

LEGISLATIVE ACTION		
Senate		House
Comm: RCS		
02/15/2016		
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Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Latvala) recommended the following:

Senate Amendment (with title amendment)

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Delete everything after the enacting clause and insert:

Section 1. Paragraph (g) is added to subsection (4) of section 20.60, Florida Statutes, 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

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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:

(g) Notwithstanding part I of chapter 287, contract with the direct-support organization created under s. 288.1229 to guide, stimulate, and promote the sports industry in this state, to promote the participation of residents of this state in amateur athletic competition, and to promote this state as a host for national and international amateur athletic competitions.

Section 2. Paragraphs (b) and (g) of subsection (1) of section 220.191, Florida Statutes, are amended to read:

220.191 Capital investment tax credit.-

- (1) DEFINITIONS.—For purposes of this section:
- (b) "Cumulative capital investment" means the total capital investment in land, buildings, and equipment made by the qualifying business in connection with a qualifying project during the period from the beginning of construction of the project to the commencement of operations. The term does not include funds granted to or spent on behalf of the qualifying business by the state, a local government, or other governmental entity; funds appropriated in the General Appropriations Act; or funds otherwise provided to the qualifying business by a state agency, local government, or other governmental entity.
- (q) "Qualifying project" means a facility in this state meeting one or more of the following criteria:
- 1. A new or expanding facility in this state which creates at least 100 new jobs in this state and is in one of the high-

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impact sectors identified by Enterprise Florida, Inc., and certified by the Department of Economic Opportunity pursuant to s. 288.108(6), including, but not limited to, aviation, aerospace, automotive, and silicon technology industries. However, between July 1, 2011, and June 30, 2014, the requirement that a facility be in a high-impact sector is waived for any otherwise eligible business from another state which locates all or a portion of its business to a Disproportionally Affected County. For purposes of 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.

2. A new or expanded facility in this state which is engaged in a target industry designated pursuant to the procedure specified in s. 288.106(2) and which is induced by this credit to create or retain at least 1,000 jobs in this state, provided that at least 100 of those jobs are new, pay an annual average wage of at least 130 percent of the average private sector wage in the area as defined in s. 288.005(1) s. 288.106(2), and make a cumulative capital investment of at least \$100 million. Jobs may be considered retained only if there is significant evidence that the loss of jobs is imminent. Notwithstanding subsection (2), annual credits against the tax imposed by this chapter may not exceed 50 percent of the increased annual corporate income tax liability or the premium tax liability generated by or arising out of a project qualifying under this subparagraph. A facility that qualifies under this subparagraph for an annual credit against the tax imposed by this chapter may take the tax credit for a period not



to exceed 5 years.

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3. A new or expanded headquarters facility in this state which locates in an enterprise zone and brownfield area and is induced by this credit to create at least 1,500 jobs which on average pay at least 200 percent of the statewide average annual private sector wage, as published by the Department of Economic Opportunity, and which new or expanded headquarters facility makes a cumulative capital investment in this state of at least \$250 million.

Section 3. Paragraphs (a), (b), and (e) 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:
- (a) By January 1, 2014, and every 3 years thereafter, an analysis of the following:
- 1. The capital investment tax credit established under s. 220.191.
- 2. The qualified target industry tax refund established under s. 288.106.
- 3. The brownfield redevelopment bonus refund established under s. 288.107.



