism Marketing; definitions; responsibilities.
Section	97	Repeals	s.	288.95155	Florida Small Business Technology Growth Program.
Section	98	Repeals	S.	288.9519	Not-for-profit corporation.
Section	99	Amends	S.	288.9520	Public records exemption.
Section	100	Amends	s.	288.9603	Definitions
Section	101	Amends	S.	288.9604	Creation of the authority
Section	102	Amends	S.	288.9605	Corporation powers.
Section	103	Repeals	S.	288.9614	Authorized programs.
Section	104	Repeals	S.	288.9621	Florida Capital Formation Act
Section	105	Repeals	S.	288.9622	Findings and intent
Section	106	Repeals	s.	288.9623	Definitions.
Section	107	Repeals	S.	288.9624	Florida Opportunity Fund; creation; duties.
Section	108	Repeals	S.	288.9625	Institute for the Commercialization of Public Research.
Section	109	Repeals	s.	288.96255	Florida Technology Seed Capital Fund; creation; duties.
Section	110	Repeals	S.	288.9626	Exemptions from public records and public meetings requirements for the Florida Opportunity Fund.

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Section	111	Repeals	S.	288.9627	Exemptions from public records and public meetings requirements for the Institute for the Commercialization of Public Research.
Section	112	Amends	s.	288.980	Military base retention; legislative intent; grants program.
Section	113	Repeals	S.	288.991	New Markets Development Program Act
Section	114	Repeals	S.	288.9912	New Markets Development Program; purpose.
Section	115	Repeals	S.	288.9913	Definitions.
Section	116	Repeals	S.	288.9914	Certification of qualified investments; investment issuance reporting.
Section	117	Repeals	S.	288.9915	Use of proceeds from qualified investments; recordkeeping.
Section	118	Repeals	S.	288.9916	New markets tax credit.
Section	119	Repeals	S.	288.9917	Community development entity reporting after a credit allowance date; certification of tax credit amount
Section	120	Repeals	S.	288.9918	Annual reporting by a community development entity
Section	121	Repeals	s.	288.9919	Audits and examinations; penalties
Section	122	Repeals	S.	288.9920	Recapture and penalties
Section	123	Repeals	S.	288.9921	Rulemaking
Section	124	Repeals	S.	288.9922	Expiration of the New Markets Development Program Act
Section	125	Amends	s.	288.9932	Definitions
Section	126	Amends	S.	288.9934	Microfinance Loan Program
Section	127	Repeals	s.	288.9935	Microfinance Guarantee Program
Section	128	Amends	s.	288.9936	Annual report of the Microfinance Loan Program
Section	129	Amends	s.	288.9937	Evaluation of programs
Section	130	Amends	S.	290.0056	Enterprise zone development agency
Section	131	Amends	S.	290.0065	State designation of enterprise zones
Section	132	Amends	S.	290.00677	Rural enterprise zones; special qualifications.
Section	133	Amends	S.	290.007	State incentives available in enterprise zones
Section	134	Amends	s.	290.053	Response to economic emergencies in small communities
Section	135	Amends	s.	295.22	Veterans Employment and Training Services Program
Section	136	Repeals	S.	295.23	Veterans research and marketing campaign
Section	137	Amends	s.	320.08058	Specialty license plates
Section	138	Amends	S.	331.3051	Duties of Space Florida
Section	139	Amends	s.	331.3081	Board of directors
Section	140	Amends	S.	339.08	Use of moneys in State Transportation Trust Fund
Section	141	Repeals	S.	339.2821	Economic development transportation projects
Section	142	Amends	s.	364.0135	Promotion of broadband adoption
Section	143	Amends	S.	376.82	Eligibility criteria and liability protection
Section	144	Amends	S.	377.703	Additional functions of the Department of Agriculture and Consumer Services
Section	145	Amends	s.	377.804	Renewable Energy and Energy-Efficient Technologies Grants Program
Section	146	Amends	S.	377.809	Energy Economic Zone Pilot Program
Section	147	Amends	S.	380.06	Developments of regional impact
Section	148	Amends	S.	380.0657	Expedited permitting process for economic development projects
Section	149	Amends	S.	403.42	Florida Clean Fuel Act

Section	150	Amends	s.	403.7032	Recycling
Section	151	Amends	S.	403.973	Expedited permitting; amendments to comprehensive
					plans.
Section	152	Amends	S.	443.091	Benefit eligibility conditions
Section	153	Amends	S.	445.004	CareerSource Florida, Inc.; creation; purpose;
					membership; duties and powers
Section	154	Amends	S.	445.045	Development of an Internet-based system for information technology industry promotion and workforce recruitment
Section	155	Amends	S.	446.44	Duties of Rural Workforce Services Program
Section	156	Amends	s.	477.0135	Exemptions.
Section	157	Amends	S.	570.81	Agricultural Economic Development Project Review Committee; powers and duties
Section	158	Amends	S.	570.85	Agritourism
Section	159	Amends	S.	624.5105	Community contribution tax credit; authorization;
					limitations; eligibility and application requirements;
					administration; definitions; expiration
Section	160	Repeals	s.	625.3255	Capital participation instrument
Section	161	Amends	s.	657.042	Investment powers and limitations
Section	162	Amends	S.	658.67	Investment powers and limitations
Section	163	Amends	s.	1004.015	Higher Education Coordinating Council
Section	164	Amends	S.	1004.65	Florida College System institutions; governance, mission, and responsibilities
Section	165	Amends	S.	1004.78	Technology transfer centers at Florida College System institutions
Section	166	Amends	S.	1011.76	Small School District Stabilization Program
Section	167	Amends	S.	1011.80	Funds for operation of workforce education programs
Section	168	Amends	S.	1011.94	University Major Gifts Program
Section	169	Provides			Effective Date

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill was reviewed by the Revenue Estimating Conference on February 10, 2017, and it was determined that for Fiscal Year 2017-18 the bill had a positive recurring impact to general revenue of \$231.7 million and a positive nonrecurring impact to general revenue of \$57.2 million. The net overall positive recurring revenue impact of \$45.1 million and nonrecurring impact of \$75.7 million is outlined below:

	General Revenue		Trust Funds		Total		
In Millions	Recurring	Nonrecurring	Recurring	Nonrecurring	Recurring	Nonrecurring	
Elimination of Tax Credits	\$29.6	-\$27.9	\$0.0	\$0.0	\$29.6	-\$27.9	
Redirect Trust Fund Revenue	\$186.6	\$85.3	-\$186.6	-\$85.3	\$0.0	\$0.0	
Elimination of Entertainment Industry Sales Tax Exemption	\$14.5	\$0.0	\$0.0	\$0.0	\$14.5	\$0.0	
No New Applicants to Baseball Spring Training Facilities Tax Distributions	\$1.0	-\$0.2	\$0.0	\$0.0	\$1.0	-\$0.2	
Escrow Account Transfer	\$0.0	\$0.0	\$0.0	\$103.8	\$0.0	\$103.8	
Total	\$231.7	\$57.2	-\$186.6	\$18.5	\$45.1	\$75.7	

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The bill also provides for a nonrecurring transfer of \$115.3 million to the state, the current balance from an EFI escrow account. This is represented above as \$103.8 million based on the assumption that the entities participating in economic development programs where the funds are placed in an escrow account at EFI will meet 100% of their contracted performance requirements in order to received 100% of payments due in Fiscal Year 2016-17 prior to the bill becoming law. Funds are anticipated to be moved into a state treasury account, such as the Economic Development Trust Fund within DEO.

See fiscal comments section.

2. Expenditures:

The bill provides for a recurring appropriation of \$25 million from the General Revenue Fund for VISIT Florida.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

Revenues:

The Revenue Estimating Conference further determined the bill had a net positive recurring revenue impact to local governments of \$4.1 million based on the following:

	//Otner	
In Millions	Recurring	Nonrecurring
Elimination of Tax Credits	\$0.4	\$0.0
Elimination of Entertainment Industry Sales Tax Exemption	\$3.7	\$0.0
Total	\$4.1	\$0.0

See fiscal comments section.

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

A number of studies and performance reviews have attempted to fully quantify the impact of state and local incentives on the overall business climate within a state or local area. While the studies and reviews do not always agree, many of these reviews have found that the impact of specific economic incentive programs is small and that a number of other factors are more important for economic and tourist development. The factors that are often cited as most important to business and tourism development include the following: community quality of life, community cost of living, overall tax climate, workforce education, transportation infrastructure, permitting and construction requirements, regulatory structure, crime rates, and leisure amenities.

D. FISCAL COMMENTS:

The bill eliminates many of the incentive programs that did not have a positive return on investment, which will have a positive impact on state revenues.

According to OPPAGA Report No. 16-09, the Legislature appropriates certain incentive funds to DEO, which in turn provides funding to EFI as the agent for DEO, to hold in order to make future payments to some of the state's incentive recipients after contract requirements are met. EFI holds those funds in a commercial bank account (escrow account), which generates daily interest. Bank representatives and OPPAGA analyses indicate that the escrow account receives approximately 0.25% interest on funds held in the account. Current balances in the escrow account have increased

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over the years due to additional funds provided for the Quick Action Closing Fund by the Legislature and interest income earned. EFI remits interest payments earned on escrow funds to DEO quarterly.

According to EDR and OPPAGA, EFI's escrow account balances increased significantly from Fiscal Year 2012-13 through 2015-16: 2012-13 – \$19,107,556; 2013-14 – \$77,626,338; 2014-15 – \$85,513,019; 2015-16 – \$110,710,175. EDR and OPPAGA both report that EFI's escrow account funds could generate significantly more interest income if held in a state trust fund. Currently, the escrow account has a balance of \$115.3 million. Using a state trust fund to hold these funds would generate almost \$2 million more annually in interest than the commercial account.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

- Applicability of Municipality/County Mandates Provision:
 Not applicable. This bill does not appear to affect county or municipal governments.
- 2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 21, 2017, the Appropriations Committee adopted a strike all amendment and reported the bill favorably as a committee substitute. The committee substitute:

- Provides additional accountability for VISIT Florida by:
 - Requiring VISIT Florida to comply with state procurement laws.
 - Limiting travel and per diem expenses of VISIT Florida employees to those of state employees.
 - Limiting compensation of VISIT Florida employees to \$130,000, freezing benefits of employees at current levels and prohibiting bonuses for employees unless authorized by law.
 - Prohibiting VISIT Florida employees or board members from receiving food, beverages, lodging, entertainment or gifts paid for by VISIT Florida funds or funds from a local tourist or economic development agency.
 - Requiring VISIT Florida contracts to contain performance standards, operating budgets and salaries of employees of the contracting entity to increase transparency of VISIT Florida contracts and partnership agreements.
 - Requiring VISIT Florida to post all contracts on the CFO Transparency website.
 - o Requiring the Governor to approve all out-of-state and international travel.
 - Requiring the corporation to take all steps necessary to provide all data that is used to develop tourism estimates and measures, including the source data, to the Office of Economic and Demographic Research.

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- o Removing the public records exemption for marketing projects and research.
- Prohibiting the corporation from creating or establishing any other entity, corporation, or direct support organization.
- Prohibiting expending funds, public or private, that directly or indirectly, benefit only one company, corporation or business entity.
- Provides for additional legislative oversight of VISIT Florida by:
 - Requiring VISIT Florida to place proposed contracts worth \$750,000 or more on 14-day legislative consultation. Upon objection by the chair or vice chair of the LBC or Speaker or Senate President, VISIT Florida would be prohibited from entering into contract.
 - Requiring VISIT Florida to submit detailed operating budget to the LBC each year in order to obtain release of funds.
 - o Requiring Senate confirmation of the VISIT Florida President/CEO.
- Provides \$25 million recurring appropriation for VISIT Florida.

The bill analysis is drafted to the committee substitute.

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1 A bill to be entitled 2 An act relating to economic programs; amending ss. 3 11.45, 14.32, 15.18, and 15.182, F.S.; conforming 4 provisions to changes made by the act; amending s. 5 20.60, F.S.; providing that the executive director of 6 the Department of Economic Opportunity shall have 7 certain duties relating to contracts with the Florida 8 Tourism Industry Marketing Corporation; conforming 9 provisions to changes made by the act; repealing s. 20.601, F.S., relating to review of the Department of 10 11 Economic Opportunity; transferring all duties, 12 records, pending issues, rules, and unexpended balances of appropriations, allocations, and other 13 14 public funds relating to programs in Enterprise 15 Florida, Inc., to the Department of Economic Opportunity by a type two transfer; authorizing the 16 17 Florida Sports Foundation to enter into an agreement 18 with the Department of Economic Opportunity for certain purposes and use certain funds; authorizing 19 20 the Florida Tourism Industry Marketing Corporation to 21 enter into an agreement with the Department of 22 Economic Opportunity for certain purposes and to use 23 certain funds; providing legislative intent; providing 24 transitional provisions for terminated programs 25 established pursuant to certain statutes; amending ss.

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26 125.0104, 159.803, 166.231, 189.033, 196.012, 196.101, 196.121, and 196.1995, F.S.; conforming provisions to 27 changes made by the act; conforming cross-references; 28 29 amending s. 201.15, F.S.; providing that certain funds shall be transferred to the General Revenue Fund; 30 31 conforming provisions to changes made by the act; 32 amending ss. 212.031 and 212.06, F.S.; conforming provisions to changes made by the act; repealing s. 33 34 212.0602, F.S., relating to an exemption from sales 35 and use taxes for certain education-related purchases or leases; amending ss. 212.0606 and 212.08, F.S.; 36 37 conforming provisions to changes made by the act; 38 repealing s. 212.097, F.S., relating to the Urban 39 High-Crime Area Job Tax Credit Program; amending ss. 40 212.098, 212.20, 218.61, 218.64, 220.02, 220.13, and 220.1895, F.S.; conforming provisions to changes made 41 42 by the act; repealing ss. 220.1899 and 220.191, F.S., 43 relating to an entertainment industry tax credit and a capital investment tax credit, respectively; amending 44 s. 220.194, F.S.; conforming a cross-reference; 45 amending ss. 220.196, 272.11, 287.0947, and 288.0001, 46 47 F.S.; conforming provisions to changes made by the 48 act; repealing ss. 288.001, 288.012, and 288.017, 49 F.S., relating to the Florida Small Business 50 Development Center Network, the State of Florida

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international offices, and a cooperative advertising matching grants program, respectively; amending s. 288.018, F.S.; conforming provisions to changes made by the act; repealing ss. 288.046 and 288.047, F.S., relating to guick-response training for economic development; amending s. 288.061, F.S.; conforming provisions to changes made by the act; amending s. 288.0655, F.S.; conforming a cross-reference; conforming provisions to changes made by the act; amending ss. 288.0656, 288.0658, 288.075, 288.076, and 288.095, F.S.; conforming provisions to changes made by the act; repealing ss. 288.1045, 288.106, 288.107, 288.108, 288.1081, 288.1082, 288.1088, and 288.1089, F.S., relating to the qualified defense contractor and space flight business tax refund program, a tax refund program for qualified target industry businesses, brownfield redevelopment bonus refunds, high-impact business, the Economic Gardening Business Loan Pilot Program, the Economic Gardening Technical Assistance Pilot Program, the Quick Action Closing Fund, and the Innovation Incentive Program, respectively; amending s. 288.111, F.S.; conforming a provision to changes made by the act; repealing ss. 288.1162, 288.11621, 288.11625, and 288.11631, F.S., relating to professional sports franchises, spring training

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baseball franchises, sports development, and retention of Major League Baseball spring training baseball franchises, respectively; repealing ss. 288.1169, 288.1201, and 288.122, F.S., relating to the International Game Fish Association World Center facility, the State Economic Enhancement and Development Trust Fund, and the Tourism Promotional Trust Fund, respectively; terminating such trust funds; transferring the balances and revenues of such trust funds to the General Revenue Fund; requiring the department to pay outstanding debts and obligations of such trust funds; requiring the Chief Financial Officer to close out and remove such trust funds from state accounting systems; amending s. 288.1226, F.S.; providing that the Florida Tourism Industry Marketing Corporation is a direct-support organization of the Department of Economic Opportunity; revising purposes for which the corporation is an agency; requiring the corporation to comply with certain per diem and travel expense provisions; providing that the corporation is an agency for certain purposes; authorizing reimbursement for per diem and travel expenses for board members of the corporation; requiring such expenses to be paid out of corporation funds; providing that certain contracts are subject to

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specified notice and review procedures; limiting compensation paid and benefits provided by the corporation; requiring the approval of the Governor for certain out-of-state or international travel; requiring Senate confirmation of the president and chief executive officer of the corporation; prohibiting the corporation from creating or establishing any other entity, corporation, or directsupport organization; requiring a report to the department; removing a public records exemption; prohibiting the expenditure of corporation funds for certain purposes; prohibiting the acceptance or receipt of certain items or services from certain entities; specifying a procedure for the release of appropriated funds; providing that the corporation is subject to the Transparency Florida Act; requiring the inclusion of specified information in certain contracts and on the corporation's website; requiring specified website functionality; requiring annual reports containing specified financial data to be provided by marketing partners to the corporation; conforming provisions to changes made by the act; providing an appropriation; amending s. 288.12265, F.S.; transferring responsibility for administering and operating welcome centers from Enterprise Florida,

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126 Inc., to the Department of Economic Opportunity; 127 repealing ss. 288.125, 288.1251, 288.1252, 288.1253, and 288.1258, F.S., relating to a definition of the 128 129 term "entertainment industry," the promotion and 130 development of the entertainment industry by the 131 Office of Film and Entertainment, the Florida Film and 132 Entertainment Advisory Council, and certain travel and 133 entertainment expenses, and entertainment industry 134 qualified production companies, respectively; amending 135 ss. 288.7015 and 288.706, F.S.; conforming provisions 136 to changes made by the act; amending ss. 288.773, 288.776, 288.7771, 288.8017, and 288.816, F.S.; 137 138 conforming provisions to changes made by the act; 139 repealing s. 288.826, F.S., relating to the Florida 140 International Trade and Promotion Trust Fund; 141 terminating such trust fund; transferring the balances 142 and revenues of such trust fund to the General Revenue 143 Fund; requiring the department to pay outstanding debts and obligations of such trust fund; requiring 144 the Chief Financial Officer to close out and remove 145 146 such trust fund from state accounting systems; 147 repealing ss. 288.901, 288.9015, 288.903, 288.904, 148 288.905, and 288.906, F.S., relating to Enterprise 149 Florida, Inc., powers of board of directors of Enterprise Florida, Inc., duties of Enterprise 150

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151 Florida, Inc., funding for Enterprise Florida, Inc., 152 the president and employees of Enterprise Florida, 153 Inc., and the annual report and audits of Enterprise 154 Florida, Inc., and its divisions, respectively; 155 transferring, renumbering, and amending s. 288.907, 156 F.S.; conforming provisions to changes made by the 157 act; repealing s. 288.911, F.S., relating to the 158 creation and implementation of a marketing and image campaign; transferring, renumbering, and amending s. 159 288.912, F.S.; conforming provisions to changes made 160 161 by the act; repealing s. 288.92, F.S., relating to the 162 divisions of Enterprise Florida, Inc.; amending s. 163 288.923, F.S.; conforming provisions to changes made 164 by the act; repealing ss. 288.95155 and 288.9519, 165 F.S., relating to the Florida Small Business 166 Technology Growth Program and a not-for-profit 167 corporation intended to promote the competitiveness and profitability of high-technology business and 168 169 industry, respectively; amending ss. 288.9520, 170 288.9603, 288.9604, and 288.9605, F.S.; conforming provisions to changes made by the act; repealing ss. 171 172 288.9614, 288.9621, 288.9622, 288.9623, 288.9624, 173 288.9625, 288.96255, 288.9626, and 288.9627, F.S., 174 relating to the Florida Capital Formation Act and 175 findings and intent and definitions relating thereto,

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176 the Florida Opportunity Fund, the Institute for the Commercialization of Public Research, the Florida 177 Technology Seed Capital Fund, and exemptions from 178 public records and public meetings requirements for 179 such fund and institute, respectively; amending s. 180 288.980, F.S.; conforming a provision to changes made 181 by the act; repealing ss. 288.991, 288.9912, 288.9913, 182 288.9914, 288.9915, 288.9916, 288.9917, 288.9918, 183 184 288.9919, 288.9920, 288.9921, and 288.9922, F.S., 185 relating to the New Markets Development Program; amending ss. 288.9932 and 288.9934, F.S.; conforming 186 187 provisions to changes made by the act; repealing s. 188 288.9935, F.S., relating to the Microfinance Guarantee 189 Program; amending ss. 288.9936, 288.9937, 290.0056, 190 290.0065, 290.00677, 290.007, 290.053, and 295.22, F.S.; conforming provisions to changes made by the 191 192 act; conforming cross-references; repealing s. 295.23, 193 F.S., relating to the veterans research and marketing 194 campaign; amending ss. 320.08058, 331.3051, 331.3081, 195 and 339.08, F.S.; conforming provisions to changes 196 made by the act; repealing s. 339.2821, F.S., relating 197 to economic development transportation projects; amending ss. 364.0135, 376.82, 377.703, 377.804, 198 199 377.809, 380.06, 380.0657, 403.42, 403.7032, 403.973, 443.091, 445.004, 445.045, 446.44, 477.0135, 570.81, 200

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570.85, and 624.5105, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; repealing s. 625.3255, F.S., relating to a capital participation instrument; amending ss. 657.042, 658.67, 1004.015, 1004.65, 1004.78, 1011.76, 1011.80, and 1011.94, F.S.; conforming provisions to changes made by the act; conforming a cross-reference; providing an effective date.

WHEREAS, economic development incentives foster unfair

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WHEREAS, economic development incentives foster unfair competition by benefitting select firms and industries, and

WHEREAS, economic development incentives often subsidize private companies and their shareholders for economic actions they would have taken regardless of such incentives, and

WHEREAS, economic development incentives cause market distortions which result in inefficiencies and inequities in the marketplace, and

WHEREAS, business incentives divert the attention of policymakers from other issues that could lead to additional job creation and a more robust business climate, and

WHEREAS, the true costs of economic development incentives are an unnecessary shift of private business expenses to the taxpaying public and a reduction in available funding for other public services which could promote economic growth, and

WHEREAS, economic development scholars and professionals

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lack consensus on how influential economic development and business incentives are on the economy, generally, or on a business when choosing its location, NOW, THEREFORE,

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

Section 1. Paragraph (i) of subsection (3) of section 11.45, Florida Statutes, is amended to read:

- 11.45 Definitions; duties; authorities; reports; rules.-
- (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The Auditor General may, pursuant to his or her own authority, or at the direction of the Legislative Auditing Committee, conduct audits or other engagements as determined appropriate by the Auditor General of:
- (i) Enterprise Florida, Inc., including any of its boards, advisory committees, or similar groups created by Enterprise Florida, Inc., and programs. The audit report may not reveal the identity of any person who has anonymously made a donation to Enterprise Florida, Inc., pursuant to this paragraph. The identity of a donor or prospective donor to Enterprise Florida, Inc., who desires to remain anonymous and all information identifying such donor or prospective donor are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such anonymity shall be maintained in the auditor's report.

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Section 2. Paragraph (a) of subsection (3) of section 14.32, Florida Statutes, is amended to read:

14.32 Office of Chief Inspector General.-

- (3) Related to public-private partnerships, the Chief Inspector General:
- (a) Shall advise public-private partnerships, including Enterprise Florida, Inc., in their development, utilization, and improvement of internal control measures necessary to ensure fiscal accountability.
- Section 3. Section 15.18, Florida Statutes, is amended to read:
- 15.18 International and cultural relations.—The Divisions of Cultural Affairs, Historical Resources, and Library and Information Services of the Department of State promote programs having substantial cultural, artistic, and indirect economic significance that emphasize American creativity. The Secretary of State, as the head administrator of these divisions, shall hereafter be known as "Florida's Chief Cultural Officer." As this officer, the Secretary of State is encouraged to initiate and develop relationships between the state and foreign cultural officers, their representatives, and other foreign governmental officials in order to promote Florida as the center of American creativity. The Secretary of State shall coordinate international activities pursuant to this section with Enterprise Florida, Inc., and any other organization the

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secretary deems appropriate. For the accomplishment of this purpose, the Secretary of State shall have the power and authority to:

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- (1) Disseminate any information pertaining to the State of Florida which promotes the state's cultural assets.
- (2) Plan and carry out activities designed to cause improved cultural and governmental programs and exchanges with foreign countries.
- (3) Plan and implement cultural and social activities for visiting foreign heads of state, diplomats, dignitaries, and exchange groups.
- (4) Encourage and cooperate with other public and private organizations or groups in their efforts to promote the cultural advantages of Florida.
- (5) Serve as the liaison with all foreign consular and ambassadorial corps, as well as international organizations, that are consistent with the purposes of this section.
- (6) Provide, arrange, and make expenditures for the achievement of any or all of the purposes specified in this section.
- Section 4. Subsection (2) of section 15.182, Florida Statutes, is amended to read:
- 15.182 International travel by state-funded musical, cultural, or artistic organizations; notification to the Department of Economic Opportunity.—

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with Enterprise Florida, Inc., shall act as an intermediary between performing musical, cultural, and artistic organizations and Florida businesses to encourage and coordinate joint undertakings. Such coordination may include, but is not limited to, encouraging business and industry to sponsor cultural events, assistance with travel of such organizations, and coordinating travel schedules of cultural performance groups and international trade missions.

Section 5. Subsections (4) and (5), paragraph (b) of subsection (9), and subsections (10) and (11) of section 20.60, Florida Statutes, are amended to read:

- 20.60 Department of Economic Opportunity; creation; powers and duties.—
- (4) The purpose of the department is to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. To accomplish such purposes, the department shall:
- (a) Facilitate the direct involvement of the Governor and the Lieutenant Governor in economic development and workforce development projects designed to create, expand, and retain businesses in this state, to recruit business from around the world, and to facilitate other job-creating efforts.

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(b) Recruit new businesses to this state and promote the expansion of existing businesses by expediting permitting and location decisions, worker placement and training, and incentive awards.

- (c) Promote viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities.
- (d) Ensure that the state's goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.
- (e) Manage the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs in areas including, but not limited to, tourism; international trade and investment; business recruitment, creation, retention, and expansion; minority and small business development; rural community development; commercialization of products, services, or ideas developed in public universities or other public institutions; and the development and promotion of professional and amateur sporting events.
- (f) Coordinate with state agencies on the processing of state development approvals or permits to minimize the duplication of information provided by the applicant and the time before approval or disapproval.

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(5) The divisions within the department have specific responsibilities to achieve the duties, responsibilities, and goals of the department. Specifically:

- (a) The Division of Strategic Business Development shall:
- $\underline{(g)1}$. Analyze and evaluate business prospects identified by the Governor $\underline{and_{\tau}}$ the executive director of the department \underline{and} and $\underline{Enterprise-Florida_{\tau}}$.
- (h) 2. Administer certain tax refund, tax credit, and grant programs created in law. Notwithstanding any other provision of law, the department may expend interest earned from the investment of program funds deposited in the Grants and Donations Trust Fund to contract for the administration of those programs, or portions of the programs, assigned to the department by law, by the appropriations process, or by the Governor. Such expenditures shall be subject to review under chapter 216.
- (i) 3. Develop measurement protocols for the state incentive programs and for the contracted entities which will be used to determine their performance and competitive value to the state. Performance measures, benchmarks, and sanctions must be developed in consultation with the legislative appropriations committees and the appropriate substantive committees, and are subject to the review and approval process provided in s. 216.177. The approved performance measures, standards, and sanctions shall be included and made a part of the strategic

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plan for contracts entered into for delivery of programs authorized by this section.

- $\underline{(j)}$ 4. Develop a 5-year statewide strategic plan. The strategic plan must include, but need not be limited to:
- 1.a. Strategies for the promotion of business formation, expansion, recruitment, and retention through aggressive marketing, international development, and export assistance, which lead to more and better jobs and higher wages for all geographic regions, disadvantaged communities, and populations of the state, including rural areas, minority businesses, and urban core areas.
- 2.b. The development of realistic policies and programs to further the economic diversity of the state, its regions, and their associated industrial clusters.
- 3.e. Specific provisions for the stimulation of economic development and job creation in rural areas and midsize cities and counties of the state, including strategies for rural marketing and the development of infrastructure in rural areas.
- 4.d. Provisions for the promotion of the successful long-term economic development of the state with increased emphasis in market research and information.
- 5.e. Plans for the generation of foreign investment in the state which create jobs paying above-average wages and which result in reverse investment in the state, including programs that establish viable overseas markets, assist in meeting the

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financing requirements of export-ready firms, broaden opportunities for international joint venture relationships, use the resources of academic and other institutions, coordinate trade assistance and facilitation services, and facilitate availability of and access to education and training programs that assure requisite skills and competencies necessary to compete successfully in the global marketplace.

- $\underline{6.f.}$ The identification of business sectors that are of current or future importance to the state's economy and to the state's global business image, and development of specific strategies to promote the development of such sectors.
- 7.g. Strategies for talent development necessary in the state to encourage economic development growth, taking into account factors such as the state's talent supply chain, education and training opportunities, and available workforce.
 - (k) 5. Update the strategic plan every 5 years.
- (1)6. Involve Enterprise Florida, Inc.; CareerSource Florida, Inc.; local governments; the general public; local and regional economic development organizations; other local, state, and federal economic, international, and workforce development entities; the business community; and educational institutions to assist with the strategic plan.
- (5) The divisions within the department have specific responsibilities to achieve the duties, responsibilities, and goals of the department. Specifically:

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(a) (b) The Division of Community Development shall:

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- 1. Assist local governments and their communities in finding creative planning solutions to help them foster vibrant, healthy communities, while protecting the functions of important state resources and facilities.
- 2. Administer state and federal grant programs as provided by law to provide community development and project planning activities to maintain viable communities, revitalize existing communities, and expand economic development and employment opportunities, including:
 - a. The Community Services Block Grant Program.
- b. The Community Development Block Grant Program in chapter 290.
- c. The Low-Income Home Energy Assistance Program in chapter 409.
 - d. The Weatherization Assistance Program in chapter 409.
 - e. The Neighborhood Stabilization Program.
- f. The local comprehensive planning process and the development of regional impact process.
- g. The Front Porch Florida Initiative through the Office of Urban Opportunity, which is created within the division. The purpose of the office is to administer the Front Porch Florida initiative, a comprehensive, community-based urban core redevelopment program that enables urban core residents to craft solutions to the unique challenges of each designated community.

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3. Assist in developing the 5-year statewide strategic plan required by this section.

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(b) (c) The Division of Workforce Services shall:

- 1. Prepare and submit a unified budget request for workforce development in accordance with chapter 216 for, and in conjunction with, CareerSource Florida, Inc., and its board.
- 2. Ensure that the state appropriately administers federal and state workforce funding by administering plans and policies of CareerSource Florida, Inc., under contract with CareerSource Florida, Inc. The operating budget and midyear amendments thereto must be part of such contract.
- a. All program and fiscal instructions to local workforce development boards shall emanate from the Department of Economic Opportunity pursuant to plans and policies of CareerSource Florida, Inc., which shall be responsible for all policy directions to the local workforce development boards.
- b. Unless otherwise provided by agreement with CareerSource Florida, Inc., administrative and personnel policies of the Department of Economic Opportunity apply.
- 3. Implement the state's reemployment assistance program. The Department of Economic Opportunity shall ensure that the state appropriately administers the reemployment assistance program pursuant to state and federal law.
- 4. Assist in developing the 5-year statewide strategic plan required by this section.

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(9) The executive director shall:

- (b) Serve as the manager for the state with respect to contracts with the Florida Tourism Industry Marketing

 Corporation Enterprise Florida, Inc., the Institute for the Commercialization of Public Research, and all applicable direct-support organizations. To accomplish the provisions of this section and applicable provisions of chapter 288, and notwithstanding the provisions of part I of chapter 287, the director shall enter into specific contracts with the Florida Tourism Industry Marketing Corporation Enterprise Florida, Inc., the Institute for the Commercialization of Public Research, and other appropriate direct-support organizations. Such contracts may be for multiyear terms and shall include specific performance measures for each year. For purposes of this section, the Florida Tourism Industry Marketing Corporation is not an appropriate direct-support organization.
- (10) The department, with assistance from Enterprise

 Florida, Inc., shall, by November 1 of each year, submit an annual report 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.
- (a) The report must include the identification of problems and a prioritized list of recommendations.
- (b) The report must incorporate annual reports of other programs, including:

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- 2. Information provided by the Department of Revenue under s. 290.014.
 - 3. Information provided by enterprise zone development agencies under s. 290.0056 and an analysis of the activities and accomplishments of each enterprise zone.
 - 4. The Economic Cardening Business Loan Pilot Program established under s. 288.1081 and the Economic Cardening Technical Assistance Pilot Program established under s. 288.1082.
 - $\underline{4.5.}$ A detailed report of the performance of the Black Business Loan Program and a cumulative summary of quarterly report data required under s. 288.714.
 - 5.6. The Rural Economic Development Initiative established under s. 288.0656.
 - 6.7. The Florida Unique Abilities Partner Program.
 - (11) The department shall establish annual performance standards for Enterprise Florida, Inc., CareerSource Florida, Inc., the Florida Tourism Industry Marketing Corporation, and Space Florida and report annually on how these performance measures are being met in the annual report required under subsection (10).
 - Section 6. Section 20.601, Florida Statutes, is repealed.
 Section 7. (1) All duties, functions, records, pending

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issues, existing contracts, administrative authority,
administrative rules, and unexpended balances of appropriations,
allocations, and other public funds relating to the programs in
Enterprise Florida, Inc., are transferred by a type two transfer
to the Department of Economic Opportunity.

- (2) (a) The Florida Sports Foundation, incorporated under chapter 617, Florida Statutes, which was previously merged into and transferred to Enterprise Florida, Inc., may enter into an agreement with the Department of Economic Opportunity to continue any existing program, activity, duty, or function necessary for the operation of the foundation.
- (b) Any funds held in trust which were donated to or earned by the Florida Sports Foundation may be used by the foundation for the original purposes for which the funds were received.
- (3) (a) The Florida Tourism Industry Marketing Corporation may enter into an agreement with the Department of Economic Opportunity to continue any existing program, activity, duty, or function necessary for the operation of the corporation.
- (b) Any funds held in trust which were donated to or earned by the Florida Tourism Industry Marketing Corporation may be used by the corporation for the original purposes for which the funds were received.
- (4) It is the intent of the Legislature that the changes made by this act be accomplished with minimal disruption of

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services provided to the public and with minimal disruption to 551 552 employees of any organization. Section 8. For programs established pursuant to ss. 553 212.08(5)q), 212.097, 220.1899, 220.191, 288.047, 288.1045, 554 555 288.106, 288.107, 288.108, 288.1081, 288.1082, 288.1088, 556 288.1089, 288.1162, 288.11621, 288.11625, 288.11631, 557 288.1254(11), 288.9916, and 339.2821, Florida Statutes, no new 558 or additional applications or certifications shall be approved, 559 no new letters of certification may be issued, no new contracts 560 or agreements may be executed, and no new awards may be made. 561 All certifications are rescinded except for those certified 562 applicants or projects that continue to meet the criteria in effect before July 1, 2017. Any existing contracts or agreements 563 564 authorized under any of these programs shall continue in full 565 force and effect in accordance with the statutory requirements 566 in effect when the contract or agreement was executed or last modified. However, no further modifications, extensions, or 567 568 waivers may be made or granted relating to such contracts or 569 agreements except computations by the Department of Revenue of 570 the income generated by or arising out of the qualifying 571 project. 572 Section 9. Paragraph (n) of subsection (3) of section 573 125.0104, Florida Statutes, is amended to read: 574 125.0104 Tourist development tax; procedure for levying; 575 authorized uses; referendum; enforcement.-

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(3) TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.-

- (n) In addition to any other tax that is imposed under this section, a county that has imposed the tax under paragraph
 (l) may impose an additional tax that is no greater than 1 percent on the exercise of the privilege described in paragraph
 (a) by a majority plus one vote of the membership of the board of county commissioners in order to:
 - 1. Pay the debt service on bonds issued to finance:
- a. The construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a new professional sports franchise as defined in s. 288.1162. As used in this sub-subparagraph, the term "new professional sports franchise" means a professional sports franchise that was not based in this state before April 1, 1987.
- b. The acquisition, construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a retained spring training franchise.

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2. Promote and advertise tourism in the State of Florida and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event shall have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.

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A county that imposes the tax authorized in this paragraph may not expend any ad valorem tax revenues for the acquisition, construction, reconstruction, or renovation of a facility for which tax revenues are used pursuant to subparagraph 1. The provision of paragraph (b) which prohibits any county authorized to levy a convention development tax pursuant to s. 212.0305 from levying more than the 2-percent tax authorized by this section shall not apply to the additional tax authorized by this paragraph in counties which levy convention development taxes pursuant to s. 212.0305(4)(a). Subsection (4) does not apply to the adoption of the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph is the first day of the second month following approval of the ordinance by the board of county commissioners or the first day of any subsequent month specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of the ordinance.

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Section 10. Subsection (11) of section 159.803, Florida Statutes, is amended to read:

159.803 Definitions.—As used in this part, the term:

- (11) "Florida First Business project" means any project which is certified by the Department of Economic Opportunity as eligible to receive an allocation from the Florida First Business allocation pool established pursuant to s. 159.8083. The Department of Economic Opportunity may certify those projects meeting the criteria set forth in s. 288.106(4)(b) or any project providing a substantial economic benefit to this state.
- Section 11. Paragraph (a) of subsection (8) of section 166.231, Florida Statutes, is amended to read:
 - 166.231 Municipalities; public service tax.-
- (8)(a) Beginning July 1, 1995, a municipality may by ordinance exempt not less than 50 percent of the tax imposed under this section on purchasers of electrical energy who are determined to be eligible for the exemption provided by s.

 212.08(14) 212.08(15) by the Department of Revenue. The exemption shall be administered as provided in that section. A copy of any ordinance adopted pursuant to this subsection shall be provided to the Department of Revenue not less than 14 days prior to its effective date.
- Section 12. Section 189.033, Florida Statutes, is amended to read:

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189.033 Independent special district services in disproportionally affected county; rate reduction for providers providing economic benefits.-If the governing body of an independent special district that provides water, wastewater, and sanitation services in a disproportionally affected countyas defined in s. 288.106(8), determines that a new user or the expansion of an existing user of one or more of its utility systems will provide a significant benefit to the community in terms of increased job opportunities, economies of scale, or economic development in the area, the governing body may authorize a reduction of its rates, fees, or charges for that user for a specified period of time. A governing body that exercises this power must do so by resolution that states the anticipated economic benefit justifying the reduction as well as the period of time that the reduction will remain in place. As used in this section, the term "disproportionally affected county" means Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County.

Section 13. Subsections (11) through (19) of section 196.012, Florida Statutes, are renumbered as subsections (12) through (20), respectively, a new subsection (11) is added to that section, and paragraph (a) of present subsection (14), paragraph (a) of present subsection (15), and present subsection (16) of that section are amended to read:

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196.012 Definitions.—For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

- (11) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the Department of Economic Opportunity:
- (a) Future growth.—The industry forecast indicates strong expectation for future growth in employment and output, according to the most recent available data. Special consideration should be given to businesses that export goods to, or provide services in, international markets and businesses that replace domestic and international imports of goods or services.
- (b) Stability.—The industry is not subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry is also relatively resistant to recession, so that the demand for products of this industry is not typically subject to decline during an economic downturn.
- (c) High wage.—The industry pays relatively high wages compared to statewide or area averages.
- (d) Market and resource independent.—The industry business location is not dependent on markets or resources in the state as indicated by industry analysis, except for businesses in the

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renewable energy industry.

- (e) Industrial base diversification and strengthening.—The industry contributes toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration should be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration should also be given to the development of strong industrial clusters that include defense and homeland security businesses.
- (f) Positive economic impact.—The industry has strong positive economic impacts on or benefits to the state or regional economies. Special consideration should be given to industries that facilitate the development of the state as a hub for domestic and global trade and logistics.

The term does not include any business engaged in retail industry activities; any electrical utility company as defined in s. 366.02(2); any phosphate or other solid minerals severance, mining, or processing operation; any oil or gas exploration or production operation; or any business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business within NAICS code 5611 or 5614, office administrative services

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and business support services, respectively, may be considered a target industry business only after the local governing body and the Department of Economic Opportunity determine that the community in which the business may locate has conditions affecting the fiscal and economic viability of the local community or area, including, but not limited to, low per capita income, high unemployment, high underemployment, and a lack of year-round stable employment opportunities, and such conditions may be improved by the business locating in such community. By January 1 of every 3rd year, beginning January 1, 2011, the Department of Economic Opportunity, in consultation with economic development organizations, the State University System, local governments, employee and employer organizations, market analysts, and economists, shall review and, as appropriate, revise the list of target industries and submit the list to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

 $(15)\frac{(14)}{(14)}$ "New business" means:

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- (a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations:
- a. manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed

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location and which comprises an industrial or manufacturing plant; or

- b. Is a target industry business as defined in <u>subsection</u>
 (11) $\frac{\text{s. }288.106(2)(q)}{\text{s. }}$;
- 2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or
- 3. An office space in this state owned and used by a business or organization newly domiciled in this state; provided such office space houses 50 or more full-time employees of such business or organization; provided that such business or organization office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.
 - (16) (15) "Expansion of an existing business" means:
- (a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any of the operations referred to in subparagraph (15)(a)1. (14)(a)1.; or
 - 2. A business or organization establishing 25 or more new

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jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operations on a site located within the same county, municipality, or both colocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization, resulting in a net increase in employment of not less than 10 percent or an increase in productive output or sales of not less than 10 percent.

(17) "Permanent resident" means a person who has established a permanent residence as defined in subsection (18)

Section 14. Subsection (2) of section 196.101, Florida Statutes, is amended to read:

196.101 Exemption for totally and permanently disabled persons.—

(2) Any real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, as defined in s. $\underline{196.012(12)}$ $\underline{196.012(11)}$, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation.

Section 15. Subsection (2) of section 196.121, Florida

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Statutes, is amended to read:

196.121 Homestead exemptions; forms.-

(2) The forms shall require the taxpayer to furnish certain information to the property appraiser for the purpose of determining that the taxpayer is a permanent resident as defined in s. $\underline{196.012(17)}$ $\underline{196.012(16)}$. Such information may include, but need not be limited to, the factors enumerated in s. 196.015.

Section 16. Subsections (6) and (11) of section 196.1995, Florida Statutes, are amended to read:

196.1995 Economic development ad valorem tax exemption.-

- (6) With respect to a new business as defined <u>in by</u> s. 196.012(15)(c) 196.012(14)(e), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.
- (11) An ordinance granting an exemption under this section shall be adopted in the same manner as any other ordinance of the county or municipality and shall include the following:
- (a) The name and address of the new business or expansion of an existing business to which the exemption is granted;

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(b) The total amount of revenue available to the county or municipality from ad valorem tax sources for the current fiscal year, the total amount of revenue lost to the county or municipality for the current fiscal year by virtue of economic development ad valorem tax exemptions currently in effect, and the estimated revenue loss to the county or municipality for the current fiscal year attributable to the exemption of the business named in the ordinance;

- (c) The period of time for which the exemption will remain in effect and the expiration date of the exemption, which may be any period of time up to 10 years, or up to 20 years for a data center; and
- (d) A finding that the business named in the ordinance meets the requirements of s. $\underline{196.012(15)}$ or $\underline{(16)}$ $\underline{196.012(14)}$ or $\underline{(15)}$.

Section 17. Paragraphs (a), (c), and (d) of subsection (4) of section 201.15, Florida Statutes, are amended to read:

201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the payment of service charges or costs of collection and enforcement under this

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section. All taxes collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), are subject to the service charge imposed in s. 215.20(1). Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter and the service charge shall be available and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, 2017, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

- (4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2) and deduction of the service charge imposed pursuant to s. 215.20(1), the remainder shall be distributed as follows:
- (a) The lesser of 24.18442 percent of the remainder or \$541.75 million in each fiscal year shall be paid into the State Treasury to the credit of the State Transportation Trust Fund. Of such funds, \$75 million for each fiscal year shall be

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transferred to the <u>General Revenue Fund</u> State Economic

Enhancement and Development Trust Fund within the Department of

Economic Opportunity. Notwithstanding any other law, the

remaining amount credited to the State Transportation Trust Fund

shall be used for:

- 1. Capital funding for the New Starts Transit Program, authorized by Title 49, U.S.C. s. 5309 and specified in s. 341.051, in the amount of 10 percent of the funds;
- 2. The Small County Outreach Program specified in s. 339.2818, in the amount of 10 percent of the funds;
- 3. The Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, in the amount of 75 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2.; and
- 4. The Transportation Regional Incentive Program specified in s. 339.2819, in the amount of 25 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2. The first \$60 million of the funds allocated pursuant to this subparagraph shall be allocated annually to the Florida Rail Enterprise for the purposes established in s. 341.303(5).
- (c) Eleven and twenty-four hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$35 million shall be transferred annually, subject to any distribution required under subsection (5), to

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the <u>General Revenue Fund</u> State Economic Enhancement and <u>Development Trust Fund within the Department of Economic Opportunity</u>. The remainder shall be used as follows:

- 1. Half of that amount shall be used for the purposes for which the State Housing Trust Fund was created and exists by law.
- 2. Half of that amount shall be paid into the State Treasury to the credit of the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law.
- (d) Twelve and ninety-three hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$40 million shall be transferred annually, subject to any distribution required under subsection (5), to the General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. The remainder shall be used as follows:
- 1. Twelve and one-half percent of that amount shall be deposited into the State Housing Trust Fund and expended by the Department of Economic Opportunity and the Florida Housing Finance Corporation for the purposes for which the State Housing Trust Fund was created and exists by law.
- 2. Eighty-seven and one-half percent of that amount shall be distributed to the Local Government Housing Trust Fund and

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used for the purposes for which the Local Government Housing Trust Fund was created and exists by law. Funds from this category may also be used to provide for state and local services to assist the homeless.

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Section 18. Paragraph (a) of subsection (1) of section 212.031, Florida Statutes, is amended to read:

212.031 Tax on rental or license fee for use of real property.—

- (1)(a) It is declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of renting, leasing, letting, or granting a license for the use of any real property unless such property is:
 - 1. Assessed as agricultural property under s. 193.461.
 - 2. Used exclusively as dwelling units.
- 3. Property subject to tax on parking, docking, or storage spaces under s. 212.03(6).
- 4. Recreational property or the common elements of a condominium when subject to a lease between the developer or owner thereof and the condominium association in its own right or as agent for the owners of individual condominium units or the owners of individual condominium units. However, only the lease payments on such property shall be exempt from the tax imposed by this chapter, and any other use made by the owner or the condominium association shall be fully taxable under this chapter.

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5. A public or private street or right-of-way and poles, conduits, fixtures, and similar improvements located on such streets or rights-of-way, occupied or used by a utility or provider of communications services, as defined by s. 202.11, for utility or communications or television purposes. For purposes of this subparagraph, the term "utility" means any person providing utility services as defined in s. 203.012. This exception also applies to property, wherever located, on which the following are placed: towers, antennas, cables, accessory structures, or equipment, not including switching equipment, used in the provision of mobile communications services as defined in s. 202.11. For purposes of this chapter, towers used in the provision of mobile communications services, as defined in s. 202.11, are considered to be fixtures.

6. A public street or road which is used for transportation purposes.

- 7. Property used at an airport exclusively for the purpose of aircraft landing or aircraft taxiing or property used by an airline for the purpose of loading or unloading passengers or property onto or from aircraft or for fueling aircraft.
- 8.a. Property used at a port authority, as defined in s. 315.02(2), exclusively for the purpose of oceangoing vessels or tugs docking, or such vessels mooring on property used by a port authority for the purpose of loading or unloading passengers or cargo onto or from such a vessel, or property used at a port

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authority for fueling such vessels, or to the extent that the amount paid for the use of any property at the port is based on the charge for the amount of tonnage actually imported or exported through the port by a tenant.

- b. The amount charged for the use of any property at the port in excess of the amount charged for tonnage actually imported or exported shall remain subject to tax except as provided in sub-subparagraph a.
- 9. Property used as an integral part of the performance of qualified production services. As used in this subparagraph, the term "qualified production services" means any activity or service performed directly in connection with the production of a qualified motion picture, as defined in s. 212.06(1)(b), and includes:

a. Photography, sound and recording, easting, location managing and scouting, shooting, creation of special and optical effects, animation, adaptation (language, media, electronic, or otherwise), technological modifications, computer graphics, set and stage support (such as electricians, lighting designers and operators, greensmen, prop managers and assistants, and grips), wardrobe (design, preparation, and management), hair and makeup (design, production, and application), performing (such as acting, dancing, and playing), designing and executing stunts, coaching, consulting, writing, scoring, composing, choreographing, script supervising, directing, producing,

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transmitting dailies, dubbing, mixing, editing, cutting, looping, printing, processing, duplicating, storing, and distributing;

b. The design, planning, engineering, construction, alteration, repair, and maintenance of real or personal property including stages, sets, props, models, paintings, and facilities principally required for the performance of those services listed in sub-subparagraph a.; and

c. Property management services directly related to property used in connection with the services described in subsubparagraphs a. and b.

This exemption will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.

9.10. Leased, subleased, licensed, or rented to a person providing food and drink concessionaire services within the premises of a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, publicly owned recreational facility, or any business operated under a permit issued pursuant to chapter 550. A person providing retail concessionaire services involving the sale of food and drink or other tangible personal property within the premises of an airport shall be subject to tax on the rental of real property used for that purpose, but shall not be subject to

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the tax on any license to use the property. For purposes of this subparagraph, the term "sale" shall not include the leasing of tangible personal property.

10.11. Property occupied pursuant to an instrument calling for payments which the department has declared, in a Technical Assistance Advisement issued on or before March 15, 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c), Florida Administrative Code; provided that this subparagraph shall only apply to property occupied by the same person before and after the execution of the subject instrument and only to those payments made pursuant to such instrument, exclusive of renewals and extensions thereof occurring after March 15, 1993.

11.12. Property used or occupied predominantly for space flight business purposes. As used in this subparagraph, "space flight business" means the manufacturing, processing, or assembly of a space facility, space propulsion system, space vehicle, satellite, or station of any kind possessing the capacity for space flight, as defined by s. 212.02(23), or components thereof, and also means the following activities supporting space flight: vehicle launch activities, flight operations, ground control or ground support, and all administrative activities directly related thereto. Property shall be deemed to be used or occupied predominantly for space flight business purposes if more than 50 percent of the property, or improvements thereon, is used for one or more space

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flight business purposes. Possession by a landlord, lessor, or licensor of a signed written statement from the tenant, lessee, or licensee claiming the exemption shall relieve the landlord, lessor, or licensor from the responsibility of collecting the tax, and the department shall look solely to the tenant, lessee, or licensee for recovery of such tax if it determines that the exemption was not applicable.

12.13. Rented, leased, subleased, or licensed to a person providing telecommunications, data systems management, or Internet services at a publicly or privately owned convention hall, civic center, or meeting space at a public lodging establishment as defined in s. 509.013. This subparagraph applies only to that portion of the rental, lease, or license payment that is based upon a percentage of sales, revenue sharing, or royalty payments and not based upon a fixed price. This subparagraph is intended to be clarifying and remedial in nature and shall apply retroactively. This subparagraph does not provide a basis for an assessment of any tax not paid, or create a right to a refund of any tax paid, pursuant to this section before July 1, 2010.

Section 19. Paragraph (b) of subsection (1) of section 212.06, Florida Statutes, is amended to read:

212.06 Sales, storage, use tax; collectible from dealers; "dealer" defined; dealers to collect from purchasers; legislative intent as to scope of tax.—

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Except as otherwise provided, any person who (b) manufactures, produces, compounds, processes, or fabricates in any manner tangible personal property for his or her own use shall pay a tax upon the cost of the product manufactured, produced, compounded, processed, or fabricated without any deduction therefrom on account of the cost of material used, labor or service costs, or transportation charges, notwithstanding the provisions of s. 212.02 defining "cost price." However, the tax levied under this paragraph shall not be imposed upon any person who manufactures or produces electrical power or energy, steam energy, or other energy at a single location, when such power or energy is used directly and exclusively at such location, or at other locations if the energy is transferred through facilities of the owner in the operation of machinery or equipment that is used to manufacture, process, compound, produce, fabricate, or prepare for shipment tangible personal property for sale or to operate pollution control equipment, maintenance equipment, or monitoring or control equipment used in such operations. The manufacture or production of electrical power or energy that is used for space heating, lighting, office equipment, or air-conditioning or any other, nonprocessing, noncompounding, nonproducing, nonfabricating, or nonshipping activity is taxable. Electrical power or energy consumed or dissipated in the transmission or

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distribution of electrical power or energy for resale is also not taxable. Fabrication labor shall not be taxable when a person is using his or her own equipment and personnel, for his or her own account, as a producer, subproducer, or coproducer of a qualified motion picture. For purposes of this chapter, the term "qualified motion picture" means all or any part of a series of related images, either on film, tape, or other embodiment, including, but not limited to, all items comprising part of the original work and film-related products derived therefrom as well as duplicates and prints thereof and all sound recordings created to accompany a motion picture, which is produced, adapted, or altered for exploitation in, on, or through any medium or device and at any location, primarily for entertainment, commercial, industrial, or educational purposes. This exemption for fabrication labor associated with production of a qualified motion picture will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258. A person who manufactures factory-built buildings for his or her own use in the performance of contracts for the construction or improvement of real property shall pay a tax only upon the person's cost price of items used in the manufacture of such buildings. Section 20. Section 212.0602, Florida Statutes, is repealed. Section 21. Paragraph (a) of subsection (3) of section

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1126 212.0606, Florida Statutes, is amended to read:

212.0606 Rental car surcharge.-

(3)(a) Notwithstanding s. 212.20, and less the costs of administration, 80 percent of the proceeds of this surcharge shall be deposited in the State Transportation Trust Fund, 15.75 percent of the proceeds of this surcharge shall be deposited in the Tourism Promotional Trust Fund created in s. 288.122, and 20 4.25 percent of the proceeds of this surcharge shall be deposited in the General Revenue Fund Florida International Trade and Promotion Trust Fund. For the purposes of this subsection, "proceeds" of the surcharge means all funds collected and received by the department under this section, including interest and penalties on delinquent surcharges. The department shall provide the Department of Transportation rental car surcharge revenue information for the previous state fiscal year by September 1 of each year.

Section 22. Paragraphs (g) through (q) of subsection (5) of section 212.08, Florida Statutes, are redesignated as paragraphs (f) through (p), respectively, subsections (12) through (18) are renumbered as subsections (11) through (17), respectively, and paragraph (f) and present paragraphs (h) and (j) of subsection (5), subsection (12), and paragraph (f) of present subsection (15) of that section are amended to read:

212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the

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rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(5) EXEMPTIONS; ACCOUNT OF USE.-

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- (f) Motion picture or video-equipment used in motion picture or television production activities and sound recording equipment used in the production of master tapes and master records.
- 1. Motion picture or video equipment and sound recording equipment purchased or leased for use in this state in production activities is exempt from the tax imposed by this chapter. The exemption provided by this paragraph shall inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.
- 2. For the purpose of the exemption provided in subparagraph 1.:
- a. "Motion picture or video equipment" and "sound recording equipment" includes only tangible personal property or other property that has a depreciable life of 3 years or more and that is used by the lessee or purchaser exclusively as an integral part of production activities; however, motion picture or video equipment and sound recording equipment does not include supplies, tape, records, film, or video tape used in productions or other similar items; vehicles or vessels; or

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general office equipment not specifically suited to production activities. In addition, the term does not include equipment purchased or leased by television or radio broadcasting or cable companies licensed by the Federal Communications Commission. Furthermore, a building and its structural components are not motion picture or video equipment and sound recording equipment unless the building or structural component is so closely related to the motion picture or video equipment and sound recording equipment that it houses or supports that the building or structural component can be expected to be replaced when the motion picture or video equipment and sound recording equipment are replaced. Heating and air-conditioning systems are not motion picture or video equipment and sound recording equipment unless the sole justification for their installation is to meet the requirements of the production activities, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonproduction activities. b. "Production activities" means activities directed toward the preparation of a:

(I) Master tape or master record embodying sound; or

(II) Motion picture or television production which is

produced for theatrical, commercial, advertising, or educational purposes and utilizes live or animated actions or a combination of live and animated actions. The motion picture or television production shall be commercially produced for sale or for

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showing on screens or broadcasting on television and may be on film or video tape.

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(g) (h) Business property used in an enterprise zone.

- 1. Business property purchased for use by businesses located in an enterprise zone which is subsequently used in an enterprise zone shall be exempt from the tax imposed by this chapter. This exemption inures to the business only through a refund of previously paid taxes. A refund shall be authorized upon an affirmative showing by the taxpayer to the satisfaction of the department that the requirements of this paragraph have been met.
- 2. To receive a refund, the business must file under oath with the governing body or enterprise zone development agency having jurisdiction over the enterprise zone where the business is located, as applicable, an application which includes:
- a. The name and address of the business claiming the refund.
- b. The identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the business is located.
- c. A specific description of the property for which a refund is sought, including its serial number or other permanent identification number.
 - d. The location of the property.
- e. The sales invoice or other proof of purchase of the property, showing the amount of sales tax paid, the date of

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purchase, and the name and address of the sales tax dealer from whom the property was purchased.

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- f. Whether the business is a small business as defined by $s.\ 288.703.$
- g. If applicable, the name and address of each permanent employee of the business, including, for each employee who is a resident of an enterprise zone, the identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the employee resides.
- Within 10 working days after receipt of an application, the governing body or enterprise zone development agency shall review the application to determine if it contains all the information required pursuant to subparagraph 2. and meets the criteria set out in this paragraph. The governing body or agency shall certify all applications that contain the information required pursuant to subparagraph 2. and meet the criteria set out in this paragraph as eligible to receive a refund. If applicable, the governing body or agency shall also certify if 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees. The certification shall be in writing, and a copy of the certification shall be transmitted to the executive director of the Department of Revenue. The business shall be responsible for forwarding a certified application to the department within the time specified in subparagraph 4.

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4. An application for a refund pursuant to this paragraph must be submitted to the department within 6 months after the tax is due on the business property that is purchased.

- 5. The amount refunded on purchases of business property under this paragraph shall be the lesser of 97 percent of the sales tax paid on such business property or \$5,000, or, if no less than 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and parttime employees, the amount refunded on purchases of business property under this paragraph shall be the lesser of 97 percent of the sales tax paid on such business property or \$10,000. A refund approved pursuant to this paragraph shall be made within 30 days after formal approval by the department of the application for the refund. A refund may not be granted under this paragraph unless the amount to be refunded exceeds \$100 in sales tax paid on purchases made within a 60-day time period.
- 6. The department shall adopt rules governing the manner and form of refund applications and may establish guidelines as to the requisites for an affirmative showing of qualification for exemption under this paragraph.
- 7. If the department determines that the business property is used outside an enterprise zone within 3 years from the date of purchase, the amount of taxes refunded to the business purchasing such business property shall immediately be due and payable to the department by the business, together with the

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appropriate interest and penalty, computed from the date of purchase, in the manner provided by this chapter.

Notwithstanding this subparagraph, business property used exclusively in:

- a. Licensed commercial fishing vessels,
- b. Fishing guide boats, or
- c. Ecotourism quide boats

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that leave and return to a fixed location within an area designated under s. 379.2353, Florida Statutes 2010, are eligible for the exemption provided under this paragraph if all requirements of this paragraph are met. Such vessels and boats must be owned by a business that is eligible to receive the exemption provided under this paragraph. This exemption does not apply to the purchase of a vessel or boat.

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- 8. The department shall deduct an amount equal to 10 percent of each refund granted under this paragraph from the amount transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20 for the county area in which the business property is located and shall transfer that amount to the General Revenue Fund.
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- 9. For the purposes of this exemption, "business property" means new or used property defined as "recovery property" in s. 168(c) of the Internal Revenue Code of 1954, as amended, except:
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 - a. Property classified as 3-year property under s.

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168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;

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1302 b. Industrial machinery and equipment as defined in subsubparagraph (b) 6.a. and eligible for exemption under paragraph 1303 1304 (b); 1305 c. Building materials as defined in sub-subparagraph (f)8.a. $\frac{(g)}{8.a.}$; and 1306 1307 d. Business property having a sales price of under \$5,000 1308 per unit. 1309 This paragraph expires on the date specified in s. 1310 290.016 for the expiration of the Florida Enterprise Zone Act. 1311 (i) (j) Machinery and equipment used in semiconductor, defense, or space technology production .-1312 1313 1.a. Industrial machinery and equipment used in 1314 semiconductor technology facilities certified under subparagraph 1315 5. to manufacture, process, compound, or produce semiconductor technology products for sale or for use by these facilities are 1316 1317 exempt from the tax imposed by this chapter. For purposes of 1318 this paragraph, industrial machinery and equipment includes molds, dies, machine tooling, other appurtenances or accessories 1319 1320 to machinery and equipment, testing equipment, test beds,

b. Industrial machinery and equipment used in defense or space technology facilities certified under subparagraph 5. to

computers, and software, whether purchased or self-fabricated,

and, if self-fabricated, includes materials and labor for

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CODING: Words stricken are deletions; words underlined are additions.

design, fabrication, and assembly.

design, manufacture, assemble, process, compound, or produce defense technology products or space technology products for sale or for use by these facilities are exempt from the tax imposed by this chapter.

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- 2. Building materials purchased for use in manufacturing or expanding clean rooms in semiconductor-manufacturing facilities are exempt from the tax imposed by this chapter.
- 3. In addition to meeting the criteria mandated by subparagraph 1. or subparagraph 2., a business must be certified by the Department of Economic Opportunity in order to qualify for exemption under this paragraph.
- 4. For items purchased tax-exempt pursuant to this paragraph, possession of a written certification from the purchaser, certifying the purchaser's entitlement to the exemption, relieves the seller of the responsibility of collecting the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.
- 5.a. To be eligible to receive the exemption provided by subparagraph 1. or subparagraph 2., a qualifying business entity shall initially apply to the Department of Economic Opportunity Enterprise Florida, Inc. The original certification is valid for a period of 2 years. In lieu of submitting a new application, the original certification may be renewed biennially by submitting to the Department of Economic Opportunity a

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statement, certified under oath, that there has not been a material change in the conditions or circumstances entitling the business entity to the original certification. The initial application and the certification renewal statement shall be developed by the Department of Economic Opportunity.

- b. The Division of Strategic Business Development of the Department of Economic Opportunity shall review each submitted initial application and determine whether or not the application is complete within 5 working days. Once complete, the department division shall, within 10 working days, evaluate the application and recommend approval or disapproval to the Department of Economic Opportunity.
- c. Upon receipt of the initial application and recommendation from the division or upon receipt of a certification renewal statement, the Department of Economic Opportunity shall certify within 5 working days those applicants who are found to meet the requirements of this section and notify the applicant of the original certification or certification renewal. If the Department of Economic Opportunity finds that the applicant does not meet the requirements, it shall notify the applicant and Enterprise Florida, Inc., within 10 working days that the application for certification has been denied and the reasons for denial. The Department of Economic Opportunity has final approval authority for certification under this section.

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d. The initial application and certification renewal statement must indicate, for program evaluation purposes only, the average number of full-time equivalent employees at the facility over the preceding calendar year, the average wage and benefits paid to those employees over the preceding calendar year, the total investment made in real and tangible personal property over the preceding calendar year, and the total value of tax-exempt purchases and taxes exempted during the previous year. The department shall assist the Department of Economic Opportunity in evaluating and verifying information provided in the application for exemption.

- e. The Department of Economic Opportunity may use the information reported on the initial application and certification renewal statement for evaluation purposes only.
- 6. A business certified to receive this exemption may elect to designate one or more state universities or community colleges as recipients of up to 100 percent of the amount of the exemption. To receive these funds, the institution must agree to match the funds with equivalent cash, programs, services, or other in-kind support on a one-to-one basis for research and development projects requested by the certified business. The rights to any patents, royalties, or real or intellectual property must be vested in the business unless otherwise agreed to by the business and the university or community college.
 - 7. As used in this paragraph, the term:

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 a. "Semiconductor technology products" means raw semiconductor wafers or semiconductor thin films that are transformed into semiconductor memory or logic wafers, including wafers containing mixed memory and logic circuits; related assembly and test operations; active-matrix flat panel displays; semiconductor chips; semiconductor lasers; optoelectronic elements; and related semiconductor technology products as determined by the Department of Economic Opportunity.

- b. "Clean rooms" means manufacturing facilities enclosed in a manner that meets the clean manufacturing requirements necessary for high-technology semiconductor-manufacturing environments.
- c. "Defense technology products" means products that have a military application, including, but not limited to, weapons, weapons systems, guidance systems, surveillance systems, communications or information systems, munitions, aircraft, vessels, or boats, or components thereof, which are intended for military use and manufactured in performance of a contract with the United States Department of Defense or the military branch of a recognized foreign government or a subcontract thereunder which relates to matters of national defense.
- d. "Space technology products" means products that are specifically designed or manufactured for application in space activities, including, but not limited to, space launch vehicles, space flight vehicles, missiles, satellites or

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research payloads, avionics, and associated control systems and processing systems and components of any of the foregoing. The term does not include products that are designed or manufactured for general commercial aviation or other uses even though those products may also serve an incidental use in space applications.

(12) PARTIAL EXEMPTION; MASTER TAPES, RECORDS, FILMS, OR VIDEO TAPES.

(a) There are exempt from the taxes imposed by this chapter the gross receipts from the sale or lease of, and the storage, use, or other consumption in this state of, master tapes or master records embodying sound, or master films or master video tapes; except that amounts paid to recording studios or motion picture or television studios for the tangible elements of such master tapes, records, films, or video tapes are taxable as otherwise provided in this chapter. This exemption will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.

(b) For the purposes of this subsection, the term:

1. "Amounts paid for the tangible elements" does not
include any amounts paid for the copyrightable, artistic, or
other intangible elements of such master tapes, records, films,
or video tapes, whether designated as royalties or otherwise,
including, but not limited to, services rendered in producing,
fabricating, processing, or imprinting tangible personal

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1451 property or any other services or production expenses in 1452 connection therewith which may otherwise be construed as constituting a "sale" under s. 212.02. 1453 2. "Master films or master video tapes" means films or 1454 1455 video tapes utilized by the motion picture and television 1456 production industries in making visual images for reproduction. 1457 3. "Master tapes or master records embodying sound" means tapes, records, and other devices utilized by the recording 1458 1459 industry in-making recordings embodying-sound. 1460 4. "Motion picture or television studio" means a facility in which film or video tape productions or parts of productions 1461 are made and which contains the necessary equipment and 1462 1463 personnel for this purpose and includes a mobile unit or vehicle that is equipped in much the same manner as a stationary studio 1464 and used in the making of film or video tape productions. 1465 5. "Recording studio" means a place where, by means of 1466 1467 mechanical or electronic devices, voices, music, or other sounds 1468 are transmitted to tapes, records, or other devices capable of reproducing sound. 1469 6. "Recording industry" means any person engaged in an 1470 occupation or business of making recordings embodying sound for 1471 1472 a livelihood or for a profit. 7. "Motion picture or television production industry" 1473 means any person engaged in an occupation or business for a 1474

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livelihood or for profit of making visual motion picture or

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1476 television visual images for showing on screen or television for 1477 theatrical, commercial, advertising, or educational purposes. 1478 (14) (15) ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE. 1479 (f) For the purpose of the exemption provided in this 1480 subsection, the term "qualified business" means a business which 1481 is: First occupying a new structure to which electrical 1482 1483 service, other than that used for construction purposes, has not 1484 been previously provided or furnished; 1485 Newly occupying an existing, remodeled, renovated, or rehabilitated structure to which electrical service, other than 1486 1487 that used for remodeling, renovation, or rehabilitation of the 1488 structure, has not been provided or furnished in the three 1489 preceding billing periods; or 1490 3. Occupying a new, remodeled, rebuilt, renovated, or 1491 rehabilitated structure for which a refund has been granted 1492 pursuant to paragraph $(5)(f) \frac{(5)(g)}{}$. Section 23. Section 212.097, Florida Statutes, is 1493 1494 repealed. 1495 Section 24. Paragraph (a) of subsection (1) of section 1496 212.098, Florida Statutes, is amended to read: 1497 212.098 Rural Job Tax Credit Program. 1498 (1) As used in this section, the term: 1499 (a) "Eligible business" means any sole proprietorship, 1500 firm, partnership, or corporation that is located in a qualified

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county and is predominantly engaged in, or is headquarters for a business predominantly engaged in, activities usually provided for consideration by firms classified within the following standard industrial classifications: SIC 01-SIC 09 (agriculture, forestry, and fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public warehousing and storage); SIC 70 (hotels and other lodging places); SIC 7391 (research and development); SIC 781 (motion picture production and allied services); SIC 7992 (public golf courses); and SIC 7996 (amusement parks); and a targeted industry eligible for the qualified target industry business tax refund under s. 288.106. A call center or similar customer service operation that services a multistate market or an international market is also an eligible business. In addition, the Department of Economic Opportunity may, as part of its final budget request submitted pursuant to s. 216.023, recommend additions to or deletions from the list of standard industrial classifications used to determine an eligible business, and the Legislature may implement such recommendations. Excluded from eligible receipts are receipts from retail sales, except such receipts for hotels and other lodging places classified in SIC 70, public golf courses in SIC 7992, and amusement parks in SIC 7996. For purposes of this paragraph, the term "predominantly" means that more than 50 percent of the business's gross receipts from all sources is generated by those activities usually provided for consideration

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by firms in the specified standard industrial classification. The determination of whether the business is located in a qualified county and the tier ranking of that county must be based on the date of application for the credit under this section. Commonly owned and controlled entities are to be considered a single business entity.

Section 25. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

- 212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—
- (6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:
- (d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:
- 1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.
- 2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be

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transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

- 3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.
- 4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.
- 5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial

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Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination-from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. Of the remaining proceeds:

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In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the thenexisting provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of

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previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

- b. The department shall distribute \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to <u>former</u> s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in <u>former</u> s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in <u>former</u> s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in <u>former</u> s. 288.1162(5) or <u>former</u> s. 288.11621(3).
- c. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, \$166,667 shall be distributed monthly, for up to 300 months, to the

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1626 applicant.

d. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that the applicant has been certified as the International Game-Fish Association World Center facility pursuant to s. 288.1169, and the facility is open to the public, \$83,333-shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. A lump sum-payment of \$999,996 shall be made after certification and before July 1, 2000.

d.e. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in <u>former</u> s. 288.11631(3).

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f. Beginning 45 days after notice by the Department of
Economic Opportunity to the Department of Revenue that an
applicant has been approved by the Legislature and certified by
the Department of Economic Opportunity under s. 288.11625 or
upon a date specified by the Department of Economic Opportunity
as provided under s. 288.11625(6)(d), the department shall
distribute each month an amount equal to one-twelfth of the
annual distribution amount certified by the Department of
Economic Opportunity for the applicant. The department may not
distribute more than \$7 million in the 2014-2015 fiscal year or
more than \$13 million annually thereafter under this sub-
subparagraph.
$\underline{e \cdot g \cdot}$ Beginning December 1, 2015, and ending June 30, 2016,
the department shall distribute \$26,286 monthly to the State
Transportation Trust Fund. Beginning July 1, 2016, the
department shall distribute \$15,333 monthly to the State
Transportation Trust Fund.
7. All other proceeds must remain in the General Revenue
Fund.
Section 26. Subsection (2) of section 218.61, Florida
Statutes, is amended to read:
218.61 Local government half-cent sales tax; designated
proceeds; trust fund
(2) Money remitted by a sales tax dealer located within
the county and transferred into the Local Government Half-cent

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Sales Tax Clearing Trust Fund shall be earmarked for distribution to the governing body of that county and of each municipality within that county. Such distributions shall be made after funding is provided pursuant to s. 218.64(3), if applicable. Such moneys shall be known as the "local government half-cent sales tax."

Section 27. Subsection (4) of section 218.64, Florida Statutes, is renumbered as subsection (3), and present subsections (2) and (3) of that section are amended to read:

218.64 Local government half-cent sales tax; uses; limitations.—

- (2) Municipalities shall expend their portions of the local government half-cent sales tax only for municipality-wide programs, for reimbursing the state as required pursuant to s. 288.11625, or for municipality-wide property tax or municipal utility tax relief. All utility tax rate reductions afforded by participation in the local government half-cent sales tax shall be applied uniformly across all types of taxed utility services.
- (3) Subject to ordinances enacted by the majority of the members of the county governing authority and by the majority of the members of the governing authorities of municipalities representing at least 50 percent of the municipal population of such county, counties may use up to \$3 million annually of the local government half-cent sales tax allocated to that county for any of the following purposes:

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(a) Funding a certified applicant as a facility for a new or retained professional sports franchise under s. 288.1162 or a certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. It is the Legislature's intent that the provisions of s. 288.1162, including, but not limited to, the evaluation process by the Department of Economic Opportunity except for the limitation on the number of certified applicants or facilities as provided in that section and the restrictions set forth in s. 288.1162(8), shall apply to an applicant's facility to be funded by local government as provided in this subsection.

(b) funding a certified applicant as a "motorsport entertainment complex," as provided for in s. 288.1171. Funding for each franchise or motorsport complex shall begin 60 days after certification and shall continue for not more than 30

(c) Reimbursing the state as required under s. 288.11625.

Section 28. Subsection (8) of section 220.02, Florida

Statutes, is amended to read:

220.02 Legislative intent.-

vears.

(8) It is the intent of the Legislature that credits against either the corporate income tax or the franchise tax be applied in the following order: those enumerated in s. 631.828, those enumerated in former s. 220.191, those enumerated in s. 220.181, those enumerated in s.

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220.182, those enumerated in s. 220.1895, those enumerated in s. 1726 1727 220.195, those enumerated in s. 220.184, those enumerated in s. 1728 220.186, those enumerated in s. 220.1845, those enumerated in s. 1729 220.19, those enumerated in s. 220.185, those enumerated in s. 1730 220.1875, those enumerated in s. 220.192, those enumerated in s. 1731 220.193, those enumerated in former s. 288.9916, those 1732 enumerated in former s. 220.1899, those enumerated in s. 220.194, and those enumerated in s. 220.196. 1733 1734 Section 29. Paragraph (a) of subsection (1) of section 1735 220.13, Florida Statutes, is amended to read: 1736 220.13 "Adjusted federal income" defined.-1737 The term "adjusted federal income" means an amount equal to the taxpayer's taxable income as defined in subsection 1738 1739 (2), or such taxable income of more than one taxpayer as 1740 provided in s. 220.131, for the taxable year, adjusted as 1741 follows: Additions.—There shall be added to such taxable 1742 (a) 1743 income: The amount of any tax upon or measured by income, 1744 1745 excluding taxes based on gross receipts or revenues, paid or 1746 accrued as a liability to the District of Columbia or any state 1747 of the United States which is deductible from gross income in the computation of taxable income for the taxable year. 1748 1749 2. The amount of interest which is excluded from taxable

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income under s. 103(a) of the Internal Revenue Code or any other

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federal law, less the associated expenses disallowed in the computation of taxable income under s. 265 of the Internal Revenue Code or any other law, excluding 60 percent of any amounts included in alternative minimum taxable income, as defined in s. 55(b)(2) of the Internal Revenue Code, if the taxpayer pays tax under s. 220.11(3).

- 3. In the case of a regulated investment company or real estate investment trust, an amount equal to the excess of the net long-term capital gain for the taxable year over the amount of the capital gain dividends attributable to the taxable year.
- 4. That portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.181. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.
- 5. That portion of the ad valorem school taxes paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.182. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.
- 6. The amount taken as a credit under s. 220.195 which is deductible from gross income in the computation of taxable income for the taxable year.
- 7. That portion of assessments to fund a guaranty association incurred for the taxable year which is equal to the

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amount of the credit allowable for the taxable year.

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- 8. In the case of a nonprofit corporation which holds a pari-mutuel permit and which is exempt from federal income tax as a farmers' cooperative, an amount equal to the excess of the gross income attributable to the pari-mutuel operations over the attributable expenses for the taxable year.
- 9. The amount taken as a credit for the taxable year under $s.\ 220.1895.$
- 10. Up to nine percent of the eligible basis of any designated project which is equal to the credit allowable for the taxable year under s. 220.185.
- 11. The amount taken as a credit for the taxable year under s. 220.1875. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. This addition is not intended to result in adding the same expense back to income more than once.
- 12. The amount taken as a credit for the taxable year under s. 220.192.
- 13. The amount taken as a credit for the taxable year under $s.\ 220.193.$
- 14. Any portion of a qualified investment, as defined in s. 288.9913, which is claimed as a deduction by the taxpayer and taken as a credit against income tax pursuant to s. 288.9916.
 - 14.15. The costs to acquire a tax credit pursuant to s.

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288.1254(5) that are deducted from or otherwise reduce federal taxable income for the taxable year.

15.16. The amount taken as a credit for the taxable year pursuant to s. 220.194.

16.17. The amount taken as a credit for the taxable year under s. 220.196. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. The addition is not intended to result in adding the same expense back to income more than once.

Section 30. Section 220.1895, Florida Statutes, is amended to read:

Job Tax Credit.—There shall be allowed a credit against the tax imposed by this chapter amounts approved by the Department of Economic Opportunity pursuant to the Rural Job Tax Credit Program in s. 212.098 and the Urban High-Crime Area Job Tax Credit against the tax imposed by this chapter may not take the credit against the tax imposed by this chapter may not take the credit against the tax imposed by chapter 212. If any credit granted under this section is not fully used in the first year for which it becomes available, the unused amount may be carried forward for a period not to exceed 5 years. The carryover may be used in a subsequent year when the tax imposed by this chapter for such year exceeds the credit for such year under this section after

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1826 applying the other credits and unused credit carryovers in the 1827 order provided in s. 220.02(8). 1828 Section 31. Section 220.1899, Florida Statutes, is 1829 repealed. 1830 Section 32. Section 220.191, Florida Statutes, is 1831 repealed. Section 33. Subsection (9) of section 220.194, Florida 1832 1833 Statutes, is amended to read: 1834 220.194 Corporate income tax credits for spaceflight 1835 projects.-1836 ANNUAL REPORT.—Beginning in 2014, the Department of 1837 Economic Opportunity, in cooperation with Space Florida and the 1838 department, shall include in the annual incentives report 1839 required under s. 288.0065 288.907 a summary of activities 1840 relating to the Florida Space Business Incentives Act 1841 established under this section. 1842 Section 34. Subsection (1) and paragraph (a) of subsection (2) of section 220.196, Florida Statutes, are amended to read: 1843 1844 220.196 Research and development tax credit.-1845 DEFINITIONS.-As used in this section, the term: 1846 "Base amount" means the average of the business 1847 enterprise's qualified research expenses in this state allowed 1848 under 26 U.S.C. s. 41 for the 4 taxable years preceding the 1849 taxable year for which the credit is determined. The qualified 1850 research expenses taken into account in computing the base

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amount shall be determined on a basis consistent with the determination of qualified research expenses for the taxable year.

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- (b) "Business enterprise" means any corporation as defined in s. 220.03 which meets the definition of a target industry business as defined in paragraph (c) $\frac{1}{5}$.
- (c) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the Department of Economic Opportunity:
- 1. Future growth.—The industry forecast indicates strong expectation for future growth in employment and output, according to the most recent available data. Special consideration shall be given to businesses that export goods to, or provide services in, international markets and businesses that replace domestic and international imports of goods or services.
- 2. Stability.—The industry is not subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry is also relatively resistant to recession, so that the demand for products of this industry is not typically subject to decline during an economic downturn.
- 3. High wage.—The industry pays relatively high wages compared to statewide or area averages.

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4. Market and resource independent.—The industry business location is not dependent on markets or resources in the state as indicated by industry analysis, except for businesses in the renewable energy industry.

- 5. Industrial base diversification and strengthening.—The industry contributes toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration shall be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration shall also be given to the development of strong industrial clusters that include defense and homeland security businesses.
- 6. Positive economic impact.—The industry has strong positive economic impacts on or benefits to the state or regional economies. Special consideration shall be given to industries that facilitate the development of the state as a hub for domestic and global trade and logistics.

The term does not include any business engaged in retail industry activities; any electrical utility company as defined in s. 366.02(2); any phosphate or other solid minerals severance, mining, or processing operation; any oil or gas exploration or production operation; or any business subject to

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regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business within NAICS code 5611 or 5614, office administrative services and business support services, respectively, may be considered a target industry business only after the local governing body and the Department of Economic Opportunity determine that the community in which the business may locate has conditions affecting the fiscal and economic viability of the local community or area, including, but not limited to, low per capita income, high unemployment, high underemployment, and a lack of year-round stable employment opportunities, and such conditions may be improved by the business locating in such community. By January 1 of every 3rd year, beginning January 1, 2011, the Department of Economic Opportunity, in consultation with economic development organizations, the State University System, local governments, employee and employer organizations, market analysts, and economists, shall review and, as appropriate, revise the list of target industries and submit the list to the Governor, the President of the Senate, and the Speaker of the House of Representatives. (d) (c) "Qualified research expenses" means research

(d) (c) "Qualified research expenses" means research expenses qualifying for the credit under 26 U.S.C. s. 41 for inhouse research expenses incurred in this state or contract research expenses incurred in this state. The term does not include research conducted outside this state or research

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1926 expenses that do not qualify for a credit under 26 U.S.C. s. 41.

(2) TAX CREDIT.-

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- (a) As provided in this section, a business enterprise is eligible for a credit against the tax imposed by this chapter if
 - 1. Has qualified research expenses in this state in the taxable year exceeding the base amount;
 - 2. Claims and is allowed a research credit for such qualified research expenses under 26 U.S.C. s. 41 for the same taxable year as subparagraph 1.; and
 - 3. Is a qualified target industry business as defined in paragraph (c) s. 288.106(2)(n). Only qualified target industry businesses in the manufacturing, life sciences, information technology, aviation and aerospace, homeland security and defense, cloud information technology, marine sciences, materials science, and nanotechnology industries may qualify for a tax credit under this section. A business applying for a credit pursuant to this section shall include a letter from the Department of Economic Opportunity certifying whether the business meets the requirements of this subparagraph with its application for credit. The Department of Economic Opportunity shall provide such a letter upon receiving a request.

Section 35. Section 272.11, Florida Statutes, is amended to read:

272.11 Capitol information center.-The Department of

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Economic Opportunity Enterprise Florida, Inc., shall establish, maintain, and operate a Capitol information center somewhere within the area of the Capitol Center and employ personnel or enter into contracts to maintain same.

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Section 36. Paragraph (f) of subsection (1) of section 287.0947, Florida Statutes, is amended to read:

287.0947 Florida Advisory Council on Small and Minority Business Development; creation; membership; duties.—

The Secretary of Management Services may create the Florida Advisory Council on Small and Minority Business Development with the purpose of advising and assisting the secretary in carrying out the secretary's duties with respect to minority businesses and economic and business development. It is the intent of the Legislature that the membership of such council include practitioners, laypersons, financiers, and others with business development experience who can provide invaluable insight and expertise for this state in the diversification of its markets and networking of business opportunities. The council shall initially consist of 19 persons, each of whom is or has been actively engaged in small and minority business development, either in private industry, in governmental service, or as a scholar of recognized achievement in the study of such matters. Initially, the council shall consist of members representing all regions of the state and shall include at least one member from each group identified

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within the definition of "minority person" in s. 288.703(4), considering also gender and nationality subgroups, and shall consist of the following:

(f) A member from the <u>Department of Economic Opportunity</u> board of directors of Enterprise Florida, Inc.

A candidate for appointment may be considered if eligible to be certified as an owner of a minority business enterprise, or if otherwise qualified under the criteria above. Vacancies may be filled by appointment of the secretary, in the manner of the original appointment.

Section 37. Subsections (2) and (4) of section 288.0001, Florida Statutes, are amended to read:

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

- (2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:
- (a) By January 1, 2014, and every 3 years thereafter, an analysis of the following:

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2001	1. The capital investment tax credit established under s.
2002	220.191.
2003	2. The qualified target industry tax refund established
2004	under s. 288.106.
2005	3. The brownfield redevelopment bonus refund established
2006	under s. 288.107.
2007	4. High-impact business performance grants established
2008	under s. 288.108.
2009	5. The Quick Action Closing Fund established under s.
2010	288.1088.
2011	6. The Innovation Incentive Program established under s.
2012	288.1089.
2013	1.7. Enterprise Zone Program incentives established under
2014	ss. 212.08(5) and <u>(14) (15)</u> , 212.096, 220.181, and 220.182.
2015	2.8. The New Markets Development Program established under
2016	ss. 288.991-288.9922.
2017	(b) By January 1, 2015, and every 3 years thereafter, an
2018	analysis of the following :
2019	1. The entertainment industry financial incentive program
2020	established under s. 288.1254.
2021	2. The entertainment industry sales tax exemption program
2022	established under s. 288.1258.
2023	2.3. VISIT Florida and its programs established or funded
2024	under ss. 288.122, 288.1226, 288.12265, and 288.124.
2025	3.4. The Florida Sports Foundation and related programs

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2026	established under SS. 200:1102, 200:11021, 200:1100, 200:1107,
2027	288.1168, 288.1169, and 288.1171.
2028	(c) By January 1, 2016, and every 3 years thereafter, an
2029	analysis of the following:
2030	1. The qualified defense contractor and space flight
2031	business tax refund program established under s. 288.1045.
2032	1.2. The tax exemption for semiconductor, defense, or
2033	space technology sales established under s. 212.08(5)(i)
2034	212.08(5)(j) .
2035	2.3. The Military Base Protection Program established
2036	under s. 288.980.
2037	3.4. The Manufacturing and Spaceport Investment Incentive
2038	Program formerly established under s. 288.1083.
2039	5. The Quick Response Training Program established under
2040	s. 288.047.
2041	4.6. The Incumbent Worker Training Program established
2042	under s. 445.003.
2043	7. International trade and business development programs
2044	established or funded under s. 288.826.
2045	(d) By January 1, 2019, and every 3 years thereafter, an
2046	analysis of the grant and entrepreneur initiative programs
2047	established under s. 295.22(3)(d) and (e).
2048	(c) Beginning January 1, 2018, and every 3 years
2049	thereafter, an analysis of the Sports Development Program
2050	established under s. 288.11625.

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2051	(4) Pursuant to the schedule established in subsection
2052	(2), OPPAGA shall evaluate each program over the previous 3
2053	years for its effectiveness and value to the taxpayers of this
2054	state and include recommendations on each program for
2055	consideration by the Legislature. The analysis may include
2056	relevant economic development reports or analyses prepared by
2057	the department of Economic Opportunity, Enterprise Florida,
2058	Inc., or local or regional economic development organizations $\underline{\ \ }$
2059	interviews with the parties involved $\underline{\ \prime}$ or any other relevant
2060	data.
2061	Section 38. <u>Section 288.001, Florida Statutes, is</u>
2062	repealed.
2063	Section 39. Section 288.012, Florida Statutes, is
2064	repealed.
2065	Section 40. Section 288.017, Florida Statutes, is
2066	repealed.
2067	Section 41. Subsection (4) of section 288.018, Florida
2068	Statutes, is amended to read:
2069	288.018 Regional Rural Development Grants Program
2070	(4) The department may expend up to \$750,000 each fiscal
2071	year from funds appropriated to the Rural Community Development
2072	Revolving Loan Fund for the purposes outlined in this section.
2073	The department may contract with Enterprise Florida, Inc., for
2074	the administration of the purposes specified in this section.

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released to Enterprise Florida, Inc., for this purpose

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2076 shall be released quarterly and shall be calculated based on the 2077 applications in process. 2078 Section 42. Section 288.046, Florida Statutes, is 2079 repealed. 2080 Section 43. Section 288.047, Florida Statutes, is 2081 repealed. Section 44. Subsections (1) and (4) of section 288.061, 2082 2083 Florida Statutes, are amended to read: 2084 288.061 Economic development incentive application 2085 process.-2086 Upon receiving a submitted economic development 2087 incentive application, the Division of Strategic Business 2088 Development of the department of Economic Opportunity and 2089 designated staff of Enterprise Florida, Inc., shall review the 2090 application to ensure that the application is complete, whether 2091 and what type of state and local permits may be necessary for 2092 the applicant's project, whether it is possible to waive such 2093 permits, and what state incentives and amounts of such 2094 incentives may be available to the applicant. The department 2095 shall recommend to the executive director to approve or 2096 disapprove an applicant business. If review of the application 2097 demonstrates that the application is incomplete, the executive 2098 director shall notify the applicant business within the first 5 2099 business days after receiving the application. 2100

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The department shall validate contractor performance

and report such validation in the annual incentives report required under s. 288.0065 288.907.

Section 45. Subsection (5) of section 288.0655, Florida Statutes, is renumbered as subsection (4), and paragraph (e) of subsection (2) and subsections (3) and (4) of that section are amended to read:

288.0655 Rural Infrastructure Fund.-

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To enable local governments to access the resources available pursuant to s. 403.973(17) $\frac{403.973(18)}{1}$, the department may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of land which is suitable for preclearance review. Authorized grants under this paragraph may not exceed \$75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may not exceed \$300,000. Any funds awarded under this paragraph must be matched at a level of 50 percent with local funds, except that any funds awarded for a project in a rural area of opportunity must be matched at a level of 33 percent with local funds. If an application for funding is for a catalyst site, as defined in s. 288.0656, the requirement for local match may be waived pursuant to the process in s. 288.06561. In evaluating applications under this paragraph, the department shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

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The department, in consultation with Enterprise Florida, Inc., the Florida Tourism Industry Marketing Corporation, the Department of Environmental Protection, and the Florida Fish and Wildlife Conservation Commission, as appropriate, shall review and certify applications pursuant to s. 288.061. The review shall include an evaluation of the economic benefit of the projects and their long-term viability. The department shall have final approval for any grant under this section. (4) By September 1, 2012, the department shall, in consultation with the organizations listed in subsection (3), and other organizations, reevaluate existing guidelines and criteria governing submission of applications for funding, review and evaluation of such applications, and approval of funding under this section. The department shall consider factors including, but not limited to, the project's potential for enhanced job creation or increased capital investment, the demonstration and level of local public and private commitment, whether the project is located in an enterprise zone, in a community development corporation service area, or in an urban high-crime area as designated under s. 212.097, the unemployment rate of the county in which the project would be located, and the poverty rate of the community. Section 46. Paragraph (a) of subsection (6) and paragraphs

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(a) and (c) of subsection (7) of section 288.0656, Florida

2151	Statutes, are amended to read:
2152	288.0656 Rural Economic Development Initiative.—
2153	(6)(a) By August 1 of each year, the head of each of the
2154	following agencies and organizations shall designate a deputy
2155	secretary or higher-level staff person from within the agency or
2156	organization to serve as the REDI representative for the agency
2157	or organization:
2158	1. The Department of Transportation.
2159	2. The Department of Environmental Protection.
2160	3. The Department of Agriculture and Consumer Services.
2161	4. The Department of State.
2162	5. The Department of Health.
2163	6. The Department of Children and Families.
2164	7. The Department of Corrections.
2165	8. The Department of Education.
2166	9. The Department of Juvenile Justice.
2167	10. The Fish and Wildlife Conservation Commission.
2168	11. Each water management district.
2169	12. Enterprise Florida, Inc.
2170	12.13. CareerSource Florida, Inc.
2171	13.14. VISIT Florida.
2172	14.15. The Florida Regional Planning Council Association.
2173	15.16. The Agency for Health Care Administration.
2174	16.17. The Institute of Food and Agricultural Sciences
2175	(IFAS).

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An alternate for each designee shall also be chosen, and the names of the designees and alternates shall be sent to the executive director of the department.

(7)

- (a) REDI may recommend to the Governor up to three rural areas of opportunity. The Governor may by executive order designate up to three rural areas of opportunity which will establish these areas as priority assignments for REDI as well as to allow the Governor, acting through REDI, to waive criteria, requirements, or similar provisions of any economic development incentive. Such incentives shall include, but are not limited to, the Qualified Target Industry Tax Refund Program under s. 288.106, the Quick Response Training Program under s. 288.047, the Quick Response Training Program for participants in the welfare transition program under s. 288.047(8), transportation projects under s. 339.2821, the brownfield redevelopment bonus refund under s. 288.107, and the rural job tax credit program under ss. 212.098 and 220.1895.
- (c) Each rural area of opportunity may designate catalyst projects, provided that each catalyst project is specifically recommended by REDI, identified as a catalyst project by Enterprise Florida, Inc., and confirmed as a catalyst project by the department. All state agencies and departments shall use all available tools and resources to the extent permissible by law

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to promote the creation and development of each catalyst project and the development of catalyst sites.

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Section 47. Section 288.0658, Florida Statutes, is amended to read:

288.0658 Nature-based recreation; promotion and other assistance by Fish and Wildlife Conservation Commission.-The Florida Fish and Wildlife Conservation Commission is directed to assist Enterprise Florida, Inc.; the Florida Tourism Industry Marketing Corporation, doing business as VISIT Florida; convention and visitor bureaus; tourist development councils; economic development organizations; and local governments through the provision of marketing advice, technical expertise, promotional support, and product development related to naturebased recreation and sustainable use of natural resources. In carrying out this responsibility, the Florida Fish and Wildlife Conservation Commission shall focus its efforts on fostering nature-based recreation in rural communities and regions encompassing rural communities. As used in this section, the term "nature-based recreation" means leisure activities related to the state's lands, waters, and fish and wildlife resources, including, but not limited to, wildlife viewing, fishing, hiking, canoeing, kayaking, camping, hunting, backpacking, and nature photography.

Section 48. Subsection (6) of section 288.075, Florida Statutes, is amended to read:

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288.075 Confidentiality of records.-

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- (6) ECONOMIC INCENTIVE PROGRAMS.
- (a) The following information held by an economic development agency pursuant to the administration of an economic incentive program for qualified businesses is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution for a period not to exceed the duration of the incentive agreement, including an agreement authorizing a tax refund or tax credit, or upon termination of the incentive agreement:
- 1. The percentage of the business's sales occurring outside this state and, for businesses applying under s.

 288.1045, the percentage of the business's gross receipts derived from Department of Defense contracts during the 5 years immediately preceding the date the business's application is submitted.
- 2. An individual employee's personal identifying information that is held as evidence of the achievement or nonachievement of the wage requirements of the tax refund, tax credit, or incentive agreement programs or of the job creation requirements of such programs.
 - 3. The amount of:
- a. Taxes on sales, use, and other transactions paid pursuant to chapter 212;
 - b. Corporate income taxes paid pursuant to chapter 220;

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2251 Intangible personal property taxes paid pursuant to c. 2252 chapter 199; Insurance premium taxes paid pursuant to chapter 624; 2253 d. 2254 Excise taxes paid on documents pursuant to chapter 201; Ad valorem taxes paid, as defined in s. 220.03(1); or 2255 f. 2256 State communications services taxes paid pursuant to 2257 chapter 202. 2258 2259 However, an economic development agency may disclose in the 2260 annual incentives report required under s. 288.0065 288.907 the 2261 aggregate amount of each tax identified in this subparagraph and paid by all businesses participating in each economic incentive 2262 2263 program. (b) 1. The following information held by an economic 2264 2265 development agency relating to a specific business participating 2266 in an economic incentive program is no longer confidential or exempt 180 days after a final project order for an economic 2267 2268 incentive agreement is issued, until a date specified in the 2269 final project order, or if the information is otherwise disclosed, whichever occurs first: 2270 1.a. The name of the qualified business. 2271 2272 2.b. The total number of jobs the business committed to 2273 create or retain. 2274 3.e. The total number of jobs created or retained by the

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business.

 $\underline{4.d.}$ Notwithstanding s. 213.053(2), the amount of tax refunds, tax credits, or incentives awarded to, claimed by, or, if applicable, refunded to the state by the business.

- 5.e. The anticipated total annual wages of employees the business committed to hire or retain.
- 2. For a business applying for certification under s.

 288.1045 which is based on obtaining a new Department of Defense contract, the total number of jobs expected and the amount of tax refunds claimed may not be released until the new Department of Defense contract is awarded.

Section 49. Subsections (7) through (10) of section 288.076, Florida Statutes, are renumbered as subsections (6) through (9), respectively, and paragraphs (a), (c), and (e) of subsection (1) and present subsections (6) and (7) of that section are amended to read:

288.076 Return on investment reporting for economic development programs.—

- (1) As used in this section, the term:
- (a) "Jobs" means full-time equivalent positions, including, but not limited to, positions obtained from a temporary employment agency or employee leasing company or through a union agreement or coemployment under a professional employer organization agreement that result directly from a project in this state. The term does not include temporary construction jobs involved with the construction of facilities

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for the project or any jobs previously included in any application for tax refunds has the same meaning as provided in s. 288.106(2)(i).

(c) "Project" means the creation of a new business or expansion of an existing business has the same meaning as provided in s. 288.106(2)(m).

- (e) "State investment" means any state grants, tax exemptions, tax refunds, tax credits, or other state incentives provided to a business under a program administered by the department, including the capital investment tax credit under s. 220.191.
- (6)—Annually, the department shall publish information relating to the progress of Quick Action Closing Fund projects, including the average number of days between the date the department receives a completed application and the date on which the application is approved.
- (6)(7)(a) Within 48 hours after expiration of the period of confidentiality provided under s. 288.075, the department shall publish the contract or agreement described in s. 288.061, redacted to protect the participant business from disclosure of information that remains confidential or exempt by law.
- (b) Within 48 hours after submitting any report of findings and recommendations made pursuant to s. 288.106(7)(d) concerning a business's failure to complete a tax refund agreement pursuant to the tax refund program for qualified

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target industry businesses, the department shall publish such report.

Section 50. Section 288.095, Florida Statutes, is amended to read:

288.095 Economic Development Trust Fund.-

- (1) The Economic Development Trust Fund is created within the department of Economic Opportunity. Moneys deposited into the fund must be used only to support the authorized activities and operations of the department.
- (2) There is created, within the Economic Development Trust Fund, the Economic Development Incentives Account. The Economic Development Incentives Account consists of moneys appropriated to the account for purposes of the tax incentives programs formerly authorized under ss. 288.1045 and 288.106, and local financial support provided under former ss. 288.1045 and 288.106. Moneys in the Economic Development Incentives Account shall be subject to the provisions of s. 216.301(1)(a).
- (3)(a) The department may approve applications for certification pursuant to ss. 288.1045(3) and 288.106. However, The total state share of tax refund payments may not exceed \$35 million.
- (b) The total amount of tax refund claims approved for payment by the department based on actual project performance may not exceed the amount appropriated to the Economic Development Incentives Account for such purposes for the fiscal

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 year. Claims for tax refunds under <u>former</u> ss. 288.1045 and 288.106 shall be paid in the order the claims are approved by the department. In the event the Legislature does not appropriate an amount sufficient to satisfy the tax refunds under <u>former</u> ss. 288.1045 and 288.106 in a fiscal year, the department shall pay the tax refunds from the appropriation for the following fiscal year. By March 1 of each year, the department shall notify the legislative appropriations committees of the Senate and House of Representatives of any anticipated shortfall in the amount of funds needed to satisfy claims for tax refunds from the appropriation for the current fiscal year.

- (c) Moneys in the Economic Development Incentives Account may be used only to pay tax refunds and make other payments on agreements executed prior to July 1, 2017, authorized under former s. 288.1045, s. 288.106, or s. 288.107.
- (d) The department may adopt rules necessary to carry out the provisions of this subsection, including rules providing for the use of moneys in the Economic Development Incentives Account and for the administration of the Economic Development Incentives Account.
- Section 51. <u>Section 288.1045</u>, Florida Statutes, is repealed.
- Section 52. Section 288.106, Florida Statutes, is repealed.

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2376	Section 53. Section 288.107, Florida Statutes, is
2377	repealed.
2378	Section 54. Section 288.108, Florida Statutes, is
2379	repealed.
2380	Section 55. Section 288.1081, Florida Statutes, is
2381	repealed.
2382	Section 56. Section 288.1082, Florida Statutes, is
2383	repealed.
2384	Section 57. Section 288.1088, Florida Statutes, is
2385	repealed.
2386	Section 58. Section 288.1089, Florida Statutes, is
2387	repealed.
2388	Section 59. Section 288.111, Florida Statutes, is amended
2389	to read:
2390	288.111 Information concerning local manufacturing
2391	development programs.—The department shall develop materials
2392	that identify each local government that establishes a local
2393	manufacturing development program under s. 163.3252. The
2394	materials, which the department may elect to develop and
2395	maintain in electronic format or in any other format deemed by
2396	the department to provide public access, must be updated at
2397	least annually. Enterprise Florida, Inc., shall, and other State
2398	agencies may, distribute the materials to prospective, new,
2399	expanding, and relocating businesses seeking to conduct business
2400	in this state.

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2401	Section 60. <u>Section 288.1162</u> , Florida Statutes, is
2402	repealed.
2403	Section 61. Section 288.11621, Florida Statutes, is
2404	repealed.
2405	Section 62. <u>Section 288.11625</u> , Florida Statutes, is
2406	repealed.
2407	Section 63. <u>Section 288.11631, Florida Statutes, is</u>
2408	repealed.
2409	Section 64. Section 288.1169, Florida Statutes, is
2410	repealed.
2411	Section 65. <u>Section 288.1201, Florida Statutes, is</u>
2412	repealed.
2413	Section 66. (1) The State Economic Enhancement and
2414	Development Trust Fund, FLAIR number 40-2-041, within the
2415	Department of Economic Opportunity is terminated.
2416	(2) All current balances remaining in, and all revenues
2417	of, the trust fund shall be transferred to the General Revenue
2418	Fund.
2419	(3) The Department of Economic Opportunity shall pay any
2420	outstanding debts and obligations of the terminated fund as soon
2421	as practicable, and the Chief Financial Officer shall close out
2422	and remove the terminated fund from various state accounting
2423	systems using generally accepted accounting principles
2424	concerning warrants outstanding, assets, and liabilities.
2425	Section 67. Section 288.122, Florida Statutes, is

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2426	repealed.
2427	Section 68. (1) The Tourism Promotional Trust Fund, FLAIR
2428	number 40-2-722, within the Department of Economic Opportunity
2429	is terminated.
2430	(2) All current balances remaining in, and all revenues
2431	of, the trust fund shall be transferred to the General Revenue
2432	Fund.
2433	(3) The Department of Economic Opportunity shall pay any
2434	outstanding debts and obligations of the terminated fund as soon
2435	as practicable, and the Chief Financial Officer shall close out
2436	and remove the terminated fund from various state accounting
2437	systems using generally accepted accounting principles
2438	concerning warrants outstanding, assets, and liabilities.
2439	Section 69. Section 288.1226, Florida Statutes, is amended
2440	to read:
2441	288.1226 Florida Tourism Industry Marketing Corporation;
2442	use of property; board of directors; duties; audit
2443	(1) DEFINITIONSFor the purposes of this section, the
2444	term "corporation" means the Florida Tourism Industry Marketing
2445	Corporation.
2446	(2) ESTABLISHMENT.—The Florida Tourism Industry Marketing
2447	Corporation is a direct-support organization of the Department
2448	of Economic Opportunity Enterprise Florida, Inc.
2449	(a) The Florida Tourism Industry Marketing Corporation is
2450	a corporation not for profit, as defined in s. $501(c)(6)$ of the

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Internal Revenue Code of 1986, as amended, that is incorporated under the provisions of chapter 617 and approved by the Department of State.

- (b) The corporation is organized and operated exclusively to request, receive, hold, invest, and administer property and to manage and make expenditures for the operation of the activities, services, functions, and programs of this state which relate to the statewide, national, and international promotion and marketing of tourism.
- (c) 1. The corporation is not an agency for the purposes of chapters 120 and, 216, and 287; ss. 255.21, 255.25, and 255.254, relating to leasing of buildings; ss. 283.33 and 283.35, relating to bids for printing; s. 215.31; and parts I, II, and IV-VIII of chapter 112. However, the corporation shall comply with the per diem and travel expense provisions of s. 112.061.
- 2. The corporation is an agency for the purposes of chapter 287.
- (d) The corporation is subject to the provisions of chapter 119, relating to public meetings, and those provisions of chapter 286 relating to public meetings and records.
- (3) USE OF PROPERTY.—The Department of Economic Opportunity Enterprise Florida, Inc.:
- (a) Is authorized to permit the use of property and facilities of the department Enterprise Florida, Inc., by the corporation, subject to the provisions of this section.

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(b) Shall prescribe conditions with which the corporation must comply in order to use property and facilities of the department Enterprise Florida, Inc. Such conditions shall provide for budget and audit review and for oversight by the department Enterprise Florida, Inc.

- (c) May not permit the use of property and facilities of the department Enterprise Florida, Inc., if the corporation does not provide equal employment opportunities to all persons, regardless of race, color, national origin, sex, age, or religion.
- (4) BOARD OF DIRECTORS.—The board of directors of the corporation shall be composed of 31 tourism-industry-related members, appointed by the corporation Enterprise Florida, Inc., in conjunction with the department. Board members shall serve without compensation, but are entitled to receive reimbursement for per diem and travel expenses pursuant to s. 112.061. Such expenses must be paid out of funds of the corporation.
- (a) The board shall consist of 16 members, appointed in such a manner as to equitably represent all geographic areas of the state, with no fewer than two members from any of the following regions:
- 1. Region 1, composed of Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties.
 - 2. Region 2, composed of Alachua, Baker, Bradford, Clay,

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Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Lafayette,
Levy, Madison, Marion, Nassau, Putnam, St. Johns, Suwannee,
Taylor, and Union Counties.

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- 3. Region 3, composed of Brevard, Indian River, Lake, Okeechobee, Orange, Osceola, St. Lucie, Seminole, Sumter, and Volusia Counties.
- 4. Region 4, composed of Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties.
- 5. Region 5, composed of Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.
- 6. Region 6, composed of Broward, Martin, Miami-Dade, Monroe, and Palm Beach Counties.
- (b) The 15 additional tourism-industry-related members shall include 1 representative from the statewide rental car industry; 7 representatives from tourist-related statewide associations, including those that represent hotels, campgrounds, county destination marketing organizations, museums, restaurants, retail, and attractions; 3 representatives from county destination marketing organizations; 1 representative from the cruise industry; 1 representative from an automobile and travel services membership organization that has at least 2.8 million members in Florida; 1 representative from the airline industry; and 1 representative from the space tourism industry, who will each serve for a term of 2 years.
 - 5) POWERS AND DUTIES.—The corporation, in the performance

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2526 of its duties:

- (a) May make and enter into contracts and assume such other functions as are necessary to carry out the provisions of the 4-year marketing plan required by s. 288.923, and the corporation's contract with the department that Enterprise Florida, Inc., which are not inconsistent with this or any other provision of law. A proposed contract with a total cost of \$750,000 or more is subject to the notice and review procedures in s. 216.177. If the chair or vice chair of the Legislative Budget Commission, the President of the Senate, or the Speaker of the House of Representatives timely advise the corporation in writing that such proposed contract is contrary to legislative policy and intent, the corporation may not execute such proposed contract. The corporation may not enter into multiple related contracts to avoid the requirements of this paragraph.
- (b) May develop a program to provide incentives and to attract and recognize those entities which make significant financial and promotional contributions towards the expanded tourism promotion activities of the corporation.
- (c) May establish a cooperative marketing program with other public and private entities which allows the use of the VISIT Florida logo in tourism promotion campaigns which meet the standards of the department Enterprise Florida, Inc., for which the corporation may charge a reasonable fee.
 - (d) May sue and be sued and appear and defend in all

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actions and proceedings in its corporate name to the same extent as a natural person.

(e) May adopt, use, and alter a common corporate seal. However, such seal must always contain the words "corporation not for profit."

- (f) Shall elect or appoint such officers and agents as its affairs shall require and allow them reasonable compensation.

 However, each officer or agent, including the President and CEO, may not receive compensation, public or private, that exceeds \$130,000 per year.
- employee benefit programs for such permanent and temporary employees as are necessary to carry out the provisions of the 4-year marketing plan and the corporation's contract with the department that Enterprise Florida, Inc., which are not inconsistent with this or any other provision of law. However, an employee may not receive compensation, public or private, that exceeds \$130,000 per year. Any retirement, life insurance, or health insurance benefits provided to employees of the corporation may not exceed the value of such benefits provided to employees of the corporation as of January 1, 2017. Any public or private payments of performance bonuses or severance pay to employees of the corporation are prohibited unless specifically authorized by law. The Governor shall review and approve or deny requests for out-of-state or international

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travel by employees and board members of the corporation and individuals whose travel will be paid for by the corporation, regardless of the source of the funds used for such travel.

- (h) Shall appoint a president and chief executive officer of the corporation who shall serve subject to confirmation by the Senate provide staff support to the Division of Tourism Promotion of Enterprise Florida, Inc. The president and chief executive officer of the Florida Tourism Industry Marketing Corporation shall serve without compensation as the director of the division.
- (i) May adopt, change, amend, and repeal bylaws, not inconsistent with law or its articles of incorporation, for the administration of the provisions of the 4-year marketing plan and the corporation's contract with the department Enterprise Florida, Inc.
- (j) May conduct its affairs, carry on its operations, and have offices and exercise the powers granted by this act in any state, territory, district, or possession of the United States or any foreign country. When Where feasible, appropriate, and recommended by the 4-year marketing plan developed by the Division of Tourism Promotion of Enterprise Florida, Inc., the corporation may collocate the programs of foreign tourism offices in cooperation with any foreign office operated by any agency of this state.
 - (k) May appear on its own behalf before boards,

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commissions, departments, or other agencies of municipal, county, state, or federal government.

- (1) May request or accept any grant, payment, or gift, of funds or property made by this state or by the United States or any department or agency thereof or by any individual, firm, corporation, municipality, county, or organization for any or all of the purposes of the 4-year marketing plan and the corporation's contract with the department Enterprise Florida, Inc., that are not inconsistent with this or any other provision of law. Such funds shall be deposited in a bank account established by the corporation's board of directors. The corporation may expend such funds in accordance with the terms and conditions of any such grant, payment, or gift, in the pursuit of its administration or in support of the programs it administers. The corporation shall separately account for the public funds and the private funds deposited into the corporation's bank account.
- (m) Shall establish a plan for participation in the corporation which will provide additional funding for the administration and duties of the corporation.
- (n) In the performance of its duties, may undertake, or contract for, marketing projects and advertising research projects.
- (o) In addition to any indemnification available under chapter 617, the corporation may indemnify, and purchase and

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maintain insurance on behalf of, directors, officers, and employees of the corporation against any personal liability or accountability by reason of actions taken while acting within the scope of their authority.

(p) Shall not create or establish any other entity, corporation, or direct-support organization.

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- (q) Shall not expend funds, public or private, that directly or indirectly, benefit only one company, corporation or business entity.
- ANNUAL AUDIT.—The corporation shall provide for an annual financial audit in accordance with s. 215.981. The annual audit report shall be submitted to the Auditor General; the Office of Program Policy Analysis and Government Accountability; Enterprise Florida, Inc.; and the department for review. The Office of Program Policy Analysis and Government Accountability; Enterprise Florida, Inc.; the department; and the Auditor General have the authority to require and receive from the corporation or from its independent auditor any detail or supplemental data relative to the operation of the corporation. The department shall annually certify whether the corporation is operating in a manner and achieving the objectives that are consistent with the policies and goals of the department Enterprise Florida, Inc., and its long-range marketing plan. The identity of a donor or prospective donor to the corporation who desires to remain anonymous and all information identifying such

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donor or prospective donor are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such anonymity shall be maintained in the auditor's report.

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- (7) REPORT.—The corporation shall provide a quarterly report to the department Enterprise Florida, Inc., which shall:
- (a) Measure the current vitality of the visitor industry of this state as compared to the vitality of such industry for the year to date and for comparable quarters of past years. Indicators of vitality shall be determined by the department Enterprise Florida, Inc., and shall include, but not be limited to, estimated visitor count and party size, length of stay, average expenditure per party, and visitor origin and destination.
- (b) Provide detailed, unaudited financial statements of sources and uses of public and private funds.
- (c) Measure progress towards annual goals and objectives set forth in the 4-year marketing plan.
 - (d) Review all pertinent research findings.
- (e) Provide other measures of accountability as requested by the department Enterprise Florida, Inc.

The corporation must take all steps necessary to provide all data that is used to develop the report, including source data, to the Office of Economic and Demographic Research.

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2676 PROHIBITIONS; CORPORATE FUNDS; GIFTS.-Notwithstanding per diem and travel expenses authorized pursuant s. 112.061, 2677 2678 funds of the corporation may not be expended for food, beverages, lodging, entertainment, or gifts for employees of the 2679 2680 corporation, board members of the corporation, or employees of a 2681 tourist or economic development entity that receives revenue 2682 from a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 2683 212.0305. An employee or board member of the corporation may not 2684 accept or receive food, beverages, lodging, entertainment, or 2685 gifts from a tourist or economic development entity that 2686 receives revenue from a tax imposed pursuant to s. 125.0104, s. 2687 125.0108, or s. 212.0305 PUBLIC-RECORDS-EXEMPTION.-The identity 2688 of any person who responds to a marketing project or advertising 2689 research project conducted by the corporation in the performance 2690 of its duties on behalf of Enterprise Florida, Inc., or trade 2691 secrets as defined by s. 812.081 obtained pursuant to such 2692 activities, are exempt from s. 119.07(1) and s. 24(a), Art. I of 2693 the State Constitution. This subsection is subject to the Open 2694 Government Sunset Review Act in accordance with s. 119.15 and 2695 shall stand repealed on October 2, 2021, unless reviewed and 2696 saved from repeal through reenactment by the Legislature. 2697 LODGING EXPENSES.-Lodging expenses for an employee of (9)2698 the corporation may not exceed \$150 per day, excluding taxes.

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However, an employee of the corporation may expend his or her

own funds for any lodging expenses in excess of \$150 per day.

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2701 (10) RELEASE OF APPROPRIATIONS.—Notwithstanding s. 216.192, and in accordance with s. 216.351, the annual plan for 2702 release of appropriations for the Department of Economic 2703 2704 Opportunity shall be quarterly. On July 1 of each fiscal year, 2705 25 percent of the original operating budget of the corporation shall be released. The balance of the appropriation shall be 2706 2707 held in reserve. By August 15 of each fiscal year, the 2708 Department of Economic Opportunity shall submit a proposed 2709 operating budget for the corporation including amounts to be expended on advertising, events, other operating capital outlay, 2710 2711 and salaries and benefits for each employee to the Legislative 2712 Budget Commission. Upon approval of the plan by the Legislative 2713 Budget Commission, the remainder of the operating budget for the 2714 corporation shall be released pursuant to this subsection. (11) TRANSPARENCY.-2715 2716 The corporation is a governmental entity as defined in 2717 s. 215.985 and, therefore, is subject to the Transparency 2718 Florida Act. 2719 (b) A contract entered into between the corporation and 2720 any other entity, including a local government, private, or 2721 nonprofit entity, that receives public funds from the state or 2722 from a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 2723 212.0305 shall include: 1. The purpose of the contract. 2724

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2. Specific performance standards and responsibilities for

CODING: Words stricken are deletions; words underlined are additions.