98 4. High-impact business performance grants established 99 under s. 288.108. 5. The Florida Enterprise Program Quick Action Closing Fund 100 established under s. 288.1088. 101 102 6. The Innovation Incentive Program established under s. 103 288.1089. 7. Enterprise Zone Program incentives established under ss. 104 212.08(5) and (15), 212.096, 220.181, and 220.182. 105 106 8. The New Markets Development Program established under 107 ss. 288.991-288.9922. 108 (b) By January 1, 2015, and every 3 years thereafter, an 109 analysis of the following: 110 1. The entertainment industry financial incentive program established under s. 288.1254. 111 112 2. The entertainment industry sales tax exemption program 113 established under s. 288.1258. 3. The Florida Tourism Industry Marketing Corporation $\frac{\text{VISIT}}{\text{VISIT}}$ 114 115 Florida and its programs established or funded under ss. 288.122, 288.1226, 288.12265, and 288.124. 116 117 4. The Florida Sports Foundation and related programs 118 established under ss. 288.1162, 288.11621, 288.1166, 288.1167, 288.1168, 288.1169, and 288.1171. 119 120 (e) Beginning January 1, 2018, and every 3 years 121 thereafter, an analysis of the Sports Development Program 122 established under s. 288.11625 and the retention of Major League

Baseball spring training baseball franchises under s. 288.11631.

Section 4. Present subsection (1) of section 288.005,

through (6) of that section are redesignated as subsections (4)

Florida Statutes, is amended, and present subsections (3)

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through (7), respectively, and a new subsection (1) is added to that section, to read:

288.005 Definitions.—As used in this chapter, the term:

- (1) "Average private sector wage in the area" means the statewide average wage in the private sector or the average of all private sector wages in the county or in the standard metropolitan area in which the project is located, as determined by the department.
- (3) (1) "Economic benefits" means the direct, indirect, and induced gains in state revenues as a percentage of the state's investment. The state's investment includes all state funds spent or foregone to benefit a business, including state funds appropriated to public and private entities, state grants, tax exemptions, tax refunds, tax credits, and other state incentives.

Section 5. Subsections (1), (3), (4), (5), (8), and (9) of section 288.047, Florida Statutes, are amended to read:

288.047 Quick-response training for economic development.

(1) The Quick-Response Training Program is created to provide grants to meet the workforce-skill needs of existing, new, and expanding businesses and industries. The program shall be administered by CareerSource Florida, Inc., in conjunction with Enterprise Florida, Inc., and the Department of Economic Opportunity Education. CareerSource Florida, Inc., shall adopt guidelines for the administration of this program, shall provide technical services, and shall identify businesses that seek services through the program. CareerSource Florida, Inc., shall may contract with Enterprise Florida, Inc., or administer this program directly, if it is determined that such an arrangement

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maximizes the amount of the Quick Response grant going services.

(3) (a) CareerSource Florida, Inc., may accept applications for grant requests for funding under the program. Requests for funding may be submitted to the Quick-Response Training Program by a specific business or industry, through a school district director of career education or community college occupational dean on behalf of a business or industry, or through official state or local economic development efforts. Priority for grants shall be given to businesses and industries in rural areas of opportunity and other rural areas; in distressed inner-city areas; in brownfield areas; or that seek to significantly upgrade employee skills or avoid a significant layoff. In allocating funds for the purposes of the program, CareerSource Florida, Inc., shall establish criteria for approval of requests for funding and shall select the entity that provides the most efficient, cost-effective instruction meeting such criteria. Program funds may be allocated to a career center, community college, or state university. Program funds may be allocated to private postsecondary institutions only after a review that includes, but is not limited to, accreditation and licensure documentation and prior approval by CareerSource Florida, Inc.

(b) Instruction funded through the program must terminate when participants demonstrate competence at the level specified in the request; however, the grant term may not exceed 24 months. Costs and expenditures for the Quick-Response Training Program must be documented and separated from those incurred by the training provider. The grant agreement must provide for the payment of funds on a reimbursable basis.