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2726	each entity.
2727	3. A detailed project or contract budget, if applicable.
2728	4. The value of any services provided.
2729	5. The salaries of all employees and board members of the
2730	entity and the projected travel and entertainment expenses for
2731	such employees and board members.
2732	(c)1. If a marketing partner receives public funds from
2733	the state or from a tax imposed pursuant to s. 125.0104, s.
2734	125.0108, or s. 212.0305, the marketing partner shall annually
2735	report all public and private financial data to the corporation.
2736	2. The financial data shall include:
2737	a. The total amount of revenue received from public and
2738	private sources.
2739	b. The operating budget.
2740	c. Employee and board member salary and benefit details.
2741	d. An itemized account of all funds spent by a third party
2742	on behalf of the corporation or a board member or an employee of
2743	the corporation.
2744	e. Itemized travel and entertainment expenditures.
2745	(d) The following information must be posted on the
2746	<pre>corporation's website:</pre>
2747	1. A plain language version of each proposed and executed
2748	contract exceeding \$35,000 with a private entity, municipality,
2749	city, town, or vendor of services, supplies, or programs,
2750	including marketing, or for the purchase or lease or use of

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2751	lands, facilities, or properties.
2752	2. Any agreement entered into between the corporation and
2753	any other entity, including a local government, private, or
2754	nonprofit entity, that receives public funds or funds from a tax
2755	imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305.
2756	3. Video recordings of each board meeting.
2757	4. A detailed report of expenditures following each
2758	marketing event paid for with the corporation's funds. Such
2759	report must be posted within 10 business days after the event.
2760	5. An annual itemized accounting of the total amount of
2761	funds spent by any third party on behalf of the corporation or
2762	any board member or employee of the corporation.
2763	6. An annual itemized accounting of the total amount of
2764	travel and entertainment expenditures by the corporation.
2765	(e) The corporation's website must:
2766	1. Allow users to navigate to related sites to view
2767	supporting details.
2768	2. Enable a taxpayer to email questions to the corporation
2769	and make such questions and the corporation's responses publicly
2770	viewable.
2771	(12) REPEAL.—This section is repealed October 1, 2019,
2772	unless reviewed and saved from repeal by the Legislature.
2773	Section 70. For the 2017-2018 fiscal year, the sum of \$25
2774	million in recurring funds is appropriated from the General
2775	Revenue Fund to the Department of Economic Opportunity for the

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2776 operation of VISIT Florida. Section 288.12265, Florida Statutes, is 2777 Section 71. 2778 amended to read: 2779 288.12265 Welcome centers.-2780 Responsibility for the welcome centers is assigned to 2781 the Department of Economic Opportunity Enterprise Florida, Inc., 2782 which shall contract with the Florida Tourism Industry Marketing 2783 Corporation to employ all welcome center staff. 2784 The Department of Economic Opportunity Enterprise 2785 Florida, Inc., shall administer and operate the welcome centers. 2786 Pursuant to a contract with the Department of Transportation, 2787 the Department of Economic Opportunity Enterprise Florida, Inc., 2788 shall be responsible for routine repair, replacement, or 2789 improvement and the day-to-day management of interior areas 2790 occupied by the welcome centers. All other repairs, 2791 replacements, or improvements to the welcome centers shall be 2792 the responsibility of the Department of Transportation. The 2793 Department of Economic Opportunity Enterprise Florida, Inc., may 2794 contract with the Florida Tourism Industry Marketing Corporation 2795 for the management and operation of the welcome centers. 2796 Section 72. Section 288.125, Florida Statutes, is 2797 repealed. 2798 Section 73. Section 288.1251, Florida Statutes, is 2799 repealed.

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Section 74. Section 288.1252, Florida Statutes, is

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2801	repealed.
2802	Section 75. Section 288.1253, Florida Statutes, is
2803	repealed.
2804	Section 76. Section 288.1258, Florida Statutes, is
2805	repealed.
2806	Section 77. Section 288.7015, Florida Statutes, is amended
2807	to read:
2808	288.7015 Appointment of rules ombudsman; duties.—The
2809	Governor shall appoint a rules ombudsman, as defined in s.
2810	288.703, in the Executive Office of the Governor, for
2811	considering the impact of agency rules on the state's citizens
2812	and businesses. In carrying out duties as provided by law, the
2813	ombudsman shall consult with Enterprise Florida, Inc., at which
2814	point the department may recommend to improve the regulatory
2815	environment of this state. The duties of the rules ombudsman are
2816	to:
2817	(1) Carry out the responsibility provided in s.
2818	120.54(3)(b), with respect to small businesses.
2819	(2) Review state agency rules that adversely or
2820	disproportionately impact businesses, particularly those
2821	relating to small and minority businesses.
2822	(3) Make recommendations on any existing or proposed rules
2823	to alleviate unnecessary or disproportionate adverse effects to
2824	businesses.
2825	(4) Each state agency shall cooperate fully with the rules

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ombudsman in identifying such rules. Further, each agency shall take the necessary steps to waive, modify, or otherwise minimize such adverse effects of any such rules. However, nothing in this section authorizes any state agency to waive, modify, provide exceptions to, or otherwise alter any rule that is:

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- (a) Expressly required to implement or enforce any statutory provision or the express legislative intent thereof;
- (b) Designed to protect persons against discrimination on the basis of race, color, national origin, religion, sex, age, handicap, or marital status; or
- (c) Likely to prevent a significant risk or danger to the public health, the public safety, or the environment of the state.
- (5) The modification or waiver of any such rule pursuant to this section must be accomplished in accordance with the provisions of chapter 120.

Section 78. Subsection (11) of section 288.706, Florida Statutes, is amended to read:

288.706 Florida Minority Business Loan Mobilization Program.—

- (11) The Department of Management Services shall collaborate with Enterprise Florida, Inc., and the department to assist in the development and enhancement of black business enterprises.
 - Section 79. Subsection (1) of section 288.773, Florida

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Statutes, is amended to read:

288.773 Florida Export Finance Corporation.—The Florida Export Finance Corporation is hereby created as a corporation not for profit, to be incorporated under the provisions of chapter 617 and approved by the Department of State. The corporation is organized on a nonstock basis. The purpose of the corporation is to expand employment and income opportunities for residents of this state through increased exports of goods and services, by providing businesses domiciled in this state information and technical assistance on export opportunities, exporting techniques, and financial assistance through guarantees and direct loan originations for sale in support of export transactions. The corporation shall have the power and authority to carry out the following functions:

(1) To coordinate the efforts of the corporation with programs and goals of the United States Export-Import Bank, the International Trade Administration of the United States Department of Commerce, the Foreign Credit Insurance Association, the department Enterprise Florida, Inc., and other private and public programs and organizations, domestic and foreign, designed to provide export assistance and export-related financing.

Section 80. Paragraph (a) of subsection (1) and paragraphs (a), (c), and (g) of subsection (3) of section 288.776, Florida Statutes, are amended to read:

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2876 288.776 Board of directors; powers and duties.-

- (1)(a) The corporation shall have a board of directors consisting of 15 members representing all geographic areas of the state. Minority and gender representation must be considered when making appointments to the board. The board membership must include:
- 1. A representative of the following businesses, all of which must be registered to do business in this state: a foreign bank, a state bank, a federal bank, an insurance company involved in covering trade financing risks, and a small or medium-sized exporter.
- 2. The following persons or their designee: the <u>executive</u> director of the department President of Enterprise Florida,

 Inc., the Chief Financial Officer, the Secretary of State, and a senior official of the United States Department of Commerce.
 - (3) The board shall:

2878)

(a) Prior to the expenditure of funds from the export finance account, adopt bylaws, rules, and policies which are necessary to carry out the responsibilities under this part, particularly with respect to the implementation of the corporation's programs to insure, coinsure, lend, provide loan guarantees, and make direct, guaranteed, or collateralized loans by the corporation to support export transactions. The corporation's bylaws, rules, and policies shall be reviewed and approved by the department Enterprise Florida, Inc., prior to

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2901 final adoption by the board.

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- (c) Issue an annual report to the department Enterprise

 Florida, Inc., on the activities of the corporation, including
 an evaluation of activities and recommendations for change. The
 evaluation shall include the corporation's impact on the
 following:
- 1. Participation of private banks and other private organizations and individuals in the corporation's export financing programs.
- 2. Access of small and medium-sized businesses in this state to federal export financing programs.
- 3. Export volume of the small and medium-sized businesses in this state accessing the corporation's programs.
- 4. Other economic and social benefits to international programs in this state.
- (g) Consult with the department Enterprise Florida, Inc., or any state or federal agency, to ensure that the respective loan guarantee or working capital loan origination programs are not duplicative and that each program makes full use of, to the extent practicable, the resources of the other.

Section 81. Section 288.7771, Florida Statutes, is amended to read:

288.7771 Annual report of Florida Export Finance
Corporation.—The corporation shall annually prepare and submit
to the department Enterprise Florida, Inc., for inclusion in its

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2926 annual report required under s. 288.906, a complete and detailed 2927 report setting forth: 2928 The report required in s. 288.776(3). 2929 Its assets and liabilities at the end of its most 2930 recent fiscal year. 2931 Section 82. Paragraph (d) of subsection (1) of section 2932 288.8017, Florida Statutes, is amended to read: 2933 288.8017 Awards.-2934 Triumph Gulf Coast, Inc., shall make awards from 2935 available earnings and principal derived under s. 288.8013(2) to 2936 projects or programs that meet the priorities for economic 2937 recovery, diversification, and enhancement of the 2938 disproportionately affected counties, notwithstanding s. 377.43. 2939 Awards may be provided for: 2940 Local match requirements of ss. 288.0655 and 2941 288.0659, 288.1045, and 288.106 for projects in the 2942 disproportionately affected counties; 2943 Section 83. Subsections (4) and (6) of section 288.816, Florida Statutes, are amended to read: 2944 2945 288.816 Intergovernmental relations.-2946 The state protocol officer shall serve as a contact 2947 for the state with the Florida Washington Office, the Florida 2948 Congressional Delegation, and United States Government agencies 2949 with respect to laws or policies which may affect the interests 2950 of the state in the area of international relations. All

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inquiries received regarding international economic trade development or reverse investment opportunities shall be referred to the department Enterprise Florida, Inc. In addition, the state protocol officer shall serve as liaison with other states with respect to international programs of interest to Florida. The state protocol officer shall also investigate and make suggestions regarding possible areas of joint action or regional cooperation with these states.

- (6) The department and Enterprise Florida, Inc., shall help to contribute an international perspective to the state's development efforts.
- Section 84. <u>Section 288.826</u>, Florida Statutes, is repealed.
- Section 85. (1) The Florida International Trade and Promotion Trust Fund, FLAIR number 40-2-338, within the Department of Economic Opportunity is terminated.
- (2) All current balances remaining in, and all revenues of, the trust fund shall be transferred to the General Revenue Fund.
- (3) The Department of Economic Opportunity shall pay any outstanding debts and obligations of the terminated trust fund as soon as practicable, and the Chief Financial Officer shall close out and remove the terminated trust fund from various state accounting systems using generally accepted accounting principles concerning warrants outstanding, assets, and

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2976	<u>liabilities.</u>
977	Section 86. Section 288.901, Florida Statutes, is
2978	repealed.
2979	Section 87. Section 288.9015, Florida Statutes, is
2980	repealed.
981	Section 88. Section 288.903, Florida Statutes, is
982	repealed.
983	Section 89. Section 288.904, Florida Statutes, is
2984	repealed.
985	Section 90. Section 288.905, Florida Statutes, is
986	repealed.
2987	Section 91. Section 288.906, Florida Statutes, is
2988	repealed.
2989	Section 92. Section 288.907, Florida Statutes, is
2990	transferred, renumbered as section 288.0065, Florida Statutes,
991	and amended to read:
2992	288.0065 288.907 Annual incentives report.—By December 30
2993	of each year, Enterprise Florida, Inc., in conjunction with the
994	department, shall provide the Governor, the President of the
995	Senate, and the Speaker of the House of Representatives a
996	detailed incentives report quantifying the economic benefits for
997	all of the economic development incentive programs offered by
998	the state marketed by Enterprise Florida, Inc. The annual
999	incentives report must include:
3000	(1) For each incentive program:

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3001	(a) A brief description of the incentive program.
3002	(b) The amount of awards granted, by year, since inception
3003	and the annual amount actually transferred from the state
3004	treasury to businesses or for the benefit of businesses for each
3005	of the previous 3 years.
3006	(c) The actual amount of private capital invested, actual
3007	number of jobs created, and actual wages paid for incentive
3008	agreements completed during the previous 3 years for each target
3009	industry sector.
3010	(2) For projects completed during the previous state
3011	fiscal year:
3012	(a) The number of economic development incentive
3013	applications received.
3014	(b) The number of recommendations made to the department
3015	by Enterprise Florida, Inc., including the number recommended
3016	for approval and the number recommended for denial.
3017	(b) (c) The number of final decisions issued by the
3018	department for approval and for denial.
3019	(c)(d) The projects for which a tax refund, tax credit, or
3020	cash grant agreement was executed, identifying for each project:
3021	1. The number of jobs committed to be created.
3022	2. The amount of capital investments committed to be made.
3023	3. The annual average wage committed to be paid.
3024	4. The amount of state economic development incentives

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committed to the project from each incentive program under the

CS/HB 7005

project's terms of agreement with the Department of Economic
Opportunity.

The amount and type of local matching funds committed

- to the project.
- (e) Tax refunds paid or other payments made funded out of the Economic Development Incentives Account for each project.
 - (d) (f) The types of projects supported.

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- (3) For economic development projects that received tax refunds, tax credits, or cash grants under the terms of an agreement for incentives:
 - (a) The number of jobs actually created.
 - (b) The amount of capital investments actually made.
 - (c) The annual average wage paid.
- (4) For a project receiving economic development incentives approved by the department and receiving federal or local incentives, a description of the federal or local incentives, if available.
- (5) The number of withdrawn or terminated projects that did not fulfill the terms of their agreements with the department and, consequently, are not receiving incentives.
- (6) For any agreements signed after July 1, 2010, findings and recommendations on the efforts of the department to ascertain the causes of any business's inability to complete its agreement made under s. 288.106.
 - (6) (7) The amount of tax refunds, tax credits, or other

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payments made to projects locating or expanding in state enterprise zones, rural communities, brownfield areas, or distressed urban communities. The report must include a separate analysis of the impact of such tax refunds on state enterprise zones designated under s. 290.0065, rural communities, brownfield areas, and distressed urban communities.

(8) The name of and tax refund amount for each business

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- (8) The name of and tax refund amount for each business that has received a tax refund under s. 288.1045 or s. 288.106 during the preceding fiscal year.
- (7) An identification of the target industry businesses and high-impact businesses.
- (8)(10) A description of the trends relating to business interest in, and usage of, the various incentives, and the number of minority-owned or woman-owned businesses receiving incentives.
- (9) (11) An identification of incentive programs not used and recommendations for program changes or program elimination.
- (10) (12) Information related to the validation of contractor performance required under s. 288.061.
- $\underline{(11)}$ (13) Beginning in 2014, A summation of the activities related to the Florida Space Business Incentives Act.
- Section 93. <u>Section 288.911, Florida Statutes, is repealed.</u>
- Section 94. Section 288.912, Florida Statutes, is transferred, renumbered as section 288.007, Florida Statutes,

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and amended to read:

288.007 288.912 Inventory of communities seeking to recruit businesses.—By September 30 of each year, a county or municipality that has a population of at least 25,000 or its local economic development organization must submit to the department Enterprise Florida, Inc., a brief overview of the strengths, services, and economic development incentives that its community offers. The local government or its local economic development organization also must identify any industries that it is encouraging to locate or relocate to its area. A county or municipality having a population of 25,000 or fewer or its local economic development organization seeking to recruit businesses may submit information as required in this section and may participate in any activity or initiative resulting from the collection, analysis, and reporting of the information to the department Enterprise Florida, Inc., pursuant to this section.

Section 95. Section 288.92, Florida Statutes, is repealed.

Section 96. Section 288.923, Florida Statutes, is amended to read:

288.923 Division of Tourism marketing; definitions; responsibilities.—

- (1) There is created within Enterprise Florida, Inc., the Division of Tourism Marketing.
 - (2) As used in this section, the term:
 - (a) "Tourism marketing" means any effort exercised to

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attract domestic and international visitors from outside the state to destinations in this state and to stimulate Florida resident tourism to areas within the state.

- (b) "Tourist" means any person who participates in trade or recreation activities outside the county of his or her permanent residence or who rents or leases transient living quarters or accommodations as described in s. 125.0104(3)(a).
- (c) "County destination marketing organization" means a public or private agency that is funded by local option tourist development tax revenues under s. 125.0104, or local option convention development tax revenues under s. 212.0305, and is officially designated by a county commission to market and promote the area for tourism or convention business or, in any county that has not levied such taxes, a public or private agency that is officially designated by the county commission to market and promote the area for tourism or convention business.
- (d) "Direct-support organization" means the Florida Tourism Industry Marketing Corporation.
- (2)(3) The Department of Economic Opportunity Enterprise Florida, Inc., shall contract with the Florida Tourism Industry Marketing Corporation, a direct-support organization established in s. 288.1226, to execute tourism promotion and marketing services, functions, and programs for the state, including, but not limited to, the activities prescribed by the 4-year marketing plan. The division shall assist to maintain and

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3126	implement the contract.
3127	(3) (4) The <u>department's</u> division's responsibilities and
3128	duties include, but are not limited to:
3129	(a) Maintaining and implementing the contract with the
3130	Florida Tourism Industry Marketing Corporation.
3131	(b) Advising the department and Enterprise Florida, Inc.,
3132	on Ensuring the development of domestic and international
3133	tourism marketing campaigns featuring Florida by the
3134	corporation.
3135	(c) Developing a 4-year marketing plan with the
3136	corporation.
3137	1. At a minimum, the marketing plan shall discuss the
3138	following:
3139	a. Continuation of overall tourism growth in this state.
3140	b. Expansion to new or under-represented tourist markets.
3141	c. Maintenance of traditional and loyal tourist markets.
3142	d. Coordination of efforts with county destination
3143	marketing organizations, other local government marketing
3144	groups, privately owned attractions and destinations, and other
3145	private sector partners to create a seamless, four-season
3146	advertising campaign for the state and its regions.
3147	e. Development of innovative techniques or promotions to
3148	build repeat visitation by targeted segments of the tourist
3149	population.

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Consideration of innovative sources of state funding

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3151 for tourism marketing.

- g. Promotion of nature-based tourism and heritage tourism.
- h. Development of a component to address emergency response to natural and manmade disasters from a marketing standpoint.
- 2. The plan shall be annual in construction and ongoing in nature. Any annual revisions of the plan shall carry forward the concepts of the remaining 3-year portion of the plan and consider a continuum portion to preserve the 4-year timeframe of the plan. The plan also shall include recommendations for specific performance standards and measurable outcomes for the division and direct-support organization. The department, in consultation with the board of directors of Enterprise Florida, Inc., shall base the actual performance metrics on these recommendations.
- 3. The 4-year marketing plan shall be developed in collaboration with the Florida Tourism Industry Marketing Corporation. The plan shall be annually reviewed and approved by the department board of directors of Enterprise Florida, Inc.
- (d) Drafting and submitting an annual report required by s. 288.92. The annual report shall set forth for the department division and the direct-support organization:
- 1. Operations and accomplishments during the fiscal year, including the economic benefit of the state's investment and effectiveness of the marketing plan.

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2. The 4-year marketing plan, including recommendations on methods for implementing and funding the plan.

3. The assets and liabilities of the direct-support organization at the end of its most recent fiscal year.

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- 4. A copy of the annual financial and compliance audit conducted under s. 288.1226(6).
- (5)— Notwithstanding s. 288.92, the division shall be staffed by the Florida Tourism Industry Marketing Corporation. Such staff shall not be considered to be employees of the division and shall remain employees of the Florida Tourism Industry Marketing Corporation. Section 288.905 does not apply to the Florida Tourism Industry Marketing Corporation.
- (4) (6) This section is repealed October 1, 2019, unless reviewed and saved from repeal by the Legislature.
- Section 97. <u>Section 288.95155, Florida Statutes, is</u> repealed.
 - Section 98. <u>Section 288.9519</u>, <u>Florida Statutes</u>, is repealed.
 - Section 99. Section 288.9520, Florida Statutes, is amended to read:
 - 288.9520 Public records exemption.—Materials that relate to methods of manufacture or production, potential trade secrets, potentially patentable material, actual trade secrets, business transactions, financial and proprietary information, and agreements or proposals to receive funding that are

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department Enterprise Florida, Inc., including its affiliates or subsidiaries and partnership participants, such as private enterprises, educational institutions, and other organizations, are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution, except that a recipient of department Enterprise Florida, Inc., research funds shall make available, upon request, the title and description of the research project, the name of the researcher, and the amount and source of funding provided for the project.

Section 100. Subsection (10) of section 288.9603, Florida

Section 100. Subsection (10) of section 288.9603, Florida Statutes, is amended to read:

288.9603 Definitions.-

(10) "Partnership" means Enterprise Florida, Inc.

Section 101. Subsection (2) of section 288.9604, Florida Statutes, is amended to read:

288.9604 Creation of the authority.-

(2) The Governor, subject to confirmation by the Senate, shall appoint the board of directors of the corporation, who shall be five in number. The terms of office for the directors shall be for 4 years from the date of their appointment. A vacancy occurring during a term shall be filled for the unexpired term. A director shall be eligible for reappointment. At least three of the directors of the corporation shall be bankers who have been selected by the Governor from a list of

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      bankers who were nominated by Enterprise Florida, Inc., and one
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      of the directors shall be an economic development specialist.
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           Section 102. Paragraph (v) of subsection (2) of section
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      288.9605, Florida Statutes, is amended to read:
           288.9605 Corporation powers.—
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                The corporation is authorized and empowered to:
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           (v) Enter into investment agreements with Enterprise
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      Florida, Inc., concerning the issuance of bonds and other forms
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      of indebtedness and capital.
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           Section 103. Section 288.9614, Florida Statutes, is
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      repealed.
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           Section 104. Section 288.9621, Florida Statutes, is
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      repealed.
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           Section 105. Section 288.9622, Florida Statutes, is
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      repealed.
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           Section 106. Section 288.9623, Florida Statutes, is
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      repealed.
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           Section 107.
                          Section 288.9624, Florida Statutes, is
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      repealed.
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           Section 108.
                         Section 288.9625, Florida Statutes, is
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      repealed.
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           Section 109. Section 288.96255, Florida Statutes, is
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      repealed.
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           Section 110. Section 288.9626, Florida Statutes, is
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      repealed.
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           Section 111. Section 288.9627, Florida Statutes, is
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      repealed.
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           Section 112. Paragraph (b) of subsection (1) of section
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      288.980, Florida Statutes, is amended to read:
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           288.980 Military base retention; legislative intent;
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      grants program.-
3257
            (1)
3258
           (b) The Florida Defense Alliance, an organization within
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      Enterprise Florida, Inc., is designated as the organization to
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      ensure that Florida, its resident military bases and missions,
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      and its military host communities are in competitive positions
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      as the United States continues its defense realignment and
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      downsizing. The defense alliance shall serve as an overall
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      advisory body for defense-related activity of Enterprise
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      Florida, Inc. The Florida Defense Alliance may receive funding
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      from appropriations made for that purpose administered by the
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      department.
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           Section 113. Section 288.991, Florida Statutes, is
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      repealed.
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           Section 114.
                         Section 288.9912, Florida Statutes, is
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      repealed.
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           Section 115. Section 288.9913, Florida Statutes, is
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      repealed.
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           Section 116. Section 288.9914, Florida Statutes, is
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      repealed.
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3276	Section 117. Section 288.9915, Florida Statutes, is
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3278	Section 118. Section 288.9916, Florida Statutes, is
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3280	Section 119. Section 288.9917, Florida Statutes, is
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3282	Section 120. Section 288.9918, Florida Statutes, is
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3284	Section 121. Section 288.9919, Florida Statutes, is
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3286	Section 122. Section 288.9920, Florida Statutes, is
3287	repealed.
3288	Section 123. Section 288.9921, Florida Statutes, is
3289	repealed.
3290	Section 124. Section 288.9922, Florida Statutes, is
3291	repealed.
3292	Section 125. Subsection (4) of section 288.9932, Florida
3293	Statutes, is amended to read:
3294	288.9932 Definitions.—As used in this part, the term:
3295	(4) - "Network" means the Florida Small Business Development
3296	Center Network.
3297	Section 126. Paragraphs (e) and (f) of subsection (4) and
3298	paragraph (b) of subsection (8) of section 288.9934, Florida
3299	Statutes, are amended to read:
3300	288.9934 Microfinance Loan Program
1	Page 122 of 197

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3301	(4) CONTRACT AND AWARD OF FUNDS
3302	(e) Within 30 days of executing its contract with the
3303	department, the loan administrator must enter into a memorandum
3304	of understanding with the network:
3305	1. For the provision of business management training,
3306	business development training, and technical assistance to
3307	entrepreneurs and small businesses that receive microloans under
3308	this part; and
3309	2. To promote the program to underserved entrepreneurs and
3310	small-businesses.
3311	(f) - By September 1, 2014, the department shall review
3312	industry best practices and determine the minimum business
3313	management-training, business development training, and
3314	technical assistance that must be provided by the network to
3315	achieve the goals of this part.
3316	(8) AUDITS AND REPORTING
3317	(b) The loan administrator shall submit quarterly reports
3318	to the department as required by s. $288.9936(2)$ $288.9936(3)$.
3319	Section 127. Section 288.9935, Florida Statutes, is
3320	repealed.
3321	Section 128. Paragraph (p) of subsection (1) and
3322	subsection (2) of section 288.9936, Florida Statutes, are
3323	amended to read:
3324	288.9936 Annual report of the Microfinance Loan Program
3325	(1) The department shall include in the report required by

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s. 20.60(10) a complete and detailed annual report on the Microfinance Loan Program. The report must include:

- (p) A description and evaluation of the technical assistance and business management and development training provided by the network pursuant to its memorandum of understanding with the loan administrator.
- (2) The department shall submit the report provided to the department from Enterprise Florida, Inc., pursuant to s. 288.9935(8) for inclusion in the department's annual report required under s. 20.60(10).

Section 129. Section 288.9937, Florida Statutes, is amended to read:

288.9937 Evaluation of programs.—The Office of Economic and Demographic Research shall analyze, evaluate, and determine the economic benefits, as defined in s. 288.005, of the first 3 years of the Microfinance Loan Program and the Microfinance Guarantee Program. The analysis must also evaluate the number of jobs created, the increase or decrease in personal income, and the impact on state gross domestic product from the direct, indirect, and induced effects of the state's investment. The analysis must also identify any inefficiencies in the program programs and provide recommendations for changes to the program programs. The office shall submit a report to the President of the Senate and the Speaker of the House of Representatives by January 1, 2018. This section expires January 31, 2018.

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3351 Section 130. Paragraph (h) of subsection (8) and paragraph 3352 (a) of subsection (9) of section 290.0056, Florida Statutes, are 3353 amended to read: 3354 290.0056 Enterprise zone development agency.-3355 The enterprise zone development agency shall have the 3356 following powers and responsibilities: 3357 To work with the department and Enterprise Florida, 3358 Inc., to ensure that the enterprise zone coordinator receives 3359 training on an annual basis. 3360 The following powers and responsibilities shall be 3361 performed by the governing body creating the enterprise zone 3362 development agency acting as the managing agent of the 3363 enterprise zone development agency, or, contingent upon approval 3364 by such governing body, such powers and responsibilities shall 3365 be performed by the enterprise zone development agency: 3366 To review, process, and certify applications for state 3367 enterprise zone tax incentives pursuant to ss. 212.08(5)(f) and 3368 (g) $\frac{212.08(5)(g)}{7}$, (h), and (15); 212.096; 220.181; and 220.182. 3369 Section 131. Paragraph (b) of subsection (4) and subsection (7) of section 290.0065, Florida Statutes, are 3370 amended to read: 3371 3372 290.0065 State designation of enterprise zones.-3373 (4)In consultation with Enterprise Florida, Inc., The 3374

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department shall, based on the enterprise zone profile and the

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grounds for redesignation expressed in the resolution, determine whether the enterprise zone merits redesignation. The department may also examine and consider the following:

1. Progress made, if any, in the enterprise zone's strategic plan.

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2. Use of enterprise zone incentives during the life of the enterprise zone.

If the department determines that the enterprise zone merits redesignation, the department shall notify the governing body in writing of its approval of redesignation.

(7) Upon approval by the department of a resolution authorizing an area to be an enterprise zone pursuant to this section, the department shall assign a unique identifying number to that resolution. The department shall provide the Department of Revenue and Enterprise Florida, Inc., with a copy of each resolution approved, together with its identifying number.

Section 132. Section 290.00677, Florida Statutes, is amended to read:

290.00677 Rural enterprise zones; special qualifications.-

(1) Notwithstanding the enterprise zone residency requirements set out in s. 212.096(1)(c), eligible businesses as defined in s. 212.096(1)(a) located in rural enterprise zones as defined in s. 290.004 may receive the basic minimum credit provided under s. 212.096 for creating a new job and hiring a

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person residing within the jurisdiction of a rural community as $\frac{defined\ in\ s.\ 288.106(2)}{defined\ in\ s.\ 288.106(2)}$. All other provisions of s. 212.096, including, but not limited to, those relating to the award of enhanced credits, apply to such businesses.

- requirements set out in s. 220.03(1)(q), businesses as defined in s. 220.03(1)(c) located in rural enterprise zones as defined in s. 290.004 may receive the basic minimum credit provided under s. 220.181 for creating a new job and hiring a person residing within the jurisdiction of a rural community as defined in s. 288.106(2). All other provisions of s. 220.181, including, but not limited to, those relating to the award of enhanced credits, apply to such businesses.
- (3) As used in this section, the term "rural community" means:
 - (a) A county having a population of 75,000 or fewer.
- (b) A county having a population of 125,000 or fewer that is contiguous to a county having a population of 75,000 or fewer.
- (c) A municipality within a county described in paragraph
 (a) or paragraph (b).
- For purposes of this subsection, population shall be determined in accordance with the most recent official estimate pursuant to s. 186.901.

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3426	Section 133. Subsections (4) , (5) , and (6) of section
3427	290.007, Florida Statutes, are amended to read:
3428	290.007 State incentives available in enterprise zones
3429	The following incentives are provided by the state to encourage
3430	the revitalization of enterprise zones:
3431	(4) The sales tax exemption for building materials used in
3432	the rehabilitation of real property in enterprise zones provided
3433	in s. $212.08(5)(f)$ $212.08(5)(g)$.
3434	(5) The sales tax exemption for business equipment used in
3435	an enterprise zone provided in s. $212.08(5)(g)$ $212.08(5)(h)$.
3436	(6) The sales tax exemption for electrical energy used in
3437	an enterprise zone provided in s. $212.08(14)$ $212.08(15)$.
3438	Section 134. Subsections (3) and (4) of section 290.053,
3439	Florida Statutes, are amended to read:
3440	290.053 Response to economic emergencies in small
3441	communities.—
3442	(3) A local government entity shall notify the Governor
3443	and, the Department of Economic Opportunity, and Enterprise
3444	Florida, Inc., when one or more of the conditions specified in
3445	subsection (2) have occurred or will occur if action is not
3446	taken to assist the local governmental entity or the affected
3447	community.
3448	(4) Upon notification that one or more of the conditions
3449	described in subsection (2) exist, the Governor or his or her

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designee shall contact the local governmental entity to

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 determine what actions have been taken by the local governmental entity or the affected community to resolve the economic emergency. The Governor may waive the eligibility criteria of any program or activity administered by the Department of Economic Opportunity or Enterprise Florida, Inc., to provide economic relief to the affected community by granting participation in such programs or activities. The Governor shall consult with the President of the Senate and the Speaker of the House of Representatives and shall take other action, as necessary, to resolve the economic emergency in the most expedient manner possible. All actions taken pursuant to this section shall be within current appropriations and shall have no annualized impact beyond normal growth.

Section 135. Paragraphs (a), (d), and (e) of subsection (3) and subsection (4) of section 295.22, Florida Statutes, are amended to read:

295.22 Veterans Employment and Training Services Program.-

- (3) ADMINISTRATION.—Florida Is For Veterans, Inc., shall administer the Veterans Employment and Training Services Program and perform all of the following functions:
- (a) Conduct marketing and recruiting efforts directed at veterans who reside in or who have an interest in relocating to this state and who are seeking employment. Marketing must include information related to how a veteran's military experience can be valuable to a business. Such efforts may

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include attending veteran job fairs and events, hosting events for veterans or the business community, and using digital and social media and direct mail campaigns. The corporation shall also include such marketing as part of its main marketing campaign.

- (d) Create a grant program to provide funding to assist veterans in meeting the workforce-skill needs of businesses seeking to hire veterans, establish criteria for approval of requests for funding, and maximize the use of funding for this program. Grant funds may be used only in the absence of available veteran-specific federally funded programs. Grants may fund specialized training specific to a particular business.
- 1. Grant funds may be allocated to any training provider selected by the business, including a career center, a Florida College System institution, a state university, or an in-house training provider of the business. If grant funds are used to provide a technical certificate, a licensure, or a degree, funds may be allocated only upon a review that includes, but is not limited to, documentation of accreditation and licensure. Instruction funded through the program terminates when participants demonstrate competence at the level specified in the request but may not exceed 48 months. Preference shall be given to target industry businesses, as defined in s. 288.106, and to businesses in the defense supply, cloud virtualization, or commercial aviation manufacturing industries.

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2. Costs and expenditures for the grant program must be documented and separated from those incurred by the training provider. Costs and expenditures shall be limited to \$8,000 per veteran trainee. Eligible costs and expenditures include:

a. Tuition and fees.

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- b. Curriculum development.
- c. Books and classroom materials.
- d. Rental fees for facilities at public colleges and universities, including virtual training labs.
- e. Overhead or indirect costs not to exceed 5 percent of the grant amount.
- 3. Before funds are allocated for a request pursuant to this section, the corporation shall prepare a grant agreement between the business requesting funds, the educational institution or training provider receiving funding through the program, and the corporation. Such agreement must include, but need not be limited to:
- a. Identification of the personnel necessary to conduct the instructional program, the qualifications of such personnel, and the respective responsibilities of the parties for paying costs associated with the employment of such personnel.
- b. Identification of the match provided by the business, including cash and in-kind contributions, equal to at least 50 percent of the total grant amount.
 - c. Identification of the estimated duration of the

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3526 instructional program.

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- d. Identification of all direct, training-related costs.
- e. Identification of special program requirements that are not otherwise addressed in the agreement.
- f. Permission to access aggregate information specific to the wages and performance of participants upon the completion of instruction for evaluation purposes. The agreement must specify that any evaluation published subsequent to the instruction may not identify the employer or any individual participant.
- 4. A business may receive a grant under the Quick-Response Training Program created under s. 288.047 and a grant under this section for the same veteran trainee. If a business receives funds under both programs, one grant agreement may be entered into with CareerSource Florida, Inc., as the grant administrator.
- (e) Contract with one or more entities to administer an entrepreneur initiative program for veterans in this state which connects business leaders in the state with veterans seeking to become entrepreneurs.
- 1. The corporation shall award each contract in accordance with the competitive bidding requirements in s. 287.057 to one or more public or private universities that:
- a. Demonstrate the ability to implement the program and the commitment of university resources, including financial resources, to such programs.

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3551 b. Have a military and veteran resource center. 3552 c. Have a regional small business development center in 3553 the Florida Small Business Development Center Network. c.d. As determined by the corporation, have been 3554 3555 nationally recognized for commitment to the military and 3556 veterans. 3557 Each contract must include performance metrics, 3558 including a focus on employment and business creation. Each 3559 university must coordinate with any entrepreneurship center 3560 located at the university. The university may also work with an 3561 entity offering related programs to refer veterans or to provide 3562 services. The entrepreneur initiative program may include 3563 activities and assistance such as peer-to-peer learning 3564 sessions, mentoring, technical assistance, business roundtables, 3565 networking opportunities, support of student organizations, 3566 speaker series, or other tools within a virtual environment. 3567 (4) DUTIES OF ENTERPRISE FLORIDA, INC.-Enterprise Florida, 3568 Inc., shall provide information about the corporation and its 3569 services to prospective, new, expanding, and relocating 3570 businesses seeking to conduct business in this state. Enterprise 3571 Florida, Inc., shall, to the greatest extent possible, 3572 collaborate with the corporation to meet the employment needs, 3573 including meeting the job-creation requirements, of any business 3574 receiving assistance or services from Enterprise Florida, Inc.

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Section 136. Section 295.23, Florida Statutes, is

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Section 137. Paragraph (a) of subsection (6), paragraph (b) of subsection (9), paragraph (a) of subsection (35), subsection (60), and paragraph (b) of subsection (64) of section 320.08058, Florida Statutes, are amended to read:

320.08058 Specialty license plates.-

- (6) FLORIDA UNITED STATES OLYMPIC COMMITTEE LICENSE PLATES.—
- Because the United States Olympic Committee has selected this state to participate in a combined fundraising program that provides for one-half of all money raised through volunteer giving to stay in this state and be administered by Enterprise Florida, Inc., to support amateur sports, and because the United States Olympic Committee is a and Enterprise Florida, Inc., are nonprofit organization organizations dedicated to providing athletes with support and training and preparing athletes of all ages and skill levels for sports competition, and because Enterprise Florida, Inc., assists in the bidding for sports competitions that provide significant impact to the economy of this state, and the Legislature supports the efforts of the United States Olympic Committee and Enterprise Florida, Inc., the Legislature establishes a Florida United States Olympic Committee license plate for the purpose of providing a continuous funding source to support this worthwhile effort. Florida United States Olympic Committee license plates must

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contain the official United States Olympic Committee logo and must bear a design and colors that are approved by the department. The word "Florida" must be centered at the top of the plate.

- (9) FLORIDA PROFESSIONAL SPORTS TEAM LICENSE PLATES.-
- (b) The license plate annual use fees are to be annually distributed as follows:
- 1. Fifty-five percent of the proceeds from the Florida
 Professional Sports Team plate must be deposited into the
 Professional Sports Development Trust Fund within the Department
 of Economic Opportunity. These funds must be used
 solely to attract and support major sports events in this state.
 As used in this subparagraph, the term "major sports events"
 means, but is not limited to, championship or all-star contests
 of Major League Baseball, the National Basketball Association,
 the National Football League, the National Hockey League, Major
 League Soccer, the men's and women's National Collegiate
 Athletic Association Final Four basketball championship, or a
 horseracing or dogracing Breeders' Cup. All funds must be used
 to support and promote major sporting events, and the uses must
 be approved by the Department of Economic Opportunity.
- 2. The remaining proceeds of the Florida Professional Sports Team license plate must be allocated to the Florida Sports Foundation Enterprise Florida, Inc. These funds must be deposited into the Professional Sports Development Trust Fund

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within the Department of Economic Opportunity. These funds must be used by the Florida Sports Foundation Enterprise Florida, Inc., to promote the economic development of the sports industry; to distribute licensing and royalty fees to participating professional sports teams; to promote education programs in Florida schools that provide an awareness of the benefits of physical activity and nutrition standards; to partner with the Department of Education and the Department of Health to develop a program that recognizes schools whose students demonstrate excellent physical fitness or fitness improvement; to institute a grant program for communities bidding on minor sporting events that create an economic impact for the state; to distribute funds to Florida-based charities designated by the Florida Sports Foundation Enterprise Florida, Inc., and the participating professional sports teams; and to fulfill the sports promotion responsibilities of the Department of Economic Opportunity.

3. The Florida Sports Foundation Enterprise Florida, Inc., shall provide an annual financial audit in accordance with s. 215.981 of its financial accounts and records by an independent certified public accountant pursuant to the contract established by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify

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the audit report to the Auditor General for review.

- 4. Notwithstanding the provisions of subparagraphs 1. and 2., proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of the Florida Sports Foundation Enterprise Florida, Inc., and financial support of the Sunshine State Games.
 - (35) FLORIDA GOLF LICENSE PLATES.-
- (a) The Department of Highway Safety and Motor Vehicles shall develop a Florida Golf license plate as provided in this section. The word "Florida" must appear at the bottom of the plate. The Dade Amateur Golf Association, following consultation with the Florida Sports Foundation and the PGA TOUR, Enterprise Florida, Inc., the LPGA, and the PGA of America may submit a revised sample plate for consideration by the department.
 - (60) FLORIDA NASCAR LICENSE PLATES.-
- (a) The department shall develop a Florida NASCAR license plates plate as provided in this section. Florida NASCAR license plates must bear the colors and design approved by the department. The word "Florida" must appear at the top of the plate, and the term "NASCAR" must appear at the bottom of the plate. The National Association for Stock Car Auto Racing, following consultation with the Florida Sports Foundation Enterprise Florida, Inc., may submit a sample plate for consideration by the department.
- (b) The license plate annual use fees shall be distributed to the Florida Sports Foundation Enterprise Florida, Inc. The

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license plate annual use fees shall be annually allocated as follows:

- 1. Up to 5 percent of the proceeds from the annual use fees may be used by the Department of Economic Opportunity

 Enterprise Florida, Inc., for the administration of the NASCAR license plate program.
- 2. The National Association for Stock Car Auto Racing shall receive up to \$60,000 in proceeds from the annual use fees to be used to pay startup costs, including costs incurred in developing and issuing the plates. Thereafter, 10 percent of the proceeds from the annual use fees shall be provided to the association for the royalty rights for the use of its marks.
- 3. The remaining proceeds from the annual use fees shall be distributed to the Florida Sports Foundation Enterprise Florida, Inc. The Florida Sports Foundation Enterprise Florida, Inc., will retain 15 percent to support its regional grant program, attracting sporting events to Florida; 20 percent to support the marketing of motorsports-related tourism in the state; and 50 percent to be paid to the NASCAR Foundation, a s. 501(c)(3) charitable organization, to support Florida-based charitable organizations.
- (c) The Florida Sports Foundation Enterprise Florida,

 Inc., shall provide an annual financial audit in accordance with
 s. 215.981 of its financial accounts and records by an
 independent certified public accountant pursuant to the contract

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established by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify the audit report to the Auditor General for review.

(64) FLORIDA TENNIS LICENSE PLATES.-

- (b) The department shall distribute the annual use fees to the Florida Sports Foundation Enterprise Florida, Inc. The license plate annual use fees shall be annually allocated as follows:
- 1. Up to 5 percent of the proceeds from the annual use fees may be used by the Florida Sports Foundation Enterprise Florida, Inc., to administer the license plate program.
- 2. The United States Tennis Association Florida Section Foundation shall receive the first \$60,000 in proceeds from the annual use fees to reimburse it for startup costs, administrative costs, and other costs it incurs in the development and approval process.
- 3. Up to 5 percent of the proceeds from the annual use fees may be used for promoting and marketing the license plates. The remaining proceeds shall be available for grants by the United States Tennis Association Florida Section Foundation to nonprofit organizations to operate youth tennis programs and adaptive tennis programs for special populations of all ages, and for building, renovating, and maintaining public tennis

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Section 138. Subsections (2), (3), and (6) of section 331.3051, Florida Statutes, are amended to read:

331.3051 Duties of Space Florida.—Space Florida shall:

- (2) Enter into agreement with the Department of Education, the Department of Transportation, Enterprise Florida, Inc., and CareerSource Florida, Inc., for the purpose of implementing this act.
- (3) In cooperation with Enterprise Florida, Inc., Develop a plan to retain, expand, attract, and create aerospace industry entities, public or private, which results in the creation of high-value-added businesses and jobs in this state.
- (6) Develop, in cooperation with Enterprise Florida, Inc., a plan to provide financing assistance to aerospace businesses. The plan may include the following activities:
- (a) Assembling, publishing, and disseminating information concerning financing opportunities and techniques for aerospace projects, programs, and activities; sources of public and private aerospace financing assistance; and sources of aerospace-related financing.
- (b) Organizing, hosting, and participating in seminars and other forums designed to disseminate information and technical assistance regarding aerospace-related financing.
- (c) Coordinating with programs and goals of the Department of Defense, the National Aeronautics and Space Administration,

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the Export-Import Bank of the United States, the International Trade Administration of the United States Department of Commerce, the Foreign Credit Insurance Association, and other private and public programs and organizations, domestic and foreign.

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- (d) Establishing a network of contacts among those domestic and foreign public and private organizations that provide information, technical assistance, and financial support to the aerospace industry.
- (e) Financing aerospace business development projects or initiatives using funds provided by the Legislature.

Section 139. Section 331.3081, Florida Statutes, is amended to read:

331.3081 Board of directors.—Space Florida shall be governed by a 13-member independent board of directors. The Governor, or his or her designee, shall serve as an ex officio voting member and chair of the board. The other 12 members shall be appointed from the private sector, 6 of whom shall be appointed by the Governor, 3 of whom shall be appointed by the President of the Senate, and 3 of whom shall be appointed by the Speaker of the House of Representatives that consists of the members appointed to the board of directors of Enterprise Florida, Inc., by the Governor, the President of the Senate, and the Speaker of the House of Representatives pursuant to s.

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3776	who may appoint a designee to serve, as the chair and a voting
3777	member of the board.
3778	Section 140. Paragraph (f) of subsection (1) of section
3779	339.08, Florida Statutes, is amended to read:
3780	339.08 Use of moneys in State Transportation Trust Fund
3781	(1) The department shall expend moneys in the State
3782	Transportation Trust Fund accruing to the department, in
3783	accordance with its annual budget. The use of such moneys shall
3784	be restricted to the following purposes:
3785	(f) To pay the cost of economic development transportation
3786	projects in accordance with s. 339.2821.
3787	Section 141. Section 339.2821, Florida Statutes, is
3788	repealed.
3789	Section 142. Subsection (2) of section 364.0135, Florida
3790	Statutes, is amended to read:
3791	364.0135 Promotion of broadband adoption
3792	(2) The Department of Management Services is authorized to
3793	work collaboratively with, and to receive staffing support and
3794	other resources from, Enterprise Florida, Inc., state agencies,
3795	local governments, private businesses, and community
3796	organizations to:
3797	(a) Monitor the adoption of broadband Internet service in
3798	collaboration with communications service providers, including,
3799	but not limited to, wireless and wireline Internet service
3800	providers, to develop geographical information system maps at

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the census tract level that will:

- 1. Identify geographic gaps in broadband services, including areas unserved by any broadband provider and areas served by a single broadband provider;
- 2. Identify the download and upload transmission speeds made available to businesses and individuals in the state, at the census tract level of detail, using data rate benchmarks for broadband service used by the Federal Communications Commission to reflect different speed tiers; and
- 3. Provide a baseline assessment of statewide broadband deployment in terms of percentage of households with broadband availability.
- (b) Create a strategic plan that has goals and strategies for increasing the use of broadband Internet service in the state.
- (c) Build and facilitate local technology planning teams or partnerships with members representing cross-sections of the community, which may include, but are not limited to, representatives from the following organizations and industries: libraries, K-12 education, colleges and universities, local health care providers, private businesses, community organizations, economic development organizations, local governments, tourism, parks and recreation, and agriculture.
- (d) Encourage the use of broadband Internet service, especially in the rural, unserved, and underserved communities

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of the state through grant programs having effective strategies to facilitate the statewide deployment of broadband Internet service. For any grants to be awarded, priority must be given to projects that:

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- 1. Provide access to broadband education, awareness, training, access, equipment, and support to libraries, schools, colleges and universities, health care providers, and community support organizations.
- 2. Encourage the sustainable adoption of broadband in primarily unserved areas by removing barriers to entry.
- 3. Work toward encouraging investments in establishing affordable and sustainable broadband Internet service in unserved areas of the state.
- 4. Facilitate the development of applications, programs, and services, including, but not limited to, telework, telemedicine, and e-learning to increase the usage of, and demand for, broadband Internet service in the state.

Section 143. Paragraph (d) of subsection (1) of section 376.82, Florida Statutes, is amended to read:

376.82 Eligibility criteria and liability protection.-

(1) ELIGIBILITY.—Any person who has not caused or contributed to the contamination of a brownfield site on or after July 1, 1997, is eligible to participate in the brownfield program established in ss. 376.77-376.85, subject to the following:

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(d) After July 1, 1997, petroleum and drycleaning contamination sites shall not receive both restoration funding assistance available for the discharge under this chapter and any state assistance available under s. 288.107. Nothing in this act shall affect the cleanup criteria, priority ranking, and other rights and obligations inherent in petroleum contamination and drycleaning contamination site rehabilitation under ss. 376.30-376.317, or the availability of economic incentives otherwise provided for by law.

Section 144. Paragraph (h) of subsection (2) of section 377.703, Florida Statutes, is amended to read:

377.703 Additional functions of the Department of Agriculture and Consumer Services.—

- (2) DUTIES.—The department shall perform the following functions, unless as otherwise provided, consistent with the development of a state energy policy:
- (h) The department shall promote the development and use of renewable energy resources, in conformance with chapter 187 and s. 377.601, by:
- 1. Establishing goals and strategies for increasing the use of renewable energy in this state.
- 2. Aiding and promoting the commercialization of renewable energy resources, in cooperation with the Florida Energy Systems Consortium, the Florida Solar Energy Center, Enterprise Florida, Inc., and any other federal, state, or local governmental agency

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that may seek to promote research, development, and the demonstration of renewable energy equipment and technology.

- 3. Identifying barriers to greater use of renewable energy resources in this state, and developing specific recommendations for overcoming identified barriers, with findings and recommendations to be submitted annually in the report to the Governor and Legislature required under paragraph (f).
- 4. In cooperation with the Department of Environmental Protection, the Department of Transportation, the Department of Economic Opportunity, Enterprise Florida, Inc., the Florida Energy Systems Consortium, the Florida Solar Energy Center, and the Florida Solar Energy Industries Association, investigating opportunities, pursuant to the national Energy Policy Act of 1992, the Housing and Community Development Act of 1992, and any subsequent federal legislation, for renewable energy resources, electric vehicles, and other renewable energy manufacturing, distribution, installation, and financing efforts that enhance this state's position as the leader in renewable energy research, development, and use.
- 5. Undertaking other initiatives to advance the development and use of renewable energy resources in this state.

In the exercise of its responsibilities under this paragraph, the department shall seek the assistance of the renewable energy industry in this state and other interested parties and may

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enter into contracts, retain professional consulting services, and expend funds appropriated by the Legislature for such purposes.

 Section 145. Subsection (5) of section 377.804, Florida Statutes, is amended to read:

377.804 Renewable Energy and Energy-Efficient Technologies Grants Program.—

(5) The department shall solicit the expertise of state agencies, Enterprise Florida, Inc., and state universities, and may solicit the expertise of other public and private entities it deems appropriate, in evaluating project proposals. State agencies shall cooperate with the department and provide such assistance as requested.

Section 146. Paragraph (a) of subsection (4) of section 377.809, Florida Statutes, is amended to read:

377.809 Energy Economic Zone Pilot Program.-

(4)(a) Beginning July 1, 2012, all the incentives and benefits provided for enterprise zones pursuant to state law shall be available to the energy economic zones designated pursuant to this section on or before July 1, 2010. In order to provide incentives, by March 1, 2012, each local governing body that has jurisdiction over an energy economic zone must, by local ordinance, establish the boundary of the energy economic zone, specify applicable energy-efficiency standards, and determine eligibility criteria for the application of state and

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local incentives and benefits in the energy economic zone. However, in order to receive benefits provided under s. 288.106, a business must be a qualified target industry business under s. 288.106 for state purposes. An energy economic zone's boundary may be revised by local ordinance. Such incentives and benefits include those in ss. 212.08, 212.096, 220.181, 220.182, 220.183, 288.106_r and 624.5105 and the public utility discounts provided in s. 290.007(8). The exemption provided in s. 212.08(5)(e) shall be for renewable energy as defined in s. 377.803. For purposes of this section, any applicable requirements for employee residency for higher refund or credit thresholds must be based on employee residency in the energy economic zone or an enterprise zone. A business in an energy economic zone may also be eligible for funding under s. ss. 288.047 and 445.003, and a transportation project in an energy economic zone shall be provided priority in funding under s. 339.2821. Other projects shall be given priority ranking to the extent practicable for grants administered under state energy programs. Section 147. Subsection (24) of section 380.06, Florida Statutes, is amended to read: 380.06 Developments of regional impact. (24) STATUTORY EXEMPTIONS.-Any proposed hospital is exempt from this section. Any proposed electrical transmission line or

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electrical power plant is exempt from this section.

(c) Any proposed addition to an existing sports facility complex is exempt from this section if the addition meets the following characteristics:

- 1. It would not operate concurrently with the scheduled hours of operation of the existing facility.
- 2. Its seating capacity would be no more than 75 percent of the capacity of the existing facility.
- 3. The sports facility complex property is owned by a public body before July 1, 1983.

This exemption does not apply to any pari-mutuel facility.

- (d) Any proposed addition or cumulative additions subsequent to July 1, 1988, to an existing sports facility complex owned by a state university is exempt if the increased seating capacity of the complex is no more than 30 percent of the capacity of the existing facility.
- (e) Any addition of permanent seats or parking spaces for an existing sports facility located on property owned by a public body before July 1, 1973, is exempt from this section if future additions do not expand existing permanent seating or parking capacity more than 15 percent annually in excess of the prior year's capacity.
- (f) Any increase in the seating capacity of an existing sports facility having a permanent seating capacity of at least 50,000 spectators is exempt from this section, provided that

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such an increase does not increase permanent seating capacity by more than 5 percent per year and not to exceed a total of 10 percent in any 5-year period, and provided that the sports facility notifies the appropriate local government within which the facility is located of the increase at least 6 months before the initial use of the increased seating, in order to permit the appropriate local government to develop a traffic management plan for the traffic generated by the increase. Any traffic management plan shall be consistent with the local comprehensive plan, the regional policy plan, and the state comprehensive plan.

- (g) Any expansion in the permanent seating capacity or additional improved parking facilities of an existing sports facility is exempt from this section, if the following conditions exist:
- 1.a. The sports facility had a permanent seating capacity on January 1, 1991, of at least 41,000 spectator seats;
- b. The sum of such expansions in permanent seating capacity does not exceed a total of 10 percent in any 5-year period and does not exceed a cumulative total of 20 percent for any such expansions; or
- c. The increase in additional improved parking facilities is a one-time addition and does not exceed 3,500 parking spaces serving the sports facility; and
 - 2. The local government having jurisdiction of the sports

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facility includes in the development order or development permit approving such expansion under this paragraph a finding of fact that the proposed expansion is consistent with the transportation, water, sewer and stormwater drainage provisions of the approved local comprehensive plan and local land development regulations relating to those provisions.

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Any owner or developer who intends to rely on this statutory exemption shall provide to the department a copy of the local government application for a development permit. Within 45 days after receipt of the application, the department shall render to the local government an advisory and nonbinding opinion, in writing, stating whether, in the department's opinion, the prescribed conditions exist for an exemption under this paragraph. The local government shall render the development order approving each such expansion to the department. The owner, developer, or department may appeal the local government development order pursuant to s. 380.07, within 45 days after the order is rendered. The scope of review shall be limited to the determination of whether the conditions prescribed in this paragraph exist. If any sports facility expansion undergoes development-of-regional-impact review, all previous expansions which were exempt under this paragraph shall be included in the development-of-regional-impact review.

(h) Expansion to port harbors, spoil disposal sites,

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navigation channels, turning basins, harbor berths, and other related inwater harbor facilities of ports listed in s. 403.021(9)(b), port transportation facilities and projects listed in s. 311.07(3)(b), and intermodal transportation facilities identified pursuant to s. 311.09(3) are exempt from this section when such expansions, projects, or facilities are consistent with comprehensive master plans that are in compliance with s. 163.3178.

- (i) Any proposed facility for the storage of any petroleum product or any expansion of an existing facility is exempt from this section.
- (j) Any renovation or redevelopment within the same land parcel which does not change land use or increase density or intensity of use.
- (k) Waterport and marina development, including dry storage facilities, are exempt from this section.
- (1) Any proposed development within an urban service boundary established under s. 163.3177(14), Florida Statutes (2010), which is not otherwise exempt pursuant to subsection (29), is exempt from this section if the local government having jurisdiction over the area where the development is proposed has adopted the urban service boundary and has entered into a binding agreement with jurisdictions that would be impacted and with the Department of Transportation regarding the mitigation of impacts on state and regional transportation facilities.

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(m) Any proposed development within a rural land stewardship area created under s. 163.3248.

- (n) The establishment, relocation, or expansion of any military installation as defined in s. 163.3175, is exempt from this section.
- (o) Any self-storage warehousing that does not allow retail or other services is exempt from this section.
- (p) Any proposed nursing home or assisted living facility is exempt from this section.
- (q) Any development identified in an airport master plan and adopted into the comprehensive plan pursuant to s. 163.3177(6)(b)4. is exempt from this section.
- (r) Any development identified in a campus master plan and adopted pursuant to s. 1013.30 is exempt from this section.
- (s) Any development in a detailed specific area plan which is prepared and adopted pursuant to s. 163.3245 is exempt from this section.
- addition to, expansion of, or change to an existing solid mineral mine is exempt from this section. A mine owner will enter into a binding agreement with the Department of Transportation to mitigate impacts to strategic intermodal system facilities pursuant to the transportation thresholds in subsection (19) or rule 9J-2.045(6), Florida Administrative Code. Proposed changes to any previously approved solid mineral

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mine development-of-regional-impact development orders having vested rights are is not subject to further review or approval as a development-of-regional-impact or notice-of-proposed-change review or approval pursuant to subsection (19), except for those applications pending as of July 1, 2011, which shall be governed by s. 380.115(2). Notwithstanding the foregoing, however, pursuant to s. 380.115(1), previously approved solid mineral mine development-of-regional-impact development orders shall continue to enjoy vested rights and continue to be effective unless rescinded by the developer. All local government regulations of proposed solid mineral mines shall be applicable to any new solid mineral mine or to any proposed addition to, expansion of, or change to an existing solid mineral mine.

- (u) Notwithstanding any provisions in an agreement with or among a local government, regional agency, or the state land planning agency or in a local government's comprehensive plan to the contrary, a project no longer subject to development-of-regional-impact review under revised thresholds is not required to undergo such review.
- (v) Any development within a county with a research and education authority created by special act and that is also within a research and development park that is operated or managed by a research and development authority pursuant to part V of chapter 159 is exempt from this section.
 - (w) Any development in an energy economic zone designated

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pursuant to s. 377.809 is exempt from this section upon approval by its local governing body.

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(x) Any proposed development that is located in a local government jurisdiction that does not qualify for an exemption based on the population and density criteria in paragraph (29) (a), that is approved as a comprehensive plan amendment adopted pursuant to s. 163.3184(4), and that is the subject of an agreement pursuant to s. 288.106(5) is exempt from this section. This exemption shall only be effective upon a written agreement executed by the applicant, the local government, and the state land planning agency. The state land planning agency shall only be a party to the agreement upon a determination that the development is the subject of an agreement pursuant to sa 288.106(5) and that the local government has the capacity to adequately assess the impacts of the proposed development. The local government shall only be a party to the agreement upon approval by the governing body of the local government and upon providing at least 21 days' notice to adjacent local governments that includes, at a minimum, information regarding the location, density and intensity of use, and timing of the proposed development. This exemption does not apply to areas within the boundary of any area of critical state concern designated pursuant to s. 380.05, within the boundary of the Wekiva Study Area as described in s. 369.316, or within 2 miles of the boundary of the Everglades Protection Area as defined in s.

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4126 373.4592(2).

If a use is exempt from review as a development of regional impact under paragraphs (a)-(u), but will be part of a larger project that is subject to review as a development of regional impact, the impact of the exempt use must be included in the review of the larger project, unless such exempt use involves a development of regional impact that includes a landowner, tenant, or user that has entered into a funding agreement with the Department of Economic Opportunity under the Innovation Incentive Program and the agreement contemplates a state award of at least \$50 million.

Section 148. Subsections (1) and (5) of section 380.0657, Florida Statutes, are amended to read:

380.0657 Expedited permitting process for economic development projects.—

appropriate, the water management districts created under chapter 373 shall adopt programs to expedite the processing of wetland resource and environmental resource permits for economic development projects that have been identified by a municipality or county as meeting the definition of target industry businesses under s. 288.106, or any intermodal logistics center receiving or sending cargo to or from Florida ports, with the exception of those projects requiring approval by the Board of

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Trustees of the Internal Improvement Trust Fund.

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(5) Notwithstanding the provisions of this section, permit applications for projects to be located in a charter county that has a population of 1.2 million or more and has entered into a delegation agreement with the Department of Environmental Protection or the applicable water management district to process environmental resource permits, wetland resource management permits, or surface water management permits pursuant to chapter 373 are eligible for expedited permitting under this section only upon designation by resolution of the charter county's governing board. Before the governing board decides that a project is eligible for expedited permitting, it may require the county's economic development agency, or such other agency that provides advice to the governing board on economic matters, to review and recommend whether the project meets the definition of a target industry business as defined in s. 288.106 and to identify the tangible benefits and impacts of the project. The governing board's decision shall be made without consideration of the project's geographic location within the charter county. If the governing board designates the project as a target industry business, the permit application for the project shall be approved or denied within the timeframe provided in subsection (4). Section 149. Paragraph (b) of subsection (3) of section

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403.42, Florida Statutes, is amended to read:

4176	403.42 Florida Clean Fuel Act
4177	(3) CLEAN FUEL FLORIDA ADVISORY BOARD ESTABLISHED;
4178	MEMBERSHIP; DUTIES AND RESPONSIBILITIES
4179	(b)1. The advisory board shall consist of the Executive
4180	Director of the Department of Economic Opportunity, the
4181	Secretary of Environmental Protection, or a designee from that
4182	department, the Commissioner of Education, or a designee from
4183	that department, the Secretary of Transportation, or a designee
4184	from that department, the Commissioner of Agriculture, or a
4185	designee from that department, the Secretary of Management
4186	Services, or a designee from that department, and a
4187	representative of each of the following, who shall be appointed
4188	by the Secretary of Environmental Protection:
4189	a. The Florida biodiesel industry.
4190	b. The Florida electric utility industry.
4191	c. The Florida natural gas industry.
4192	d. The Florida propane gas industry.
4193	e. An automobile manufacturers' association.
4194	f. A Florida Clean Cities Coalition designated by the
4195	United States Department of Energy.
4196	g. Enterprise Florida, Inc.
4197	g.h. EV Ready Broward.
4198	$\underline{\text{h.i.}}$ The Florida petroleum industry.
4199	<u>i.</u> j. The Florida League of Cities.
4200	j.k. The Florida Association of Counties.

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4201 k.l. Floridians for Better Transportation.

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- 1.m. A motor vehicle manufacturer.
- m.n. Florida Local Environment Resource Agencies.
 - n. o. Project for an Energy Efficient Florida.
 - o.p. Florida Transportation Builders Association.
- 2. The purpose of the advisory board is to serve as a resource for the department and to provide the Governor, the Legislature, and the Secretary of Environmental Protection with private sector and other public agency perspectives on achieving the goal of increasing the use of alternative fuel vehicles in this state.
- 3. Members shall be appointed to serve terms of 1 year each, with reappointment at the discretion of the Secretary of Environmental Protection. Vacancies shall be filled for the remainder of the unexpired term in the same manner as the original appointment.
 - 4. The board shall annually select a chairperson.
- 5.a. The board shall meet at least once each quarter or more often at the call of the chairperson or the Secretary of Environmental Protection.
- b. Meetings are exempt from the notice requirements of chapter 120, and sufficient notice shall be given to afford interested persons reasonable notice under the circumstances.
- 6. Members of the board are entitled to travel expenses while engaged in the performance of board duties.

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7. The board shall terminate 5 years after the effective date of this act.

Section 150. Subsection (5) of section 403.7032, Florida Statutes, is amended to read:

403.7032 Recycling.-

- create the Recycling Business Assistance Center by December 1, 2010. In carrying out its duties under this subsection, the department shall consult with state agency personnel appointed to serve as economic development liaisons under s. 288.021 and seek technical assistance from Enterprise Florida, Inc., to ensure the Recycling Business Assistance Center is positioned to succeed. The purpose of the center shall be to serve as the mechanism for coordination among state agencies and the private sector in order to coordinate policy and overall strategic planning for developing new markets and expanding and enhancing existing markets for recyclable materials in this state, other states, and foreign countries. The duties of the center must include, at a minimum:
- (a) Identifying and developing new markets and expanding and enhancing existing markets for recyclable materials.
 - (b) Pursuing expanded end uses for recycled materials.
- (c) Targeting materials for concentrated market development efforts.
 - (d) Developing proposals for new incentives for market

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development, particularly focusing on targeted materials.

- (e) Providing guidance on issues such as permitting, finance options for recycling market development, site location, research and development, grant program criteria for recycled materials markets, recycling markets education and information, and minimum content.
- (f) Coordinating the efforts of various governmental entities having market development responsibilities in order to optimize supply and demand for recyclable materials.
- (g) Evaluating source-reduced products as they relate to state procurement policy. The evaluation shall include, but is not limited to, the environmental and economic impact of source-reduced product purchases to the state. For the purposes of this paragraph, the term "source-reduced" means any method, process, product, or technology that significantly or substantially reduces the volume or weight of a product while providing, at a minimum, equivalent or generally similar performance and service to and for the users of such materials.
- (h) Providing evaluation of solid waste management grants, pursuant to s. 403.7095, to reduce the flow of solid waste to disposal facilities and encourage the sustainable recovery of materials from Florida's waste stream.
- (i) Providing below-market financing for companies that manufacture products from recycled materials or convert recyclable materials into raw materials for use in manufacturing

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pursuant to the Florida Recycling Loan Program as administered by the Florida First Capital Finance Corporation.

- (j) Maintaining a continuously updated online directory listing the public and private entities that collect, transport, broker, process, or remanufacture recyclable materials in the state.
- (k) Providing information on the availability and benefits of using recycled materials to private entities and industries in the state.
- (1) Distributing any materials prepared in implementing this subsection to the public, private entities, industries, governmental entities, or other organizations upon request.
- (m) Coordinating with the Department of Economic Opportunity and its partners to provide job placement and job training services to job seekers through the state's workforce services programs.

Section 151. Subsections (16) through (19) of section 403.973, Florida Statutes, are renumbered as subsections (15) through (18), respectively, and present subsections (15) and (17) of that section are amended to read:

403.973 Expedited permitting; amendments to comprehensive plans.—

(15) The Department of Economic Opportunity, working with the agencies providing cooperative assistance and input regarding the memoranda of agreement, shall review sites

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proposed for the location of facilities that the Department of Economic Opportunity has certified to be eligible for the Innovation Incentive Program under s. 288:1089. Within 20 days after the request for the review by the Department of Economic Opportunity, the agencies shall provide to the Department of Economic Opportunity a statement as to each site's necessary permits under local, state, and federal law and an identification of significant permitting issues, which if unresolved, may result in the denial of an agency permit or approval or any significant delay caused by the permitting process. (16) (17) The Department of Economic Opportunity shall be responsible for certifying a business as eligible for undergoing expedited review under this section. Enterprise Florida, Inc., A county or municipal government, or the Rural Economic Development Initiative may recommend to the Department of Economic Opportunity that a project meeting the minimum job creation threshold undergo expedited review. Section 152. Paragraph (c) of subsection (1) of section 443.091, Florida Statutes, is amended to read: 443.091 Benefit eligibility conditions.-An unemployed individual is eligible to receive benefits for any week only if the Department of Economic Opportunity finds that:

To make continued claims for benefits, she or he is

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reporting to the department in accordance with this paragraph and department rules. Department rules may not conflict with s. 443.111(1)(b), which requires that each claimant continue to report regardless of any pending appeal relating to her or his eligibility or disqualification for benefits.

- 1. For each week of unemployment claimed, each report must, at a minimum, include the name, address, and telephone number of each prospective employer contacted, or the date the claimant reported to a one-stop career center, pursuant to paragraph (d).
- 2. The department shall offer an online assessment aimed at identifying an individual's skills, abilities, and career aptitude. The skills assessment must be voluntary, and the department shall allow a claimant to choose whether to take the skills assessment. The online assessment shall be made available to any person seeking services from a local workforce development board or a one-stop career center.
- a. If the claimant chooses to take the online assessment, the outcome of the assessment shall be made available to the claimant, local workforce development board, and one-stop career center. The department, local workforce development board, or one-stop career center shall use the assessment to develop a plan for referring individuals to training and employment opportunities. Aggregate data on assessment outcomes may be made available to CareerSource Florida, Inc., and Enterprise Florida,

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Inc., for use in the development of policies related to education and training programs that will ensure that businesses in this state have access to a skilled and competent workforce.

b. Individuals shall be informed of and offered services through the one-stop delivery system, including career counseling, the provision of skill match and job market information, and skills upgrade and other training opportunities, and shall be encouraged to participate in such services at no cost to the individuals. The department shall coordinate with CareerSource Florida, Inc., the local workforce development boards, and the one-stop career centers to identify, develop, and use best practices for improving the skills of individuals who choose to participate in skills upgrade and other training opportunities. The department may contract with an entity to create the online assessment in accordance with the competitive bidding requirements in s. 287.057. The online assessment must work seamlessly with the Reemployment Assistance Claims and Benefits Information System.

Section 153. Paragraphs (b) through (g) of subsection (6) of section 445.004, Florida Statutes, are redesignated as paragraphs (a) through (f), respectively, and paragraph (d) of subsection (3), paragraphs (b) and (d) of subsection (5), and paragraph (a) of subsection (6) of that section are amended to read:

445.004 CareerSource Florida, Inc.; creation; purpose;

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membership; duties and powers.-

(3)

- (d) The board must include the vice chairperson of the board of directors of Enterprise Florida, Inc., and one member representing each of the Workforce Innovation and Opportunity Act partners, including the Division of Career and Adult Education, and other entities representing programs identified in the Workforce Innovation and Opportunity Act, as determined necessary.
- (5) CareerSource Florida, Inc., shall have all the powers and authority not explicitly prohibited by statute which are necessary or convenient to carry out and effectuate its purposes as determined by statute, Pub. L. No. 113-128, and the Governor, as well as its functions, duties, and responsibilities, including, but not limited to, the following:
- (b) Providing oversight and policy direction to ensure that the following programs are administered by the department in compliance with approved plans and under contract with CareerSource Florida, Inc.:
- 1. Programs authorized under Title I of the Workforce Innovation and Opportunity Act, Pub. L. No. 113-128, with the exception of programs funded directly by the United States Department of Labor under Title I, s. 167.
- 2. Programs authorized under the Wagner-Peyser Act of 1933, as amended, 29 U.S.C. ss. 49 et seq.

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3. Activities authorized under Title II of the Trade Act of 2002, as amended, 19 U.S.C. ss. 2272 et seq., and the Trade Adjustment Assistance Program.

- 4. Activities authorized under 38 U.S.C. chapter 41, including job counseling, training, and placement for veterans.
- 5. Employment and training activities carried out under funds awarded to this state by the United States Department of Housing and Urban Development.
- 6. Welfare transition services funded by the Temporary Assistance for Needy Families Program, created under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended, Pub. L. No. 104-193, and Title IV, s. 403, of the Social Security Act, as amended.
 - 7. Displaced homemaker programs, provided under s. 446.50.
- 8. The Florida Bonding Program, provided under Pub. L. No. 97-300, s. 164(a)(1).
- 9. The Food Assistance Employment and Training Program, provided under the Food and Nutrition Act of 2008, 7 U.S.C. ss. 2011-2032; the Food Security Act of 1988, Pub. L. No. 99-198; and the Hunger Prevention Act, Pub. L. No. 100-435.
- 10. The Quick-Response Training Program, provided under ss. 288.046-288.047. Matching funds and in-kind contributions that are provided by clients of the Quick-Response Training Program shall count toward the requirements of s. 288.904, pertaining to the return on investment from activities of

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4426	Enterprise Florida, Inc.
4427	10.11. The Work Opportunity Tax Credit, provided under the
4428	Tax and Trade Relief Extension Act of 1998, Pub. L. No. 105-277,
4429	and the Taxpayer Relief Act of 1997, Pub. L. No. 105-34.
4430	11.12. Offender placement services, provided under ss.
4431	944.707-944.708.
4432	(d) Contracting with public and private entities as
4433	necessary to further the directives of this section. All
4434	contracts executed by CareerSource Florida, Inc., must include
4435	specific performance expectations and deliverables. All
4436	CareerSource Florida, Inc., contracts, including those
4437	solicited, managed, or paid by the department pursuant to s.
4438	20.60(5)(b) $20.60(5)(c)$ are exempt from s. 112.061, but shall be
4439	governed by subsection (1).
4440	(6) CareerSource Florida, Inc., may take action that it
4441	deems necessary to achieve the purposes of this section,
4442	including, but not limited to:
4443	(a) Creating a state employment, education, and training
4444	policy that ensures that programs to prepare workers are
4445	responsive to present and future business and industry needs and
4446	complement the initiatives of Enterprise Florida, Inc.
4447	Section 154. Subsection (5) of section 445.045, Florida
4448	Statutes, is amended to read:
4449	445.045 Development of an Internet-based system for

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information technology industry promotion and workforce

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(5) In furtherance of the requirements of this section that the website promote and market the information technology industry by communicating information on the scope of the industry in this state, CareerSource Florida, Inc., shall coordinate its efforts with the high-technology industry marketing efforts of Enterprise Florida, Inc., under s. 288.911. Through links or actual content, the website developed under this section shall serve as a forum for distributing the marketing campaign developed by Enterprise Florida, Inc., under s. 288.911. In addition, CareerSource Florida, Inc., shall solicit input from the not-for-profit corporation created to advocate on behalf of the information technology industry as an outgrowth of the Information Service Technology Development Task Force created under chapter 99-354, Laws of Florida.

Section 155. Subsections (2) and (5) of section 446.44, Florida Statutes, are amended to read:

446.44 Duties of Rural Workforce Services Program.-It shall be the direct responsibility of the Rural Workforce Services Program to promote and deliver employment and workforce services and resources to the rural undeveloped and underdeveloped counties of the state in an effort to:

- Assist Enterprise Florida, Inc., in attracting light, pollution-free industry to the rural counties.
 - (4) (4) Develop rural workforce programs that will be

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evaluated, planned, and implemented through communications and planning with appropriate:

- (a) Departments of state and federal governments.
- (b) Units of Enterprise Florida, Inc.
- (b)(c) Agencies and organizations of the public and private sectors at the state, regional, and local levels.

Section 156. Subsection (5) of section 477.0135, Florida Statutes, is amended to read:

477.0135 Exemptions.-

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(5) A license is not required of any individual providing makeup, special effects, or cosmetology services to an actor, stunt person, musician, extra, or other talent during a production recognized by the Office of Film and Entertainment as a qualified production as defined in s. 288.1254(1). Such services are not required to be performed in a licensed salon. Individuals exempt under this subsection may not provide such services to the general public.

Section 157. Subsection (1) of section 570.81, Florida Statutes, is amended to read:

570.81 Agricultural Economic Development Project Review Committee; powers and duties.—

(1) There is created an Agricultural Economic Development Project Review Committee consisting of five members appointed by the commissioner. The members shall be appointed based upon the recommendations submitted by each entity represented on the

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4501 committee and shall include: 4502 The commissioner or the commissioner's designee. 4503 (b) One representative from the Farm Credit Service. 4504 One representative from the Department of Economic 4505 Opportunity Enterprise Florida, Inc. 4506 One representative from the Florida Farm Bureau 4507 Federation. 4508 One agricultural economist from the Institute of Food and Agricultural Sciences or from Florida Agricultural and 4509 4510 Mechanical University. 4511 Section 158. Subsection (2) of section 570.85, Florida 4512 Statutes, is amended to read: 4513 570.85 Agritourism.-4514 The Department of Agriculture and Consumer Services 4515 may provide marketing advice, technical expertise, promotional 4516 support, and product development related to agritourism to 4517 assist the following in their agritourism initiatives: 4518 Enterprise Florida, Inc.; convention and visitor bureaus,; 4519 tourist development councils, + economic development 4520 organizations, + and local governments. In carrying out this 4521 responsibility, the department shall focus its agritourism 4522 efforts on rural and urban communities. 4523 Section 159. Paragraph (c) of subsection (1) of section 4524 624.5105, Florida Statutes, is amended to read:

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624.5105 Community contribution tax credit; authorization;

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limitations; eligibility and application requirements;
administration; definitions; expiration.-

- (1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.-
- (c) The total amount of tax credit which may be granted for all programs approved under this section and ss.
 212.08(5)(0) 212.08(5)(p) and 220.183 is \$18.4 million in the 2015-2016 fiscal year, \$21.4 million in the 2016-2017 fiscal year, and \$21.4 million in the 2017-2018 fiscal year for projects that provide housing opportunities for persons with special needs as defined in s. 420.0004 or homeownership opportunities for low-income or very-low-income households as defined in s. 420.9071 and \$3.5 million annually for all other projects.

Section 160. <u>Section 625.3255</u>, Florida Statutes, is repealed.

Section 161. Subsection (4) of section 657.042, Florida Statutes, is amended to read:

657.042 Investment powers and limitations.—A credit union may invest its funds subject to the following definitions, restrictions, and limitations:

- (4) INVESTMENT SUBJECT TO LIMITATION OF ONE PERCENT OF CAPITAL OF THE CREDIT UNION.—Up to 1 percent of the capital of the credit union may be invested in any of the following:
- (a) Corporate obligations of any one corporation which is an affiliate or subsidiary of the credit union or a service

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1551	corporation, except that the total investment in all such
1552	corporate obligations shall not exceed 10 percent of the capital
1553	of the credit union.
1554	(b) Any capital participation instrument or evidence of
1555	indebtedness issued by Enterprise Florida, Inc., pursuant to the
1556	Florida Small and Minority Business Assistance Act.
1557	Section 162. Paragraph (f) of subsection (4) of section
1558	658.67, Florida Statutes, is amended to read:
1559	658.67 Investment powers and limitations.—A bank may
1560	invest its funds, and a trust company may invest its corporate
1561	funds, subject to the following definitions, restrictions, and
1562	limitations:
1563	(4) INVESTMENTS SUBJECT TO LIMITATION OF TEN PERCENT OR
1564	LESS OF CAPITAL ACCOUNTS
1565	(f) Up to 10 percent of the capital accounts of a bank or
1566	trust company may be invested in any capital participation
1567	instrument or evidence of indebtedness issued by Enterprise
1568	Florida, Inc., pursuant to the Florida Small and Minority
1569	Business Assistance Act.
1570	Section 163. Paragraph (h) of subsection (2) of section
1571	1004.015, Florida Statutes, is amended to read:
1572	1004.015 Higher Education Coordinating Council.
573	(2) Members of the council shall include:
574	(h) The secretary of the Department of Economic
575	Opportunity, or his or her designee president of Enterprise

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4576	Florida, Inc., or a designated member of the Stakeholders
4577	Council appointed by the president.
4578	Section 164. Paragraph (d) of subsection (5) of section
4579	1004.65, Florida Statutes, is amended to read:
4580	1004.65 Florida College System institutions; governance,
4581	mission, and responsibilities.—
4582	(5) The primary mission and responsibility of Florida
4583	College System institutions is responding to community needs for
4584	postsecondary academic education and career degree education.
4585	This mission and responsibility includes being responsible for:
4586	(d) Promoting economic development for the state within
1587	each Florida College System institution district through the
1588	provision of special programs, including, but not limited to,
1589	the:
1590	1. Enterprise Florida-related programs.
1591	<u>1.2.</u> Technology transfer centers.
1592	2.3. Economic development centers.
1593	3.4. Workforce literacy programs.
1594	Section 165. Paragraph (b) of subsection (10) of section
1595	1004.78, Florida Statutes, is amended to read:
1596	1004.78 Technology transfer centers at Florida College
1597	System institutions.—
1598	(10) The State Board of Education may award grants to
1599	Florida College System institutions, or consortia of public and
1600	private colleges and universities and other public and private
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entities, for the purpose of supporting the objectives of this section. Grants awarded pursuant to this subsection shall be in accordance with rules of the State Board of Education. Such rules shall include the following provisions:

- appropriated specifically for technology transfer activities shall be reviewed and approved by the State Board of Education using proposal solicitation, evaluation, and selection procedures established by the state board in consultation with the Department of Economic Opportunity Enterprise Florida, Inc. Such procedures may include designation of specific areas or applications of technology as priorities for the receipt of funding.
- Section 166. Subsection (4) of section 1011.76, Florida Statutes, is amended to read:
 - 1011.76 Small School District Stabilization Program.-
- (4) The Department of Education may award the school district a stabilization grant intended to protect the district from continued financial reductions. The amount of the grant will be determined by the Department of Education and may be equivalent to the amount of the decline in revenues projected for the next fiscal year. In addition, the Department of Economic Opportunity may implement a rural economic development initiative to identify the economic factors that are negatively impacting the community and may consult with Enterprise Florida,

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Inc., in developing a plan to assist the county with its economic transition. The grant will be available to the school district for a period of up to 5 years to the extent that funding is provided for such purpose in the General Appropriations Act.

Section 167. Paragraph (c) of subsection (6) of section 1011.80, Florida Statutes, is amended to read:

1011.80 Funds for operation of workforce education programs.—

(6)

(c) A program is established to assist school districts and Florida College System institutions in responding to the needs of new and expanding businesses and thereby strengthening the state's workforce and economy. The program may be funded in the General Appropriations Act. The district or Florida College System institution shall use the program to provide customized training for businesses which satisfies the requirements of s. 288.047. Business firms whose employees receive the customized training must provide 50 percent of the cost of the training. Balances remaining in the program at the end of the fiscal year shall not revert to the general fund, but shall be carried over for 1 additional year and used for the purpose of serving incumbent worker training needs of area businesses with fewer than 100 employees. Priority shall be given to businesses that must increase or upgrade their use of technology to remain

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4651 competitive. 4652 Section 168. Subsection (1) of section 1011.94, Florida 4653 Statutes, is amended to read: 4654 1011.94 University Major Gifts Program.-4655 There is established a University Major Gifts Program. 4656 The purpose of the program is to enable each university to provide donors with an incentive in the form of matching grants 4657 for donations for the establishment of permanent endowments and 4658 4659 sales tax exemption matching funds received pursuant to s. 212.08(5)(i) $\frac{212.08(5)(j)}{j}$, which must be invested, with the 4660 4661 proceeds of the investment used to support libraries and instruction and research programs, as defined by the Board of 4662 4663 Governors. 4664 Section 169. This act shall take effect July 1, 2017.

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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)
ļ	WITHDRAWN (Y/N)
	OTHER
1	Committee/Subcommittee hearing bill: Rules & Policy Committee
2	Representative Renner offered the following:
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4	Amendment (with title amendment)
5	Remove everything after the enacting clause and insert:
6	Section 1. Paragraph (i) of subsection (3) of section
7	11.45, Florida Statutes, is amended to read:
8	11.45 Definitions; duties; authorities; reports; rules
9	(3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The
10	Auditor General may, pursuant to his or her own authority, or at
11	the direction of the Legislative Auditing Committee, conduct
12	audits or other engagements as determined appropriate by the

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Auditor General of:

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Florida, Inc., and programs. The audit report may not reveal the

advisory committees, or similar groups created by Enterprise

(i) Enterprise Florida, Inc., including any of its boards,

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identity of any person who has anonymously made a donation to
Enterprise Florida, Inc., pursuant to this paragraph. The
identity of a donor or prospective donor to Enterprise Florida,
Inc., who desires to remain anonymous and all information
identifying such donor or prospective donor are confidential and
exempt from the provisions of s. $119.07(1)$ and s. $24(a)$, Art. I
of the State Constitution. Such anonymity shall be maintained in
the auditor's report.

Section 2. Paragraph (a) of subsection (3) of section 14.32, Florida Statutes, is amended to read:

- 14.32 Office of Chief Inspector General.-
- (3) Related to public-private partnerships, the Chief Inspector General:
- (a) Shall advise public-private partnerships, including Enterprise Florida, Inc., in their development, utilization, and improvement of internal control measures necessary to ensure fiscal accountability.
- Section 3. Section 15.18, Florida Statutes, is amended to read:
- 15.18 International and cultural relations.—The Divisions of Cultural Affairs, Historical Resources, and Library and Information Services of the Department of State promote programs having substantial cultural, artistic, and indirect economic significance that emphasize American creativity. The Secretary of State, as the head administrator of these divisions, shall

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hereafter be known as "Florida's Chief Cultural Officer." As this officer, the Secretary of State is encouraged to initiate and develop relationships between the state and foreign cultural officers, their representatives, and other foreign governmental officials in order to promote Florida as the center of American creativity. The Secretary of State shall coordinate international activities pursuant to this section with Enterprise Florida, Inc., and any other organization the secretary deems appropriate. For the accomplishment of this purpose, the Secretary of State shall have the power and authority to:

- (1) Disseminate any information pertaining to the State of Florida which promotes the state's cultural assets.
- (2) Plan and carry out activities designed to cause improved cultural and governmental programs and exchanges with foreign countries.
- (3) Plan and implement cultural and social activities for visiting foreign heads of state, diplomats, dignitaries, and exchange groups.
- (4) Encourage and cooperate with other public and private organizations or groups in their efforts to promote the cultural advantages of Florida.
- (5) Serve as the liaison with all foreign consular and ambassadorial corps, as well as international organizations, that are consistent with the purposes of this section.

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	(6)	Pr	ivo	ide,	arı	cange	€, 8	and	make	exper	nditur	res f	or t	the
achi	evemer	nt	of	any	or	all	of	the	purp	oses	speci	fied	in	this
sect.	ion.													

- Section 4. Subsection (2) of section 15.182, Florida Statutes, is amended to read:
- 15.182 International travel by state-funded musical, cultural, or artistic organizations; notification to the Department of Economic Opportunity.—
- with Enterprise Florida, Inc., shall act as an intermediary between performing musical, cultural, and artistic organizations and Florida businesses to encourage and coordinate joint undertakings. Such coordination may include, but is not limited to, encouraging business and industry to sponsor cultural events, assistance with travel of such organizations, and coordinating travel schedules of cultural performance groups and international trade missions.
- Section 5. Subsections (4) and (5), paragraph (b) of subsection (9), and subsections (10) and (11) of section 20.60, Florida Statutes, are amended to read:
- 20.60 Department of Economic Opportunity; creation; powers and duties.—
- (4) The purpose of the department is to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to

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formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. To accomplish such purposes, the department shall:

- (a) Facilitate the direct involvement of the Governor and the Lieutenant Governor in economic development and workforce development projects designed to create, expand, and retain businesses in this state, to recruit business from around the world, and to facilitate other job-creating efforts.
- (b) Recruit new businesses to this state and promote the expansion of existing businesses by expediting permitting and location decisions, worker placement and training, and incentive awards.
- (c) Promote viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities.
- (d) Ensure that the state's goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.
- (e) Manage the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs in areas including, but not limited to, tourism; international trade and investment; business recruitment, creation, retention, and expansion; minority and small business development; rural

community development; commercialization of products, services, or ideas developed in public universities or other public institutions; and the development and promotion of professional and amateur sporting events.

- (f) Coordinate with state agencies on the processing of state development approvals or permits to minimize the duplication of information provided by the applicant and the time before approval or disapproval.
- (5) The divisions within the department have specific responsibilities to achieve the duties, responsibilities, and goals of the department. Specifically:
 - (a) The Division of Strategic Business Development shall:
- $\underline{(g)}1$. Analyze and evaluate business prospects identified by the Governor $\underline{\text{and}}_{7}$ the executive director of the department $\underline{\text{and}}$ and $\underline{\text{Enterprise-Florida}_{7}}$ $\underline{\text{Inc}}$.
- (h)2. Administer certain tax refund, tax credit, and grant programs created in law. Notwithstanding any other provision of law, the department may expend interest earned from the investment of program funds deposited in the Grants and Donations Trust Fund to contract for the administration of those programs, or portions of the programs, assigned to the department by law, by the appropriations process, or by the Governor. Such expenditures shall be subject to review under chapter 216.

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- $\underline{(j)}$ 4. Develop a 5-year statewide strategic plan. The strategic plan must include, but need not be limited to:
- 1.a. Strategies for the promotion of business formation, expansion, recruitment, and retention through aggressive marketing, international development, and export assistance, which lead to more and better jobs and higher wages for all geographic regions, disadvantaged communities, and populations of the state, including rural areas, minority businesses, and urban core areas.
- 2.b. The development of realistic policies and programs to further the economic diversity of the state, its regions, and their associated industrial clusters.
- $\underline{\text{3.e.}}$ Specific provisions for the stimulation of economic development and job creation in rural areas and midsize cities

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 and counties of the state, including strategies for rural marketing and the development of infrastructure in rural areas.

- $\underline{4.d.}$ Provisions for the promotion of the successful longterm economic development of the state with increased emphasis in market research and information.
- 5.e. Plans for the generation of foreign investment in the state which create jobs paying above-average wages and which result in reverse investment in the state, including programs that establish viable overseas markets, assist in meeting the financing requirements of export-ready firms, broaden opportunities for international joint venture relationships, use the resources of academic and other institutions, coordinate trade assistance and facilitation services, and facilitate availability of and access to education and training programs that assure requisite skills and competencies necessary to compete successfully in the global marketplace.
- $\underline{6.f.}$ The identification of business sectors that are of current or future importance to the state's economy and to the state's global business image, and development of specific strategies to promote the development of such sectors.
- 7.g. Strategies for talent development necessary in the state to encourage economic development growth, taking into account factors such as the state's talent supply chain, education and training opportunities, and available workforce.
 - (k) 5. Update the strategic plan every 5 years.

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(1) 6. Involve Enterprise Florida, Inc.; CareerSource
Florida, Inc.; local governments; the general public; local and
regional economic development organizations; other local, state
and federal economic, international, and workforce development
entities; the business community; and educational institutions
to assist with the strategic plan.

- The divisions within the department have specific responsibilities to achieve the duties, responsibilities, and goals of the department. Specifically:
 - (a) (b) The Division of Community Development shall:
- Assist local governments and their communities in finding creative planning solutions to help them foster vibrant, healthy communities, while protecting the functions of important state resources and facilities.
- 2. Administer state and federal grant programs as provided by law to provide community development and project planning activities to maintain viable communities, revitalize existing communities, and expand economic development and employment opportunities, including:
 - The Community Services Block Grant Program.
- The Community Development Block Grant Program in chapter 290.
- The Low-Income Home Energy Assistance Program in chapter 409.
 - The Weatherization Assistance Program in chapter 409.

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216	e.	The	Neighborhood	Stabilization	Program

- f. The local comprehensive planning process and the development of regional impact process.
- g. The Front Porch Florida Initiative through the Office of Urban Opportunity, which is created within the division. The purpose of the office is to administer the Front Porch Florida initiative, a comprehensive, community-based urban core redevelopment program that enables urban core residents to craft solutions to the unique challenges of each designated community.
- 3. Assist in developing the 5-year statewide strategic plan required by this section.

(b) (c) The Division of Workforce Services shall:

- 1. Prepare and submit a unified budget request for workforce development in accordance with chapter 216 for, and in conjunction with, CareerSource Florida, Inc., and its board.
- 2. Ensure that the state appropriately administers federal and state workforce funding by administering plans and policies of CareerSource Florida, Inc., under contract with CareerSource Florida, Inc. The operating budget and midyear amendments thereto must be part of such contract.
- a. All program and fiscal instructions to local workforce development boards shall emanate from the Department of Economic Opportunity pursuant to plans and policies of CareerSource Florida, Inc., which shall be responsible for all policy directions to the local workforce development boards.

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- b. Unless otherwise provided by agreement with CareerSource Florida, Inc., administrative and personnel policies of the Department of Economic Opportunity apply.
- 3. Implement the state's reemployment assistance program. The Department of Economic Opportunity shall ensure that the state appropriately administers the reemployment assistance program pursuant to state and federal law.
- 4. Assist in developing the 5-year statewide strategic plan required by this section.
 - (9) The executive director shall:
- (b) Serve as the manager for the state with respect to contracts with the Florida Tourism Industry Marketing

 Corporation Enterprise Florida, Inc., the Institute for the

 Commercialization of Public Research, and all applicable directsupport organizations. To accomplish the provisions of this
 section and applicable provisions of chapter 288, and
 notwithstanding the provisions of part I of chapter 287, the
 director shall enter into specific contracts with the Florida

 Tourism Industry Marketing Corporation Enterprise Florida, Inc.,
 the Institute for the Commercialization of Public Research, and
 other appropriate direct-support organizations. Such contracts
 may be for multiyear terms and shall include specific
 performance measures for each year. For purposes of this
 section, the Florida Tourism Industry Marketing Corporation is
 not an appropriate direct-support organization.

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(10) The department, with assistance from Enterprise
Florida, Inc., shall, by November 1 of each year, submit an
annual report 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.

- (a) The report must include the identification of problems and a prioritized list of recommendations.
- (b) The report must incorporate annual reports of other programs, including:
- 1. The displaced homemaker program established under s. 446.50.
- 2. Information provided by the Department of Revenue under s. 290.014.
- 3. Information provided by enterprise zone development agencies under s. 290.0056 and an analysis of the activities and accomplishments of each enterprise zone.
- 4. The Economic Gardening Business Loan Pilot Program established under s. 288.1081 and the Economic Gardening Technical Assistance Pilot Program established under s. 288.1082.
- $\underline{4.5.}$ A detailed report of the performance of the Black Business Loan Program and a cumulative summary of quarterly report data required under s. 288.714.
- $\underline{5.6.}$ The Rural Economic Development Initiative established under s. 288.0656.

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291	6.7. The Florida Unique Abilities Partner Program.
292	(11) The department shall establish annual performance
293	standards for Enterprise Florida, Inc., CareerSource Florida,
294	Inc., the Florida Tourism Industry Marketing Corporation, and
295	Space Florida and report annually on how these performance
296	measures are being met in the annual report required under
297	subsection (10).
298	Section 6. Section 20.601, Florida Statutes, is repealed.
299	Section 7. (1) All duties, functions, records, pending
300	issues, existing contracts, administrative authority,
301	administrative rules, and unexpended balances of appropriations,
302	allocations, and other public funds relating to the programs in
303	Enterprise Florida, Inc., are transferred by a type two transfer
304	to the Department of Economic Opportunity.
305	(2)(a) The Florida Sports Foundation, incorporated under
306	chapter 617, Florida Statutes, which was previously merged into
307	and transferred to Enterprise Florida, Inc., may enter into an
308	agreement with the Department of Economic Opportunity to
309	continue any existing program, activity, duty, or function
310	necessary for the operation of the foundation.
311	(b) Any funds held in trust which were donated to or
312	earned by the Florida Sports Foundation may be used by the
313	foundation for the original purposes for which the funds were
314	received.

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315	(3)(a) The Florida Tourism Industry Marketing Corporation
316	may enter into an agreement with the Department of Economic
317	Opportunity to continue any existing program, activity, duty, or
318	function necessary for the operation of the corporation.
319	(b) Any funds held in trust which were donated to or
320	earned by the Florida Tourism Industry Marketing Corporation may
321	be used by the corporation for the original purposes for which
322	the funds were received.
323	(4) It is the intent of the Legislature that the changes
324	made by this act be accomplished with minimal disruption of
325	services provided to the public and with minimal disruption to
326	employees of any organization.
327	Section 8. For programs established pursuant to ss.
328	212.08(5)q), 212.097, 220.1899, 220.191, 288.047, 288.1045,
329	288.106, 288.107, 288.108, 288.1081, 288.1082, 288.1088,
330	288.1089, 288.1162, 288.11621, 288.11625, 288.11631,
331	288.1254(11), 288.9916, and 339.2821, Florida Statutes, no new
332	or additional applications or certifications shall be approved,
333	no new letters of certification may be issued, no new contracts
334	or agreements may be executed, and no new awards may be made.
335	All certifications are rescinded except for those certified
336	applicants or projects that continue to meet the criteria in
337	effect before July 1, 2017. Any existing contracts or agreements
338	authorized under any of these programs shall continue in full
339	force and effect in accordance with the statutory requirements

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<u>in effect</u>	when the	contract	or agreem	<u>ent was</u>	executed	or last
modified.	However,	no furthe	er modific	ations,	extension	ns, or
waivers m	ay be mad	e or grant	ed relati	ng to s	uch contra	acts or
agreement	s except	computatio	ons by the	Depart	ment of R	evenue of
the income	e generat	ed by or a	rising ou	t of the	e qualify.	ing
project.						

Section 9. Paragraph (n) of subsection (3) of section 125.0104, Florida Statutes, is amended to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

- (3) TAXABLE PRIVILEGES; EXEMPTIONS; LEVY; RATE.-
- (n) In addition to any other tax that is imposed under this section, a county that has imposed the tax under paragraph
 (l) may impose an additional tax that is no greater than 1 percent on the exercise of the privilege described in paragraph
 (a) by a majority plus one vote of the membership of the board of county commissioners in order to:
 - Pay the debt service on bonds issued to finance:
- a. The construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a new professional sports franchise as defined in s. 288.1162. As used

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- b. The acquisition, construction, reconstruction, or renovation of a facility either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds for a retained spring training franchise.
- 2. Promote and advertise tourism in the State of Florida and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event shall have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.

A county that imposes the tax authorized in this paragraph may not expend any ad valorem tax revenues for the acquisition, construction, reconstruction, or renovation of a facility for which tax revenues are used pursuant to subparagraph 1. The provision of paragraph (b) which prohibits any county authorized to levy a convention development tax pursuant to s. 212.0305 from levying more than the 2-percent tax authorized by this section shall not apply to the additional tax authorized by this

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state.

paragraph in counties which levy convention development taxes pursuant to s. 212.0305(4)(a). Subsection (4) does not apply to the adoption of the additional tax authorized in this paragraph. The effective date of the levy and imposition of the tax authorized under this paragraph is the first day of the second month following approval of the ordinance by the board of county commissioners or the first day of any subsequent month specified in the ordinance. A certified copy of such ordinance shall be furnished by the county to the Department of Revenue within 10 days after approval of the ordinance. Section 10. Subsection (11) of section 159.803, Florida Statutes, is amended to read: 159.803 Definitions.—As used in this part, the term: "Florida First Business project" means any project which is certified by the Department of Economic Opportunity as eligible to receive an allocation from the Florida First Business allocation pool established pursuant to s. 159.8083. The Department of Economic Opportunity may certify those projects meeting the criteria set forth in s. 288.106(4)(b) or

Section 11. Paragraph (a) of subsection (8) of section 166.231, Florida Statutes, is amended to read:

any project providing a substantial economic benefit to this

166.231 Municipalities; public service tax.-

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(8) (a) Beginning July 1, 1995, a municipality may by ordinance exempt not less than 50 percent of the tax imposed under this section on purchasers of electrical energy who are determined to be eligible for the exemption provided by s.

212.08(14) 212.08(15) by the Department of Revenue. The exemption shall be administered as provided in that section. A copy of any ordinance adopted pursuant to this subsection shall be provided to the Department of Revenue not less than 14 days prior to its effective date.

Section 12. Section 189.033, Florida Statutes, is amended to read:

disproportionally affected county; rate reduction for providers providing economic benefits.—If the governing body of an independent special district that provides water, wastewater, and sanitation services in a disproportionally affected county—as defined in s. 288.106(8)—determines that a new user or the expansion of an existing user of one or more of its utility systems will provide a significant benefit to the community in terms of increased job opportunities, economies of scale, or economic development in the area, the governing body may authorize a reduction of its rates, fees, or charges for that user for a specified period of time. A governing body that exercises this power must do so by resolution that states the anticipated economic benefit justifying the reduction as well as

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the period of time that the reduction will remain in place. As used in this section, the term "disproportionally affected county" means Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County.

Section 13. Subsections (11) through (19) of section 196.012, Florida Statutes, are renumbered as subsections (12) through (20), respectively, a new subsection (11) is added to that section, and paragraph (a) of present subsection (14), paragraph (a) of present subsection (15), and present subsection (16) of that section are amended to read:

196.012 Definitions.—For the purpose of this chapter, the following terms are defined as follows, except where the context clearly indicates otherwise:

- (11) "Target industry business" means a corporate headquarters business or any business that is engaged in one of the target industries identified pursuant to the following criteria developed by the Department of Economic Opportunity:
- (a) Future growth.—The industry forecast indicates strong expectation for future growth in employment and output, according to the most recent available data. Special consideration should be given to businesses that export goods to, or provide services in, international markets and businesses that replace domestic and international imports of goods or services.

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(b) Stability.—The industry is not subject to periodic
layoffs, whether due to seasonality or sensitivity to volatile
economic variables such as weather. The industry is also
relatively resistant to recession, so that the demand for
products of this industry is not typically subject to decline
during an economic downturn.

- (c) High wage.—The industry pays relatively high wages compared to statewide or area averages.
- (d) Market and resource independent.—The industry business location is not dependent on markets or resources in the state as indicated by industry analysis, except for businesses in the renewable energy industry.
- (e) Industrial base diversification and strengthening.—The industry contributes toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration should be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration should also be given to the development of strong industrial clusters that include defense and homeland security businesses.
- (f) Positive economic impact.—The industry has strong positive economic impacts on or benefits to the state or regional economies. Special consideration should be given to

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489 industries that facilitate the development of the state as a hub 490 for domestic and global trade and logistics. 491 492 The term does not include any business engaged in retail 493 industry activities; any electrical utility company as defined 494 in s. 366.02(2); any phosphate or other solid minerals 495 severance, mining, or processing operation; any oil or gas 496 exploration or production operation; or any business subject to 497 regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business 498 499 within NAICS code 5611 or 5614, office administrative services 500 and business support services, respectively, may be considered a 501 target industry business only after the local governing body and 502 the Department of Economic Opportunity determine that the 503 community in which the business may locate has conditions 504 affecting the fiscal and economic viability of the local 505 community or area, including, but not limited to, low per capita 506 income, high unemployment, high underemployment, and a lack of 507 year-round stable employment opportunities, and such conditions 508 may be improved by the business locating in such community. By 509 January 1 of every 3rd year, beginning January 1, 2011, the 510 Department of Economic Opportunity, in consultation with 511 economic development organizations, the State University System, 512 local governments, employee and employer organizations, market 513 analysts, and economists, shall review and, as appropriate,

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(15) (14) "New business" means:

- (a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations:
- a. manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant; or
- b. Is a target industry business as defined in <u>subsection</u> (11) s. 288.106(2)(q);
- 2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or
- 3. An office space in this state owned and used by a business or organization newly domiciled in this state; provided such office space houses 50 or more full-time employees of such business or organization; provided that such business or

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organization office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization.

- (16) (15) "Expansion of an existing business" means:
- (a)1. A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any of the operations referred to in subparagraph (15)(a)1. (14)(a)1.; or
- 2. A business or organization establishing 25 or more new jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operations on a site located within the same county, municipality, or both colocated with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization, resulting in a net increase in employment of not less than 10 percent or an increase in productive output or sales of not less than 10 percent.

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562	(17) (16) "Permanent resident" means a person who has
563	established a permanent residence as defined in subsection (18)
564	(17) .
565	Section 14. Subsection (2) of section 196.101, Florida
566	Statutes, is amended to read:
567	196.101 Exemption for totally and permanently disabled
568	persons
569	(2) Any real estate used and owned as a homestead by a
570	paraplegic, hemiplegic, or other totally and permanently
571	disabled person, as defined in s. $\underline{196.012(12)}$ $\underline{196.012(11)}$, who
572	must use a wheelchair for mobility or who is legally blind, is
573	exempt from taxation.
574	Section 15. Subsection (2) of section 196.121, Florida
575	Statutes, is amended to read:
576	196.121 Homestead exemptions; forms.—
577	(2) The forms shall require the taxpayer to furnish
578	certain information to the property appraiser for the purpose of
579	determining that the taxpayer is a permanent resident as defined
580	in s. $\underline{196.012(17)}$ $\underline{196.012(16)}$. Such information may include, but
581	need not be limited to, the factors enumerated in s. 196.015.
582	Section 16. Subsections (6) and (11) of section 196.1995,
583	Florida Statutes, are amended to read:
584	196.1995 Economic development ad valorem tax exemption.—
585	(6) With respect to a new business as defined \underline{in} by s.

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 $\underline{196.012(15)(c)}$ $\underline{196.012(14)(c)}$, the municipality annexing the

property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

- (11) An ordinance granting an exemption under this section shall be adopted in the same manner as any other ordinance of the county or municipality and shall include the following:
- (a) The name and address of the new business or expansion of an existing business to which the exemption is granted;
- (b) The total amount of revenue available to the county or municipality from ad valorem tax sources for the current fiscal year, the total amount of revenue lost to the county or municipality for the current fiscal year by virtue of economic development ad valorem tax exemptions currently in effect, and the estimated revenue loss to the county or municipality for the current fiscal year attributable to the exemption of the business named in the ordinance;
- (c) The period of time for which the exemption will remain in effect and the expiration date of the exemption, which may be any period of time up to 10 years, or up to 20 years for a data center; and

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(d) A finding that the business named in the ordinance meets the requirements of s. $\underline{196.012(15)}$ or $\underline{(16)}$ $\underline{196.012(14)}$ or $\underline{(15)}$.

Section 17. Paragraphs (a), (c), and (d) of subsection (4) of section 201.15, Florida Statutes, are amended to read:

201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the payment of service charges or costs of collection and enforcement under this section. All taxes collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), are subject to the service charge imposed in s. 215.20(1). Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter and the service charge shall be available and

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transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, 2017, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

- (4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2) and deduction of the service charge imposed pursuant to s. 215.20(1), the remainder shall be distributed as follows:
- (a) The lesser of 24.18442 percent of the remainder or \$541.75 million in each fiscal year shall be paid into the State Treasury to the credit of the State Transportation Trust Fund. Of such funds, \$75 million for each fiscal year shall be transferred to the General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. Notwithstanding any other law, the remaining amount credited to the State Transportation Trust Fund shall be used for:
- 1. Capital funding for the New Starts Transit Program, authorized by Title 49, U.S.C. s. 5309 and specified in s. 341.051, in the amount of 10 percent of the funds;
- 2. The Small County Outreach Program specified in s. 339.2818, in the amount of 10 percent of the funds;
- 3. The Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, in the amount of 75 percent

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of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2.; and

- 4. The Transportation Regional Incentive Program specified in s. 339.2819, in the amount of 25 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2. The first \$60 million of the funds allocated pursuant to this subparagraph shall be allocated annually to the Florida Rail Enterprise for the purposes established in s. 341.303(5).
- (c) Eleven and twenty-four hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$35 million shall be transferred annually, subject to any distribution required under subsection (5), to the General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. The remainder shall be used as follows:
- 1. Half of that amount shall be used for the purposes for which the State Housing Trust Fund was created and exists by law.
- 2. Half of that amount shall be paid into the State Treasury to the credit of the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law.
- (d) Twelve and ninety-three hundredths percent of the remainder in each fiscal year shall be paid into the State

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 Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$40 million shall be transferred annually, subject to any distribution required under subsection (5), to the <u>General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity</u>. The remainder shall be used as follows:

- 1. Twelve and one-half percent of that amount shall be deposited into the State Housing Trust Fund and expended by the Department of Economic Opportunity and the Florida Housing Finance Corporation for the purposes for which the State Housing Trust Fund was created and exists by law.
- 2. Eighty-seven and one-half percent of that amount shall be distributed to the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law. Funds from this category may also be used to provide for state and local services to assist the homeless.

Section 18. Paragraph (a) of subsection (1) of section 212.031, Florida Statutes, is amended to read:

- 212.031 Tax on rental or license fee for use of real property.—
- (1)(a) It is declared to be the legislative intent that every person is exercising a taxable privilege who engages in the business of renting, leasing, letting, or granting a license for the use of any real property unless such property is:

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- 1. Assessed as agricultural property under s. 193.461.
 - 2. Used exclusively as dwelling units.
- 3. Property subject to tax on parking, docking, or storage spaces under s. 212.03(6).
- 4. Recreational property or the common elements of a condominium when subject to a lease between the developer or owner thereof and the condominium association in its own right or as agent for the owners of individual condominium units or the owners of individual condominium units. However, only the lease payments on such property shall be exempt from the tax imposed by this chapter, and any other use made by the owner or the condominium association shall be fully taxable under this chapter.
- 5. A public or private street or right-of-way and poles, conduits, fixtures, and similar improvements located on such streets or rights-of-way, occupied or used by a utility or provider of communications services, as defined by s. 202.11, for utility or communications or television purposes. For purposes of this subparagraph, the term "utility" means any person providing utility services as defined in s. 203.012. This exception also applies to property, wherever located, on which the following are placed: towers, antennas, cables, accessory structures, or equipment, not including switching equipment, used in the provision of mobile communications services as defined in s. 202.11. For purposes of this chapter, towers used

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in the provision of mobile communications services, as defined in s. 202.11, are considered to be fixtures.

- 6. A public street or road which is used for transportation purposes.
- 7. Property used at an airport exclusively for the purpose of aircraft landing or aircraft taxiing or property used by an airline for the purpose of loading or unloading passengers or property onto or from aircraft or for fueling aircraft.
- 8.a. Property used at a port authority, as defined in s. 315.02(2), exclusively for the purpose of oceangoing vessels or tugs docking, or such vessels mooring on property used by a port authority for the purpose of loading or unloading passengers or cargo onto or from such a vessel, or property used at a port authority for fueling such vessels, or to the extent that the amount paid for the use of any property at the port is based on the charge for the amount of tonnage actually imported or exported through the port by a tenant.
- b. The amount charged for the use of any property at the port in excess of the amount charged for tonnage actually imported or exported shall remain subject to tax except as provided in sub-subparagraph a.
- 9. Property used as an integral part of the performance of qualified production services. As used in this subparagraph, the term "qualified production services" means any activity or service performed directly in connection with the production of

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a qualified motion picture, as defined in s. 212.06(1)(b), and includes:

a. Photography, sound and recording, casting, location managing and scouting, shooting, creation of special and optical effects, animation, adaptation (language, media, electronic, or otherwise), technological modifications, computer graphics, set and stage support (such as electricians, lighting designers and operators, greensmen, prop managers and assistants, and grips), wardrobe (design, preparation, and management), hair and makeup (design, production, and application), performing (such as acting, dancing, and playing), designing and executing stunts, ceaching, consulting, writing, scoring, composing, choreographing, script supervising, directing, producing, transmitting dailies, dubbing, mixing, editing, cutting, looping, printing, processing, duplicating, storing, and distributing;

b. The design, planning, engineering, construction, alteration, repair, and maintenance of real or personal property including stages, sets, props, models, paintings, and facilities principally required for the performance of those services listed in sub-subparagraph a.; and

c. Property management services directly related to property used in connection with the services described in subsubparagraphs a. and b.

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 This exemption will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.

9.10. Leased, subleased, licensed, or rented to a person providing food and drink concessionaire services within the premises of a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, publicly owned recreational facility, or any business operated under a permit issued pursuant to chapter 550. A person providing retail concessionaire services involving the sale of food and drink or other tangible personal property within the premises of an airport shall be subject to tax on the rental of real property used for that purpose, but shall not be subject to the tax on any license to use the property. For purposes of this subparagraph, the term "sale" shall not include the leasing of tangible personal property.

10.11. Property occupied pursuant to an instrument calling for payments which the department has declared, in a Technical Assistance Advisement issued on or before March 15, 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c), Florida Administrative Code; provided that this subparagraph shall only apply to property occupied by the same person before and after the execution of the subject instrument and only to those payments made pursuant to such instrument, exclusive of renewals and extensions thereof occurring after March 15, 1993.

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11.12. Property used or occupied predominantly for space
flight business purposes. As used in this subparagraph, "space
flight business" means the manufacturing, processing, or
assembly of a space facility, space propulsion system, space
vehicle, satellite, or station of any kind possessing the
capacity for space flight, as defined by s. 212.02(23), or
components thereof, and also means the following activities
supporting space flight: vehicle launch activities, flight
operations, ground control or ground support, and all
administrative activities directly related thereto. Property
shall be deemed to be used or occupied predominantly for space
flight business purposes if more than 50 percent of the
property, or improvements thereon, is used for one or more space
flight business purposes. Possession by a landlord, lessor, or
licensor of a signed written statement from the tenant, lessee,
or licensee claiming the exemption shall relieve the landlord,
lessor, or licensor from the responsibility of collecting the
tax, and the department shall look solely to the tenant, lessee,
or licensee for recovery of such tax if it determines that the
exemption was not applicable.

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12.13. Rented, leased, subleased, or licensed to a person

providing telecommunications, data systems management, or

hall, civic center, or meeting space at a public lodging

establishment as defined in s. 509.013. This subparagraph

Internet services at a publicly or privately owned convention

applies only to that portion of the rental, lease, or license payment that is based upon a percentage of sales, revenue sharing, or royalty payments and not based upon a fixed price. This subparagraph is intended to be clarifying and remedial in nature and shall apply retroactively. This subparagraph does not provide a basis for an assessment of any tax not paid, or create a right to a refund of any tax paid, pursuant to this section before July 1, 2010.

Section 19. Paragraph (b) of subsection (1) of section 212.06, Florida Statutes, is amended to read:

212.06 Sales, storage, use tax; collectible from dealers; "dealer" defined; dealers to collect from purchasers; legislative intent as to scope of tax.—

(1)

(b) Except as otherwise provided, any person who manufactures, produces, compounds, processes, or fabricates in any manner tangible personal property for his or her own use shall pay a tax upon the cost of the product manufactured, produced, compounded, processed, or fabricated without any deduction therefrom on account of the cost of material used, labor or service costs, or transportation charges, notwithstanding the provisions of s. 212.02 defining "cost price." However, the tax levied under this paragraph shall not be imposed upon any person who manufactures or produces electrical power or energy, steam energy, or other energy at a

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single location, when such power or energy is used directly and exclusively at such location, or at other locations if the energy is transferred through facilities of the owner in the operation of machinery or equipment that is used to manufacture, process, compound, produce, fabricate, or prepare for shipment tangible personal property for sale or to operate pollution control equipment, maintenance equipment, or monitoring or control equipment used in such operations. The manufacture or production of electrical power or energy that is used for space heating, lighting, office equipment, or air-conditioning or any other, nonprocessing, noncompounding, nonproducing, nonfabricating, or nonshipping activity is taxable. Electrical power or energy consumed or dissipated in the transmission or distribution of electrical power or energy for resale is also not taxable. Fabrication labor shall not be taxable when a person is using his or her own equipment and personnel, for his or her own account, as a producer, subproducer, or coproducer of a qualified motion picture. For purposes of this chapter, the term "qualified motion picture" means all or any part of a series of related images, either on film, tape, or other embodiment, including, but not limited to, all items comprising part of the original work and film-related products derived therefrom as well as duplicates and prints thereof and all sound recordings created to accompany a motion picture, which is produced, adapted, or altered for exploitation in, on, or

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through any medium or device and at any location, primarily for entertainment, commercial, industrial, or educational purposes. This exemption for fabrication labor associated with production of a qualified motion picture will inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258. A person who manufactures factory-built buildings for his or her own use in the performance of contracts for the construction or improvement of real property shall pay a tax only upon the person's cost price of items used in the manufacture of such buildings.

Section 20. <u>Section 212.0602</u>, Florida Statutes, is repealed.

Section 21. Paragraph (a) of subsection (3) of section 212.0606, Florida Statutes, is amended to read:

212.0606 Rental car surcharge.-

(3)(a) Notwithstanding s. 212.20, and less the costs of administration, 80 percent of the proceeds of this surcharge shall be deposited in the State Transportation Trust Fund, 15.75 percent of the proceeds of this surcharge shall be deposited in the Tourism Promotional Trust Fund created in s. 288.122, and 20 4.25 percent of the proceeds of this surcharge shall be deposited in the General Revenue Fund Florida International Trade and Promotion Trust Fund. For the purposes of this subsection, "proceeds" of the surcharge means all funds collected and received by the department under this section,

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including interest and penalties on delinquent surcharges. The department shall provide the Department of Transportation rental car surcharge revenue information for the previous state fiscal year by September 1 of each year.