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(4) CareerSource Florida, Inc., may enter into grant agreements as provided under this section, but the total amount of obligations for payment may not exceed \$30 million for any 24-month period. The total amount of reimbursements approved for payment by CareerSource Florida, Inc., must be based on actual performance under the grant agreement and may not exceed the amount appropriated to CareerSource Florida, Inc., for such purpose in a fiscal year. The department shall transfer funds to CareerSource Florida, Inc., as needed to make reimbursement payments. If sufficient funds are not provided in the General Appropriations Act to satisfy the reimbursements approved for payment by CareerSource Florida, Inc., in a fiscal year, CareerSource Florida, Inc., shall pay reimbursements from the appropriation for the following fiscal year. For the first 6 months of each fiscal year, CareerSource Florida, Inc., shall set aside 30 percent of the amount appropriated by the Legislature for the Quick-Response Training Program to fund instructional programs for businesses located in an enterprise zone or brownfield area. Any unencumbered funds remaining undisbursed from this set-aside at the end of the 6-month period may be used to provide funding for a program that qualifies for funding pursuant to this section.

(5) Prior to the allocation of funds for a request made pursuant to this section, CareerSource Florida, Inc., shall prepare a grant agreement with between the business or industry requesting funds, the educational institution receiving funding through the program, and CareerSource Florida, Inc. An educational institution providing administrative assistance or receiving grant funding under this section may be included as a

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party to the grant agreement. The Such agreement must include, but is not limited to:

- (a) An 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) An identification of the estimated length of the instructional program.
- (c) An identification of all direct, training-related costs, including tuition and fees, curriculum development, books and classroom materials, and overhead or indirect costs, not to exceed 5 percent of the grant amount.
- (d) An identification of special program requirements that are not addressed otherwise in the agreement.
- (e) Permission to access information specific to the wages and performance of participants upon the completion of instruction for evaluation purposes. Information which, if released, would disclose the identity of the person to whom the information pertains or disclose the identity of the person's employer is confidential and exempt from the provisions of s. 119.07(1). The agreement must specify that any evaluations published subsequent to the instruction may not identify the employer or any individual participant.
- (8) The Quick-Response Training Program may is created to provide assistance to participants in the welfare transition program. CareerSource Florida, Inc., may award quick-response training grants and develop applicable guidelines for the training of participants in the welfare transition program. In addition to a local economic development organization, grants

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must be endorsed by the applicable regional workforce board.

- (a) Training funded pursuant to this subsection may not exceed 12 months, and may be provided by the local community college, school district, regional workforce board, or the business employing the participant, including on-the-job training. Training will provide entry-level skills to new workers, including those employed in retail, who are participants in the welfare transition program.
- (b) Participants trained pursuant to this subsection must be employed at a job paying at least the state minimum wage \$6 per hour.
- (c) Funds made available pursuant to this subsection may be expended in connection with the relocation of a business from one community to another if approved by CareerSource Florida, Inc.
- (9) Notwithstanding any other provision of law, eligible matching contributions received during the fiscal year from a business or an industry participating in under this section from the Quick-Response Training Program may be counted toward the private sector support of Enterprise Florida, Inc., under s. 288.904.
- Section 6. Section 288.061, Florida Statutes, is amended to read:
- 288.061 Economic development incentive application process; evaluation, approval, and contract requirements.-
- (1) Beginning January 1, 2017, the department shall prescribe a form upon which an application for an incentive must be made. At a minimum, the incentive application must include all of the following:

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- (a) The applicant's federal employer identification number, reemployment assistance account number, and state sales tax registration number. If such numbers are not available at the time of application, they must be submitted to the department in writing before the disbursement of any economic incentive payments or the grant of any tax credits or refunds.
 - (b) The applicant's signature.
- (c) The location in this state at which the project is or will be located.
- (d) The anticipated commencement date and duration of the project.
- (e) A description of the type of business activity, product, or research and development undertaken by the applicant, including the six-digit North American Industry Classification System code for all activities included in the project.
- (f) An attestation verifying that the information provided on the application is true and accurate.
- (2) (1) Upon receiving a submitted economic development incentive application, the Division of Strategic Business Development of the department of Economic Opportunity and designated staff of Enterprise Florida, Inc., shall review the application to ensure that the application is complete, whether and what type of state and local permits may be necessary for the applicant's project, whether it is possible to waive such permits, and what state incentives and amounts of such incentives may be available to the applicant. The department shall recommend to the executive director to approve or disapprove an applicant business. If review of the application

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demonstrates that the application is incomplete, the executive director shall notify the applicant business within the first 5 business days after receiving the application.