Section 22. Paragraphs (g) through (q) of subsection (5) of section 212.08, Florida Statutes, are redesignated as paragraphs (f) through (p), respectively, subsections (12) through (18) are renumbered as subsections (11) through (17), respectively, and paragraph (f) and present paragraphs (h) and (j) of subsection (5), subsection (12), and paragraph (f) of present subsection (15) of that section are amended to read:

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

- (5) EXEMPTIONS; ACCOUNT OF USE.-
- (f) Motion picture or video equipment used in motion picture or television production activities and sound recording equipment used in the production of master tapes and master records.—
- 1. Motion picture or video equipment and sound recording equipment purchased or leased for use in this state in production activities is exempt from the tax imposed by this

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chapter. The exemption provided by this paragraph shall inure to the taxpayer upon presentation of the certificate of exemption issued to the taxpayer under the provisions of s. 288.1258.

2. For the purpose of the exemption provided in subparagraph 1.:

a. "Motion picture or video equipment" and "sound recording equipment" includes only tangible personal property or other property that has a depreciable life of 3 years or more and that is used by the lessee or purchaser exclusively as an integral part of production activities; however, motion picture or video equipment and sound recording equipment does not include supplies, tape, records, film, or video tape used in productions or other similar items; vehicles or vessels; or general office equipment not specifically suited to production activities. In addition, the term does not include equipment purchased or leased by television or radio broadcasting or cable companies licensed by the Federal Communications Commission. Furthermore, a building and its structural components are not motion picture or video equipment and sound recording equipment unless the building or structural component is so closely related to the motion picture or video equipment and sound recording equipment that it houses or supports that the building or structural component can be expected to be replaced when the motion picture or video equipment and sound recording equipment are replaced. Heating and air-conditioning systems are not

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motion picture or video equipment and sound recording equipment unless the sole justification for their installation is to meet the requirements of the production activities, even though the system may provide incidental comfort to employees or serve, to an insubstantial degree, nonproduction activities.

b. "Production activities" means activities directed
toward the preparation of a:

- (I) Master tape or master record embodying sound; or
- (II) Motion picture or television production which is produced for theatrical, commercial, advertising, or educational purposes and utilizes live or animated actions or a combination of live and animated actions. The motion picture or television production shall be commercially produced for sale or for showing on screens or broadcasting on television and may be on film or video tape.
 - (g) (h) Business property used in an enterprise zone.
- 1. Business property purchased for use by businesses located in an enterprise zone which is subsequently used in an enterprise zone shall be exempt from the tax imposed by this chapter. This exemption inures to the business only through a refund of previously paid taxes. A refund shall be authorized upon an affirmative showing by the taxpayer to the satisfaction of the department that the requirements of this paragraph have been met.

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	2.	То	rec	eive	e a	re	fun	d,	the	bus	sine	ess	mu	st	fil	e u	nder	oath	ì
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havir	ng ju	ıris	dic	tion	n o	ver	th	е е	ente	pri	se	zor	ne '	whe	re	the	bus	iness	;
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- a. The name and address of the business claiming the refund.
- b. The identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the business is located.
- c. A specific description of the property for which a refund is sought, including its serial number or other permanent identification number.
 - d. The location of the property.
- e. The sales invoice or other proof of purchase of the property, showing the amount of sales tax paid, the date of purchase, and the name and address of the sales tax dealer from whom the property was purchased.
- f. Whether the business is a small business as defined by $s.\ 288.703.$
- g. If applicable, the name and address of each permanent employee of the business, including, for each employee who is a resident of an enterprise zone, the identifying number assigned pursuant to s. 290.0065 to the enterprise zone in which the employee resides.
- 3. Within 10 working days after receipt of an application, the governing body or enterprise zone development agency shall

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review the application to determine if it contains all the information required pursuant to subparagraph 2. and meets the criteria set out in this paragraph. The governing body or agency shall certify all applications that contain the information required pursuant to subparagraph 2. and meet the criteria set out in this paragraph as eligible to receive a refund. If applicable, the governing body or agency shall also certify if 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees. The certification shall be in writing, and a copy of the certification shall be transmitted to the executive director of the Department of Revenue. The business shall be responsible for forwarding a certified application to the department within the time specified in subparagraph 4.

- 4. An application for a refund pursuant to this paragraph must be submitted to the department within 6 months after the tax is due on the business property that is purchased.
- 5. The amount refunded on purchases of business property under this paragraph shall be the lesser of 97 percent of the sales tax paid on such business property or \$5,000, or, if no less than 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees, the amount refunded on purchases of business property under this paragraph shall be the lesser of 97 percent of the sales tax paid on such business property or \$10,000. A

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refund approved pursuant to this paragraph shall be made within 30 days after formal approval by the department of the application for the refund. A refund may not be granted under this paragraph unless the amount to be refunded exceeds \$100 in sales tax paid on purchases made within a 60-day time period.

- 6. The department shall adopt rules governing the manner and form of refund applications and may establish guidelines as to the requisites for an affirmative showing of qualification for exemption under this paragraph.
- 7. If the department determines that the business property is used outside an enterprise zone within 3 years from the date of purchase, the amount of taxes refunded to the business purchasing such business property shall immediately be due and payable to the department by the business, together with the appropriate interest and penalty, computed from the date of purchase, in the manner provided by this chapter.

 Notwithstanding this subparagraph, business property used exclusively in:
 - a. Licensed commercial fishing vessels,
 - b. Fishing guide boats, or
 - c. Ecotourism guide boats

that leave and return to a fixed location within an area designated under s. 379.2353, Florida Statutes 2010, are eligible for the exemption provided under this paragraph if all

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requirements of this paragraph are met. Such vessels and boats must be owned by a business that is eligible to receive the exemption provided under this paragraph. This exemption does not apply to the purchase of a vessel or boat.

- 8. The department shall deduct an amount equal to 10 percent of each refund granted under this paragraph from the amount transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to s. 212.20 for the county area in which the business property is located and shall transfer that amount to the General Revenue Fund.
- 9. For the purposes of this exemption, "business property" means new or used property defined as "recovery property" in s. 168(c) of the Internal Revenue Code of 1954, as amended, except:
 - a. Property classified as 3-year property under s.
- 168(c)(2)(A) of the Internal Revenue Code of 1954, as amended;
- b. Industrial machinery and equipment as defined in subsubparagraph (b) 6.a. and eligible for exemption under paragraph
 (b);
- c. Building materials as defined in sub-subparagraph (f)8.a. $\frac{(g)8.a.}{(g)}$; and
- d. Business property having a sales price of under \$5,000 per unit.
- 10. This paragraph expires on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.

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<u>(i)</u> -	(j)	Machi	inery	and (equipment	used	in	semiconductor,
defense,	or	space	techr	nolog	y product:	ion		

- 1.a. Industrial machinery and equipment used in semiconductor technology facilities certified under subparagraph 5. to manufacture, process, compound, or produce semiconductor technology products for sale or for use by these facilities are exempt from the tax imposed by this chapter. For purposes of this paragraph, industrial machinery and equipment includes molds, dies, machine tooling, other appurtenances or accessories to machinery and equipment, testing equipment, test beds, computers, and software, whether purchased or self-fabricated, and, if self-fabricated, includes materials and labor for design, fabrication, and assembly.
- b. Industrial machinery and equipment used in defense or space technology facilities certified under subparagraph 5. to design, manufacture, assemble, process, compound, or produce defense technology products or space technology products for sale or for use by these facilities are exempt from the tax imposed by this chapter.
- 2. Building materials purchased for use in manufacturing or expanding clean rooms in semiconductor-manufacturing facilities are exempt from the tax imposed by this chapter.
- 3. In addition to meeting the criteria mandated by subparagraph 1. or subparagraph 2., a business must be certified

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by the Department of Economic Opportunity in order to qualify for exemption under this paragraph.

- 4. For items purchased tax-exempt pursuant to this paragraph, possession of a written certification from the purchaser, certifying the purchaser's entitlement to the exemption, relieves the seller of the responsibility of collecting the tax on the sale of such items, and the department shall look solely to the purchaser for recovery of the tax if it determines that the purchaser was not entitled to the exemption.
- 5.a. To be eligible to receive the exemption provided by subparagraph 1. or subparagraph 2., a qualifying business entity shall initially apply to the Department of Economic Opportunity Enterprise Florida, Inc. The original certification is valid for a period of 2 years. In lieu of submitting a new application, the original certification may be renewed biennially by submitting to the Department of Economic Opportunity a statement, certified under oath, that there has not been a material change in the conditions or circumstances entitling the business entity to the original certification. The initial application and the certification renewal statement shall be developed by the Department of Economic Opportunity.
- b. The Division of Strategic Business Development of the Department of Economic Opportunity shall review each submitted initial application and determine whether or not the application is complete within 5 working days. Once complete, the <u>department</u>

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division shall, within 10 working days, evaluate the application
and recommend approval or disapproval to the Department of
Economic Opportunity.

- c. Upon receipt of the initial application and recommendation from the division or upon receipt of a certification renewal statement, the Department of Economic Opportunity shall certify within 5 working days those applicants who are found to meet the requirements of this section and notify the applicant of the original certification or certification renewal. If the Department of Economic Opportunity finds that the applicant does not meet the requirements, it shall notify the applicant and Enterprise Florida, Inc., within 10 working days that the application for certification has been denied and the reasons for denial. The Department of Economic Opportunity has final approval authority for certification under this section.
- d. The initial application and certification renewal statement must indicate, for program evaluation purposes only, the average number of full-time equivalent employees at the facility over the preceding calendar year, the average wage and benefits paid to those employees over the preceding calendar year, the total investment made in real and tangible personal property over the preceding calendar year, and the total value of tax-exempt purchases and taxes exempted during the previous year. The department shall assist the Department of Economic

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Opportunity in evaluating and verifying information provided in the application for exemption.

- e. The Department of Economic Opportunity may use the information reported on the initial application and certification renewal statement for evaluation purposes only.
- 6. A business certified to receive this exemption may elect to designate one or more state universities or community colleges as recipients of up to 100 percent of the amount of the exemption. To receive these funds, the institution must agree to match the funds with equivalent cash, programs, services, or other in-kind support on a one-to-one basis for research and development projects requested by the certified business. The rights to any patents, royalties, or real or intellectual property must be vested in the business unless otherwise agreed to by the business and the university or community college.
 - 7. As used in this paragraph, the term:
- a. "Semiconductor technology products" means raw semiconductor wafers or semiconductor thin films that are transformed into semiconductor memory or logic wafers, including wafers containing mixed memory and logic circuits; related assembly and test operations; active-matrix flat panel displays; semiconductor chips; semiconductor lasers; optoelectronic elements; and related semiconductor technology products as determined by the Department of Economic Opportunity.

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1183	b. "Clean rooms" means manufacturing facilities enclosed
1184	in a manner that meets the clean manufacturing requirements
1185	necessary for high-technology semiconductor-manufacturing
1186	environments.
1187	c. "Defense technology products" means products that hav

- c. "Defense technology products" means products that have a military application, including, but not limited to, weapons, weapons systems, guidance systems, surveillance systems, communications or information systems, munitions, aircraft, vessels, or boats, or components thereof, which are intended for military use and manufactured in performance of a contract with the United States Department of Defense or the military branch of a recognized foreign government or a subcontract thereunder which relates to matters of national defense.
- d. "Space technology products" means products that are specifically designed or manufactured for application in space activities, including, but not limited to, space launch vehicles, space flight vehicles, missiles, satellites or research payloads, avionics, and associated control systems and processing systems and components of any of the foregoing. The term does not include products that are designed or manufactured for general commercial aviation or other uses even though those products may also serve an incidental use in space applications.
- (12) PARTIAL EXEMPTION; MASTER TAPES, RECORDS, FILMS, OR VIDEO TAPES.—

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1207	(a) There are exempt from the taxes imposed by this
1208	chapter the gross receipts from the sale or lease of, and the
1209	storage, use, or other consumption in this state of, master
1210	tapes or master records embodying sound, or master films or
1211	master video tapes; except that amounts paid to recording
1212	studios or motion picture or television studios for the tangible
1213	elements of such master tapes, records, films, or video tapes
1214	are taxable as otherwise provided in this chapter. This
1215	exemption will inure to the taxpayer upon presentation of the
1216	certificate of exemption issued to the taxpayer under the
1217	provisions of s. 288.1258.
1218	(b) For the purposes of this subsection, the term:
1219	1. "Amounts paid for the tangible elements" does not
1220	include any amounts paid for the copyrightable, artistic, or
1221	other intangible elements of such master tapes, records, films,
1222	or video tapes, whether designated as royalties or otherwise,
1223	including, but not limited to, services rendered in producing,
1224	fabricating, processing, or imprinting tangible personal
1225	property or any other services or production expenses in
1226	connection therewith which may otherwise be construed as
1227	constituting a "sale" under s. 212.02.
1228	2. "Master films or master video tapes" means films or
1229	video tapes utilized by the motion picture and television

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production industries in making visual images for reproduction.

1231	3. "Master tapes or master records embodying sound" means
1232	tapes, records, and other devices utilized by the recording
1233	industry in making recordings embodying sound.
1234	4. "Motion picture or television studio" means a facility
1235	in which film or video tape productions or parts of productions
1236	are made and which contains the necessary equipment and
1237	personnel for this purpose and includes a mobile unit or vehicle
1238	that is equipped in much the same manner as a stationary studio
1239	and used in the making of film or video tape productions.
1240	5. "Recording studio" means a place where, by means of
1241	mechanical or electronic devices, voices, music, or other sounds
1242	are transmitted to tapes, records, or other devices capable of
1243	reproducing sound.
1244	6. "Recording industry" means any person engaged in an
1245	occupation or business of making recordings embodying sound for
1246	a livelihood or for a profit.
1247	7. "Motion picture or television production industry"
1248	means any person engaged in an occupation or business for a
1249	livelihood or for profit of making visual motion picture or
1250	television visual images for showing on screen or television for
1251	theatrical, commercial, advertising, or educational purposes.
1252	(14) (15) ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE.
1253	(f) For the purpose of the exemption provided in this
1254	subsection, the term "qualified business" means a business which
1255	is:

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1.	First	occup	oying	a nev	w sti	cucture	to wh	ich electr	ical	
service,	other	than	that	used	for	constru	uction	purposes,	has	not
been pre	viously	y prov	vided	or fu	ırnis	shed;				

- 2. Newly occupying an existing, remodeled, renovated, or rehabilitated structure to which electrical service, other than that used for remodeling, renovation, or rehabilitation of the structure, has not been provided or furnished in the three preceding billing periods; or
- 3. Occupying a new, remodeled, rebuilt, renovated, or rehabilitated structure for which a refund has been granted pursuant to paragraph (5)(f) (5)(g).

Section 23. <u>Section 212.097</u>, Florida Statutes, is repealed.

Section 24. Paragraph (a) of subsection (1) of section 212.098, Florida Statutes, is amended to read:

212.098 Rural Job Tax Credit Program.-

- (1) As used in this section, the term:
- (a) "Eligible business" means any sole proprietorship, firm, partnership, or corporation that is located in a qualified county and is predominantly engaged in, or is headquarters for a business predominantly engaged in, activities usually provided for consideration by firms classified within the following standard industrial classifications: SIC 01-SIC 09 (agriculture, forestry, and fishing); SIC 20-SIC 39 (manufacturing); SIC 422 (public warehousing and storage); SIC 70 (hotels and other

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lodging places); SIC 7391 (research and development); SIC 781
(motion picture production and allied services); SIC 7992
(public golf courses); and SIC 7996 (amusement parks); and a
targeted industry eligible for the qualified target industry
business tax refund under s. 288.106. A call center or similar
customer service operation that services a multistate market or
an international market is also an eligible business. In
addition, the Department of Economic Opportunity may, as part of
its final budget request submitted pursuant to s. 216.023,
recommend additions to or deletions from the list of standard
industrial classifications used to determine an eligible
business, and the Legislature may implement such
recommendations. Excluded from eligible receipts are receipts
from retail sales, except such receipts for hotels and other
lodging places classified in SIC 70, public golf courses in SIC
7992, and amusement parks in SIC 7996. For purposes of this
paragraph, the term "predominantly" means that more than 50
percent of the business's gross receipts from all sources is
generated by those activities usually provided for consideration
by firms in the specified standard industrial classification.
The determination of whether the business is located in a
qualified county and the tier ranking of that county must be
based on the date of application for the credit under this
section. Commonly owned and controlled entities are to be
considered a single business entity.

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Sect	cion 25.	Paragraph	(d)	of s	ubsection	(6)	of	section
212.20, H	Florida S	Statutes, i	s am	ended	to read:			

- 212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—
- (6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:
- (d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:
- 1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.
- 2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be

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added to the amount calculated in subparagraph 3. and distributed accordingly.

- 3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.
- 4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.
- 5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality

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shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

- 6. Of the remaining proceeds:
- In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the thenexisting provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

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b. The department shall distribute \$166,667 monthly to
each applicant certified as a facility for a new or retained
professional sports franchise pursuant to $\underline{\text{former}}$ s. 288.1162. Up
to \$41,667 shall be distributed monthly by the department to
each certified applicant as defined in $\underline{\text{former}}$ s. 288.11621 for a
facility for a spring training franchise. However, not more than
\$416,670 may be distributed monthly in the aggregate to all
certified applicants for facilities for spring training
franchises. Distributions begin 60 days after such certification
and continue for not more than 30 years, except as otherwise
provided in <u>former</u> s. 288.11621. A certified applicant
identified in this sub-subparagraph may not receive more in
distributions than expended by the applicant for the public
purposes provided in <u>former</u> s. 288.1162(5) or <u>former</u> s.
288.11621(3).

- c. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that an applicant has been certified as the professional golf hall of fame pursuant to s. 288.1168 and is open to the public, \$166,667 shall be distributed monthly, for up to 300 months, to the applicant.
- d. Beginning 30 days after notice by the Department of Economic Opportunity to the Department of Revenue that the applicant has been certified as the International Game Fish Association World Center facility pursuant to s. 288.1169, and

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the facility is open to the public, \$83,333 shall be distributed monthly, for up to 168 months, to the applicant. This distribution is subject to reduction pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be made after certification and before July 1, 2000.

d.e. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in <u>former</u> s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in former s. 288.11631(3).

f. Beginning 45 days after notice by the Department of
Economic Opportunity to the Department of Revenue that an
applicant has been approved by the Legislature and certified by
the Department of Economic Opportunity under s. 288.11625 or
upon a date specified by the Department of Economic Opportunity

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distribute each month an amount equal to one-twelfth of the
annual distribution amount certified by the Department of
Economic Opportunity for the applicant. The department may not
distribute more than \$7 million in the 2014-2015 fiscal year or
more than \$13 million annually thereafter under this sub-
subparagraph.
$\underline{\text{e.g.}}$ Beginning December 1, 2015, and ending June 30, 2016,
the department shall distribute \$26,286 monthly to the State
Transportation Trust Fund. Beginning July 1, 2016, the
department shall distribute \$15,333 monthly to the State
Transportation Trust Fund.
7. All other proceeds must remain in the General Revenue
Fund.
Section 26. Subsection (2) of section 218.61, Florida
Statutes, is amended to read:
218.61 Local government half-cent sales tax; designated
proceeds; trust fund

as provided under s. 288.11625(6)(d), the department shall

the county and transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund shall be earmarked for distribution to the governing body of that county and of each municipality within that county. Such distributions shall be made after funding is provided pursuant to s. 218.64(3), if

(2) Money remitted by a sales tax dealer located within

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applicable. Such moneys shall be known as the "local government half-cent sales tax."

Section 27. Subsection (4) of section 218.64, Florida Statutes, is renumbered as subsection (3), and present subsections (2) and (3) of that section are amended to read:

218.64 Local government half-cent sales tax; uses; limitations.—

- (2) Municipalities shall expend their portions of the local government half-cent sales tax only for municipality-wide programs, for reimbursing the state as required pursuant to s. 288.11625, or for municipality-wide property tax or municipal utility tax relief. All utility tax rate reductions afforded by participation in the local government half-cent sales tax shall be applied uniformly across all types of taxed utility services.
- (3) Subject to ordinances enacted by the majority of the members of the county governing authority and by the majority of the members of the governing authorities of municipalities representing at least 50 percent of the municipal population of such county, counties may use up to \$3 million annually of the local government half-cent sales tax allocated to that county for any of the following purposes:
- (a) Funding a certified applicant as a facility for a new or retained professional sports franchise under s. 288.1162 or a certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. It is the Legislature's intent

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that the provisions of s. 288.1162, including, but not limited
to, the evaluation process by the Department of Economic
Opportunity except for the limitation on the number of certified
applicants or facilities as provided in that section and the
restrictions set forth in s. 288.1162(8), shall apply to an
applicant's facility to be funded by local government as
provided in this subsection.
(b) funding a certified applicant as a "motorsport
entertainment complex," as provided for in s. 288.1171. Funding
for each franchise or motorsport complex shall begin 60 days
after certification and shall continue for not more than 30
years.
(c) Reimbursing the state as required under s. 288.11625.
Section 28. Subsection (8) of section 220.02, Florida
Statutes, is amended to read:
220.02 Legislative intent
(8) It is the intent of the Legislature that credits
against either the corporate income tax or the franchise tax be
applied in the following order: those enumerated in s. 631.828,
those enumerated in former s. 220.191, those enumerated in s.

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220.181, those enumerated in s. 220.183, those enumerated in s.

220.182, those enumerated in s. 220.1895, those enumerated in s.

220.195, those enumerated in s. 220.184, those enumerated in s.

220.186, those enumerated in s. 220.1845, those enumerated in s.

220.19, those enumerated in s. 220.185, those enumerated in s.

	,
1505	220.193, those enumerated in former s. 288.9916, those
1506	enumerated in $former$ s. 220.1899, those enumerated in s.
1507	220.194, and those enumerated in s. 220.196.
1508	Section 29. Paragraph (a) of subsection (1) of section
1509	220.13, Florida Statutes, is amended to read:
1510	220.13 "Adjusted federal income" defined
1511	(1) The term "adjusted federal income" means an amount
1512	equal to the taxpayer's taxable income as defined in subsection
1513	(2), or such taxable income of more than one taxpayer as
1514	provided in s. 220.131, for the taxable year, adjusted as
1515	follows:
1516	(a) Additions.—There shall be added to such taxable
1517	income:
1518	1. The amount of any tax upon or measured by income,
1519	excluding taxes based on gross receipts or revenues, paid or

1504 220.1875, those enumerated in s. 220.192, those enumerated in s.

- 1. The amount of any tax upon or measured by income, excluding taxes based on gross receipts or revenues, paid or accrued as a liability to the District of Columbia or any state of the United States which is deductible from gross income in the computation of taxable income for the taxable year.
- 2. The amount of interest which is excluded from taxable income under s. 103(a) of the Internal Revenue Code or any other federal law, less the associated expenses disallowed in the computation of taxable income under s. 265 of the Internal Revenue Code or any other law, excluding 60 percent of any amounts included in alternative minimum taxable income, as

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defined in s. 55(b)(2) of the Internal Revenue Code, if the taxpayer pays tax under s. 220.11(3).

- 3. In the case of a regulated investment company or real estate investment trust, an amount equal to the excess of the net long-term capital gain for the taxable year over the amount of the capital gain dividends attributable to the taxable year.
- 4. That portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.181. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.
- 5. That portion of the ad valorem school taxes paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.182. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.
- 6. The amount taken as a credit under s. 220.195 which is deductible from gross income in the computation of taxable income for the taxable year.
- 7. That portion of assessments to fund a guaranty association incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year.
- 8. In the case of a nonprofit corporation which holds a pari-mutuel permit and which is exempt from federal income tax as a farmers' cooperative, an amount equal to the excess of the

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1554	gross inco	ome attrib	ıtable to	the pari	-mutuel	operations	over	the
1555	attributak	le expens	es for th	e taxable	year.			

- 9. The amount taken as a credit for the taxable year under s. 220.1895.
- 10. Up to nine percent of the eligible basis of any designated project which is equal to the credit allowable for the taxable year under s. 220.185.
- 11. The amount taken as a credit for the taxable year under s. 220.1875. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. This addition is not intended to result in adding the same expense back to income more than once.
- 12. The amount taken as a credit for the taxable year under s. 220.192.
- 13. The amount taken as a credit for the taxable year under s. 220.193.
- 14. Any portion of a qualified investment, as defined in s. 288.9913, which is claimed as a deduction by the taxpayer and taken as a credit against income tax pursuant to s. 288.9916.
- $\underline{14.15.}$ The costs to acquire a tax credit pursuant to s. 288.1254(5) that are deducted from or otherwise reduce federal taxable income for the taxable year.
- 15.16. The amount taken as a credit for the taxable year pursuant to s. 220.194.

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16.17. The amount taken as a credit for the taxable year under s. 220.196. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. The addition is not intended to result in adding the same expense back to income more than once.

Section 30. Section 220.1895, Florida Statutes, is amended to read:

Job Tax Credit and Urban High-Crime Area
Job Tax Credit.—There shall be allowed a credit against the tax
imposed by this chapter amounts approved by the Department of
Economic Opportunity pursuant to the Rural Job Tax Credit
Program in s. 212.098 and the Urban High-Crime Area Job Tax
Credit Program in s. 212.097. A corporation that uses its credit
against the tax imposed by this chapter may not take the credit
against the tax imposed by chapter 212. If any credit granted
under this section is not fully used in the first year for which
it becomes available, the unused amount may be carried forward
for a period not to exceed 5 years. The carryover may be used in
a subsequent year when the tax imposed by this chapter for such
year exceeds the credit for such year under this section after
applying the other credits and unused credit carryovers in the
order provided in s. 220.02(8).

Section 31. Section 220.1899, Florida Statutes, is repealed.

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1604	Section 32. <u>Section 220.191, Florida Statutes, is</u>
1605	repealed.
1606	Section 33. Subsection (9) of section 220.194, Florida
1607	Statutes, is amended to read:
1608	220.194 Corporate income tax credits for spaceflight
1609	projects.—
1610	(9) ANNUAL REPORT.—Beginning in 2014, the Department of
1611	Economic Opportunity, in cooperation with Space Florida and the
1612	department, shall include in the annual incentives report
1613	required under s. 288.0065 288.907 a summary of activities
1614	relating to the Florida Space Business Incentives Act
1615	established under this section.
1616	Section 34. Subsection (1) and paragraph (a) of subsection
1617	(2) of section 220.196, Florida Statutes, are amended to read:
1618	220.196 Research and development tax credit.—
1619	(1) DEFINITIONS.—As used in this section, the term:
1620	(a) "Base amount" means the average of the business
1621	enterprise's qualified research expenses in this state allowed
1622	under 26 U.S.C. s. 41 for the 4 taxable years preceding the
1623	taxable year for which the credit is determined. The qualified
1624	research expenses taken into account in computing the base
1625	amount shall be determined on a basis consistent with the
1626	determination of qualified research expenses for the taxable
1627	year.

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		(b)	"Bı	usiness	ent	erpi	rise	'' me	eans	an	У	cor	pora	tion	as	defined
in	s.	220	.03	which	meet	s th	ne d	efi	niti	on	of	a	targ	et i	ndus	stry
bus	sin	ess	as (defined	lin	para	gra	ph	(c)	s.	28	8.1	06 .			

- (c) "Target industry business" means a corporate
 headquarters business or any business that is engaged in one of
 the target industries identified pursuant to the following
 criteria developed by the Department of Economic Opportunity:
- 1. Future growth.—The industry forecast indicates strong expectation for future growth in employment and output, according to the most recent available data. Special consideration shall be given to businesses that export goods to, or provide services in, international markets and businesses that replace domestic and international imports of goods or services.
- 2. Stability.—The industry is not subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry is also relatively resistant to recession, so that the demand for products of this industry is not typically subject to decline during an economic downturn.
- 3. High wage.—The industry pays relatively high wages compared to statewide or area averages.
- 4. Market and resource independent.—The industry business location is not dependent on markets or resources in the state

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1652	as	indicat	ed by	industry	analysis,	except	for	businesses	in	the
1653	re	newable	energ	y industry	<u>y -</u>					

- 5. Industrial base diversification and strengthening.—The industry contributes toward expanding or diversifying the state's or area's economic base, as indicated by analysis of employment and output shares compared to national and regional trends. Special consideration shall be given to industries that strengthen regional economies by adding value to basic products or building regional industrial clusters as indicated by industry analysis. Special consideration shall also be given to the development of strong industrial clusters that include defense and homeland security businesses.
- 6. Positive economic impact.—The industry has strong positive economic impacts on or benefits to the state or regional economies. Special consideration shall be given to industries that facilitate the development of the state as a hub for domestic and global trade and logistics.

The term does not include any business engaged in retail industry activities; any electrical utility company as defined in s. 366.02(2); any phosphate or other solid minerals severance, mining, or processing operation; any oil or gas exploration or production operation; or any business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. Any business

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within NAICS code 5611 or 5614, office administrative services
and business support services, respectively, may be considered a
target industry business only after the local governing body and
the Department of Economic Opportunity determine that the
community in which the business may locate has conditions
affecting the fiscal and economic viability of the local
community or area, including, but not limited to, low per capita
income, high unemployment, high underemployment, and a lack of
year-round stable employment opportunities, and such conditions
may be improved by the business locating in such community. By
January 1 of every 3rd year, beginning January 1, 2011, the
Department of Economic Opportunity, in consultation with
economic development organizations, the State University System,
local governments, employee and employer organizations, market
analysts, and economists, shall review and, as appropriate,
revise the list of target industries and submit the list to the
Governor, the President of the Senate, and the Speaker of the
House of Representatives.

(d) (c) "Qualified research expenses" means research expenses qualifying for the credit under 26 U.S.C. s. 41 for inhouse research expenses incurred in this state or contract research expenses incurred in this state. The term does not include research conducted outside this state or research expenses that do not qualify for a credit under 26 U.S.C. s. 41.

(2) TAX CREDIT.

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(a)	As	pı	rovided	in	this	sect	tion,	а	busi	ness	ente	erprise	is
eligible	for	а	credit	aga	ainst	the	tax	imp	posed	by	this	chapter	if
it:													

- 1. Has qualified research expenses in this state in the taxable year exceeding the base amount;
- 2. Claims and is allowed a research credit for such qualified research expenses under 26 U.S.C. s. 41 for the same taxable year as subparagraph 1.; and
- 3. Is a qualified target industry business as defined in paragraph (c) s. 288.106(2)(n). Only qualified target industry businesses in the manufacturing, life sciences, information technology, aviation and aerospace, homeland security and defense, cloud information technology, marine sciences, materials science, and nanotechnology industries may qualify for a tax credit under this section. A business applying for a credit pursuant to this section shall include a letter from the Department of Economic Opportunity certifying whether the business meets the requirements of this subparagraph with its application for credit. The Department of Economic Opportunity shall provide such a letter upon receiving a request.

Section 35. Section 272.11, Florida Statutes, is amended to read:

272.11 Capitol information center.—<u>The Department of Economic Opportunity Enterprise Florida, Inc.</u>, shall establish, maintain, and operate a Capitol information center somewhere

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within the area of the Capitol Center and employ personnel or enter into contracts to maintain same.

Section 36. Paragraph (f) of subsection (1) of section 287.0947, Florida Statutes, is amended to read:

287.0947 Florida Advisory Council on Small and Minority Business Development; creation; membership; duties.—

The Secretary of Management Services may create the Florida Advisory Council on Small and Minority Business Development with the purpose of advising and assisting the secretary in carrying out the secretary's duties with respect to minority businesses and economic and business development. It is the intent of the Legislature that the membership of such council include practitioners, laypersons, financiers, and others with business development experience who can provide invaluable insight and expertise for this state in the diversification of its markets and networking of business opportunities. The council shall initially consist of 19 persons, each of whom is or has been actively engaged in small and minority business development, either in private industry, in governmental service, or as a scholar of recognized achievement in the study of such matters. Initially, the council shall consist of members representing all regions of the state and shall include at least one member from each group identified within the definition of "minority person" in s. 288.703(4),

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considering also gender and nationality subgroups, and shall consist of the following:

(f) A member from the <u>Department of Economic Opportunity</u> board of directors of Enterprise Florida, Inc.

A candidate for appointment may be considered if eligible to be certified as an owner of a minority business enterprise, or if otherwise qualified under the criteria above. Vacancies may be filled by appointment of the secretary, in the manner of the original appointment.

Section 37. Subsections (2) and (4) of section 288.0001, Florida Statutes, are amended to read:

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

- (2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:
- (a) By January 1, 2014, and every 3 years thereafter, an analysis of the following:

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1775	1. The capital investment tax credit established under s.
1776	220.191.
1777	2. The qualified target industry tax refund established
1778	under s. 288.106.
1779	3. The brownfield redevelopment bonus refund established
1780	under s. 288.107.
1781	4. High-impact business performance grants established
1782	under s. 288.108.
1783	5. The Quick Action Closing Fund established under s.
1784	288.1088.
1785	6. The Innovation Incentive Program established under s.
1786	288.1089.
1787	1.7. Enterprise Zone Program incentives established under
1788	ss. 212.08(5) and (14) (15) , 212.096, 220.181, and 220.182.
1789	2.8. The New Markets Development Program established under
1790	ss. 288.991-288.9922.
1791	(b) By January 1, 2015, and every 3 years thereafter, an
1792	analysis of the following :
1793	1. The entertainment industry financial incentive program
1794	established under s. 288.1254.
1795	2. The entertainment industry sales tax exemption program
1796	established under s. 288.1258.
1797	2.3. VISIT Florida and its programs established or funded
1798	under ss. 288.122, 288.1226, 288.12265, and 288.124.

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1799	3.4. The Florida Sports Foundation and related programs
1800	established under ss. 288.1162, 288.11621, 288.1166, 288.1167,
1801	288.1168, 288.1169, and 288.1171.
1802	(c) By January 1, 2016, and every 3 years thereafter, an
1803	analysis of the following:
1804	1. The qualified defense contractor and space flight
1805	business tax refund program established under s. 288.1045.
1806	1.2. The tax exemption for semiconductor, defense, or
1807	space technology sales established under s. $\underline{212.08(5)(i)}$
1808	212.08(5)(j) .
1809	2.3. The Military Base Protection Program established
1810	under s. 288.980.
1811	3.4. The Manufacturing and Spaceport Investment Incentiv
1812	Program formerly established under s. 288.1083.
1813	5. The Quick Response Training Program established under
1814	s. 288.047.
1815	$\underline{4.6.}$ The Incumbent Worker Training Program established
1816	under s. 445.003.
1817	7. International trade and business development programs
1818	established or funded under s. 288.826.
1819	(d) By January 1, 2019, and every 3 years thereafter, an
1820	analysis of the grant and entrepreneur initiative programs
1821	established under s. 295.22(3)(d) and (e).

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1822	(e) Beginning January 1, 2018, and every 3 years
1823	thereafter, an analysis of the Sports Development Program
1824	established under s. 288.11625.
1825	(4) Pursuant to the schedule established in subsection
1826	(2), OPPAGA shall evaluate each program over the previous 3
1827	years for its effectiveness and value to the taxpayers of this
1828	state and include recommendations on each program for
1829	consideration by the Legislature. The analysis may include
1830	relevant economic development reports or analyses prepared by
1831	the department of Economic Opportunity, Enterprise Florida,
1832	Inc., or local or regional economic development organizations $_{{m \prime}}$ +
1833	interviews with the parties involved $\underline{\ \prime}$ or any other relevant
1834	data.
1835	Section 38. Section 288.001, Florida Statutes, is
1836	repealed.
1837	Section 39. Section 288.012, Florida Statutes, is
1838	repealed.
1839	Section 40. Subsections (1) and (3) of section 288.017,
1840	Florida Statutes, are amended to read:
1841	288.017 Cooperative advertising matching grants program
1842	(1) The department Enterprise Florida, Inc., is authorized
1843	to establish a cooperative advertising matching grants program
L844	and, pursuant thereto, to make expenditures and enter into
L845	contracts with local governments and nonprofit corporations for
1846	the purpose of publicizing the tourism advantages of the state.

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The department, based on recommendations from Enterprise
Florida, Inc., shall have final approval of grants awarded
through this program. The department Enterprise Florida, Inc.,
may contract with the Florida Tourism Industry Marketing
Corporation its direct-support organization to administer the
program.

(3) The department Enterprise Florida, Inc., shall conduct an annual competitive selection process for the award of grants under the program. In determining its recommendations for the grant awards, the department commission shall consider the demonstrated need of the applicant for advertising assistance, the feasibility and projected benefit of the applicant's proposal, the amount of nonstate funds that will be leveraged, and such other criteria as the department commission deems appropriate. In evaluating grant applications, the department shall consider recommendations from Enterprise Florida, Inc. The department, however, has final approval authority for any grant under this section.

Section 41. Subsection (4) of section 288.018, Florida Statutes, is amended to read:

288.018 Regional Rural Development Grants Program.-

(4) The department may expend up to \$750,000 each fiscal year from funds appropriated to the Rural Community Development Revolving Loan Fund for the purposes outlined in this section.

The department may contract with Enterprise Florida, Inc., for

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1872	the administration of the purposes specified in this section.
1873	Funds released to Enterprise Florida, Inc., for this purpose
1874	shall be released quarterly and shall be calculated based on the
1875	applications in process.
1876	Section 42. Section 288.046, Florida Statutes, is
1877	repealed.
1878	Section 43. Section 288.047, Florida Statutes, is
1879	repealed.
1880	Section 44. Subsections (1) and (4) of section 288.061,
1881	Florida Statutes, are amended to read:
1882	288.061 Economic development incentive application
1883	process
1884	(1) Upon receiving a submitted economic development
1885	incentive application, the Division of Strategic Business
1886	Development of the department of Economic Opportunity and
1887	designated staff of Enterprise Florida, Inc., shall review the
1888	application to ensure that the application is complete, whether
1889	and what type of state and local permits may be necessary for
1890	the applicant's project, whether it is possible to waive such
1891	permits, and what state incentives and amounts of such
1892	incentives may be available to the applicant. The department
1893	shall recommend to the executive director to approve or
1894	disapprove an applicant business. If review of the application
1895	demonstrates that the application is incomplete, the executive

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director shall notify the applicant business within the first 5 business days after receiving the application.

(4) The department shall validate contractor performance and report such validation in the annual incentives report required under s. 288.0065 288.907.

Section 45. Subsection (5) of section 288.0655, Florida Statutes, is renumbered as subsection (4), and paragraph (e) of subsection (2) and subsections (3) and (4) of that section are amended to read:

288.0655 Rural Infrastructure Fund.-

(2)

(e) To enable local governments to access the resources available pursuant to s. 403.973(17) 403.973(18), the department may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of land which is suitable for preclearance review. Authorized grants under this paragraph may not exceed \$75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may not exceed \$300,000. Any funds awarded under this paragraph must be matched at a level of 50 percent with local funds, except that any funds awarded for a project in a rural area of opportunity must be matched at a level of 33 percent with local funds. If an application for funding is for a catalyst site, as defined in s. 288.0656, the requirement for local match may be waived pursuant to the process in s.

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 288.06561. In evaluating applications under this paragraph, the department shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

- (3) The department, in consultation with Enterprise

 Florida, Inc., the Florida Tourism Industry Marketing

 Corporation, the Department of Environmental Protection, and the

 Florida Fish and Wildlife Conservation Commission, as

 appropriate, shall review and certify applications pursuant to

 s. 288.061. The review shall include an evaluation of the

 economic benefit of the projects and their long-term viability.

 The department shall have final approval for any grant under

 this section.
- (4)—By September 1, 2012, the department shall, in consultation with the organizations listed in subsection (3), and other organizations, reevaluate existing guidelines and criteria governing submission of applications for funding, review and evaluation of such applications, and approval of funding under this section. The department shall consider factors including, but not limited to, the project's potential for enhanced job creation or increased capital investment, the demonstration and level of local public and private commitment, whether the project is located in an enterprise zone, in a community development corporation service area, or in an urban high-crime area as designated under s. 212.097, the unemployment

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1945	rate of the county in which the project would be located, and
1946	the poverty rate of the community.
1947	Section 46. Paragraph (a) of subsection (6) and paragraphs
1948	(a) and (c) of subsection (7) of section 288.0656, Florida
1949	Statutes, are amended to read:
1950	288.0656 Rural Economic Development Initiative
1951	(6)(a) By August 1 of each year, the head of each of the
1952	following agencies and organizations shall designate a deputy
1953	secretary or higher-level staff person from within the agency or
1954	organization to serve as the REDI representative for the agency
1955	or organization:
1956	1. The Department of Transportation.
1957	2. The Department of Environmental Protection.
1958	3. The Department of Agriculture and Consumer Services.
1959	4. The Department of State.
1960	5. The Department of Health.
1961	6. The Department of Children and Families.
1962	7. The Department of Corrections.
1963	8. The Department of Education.
1964	9. The Department of Juvenile Justice.
1965	10. The Fish and Wildlife Conservation Commission.
1966	11. Each water management district.
1967	12. Enterprise Florida, Inc.
1968	12.13. CareerSource Florida, Inc.
1969	13.14. VISIT Florida.
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1970 14.15. The Florida Regional Planning Council Association. 1971 15.16. The Agency for Health Care Administration. 1972 16.17. The Institute of Food and Agricultural Sciences 1973 (IFAS). 1974 1975 An alternate for each designee shall also be chosen, and the 1976 names of the designees and alternates shall be sent to the 1977 executive director of the department. 1978 (7)1979 REDI may recommend to the Governor up to three rural 1980 areas of opportunity. The Governor may by executive order 1981 designate up to three rural areas of opportunity which will 1982 establish these areas as priority assignments for REDI as well 1983 as to allow the Governor, acting through REDI, to waive 1984 criteria, requirements, or similar provisions of any economic 1985 development incentive. Such incentives shall include, but are 1986 not limited to, the Qualified Target Industry Tax Refund Program 1987 under s. 288.106, the Quick Response Training Program under s. 1988 288.047, the Quick Response Training Program for participants in 1989 the welfare transition program under s. 288.047(8), 1990 transportation projects under s. 339.2821, the brownfield 1991 redevelopment bonus refund under s. 288.107, and the rural job 1992 tax credit program under ss. 212.098 and 220.1895. 1993 Each rural area of opportunity may designate catalyst projects, provided that each catalyst project is specifically 1994 384965 - h7005 - strike.docx

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recommended by REDI, identified as a catalyst project by Enterprise Florida, Inc., and confirmed as a catalyst project by the department. All state agencies and departments shall use all available tools and resources to the extent permissible by law to promote the creation and development of each catalyst project and the development of catalyst sites.

Section 47. Section 288.0658, Florida Statutes, is amended to read:

288.0658 Nature-based recreation; promotion and other assistance by Fish and Wildlife Conservation Commission.-The Florida Fish and Wildlife Conservation Commission is directed to assist Enterprise Florida, Inc.; the Florida Tourism Industry Marketing Corporation, doing business as VISIT Florida; convention and visitor bureaus; tourist development councils; economic development organizations; and local governments through the provision of marketing advice, technical expertise, promotional support, and product development related to naturebased recreation and sustainable use of natural resources. In carrying out this responsibility, the Florida Fish and Wildlife Conservation Commission shall focus its efforts on fostering nature-based recreation in rural communities and regions encompassing rural communities. As used in this section, the term "nature-based recreation" means leisure activities related to the state's lands, waters, and fish and wildlife resources, including, but not limited to, wildlife viewing, fishing,

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2020 hiking, canoeing, kayaking, camping, hunting, backpacking, and nature photography.

Section 48. Subsection (6) of section 288.075, Florida Statutes, is amended to read:

288.075 Confidentiality of records.-

- ECONOMIC INCENTIVE PROGRAMS.-(6)
- The following information held by an economic development agency pursuant to the administration of an economic incentive program for qualified businesses is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution for a period not to exceed the duration of the incentive agreement, including an agreement authorizing a tax refund or tax credit, or upon termination of the incentive agreement:
- 1. The percentage of the business's sales occurring outside this state and, for businesses applying under s. 288.1045, the percentage of the business's gross receipts derived from Department of Defense contracts during the 5 years immediately preceding the date the business's application is submitted.
- An individual employee's personal identifying information that is held as evidence of the achievement or nonachievement of the wage requirements of the tax refund, tax credit, or incentive agreement programs or of the job creation requirements of such programs.

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2045	3. The amount of:
2046	a. Taxes on sales, use, and other transactions paid
2047	pursuant to chapter 212;
2048	b. Corporate income taxes paid pursuant to chapter 220;
2049	c. Intangible personal property taxes paid pursuant to
2050	chapter 199;
2051	d. Insurance premium taxes paid pursuant to chapter 624;
2052	e. Excise taxes paid on documents pursuant to chapter 201;
2053	f. Ad valorem taxes paid, as defined in s. 220.03(1); or
2054	g. State communications services taxes paid pursuant to
2055	chapter 202.
2056	
2057	However, an economic development agency may disclose in the
2058	annual incentives report required under s. 288.0065 288.907 the
2059	aggregate amount of each tax identified in this subparagraph and
2060	paid by all businesses participating in each economic incentive
2061	program.
2062	(b) $\frac{1}{1}$. The following information held by an economic
2063	development agency relating to a specific business participating
2064	in an economic incentive program is no longer confidential or
2065	exempt 180 days after a final project order for an economic
2066	incentive agreement is issued, until a date specified in the
2067	final project order, or if the information is otherwise
2068	disclosed, whichever occurs first:

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1.a. The name of the qualified business.

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2070	2.b. The total number of jobs the business committed to
2071	create or retain.
2072	3.e. The total number of jobs created or retained by the
2073	business.
2074	4.d. Notwithstanding s. 213.053(2), the amount of tax
2075	refunds, tax credits, or incentives awarded to, claimed by, or,
2076	if applicable, refunded to the state by the business.
2077	5.e. The anticipated total annual wages of employees the
2078	business committed to hire or retain.
2079	2. For a business applying for certification under s.
2080	288.1045 which is based on obtaining a new Department of Defense
2081	contract, the total number of jobs expected and the amount of
2082	tax refunds claimed may not be released until the new Department
2083	of Defense contract is awarded.
2084	Section 49. Subsections (7) through (10) of section
2085	288.076, Florida Statutes, are renumbered as subsections (6)
2086	through (9), respectively, and paragraphs (a), (c), and (e) of
2087	subsection (1) and present subsections (6) and (7) of that
2088	section are amended to read:
2089	288.076 Return on investment reporting for economic
2090	development programs.—
2091	(1) As used in this section, the term:
2092	(a) "Jobs" means full-time equivalent positions,
2093	including, but not limited to, positions obtained from a
2094	temporary employment agency or employee leasing company or

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through a union agreement or coemployment under a professional
employer organization agreement that result directly from a
project in this state. The term does not include temporary
construction jobs involved with the construction of facilities
for the project or any jobs previously included in any
application for tax refunds has the same meaning as provided in
s. 288.106(2)(i).

- (c) "Project" means the creation of a new business or expansion of an existing business has the same meaning as provided in s. 288.106(2)(m).
- (e) "State investment" means any state grants, tax exemptions, tax refunds, tax credits, or other state incentives provided to a business under a program administered by the department, including the capital investment tax credit under s. 220.191.
- (6) Annually, the department shall publish information relating to the progress of Quick Action Closing Fund projects, including the average number of days between the date the department receives a completed application and the date on which the application is approved.
- (6) (7) (a) Within 48 hours after expiration of the period of confidentiality provided under s. 288.075, the department shall publish the contract or agreement described in s. 288.061, redacted to protect the participant business from disclosure of information that remains confidential or exempt by law.

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(b) Within 48 hours after submitting any report of
findings and recommendations made pursuant to s. 288.106(7)(d)
concerning a business's failure to complete a tax refund
agreement pursuant to the tax refund program for qualified
target industry businesses, the department shall publish such
report.

Section 50. Section 288.095, Florida Statutes, is amended to read:

288.095 Economic Development Trust Fund.-

- (1) The Economic Development Trust Fund is created within the department of Economic Opportunity. Moneys deposited into the fund must be used only to support the authorized activities and operations of the department.
- (2) There is created, within the Economic Development Trust Fund, the Economic Development Incentives Account. The Economic Development Incentives Account consists of moneys appropriated to the account for purposes of the tax incentives programs formerly authorized under ss. 288.1045 and 288.106, and local financial support provided under former ss. 288.1045 and 288.106. Moneys in the Economic Development Incentives Account shall be subject to the provisions of s. 216.301(1)(a).
- (3)(a) The department may approve applications for certification pursuant to ss. 288.1045(3) and 288.106. However, The total state share of tax refund payments may not exceed \$35 million.

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(b) The total amount of tax refund claims approved for
payment by the department based on actual project performance
may not exceed the amount appropriated to the Economic
Development Incentives Account for such purposes for the fiscal
year. Claims for tax refunds under former ss. 288.1045 and
288.106 shall be paid in the order the claims are approved by
the department. In the event the Legislature does not
appropriate an amount sufficient to satisfy the tax refunds
under <u>former</u> ss. 288.1045 and 288.106 in a fiscal year, the
department shall pay the tax refunds from the appropriation for
the following fiscal year. By March 1 of each year, the
department shall notify the legislative appropriations
committees of the Senate and House of Representatives of any
anticipated shortfall in the amount of funds needed to satisfy
claims for tax refunds from the appropriation for the current
fiscal year.

- (c) Moneys in the Economic Development Incentives Account may be used only to pay tax refunds and make other payments on agreements executed prior to July 1, 2017, authorized under former s. 288.1045, s. 288.106, or s. 288.107.
- (d) The department may adopt rules necessary to carry out the provisions of this subsection, including rules providing for the use of moneys in the Economic Development Incentives Account and for the administration of the Economic Development Incentives Account.

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COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/HB 7005 (2017)

Amendment No. 1

2170	Section 51. Section 288.1045, Florida Statutes, is
2171	repealed.
2172	Section 52. Section 288.106, Florida Statutes, is
2173	repealed.
2174	Section 53. Section 288.107, Florida Statutes, is
2175	repealed.
2176	Section 54. Section 288.108, Florida Statutes, is
2177	repealed.
2178	Section 55. Section 288.1081, Florida Statutes, is
2179	repealed.
2180	Section 56. Section 288.1082, Florida Statutes, is
2181	repealed.
2182	Section 57. Section 288.1088, Florida Statutes, is
2183	repealed.
2184	Section 58. Section 288.1089, Florida Statutes, is
2185	repealed.
2186	Section 59. Section 288.111, Florida Statutes, is amended
2187	to read:
2188	288.111 Information concerning local manufacturing
2189	development programs.—The department shall develop materials
2190	that identify each local government that establishes a local
2191	manufacturing development program under s. 163.3252. The
2192	materials, which the department may elect to develop and
2193	maintain in electronic format or in any other format deemed by
2194	the department to provide public access, must be updated at
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2195	least annually. Enterprise Florida, Inc., shall, and other State
2196	agencies may, distribute the materials to prospective, new,
2197	expanding, and relocating businesses seeking to conduct business
2198	in this state.
2199	Section 60. Section 288.1162, Florida Statutes, is
2200	repealed.
2201	Section 61. Section 288.11621, Florida Statutes, is
2202	repealed.
2203	Section 62. Section 288.11625, Florida Statutes, is
2204	repealed.
2205	Section 63. Section 288.11631, Florida Statutes, is
2206	repealed.
2207	Section 64. Section 288.1169, Florida Statutes, is
2208	repealed.
2209	Section 65. Section 288.1201, Florida Statutes, is
2210	repealed.
2211	Section 66. (1) The State Economic Enhancement and
2212	Development Trust Fund, FLAIR number 40-2-041, within the
2213	Department of Economic Opportunity is terminated.
2214	(2) All current balances remaining in, and all revenues
2215	of, the trust fund shall be transferred to the General Revenue
2216	Fund.
2217	(3) The Department of Economic Opportunity shall pay any
2218	outstanding debts and obligations of the terminated fund as soon
2219	as practicable, and the Chief Financial Officer shall close out

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2220	and remove the terminated fund from various state accounting
2221	systems using generally accepted accounting principles
2222	concerning warrants outstanding, assets, and liabilities.
2223	Section 67. Section 288.122, Florida Statutes, is
2224	repealed.
2225	Section 68. (1) The Tourism Promotional Trust Fund, FLAIR
2226	number 40-2-722, within the Department of Economic Opportunity
2227	is terminated.
2228	(2) All current balances remaining in, and all revenues
2229	of, the trust fund shall be transferred to the General Revenue
2230	Fund.
2231	(3) The Department of Economic Opportunity shall pay any
2232	outstanding debts and obligations of the terminated fund as soon
2233	as practicable, and the Chief Financial Officer shall close out
2234	and remove the terminated fund from various state accounting
2235	systems using generally accepted accounting principles
2236	concerning warrants outstanding, assets, and liabilities.
2237	Section 69. Section 288.1226, Florida Statutes, is amended
2238	to read:
2239	288.1226 Florida Tourism Industry Marketing Corporation;
2240	use of property; board of directors; duties; audit
2241	(1) DEFINITIONSFor the purposes of this section, the
2242	term "corporation" means the Florida Tourism Industry Marketing
2243	Corporation.

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(2)	ESTABL	ISHMENT.	-The	Florida	Tourism	Inc	dustry	Marketing
Corporatio	on is a	direct-	-suppo:	rt organ	nization	of	the D	epartment
of Economi	c Oppo	rtunity	Enter	prise F	lorida,	Inc.	•	

- (a) The Florida Tourism Industry Marketing Corporation is a corporation not for profit, as defined in s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, that is incorporated under the provisions of chapter 617 and approved by the Department of State.
- (b) The corporation is organized and operated exclusively to request, receive, hold, invest, and administer property and to manage and make expenditures for the operation of the activities, services, functions, and programs of this state which relate to the statewide, national, and international promotion and marketing of tourism.
- (c) The corporation is not an agency for the purposes of chapters 120, 216, and 287; ss. 255.21, 255.25, and 255.254, relating to leasing of buildings; ss. 283.33 and 283.35, relating to bids for printing; s. 215.31; and parts I, II, and IV-VIII of chapter 112.
- (d) The corporation is subject to the provisions of chapter 119, relating to public meetings, and those provisions of chapter 286 relating to public meetings and records.
- (3) USE OF PROPERTY.—The Department of Economic Opportunity Enterprise Florida, Inc.:

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(a)	Is	authoria	zed to	permit	the u	ıse of	property	and	
facilities	s of	the der	partmen	nt Ente	r prise	Flori	da, Inc.,	- by	the
corporation	on,	subject	to the	e provis	sions	of thi	s section	١.	

- (b) Shall prescribe conditions with which the corporation must comply in order to use property and facilities of the department Enterprise Florida, Inc. Such conditions shall provide for budget and audit review and for oversight by the department Enterprise Florida, Inc.
- (c) May not permit the use of property and facilities of the department Enterprise Florida, Inc., if the corporation does not provide equal employment opportunities to all persons, regardless of race, color, national origin, sex, age, or religion.
- (4) BOARD OF DIRECTORS.—The board of directors of the corporation shall be composed of 31 tourism-industry-related members, appointed by the corporation Enterprise Florida, Inc., in conjunction with the department.
- (a) The board shall consist of 16 members, appointed in such a manner as to equitably represent all geographic areas of the state, with no fewer than two members from any of the following regions:
- 1. Region 1, composed of Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties.

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

- 3. Region 3, composed of Brevard, Indian River, Lake, Okeechobee, Orange, Osceola, St. Lucie, Seminole, Sumter, and Volusia Counties.
- 4. Region 4, composed of Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties.
- 5. Region 5, composed of Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.
- 6. Region 6, composed of Broward, Martin, Miami-Dade, Monroe, and Palm Beach Counties.
- (b) The 15 additional tourism-industry-related members shall include 1 representative from the statewide rental car industry; 7 representatives from tourist-related statewide associations, including those that represent hotels, campgrounds, county destination marketing organizations, museums, restaurants, retail, and attractions; 3 representatives from county destination marketing organizations; 1 representative from the cruise industry; 1 representative from an automobile and travel services membership organization that has at least 2.8 million members in Florida; 1 representative from the airline industry; and 1 representative from the space tourism industry, who will each serve for a term of 2 years.

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	(5)	POWERS	AND	DUTIES.—The	corporation,	in	the	performance
of	its	dut	ies:						

- (a) May make and enter into contracts and assume such other functions as are necessary to carry out the provisions of the 4-year marketing plan required by s. 288.923, and the corporation's contract with the department that Enterprise Florida, Inc., which are not inconsistent with this or any other provision of law.
- (b) May develop a program to provide incentives and to attract and recognize those entities which make significant financial and promotional contributions towards the expanded tourism promotion activities of the corporation.
- (c) May establish a cooperative marketing program with other public and private entities which allows the use of the VISIT Florida logo in tourism promotion campaigns which meet the standards of the department Enterprise Florida, Inc., for which the corporation may charge a reasonable fee.
- (d) May sue and be sued and appear and defend in all actions and proceedings in its corporate name to the same extent as a natural person.
- (e) May adopt, use, and alter a common corporate seal. However, such seal must always contain the words "corporation not for profit."
- (f) Shall elect or appoint such officers and agents as its affairs shall require and allow them reasonable compensation.

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(g) Shall hire and establish salaries and personnel and
employee benefit programs for such permanent and temporary
employees as are necessary to carry out the provisions of the 4-
year marketing plan and the corporation's contract with \underline{the}
department that Enterprise Florida, Inc., which are not
inconsistent with this or any other provision of law.

- (h) Shall provide staff support to the Division of Tourism

 Promotion of Enterprise Florida, Inc. The president and chief

 executive officer of the Florida Tourism Industry Marketing

 Corporation shall serve without compensation as the director of

 the division.
- (i) May adopt, change, amend, and repeal bylaws, not inconsistent with law or its articles of incorporation, for the administration of the provisions of the 4-year marketing plan and the corporation's contract with the department Enterprise Florida, Inc.
- (i)(j) May conduct its affairs, carry on its operations, and have offices and exercise the powers granted by this act in any state, territory, district, or possession of the United States or any foreign country. When Where feasible, appropriate, and recommended by the 4-year marketing plan developed by the Division of Tourism Promotion of Enterprise Florida, Inc., the corporation may collocate the programs of foreign tourism offices in cooperation with any foreign office operated by any agency of this state.

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2367	(j)(k) May appear on its own behalf before boards,
2368	commissions, departments, or other agencies of municipal,
2369	county, state, or federal government.
2370	(k) (1) May request or accept any grant, payment, or gift,
2371	of funds or property made by this state or by the United States
2372	or any department or agency thereof or by any individual, firm,
2373	corporation, municipality, county, or organization for any or
2374	all of the purposes of the 4-year marketing plan and the
2375	corporation's contract with the department Enterprise Florida,
2376	Inc., that are not inconsistent with this or any other provision
2377	of law. Such funds shall be deposited in a bank account
2378	established by the corporation's board of directors. The
2379	corporation may expend such funds in accordance with the terms
2380	and conditions of any such grant, payment, or gift, in the
2381	pursuit of its administration or in support of the programs it
2382	administers. The corporation shall separately account for the
2383	public funds and the private funds deposited into the
2384	corporation's bank account.
2385	$\overline{\text{(1)}}$ Shall establish a plan for participation in the
2386	corporation which will provide additional funding for the
2387	administration and duties of the corporation.

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projects.

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(m) (n) In the performance of its duties, may undertake, or

contract for, marketing projects and advertising research

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(n) (o) In addition to any indemnification available under chapter 617, the corporation may indemnify, and purchase and maintain insurance on behalf of, directors, officers, and employees of the corporation against any personal liability or accountability by reason of actions taken while acting within the scope of their authority.

(6) ANNUAL AUDIT.—The corporation shall provide for an annual financial audit in accordance with s. 215.981. The annual audit report shall be submitted to the Auditor General; the Office of Program Policy Analysis and Government Accountability; Enterprise Florida, Inc.; and the department for review. The Office of Program Policy Analysis and Government Accountability; Enterprise Florida, Inc.; the department; and the Auditor General have the authority to require and receive from the corporation or from its independent auditor any detail or supplemental data relative to the operation of the corporation. The department shall annually certify whether the corporation is operating in a manner and achieving the objectives that are consistent with the policies and goals of the department Enterprise Florida, Inc., and its long-range marketing plan. The identity of a donor or prospective donor to the corporation who desires to remain anonymous and all information identifying such donor or prospective donor are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State

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Constitution. Such anonymity shall be maintained in the auditor's report.

- (7) REPORT.—The corporation shall provide a quarterly report to the department Enterprise Florida, Inc., which shall:
- (a) Measure the current vitality of the visitor industry of this state as compared to the vitality of such industry for the year to date and for comparable quarters of past years. Indicators of vitality shall be determined by the department Enterprise Florida, Inc., and shall include, but not be limited to, estimated visitor count and party size, length of stay, average expenditure per party, and visitor origin and destination.
- (b) Provide detailed, unaudited financial statements of sources and uses of public and private funds.
- (c) Measure progress towards annual goals and objectives set forth in the 4-year marketing plan.
 - (d) Review all pertinent research findings.
- (e) Provide other measures of accountability as requested by the department Enterprise Florida, Inc.
- (8) PUBLIC RECORDS EXEMPTION.—The identity of any person who responds to a marketing project or advertising research project conducted by the corporation in the performance of its duties on behalf of Enterprise Florida, Inc., or trade secrets as defined by s. 812.081 obtained pursuant to such activities, are exempt from s. 119.07(1) and s. 24(a), Art. I of the State

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2459¹

Constitution. This subsection is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2021, unless reviewed and saved from repeal through reenactment by the Legislature.

(9) REPEAL.—This section is repealed October 1, 2019, unless reviewed and saved from repeal by the Legislature.

Section 70. Section 288.12265, Florida Statutes, is amended to read:

288.12265 Welcome centers.-

- (1) Responsibility for the welcome centers is assigned to the Department of Economic Opportunity Enterprise Florida, Inc., which shall contract with the Florida Tourism Industry Marketing Corporation to employ all welcome center staff.
- The Department of Economic Opportunity Enterprise
 Florida, Inc., shall administer and operate the welcome centers.

 Pursuant to a contract with the Department of Transportation,

 the Department of Economic Opportunity Enterprise Florida, Inc.,

 shall be responsible for routine repair, replacement, or

 improvement and the day-to-day management of interior areas

 occupied by the welcome centers. All other repairs,

 replacements, or improvements to the welcome centers shall be

 the responsibility of the Department of Transportation. The

 Department of Economic Opportunity Enterprise Florida, Inc., may

 contract with the Florida Tourism Industry Marketing Corporation

 for the management and operation of the welcome centers.

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2465	Section 71. Section 288.124, Florida Statutes, is amended
2466	to read:
2467	288.124 Convention grants programThe Florida Tourism
2468	Industry Marketing Corporation Enterprise Florida, Inc., is
2469	authorized to establish a convention grants program and,
2470	pursuant to that program, to recommend to the department
2471	expenditures and contracts with local governments and nonprofit
2472	corporations or organizations for the purpose of attracting
2473	national conferences and conventions to Florida. Preference
2474	shall be given to local governments and nonprofit corporations
2475	or organizations seeking to attract minority conventions to
2476	Florida. Minority conventions are events that primarily involve
2477	minority persons, as defined in s. 288.703, who are residents or
2478	nonresidents of the state. The Florida Tourism Industry
2479	Marketing Corporation Enterprise Florida, Inc., shall establish
2480	guidelines governing the award of grants and the administration
2481	of this program. The department has final approval authority for
2482	any grants under this section. The total annual allocation of
2483	funds for this program shall not exceed \$40,000.
2484	Section 72. Section 288.125, Florida Statutes, is
2485	repealed.
2486	Section 73. Section 288.1251, Florida Statutes, is
2487	repealed.
2488	Section 74. Section 288.1252, Florida Statutes, is
2489	repealed.

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2490	Section 75. Section 288.1253, Florida Statutes, is					
2491	repealed.					
2492	Section 76. Section 288.1258, Florida Statutes, is					
2493	repealed.					
2494	Section 77. Section 288.7015, Florida Statutes, is amended					
2495	to read:					
2496	288.7015 Appointment of rules ombudsman; duties.—The					
2497	Governor shall appoint a rules ombudsman, as defined in s.					
2498	288.703, in the Executive Office of the Governor, for					
2499	considering the impact of agency rules on the state's citizens					
2500	and businesses. In carrying out duties as provided by law, the					
2501	ombudsman shall consult with Enterprise Florida, Inc., at which					
2502	point the department may recommend to improve the regulatory					
2503	environment of this state. The duties of the rules ombudsman are					
2504	to:					
2505	(1) Carry out the responsibility provided in s.					
2506	120.54(3)(b), with respect to small businesses.					
2507	(2) Review state agency rules that adversely or					
2508	disproportionately impact businesses, particularly those					
2509	relating to small and minority businesses.					
2510	(3) Make recommendations on any existing or proposed rules					
2511	to alleviate unnecessary or disproportionate adverse effects to					
2512	businesses.					
2513	(4) Each state agency shall cooperate fully with the rules					
2514	ombudsman in identifying such rules. Further, each agency shall					

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take the necessary steps to waive, modify, or otherwise minimize
such adverse effects of any such rules. However, nothing in this
section authorizes any state agency to waive, modify, provide
exceptions to, or otherwise alter any rule that is:

- (a) Expressly required to implement or enforce any statutory provision or the express legislative intent thereof;
- (b) Designed to protect persons against discrimination on the basis of race, color, national origin, religion, sex, age, handicap, or marital status; or
- (c) Likely to prevent a significant risk or danger to the public health, the public safety, or the environment of the state.
- (5) The modification or waiver of any such rule pursuant to this section must be accomplished in accordance with the provisions of chapter 120.

Section 78. Subsection (11) of section 288.706, Florida Statutes, is amended to read:

288.706 Florida Minority Business Loan Mobilization Program.—

(11) The Department of Management Services shall collaborate with Enterprise Florida, Inc., and the department to assist in the development and enhancement of black business enterprises.

Section 79. Subsection (1) of section 288.773, Florida Statutes, is amended to read:

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Export Finance Corporation is hereby created as a corporation not for profit, to be incorporated under the provisions of chapter 617 and approved by the Department of State. The corporation is organized on a nonstock basis. The purpose of the corporation is to expand employment and income opportunities for residents of this state through increased exports of goods and services, by providing businesses domiciled in this state information and technical assistance on export opportunities, exporting techniques, and financial assistance through guarantees and direct loan originations for sale in support of export transactions. The corporation shall have the power and authority to carry out the following functions:

(1) To coordinate the efforts of the corporation with programs and goals of the United States Export-Import Bank, the International Trade Administration of the United States

Department of Commerce, the Foreign Credit Insurance

Association, the department Enterprise Florida, Inc., and other private and public programs and organizations, domestic and foreign, designed to provide export assistance and export-related financing.

Section 80. Paragraph (a) of subsection (1) and paragraphs (a), (c), and (g) of subsection (3) of section 288.776, Florida Statutes, are amended to read:

288.776 Board of directors; powers and duties.-

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- (1)(a) The corporation shall have a board of directors consisting of 15 members representing all geographic areas of the state. Minority and gender representation must be considered when making appointments to the board. The board membership must include:
- 1. A representative of the following businesses, all of which must be registered to do business in this state: a foreign bank, a state bank, a federal bank, an insurance company involved in covering trade financing risks, and a small or medium-sized exporter.
- 2. The following persons or their designee: the <u>executive</u> director of the department <u>President of Enterprise Florida</u>,

 Inc., the Chief Financial Officer, the Secretary of State, and a senior official of the United States Department of Commerce.
 - (3) The board shall:
- (a) Prior to the expenditure of funds from the export finance account, adopt bylaws, rules, and policies which are necessary to carry out the responsibilities under this part, particularly with respect to the implementation of the corporation's programs to insure, coinsure, lend, provide loan guarantees, and make direct, guaranteed, or collateralized loans by the corporation to support export transactions. The corporation's bylaws, rules, and policies shall be reviewed and approved by the department Enterprise Florida, Inc., prior to final adoption by the board.

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(c) Issue an annual report to the department Enterprise
Florida, Inc., on the activities of the corporation, including
an evaluation of activities and recommendations for change. The
evaluation shall include the corporation's impact on the
following:

- 1. Participation of private banks and other private organizations and individuals in the corporation's export financing programs.
- 2. Access of small and medium-sized businesses in this state to federal export financing programs.
- 3. Export volume of the small and medium-sized businesses in this state accessing the corporation's programs.
- 4. Other economic and social benefits to international programs in this state.
- (g) Consult with the department Enterprise Florida, Inc., or any state or federal agency, to ensure that the respective loan guarantee or working capital loan origination programs are not duplicative and that each program makes full use of, to the extent practicable, the resources of the other.

Section 81. Section 288.7771, Florida Statutes, is amended to read:

288.7771 Annual report of Florida Export Finance
Corporation.—The corporation shall annually prepare and submit
to the department Enterprise Florida, Inc., for inclusion in its

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2614	annual report required under s. 288.906, a complete and detailed
2615	report setting forth:
2616	(1) The report required in s. 288.776(3).
2617	(2) Its assets and liabilities at the end of its most
2618	recent fiscal year.
2619	Section 82. Paragraph (d) of subsection (1) of section
2620	288.8017, Florida Statutes, is amended to read:
2621	288.8017 Awards.—
2622	(1) Triumph Gulf Coast, Inc., shall make awards from
2623	available earnings and principal derived under s. 288.8013(2) to
2624	projects or programs that meet the priorities for economic
2625	recovery, diversification, and enhancement of the
2626	disproportionately affected counties, notwithstanding s. 377.43.
2627	Awards may be provided for:
2628	(d) Local match requirements of ss. 288.0655 \underline{and}_{τ}
2629	288.0659 , 288.1045, and 288.106 for projects in the
2630	disproportionately affected counties;
2631	Section 83. Subsections (4) and (6) of section 288.816,
2632	Florida Statutes, are amended to read:
2633	288.816 Intergovernmental relations.—
2634	(4) The state protocol officer shall serve as a contact
2635	for the state with the Florida Washington Office, the Florida
2636	Congressional Delegation, and United States Government agencies
2637	with respect to laws or policies which may affect the interests

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of the state in the area of international relations. All

inquiries received regarding international economic trade			
development or reverse investment opportunities shall be			
referred to the department Enterprise Florida, Inc. In addition,			
the state protocol officer shall serve as liaison with other			
states with respect to international programs of interest to			
Florida. The state protocol officer shall also investigate and			
make suggestions regarding possible areas of joint action or			
regional cooperation with these states.			

(6) The department and Enterprise Florida, Inc., shall help to contribute an international perspective to the state's development efforts.

Section 84. Section 288.826, Florida Statutes, is repealed.

Section 85. (1) The Florida International Trade and Promotion Trust Fund, FLAIR number 40-2-338, within the Department of Economic Opportunity is terminated.

- (2) All current balances remaining in, and all revenues of, the trust fund shall be transferred to the General Revenue Fund.
- (3) The Department of Economic Opportunity shall pay any outstanding debts and obligations of the terminated trust fund as soon as practicable, and the Chief Financial Officer shall close out and remove the terminated trust fund from various state accounting systems using generally accepted accounting

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2663	principles concerning warrants outstanding, assets, and		
2664	liabilities.		
2665	Section 86. Section 288.901, Florida Statutes, is		
2666	repealed.		
2667	Section 87. Section 288.9015, Florida Statutes, is		
2668	repealed.		
2669	Section 88. Section 288.903, Florida Statutes, is		
2670	repealed.		
2671	Section 89. Section 288.904, Florida Statutes, is		
2672	repealed.		
2673	Section 90. Section 288.905, Florida Statutes, is		
2674	repealed.		
2675	Section 91. Section 288.906, Florida Statutes, is		
2676	repealed.		
2677	Section 92. Section 288.907, Florida Statutes, is		
2678	transferred, renumbered as section 288.0065, Florida Statutes,		
2679	and amended to read:		
2680	288.0065 288.907 Annual incentives report.—By December 30		
2681	of each year, Enterprise Florida, Inc., in conjunction with the		
2682	department, shall provide the Governor, the President of the		
2683	Senate, and the Speaker of the House of Representatives a		
2684	detailed incentives report quantifying the economic benefits for		
2685	all of the economic development incentive programs offered by		
2686	the state marketed by Enterprise Florida, Inc. The annual		
2687	incentives report must include:		

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2688	(1) For each incentive program:
2689	(a) A brief description of the incentive program.
2690	(b) The amount of awards granted, by year, since inception
2691	and the annual amount actually transferred from the state
2692	treasury to businesses or for the benefit of businesses for each
2693	of the previous 3 years.
2694	(c) The actual amount of private capital invested, actual
2695	number of jobs created, and actual wages paid for incentive
2696	agreements completed during the previous 3 years for each target
2697	industry sector.
2698	(2) For projects completed during the previous state
2699	fiscal year:
2700	(a) The number of economic development incentive
2701	applications received.
2702	(b) The number of recommendations made to the department
2703	by Enterprise Florida, Inc., including the number recommended
2704	for approval and the number recommended for denial.
2705	(b) (c) The number of final decisions issued by the
2706	department for approval and for denial.
2707	$\underline{(c)}$ (d) The projects for which a tax refund, tax credit, or
2708	cash grant agreement was executed, identifying for each project:
2709	1. The number of jobs committed to be created.
2710	2. The amount of capital investments committed to be made.
2711	3. The annual average wage committed to be paid.

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2712	4. The amount of state economic development incentives
2713	committed to the project from each incentive program under the
2714	project's terms of agreement with the Department of Economic
2715	Opportunity.
2716	5. The amount and type of local matching funds committed
2717	to the project.
2718	(e) Tax refunds paid or other payments made funded out of
2719	the Economic Development Incentives Account for each project.

- the Economic Development Incentives Account for each project.

 (d) (f) The types of projects supported.
- (3) For economic development projects that received tax refunds, tax credits, or cash grants under the terms of an agreement for incentives:
 - (a) The number of jobs actually created.
 - (b) The amount of capital investments actually made.
 - (c) The annual average wage paid.
- (4) For a project receiving economic development incentives approved by the department and receiving federal or local incentives, a description of the federal or local incentives, if available.
- (5) The number of withdrawn or terminated projects that did not fulfill the terms of their agreements with the department and, consequently, are not receiving incentives.
- (6) For any agreements signed after July 1, 2010, findings and recommendations on the efforts of the department to

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2736	ascertain the causes of any business's inability to complete it:
2737	agreement made under s. 288.106.
2738	(6) (7) The amount of tax refunds, tax credits, or other
2739	payments made to projects locating or expanding in state
2740	enterprise zones, rural communities, brownfield areas, or
2741	distressed urban communities. The report must include a separate
2742	analysis of the impact of such tax refunds on state enterprise
2743	zones designated under s. 290.0065, rural communities,
2744	brownfield areas, and distressed urban communities.
2745	(8) The name of and tax refund amount for each business
2746	that has received a tax refund under s. 288.1045 or s. 288.106
2747	during the preceding fiscal year.
2748	(7)(9) An identification of the target industry businesses
2749	and high-impact businesses.
2750	(8) (10) A description of the trends relating to business
2751	interest in, and usage of, the various incentives, and the
2752	number of minority-owned or woman-owned businesses receiving
2753	incentives.
2754	(9)(11) An identification of incentive programs not used
2755	and recommendations for program changes or program elimination.
2756	(10) (12) Information related to the validation of
2757	contractor performance required under s. 288.061.
2758	(11) (13) Beginning in 2014, A summation of the activities
2759	related to the Florida Space Business Incentives Act.

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2760	Section 93. <u>Section 288.911, Florida Statutes, is</u>
2761	repealed.
2762	Section 94. Section 288.912, Florida Statutes, is
2763	transferred, renumbered as section 288.007, Florida Statutes,
2764	and amended to read:
2765	288.007 288.912 Inventory of communities seeking to
2766	recruit businesses.—By September 30 of each year, a county or
2767	municipality that has a population of at least 25,000 or its
2768	local economic development organization must submit to the
2769	department Enterprise Florida, Inc., a brief overview of the
2770	strengths, services, and economic development incentives that
2771	its community offers. The local government or its local economic
2772	development organization also must identify any industries that
2773	it is encouraging to locate or relocate to its area. A county or
2774	municipality having a population of 25,000 or fewer or its local
2775	economic development organization seeking to recruit businesses
2776	may submit information as required in this section and may
2777	participate in any activity or initiative resulting from the
2778	collection, analysis, and reporting of the information to \underline{the}
2779	department Enterprise Florida, Inc., pursuant to this section.
780	Section 95. Section 288.92, Florida Statutes, is repealed.
781	Section 96. Section 288.923, Florida Statutes, is amended
782	to read:
783	288.923 Division of Tourism marketing; definitions;
784	responsibilities

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- (1) There is created within Enterprise Florida, Inc., the Division of Tourism Marketing.
 - (2) As used in this section, the term:
- (a) "Tourism marketing" means any effort exercised to attract domestic and international visitors from outside the state to destinations in this state and to stimulate Florida resident tourism to areas within the state.
- (b) "Tourist" means any person who participates in trade or recreation activities outside the county of his or her permanent residence or who rents or leases transient living quarters or accommodations as described in s. 125.0104(3)(a).
- (c) "County destination marketing organization" means a public or private agency that is funded by local option tourist development tax revenues under s. 125.0104, or local option convention development tax revenues under s. 212.0305, and is officially designated by a county commission to market and promote the area for tourism or convention business or, in any county that has not levied such taxes, a public or private agency that is officially designated by the county commission to market and promote the area for tourism or convention business.
- (d) "Direct-support organization" means the Florida Tourism Industry Marketing Corporation.
- (2)(3) The Department of Economic Opportunity Enterprise
 Florida, Inc., shall contract with the Florida Tourism Industry
 Marketing Corporation, a direct-support organization established

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corporation.

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2810	in s. 288.1226, to execute tourism promotion and marketing
2811	services, functions, and programs for the state, including, but
2812	not limited to, the activities prescribed by the 4-year
2813	marketing plan. The division shall assist to maintain and
2814	implement the contract.
2815	(3) (4) The <u>department's</u> division's responsibilities and
2816	duties include, but are not limited to:
2817	(a) Maintaining and implementing the contract with the
2818	Florida Tourism Industry Marketing Corporation.
2819	(b) Advising the department and Enterprise Florida, Inc.,
2820	on Ensuring the development of domestic and international
2821	tourism marketing campaigns featuring Florida by the

- (c) Developing a 4-year marketing plan $\underline{\text{with the}}$ corporation.
- 1. At a minimum, the marketing plan shall discuss the following:
 - a. Continuation of overall tourism growth in this state.
 - b. Expansion to new or under-represented tourist markets.
 - c. Maintenance of traditional and loyal tourist markets.
- d. Coordination of efforts with county destination marketing organizations, other local government marketing groups, privately owned attractions and destinations, and other private sector partners to create a seamless, four-season advertising campaign for the state and its regions.

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2835	e. Development of innovative techniques or promotions t	tc
2836	build repeat visitation by targeted segments of the tourist	
2837	population.	

- f. Consideration of innovative sources of state funding for tourism marketing.
 - g. Promotion of nature-based tourism and heritage tourism.
- h. Development of a component to address emergency response to natural and manmade disasters from a marketing standpoint.
- 2. The plan shall be annual in construction and ongoing in nature. Any annual revisions of the plan shall carry forward the concepts of the remaining 3-year portion of the plan and consider a continuum portion to preserve the 4-year timeframe of the plan. The plan also shall include recommendations for specific performance standards and measurable outcomes for the division and direct-support organization. The department, in consultation with the board of directors of Enterprise Florida, Inc., shall base the actual performance metrics on these recommendations.
- 3. The 4-year marketing plan shall be developed in collaboration with the Florida Tourism Industry Marketing Corporation. The plan shall be annually reviewed and approved by the department board of directors of Enterprise Florida, Inc.

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2858	(d) Drafting and submitting an annual report required by
2859	s.~288.92. The annual report shall set forth for the <u>department</u>
2860	division and the direct-support organization:
2861	1. Operations and accomplishments during the fiscal year,
2862	including the economic benefit of the state's investment and
2863	effectiveness of the marketing plan.
2864	2. The 4-year marketing plan, including recommendations on
2865	methods for implementing and funding the plan.
2866	3. The assets and liabilities of the direct-support
2867	organization at the end of its most recent fiscal year.
2868	4. A copy of the annual financial and compliance audit
2869	conducted under s. 288.1226(6).
2870	(5) Notwithstanding s. 288.92, the division shall be
2871	staffed by the Florida Tourism Industry Marketing Corporation.
2872	Such staff shall not be considered to be employees of the
2873	division and shall remain employees of the Florida Tourism
2874	Industry Marketing Corporation. Section 288.905 does not apply
2875	to the Florida Tourism Industry Marketing Corporation.
2876	(4) (6) This section is repealed October 1, 2019, unless
2877	reviewed and saved from repeal by the Legislature.
2878	Section 97. Section 288.95155, Florida Statutes, is
2879	repealed.
2880	Section 98. Section 288.9519, Florida Statutes, is
2881	repealed.

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2882 Section 99. Section 288.9520, Florida Statutes, is amended 2883 to read: 2884 288.9520 Public records exemption.—Materials that relate 2885 to methods of manufacture or production, potential trade 2886 secrets, potentially patentable material, actual trade secrets, 2887 business transactions, financial and proprietary information, 2888 and agreements or proposals to receive funding that are 2889 received, generated, ascertained, or discovered by the 2890 department Enterprise Florida, Inc., including its affiliates or 2891 subsidiaries and partnership participants, such as private 2892 enterprises, educational institutions, and other organizations, 2893 are confidential and exempt from the provisions of s. 119.07(1) 2894 and s. 24(a), Art. I of the State Constitution, except that a 2895 recipient of department Enterprise Florida, Inc., research funds 2896 shall make available, upon request, the title and description of 2897 the research project, the name of the researcher, and the amount 2898 and source of funding provided for the project. 2899 Section 100. Subsection (10) of section 288.9603, Florida 2900 Statutes, is amended to read: 2901 288.9603 Definitions.-2902 (10) "Partnership" means Enterprise Florida, Inc. 2903 Section 101. Subsection (2) of section 288.9604, Florida 2904 Statutes, is amended to read: 288.9604 Creation of the authority.-2905

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2906	(2) The Governor, subject to confirmation by the Senate,			
2907	shall appoint the board of directors of the corporation, who			
2908	shall be five in number. The terms of office for the directors			
2909	shall be for 4 years from the date of their appointment. A			
2910	vacancy occurring during a term shall be filled for the			
2911	unexpired term. A director shall be eligible for reappointment.			
2912	At least three of the directors of the corporation shall be			
2913	bankers who have been selected by the Governor from a list of			
2914	bankers who were nominated by Enterprise Florida, Inc., and one			
2915	of the directors shall be an economic development specialist.			
2916	Section 102. Paragraph (v) of subsection (2) of section			
2917	288.9605, Florida Statutes, is amended to read:			
2918	288.9605 Corporation powers.—			
2919	(2) The corporation is authorized and empowered to:			
2920	(v) Enter into investment agreements with Enterprise			
2921	Florida, Inc., concerning the issuance of bonds and other forms			
2922	of indebtedness and capital.			
2923	Section 103. Section 288.9614, Florida Statutes, is			
2924	repealed.			
2925	Section 104. Section 288.9621, Florida Statutes, is			
2926	repealed.			
2927	Section 105. Section 288.9622, Florida Statutes, is			
2928	repealed.			
2929	Section 106. Section 288.9623, Florida Statutes, is			
2930	repealed.			

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2931	Section 107. Section 288.9624, Florida Statutes, is
2932	repealed.
2933	Section 108. Section 288.9625, Florida Statutes, is
2934	repealed.
2935	Section 109. Section 288.96255, Florida Statutes, is
2936	repealed.
2937	Section 110. Section 288.9626, Florida Statutes, is
2938	repealed.
2939	Section 111. Section 288.9627, Florida Statutes, is
2940	repealed.
2941	Section 112. Paragraph (b) of subsection (1) of section
2942	288.980, Florida Statutes, is amended to read:
2943	288.980 Military base retention; legislative intent;
2944	grants program.—
2945	(1)
2946	(b) The Florida Defense Alliance, an organization within
2947	Enterprise Florida, Inc., is designated as the organization to
2948	ensure that Florida, its resident military bases and missions,
2949	and its military host communities are in competitive positions
2950	as the United States continues its defense realignment and
2951	downsizing. The defense alliance shall serve as an overall
2952	advisory body for defense-related activity of Enterprise
2953	Florida, Inc. The Florida Defense Alliance may receive funding
2954	from appropriations made for that purpose administered by the
2955	department.

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 7005 (2017)

Amendment No. 1

2956	Section 113.	Section 288.991, Florida Statutes, is
2957	repealed.	
2958	Section 114.	Section 288.9912, Florida Statutes, is
2959	repealed.	
2960	Section 115.	Section 288.9913, Florida Statutes, is
2961	repealed.	
2962	Section 116.	Section 288.9914, Florida Statutes, is
2963	repealed.	
2964	Section 117.	Section 288.9915, Florida Statutes, is
2965	repealed.	
2966	Section 118.	Section 288.9916, Florida Statutes, is
2967	repealed.	
2968	Section 119.	Section 288.9917, Florida Statutes, is
2969	repealed.	
2970	Section 120.	Section 288.9918, Florida Statutes, is
2971	repealed.	
2972	Section 121.	Section 288.9919, Florida Statutes, is
2973	<u>repealed.</u>	
2974	Section 122.	Section 288.9920, Florida Statutes, is
2975	repealed.	
2976	Section 123.	Section 288.9921, Florida Statutes, is
2977	repealed.	
2978	Section 124.	Section 288.9922, Florida Statutes, is
2979	repealed.	

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2980	Section 125. Subsection (4) of section 288.9932, Florida
2981	Statutes, is amended to read:
2982	288.9932 Definitions.—As used in this part, the term:
2983	(4) - "Network" means the Florida Small Business Development
2984	Center Network.
2985	Section 126. Paragraphs (e) and (f) of subsection (4) and
2986	paragraph (b) of subsection (8) of section 288.9934, Florida
2987	Statutes, are amended to read:
2988	288.9934 Microfinance Loan Program
2989	(4) CONTRACT AND AWARD OF FUNDS
2990	(e) Within 30 days of executing its contract with the
2991	department, the loan administrator must enter-into-a memorandum
2992	of understanding with the network:
2993	1. For the provision of business management training,
2994	business development training, and technical assistance to
2995	entrepreneurs and small businesses that receive microloans under
2996	this part; and
2997	2. To promote the program to underserved entrepreneurs and
2998	small-businesses.
2999	(f)—By September 1, 2014, the department shall review
3000	industry best practices and determine the minimum business
3001	management training, business development training, and
3002	technical assistance that must be provided by the network to
3003	achieve the goals of this part.
3004	(8) AUDITS AND REPORTING

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3005	(b) The loan administrator shall submit quarterly reports
3006	to the department as required by s. $288.9936(2)$ $288.9936(3)$.
3007	Section 127. Section 288.9935, Florida Statutes, is
3008	repealed.
3009	Section 128. Paragraph (p) of subsection (1) and
3010	subsection (2) of section 288.9936, Florida Statutes, are
3011	amended to read:
3012	288.9936 Annual report of the Microfinance Loan Program
3013	(1) The department shall include in the report required by
3014	s. $20.60(10)$ a complete and detailed annual report on the
3015	Microfinance Loan Program. The report must include:
3016	(p) A description and evaluation of the technical
3017	assistance and business management and development training
3018	provided by the network pursuant to its memorandum of
3019	understanding with the loan administrator.
3020	(2) The department shall submit the report provided to the
3021	department from Enterprise Florida, Inc., pursuant to s.
3022	288.9935(8) for inclusion in the department's annual report
3023	required under s. 20.60(10).
3024	Section 129. Section 288.9937, Florida Statutes, is
3025	amended to read:
3026	288.9937 Evaluation of programs.—The Office of Economic
3027	and Demographic Research shall analyze, evaluate, and determine
3028	the economic benefits, as defined in s. 288.005, of the first 3
3029	years of the Microfinance Loan Program and the Microfinance

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Guarantee Program. The analysis must also evaluate the number of jobs created, the increase or decrease in personal income, and the impact on state gross domestic product from the direct, indirect, and induced effects of the state's investment. The analysis must also identify any inefficiencies in the program programs and provide recommendations for changes to the program programs. The office shall submit a report to the President of the Senate and the Speaker of the House of Representatives by January 1, 2018. This section expires January 31, 2018.

Section 130. Paragraph (h) of subsection (8) and paragraph (a) of subsection (9) of section 290.0056, Florida Statutes, are amended to read:

290.0056 Enterprise zone development agency.-

- (8) The enterprise zone development agency shall have the following powers and responsibilities:
- (h) To work with the department and Enterprise Florida, Inc., to ensure that the enterprise zone coordinator receives training on an annual basis.
- (9) The following powers and responsibilities shall be performed by the governing body creating the enterprise zone development agency acting as the managing agent of the enterprise zone development agency, or, contingent upon approval by such governing body, such powers and responsibilities shall be performed by the enterprise zone development agency:

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3054	(a) To review, process, and certify applications for state
3055	enterprise zone tax incentives pursuant to ss. $212.08(5)(f)$ and
3056	(g) $\frac{212.08(5)(g)}{(g)}$, (h) , and (15) ; 212.096; 220.181; and 220.182.
3057	Section 131. Paragraph (b) of subsection (4) and
3058	subsection (7) of section 290.0065, Florida Statutes, are
3059	amended to read:
3060	290.0065 State designation of enterprise zones
3061	(4)
3062	(b) In consultation with Enterprise Florida, Inc., The
3063	department shall, based on the enterprise zone profile and the
3064	grounds for redesignation expressed in the resolution, determine
3065	whether the enterprise zone merits redesignation. The department
3066	may also examine and consider the following:
3067	1. Progress made, if any, in the enterprise zone's
3068	strategic plan.
3069	2. Use of enterprise zone incentives during the life of
3070	the enterprise zone.
3071	
3072	If the department determines that the enterprise zone merits
3073	redesignation, the department shall notify the governing body in
3074	writing of its approval of redesignation.
3075	(7) Upon approval by the department of a resolution
3076	authorizing an area to be an enterprise zone pursuant to this

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section, the department shall assign a unique identifying number

to that resolution. The department shall provide the Department

of Revenue and Enterprise Florida, Inc., with a copy of each resolution approved, together with its identifying number.

Section 132. Section 290.00677, Florida Statutes, is amended to read:

290.00677 Rural enterprise zones; special qualifications.-

- (1) Notwithstanding the enterprise zone residency requirements set out in s. 212.096(1)(c), eligible businesses as defined in s. 212.096(1)(a) located in rural enterprise zones as defined in s. 290.004 may receive the basic minimum credit provided under s. 212.096 for creating a new job and hiring a person residing within the jurisdiction of a rural community as defined in s. 288.106(2). All other provisions of s. 212.096, including, but not limited to, those relating to the award of enhanced credits, apply to such businesses.
- (2) Notwithstanding the enterprise zone residency requirements set out in s. 220.03(1)(q), businesses as defined in s. 220.03(1)(c) located in rural enterprise zones as defined in s. 290.004 may receive the basic minimum credit provided under s. 220.181 for creating a new job and hiring a person residing within the jurisdiction of a rural community as defined in s. 288.106(2). All other provisions of s. 220.181, including, but not limited to, those relating to the award of enhanced credits, apply to such businesses.
- (3) As used in this section, the term "rural community" means:

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3104	(a) A county having a population of 75,000 or fewer.
3105	(b) A county having a population of 125,000 or fewer that
3106	is contiguous to a county having a population of 75,000 or
3107	fewer.
3108	(c) A municipality within a county described in paragraph
3109	(a) or paragraph (b).
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3111	For purposes of this subsection, population shall be determined
3112	in accordance with the most recent official estimate pursuant to
3113	s. 186.901.
3114	Section 133. Subsections (4), (5), and (6) of section
3115	290.007, Florida Statutes, are amended to read:
3116	290.007 State incentives available in enterprise zones
3117	The following incentives are provided by the state to encourage
3118	the revitalization of enterprise zones:
3119	(4) The sales tax exemption for building materials used in
3120	the rehabilitation of real property in enterprise zones provided
3121	in s. $212.08(5)(f)$ $212.08(5)(g)$.
3122	(5) The sales tax exemption for business equipment used in
3123	an enterprise zone provided in s. $212.08(5)(g)$ $212.08(5)(h)$.
3124	(6) The sales tax exemption for electrical energy used in
3125	an enterprise zone provided in s. $212.08(14)$ $212.08(15)$.
3126	Section 134. Subsections (3) and (4) of section 290.053,
3127	Florida Statutes, are amended to read:

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290.053 Response to economic emergencies in small communities.—

- (3) A local government entity shall notify the Governor and, the Department of Economic Opportunity, and Enterprise Florida, Inc., when one or more of the conditions specified in subsection (2) have occurred or will occur if action is not taken to assist the local governmental entity or the affected community.
- (4) Upon notification that one or more of the conditions described in subsection (2) exist, the Governor or his or her designee shall contact the local governmental entity to determine what actions have been taken by the local governmental entity or the affected community to resolve the economic emergency. The Governor may waive the eligibility criteria of any program or activity administered by the Department of Economic Opportunity or Enterprise Florida, Inc., to provide economic relief to the affected community by granting participation in such programs or activities. The Governor shall consult with the President of the Senate and the Speaker of the House of Representatives and shall take other action, as necessary, to resolve the economic emergency in the most expedient manner possible. All actions taken pursuant to this section shall be within current appropriations and shall have no annualized impact beyond normal growth.

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Section 135. Paragraphs (d) and (e) of subsection (3) and subsection (4) of section 295.22, Florida Statutes, are amended to read:

295.22 Veterans Employment and Training Services Program.-

- (3) ADMINISTRATION.—Florida Is For Veterans, Inc., shall administer the Veterans Employment and Training Services Program and perform all of the following functions:
- (d) Create a grant program to provide funding to assist veterans in meeting the workforce-skill needs of businesses seeking to hire veterans, establish criteria for approval of requests for funding, and maximize the use of funding for this program. Grant funds may be used only in the absence of available veteran-specific federally funded programs. Grants may fund specialized training specific to a particular business.
- 1. Grant funds may be allocated to any training provider selected by the business, including a career center, a Florida College System institution, a state university, or an in-house training provider of the business. If grant funds are used to provide a technical certificate, a licensure, or a degree, funds may be allocated only upon a review that includes, but is not limited to, documentation of accreditation and licensure. Instruction funded through the program terminates when participants demonstrate competence at the level specified in the request but may not exceed 48 months. Preference shall be given to target industry businesses, as defined in s. 288.106,

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- 2. Costs and expenditures for the grant program must be documented and separated from those incurred by the training provider. Costs and expenditures shall be limited to \$8,000 per veteran trainee. Eligible costs and expenditures include:
 - a. Tuition and fees.
 - b. Curriculum development.
 - c. Books and classroom materials.
- d. Rental fees for facilities at public colleges and universities, including virtual training labs.
- e. Overhead or indirect costs not to exceed 5 percent of the grant amount.
- 3. Before funds are allocated for a request pursuant to this section, the corporation shall prepare a grant agreement between the business requesting funds, the educational institution or training provider receiving funding through the program, and the corporation. Such agreement must include, but need not be limited to:
- a. Identification of the personnel necessary to conduct the instructional program, the qualifications of such personnel, and the respective responsibilities of the parties for paying costs associated with the employment of such personnel.

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b.	Identi	ifica	tion o	f	the	match	provi	Lded	bу	the	busine	ss,
including	g cash	and	in-kin	ıd	cont	ribut	ions,	equa	ılt	o at	least	50
percent o	of the	tota	l gran	ıt	amou	ınt.						

- c. Identification of the estimated duration of the instructional program.
 - d. Identification of all direct, training-related costs.
- e. Identification of special program requirements that are not otherwise addressed in the agreement.
- f. Permission to access aggregate information specific to the wages and performance of participants upon the completion of instruction for evaluation purposes. The agreement must specify that any evaluation published subsequent to the instruction may not identify the employer or any individual participant.
- 4. A business may receive a grant under the Quick-Response Training Program created under s. 288.047 and a grant under this section for the same veteran trainee. If a business receives funds under both programs, one grant agreement may be entered into with CareerSource Florida, Inc., as the grant administrator.
- (e) Contract with one or more entities to administer an entrepreneur initiative program for veterans in this state which connects business leaders in the state with veterans seeking to become entrepreneurs.

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	1.	The	corpora	tion	shall	. award	each	con	tra	act	in	acco	rdance
with	the	comp	petitive	bido	ding r	requirer	nents	in	s.	287	7.05	7 to	one
or mo	ore p	oubli	ic or pr	ivate	e univ	ersitie	es tha	at:					

- a. Demonstrate the ability to implement the program and the commitment of university resources, including financial resources, to such programs.
 - b. Have a military and veteran resource center.
- c. Have a regional small business development center in the Florida Small Business Development Center Network.
- $\underline{\text{c.d.}}$ As determined by the corporation, have been nationally recognized for commitment to the military and veterans.
- 2. Each contract must include performance metrics, including a focus on employment and business creation. Each university must coordinate with any entrepreneurship center located at the university. The university may also work with an entity offering related programs to refer veterans or to provide services. The entrepreneur initiative program may include activities and assistance such as peer-to-peer learning sessions, mentoring, technical assistance, business roundtables, networking opportunities, support of student organizations, speaker series, or other tools within a virtual environment.
- (4) DUTIES OF ENTERPRISE FLORIDA, INC.-Enterprise Florida, Inc., shall provide information about the corporation and its services to prospective, new, expanding, and relocating

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businesses seeking to conduct business in this state. Enterprise Florida, Inc., shall, to the greatest extent possible, collaborate with the corporation to meet the employment needs, including meeting the job-creation requirements, of any business receiving assistance or services from Enterprise Florida, Inc.

Section 136. Paragraph (a) of subsection (6), paragraph (b) of subsection (9), paragraph (a) of subsection (35), subsection (60), and paragraph (b) of subsection (64) of section 320.08058, Florida Statutes, are amended to read:

320.08058 Specialty license plates.

- (6) FLORIDA UNITED STATES OLYMPIC COMMITTEE LICENSE PLATES.—
- (a) Because the United States Olympic Committee has selected this state to participate in a combined fundraising program that provides for one-half of all money raised through volunteer giving to stay in this state and be administered by Enterprise Florida, Inc., to support amateur sports, and because the United States Olympic Committee is a and Enterprise Florida, Inc., are nonprofit organization organizations dedicated to providing athletes with support and training and preparing athletes of all ages and skill levels for sports competition, and because Enterprise Florida, Inc., assists in the bidding for sports competitions that provide significant impact to the economy of this state, and the Legislature supports the efforts of the United States Olympic Committee and Enterprise Florida,

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Inc., the Legislature establishes a Florida United States Olympic Committee license plate for the purpose of providing a continuous funding source to support this worthwhile effort. Florida United States Olympic Committee license plates must contain the official United States Olympic Committee logo and must bear a design and colors that are approved by the department. The word "Florida" must be centered at the top of the plate.

- (9) FLORIDA PROFESSIONAL SPORTS TEAM LICENSE PLATES.-
- (b) The license plate annual use fees are to be annually distributed as follows:
- 1. Fifty-five percent of the proceeds from the Florida
 Professional Sports Team plate must be deposited into the
 Professional Sports Development Trust Fund within the Department
 of Economic Opportunity. These funds must be used
 solely to attract and support major sports events in this state.
 As used in this subparagraph, the term "major sports events"
 means, but is not limited to, championship or all-star contests
 of Major League Baseball, the National Basketball Association,
 the National Football League, the National Hockey League, Major
 League Soccer, the men's and women's National Collegiate
 Athletic Association Final Four basketball championship, or a
 horseracing or dogracing Breeders' Cup. All funds must be used
 to support and promote major sporting events, and the uses must
 be approved by the Department of Economic Opportunity.

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2. The remaining proceeds of the Florida Professional
Sports Team license plate must be allocated to $\underline{\text{the Florida}}$
Sports Foundation Enterprise Florida, Inc. These funds must be
deposited into the Professional Sports Development Trust Fund
within the Department of Economic Opportunity. These funds must
be used by the Florida Sports Foundation Enterprise Florida,
$\overline{\text{Inc.,}}$ to promote the economic development of the sports
industry; to distribute licensing and royalty fees to
participating professional sports teams; to promote education
programs in Florida schools that provide an awareness of the
benefits of physical activity and nutrition standards; to
partner with the Department of Education and the Department of
Health to develop a program that recognizes schools whose
students demonstrate excellent physical fitness or fitness
improvement; to institute a grant program for communities
bidding on minor sporting events that create an economic impact
for the state; to distribute funds to Florida-based charities
designated by the Florida Sports Foundation Enterprise Florida,
$\overline{\text{Inc.,}}$ and the participating professional sports teams; and to
fulfill the sports promotion responsibilities of the Department
of Economic Opportunity.

3. The Florida Sports Foundation Enterprise Florida, Inc., shall provide an annual financial audit in accordance with s. 215.981 of its financial accounts and records by an independent certified public accountant pursuant to the contract established

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by the Department of Economic Opportunity. The auditor shall submit the audit report to the Department of Economic Opportunity for review and approval. If the audit report is approved, the Department of Economic Opportunity shall certify the audit report to the Auditor General for review.

- 4. Notwithstanding the provisions of subparagraphs 1. and 2., proceeds from the Professional Sports Development Trust Fund may also be used for operational expenses of the Florida Sports Foundation Enterprise Florida, Inc., and financial support of the Sunshine State Games.
 - (35) FLORIDA GOLF LICENSE PLATES.-
- (a) The Department of Highway Safety and Motor Vehicles shall develop a Florida Golf license plate as provided in this section. The word "Florida" must appear at the bottom of the plate. The Dade Amateur Golf Association, following consultation with the Florida Sports Foundation and the PGA TOUR, Enterprise Florida, Inc., the LPGA, and the PGA of America may submit a revised sample plate for consideration by the department.
 - (60) FLORIDA NASCAR LICENSE PLATES.-
- (a) The department shall develop a Florida NASCAR license plate as provided in this section. Florida NASCAR license plates must bear the colors and design approved by the department. The word "Florida" must appear at the top of the plate, and the term "NASCAR" must appear at the bottom of the plate. The National Association for Stock Car Auto Racing, following consultation

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with the Florida Sports Foundation Enterprise Florida, Inc., may submit a sample plate for consideration by the department.

- (b) The license plate annual use fees shall be distributed to the Florida Sports Foundation Enterprise Florida, Inc. The license plate annual use fees shall be annually allocated as follows:
- 1. Up to 5 percent of the proceeds from the annual use fees may be used by the Department of Economic Opportunity

 Enterprise Florida, Inc., for the administration of the NASCAR license plate program.
- 2. The National Association for Stock Car Auto Racing shall receive up to \$60,000 in proceeds from the annual use fees to be used to pay startup costs, including costs incurred in developing and issuing the plates. Thereafter, 10 percent of the proceeds from the annual use fees shall be provided to the association for the royalty rights for the use of its marks.
- 3. The remaining proceeds from the annual use fees shall be distributed to the Florida Sports Foundation Enterprise Florida, Inc. The Florida Sports Foundation Enterprise Florida, Inc., will retain 15 percent to support its regional grant program, attracting sporting events to Florida; 20 percent to support the marketing of motorsports-related tourism in the state; and 50 percent to be paid to the NASCAR Foundation, a s. 501(c)(3) charitable organization, to support Florida-based charitable organizations.

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(c) The Florida Sports Foundation Enterprise Florida,
Inc., shall provide an annual financial audit in accordance with
s. 215.981 of its financial accounts and records by an
independent certified public accountant pursuant to the contract
established by the Department of Economic Opportunity. The
auditor shall submit the audit report to the Department of
Economic Opportunity for review and approval. If the audit
report is approved, the Department of Economic Opportunity shall
certify the audit report to the Auditor General for review.

- (64) FLORIDA TENNIS LICENSE PLATES.-
- (b) The department shall distribute the annual use fees to the Florida Sports Foundation Enterprise Florida, Inc. The license plate annual use fees shall be annually allocated as follows:
- 1. Up to 5 percent of the proceeds from the annual use fees may be used by the Florida Sports Foundation Enterprise Florida, Inc., to administer the license plate program.
- 2. The United States Tennis Association Florida Section Foundation shall receive the first \$60,000 in proceeds from the annual use fees to reimburse it for startup costs, administrative costs, and other costs it incurs in the development and approval process.
- 3. Up to 5 percent of the proceeds from the annual use fees may be used for promoting and marketing the license plates. The remaining proceeds shall be available for grants by the

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 United States Tennis Association Florida Section Foundation to nonprofit organizations to operate youth tennis programs and adaptive tennis programs for special populations of all ages, and for building, renovating, and maintaining public tennis courts.

Section 137. Subsections (2), (3), and (6) of section 331.3051, Florida Statutes, are amended to read:

331.3051 Duties of Space Florida. - Space Florida shall:

- (2) Enter into agreement with the Department of Education, the Department of Transportation, Enterprise Florida, Inc., and CareerSource Florida, Inc., for the purpose of implementing this act.
- (3) In cooperation with Enterprise Florida, Inc., Develop a plan to retain, expand, attract, and create aerospace industry entities, public or private, which results in the creation of high-value-added businesses and jobs in this state.
- (6) Develop, in cooperation with Enterprise Florida, Inc., a plan to provide financing assistance to aerospace businesses. The plan may include the following activities:
- (a) Assembling, publishing, and disseminating information concerning financing opportunities and techniques for aerospace projects, programs, and activities; sources of public and private aerospace financing assistance; and sources of aerospace-related financing.

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	(b)	Or	ganizing,	hos	sting,	and	pa	rticipating	in	seminars	and
other	for	ums	designed	l to	disser	ninat	te :	information	and	technica	al
assis	stance	e re	egarding	aero	ospace-	-rela	ate	d financing			

- (c) Coordinating with programs and goals of the Department of Defense, the National Aeronautics and Space Administration, the Export-Import Bank of the United States, the International Trade Administration of the United States Department of Commerce, the Foreign Credit Insurance Association, and other private and public programs and organizations, domestic and foreign.
- (d) Establishing a network of contacts among those domestic and foreign public and private organizations that provide information, technical assistance, and financial support to the aerospace industry.
- (e) Financing aerospace business development projects or initiatives using funds provided by the Legislature.

Section 138. Section 331.3081, Florida Statutes, is amended to read:

331.3081 Board of directors.—Space Florida shall be governed by a 13-member independent board of directors. The Governor, or his or her designee, shall serve as an ex officio voting member and chair of the board. The other 12 members shall be appointed from the private sector, 6 of whom shall be appointed by the President of the Senate, and 3 of whom shall be appointed by the

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3447	Speaker of the House of Representatives that consists of the
3448	members appointed to the board of directors of Enterprise
3449	Florida, Inc., by the Governor, the President of the Senate, and
3450	the Speaker of the House of Representatives pursuant to s.
3451	288.901(5)(a)7. and the Governor, who shall serve ex officio, or
3452	who may appoint a designee to serve, as the chair and a voting
3453	member of the board.
3454	Section 139. Paragraph (f) of subsection (1) of section
3455	339.08, Florida Statutes, is amended to read:
3456	339.08 Use of moneys in State Transportation Trust Fund.—
3457	(1) The department shall expend moneys in the State
3458	Transportation Trust Fund accruing to the department, in
3459	accordance with its annual budget. The use of such moneys shall
3460	be restricted to the following purposes:
3461	(f) To pay the cost of economic development transportation
3462	projects in accordance with s. 339.2821.
3463	Section 140. Section 339.2821, Florida Statutes, is
3464	repealed.
3465	Section 141. Subsection (2) of section 364.0135, Florida
3466	Statutes, is amended to read:
3467	364.0135 Promotion of broadband adoption
3468	(2) The Department of Management Services is authorized to
3469	work collaboratively with, and to receive staffing support and
3470	other resources from, Enterprise Florida, Inc., state agencies,

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local	governme	ents,	private	businesses,	and	community
organi	izations	to:				

- (a) Monitor the adoption of broadband Internet service in collaboration with communications service providers, including, but not limited to, wireless and wireline Internet service providers, to develop geographical information system maps at the census tract level that will:
- 1. Identify geographic gaps in broadband services, including areas unserved by any broadband provider and areas served by a single broadband provider;
- 2. Identify the download and upload transmission speeds made available to businesses and individuals in the state, at the census tract level of detail, using data rate benchmarks for broadband service used by the Federal Communications Commission to reflect different speed tiers; and
- 3. Provide a baseline assessment of statewide broadband deployment in terms of percentage of households with broadband availability.
- (b) Create a strategic plan that has goals and strategies for increasing the use of broadband Internet service in the state.
- (c) Build and facilitate local technology planning teams or partnerships with members representing cross-sections of the community, which may include, but are not limited to, representatives from the following organizations and industries:

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libraries, K-12 education, colleges and universities, local health care providers, private businesses, community organizations, economic development organizations, local governments, tourism, parks and recreation, and agriculture.

- Encourage the use of broadband Internet service, (d) especially in the rural, unserved, and underserved communities of the state through grant programs having effective strategies to facilitate the statewide deployment of broadband Internet service. For any grants to be awarded, priority must be given to projects that:
- 1. Provide access to broadband education, awareness, training, access, equipment, and support to libraries, schools, colleges and universities, health care providers, and community support organizations.
- Encourage the sustainable adoption of broadband in primarily unserved areas by removing barriers to entry.
- Work toward encouraging investments in establishing affordable and sustainable broadband Internet service in unserved areas of the state.
- Facilitate the development of applications, programs, and services, including, but not limited to, telework, telemedicine, and e-learning to increase the usage of, and demand for, broadband Internet service in the state.

Section 142. Paragraph (d) of subsection (1) of section 376.82, Florida Statutes, is amended to read:

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3521	376.82 Eligibility criteria and liability protection.—
3522	(1) ELIGIBILITY.—Any person who has not caused or
3523	contributed to the contamination of a brownfield site on or
3524	after July 1, 1997, is eligible to participate in the brownfield
3525	program established in ss. 376.77-376.85, subject to the
3526	following:
3527	(d) After July 1, 1997, petroleum and drycleaning
3528	contamination sites shall not receive both restoration funding
3529	assistance available for the discharge under this chapter and
3530	any state assistance available under s. 288.107. Nothing in this
3531	act shall affect the cleanup criteria, priority ranking, and
3532	other rights and obligations inherent in petroleum contamination
3533	and drycleaning contamination site rehabilitation under ss.
3534	376.30-376.317, or the availability of economic incentives
3535	otherwise provided for by law.
3536	Section 143. Paragraph (h) of subsection (2) of section
3537	377.703, Florida Statutes, is amended to read:
3538	377.703 Additional functions of the Department of
3539	Agriculture and Consumer Services
3540	(2) DUTIES.—The department shall perform the following
3541	functions, unless as otherwise provided, consistent with the
3542	development of a state energy policy:
3543	(h) The department shall promote the development and use
3544	of renewable energy resources, in conformance with chapter 187

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and s. 377.601, by:

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- 1. Establishing goals and strategies for increasing the use of renewable energy in this state.
 - 2. Aiding and promoting the commercialization of renewable energy resources, in cooperation with the Florida Energy Systems Consortium, the Florida Solar Energy Center, Enterprise Florida, Inc., and any other federal, state, or local governmental agency that may seek to promote research, development, and the demonstration of renewable energy equipment and technology.
 - 3. Identifying barriers to greater use of renewable energy resources in this state, and developing specific recommendations for overcoming identified barriers, with findings and recommendations to be submitted annually in the report to the Governor and Legislature required under paragraph (f).
 - 4. In cooperation with the Department of Environmental Protection, the Department of Transportation, the Department of Economic Opportunity, Enterprise Florida, Inc., the Florida Energy Systems Consortium, the Florida Solar Energy Center, and the Florida Solar Energy Industries Association, investigating opportunities, pursuant to the national Energy Policy Act of 1992, the Housing and Community Development Act of 1992, and any subsequent federal legislation, for renewable energy resources, electric vehicles, and other renewable energy manufacturing, distribution, installation, and financing efforts that enhance this state's position as the leader in renewable energy research, development, and use.

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3571	5. Undertaking other initiatives to advance the
3572	development and use of renewable energy resources in this state.
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3574	In the exercise of its responsibilities under this paragraph,
3575	the department shall seek the assistance of the renewable energy
3576	industry in this state and other interested parties and may
3577	enter into contracts, retain professional consulting services,
3578	and expend funds appropriated by the Legislature for such
3579	purposes.
3580	Section 144. Subsection (5) of section 377.804, Florida
3581	Statutes, is amended to read:
3582	377.804 Renewable Energy and Energy-Efficient Technologies
3583	Grants Program
3584	(5) The department shall solicit the expertise of state
3585	agencies, Enterprise Florida, Inc., and state universities, and
3586	may solicit the expertise of other public and private entities
3587	it deems appropriate, in evaluating project proposals. State
3588	agencies shall cooperate with the department and provide such
3589	assistance as requested.
3590	Section 145. Paragraph (a) of subsection (4) of section
3591	377.809, Florida Statutes, is amended to read:
3592	377.809 Energy Economic Zone Pilot Program
3593	(4)(a) Beginning July 1, 2012, all the incentives and
3594	benefits provided for enterprise zones pursuant to state law
3595	shall be available to the energy economic zones designated

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pursuant to this section on or before July 1, 2010. In order to provide incentives, by March 1, 2012, each local governing body that has jurisdiction over an energy economic zone must, by local ordinance, establish the boundary of the energy economic zone, specify applicable energy-efficiency standards, and determine eligibility criteria for the application of state and local incentives and benefits in the energy economic zone. However, in order to receive benefits provided under s. 288.106, a business must be a qualified target industry business under s. 288.106 for state purposes. An energy economic zone's boundary may be revised by local ordinance. Such incentives and benefits include those in ss. 212.08, 212.096, 220.181, 220.182, 220.183, 288.106, and 624.5105 and the public utility discounts provided in s. 290.007(8). The exemption provided in s. 212.08(5)(c) shall be for renewable energy as defined in s. 377.803. For purposes of this section, any applicable requirements for employee residency for higher refund or credit thresholds must be based on employee residency in the energy economic zone or an enterprise zone. A business in an energy economic zone may also be eligible for funding under s. ss. 288.047 and 445.003, and a transportation project in an energy economic zone shall be provided priority in funding under s. 339.2821. Other projects shall be given priority ranking to the extent practicable for grants administered under state energy programs.

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3620	Section 146. Subsection (24) of section 380.06, Florida
3621	Statutes, is amended to read:
3622	380.06 Developments of regional impact
3623	(24) STATUTORY EXEMPTIONS
3624	(a) Any proposed hospital is exempt from this section.
3625	(b) Any proposed electrical transmission line or
3626	electrical power plant is exempt from this section.
3627	(c) Any proposed addition to an existing sports facility
3628	complex is exempt from this section if the addition meets the
3629	following characteristics:
3630	1. It would not operate concurrently with the scheduled
3631	hours of operation of the existing facility.
3632	2. Its seating capacity would be no more than 75 percent
3633	of the capacity of the existing facility.
3634	3. The sports facility complex property is owned by a
3635	public body before July 1, 1983.
3636	
3637	This exemption does not apply to any pari-mutuel facility.
3638	(d) Any proposed addition or cumulative additions
3639	subsequent to July 1, 1988, to an existing sports facility
3640	complex owned by a state university is exempt if the increased
3641	seating capacity of the complex is no more than 30 percent of
3642	the capacity of the existing facility.
3643	(e) Any addition of permanent seats or parking spaces for

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3644 an existing sports facility located on property owned by a

public body before July 1, 1973, is exempt from this section if future additions do not expand existing permanent seating or parking capacity more than 15 percent annually in excess of the prior year's capacity.

- (f) Any increase in the seating capacity of an existing sports facility having a permanent seating capacity of at least 50,000 spectators is exempt from this section, provided that such an increase does not increase permanent seating capacity by more than 5 percent per year and not to exceed a total of 10 percent in any 5-year period, and provided that the sports facility notifies the appropriate local government within which the facility is located of the increase at least 6 months before the initial use of the increased seating, in order to permit the appropriate local government to develop a traffic management plan for the traffic generated by the increase. Any traffic management plan shall be consistent with the local comprehensive plan, the regional policy plan, and the state comprehensive plan.
- (g) Any expansion in the permanent seating capacity or additional improved parking facilities of an existing sports facility is exempt from this section, if the following conditions exist:
- 1.a. The sports facility had a permanent seating capacity on January 1, 1991, of at least 41,000 spectator seats;

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b. The sum of such expansions in permanent seating
capacity does not exceed a total of 10 percent in any 5-year
period and does not exceed a cumulative total of 20 percent for
any such expansions; or

- c. The increase in additional improved parking facilities is a one-time addition and does not exceed 3,500 parking spaces serving the sports facility; and
- 2. The local government having jurisdiction of the sports facility includes in the development order or development permit approving such expansion under this paragraph a finding of fact that the proposed expansion is consistent with the transportation, water, sewer and stormwater drainage provisions of the approved local comprehensive plan and local land development regulations relating to those provisions.

Any owner or developer who intends to rely on this statutory exemption shall provide to the department a copy of the local government application for a development permit. Within 45 days after receipt of the application, the department shall render to the local government an advisory and nonbinding opinion, in writing, stating whether, in the department's opinion, the prescribed conditions exist for an exemption under this paragraph. The local government shall render the development order approving each such expansion to the department. The owner, developer, or department may appeal the local government

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development order pursuant to s. 380.07, within 45 days after the order is rendered. The scope of review shall be limited to the determination of whether the conditions prescribed in this paragraph exist. If any sports facility expansion undergoes development-of-regional-impact review, all previous expansions which were exempt under this paragraph shall be included in the development-of-regional-impact review.

- (h) Expansion to port harbors, spoil disposal sites, navigation channels, turning basins, harbor berths, and other related inwater harbor facilities of ports listed in s. 403.021(9)(b), port transportation facilities and projects listed in s. 311.07(3)(b), and intermodal transportation facilities identified pursuant to s. 311.09(3) are exempt from this section when such expansions, projects, or facilities are consistent with comprehensive master plans that are in compliance with s. 163.3178.
- (i) Any proposed facility for the storage of any petroleum product or any expansion of an existing facility is exempt from this section.
- (j) Any renovation or redevelopment within the same land parcel which does not change land use or increase density or intensity of use.
- (k) Waterport and marina development, including dry storage facilities, are exempt from this section.

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- (m) Any proposed development within a rural land stewardship area created under s. 163.3248.
- (n) The establishment, relocation, or expansion of any military installation as defined in s. 163.3175, is exempt from this section.
- (o) Any self-storage warehousing that does not allow retail or other services is exempt from this section.
- (p) Any proposed nursing home or assisted living facility is exempt from this section.
- (q) Any development identified in an airport master plan and adopted into the comprehensive plan pursuant to s. 163.3177(6)(b)4. is exempt from this section.
- (r) Any development identified in a campus master plan and adopted pursuant to s. 1013.30 is exempt from this section.

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- (s) Any development in a detailed specific area plan which is prepared and adopted pursuant to s. 163.3245 is exempt from this section.
- (t) Any proposed solid mineral mine and any proposed addition to, expansion of, or change to an existing solid mineral mine is exempt from this section. A mine owner will enter into a binding agreement with the Department of Transportation to mitigate impacts to strategic intermodal system facilities pursuant to the transportation thresholds in subsection (19) or rule 9J-2.045(6), Florida Administrative Code. Proposed changes to any previously approved solid mineral mine development-of-regional-impact development orders having vested rights are is not subject to further review or approval as a development-of-regional-impact or notice-of-proposed-change review or approval pursuant to subsection (19), except for those applications pending as of July 1, 2011, which shall be governed by s. 380.115(2). Notwithstanding the foregoing, however, pursuant to s. 380.115(1), previously approved solid mineral mine development-of-regional-impact development orders shall continue to enjoy vested rights and continue to be effective unless rescinded by the developer. All local government regulations of proposed solid mineral mines shall be applicable to any new solid mineral mine or to any proposed addition to, expansion of, or change to an existing solid mineral mine.

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(u) Notwithstanding any provisions in an agreement with or
among a local government, regional agency, or the state land
planning agency or in a local government's comprehensive plan to
the contrary, a project no longer subject to development-of-
regional-impact review under revised thresholds is not required
to undergo such review.

- (v) Any development within a county with a research and education authority created by special act and that is also within a research and development park that is operated or managed by a research and development authority pursuant to part V of chapter 159 is exempt from this section.
- (w) Any development in an energy economic zone designated pursuant to s. 377.809 is exempt from this section upon approval by its local governing body.
- (x) Any proposed development that is located in a local government jurisdiction that does not qualify for an exemption based on the population and density criteria in paragraph (29)(a), that is approved as a comprehensive plan amendment adopted pursuant to s. 163.3184(4), and that is the subject of an agreement pursuant to s. 288.106(5) is exempt from this section. This exemption shall only be effective upon a written agreement executed by the applicant, the local government, and the state land planning agency. The state land planning agency shall only be a party to the agreement upon a determination that the development is the subject of an agreement pursuant to s.

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288.106(5) and that the local government has the capacity to adequately assess the impacts of the proposed development. The local government shall only be a party to the agreement upon approval by the governing body of the local government and upon providing at least 21 days' notice to adjacent local governments that includes, at a minimum, information regarding the location, density and intensity of use, and timing of the proposed development. This exemption does not apply to areas within the boundary of any area of critical state concern designated pursuant to s. 380.05, within the boundary of the Wekiva Study Area as described in s. 369.316, or within 2 miles of the boundary of the Everglades Protection Area as defined in s. 373.4592(2).

If a use is exempt from review as a development of regional impact under paragraphs (a)-(u), but will be part of a larger project that is subject to review as a development of regional impact, the impact of the exempt use must be included in the review of the larger project, unless such exempt use involves a development of regional impact that includes a landowner, tenant, or user that has entered into a funding agreement with the Department of Economic Opportunity under the Innovation Incentive Program and the agreement contemplates a state award of at least \$50 million.

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Section 147. Subsections (1) and (5) of section 380.0657, Florida Statutes, are amended to read:

380.0657 Expedited permitting process for economic development projects.—

- (1) The Department of Environmental Protection and, as appropriate, the water management districts created under chapter 373 shall adopt programs to expedite the processing of wetland resource and environmental resource permits for economic development projects that have been identified by a municipality or county as meeting the definition of target industry businesses under s. 288.106, or any intermodal logistics center receiving or sending cargo to or from Florida ports, with the exception of those projects requiring approval by the Board of Trustees of the Internal Improvement Trust Fund.
- (5) Notwithstanding the provisions of this section, permit applications for projects to be located in a charter county that has a population of 1.2 million or more and has entered into a delegation agreement with the Department of Environmental Protection or the applicable water management district to process environmental resource permits, wetland resource management permits, or surface water management permits pursuant to chapter 373 are eligible for expedited permitting under this section only upon designation by resolution of the charter county's governing board. Before the governing board decides that a project is eligible for expedited permitting, it may

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require the county's economic development agency, or such other
agency that provides advice to the governing board on economic
matters, to review and recommend whether the project meets the
definition of a target industry business as defined in s.
288.106 and to identify the tangible benefits and impacts of the
project. The governing board's decision shall be made without
consideration of the project's geographic location within the
charter county. If the governing board designates the project as
a target industry business, the permit application for the
project shall be approved or denied within the timeframe
provided in subsection (4).

Section 148. Paragraph (b) of subsection (3) of section 403.42, Florida Statutes, is amended to read:

403.42 Florida Clean Fuel Act.-

- (3) CLEAN FUEL FLORIDA ADVISORY BOARD ESTABLISHED; MEMBERSHIP; DUTIES AND RESPONSIBILITIES.—
- (b)1. The advisory board shall consist of the Executive Director of the Department of Economic Opportunity, the Secretary of Environmental Protection, or a designee from that department, the Commissioner of Education, or a designee from that department, the Secretary of Transportation, or a designee from that department, the Commissioner of Agriculture, or a designee from that department, the Secretary of Management Services, or a designee from that department, and a

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3863	representative of each of the following, who shall be appointed
3864	by the Secretary of Environmental Protection:
3865	a. The Florida biodiesel industry.
3866	b. The Florida electric utility industry.
3867	c. The Florida natural gas industry.
3868	d. The Florida propane gas industry.
3869	e. An automobile manufacturers' association.
3870	f. A Florida Clean Cities Coalition designated by the
3871	United States Department of Energy.
3872	g. Enterprise Florida, Inc.
3873	g.h. EV Ready Broward.
3874	$\underline{\text{h.i.}}$ The Florida petroleum industry.
3875	<u>i.j.</u> The Florida League of Cities.
3876	j.k. The Florida Association of Counties.
3877	$\underline{k.l.}$ Floridians for Better Transportation.
3878	1.m. A motor vehicle manufacturer.
3879	$\underline{m.n.}$ Florida Local Environment Resource Agencies.
3880	$\underline{\text{n.o.}}$ Project for an Energy Efficient Florida.
3881	o.p. Florida Transportation Builders Association.
3882	2. The purpose of the advisory board is to serve as a
3883	resource for the department and to provide the Governor, the
3884	Legislature, and the Secretary of Environmental Protection with
3885	private sector and other public agency perspectives on achieving
3886	the goal of increasing the use of alternative fuel vehicles in
3887	this state.

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3. Members shall be appointed to serve terms of 1 year
each, with reappointment at the discretion of the Secretary of
Environmental Protection. Vacancies shall be filled for the
remainder of the unexpired term in the same manner as the
original appointment.

- 4. The board shall annually select a chairperson.
- 5.a. The board shall meet at least once each quarter or more often at the call of the chairperson or the Secretary of Environmental Protection.
- b. Meetings are exempt from the notice requirements of chapter 120, and sufficient notice shall be given to afford interested persons reasonable notice under the circumstances.
- 6. Members of the board are entitled to travel expenses while engaged in the performance of board duties.
- 7. The board shall terminate 5 years after the effective date of this act.

Section 149. Subsection (5) of section 403.7032, Florida Statutes, is amended to read:

403.7032 Recycling.-

(5) The Department of Environmental Protection shall create the Recycling Business Assistance Center by December 1, 2010. In carrying out its duties under this subsection, the department shall consult with state agency personnel appointed to serve as economic development liaisons under s. 288.021 and seek technical assistance from Enterprise Florida, Inc., to

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ensure the Recycling Business Assistance Center is positioned to
succeed. The purpose of the center shall be to serve as the
mechanism for coordination among state agencies and the private
sector in order to coordinate policy and overall strategic
planning for developing new markets and expanding and enhancing
existing markets for recyclable materials in this state, other
states, and foreign countries. The duties of the center must
include, at a minimum:

- (a) Identifying and developing new markets and expanding and enhancing existing markets for recyclable materials.
 - (b) Pursuing expanded end uses for recycled materials.
- (c) Targeting materials for concentrated market development efforts.
- (d) Developing proposals for new incentives for market development, particularly focusing on targeted materials.
- (e) Providing guidance on issues such as permitting, finance options for recycling market development, site location, research and development, grant program criteria for recycled materials markets, recycling markets education and information, and minimum content.
- (f) Coordinating the efforts of various governmental entities having market development responsibilities in order to optimize supply and demand for recyclable materials.
- (g) Evaluating source-reduced products as they relate to state procurement policy. The evaluation shall include, but is

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not limited to, the environmental and economic impact of source-reduced product purchases to the state. For the purposes of this paragraph, the term "source-reduced" means any method, process, product, or technology that significantly or substantially reduces the volume or weight of a product while providing, at a minimum, equivalent or generally similar performance and service to and for the users of such materials.

- (h) Providing evaluation of solid waste management grants, pursuant to s. 403.7095, to reduce the flow of solid waste to disposal facilities and encourage the sustainable recovery of materials from Florida's waste stream.
- (i) Providing below-market financing for companies that manufacture products from recycled materials or convert recyclable materials into raw materials for use in manufacturing pursuant to the Florida Recycling Loan Program as administered by the Florida First Capital Finance Corporation.
- (j) Maintaining a continuously updated online directory listing the public and private entities that collect, transport, broker, process, or remanufacture recyclable materials in the state.
- (k) Providing information on the availability and benefits of using recycled materials to private entities and industries in the state.

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3961	(1) Distributing any materials prepared in implementing
3962	this subsection to the public, private entities, industries,
3963	governmental entities, or other organizations upon request.
3964	(m) Coordinating with the Department of Economic
3965	Opportunity and its partners to provide job placement and job
3966	training services to job seekers through the state's workforce
3967	services programs.
3968	Section 150. Subsections (16) through (19) of section
3969	403.973, Florida Statutes, are renumbered as subsections (15)
3970	through (18), respectively, and present subsections (15) and
3971	(17) of that section are amended to read:
3972	403.973 Expedited permitting; amendments to comprehensive
3973	plans.—
3974	(15) The Department of Economic Opportunity, working with
3975	the agencies providing cooperative assistance and input
3976	regarding the memoranda of agreement, shall review sites
3977	proposed for the location of facilities that the Department of
3978	Economic Opportunity has certified to be eligible for the
3979	Innovation Incentive Program under s. 288.1089. Within 20 days
3980	after the request for the review by the Department of Economic
3981	Opportunity, the agencies shall provide to the Department of
3982	Economic Opportunity a statement as to each site's necessary
3983	permits under local, state, and federal law and an
3984	identification of significant permitting issues, which if
3985	unresolved, may result in the denial of an agency permit or

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approval or any significant delay caused by the permitting process.

(16)(17) The Department of Economic Opportunity shall be responsible for certifying a business as eligible for undergoing expedited review under this section. Enterprise Florida, Inc., A county or municipal government, or the Rural Economic Development Initiative may recommend to the Department of Economic Opportunity that a project meeting the minimum job creation threshold undergo expedited review.

Section 151. Paragraph (c) of subsection (1) of section 443.091, Florida Statutes, is amended to read:

443.091 Benefit eligibility conditions.-

- (1) An unemployed individual is eligible to receive benefits for any week only if the Department of Economic Opportunity finds that:
- (c) To make continued claims for benefits, she or he is reporting to the department in accordance with this paragraph and department rules. Department rules may not conflict with s. 443.111(1)(b), which requires that each claimant continue to report regardless of any pending appeal relating to her or his eligibility or disqualification for benefits.
- 1. For each week of unemployment claimed, each report must, at a minimum, include the name, address, and telephone number of each prospective employer contacted, or the date the

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claimant reported to a one-stop career center, pursuant to paragraph (d).

- 2. The department shall offer an online assessment aimed at identifying an individual's skills, abilities, and career aptitude. The skills assessment must be voluntary, and the department shall allow a claimant to choose whether to take the skills assessment. The online assessment shall be made available to any person seeking services from a local workforce development board or a one-stop career center.
- a. If the claimant chooses to take the online assessment, the outcome of the assessment shall be made available to the claimant, local workforce development board, and one-stop career center. The department, local workforce development board, or one-stop career center shall use the assessment to develop a plan for referring individuals to training and employment opportunities. Aggregate data on assessment outcomes may be made available to CareerSource Florida, Inc., and Enterprise Florida, Inc., for use in the development of policies related to education and training programs that will ensure that businesses in this state have access to a skilled and competent workforce.
- b. Individuals shall be informed of and offered services through the one-stop delivery system, including career counseling, the provision of skill match and job market information, and skills upgrade and other training opportunities, and shall be encouraged to participate in such

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services at no cost to the individuals. The department shall coordinate with CareerSource Florida, Inc., the local workforce development boards, and the one-stop career centers to identify, develop, and use best practices for improving the skills of individuals who choose to participate in skills upgrade and other training opportunities. The department may contract with an entity to create the online assessment in accordance with the competitive bidding requirements in s. 287.057. The online assessment must work seamlessly with the Reemployment Assistance Claims and Benefits Information System.

Section 152. Paragraphs (b) through (g) of subsection (6) of section 445.004, Florida Statutes, are redesignated as paragraphs (a) through (f), respectively, and paragraph (d) of subsection (3), paragraphs (b) and (d) of subsection (5), and paragraph (a) of subsection (6) of that section are amended to read:

445.004 CareerSource Florida, Inc.; creation; purpose; membership; duties and powers.—

(3)

(d) The board must include the vice chairperson of the board of directors of Enterprise Florida, Inc., and one member representing each of the Workforce Innovation and Opportunity Act partners, including the Division of Career and Adult Education, and other entities representing programs identified

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in the Workforce Innovation and Opportunity Act, as determined necessary.

- (5) CareerSource Florida, Inc., shall have all the powers and authority not explicitly prohibited by statute which are necessary or convenient to carry out and effectuate its purposes as determined by statute, Pub. L. No. 113-128, and the Governor, as well as its functions, duties, and responsibilities, including, but not limited to, the following:
- (b) Providing oversight and policy direction to ensure that the following programs are administered by the department in compliance with approved plans and under contract with CareerSource Florida, Inc.:
- 1. Programs authorized under Title I of the Workforce Innovation and Opportunity Act, Pub. L. No. 113-128, with the exception of programs funded directly by the United States Department of Labor under Title I, s. 167.
- 2. Programs authorized under the Wagner-Peyser Act of 1933, as amended, 29 U.S.C. ss. 49 et seq.
- 3. Activities authorized under Title II of the Trade Act of 2002, as amended, 19 U.S.C. ss. 2272 et seq., and the Trade Adjustment Assistance Program.
- 4. Activities authorized under 38 U.S.C. chapter 41, including job counseling, training, and placement for veterans.

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	5.	Emplo	⊃ym∈	ent ar	nd tra:	inir	ng ad	ctivitie	es carri	ied out	unde	r
funds	s awa	arded	to	this	state	bу	the	United	States	Departr	ment	of
Hous	ing a	and Ur	rbar	n Deve	elopme	nt.						

- 6. Welfare transition services funded by the Temporary Assistance for Needy Families Program, created under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended, Pub. L. No. 104-193, and Title IV, s. 403, of the Social Security Act, as amended.
 - 7. Displaced homemaker programs, provided under s. 446.50.
- 8. The Florida Bonding Program, provided under Pub. L. No. 97-300, s. 164(a)(1).
- 9. The Food Assistance Employment and Training Program, provided under the Food and Nutrition Act of 2008, 7 U.S.C. ss. 2011-2032; the Food Security Act of 1988, Pub. L. No. 99-198; and the Hunger Prevention Act, Pub. L. No. 100-435.
- 10. The Quick-Response Training Program, provided under ss. 288.046-288.047. Matching funds and in-kind contributions that are provided by clients of the Quick-Response Training Program shall count toward the requirements of s. 288.904, pertaining to the return on investment from activities of Enterprise Florida, Inc.
- 10.11. The Work Opportunity Tax Credit, provided under the Tax and Trade Relief Extension Act of 1998, Pub. L. No. 105-277, and the Taxpayer Relief Act of 1997, Pub. L. No. 105-34.

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4106	11.12. Offender placement services, provided under ss.
4107	944.707-944.708.
4108	(d) Contracting with public and private entities as
4109	necessary to further the directives of this section. All

- necessary to further the directives of this section. All contracts executed by CareerSource Florida, Inc., must include specific performance expectations and deliverables. All CareerSource Florida, Inc., contracts, including those solicited, managed, or paid by the department pursuant to s. $\underline{20.60(5)(b)} \ \underline{20.60(5)(c)} \ \text{are exempt from s. 112.061, but shall be governed by subsection (1).}$
- (6) CareerSource Florida, Inc., may take action that it deems necessary to achieve the purposes of this section, including, but not limited to:
- (a) Creating a state employment, education, and training policy that ensures that programs to prepare workers are responsive to present and future business and industry needs and complement the initiatives of Enterprise Florida, Inc.

Section 153. Subsection (5) of section 445.045, Florida Statutes, is amended to read:

- 445.045 Development of an Internet-based system for information technology industry promotion and workforce recruitment.—
- (5) In furtherance of the requirements of this section that the website promote and market the information technology industry by communicating information on the scope of the

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industry in this state, CareerSource Florida, Inc., shall
coordinate its efforts with the high-technology industry
marketing efforts of Enterprise Florida, Inc., under s. 288.911.
Through links or actual content, the website developed under
this section shall serve as a forum for distributing the
marketing campaign developed by Enterprise Florida, Inc., under
s. 288.911. In addition, CareerSource Florida, Inc., shall
solicit input from the not-for-profit corporation created to
advocate on behalf of the information technology industry as an
outgrowth of the Information Service Technology Development Task
Force created under chapter 99-354, Laws of Florida.
Section 154. Subsections (2) and (5) of section 446.44,
Florida Statutes, are amended to read:
446.44 Duties of Rural Workforce Services ProgramIt
shall be the direct responsibility of the Rural Workforce
Services Program to promote and deliver employment and workforce
services and resources to the rural undeveloped and
underdeveloped counties of the state in an effort to:
(2) Assist Enterprise Florida, Inc., in attracting light,
pollution-free industry to the rural counties.

(a) Departments of state and federal governments.

(4) Develop rural workforce programs that will be

evaluated, planned, and implemented through communications and

(b) Units of Enterprise Florida, Inc.

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planning with appropriate:

4156	(b)(c) Agencies and organizations of the public and
4157	private sectors at the state, regional, and local levels.
4158	Section 155. Subsection (5) of section 477.0135, Florida
4159	Statutes, is amended to read:
4160	477.0135 Exemptions
4161	(5) A license is not required of any individual providing
4162	makeup, special effects, or cosmetology services to an actor,
4163	stunt person, musician, extra, or other talent during a
4164	production recognized by the Office of Film and Entertainment as
4165	a qualified production as defined in s. 288.1254(1) . Such
4166	services are not required to be performed in a licensed salon.
4167	Individuals exempt under this subsection may not provide such
4168	services to the general public.
4169	Section 156. Subsection (1) of section 570.81, Florida
4170	Statutes, is amended to read:
1171	570.81 Agricultural Economic Development Project Review
4172	Committee; powers and duties
1173	(1) There is created an Agricultural Economic Development
1174	Project Review Committee consisting of five members appointed by
1175	the commissioner. The members shall be appointed based upon the
1176	recommendations submitted by each entity represented on the
1177	committee and shall include:
1178	(a) The commissioner or the commissioner's designee.

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(b) One representative from the Farm Credit Service.

Bill No. CS/HB 7005 (2017)

Amendment No. 1

4180	(c)	One	representative	from	the	Departme	ent of	f Econo	omic
4181	Opportunit	y E r	terprise Flori c	la, I r	ic .				
4182	(d)	One	representative	from	the	Florida	Farm	Bureau	ı

- Federation.
- (e) One agricultural economist from the Institute of Food and Agricultural Sciences or from Florida Agricultural and Mechanical University.

Section 157. Subsection (2) of section 570.85, Florida Statutes, is amended to read:

570.85 Agritourism.-

(2) The Department of Agriculture and Consumer Services may provide marketing advice, technical expertise, promotional support, and product development related to agritourism to assist the following in their agritourism initiatives:

Enterprise Florida, Inc.; convention and visitor bureaus,; tourist development councils,; economic development organizations,; and local governments. In carrying out this responsibility, the department shall focus its agritourism efforts on rural and urban communities.

Section 158. Paragraph (c) of subsection (1) of section 624.5105, Florida Statutes, is amended to read:

624.5105 Community contribution tax credit; authorization; limitations; eligibility and application requirements; administration; definitions; expiration.—

(1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.-

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4206	for all programs approved under this section and ss.
4207	212.08(5)(0) $212.08(5)(p)$ and 220.183 is \$18.4 million in the
4208	2015-2016 fiscal year, \$21.4 million in the 2016-2017 fiscal
4209	year, and \$21.4 million in the 2017-2018 fiscal year for
4210	projects that provide housing opportunities for persons with
4211	special needs as defined in s. 420.0004 or homeownership
4212	opportunities for low-income or very-low-income households as
4213	defined in s. 420.9071 and \$3.5 million annually for all other
4214	projects.
4215	Section 159. Section 625.3255, Florida Statutes, is
4216	repealed.
4217	Section 160. Subsection (4) of section 657.042, Florida
4218	Statutes, is amended to read:
4219	657.042 Investment powers and limitations.—A credit union
4220	may invest its funds subject to the following definitions,
4221	restrictions, and limitations:
4222	(4) INVESTMENT SUBJECT TO LIMITATION OF ONE PERCENT OF

(c) The total amount of tax credit which may be granted

(4) INVESTMENT SUBJECT TO LIMITATION OF ONE PERCENT OF CAPITAL OF THE CREDIT UNION. - Up to 1 percent of the capital of the credit union may be invested in any of the following:

(a) Corporate obligations of any one corporation which is an affiliate or subsidiary of the credit union or a service corporation, except that the total investment in all such corporate obligations shall not exceed 10 percent of the capital of the credit union.

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4230	(b) Any capital participation instrument or evidence of
4231	indebtedness issued by Enterprise Florida, Inc., pursuant to the
4232	Florida Small and Minority Business Assistance Act.
4233	Section 161. Paragraph (f) of subsection (4) of section
4234	658.67, Florida Statutes, is amended to read:
4235	658.67 Investment powers and limitations.—A bank may
4236	invest its funds, and a trust company may invest its corporate
4237	funds, subject to the following definitions, restrictions, and
1238	limitations:
4239	(4) INVESTMENTS SUBJECT TO LIMITATION OF TEN PERCENT OR
4240	LESS OF CAPITAL ACCOUNTS
1241	(f) Up to 10 percent of the capital accounts of a bank or
1242	trust company may be invested in any capital participation
1243	instrument or evidence of indebtedness issued by Enterprise
4244	Florida, Inc., pursuant to the Florida Small and Minority
4245	Business Assistance Act.
4246	Section 162. Paragraph (h) of subsection (2) of section
1247	1004.015, Florida Statutes, is amended to read:
1248	1004.015 Higher Education Coordinating Council
1249	(2) Members of the council shall include:
1250	(h) The secretary of the Department of Economic
1251	Opportunity, or his or her designee president of Enterprise
1252	Florida, Inc., or a designated member of the Stakeholders
1253	Council appointed by the president.

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4254	Section 163. Paragraph (d) of subsection (5) of section
4255	1004.65, Florida Statutes, is amended to read:
4256	1004.65 Florida College System institutions; governance,
4257	mission, and responsibilities
4258	(5) The primary mission and responsibility of Florida
4259	College System institutions is responding to community needs for
4260	postsecondary academic education and career degree education.
4261	This mission and responsibility includes being responsible for:
4262	(d) Promoting economic development for the state within
4263	each Florida College System institution district through the
4264	provision of special programs, including, but not limited to,
4265	the:
4266	1. Enterprise Florida-related programs.
4267	1.2. Technology transfer centers.
4268	2.3. Economic development centers.
4269	3.4. Workforce literacy programs.
4270	Section 164. Paragraph (b) of subsection (10) of section
4271	1004.78, Florida Statutes, is amended to read:
4272	1004.78 Technology transfer centers at Florida College
4273	System institutions.—
4274	(10) The State Board of Education may award grants to
4275	Florida College System institutions, or consortia of public and
4276	private colleges and universities and other public and private
4277	entities, for the purpose of supporting the objectives of this
4278	section. Grants awarded pursuant to this subsection shall be in

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accordance with rules of the State Board of Education. Such rules shall include the following provisions:

appropriated specifically for technology transfer activities shall be reviewed and approved by the State Board of Education using proposal solicitation, evaluation, and selection procedures established by the state board in consultation with the Department of Economic Opportunity Enterprise Florida, Inc. Such procedures may include designation of specific areas or applications of technology as priorities for the receipt of funding.

Section 165. Subsection (4) of section 1011.76, Florida Statutes, is amended to read:

1011.76 Small School District Stabilization Program.-

district a stabilization grant intended to protect the district from continued financial reductions. The amount of the grant will be determined by the Department of Education and may be equivalent to the amount of the decline in revenues projected for the next fiscal year. In addition, the Department of Economic Opportunity may implement a rural economic development initiative to identify the economic factors that are negatively impacting the community and may consult with Enterprise Florida, Inc., in developing a plan to assist the county with its economic transition. The grant will be available to the school

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district for a period of up to 5 years to the extent that funding is provided for such purpose in the General Appropriations Act.

Section 166. Paragraph (c) of subsection (6) of section 1011.80, Florida Statutes, is amended to read:

1011.80 Funds for operation of workforce education programs.—

(6)

A program is established to assist school districts and Florida College System institutions in responding to the needs of new and expanding businesses and thereby strengthening the state's workforce and economy. The program may be funded in the General Appropriations Act. The district or Florida College System institution shall use the program to provide customized training for businesses which satisfies the requirements of s. 288.047. Business firms whose employees receive the customized training must provide 50 percent of the cost of the training. Balances remaining in the program at the end of the fiscal year shall not revert to the general fund, but shall be carried over for 1 additional year and used for the purpose of serving incumbent worker training needs of area businesses with fewer than 100 employees. Priority shall be given to businesses that must increase or upgrade their use of technology to remain competitive.

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COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/HB 7005 (2017)

Amendment No. 1

1328	Section 167. Subsection (1) of section 1011.94, Florida
1329	Statutes, is amended to read:
1330	1011.94 University Major Gifts Program
1331	(1) There is established a University Major Gifts Program.
1332	The purpose of the program is to enable each university to
1333	provide donors with an incentive in the form of matching grants
1334	for donations for the establishment of permanent endowments and
1335	sales tax exemption matching funds received pursuant to s.
1336	212.08(5)(i) $212.08(5)(j)$, which must be invested, with the
1337	proceeds of the investment used to support libraries and
1338	instruction and research programs, as defined by the Board of
1339	Governors.
1340	Section 168. This act shall take effect July 1, 2017.
1341	
1342	
1343	TITLE AMENDMENT
1344	Remove everything before the enacting clause and insert:
1345	A bill to be entitled
1346	An act relating to economic programs; amending ss.
1347	11.45, 14.32, 15.18, and 15.182, F.S.; conforming
1348	provisions to changes made by the act; amending s.
1349	20.60, F.S.; providing that the executive director of
1350	the Department of Economic Opportunity shall have
1351	certain duties relating to contracts with the Florida
1352	Tourism Industry Marketing Corporation; conforming

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provisions to changes made by the act; repealing s.
20.601, F.S., relating to review of the Department of
Economic Opportunity; transferring all duties,
records, pending issues, rules, and unexpended
balances of appropriations, allocations, and other
public funds relating to programs in Enterprise
Florida, Inc., to the Department of Economic
Opportunity by a type two transfer; authorizing the
Florida Sports Foundation to enter into an agreement
with the Department of Economic Opportunity for
certain purposes and use certain funds; authorizing
the Florida Tourism Industry Marketing Corporation to
enter into an agreement with the Department of
Economic Opportunity for certain purposes and to use
certain funds; providing legislative intent; providing
transitional provisions for terminated programs
established pursuant to certain statutes; amending ss.
125.0104, 159.803, 166.231, 189.033, 196.012, 196.101,
196.121, and 196.1995, F.S.; conforming provisions to
changes made by the act; conforming cross-references;
amending s. 201.15, F.S.; providing that certain funds
shall be transferred to the General Revenue Fund;
conforming provisions to changes made by the act;
amending ss. 212.031 and 212.06, F.S.; conforming
provisions to changes made by the act; repealing s.

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4378	212.0602, F.S., relating to an exemption from sales
4379	and use taxes for certain education-related purchases
4380	or leases; amending ss. 212.0606 and 212.08, F.S.;
4381	conforming provisions to changes made by the act;
4382	repealing s. 212.097, F.S., relating to the Urban
4383	High-Crime Area Job Tax Credit Program; amending ss.
4384	212.098, 212.20, 218.61, 218.64, 220.02, 220.13, and
4385	220.1895, F.S.; conforming provisions to changes made
4386	by the act; repealing ss. 220.1899 and 220.191, F.S.,
4387	relating to an entertainment industry tax credit and a
4388	capital investment tax credit, respectively; amending
4389	s. 220.194, F.S.; conforming a cross-reference;
4390	amending ss. 220.196, 272.11, 287.0947, and 288.0001,
4391	F.S.; conforming provisions to changes made by the
4392	act; repealing ss. 288.001 and 288.012, F.S., relating
4393	to the Florida Small Business Development Center
4394	Network and the State of Florida international
4395	offices, respectively; amending ss. 288.017 and
4396	288.018, F.S.; conforming provisions to changes made
4397	by the act; repealing ss. 288.046 and 288.047, F.S.,
4398	relating to quick-response training for economic
4399	development; amending s. 288.061, F.S.; conforming
4400	provisions to changes made by the act; amending s.
4401	288.0655, F.S.; conforming a cross-reference;
4402	conforming provisions to changes made by the act;

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amending ss. 288.0656, 288.0658, 288.075, 288.076, and
288.095, F.S.; conforming provisions to changes made
by the act; repealing ss. 288.1045, 288.106, 288.107,
288.108, 288.1081, 288.1082, 288.1088, and 288.1089,
F.S., relating to the qualified defense contractor and
space flight business tax refund program, a tax refund
program for qualified target industry businesses,
brownfield redevelopment bonus refunds, high-impact
business, the Economic Gardening Business Loan Pilot
Program, the Economic Gardening Technical Assistance
Pilot Program, the Quick Action Closing Fund, and the
Innovation Incentive Program, respectively; amending
s. 288.111, F.S.; conforming a provision to changes
made by the act; repealing ss. 288.1162, 288.11621,
288.11625, and 288.11631, F.S., relating to
professional sports franchises, spring training
baseball franchises, sports development, and retention
of Major League Baseball spring training baseball
franchises, respectively; repealing ss. 288.1169,
288.1201, and 288.122, F.S., relating to the
International Game Fish Association World Center
facility, the State Economic Enhancement and
Development Trust Fund, and the Tourism Promotional
Trust Fund, respectively; terminating such trust
funds; transferring the balances and revenues of such

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trust funds to the General Revenue Fund; requiring the
department to pay outstanding debts and obligations of
such trust funds; requiring the Chief Financial
Officer to close out and remove such trust funds from
state accounting systems; amending s. 288.1226, F.S.;
providing that the Florida Tourism Industry Marketing
Corporation is a direct-support organization of the
Department of Economic Opportunity, rather than
Enterprise Florida, Inc.; conforming provisions to
changes made by the act; amending s. 288.12265, F.S.;
transferring responsibility for administering and
operating welcome centers from Enterprise Florida,
Inc., to the Department of Economic Opportunity;
amending s. 288.124, F.S.; authorizing the Florida
Tourism Industry Marketing Corporation, rather than
Enterprise Florida, Inc., to establish a convention
grants program and guidelines therefor; repealing ss.
288.125, 288.1251, 288.1252, 288.1253, and 288.1258,
F.S., relating to a definition of the term
"entertainment industry," the promotion and
development of the entertainment industry by the
Office of Film and Entertainment, the Florida Film and
Entertainment Advisory Council, and certain travel and
entertainment expenses, and entertainment industry
qualified production companies, respectively; amending

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ss. 288.7015 and 288.706, F.S.; conforming provisions
to changes made by the act; amending ss. 288.773,
288.776, 288.7771, 288.8017, and 288.816, F.S.;
conforming provisions to changes made by the act;
repealing s. 288.826, F.S., relating to the Florida
International Trade and Promotion Trust Fund;
terminating such trust fund; transferring the balances
and revenues of such trust fund to the General Revenue
Fund; requiring the department to pay outstanding
debts and obligations of such trust fund; requiring
the Chief Financial Officer to close out and remove
such trust fund from state accounting systems;
repealing ss. 288.901, 288.9015, 288.903, 288.904,
288.905, and 288.906, F.S., relating to Enterprise
Florida, Inc., powers of board of directors of
Enterprise Florida, Inc., duties of Enterprise
Florida, Inc., funding for Enterprise Florida, Inc.,
the president and employees of Enterprise Florida,
Inc., and the annual report and audits of Enterprise
Florida, Inc., and its divisions, respectively;
transferring, renumbering, and amending s. 288.907,
F.S.; conforming provisions to changes made by the
act; repealing s. 288.911, F.S., relating to the
creation and implementation of a marketing and image
campaign; transferring, renumbering, and amending s.

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4478	288.912, F.S.; conforming provisions to changes made
4479	by the act; repealing s. 288.92, F.S., relating to the
4480	divisions of Enterprise Florida, Inc.; amending s.
4481	288.923, F.S.; conforming provisions to changes made
4482	by the act; repealing ss. 288.95155 and 288.9519,
4483	F.S., relating to the Florida Small Business
4484	Technology Growth Program and a not-for-profit
4485	corporation intended to promote the competitiveness
4486	and profitability of high-technology business and
4487	industry, respectively; amending ss. 288.9520,
4488	288.9603, 288.9604, and 288.9605, F.S.; conforming
4489	provisions to changes made by the act; repealing ss.
4490	288.9614, 288.9621, 288.9622, 288.9623, 288.9624,
4491	288.9625, 288.96255, 288.9626, and 288.9627, F.S.,
4492	relating to the Florida Capital Formation Act and
4493	findings and intent and definitions relating thereto,
4494	the Florida Opportunity Fund, the Institute for the
4495	Commercialization of Public Research, the Florida
4496	Technology Seed Capital Fund, and exemptions from
4497	public records and public meetings requirements for
4498	such fund and institute, respectively; amending s.
4499	288.980, F.S.; conforming a provision to changes made
4500	by the act; repealing ss. 288.991, 288.9912, 288.9913,
4501	288.9914, 288.9915, 288.9916, 288.9917, 288.9918,
4502	288.9919, 288.9920, 288.9921, and 288.9922, F.S.,

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4503	relating to the New Markets Development Program;
4504	amending ss. 288.9932 and 288.9934, F.S.; conforming
4505	provisions to changes made by the act; repealing s.
4506	288.9935, F.S., relating to the Microfinance Guarantee
4507	Program; amending ss. 288.9936, 288.9937, 290.0056,
4508	290.0065, 290.00677, 290.007, 290.053, 295.22,
4509	320.08058, 331.3051, 331.3081, and 339.08, F.S.;
4510	conforming provisions to changes made by the act;
4511	conforming cross-references; repealing s. 339.2821,
4512	F.S., relating to economic development transportation
4513	projects; amending ss. 364.0135, 376.82, 377.703,
4514	377.804, 377.809, 380.06, 380.0657, 403.42, 403.7032,
4515	403.973, 443.091, 445.004, 445.045, 446.44, 477.0135,
4516	570.81, 570.85, and 624.5105, F.S.; conforming
4517	provisions to changes made by the act; conforming a
4518	cross-reference; repealing s. 625.3255, F.S., relating
4519	to a capital participation instrument; amending ss.
4520	657.042, 658.67, 1004.015, 1004.65, 1004.78, 1011.76,
4521	1011.80, and 1011.94, F.S.; conforming provisions to
4522	changes made by the act; conforming a cross-reference;
4523	providing an effective date.
4524	
4525	WHEREAS, economic development incentives foster unfair
4526	competition by benefitting select firms and industries, and

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COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/HB 7005 (2017)

Amendment No. 1

W	HEREAS,	econ	omic	devel	.opmen	t i	ncent	ives	often	subsi	dize
private	e compa	anies	and t	heir	share	hol	ders	for (economi	c act	ions
they wo	ould ha	ave ta	ken 1	regard	lless	of	such	ince	ntives,	and	
W	HEREAS.	econ	omic	devel	opmen	+ i	ncent	ives	Callse	marke	+

whereas, economic development incentives cause market distortions which result in inefficiencies and inequities in the marketplace, and

WHEREAS, business incentives divert the attention of policymakers from other issues that could lead to additional job creation and a more robust business climate, and

WHEREAS, the true costs of economic development incentives are an unnecessary shift of private business expenses to the taxpaying public and a reduction in available funding for other public services which could promote economic growth, and

WHEREAS, economic development scholars and professionals lack consensus on how influential economic development and business incentives are on the economy, generally, or on a business when choosing its location, NOW, THEREFORE,

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HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 9 Florida Tourism Industry Marketing Corporation

SPONSOR(S): Renner

TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Rules & Policy Committee		Willson	Birtman

SUMMARY ANALYSIS

The bill moves the Florida Tourism Industry Marketing Corporation (dba VISIT Florida) from the supervision of Enterprise Florida, Inc., to the Department of Economic Opportunity (DEO). The bill also modifies current law to provide greater accountability and oversight of Visit Florida.

The bill provides additional accountability for Visit Florida by:

- Requiring Visit Florida to comply with state procurement laws.
- Limiting travel and per diem expenses of Visit Florida employees to those of state employees.
- Limiting compensation of Visit Florida employees to \$130,000, freezing benefits of employees at current levels and prohibiting bonuses for employees unless authorized by law.
- Prohibiting Visit Florida employees or board members from receiving food, beverages, lodging, entertainment or gifts paid for by Visit Florida funds or funds from a local tourist or economic development agency.
- Requiring Visit Florida contracts to contain performance standards, operating budgets and salaries of employees of the contracting entity to increase transparency of Visit Florida contracts and partnership agreements.
- Requiring Visit Florida to post all contracts on the Chief Financial Officer's Transparency website.
- Requiring the Governor to approve all out-of-state and international travel.
- Requiring the corporation to take all steps necessary to provide all data that is used to develop tourism
 estimates and measures, including the source data, to the Office of Economic and Demographic
 Research.
- Removing the public records exemption for marketing projects and research.
- Prohibiting the corporation from creating or establishing any other entity, corporation, or direct support organization.
- Prohibiting expending funds, public or private, that directly or indirectly, benefit only one company, corporation or business entity.
- Tightening Visit Florida's current matching requirements.

The bill provides for additional legislative oversight of Visit Florida by:

- Requiring Visit Florida to place proposed contracts worth \$750,000 or more on 14-day legislative
 consultation. Upon objection by the chair or vice chair of the Joint Legislative Budget Commission
 (LBC) or Speaker or Senate President, Visit Florida would be prohibited from entering into contract.
- Requiring Visit Florida to submit a detailed operating budget to the LBC each year in order to obtain release of funds.
- Requiring Senate confirmation of the Visit Florida President/CEO.

STORAGE NAME: h0009.RPC DATE: 2/28/2017 The bill eliminates the State Economic Enhancement and Development Trust Fund, the Tourism Promotional Trust Fund, and the Florida International Trade and Promotion Trust Fund.

The bill has not been reviewed by the Revenue Estimating Conference. However, on February 10, 2017, the REC reviewed identical provisions in PCB CCS 17-01 (HB 7005) related to the termination of the SEED Trust Fund, the Tourism Promotional Trust Fund, and the Florida International Trade and Promotion Trust Fund. The REC determined the impact of these trust fund terminations and subsequent redirect of revenues to the General Revenue Fund would result in a negative recurring impact of \$186.6 million in state trust funds, and a corresponding positive general revenue impact of \$186.6 million.

The bill provides an effective date of July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Florida's economic development system is multi-faceted and includes public agencies, non-profit corporations, and private entities at the state, regional, and local level. The Legislature created some of these organizations, while others are units of local government or privately formed associations or alliances. Many of the organizations have similar missions (e.g., encouraging economic development and enhancing the state's business climate) and serve the same constituencies (e.g., in- and out-of-state businesses and the state's economic and workforce development communities). The most prominent of these organizations are Enterprise Florida, Inc. (EFI) and the Department of Economic Opportunity (DEO).¹

To achieve their economic development missions, EFI and DEO perform numerous activities and collaborate via contracts. DEO serves as the contract manager for agreements with EFI, the Institute for the Commercialization of Public Research, the Florida Defense Support Task Force, the Florida Sports Foundation, Space Florida, and the Florida Tourism Industry Marketing Corporation (VISIT Florida).²

Prior to the creation of EFI, the Department of Commerce and Department of Labor and Employment Security were responsible for the state's economic development activities. In 1996, the Legislature created EFI as a public-private partnership to serve as the state's principal economic development marketing and promotion organization.³

To support the ongoing evolution of the state's economic development system, the 2011 Legislature created the Department of Economic Opportunity, transferring functions from the Agency for Workforce Innovation (AWI), Department of Community Affairs (DCA), and Governor's Office of Tourism, Trade, and Economic Development (OTTED) to the new agency.⁴ AWI had performed

STORAGE NAME: h0009.RPC

¹ OPPAGA, Report No. 16-09, Agency Review-Enterprise Florida, Inc., and Department of Economic Opportunity, p.6 (December 2016)

² *Id.* s. 20.60(9)(b), F.S.

³ *Id* at 7.

⁴ Chapter 2011-142, Laws of Fla. DEO began operations in October 2011.

functions related to workforce, unemployment compensation, and early learning services, while DCA was the state's land planning and community development agency. OTTED assisted the Governor in formulating economic development policies and strategies and administered the state's economic programs.⁵

Department of Economic Opportunity

Three core divisions carry out DEO's objectives and statutory responsibilities: Strategic Business Development, Community Development, and Workforce Services. These divisions help fulfill DEO's statutorily mandated responsibilities, which include:⁶

- ensuring that Florida's goals and policies relating to economic development, community
 planning and development, workforce development, and affordable housing are fully
 integrated with appropriate implementation strategies;
- recruiting new businesses to Florida and promoting the expansion of businesses by expediting permitting and location decisions, worker placement and training, and incentive awards;
- promoting viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities;
- coordinating with state agencies on the processing of state development approvals or permits
 to minimize the duplication of information provided by the applicant and the time before
 approval or disapproval; and
- managing the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of various programs.⁷

DEO derives most of its funding from federal sources and transfers a significant portion to other entities. In Fiscal Year 2015-16, DEO's total budget was \$1.08 billion and the majority (\$679 million, 63%) of this funding was from federal sources. Most of DEO's total budget (\$816.4 million, 75%) was transferred to other entities. For example, \$283 million was transferred to fund local workforce boards, \$105 million supported housing programs administered by Florida Housing Finance Corporation, \$74 million went to VISIT Florida, and \$25 million went to EFI.⁸ Between Fiscal Year 2012-13 and Fiscal Year 2015-16, EFI's legislative appropriation increased by 56.3% (\$9 million), while DEO's appropriation decreased by 16.4% (\$207.7 million).⁹

Enterprise Florida, Inc.

EFI is a nonprofit corporation established by the Legislature to serve as the state's main economic development organization.¹⁰ EFI is required to enter into a performance-based contract with DEO, which includes annual measurements of the performance of EFI.¹¹ EFI is governed by a board of directors chaired by the Governor.

STORAGE NAME: h0009.RPC

⁵ OPPAGA, Report No. 16-09, p.7

⁶ OPPAGA, Report No. 16-09, p.24

⁷ s. 20.60(4)(b)(f), F.S.

⁸ OPPAGA, Report No. 16-09, p.24.

⁹ OPPAGA, Report No. 16-09, p.8.

¹⁰ s. 288.901, F.S. Chapter 92-277, Laws of Fla., created EFI, while ch. 96-320, Laws of Fla, established EFI as a public-private partnership.

¹¹ Section 20.60(1), F.S., requires DEO to "establish annual performance standards for Enterprise Florida, Inc., CareerSource Florida, Inc., the Florida Tourism Industry Marketing Corporation, and Space Florida and report annually on how these performance measures are being met".

As a public-private partnership, EFI is expected to obtain private sector support to help pay for its operational costs. According to state law, the agency's legislative appropriations must be matched with private sector support equal to at least 100% of state operational funding.¹² Under state law, private sector support includes:

- cash given directly to EFI for its operations, including contributions from at-large members of the board of directors;
- cash donations from organizations assisted by EFI's divisions;
- cash jointly raised by EFI, private local economic development organizations, a group of such
 organizations, or a statewide private business organization that supports collaborative
 projects;
- cash generated by fees charged for products or services of EFI and its divisions by sponsorship of events, missions, programs, and publications; and
- copayments, stock, warrants, royalties, or other private resources dedicated to Enterprise
 Florida or its divisions.

According to a recent report¹³ published by the Office of Program Policy Analysis and Government Accountability (OPPAGA), state funding has always far exceeded private sector funding.¹⁴ Specifically, private sector cash contributions during the review period¹⁵ rarely exceeded \$2 million, while state appropriations averaged about \$20 million per year. Funds from other private sources (e.g., event revenue, other income) averaged approximately \$2.7 million per year.

The Legislature provides an annual appropriation to EFI for its operations. EFI is required to have divisions related to:

- International Trade and Business Development,
- Business Retention and Recruitment, Tourism Marketing;
- Minority Business Development; and
- Sports Industry Development.

Florida law directs EFI's board of directors to "integrate its efforts in business recruitment and expansion, job creation, marketing the state for tourism and sports, and promoting economic opportunities for minority-owned businesses and promoting economic opportunities for rural and distressed urban communities with those of the department, to create an aggressive, agile, and collaborative effort to reinvigorate the state's economy." ¹⁶

Florida Tourism Industry Marketing Corporation (VISIT Florida)

The Florida Tourism Industry Marketing Corporation dba VISIT Florida (VF) is a nonprofit corporation established by the Florida Legislature to serve as a direct support organization of EFI.¹⁷ Florida law requires that EFI contract with VF "to execute tourism promotion and marketing services, functions, and programs for the state."¹⁸

¹² s. 288.904(2)(a), F.S.

¹³ OPPAGA, Agency Review-Enterprise Florida, Inc., and Department of Economic Opportunity, Report No. 16-09 (December 2016).

¹⁴ OPPAGA Report No. 16-09, p. 19.

¹⁵ Review period was Fiscal Year 2012-2013 through Fiscal Year 2015-2016.

¹⁶ s. 288.9015(1), F.S.

¹⁷ s. 288.1226(2), F.S.

¹⁸ s. 288.923(3), F.S.

EFI, in conjunction with DEO, appoints VF's 31-member board of directors. The board, which meets three times per year, provides guidance, input and insight into the evolution and development of programs, processes, and messages; acts as a steering council for various committees; and works directly with VF executive staff to guide strategy.

VF's primary responsibilities include:

- administering domestic and international advertising campaigns;
- · conducting research on tourism and travel trends;
- conducting domestic and international marketing activities; and
- managing the state's welcome centers.

VF also administers a number of small grant programs that provide organizations and state agencies funding for certain tourism-related activities, including convention grants for attracting national conferences and conventions to Florida. ¹⁹ Grant funds total less than \$2 million per year.

VF administers a cooperative advertising matching grants program whereby VF makes expenditures and enters into contracts with certain local governments and nonprofit corporations for the purpose of publicizing the tourism advantages of the state. The total annual allocation of funds for this grant program may not exceed \$40,000. Each grant awarded under the program is limited to no more than \$2,500 and must be matched by nonstate dollars. Grants are restricted to local governments and nonprofit corporations serving and located in municipalities having a population of 50,000 persons or less or in counties with an unincorporated area having a population of 200,000 persons or less. The total annual allocation of 50,000 persons or less.

VF operates the state's five official welcome centers. Four welcome centers are located along the main travel corridors leading into the state and the fifth welcome center operates in the Capitol Complex in Tallahassee. The Department of Transportation owns the buildings that house the four highway welcome centers, but the centers are staffed and managed by VF.

In a recent study, OPPAGA found that it is difficult to distinguish VF's influence from that of other entities that engage in similar tourism marketing activities. VF focuses much of its efforts on statewide tourism goals such as increasing total visitors and visitor spending in the state. As a result, these same indicators are often used to promote VF's success in positioning Florida as the top travel destination in the world. However, numerous other entities also actively promote the state. State agencies, county governments, the federal government, and the private sector all engage in tourism promotional activities, including statewide marketing. Moreover, county governments and private businesses specifically market local attractions and destinations.²²

¹⁹ s. 288.124, F.S.

²⁰ s. 288.017, F.S.

²¹ s. 288.017(2), F.S.

²² OPPAGA, Report No. 15-01, Florida Economic Development Program Evaluations-Year 2 (January 1, 2015) **STORAGE NAME**: h0009.RPC

Trust Funds

The State Economic Enhancement and Development Trust Fund²³

The trust fund was created for the purpose of infrastructure and job creation opportunities and for the following purposes or programs:

- Transportation facilities that meet a strategic and essential state interest with respect to the economic development of the state;
- Affordable housing programs and projects in accordance with chapter 420, F.S.;
- Economic development incentives for job creation and capital investment;
- Workforce training associated with locating a new business or expanding an existing business; and
- Tourism promotion and marketing services, functions, and programs.

The trust fund receives documentary stamp tax proceeds as specified in law, local financial support funds, interest earnings, and cash advances from other trust funds. Funds are expended only pursuant to legislative appropriation or an approved amendment to DEO's operating budget pursuant to the provisions of chapter 216, F.S.

Tourism Promotional Trust Fund²⁴

Moneys deposited in the Tourism Promotional Trust Fund may only be used to support the authorized activities and operations and the tourism promotion and marketing activities, services, functions, and programs administered by EFI, through a contract with VISIT Florida. The Tourism Promotional Trust Fund receives 15.75% of the state's rental car surcharge tax.²⁵

Florida International Trade and Promotion Trust Fund²⁶

The Florida International Trade and Promotion Trust Fund is administered by DEO for the operation of EFI and for the operation of Florida international offices under s. 288.012, F.S. The Florida International Trade and Promotion Trust Fund receives 4.25% of the state's rental car surcharge tax.²⁷

Effect of Proposed Changes

Transfer to DEO

The bill makes VISIT Florida a direct-support organization of DEO and allows VISIT Florida to enter into an agreement with DEO to continue any existing program, activity, duty or function necessary for its operation.

The bill provides for DEO to assume EFI's responsibility for the Capitol Information Center.

²³ s. 288.1201, F.S.

²⁴ s. 288.122, F.S.

²⁵ s. 212.0606(3)(a), F.S.

²⁶ s. 288.826, F.S.

²⁷ s. 212.0606(3)(a), F.S. **STORAGE NAME**: h0009.RPC

The bill provides for DEO to assume EFI's management responsibilities for the welcome centers that are located on DOT property.

VISIT Florida

The bill amends s. 288.1226, F.S., to provide additional accountability for VISIT Florida by:

- Requiring VISIT Florida to comply with state procurement laws in chapter 287, F.S.
- Limiting travel and per diem expenses of VISIT Florida employees to those of state employees under s. 112.061, F.S.
- Limiting compensation of VISIT Florida employees to no more than \$130,000 (the Governor's salary for Fiscal Year 2016-17 is \$130,273), providing that benefits of employees may not exceed the level provided as of January 1, 2017, and prohibiting bonuses for employees unless authorized by law.
- Prohibiting VISIT Florida employees or board members from receiving food, beverages, lodging, entertainment or gifts paid for by VISIT Florida funds or funds from a local tourist or economic development agency receiving revenue from a tax imposed pursuant to ss. 125.0104, 125.0108, or 212.0305, F.S.
- Prohibiting lodging expenses for an employee of VISIT Florida in excess of \$150 per day, excluding taxes. However, an employee may expend his or her own funds for any lodging expenses in excess of \$150 per day.
- Requiring VISIT Florida contracts with any entity, including a local government, private, or nonprofit entity, that receives public funds from the state or from a tax imposed pursuant to ss. 125.0104, s. 125.0108, or s. 212.0305, F.S., to contain performance standards, operating budgets and salaries of employees of the contracting entity to increase transparency of VISIT Florida contracts and partnership agreements.
- Indicating VISIT Florida is a governmental entity as defined in s. 215.985, F.S., and therefore, is subject to the Transparency Florida Act.
- Requiring VISIT Florida to post all contracts on the Chief Financial Officer's transparency website under s. 215.985, F.S., to be easily accessible to the public at no cost.
- Requiring the Governor to approve all out-of-state and international travel.
- Requiring VISIT Florida to take all steps necessary to provide all data that is used to develop tourism estimates and measures, including the source data, to the Office of Economic and Demographic Research to enhance their ability to evaluate the impact of tourism advertising spending by the state.
- Removing the public records exemption for marketing projects and research.
- Prohibiting the corporation from creating or establishing any other entity, corporation, or direct support organization.
- Prohibiting expending funds, public or private, that directly or indirectly, benefit only one company, corporation or business entity.
- Limiting the type of contributions that may be included in the calculation of the one-to-one match to direct cash contributions from private sources and fees for services.
- Specifying that, for the purpose of calculating the one-to-one match, contributions from the following entities are not considered private contributions:
 - o a government entity, or
 - o any entity that received more than 50% of its revenue in the previous fiscal year from public sources.

STORAGE NAME: h0009.RPC

• Requiring VISIT to revert all unmatched contributions to the state treasury by June 30 of each fiscal year.

The bill amends s. 288.1226, F.S., to provide additional oversight of VISIT Florida by:

- Requiring VISIT Florida to place proposed contracts worth \$750,000 or more on 14-day legislative notice and review under s. 216.177, F.S. Upon objection by the chair or vice chair of the LBC or Speaker or Senate President, VISIT Florida would be prohibited from executing the contract.
 - VISIT Florida may not enter into multiple related contracts to avoid the \$750,000 threshold requirement.
- Requiring 25 percent of the operating budget appropriated in the General Appropriations Act for VISIT Florida to be released on July 1st, with the remainder released in accordance with a detailed operating budget submitted to the LBC each year by August 15th, if approved.
- Requiring Senate confirmation of the VISIT Florida President/CEO.

Trust Funds

The bill repeals and terminates the following trust funds:

- The State Economic Enhancement and Development Trust Fund (s. 288.1201, F.S.)
- Tourism Promotional Trust Fund (s. 288.122, F.S.)
- The Florida International Trade and Promotion Trust Fund (s. 288.826, F.S.)

The bill provides that all current balances remaining in, and all revenues of, the trust funds shall be transferred to the General Revenue Fund

The bill provides that DEO shall pay any outstanding debts and obligations of the terminated funds as soon as practicable, and the Chief Financial Officer shall close out and remove the terminated funds from various state accounting systems using generally accepted accounting principles concerning warrants outstanding, assets, and liabilities.

The portion of the rental car surcharge tax formerly deposited in the Florida International Trade and Promotion Trust Fund and the portion of the rental car surcharge tax formerly deposited in the Tourism Promotional Trust Fund are redirected to general revenue. The portion of the documentary stamp tax proceeds formerly deposited in the State Economic Enhancement and Development Trust Fund are redirected to general revenue.

B. SECTION DIRECTORY:

Section	1	Amends	s.	11.45	Authority for Audits and Other Engagement
Section	2	Transfers			Authorizing the corporation to enter into an agreement with DEO for certain purposes and to use certain funds; providing legislative intent
Section	3	Amends	S.	201.15	Distribution of taxes collected
Section	4	Amends	s.	212.0606	Rental car surcharge
Section	5	Amends	s.	272.11	Capitol information center
Section	6	Amends	s.	288.0001	Economic development program evaluation
Section	7	Amends	s.	288.017	Cooperative advertising matching grants program

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Section	8	Repeals	S.	288.1201	State Economic Enhancement and Development Trust
					Fund
Section	9	Terminates			State Economic Enhancement and Development Trust
					Fund
Section	10	Repeals	S.	288.122	Tourism Promotional Trust Fund
Section	11	Terminates			Tourism Promotional Trust Fund
Section	12	Amends	S.	288.1226	Florida Tourism Industry Marketing Corporation; use of
					property; board of directors; duties; audit
Section	13	Amends	s.	288.12265	Welcome centers
Section	14	Amends	S.	288.124	Convention grants program
Section	15	Repeals	S.	288.826	Florida International Trade and Promotion Trust Fund
Section	16	Terminates			Florida International Trade and Promotion Trust Fund
					within DEO
Section	17	Amends	S.	288.904	Funding for Enterprise Florida, Inc.; performance and
					return on the public's investment.
Section	18	Amends	s.	288.92	Divisions of Enterprise Florida, Inc.
Section	19	Amends	S.	288.923	Division of Tourism Marketing; definitions; responsibilities.
Section	20	Provides			Effective Date

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

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:

None

D. FISCAL COMMENTS:

The bill has not been reviewed by the Revenue Estimating Conference. However, on February 10, 2017, the REC reviewed identical provisions in PCB CCS 17-01 (HB 7005) related to the termination of the SEED Trust Fund, the Tourism Promotional Trust Fund, and the Florida International Trade and Promotion Trust Fund. The REC determined the impact of these trust fund terminations and subsequent redirect of revenues to the General Revenue Fund would result in a negative recurring

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DATE: 2/28/2017

impact of \$186.6 million in state trust funds, and a corresponding positive general revenue impact of \$186.6 million.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

- Applicability of Municipality/County Mandates Provision:
 Not applicable. This bill does not appear to affect county or municipal governments.
- 2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

STORAGE NAME: h0009.RPC

DATE: 2/28/2017

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A bill to be entitled An act relating to the Florida Tourism Industry Marketing Corporation; amending s. 11.45, F.S.; authorizing the Auditor General to audit the corporation; authorizing the corporation to enter into an agreement with the Department of Economic Opportunity for certain purposes and to use certain funds; providing legislative intent; amending s. 201.15, F.S.; transferring certain funds to the General Revenue Fund; conforming provisions to changes made by the act; amending s. 212.0606, F.S.; depositing a certain percentage of the rental car surcharge in the General Revenue Fund; conforming provisions to changes made by the act; amending s. 272.11, F.S.; transferring responsibility for the Capitol information center from Enterprise Florida, Inc., to the department; amending s. 288.0001, F.S.; conforming cross-references; amending s. 288.017, F.S.; authorizing the department, rather than Enterprise Florida, Inc., to establish and operate a cooperative advertising matching grants program; authorizing the department to contract with VISIT Florida to administer such program; authorizing the department to conduct an annual competitive selection process for the award of program grants; removing a

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requirement that the department consider certain recommendations from Enterprise Florida, Inc., in evaluating program grant applications; repealing ss. 288.1201 and 288.122, F.S., relating to the State Economic Enhancement and Development Trust Fund and the Tourism Promotional Trust Fund, respectively; terminating such trust funds; transferring the balances and revenues of such terminated trust funds to the General Revenue Fund; requiring the department to pay outstanding debts and obligations of such terminated trust funds; requiring the Chief Financial Officer to close out and remove such terminated trust funds from state accounting systems; amending s. 288.1226, F.S.; providing that the corporation is a direct-support organization of the department, rather than Enterprise Florida, Inc.; revising the purposes for which the corporation is an agency; providing that the officers and members of the board of directors of the corporation are subject to certain provisions and are public officers or employees of an agency for a certain purpose; requiring the corporation to comply with certain per diem and travel expense provisions; providing corporation board members and officers with certain voting authority; requiring such officers and members to file a certain annual disclosure; requiring

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that such disclosure be placed on the corporation's website; authorizing reimbursement for per diem and travel expenses for corporation board members; requiring such expenses to be paid out of corporation funds; subjecting certain contracts to specified notice and review procedures; prohibiting the execution of certain contracts; limiting the amount of compensation paid to corporation officers, agents, and employees; limiting the value of certain benefits provided to corporation employees; prohibiting certain performance bonuses and severance pay; requiring the Governor to approve certain out-of-state or international travel; requiring the corporation to appoint its president and chief executive officer, subject to Senate confirmation; prohibiting the corporation from creating or establishing certain entities and expending certain funds that benefit only one entity; requiring a one-to-one match of private to public contributions to the corporation; providing private contribution categories to use when calculating such match; prohibiting certain contributions from being considered private contributions for purposes of such match; requiring the reversion of unmatched public contributions to the state treasury by a certain date annually; requiring a

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quarterly report to the department; requiring the corporation to provide certain data to the Office of Economic and Demographic Research; prohibiting the expenditure of corporation funds for certain purposes; prohibiting the acceptance or receipt of certain items or services from certain entities; removing a public records exemption; limiting certain expenses of corporation employees; providing an exception; specifying a procedure for the release of appropriated funds; providing that the corporation is a governmental entity and subject to the Transparency Florida Act; requiring the inclusion of specified information in certain corporation contracts and on the corporation's website; requiring specified functionality of the corporation's website; requiring marketing partners to provide annual reports containing specified financial data to the corporation; conforming provisions to changes made by the act; amending s. 288.12265, F.S.; transferring responsibility for administering and operating welcome centers from Enterprise Florida, Inc., to the department; amending s. 288.124, F.S.; authorizing VISIT Florida, rather than Enterprise Florida, Inc., to establish a convention grants program and guidelines governing the award of program grants and

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101 the administration of such program; repealing s. 102 288.826, F.S., relating to the Florida International 103 Trade and Promotion Trust Fund; terminating such trust 104 fund; transferring the balances and revenues of such 105 terminated trust fund to the General Revenue Fund; 106 requiring the department to pay outstanding debts and 107 obligations of such terminated trust fund; requiring the Chief Financial Officer to close out and remove 108 such terminated trust fund from state accounting 109 110 systems; amending s. 288.904, F.S.; conforming 111 provisions to changes made by the act; amending s. 112 288.92, F.S.; removing a requirement that Enterprise 113 Florida, Inc., include a division related to tourism 114 marketing; conforming provisions to changes made by 115 the act; amending s. 288.923, F.S.; terminating the 116 Division of Tourism Marketing created within Enterprise Florida, Inc.; transferring duties and 117 118 authority to contract with the corporation from Enterprise Florida, Inc., to the department; 119 120 conforming a provision to changes made by the act; 121 providing an effective date. 122 123 Be It Enacted by the Legislature of the State of Florida: 124 125 Section 1. Paragraph (x) is added to subsection (3) of

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126 section 11.45, Florida Statutes, to read:

Auditor General of:

corporation.

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- 11.45 Definitions; duties; authorities; reports; rules.-
- (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The
 Auditor General may, pursuant to his or her own authority, or at
 the direction of the Legislative Auditing Committee, conduct
 audits or other engagements as determined appropriate by the
- 133 (x) The Florida Tourism Industry Marketing Corporation.

 134 Section 2. (1) The Florida Tourism Industry Marketing

 135 Corporation may enter into an agreement with the Department of

 136 Economic Opportunity to continue any existing program, activity,

 137 duty, or function necessary for the operation of the
 - (2) Any funds held in trust which were donated to or earned by the Florida Tourism Industry Marketing Corporation may be used by the corporation for the original purposes for which the funds were received.
 - (3) It is the intent of the Legislature that the changes made by this act be accomplished with minimal disruption of services provided to the public and with minimal disruption to employees of any organization.
 - Section 3. Paragraphs (a), (c), and (d) of subsection (4) of section 201.15, Florida Statutes, are amended to read:
 - 201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be

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first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the payment of service charges or costs of collection and enforcement under this section. All taxes collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), are subject to the service charge imposed in s. 215.20(1). Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter and the service charge shall be available and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, 2017, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

(4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2) and

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deduction of the service charge imposed pursuant to s. 215.20(1), the remainder shall be distributed as follows:

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- (a) The lesser of 24.18442 percent of the remainder or \$541.75 million in each fiscal year shall be paid into the State Treasury to the credit of the State Transportation Trust Fund. Of such funds, \$75 million for each fiscal year shall be transferred to the General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. Notwithstanding any other law, the remaining amount credited to the State Transportation Trust Fund shall be used for:
- 1. Capital funding for the New Starts Transit Program, authorized by Title 49, U.S.C. s. 5309 and specified in s. 341.051, in the amount of 10 percent of the funds;
- 2. The Small County Outreach Program specified in s. 339.2818, in the amount of 10 percent of the funds;
- 3. The Strategic Intermodal System specified in ss. 339.61, 339.62, 339.63, and 339.64, in the amount of 75 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2.; and
- 4. The Transportation Regional Incentive Program specified in s. 339.2819, in the amount of 25 percent of the funds after deduction of the payments required pursuant to subparagraphs 1. and 2. The first \$60 million of the funds allocated pursuant to this subparagraph shall be allocated annually to the Florida

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Rail Enterprise for the purposes established in s. 341.303(5).

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- (c) Eleven and twenty-four hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$35 million shall be transferred annually, subject to any distribution required under subsection (5), to the General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. The remainder shall be used as follows:
- 1. Half of that amount shall be used for the purposes for which the State Housing Trust Fund was created and exists by law.
- 2. Half of that amount shall be paid into the State Treasury to the credit of the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law.
- (d) Twelve and ninety-three hundredths percent of the remainder in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund. Of such funds, the first \$40 million shall be transferred annually, subject to any distribution required under subsection (5), to the General Revenue Fund State Economic Enhancement and Development Trust Fund within the Department of Economic Opportunity. The remainder shall be used as follows:
 - 1. Twelve and one-half percent of that amount shall be

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deposited into the State Housing Trust Fund and expended by the Department of Economic Opportunity and the Florida Housing Finance Corporation for the purposes for which the State Housing Trust Fund was created and exists by law.

2. Eighty-seven and one-half percent of that amount shall be distributed to the Local Government Housing Trust Fund and used for the purposes for which the Local Government Housing Trust Fund was created and exists by law. Funds from this category may also be used to provide for state and local services to assist the homeless.

Section 4. Paragraph (a) of subsection (3) of section 212.0606, Florida Statutes, is amended to read:

212.0606 Rental car surcharge.-

(3)(a) Notwithstanding s. 212.20, and less the costs of administration, 80 percent of the proceeds of this surcharge shall be deposited in the State Transportation Trust Fund, 15.75 percent of the proceeds of this surcharge shall be deposited in the Tourism Promotional Trust Fund created in s. 288.122, and 20 4.25 percent of the proceeds of this surcharge shall be deposited in the General Revenue Fund Florida International Trust Fund. For the purposes of this subsection, "proceeds" of the surcharge means all funds collected and received by the department under this section, including interest and penalties on delinquent surcharges. The department shall provide the Department of Transportation rental

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car surcharge revenue information for the previous state fiscal year by September 1 of each year.

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Section 5. Section 272.11, Florida Statutes, is amended to read:

272.11 Capitol information center.—The Department of Economic Opportunity Enterprise Florida, Inc., shall establish, maintain, and operate a Capitol information center somewhere within the area of the Capitol Center and employ personnel or enter into contracts to maintain same.

Section 6. Paragraphs (b) and (c) of subsection (2) of section 288.0001, Florida Statutes, are amended to read:

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

- (2) The Office of Economic and Demographic Research and OPPAGA shall provide a detailed analysis of economic development programs as provided in the following schedule:
- (b) By January 1, 2015, and every 3 years thereafter, an analysis of the following:
- 1. The entertainment industry financial incentive program established under s. 288.1254.

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2. The entertainment industry sales tax exemption program established under s. 288.1258.

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- 3. VISIT Florida and its programs established or funded under ss. 288.122, 288.1226, 288.12265, and 288.124.
- 4. The Florida Sports Foundation and related programs established under ss. 288.1162, 288.11621, 288.1166, 288.1167, 288.1168, 288.1169, and 288.1171.
- (c) By January 1, 2016, and every 3 years thereafter, an analysis of the following:
- 1. The qualified defense contractor and space flight business tax refund program established under s. 288.1045.
- 2. The tax exemption for semiconductor, defense, or space technology sales established under s. 212.08(5)(j).
- 3. The Military Base Protection Program established under s. 288.980.
- 4. The Manufacturing and Spaceport Investment Incentive Program formerly established under s. 288.1083.
- 5. The Quick Response Training Program established under s. 288.047.
- 6. The Incumbent Worker Training Program established under s. 445.003.
- 7. International trade and business development programs established or funded under s. 288.826.
- Section 7. Subsections (1) and (3) of section 288.017, Florida Statutes, are amended to read:

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288.017 Cooperative advertising matching grants program.-

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(1) The department Enterprise Florida, Inc., is authorized to establish a cooperative advertising matching grants program and, pursuant thereto, to make expenditures and enter into contracts with local governments and nonprofit corporations for the purpose of publicizing the tourism advantages of the state. The department, based on recommendations from Enterprise Florida, Inc., shall have final approval of grants awarded

through this program. The department Enterprise Florida, Inc., may contract with VISIT Florida its direct-support organization

(3) The department Enterprise Florida, Inc., shall conduct an annual competitive selection process for the award of grants under the program. In determining its recommendations for the grant awards, the department commission shall consider the demonstrated need of the applicant for advertising assistance, the feasibility and projected benefit of the applicant's proposal, the amount of nonstate funds that will be leveraged, and such other criteria as the department commission deems appropriate. In evaluating grant applications, the department shall consider recommendations from Enterprise Florida, Inc. The department, however, has final approval authority for any grant

Section 8. <u>Section 288.1201, Florida Statutes, is</u> repealed.

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CODING: Words stricken are deletions; words underlined are additions.

to administer the program.

under this section.

326	Section 9. (1) The State Economic Enhancement and
327	Development Trust Fund, FLAIR number 40-2-041, within the
328	Department of Economic Opportunity is terminated.
329	(2) All current balances remaining in, and all revenues
330	of, the trust fund shall be transferred to the General Revenue
331	Fund.
332	(3) The Department of Economic Opportunity shall pay any
333	outstanding debts and obligations of the terminated fund as soon
334	as practicable, and the Chief Financial Officer shall close out
335	and remove the terminated fund from various state accounting
336	systems using generally accepted accounting principles
337	concerning warrants outstanding, assets, and liabilities.
338	Section 10. Section 288.122, Florida Statutes, is
339	repealed.
340	Section 11. (1) The Tourism Promotional Trust Fund, FLAIR
341	number 40-2-722, within the Department of Economic Opportunity
342	is terminated.
343	(2) All current balances remaining in, and all revenues
344	of, the trust fund shall be transferred to the General Revenue
345	Fund.
346	(3) The Department of Economic Opportunity shall pay any
347	outstanding debts and obligations of the terminated fund as soon
348	as practicable, and the Chief Financial Officer shall close out
349	and remove the terminated fund from various state accounting
350	systems using generally accepted accounting principles

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concerning warrants outstanding, assets, and liabilities.

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Section 12. Section 288.1226, Florida Statutes, is amended to read:

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

- (1) DEFINITIONS.—For the purposes of this section, the term "corporation" means the Florida Tourism Industry Marketing Corporation.
- (2) ESTABLISHMENT.—The Florida Tourism Industry Marketing Corporation is a direct-support organization of the Department of Economic Opportunity Enterprise Florida, Inc.
- (a) The Florida Tourism Industry Marketing Corporation is a corporation not for profit, as defined in s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, that is incorporated under the provisions of chapter 617 and approved by the Department of State.
- (b) The corporation is organized and operated exclusively to request, receive, hold, invest, and administer property and to manage and make expenditures for the operation of the activities, services, functions, and programs of this state which relate to the statewide, national, and international promotion and marketing of tourism.
- (c) $\underline{1}$. The corporation is not an agency for the purposes of chapters 120 $\underline{\text{and}}_{7}$ 216, $\underline{\text{and}}$ 287; ss. 255.21, 255.25, and 255.254, relating to leasing of buildings; ss. 283.33 and 283.35,

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relating to bids for printing; s. 215.31; and parts I, II, and 376 377 IV-VIII of chapter 112. However, the corporation shall comply with the per diem and travel expense provisions of s. 112.061. 378 379 2.a. The corporation is an agency for purposes of chapter 380 287. 381 The officers and members of the board of directors of 382 the corporation are subject to ss. 112.313(1)-(8), (10), (12), 383 and (15); 112.3135; and 112.3143(2). 384 c. For purposes of ss. 112.313(1)-(8), (10), (12), and 385 (15); 112.3135; and 112.3143(2), the officers or members of the 386 board of directors of the corporation are public officers or 387 employees of an agency, respectively, and the corporation is an 388 agency. 389 3. It is not a violation of s. 112.3143(2) or (4) for the 390 officers or members of the board of directors of the corporation 391 to: 392 a. Vote on the 4-year marketing plan required under s. 393 288.923 or vote on any individual component of or amendment to 394 the plan. 395 b. Participate in the establishment or calculation of 396 payments related to the private match requirements of subsection 397 (6). The officer or member must file an annual disclosure 398 describing the nature of his or her interests or the interests

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of his or her principals, including corporate parents and subsidiaries of his or her principal, in the private match

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requirements. This annual disclosure requirement satisfies the disclosure requirement of s. 112.3143(4). This disclosure must be placed on the corporation's website or included in the minutes of each meeting of the corporation's board of directors at which the private match requirements are discussed or voted upon.

- (d) The corporation is subject to the provisions of chapter 119, relating to public meetings, and those provisions of chapter 286 relating to public meetings and records.
- (3) USE OF PROPERTY.—The Department of Economic Opportunity Enterprise Florida, Inc.:

- (a) Is authorized to permit the use of property and facilities of the department Enterprise Florida, Inc., by the corporation, subject to the provisions of this section.
- (b) Shall prescribe conditions with which the corporation must comply in order to use property and facilities of the department Enterprise Florida, Inc. Such conditions shall provide for budget and audit review and for oversight by the department Enterprise Florida, Inc.
- (c) May not permit the use of property and facilities of the department Enterprise Florida, Inc., if the corporation does not provide equal employment opportunities to all persons, regardless of race, color, national origin, sex, age, or religion.
 - (4) BOARD OF DIRECTORS.—The board of directors of the

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corporation shall be composed of 31 tourism-industry-related members, appointed by the corporation Enterprise Florida, Inc., in conjunction with the department. Board members shall serve without compensation, but are entitled to receive reimbursement for per diem and travel expenses pursuant to s. 112.061. Such expenses must be paid out of funds of the corporation.

- (a) The board shall consist of 16 members, appointed in such a manner as to equitably represent all geographic areas of the state, with no fewer than two members from any of the following regions:
- 1. Region 1, composed of Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties.
- 2. Region 2, composed of Alachua, Baker, Bradford, Clay, Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Lafayette, Levy, Madison, Marion, Nassau, Putnam, St. Johns, Suwannee, Taylor, and Union Counties.
- 3. Region 3, composed of Brevard, Indian River, Lake, Okeechobee, Orange, Osceola, St. Lucie, Seminole, Sumter, and Volusia Counties.
- 4. Region 4, composed of Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties.
- 5. Region 5, composed of Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, and Lee Counties.
 - 6. Region 6, composed of Broward, Martin, Miami-Dade,

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451 Monroe, and Palm Beach Counties.

- (b) The 15 additional tourism-industry-related members shall include 1 representative from the statewide rental car industry; 7 representatives from tourist-related statewide associations, including those that represent hotels, campgrounds, county destination marketing organizations, museums, restaurants, retail, and attractions; 3 representatives from county destination marketing organizations; 1 representative from the cruise industry; 1 representative from an automobile and travel services membership organization that has at least 2.8 million members in Florida; 1 representative from the airline industry; and 1 representative from the space tourism industry, who will each serve for a term of 2 years.
- (5) POWERS AND DUTIES.—The corporation, in the performance of its duties:
- (a) May make and enter into contracts and assume such other functions as are necessary to carry out the provisions of the 4-year marketing plan required by s. 288.923, and the corporation's contract with the department that Enterprise Florida, Inc., which are not inconsistent with this or any other provision of law. A proposed contract with a total cost of \$750,000 or more is subject to the notice and review procedures of s. 216.177. If the chair or vice chair of the Legislative Budget Commission, the President of the Senate, or the Speaker of the House of Representatives timely advises the corporation

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in writing that such proposed contract is contrary to legislative policy and intent, the corporation may not execute such proposed contract. The corporation may not enter into multiple related contracts to avoid the requirements of this paragraph.

- (b) May develop a program to provide incentives and to attract and recognize those entities which make significant financial and promotional contributions towards the expanded tourism promotion activities of the corporation.
- (c) May establish a cooperative marketing program with other public and private entities which allows the use of the VISIT Florida logo in tourism promotion campaigns which meet the standards of the department Enterprise Florida, Inc., for which the corporation may charge a reasonable fee.
- (d) May sue and be sued and appear and defend in all actions and proceedings in its corporate name to the same extent as a natural person.
- (e) May adopt, use, and alter a common corporate seal. However, such seal must always contain the words "corporation not for profit."
- (f) Shall elect or appoint such officers and agents as its affairs shall require and allow them reasonable compensation.

 However, each officer or agent, including the president and chief executive officer of the corporation, may not receive compensation, public or private, that exceeds \$130,000 per year.

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Shall hire and establish salaries and personnel and employee benefit programs for such permanent and temporary employees as are necessary to carry out the provisions of the 4year marketing plan and the corporation's contract with the department that Enterprise Florida, Inc., which are not inconsistent with this or any other provision of law. However, an employee may not receive compensation, public or private, that exceeds \$130,000 per year. Any retirement, life insurance, or health insurance benefits provided to employees of the corporation may not exceed the value of such benefits provided to employees of the corporation as of January 1, 2017. Any public or private payments of performance bonuses or severance pay to employees of the corporation are prohibited unless specifically authorized by law. The Governor shall review and approve or deny requests for out-of-state or international travel by employees and board members of the corporation and individuals whose travel will be paid for by the corporation, regardless of the source of the funds used for such travel.

(h) Shall appoint a president and chief executive officer of the corporation who shall serve subject to confirmation by the Senate provide staff support to the Division of Tourism Promotion of Enterprise Florida, Inc. The president and chief executive officer of the Florida Tourism Industry Marketing Corporation shall serve without compensation as the director of the division.

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(i) May adopt, change, amend, and repeal bylaws, not inconsistent with law or its articles of incorporation, for the administration of the provisions of the 4-year marketing plan and the corporation's contract with the department Enterprise Florida, Inc.

- (j) May conduct its affairs, carry on its operations, and have offices and exercise the powers granted by this act in any state, territory, district, or possession of the United States or any foreign country. When Where feasible, appropriate, and recommended by the 4-year marketing plan developed by the Division of Tourism Promotion of Enterprise Florida, Inc., the corporation may collocate the programs of foreign tourism offices in cooperation with any foreign office operated by any agency of this state.
- (k) May appear on its own behalf before boards, commissions, departments, or other agencies of municipal, county, state, or federal government.
- (1) May request or accept any grant, payment, or gift, of funds or property made by this state or by the United States or any department or agency thereof or by any individual, firm, corporation, municipality, county, or organization for any or all of the purposes of the 4-year marketing plan and the corporation's contract with the department Enterprise Florida, Inc., that are not inconsistent with this or any other provision of law. Such funds shall be deposited in a bank account

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established by the corporation's board of directors. The corporation may expend such funds in accordance with the terms and conditions of any such grant, payment, or gift, in the pursuit of its administration or in support of the programs it administers. The corporation shall separately account for the public funds and the private funds deposited into the corporation's bank account.

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- (m) Shall establish a plan for participation in the corporation which will provide additional funding for the administration and duties of the corporation.
- (n) In the performance of its duties, may undertake, or contract for, marketing projects and advertising research projects.
- (o) In addition to any indemnification available under chapter 617, the corporation may indemnify, and purchase and maintain insurance on behalf of, directors, officers, and employees of the corporation against any personal liability or accountability by reason of actions taken while acting within the scope of their authority.
- (p) Shall not create or establish any other entity, corporation, or direct-support organization.
- (q) Shall not expend funds, public or private, that directly or indirectly benefit only one company, corporation, or business entity.
 - (6) MATCHING REQUIREMENTS.-

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(a) A one-to-one match is required of private to public contributions to the corporation. Public contributions include all state appropriations to the corporation.

- (b) For purposes of calculating the required one-to-one match, the corporation shall receive matching private contributions and assign such contributions to one of two private match categories. The corporation shall maintain documentation of such categorized contributions on file and make such documentation available for inspection upon reasonable notice during its regular business hours. Contribution details shall be included in the quarterly reports required under subsection (8). The private match categories are:
- 1. Direct cash contributions from private sources, which include, but are not limited to, cash derived from strategic alliances, contributions of stocks and bonds, and partnership contributions.
- 2. Fees for services, which include, but are not limited to, event participation, research, and brochure placement and transparencies.

Contributions from a government entity or from an entity that received more than 50 percent of its revenue in the previous fiscal year from public sources, including revenue derived from taxes, fees, or other government revenues, are not considered private contributions for purposes of calculating the required

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one-to-one match.

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(c) If the corporation fails to meet the one-to-one match requirements of this subsection, the corporation shall revert all unmatched public contributions to the state treasury by June 30 of each fiscal year.

(7) (6) ANNUAL AUDIT.—The corporation shall provide for an annual financial audit in accordance with s. 215.981. The annual audit report shall be submitted to the Auditor General; the Office of Program Policy Analysis and Government Accountability; Enterprise Florida, Inc.; and the department for review. The Office of Program Policy Analysis and Government Accountability; Enterprise Florida, Inc.; the department; and the Auditor General have the authority to require and receive from the corporation or from its independent auditor any detail or supplemental data relative to the operation of the corporation. The department shall annually certify whether the corporation is operating in a manner and achieving the objectives that are consistent with the policies and goals of the department Enterprise Florida, Inc., and its long-range marketing plan. The identity of a donor or prospective donor to the corporation who desires to remain anonymous and all information identifying such donor or prospective donor are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such anonymity shall be maintained in the auditor's report.

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(8) (7) REPORT.—The corporation shall provide a quarterly report to the department Enterprise Florida, Inc., which shall:

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- (a) Measure the current vitality of the visitor industry of this state as compared to the vitality of such industry for the year to date and for comparable quarters of past years. Indicators of vitality shall be determined by the department Enterprise Florida, Inc., and shall include, but not be limited to, estimated visitor count and party size, length of stay, average expenditure per party, and visitor origin and destination.
- (b) Provide detailed, unaudited financial statements of sources and uses of public and private funds.
- (c) Measure progress towards annual goals and objectives set forth in the 4-year marketing plan.
 - (d) Review all pertinent research findings.
- (e) Provide other measures of accountability as requested by the department Enterprise Florida, Inc.

The corporation must take all steps necessary to provide all data that is used to develop the report, including source data, to the Office of Economic and Demographic Research.

(9) (8) PROHIBITIONS; CORPORATE FUNDS; GIFTS.—
Notwithstanding per diem and travel expenses authorized pursuant
s. 112.061, funds of the corporation may not be expended for
food, beverages, lodging, entertainment, or gifts for employees

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of the corporation, board members of the corporation, or employees of a tourist or economic development entity that receives revenue from a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305. An employee or board member of the corporation may not accept or receive food, beverages, lodging, entertainment, or gifts from a tourist or economic development entity that receives revenue from a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305 PUBLIC RECORDS EXEMPTION. The identity of any person who responds to a marketing project or advertising research project conducted by the corporation in the performance of its duties on behalf of Enterprise Florida, Inc., or trade secrets as defined by s. 812.081 obtained pursuant to such activities, are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This subsection is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2021, unless reviewed and saved from repeal through reenactment by the Legislature. (10) (9) LODGING EXPENSES.—Lodging expenses for an employee of the corporation may not exceed \$150 per day, excluding taxes. However, an employee of the corporation may expend his or her own funds for any lodging expenses in excess of \$150 per day. RELEASE OF APPROPRIATIONS.—Notwithstanding s. (11)216.192, and in accordance with s. 216.351, the annual plan for release of appropriations for the Department of Economic

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Opportunity shall be quarterly. On July 1 of each fiscal year, 25 percent of the original operating budget of the corporation shall be released. The balance of the appropriation shall be held in reserve. By August 15 of each fiscal year, the Department of Economic Opportunity shall submit a proposed operating budget for the corporation including amounts to be expended on advertising, events, other operating capital outlay, and salaries and benefits for each employee to the Legislative Budget Commission. Upon approval of the plan by the Legislative Budget Commission, the remainder of the operating budget for the corporation shall be released pursuant to this subsection.

(12) TRANSPARENCY.-

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- The corporation is a governmental entity as defined in (a) s. 215.985 and, therefore, is subject to the Transparency Florida Act.
- (b) A contract entered into between the corporation and any other entity, including a local government, private, or nonprofit entity, that receives public funds from the state or from a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305 shall include:
 - 1. The purpose of the contract.
- 2. Specific performance standards and responsibilities for each entity.
 - 3. A detailed project or contract budget, if applicable.
 - 4. The value of any services provided.

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	5.	The	sala	rie	s of	all	emp	oloy	ees	and	board	member	s of	the
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such	emp	loye	es_ar	nd b	oar <u>d</u>	mem	bers	<u>.</u>						

- (c)1. If a marketing partner receives public funds from the state or from a tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 212.0305, the marketing partner shall annually report all public and private financial data to the corporation.
 - 2. The financial data shall include:
- a. The total amount of revenue received from public and private sources.
 - b. The operating budget.

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- c. Employee and board member salary and benefit details.
- d. An itemized account of all funds spent by a third party on behalf of the corporation or a board member or an employee of the corporation.
 - e. Itemized travel and entertainment expenditures.
- (d) The following information must be posted on the corporation's website:
- 1. A plain language version of each proposed and executed contract exceeding \$35,000 with a private entity, municipality, city, town, or vendor of services, supplies, or programs, including marketing, or for the purchase or lease or use of lands, facilities, or properties.
- 2. Any agreement entered into between the corporation and any other entity, including a local government, private entity,

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726 or nonprofit entity, that receives public funds or funds from a 727 tax imposed pursuant to s. 125.0104, s. 125.0108, or s. 728 212.0305. 729 3. Video recordings of each board meeting. 730 4. A detailed report of expenditures following each 731 marketing event paid for with the corporation's funds. Such 732 report must be posted within 10 business days after the event. 733 5. An annual itemized accounting of the total amount of 734 funds spent by any third party on behalf of the corporation or 735 any board member or employee of the corporation. 736 6. An annual itemized accounting of the total amount of 737 travel and entertainment expenditures by the corporation. 738 (e) The corporation's website must: 739 1. Allow users to navigate to related sites to view 740 supporting details. 741 2. Enable a taxpayer to email questions to the corporation 742 and make such questions and the corporation's responses publicly 743 viewable. 744 (13) REPEAL.—This section is repealed October 1, 2019, 7451 unless reviewed and saved from repeal by the Legislature. 746 Section 13. Section 288.12265, Florida Statutes, is 747 amended to read: 748 288.12265 Welcome centers.-

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the Department of Economic Opportunity Enterprise Florida, Inc.,

(1) Responsibility for the welcome centers is assigned to

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which shall contract with the Florida Tourism Industry Marketing Corporation to employ all welcome center staff.

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Florida, Inc., shall administer and operate the welcome centers. Pursuant to a contract with the Department of Transportation, the Department of Economic Opportunity Enterprise Florida, Inc., shall be responsible for routine repair, replacement, or improvement and the day-to-day management of interior areas occupied by the welcome centers. All other repairs, replacements, or improvements to the welcome centers shall be the responsibility of the Department of Transportation. The Department of Economic Opportunity Enterprise Florida, Inc., may contract with the Florida Tourism Industry Marketing Corporation for the management and operation of the welcome centers.

Section 14. Section 288.124, Florida Statutes, is amended to read:

288.124 Convention grants program.—VISIT Florida
Enterprise Florida, Inc., is authorized to establish a
convention grants program and, pursuant to that program, to
recommend to the department expenditures and contracts with
local governments and nonprofit corporations or organizations
for the purpose of attracting national conferences and
conventions to Florida. Preference shall be given to local
governments and nonprofit corporations or organizations seeking
to attract minority conventions to Florida. Minority conventions

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are events that primarily involve minority persons, as defined in s. 288.703, who are residents or nonresidents of the state.

VISIT Florida Enterprise Florida, Inc., shall establish guidelines governing the award of grants and the administration of this program. The department has final approval authority for any grants under this section. The total annual allocation of funds for this program shall not exceed \$40,000.

Section 15. <u>Section 288.826, Florida Statutes, is</u> repealed.

Section 16. (1) The Florida International Trade and Promotion Trust Fund, FLAIR number 40-2-338, within the Department of Economic Opportunity is terminated.

- (2) All current balances remaining in, and all revenues of, the trust fund shall be transferred to the General Revenue Fund.
- (3) The Department of Economic Opportunity shall pay any outstanding debts and obligations of the terminated trust fund as soon as practicable, and the Chief Financial Officer shall close out and remove the terminated trust fund from various state accounting systems using generally accepted accounting principles concerning warrants outstanding, assets, and liabilities.

Section 17. Subsection (3) of section 288.904, Florida Statutes, is amended to read:

288.904 Funding for Enterprise Florida, Inc.; performance

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and return on the public's investment.-

(3) (a) Specifically for the marketing and advertising activities of the Division of Tourism Marketing or as contracted through the Florida Tourism Industry Corporation, a one-to-one match is required of private to public contributions within 4 calendar years after the implementation date of the marketing plan pursuant to s. 288.923.

(b) For purposes of calculating the required one-to-one match, matching private funds shall be divided into four categories. Documentation for the components of the four private match categories shall be kept on file for inspection as determined necessary. The four private match categories are:

1. Direct cash contributions, which include, but are not limited to, cash derived from strategic alliances, contributions of stocks and bonds, and partnership contributions.

2. Fees for services, which include, but are not limited to, event participation, research, and brochure placement and transparencies.

3. Cooperative advertising, which is the value based on cost of contributed productions, air time, and print space.

4. In-kind contributions, which include, but are not limited to, the value of strategic alliance services contributed, the value of loaned employees, discounted service fees, items contributed for use in promotions, and radio or television air time or print space for promotions. The value of

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air time or print space shall be calculated by taking the actual 826 827 time or space and multiplying by the nonnegotiated unit price 828 for that specific time or space which is known as the media 829 equivalency value. In order to avoid duplication in determining 830 media equivalency value, only the value of the promotion itself shall be included; the value of the items contributed for the 831 832 promotion may not be included. 833 Section 18. Subsection (1) and paragraph (b) of subsection 834 (2) of section 288.92, Florida Statutes, are amended to read: 288.92 Divisions of Enterprise Florida, Inc.-835 836 Enterprise Florida, Inc., may create and dissolve 837 divisions as necessary to carry out its mission. Each division 838 shall have distinct responsibilities and complementary missions. 839 At a minimum, Enterprise Florida, Inc., shall have divisions 840 related to the following areas: 841 (a) International Trade and Business Development; 842 (b) Business Retention and Recruitment; 843 (c) Tourism Marketing; 844 (c) (d) Minority Business Development; and 845 (d) (e) Sports Industry Development. (2)846 847 The following officers and board members are subject 848 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and 112.3143(2): 849 850 a. Officers and members of the board of directors of the

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851 divisions of Enterprise Florida, Inc.

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- b. Officers and members of the board of directors of subsidiaries of Enterprise Florida, Inc.
- c. Officers and members of the board of directors of corporations created to carry out the missions of Enterprise Florida, Inc.
- d. Officers and members of the board of directors of corporations with which a division is required by law to contract to carry out its missions.
- 2. For purposes of applying ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and 112.3143(2) to activities of the officers and members of the board of directors specified in subparagraph 1., those persons shall be considered public officers or employees and the corporation shall be considered their agency.
- 3. It is not a violation of s. 112.3143(2) or (4) for the officers or members of the board of directors of the Florida Tourism Industry Marketing Corporation to:
- a. Vote on the 4-year marketing plan required under s. 288.923 or vote on any individual component of or amendment to the plan.
- b. Participate in the establishment or calculation of payments related to the private match requirements of s. 288.904(3). The officer or member must file an annual disclosure describing the nature of his or her interests or the interests

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of his or her principals, including corporate parents and subsidiaries of his or her principal, in the private match requirements. This annual disclosure requirement satisfies the disclosure requirement of s. 112.3143(4). This disclosure must be placed either on the Florida Tourism Industry Marketing Corporation's website or included in the minutes of each meeting of the Florida Tourism Industry Marketing Corporation's board of directors at which the private match requirements are discussed or voted upon.

Section 19. Section 288.923, Florida Statutes, is amended to read:

288.923 Division of Tourism marketing; definitions; responsibilities.—

- (1) There is created within Enterprise Florida, Inc., the Division of Tourism Marketing.
 - $\frac{(2)}{(2)}$ As used in this section, the term:

- (a) "Tourism marketing" means any effort exercised to attract domestic and international visitors from outside the state to destinations in this state and to stimulate Florida resident tourism to areas within the state.
- (b) "Tourist" means any person who participates in trade or recreation activities outside the county of his or her permanent residence or who rents or leases transient living quarters or accommodations as described in s. 125.0104(3)(a).
 - (c) "County destination marketing organization" means a

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public or private agency that is funded by local option tourist development tax revenues under s. 125.0104, or local option convention development tax revenues under s. 212.0305, and is officially designated by a county commission to market and promote the area for tourism or convention business or, in any county that has not levied such taxes, a public or private agency that is officially designated by the county commission to market and promote the area for tourism or convention business.

(d) "Direct-support organization" means the Florida Tourism Industry Marketing Corporation.

- The Department of Economic Opportunity Enterprise
 Florida, Inc., shall contract with the Florida Tourism Industry
 Marketing Corporation, a direct-support organization established
 in s. 288.1226, to execute tourism promotion and marketing
 services, functions, and programs for the state, including, but
 not limited to, the activities prescribed by the 4-year
 marketing plan. The division shall assist to maintain and
 implement the contract.
- (3)(4) The <u>department's</u> division's responsibilities and duties include, but are not limited to:
- (a) Maintaining and implementing the contract with the Florida Tourism Industry Marketing Corporation.
- (b) Ensuring that the corporation develops Advising the department and Enterprise Florida, Inc., on development of domestic and international tourism marketing campaigns featuring

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- (c) Developing, in collaboration with the corporation, a 4-year marketing plan.
- 1. At a minimum, the marketing plan shall discuss the following:
 - a. Continuation of overall tourism growth in this state.
 - b. Expansion to new or under-represented tourist markets.
 - c. Maintenance of traditional and loyal tourist markets.
- d. Coordination of efforts with county destination marketing organizations, other local government marketing groups, privately owned attractions and destinations, and other private sector partners to create a seamless, four-season advertising campaign for the state and its regions.
- e. Development of innovative techniques or promotions to build repeat visitation by targeted segments of the tourist population.
- f. Consideration of innovative sources of state funding for tourism marketing.
 - g. Promotion of nature-based tourism and heritage tourism.
- h. Development of a component to address emergency response to natural and manmade disasters from a marketing standpoint.
- 2. The plan shall be annual in construction and ongoing in nature. Any annual revisions of the plan shall carry forward the concepts of the remaining 3-year portion of the plan and

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consider a continuum portion to preserve the 4-year timeframe of the plan. The plan also shall include recommendations for specific performance standards and measurable outcomes for the division and direct-support organization. The department, in consultation with the board of directors of Enterprise Florida, Inc., shall base the actual performance metrics on these recommendations.

- 3. The 4-year marketing plan shall be developed in collaboration with the Florida Tourism Industry Marketing Corporation. The plan shall be annually reviewed and approved by the department board of directors of Enterprise Florida, Inc.
- (d) Drafting and submitting an annual report required by s. 288.92. The annual report shall set forth for the department division and the direct-support organization:
- 1. Operations and accomplishments during the fiscal year, including the economic benefit of the state's investment and effectiveness of the marketing plan.
- 2. The 4-year marketing plan, including recommendations on methods for implementing and funding the plan.
- 3. The assets and liabilities of the direct-support organization at the end of its most recent fiscal year.
- 4. A copy of the annual financial and compliance audit conducted under s. 288.1226(7) 288.1226(6).
- (5) Notwithstanding s. 288.92, the division shall be staffed by the Florida Tourism Industry Marketing Corporation.

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Such staff shall not be considered to be employees of the division and shall remain employees of the Florida Tourism

Industry Marketing Corporation. Section 288.905 does not apply to the Florida Tourism Industry Marketing Corporation.

(4)(6) This section is repealed October 1, 2019, unless reviewed and saved from repeal by the Legislature.

Section 20. This act shall take effect July 1, 2017.

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The Rules & Policy Committee proposes the following amendments to House Rule 5.14, and recommends that the House adopt the same:

House Rule 5.14 shall be amended as follows:

5.14—Appropriations Project Bills

- (a) (1) For purposes of these rules, the term "appropriations project" means a specific appropriation, proviso, or item on a conference committee spreadsheet agreed to by House and Senate conferees providing funding for:
- a. A local government, private entity, or privately operated program, wherein the specific appropriation, proviso, or item on a conference committee spreadsheet specifically names the local government, private entity, or privately operated program or the appropriation, proviso, or item is written in such a manner as to describe a particular local government, private entity, or privately operated program;
- b. A specific transportation facility that was not part of the Department of Transportation's 5-year work program submitted pursuant to s. 339.135, Florida Statutes;
- c. An education fixed capital outlay project that was not submitted pursuant to s. 1013.60 or s. 1013.64, Florida Statutes, unless funds for the specific project were appropriated by the Legislature in a prior year and additional funds are needed to complete the project as originally proposed;
- d. A specified program, research initiative, institute, center, or similar entity at a specific state college or university, unless recommended by the Board of Governors or the State Board of Education in their Legislative Budget Request; or
 - e. A local water project.
 - (2) The term does not include an appropriation that:

- a. Is specifically authorized by statute;
- b. Is part of a statewide distribution to local governments; or
- c. Was recommended by a commission, council, or other similar entity created in statute to make annual funding recommendations, provided that such appropriation does not exceed the amount of funding recommended by the commission, council, or other similar entity.
- (b) For purposes of these rules, the term "appropriations project bill" means a bill proposing funding for an appropriations project, which must be filed as a stand-alone bill and must be submitted to the House Bill Drafting Service in the form prescribed by the Speaker. Before an appropriations project bill may be filed, an appropriations project request form must be completed and electronically submitted in the form prescribed by the Speaker. An appropriations project bill may not be amended to include any additional appropriations project. An appropriations project bill may only request nonrecurring funds.
- (c) Except as provided in Joint Rule 2, a House bill is out of order if it funds an appropriations project that was not filed as an appropriations project bill that was reported favorably by a House committee or subcommittee.
- (d) A Senate bill in the form that will be presented to the Governor or a conference report is out of order if it funds an appropriations project that was not filed as an appropriations project bill.
- (d)(e) A Senate bill in the form that will be presented to the Governor, a House bill, or a conference report is out of order if a recurring appropriation is used to fund an appropriations project.
 - (e) (f) A Senate bill in the form that will be presented to

the Governor, a House bill, or a conference report is out of order if it funds an appropriations project that is not clearly identified.

(f)(g) The portion of an appropriations project which was funded with recurring funds in the fiscal year 2016-2017 General Appropriations Act as approved by the Governor and funded at the same or lesser amount in subsequent fiscal years is exempt from the requirements of subsections (c) and, (d), and (e). If recurring funding for an appropriations project is reduced in a conference report on the General Appropriations Act in any fiscal year, the appropriations project may receive no more than the reduced amount of recurring funding in any subsequent fiscal year. If in any year the recurring funds are eliminated in the conference report on the General Appropriations Act as approved by the Governor, the appropriations project may not receive any recurring funding in any subsequent fiscal year.

(h) No appropriations project that receives recurring funding may also receive nonrecurring funding. A House bill, a Senate bill in the form that will be presented to the Governor, or a conference report is out of order if it contains an appropriations project that receives recurring and nonrecurring funding.

MEMORANDUM

TO: Members of the Florida House of Representatives

FROM: Speaker Richard Corcoran

DATE: March 3, 2017

RE: Joint Rules Changes

In November we adopted sweeping rules changes to govern the Florida House. The rules were crafted to hold the House to the highest standards of accountability via unprecedented transparency. Our House rules created a definition of appropriations projects and a new process for including them in the budget. I'm happy to report that the Senate has agreed to place most of these important reforms in the Joint Rules.

Next week at our opening day session we will take up a resolution to change the Joint Rules and add more accountability to our budgeting process. The changes to Joint Rule 2 include the definition of an "appropriations project" from the House Rules. The joint rule also stipulates that no appropriations project may be included in a budget conference report unless the project was included in either the House or Senate general appropriations act. This important reform means that all new projects will be itemized and clearly visible. There will be no more last minute projects added in budget conference without background information or proper review.

The Senate has also agreed to collect and post online specific detailed information on each appropriations project prior to the passage of their chamber's proposed general appropriations act. The joint rule grandfathers in existing recurring projects as long as they do not receive additional funding. If an existing recurring project receives additional funding, the additional dollars must be non-recurring and the project must be clearly identified in the conference report. From this point forward, all new projects will be funded with non-recurring dollars.

In addition to amending the Joint Rules, we will conform the House Rules to the Joint Rules changes. Prior to conference, each chamber will handle its budget process differently. The Senate will include projects in their proposed budget with the required documentation. The House will still require an Appropriations Project Bill to be filed by the first day of session and reported favorably by a subcommittee in order to be funded in the House's proposed general appropriations act.

I am thankful that we were able to work together with the Senate to increase accountability and transparency within our budget process. Please let me know if you have any questions prior to the consideration of these rule changes on Tuesday.

A concurrent resolution amending Joint Rule 2 of the Joint Rules of the Florida Legislature for the 2016-2018 term relating to budget conference committee rules.

Senate Concurrent Resolution

WHEREAS, each chamber may adopt rules or policies to govern its process for including appropriations projects in its version of the general appropriations bill, and

WHEREAS, these joint rules acknowledge each chamber's authority to establish a transparent budgetary process, and

WHEREAS, such process should include some level of data collection, including direct responses of the entities involved with the appropriations projects, public testimony, and public dissemination of relevant information, NOW, THEREFORE,

Be It Resolved by the Senate of the State of Florida, the House of Representatives Concurring:

That Joint Rule 2 of the Joint Rules of the Florida Legislature is amended to read:

JOINT RULE TWO

GENERAL APROPRIATIONS REVIEW PERIOD AND BUDGET CONFERENCE COMMITTEE RULES

2.1-General Appropriations and Related Bills; Review Periods

(1) A general appropriations bill shall be subject to a 72-hour public review period before a vote is taken on final

 passage of the bill in the form that will be presented to the Governor.

- (2) If a bill is returned to the house in which the bill originated and the originating house does not concur in all the amendments or adds additional amendments, no further action shall be taken on the bill by the nonoriginating house, and a conference committee shall be established by operation of this rule to consider the bill.
- (3) If a bill is referred to a conference committee by operation of this rule, a 72-hour public review period shall be provided prior to a vote being taken on the conference committee report by either house.
- (4) A copy of the bill, a copy of the bill with amendments adopted by the nonoriginating house, or the conference committee report shall be furnished to each member of the Legislature, the Governor, the Chief Justice of the Supreme Court, and each member of the Cabinet. Copies for the Governor, Chief Justice, and members of the Cabinet shall be furnished to the official's office in the Capitol or Supreme Court Building.
- (5)(a) Copies required to be furnished under subsection (4) shall be furnished to members of the Legislature as follows:
- 1. A printed copy may be placed on each member's desk in the appropriate chamber; or
- 2. An electronic copy may be furnished to each member. The Legislature hereby deems and determines that a copy shall have been furnished to the members of the Legislature when an electronic copy is made available to every member of the Legislature. An electronic copy is deemed to have been made available when it is accessible via the Internet or other

information network consisting of systems ordinarily serving the members of the Senate or the House of Representatives.

- (b) An official other than a member of the Legislature who is to be furnished a copy of a general appropriations bill under subsection (4) may officially request that an electronic copy of the bill be furnished in lieu of a printed copy, and, if practicable, the copy may be furnished to the official in the manner requested.
- (6) The Secretary of the Senate shall be responsible for furnishing copies under this rule for Senate bills, House bills as amended by the Senate, and conference committee reports on Senate bills. The Clerk of the House shall be responsible for furnishing copies under this rule for House bills, Senate bills as amended by the House, and conference committee reports on House bills.
- (7) The 72-hour public review period shall begin to run upon completion of the furnishing of copies required to be furnished under subsection (4). The Speaker of the House of Representatives and the President of the Senate, as appropriate, shall be informed of the completion time, and such time shall be announced on the floor prior to vote on final passage in each house and shall be entered in the journal of each house. Saturdays, Sundays, and holidays shall be included in the computation under this rule.
- (8) An implementing or conforming bill recommended by a conference committee shall be subject to a 24-hour public review period before a vote is taken on the conference committee report by either house, if the conference committee submits its report after the furnishing of a general appropriations bill to which

the 72-hour public review period applies.

- (9) With respect to each bill that may be affected, a member of the Senate or the House of Representatives may not raise a point of order under this rule after a vote is taken on the bill. Except as may be required by the Florida Constitution, noncompliance with any requirement of this rule may be waived by a two-thirds vote of those members present and voting in each house.
- 2.2—General Appropriations and Related Bills; Definitions As used in Joint Rule Two, the term:
- (1) "Conforming bill" means a bill that amends the Florida Statutes to conform to a general appropriations bill.
- (2) "General appropriations bill" means a bill that provides for the salaries of public officers and other current expenses of the state and contains no subject other than appropriations. A bill that contains appropriations that are incidental and necessary solely to implement a substantive law is not included within this term. For the purposes of Joint Rule Two and Section 19(d) of Article III of the Florida Constitution, the Legislature hereby determines that, after a general appropriations bill has been enacted and establishes governing law for a particular fiscal year, a bill considered in any subsequent session that makes net reductions in such enacted appropriations or that makes supplemental appropriations shall not be deemed to be a general appropriations bill unless such bill provides for the salaries of public officers and other current expenses of the state for a subsequent fiscal year.
 - (3) "Implementing bill" means a bill, effective for one

fiscal year, implementing a general appropriations bill.

118 (4) (a) "Appropriations project" means a specific

119 appropriation, proviso, or item on a conference committee

120 spreadsheet agreed to by House and Senate conferees providing

121 funding for:

- 1. A local government, private entity, or privatelyoperated program, wherein the specific appropriation, proviso,
 or item on a conference committee spreadsheet specifically names
 the local government, private entity, or privately-operated
 program or the appropriation, proviso, or item is written in
 such a manner as to describe a particular local government,
 private entity, or privately-operated program;
- 2. A specific transportation facility that was not part of the Department of Transportation's 5-year work program submitted pursuant to s. 339.135, Florida Statutes;
- 3. An education fixed capital outlay project that was not submitted pursuant to s. 1013.60 or s. 1013.64, Florida

 Statutes, unless funds for the specific project were appropriated by the Legislature in a prior year and additional funds are needed to complete the project as originally proposed;
- 4. A specified program, research initiative, institute, center, or similar entity at a specific state college or university, unless recommended by the Board of Governors or the State Board of Education in their Legislative Budget Request; or
 - 5. A local water project.
 - (b) The term does not include an appropriation that:
 - 1. Is specifically authorized by statute;
- 2. Is part of a statewide distribution to local governments; or

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3. Was recommended by a commission, council, or other
similar entity created in statute to make annual funding
recommendations, provided that such appropriation does not
exceed the amount of funding recommended by the commission,
council, or other similar entity.
2.3-Budget Conference Committee Rules
(1) For an appropriations project to be included in a
conference committee report:
(a) The appropriations project must be included in a bill
or an amendment placed into a budget conference; and
(b) Information required by subsections (2) and (3)
relating to the appropriations project must have been in writing
and published online prior to the passage by that chamber of the
bill or amendment which was placed into a budget conference.
(2) The information collected must include:
(a) A descriptive title of the appropriations project.
(b) The date of the submission.
(c) The name of the submitting member.
(d) The most recent year in which the appropriations
project received state funding, if applicable.
(e) Whether the most recent funding for the project had
been vetoed.
(f) The amount of the nonrecurring request.
(g) The amount of funding received in the prior year on a
recurring or nonrecurring basis.
(h) In what agency the project is best placed and whether

(i) The name of the organization or entity receiving the

the agency has been contacted.

funds as well as a point of contact for the organization or entity.

- (j) The name of the registered lobbyist of the entity requesting the appropriations project.
- (k) Whether the organization to receive the funds is a forprofit entity, a not-for-profit entity, a local entity, a state university or college, or other type of organization.
- (1) The specific purpose or goal that will be achieved by the funds requested.
- (m) The activities and services that will be provided to meet the intended purpose of these funds.
- (n) Specific descriptions of how the funds will be expended, including a description and the amounts to be expended on: administrative costs, itemized to include the salary of the executive director or project head, other salaries and benefits, expenses, and consultants, contractors, or studies; operational costs, itemized to include salaries and benefits, expenses, and consultants, contractors, or studies; and fixed capital outlay, itemized to include land purchase, planning, engineering, construction, and renovation.
- (o) The owner of the facility to receive, directly or indirectly, any fixed capital outlay funding, and the relationship between the owners of the facility and the entity.
- (p) A description of the direct services to be provided to citizens by the appropriations project, if applicable.
- (q) A description of the target population to be served and the number of individuals to be served by the appropriations project.
 - (r) A description of the specific benefit or outcome,

including the methodology by which this outcome will be measured.

- (s) The amount and percentage of federal, local, and state funds, excluding the funds requested for the appropriations project, or other matching funds available for the appropriations project.
- (t) How much additional nonrecurring funding is anticipated to be requested in future years by amount per year.
- (u) The suggested penalties that the contracting agency may consider in addition to its standard penalties for failing to meet deliverables or performance measures provided for in the contract.
- (3) With respect to an appropriations project that is also a local water project, the information collected must also include:
- (a) Whether alternative state funding such as the Waste Water Revolving Loan, Drinking Water Revolving Loan, Small Community Waste Water Drinking grant, or other funding has been requested.
- (b) Whether the project is for a financially disadvantaged community, as defined in chapter 62-552, Florida Administrative Code; a financially disadvantaged municipality; a rural area of critical economic concern; or a rural area of opportunity, as defined in s. 288.0656, Florida Statutes.
 - (c) Whether the construction status is shovel-ready.
- (d) The percentage of construction completed and the estimated completion date.
- (4) Each chamber must collect the required information described in subsections (2) and (3) in the form and manner

prescribed by that chamber.

- (5) The portion of an appropriations project which was funded with recurring funds in the most recently enacted general appropriations act is exempt from subsections (1), (2) and (3).
- (6) An appropriations project may only be funded with nonrecurring funds, except that the portion of an appropriations project which was funded with recurring funds as provided in subsection (5) may be continued with or without additional nonrecurring funds.
- (7) The nonrecurring funding of an appropriations project in the conference committee report may be less than, equal to, or greater than the funding for the appropriations project as originally committed to the conference committee.
- (8) An appropriations project that was not included in either chamber's bill in accordance with subsections (1), (2) and (3) may not be included in a conference report.
- (9) (a) To be included in a conference committee report, all appropriations projects, except as otherwise provided in paragraph (b), must be clearly identified in the bill or amendment that will be considered by a conference committee and in any conference report.
- (b) An appropriations project funded with recurring funds in the most recently enacted general appropriation act that is not appropriated any additional funds is exempt from the provisions of paragraph (a).
- (10) The conference committee must allow for public testimony regarding appropriations projects at each noticed meeting.
 - (11) Notwithstanding subsections (1), (2) and (3), and only

for the 2017 regular, extended, and special session, the
required information may be collected by either chamber.
Information collected pursuant to House Rule 5.14 or the Senate
local funding initiative request form prior to the adoption of
this Joint Rule meets the requirements of this Joint Rule.
Information collected subsequent to the adoption of this Joint
Rule must meet the requirements of subsections (2) and (3).
(12) Nothing in this rule shall limit either chamber's
ability to apply a stricter standard to its own bills prior to
the commencement of conference proceedings. This Joint Rule
applies to all conference committee reports related to the
General Appropriations Act and supersedes either chamber's rules
that are contrary to or inconsistent with the provisions of this
Joint Rule.