- (3) (a) (2) Beginning July 1, 2013, The department shall review and evaluate each economic development incentive application for the economic benefits of the proposed award of state incentives proposed for the project. Such review must occur before the department approves an economic development incentive application and each time an agreement or a contract is amended, modified, or extended by the department.
- (b) As used in this subsection, the term "economic benefits" has the same meaning as in s. 288.005. The Office of Economic and Demographic Research shall establish the methodology and model used to calculate the economic benefits, including guidelines for the appropriate application of the department's internal model. For purposes of this requirement, an amended definition of the term "economic benefits" may be developed by the Office of Economic and Demographic Research. However, the amended definition must reflect the requirement of s. 288.005 that the calculation of the state's investment include all state funds spent or foregone to benefit the business, including state funds appropriated to public and private entities, to the extent that those funds should reasonably be known to the department at the time of approval.
- (c) For the purpose of calculating the economic benefits of the proposed award of state incentives for the project, the department may not attribute to the business any capital investment made by the business using state funds. However, for the purpose of evaluating an economic development incentive



330 application, the department shall consider the cumulative capital investment, as defined in s. 220.191. 331 332 (4) The department's evaluation of the application also 333 must include all of the following: 334 (a) A financial analysis of the company, including 335 information regarding liens and pending or ongoing litigation, 336 credit ratings, and regulatory filings. 337 (b) A review of any independent evaluations of the company. 338 (c) A review of the historical market performance of the 339 company. 340 (d) A review of the latest audit of the company's financial 341 statement and the related auditor management letter. 342 (e) A review of any other audits that are related to the 343 internal controls or management of the company. 344 (f) A review of the corporate governance and management 345 structure of the company. 346 (g) A review of performance in connection with any 347 incentives previously awarded by the state or a local 348 government. 349 (h) Any other review deemed necessary by the department. 350 (5) (a) (3) Within 10 business days after the department 351 receives a complete the submitted economic development incentive 352 application, the executive director shall approve or disapprove the application. Except for ss. 288.108, 288.1088, and 288.1089, 353 354 the executive director shall and issue a letter of certification 355 to the applicant which includes a justification of that 356 decision, unless the business requests an extension of that 357 time. 358

(b) For ss. 288.108, 288.1088, and 288.1089, within 7

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business days after the executive director approves or disapproves a complete economic development incentive application, the executive director shall recommend to the Governor approval or disapproval of the application. If the recommendation is for approval, the recommendation must include the total amount of the award; the anticipated project performance conditions, including, but not limited to, net new employment in the state, average salary, and total capital investment incurred by the business; a baseline of current service and a measure of enhanced capability; the methodology for validating performance; the schedule of performance grant payments; and sanctions for failure to meet performance conditions, including any clawback provisions. (6) (a) Upon approval by the Governor or certification by the department, the department and the applicant shall enter into an agreement or a contract. The contract or agreement or contract with the applicant must specify the total amount of the award; τ the performance conditions that must be met to obtain the award, including, but not limited to, net new employment in the state, average salary, and total capital investment incurred by the business; the schedule for performance and payment; the methodology for validating performance and the date by which the business must submit proof of performance to the department; a process for amending, modifying, or extending the agreement or contract; and sanctions that would apply for failure to meet performance conditions. Any agreement or contract with the applicant must require that the applicant use the workforce information systems implemented under s. 445.011 to advertise job openings created as a result of the state incentive

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agreement or contract. Any agreement or contract that requires the business to make a capital investment must also require that such investment remain in this state for the duration of the agreement or contract, with the exception of an investment made in transportation-related assets specifically used for the purpose of transporting goods or employees. The department may enter into one agreement or contract covering all of the state incentives that are being provided to the applicant. The agreement or contract must provide that release of funds is contingent upon sufficient appropriation of funds by the Legislature.

- (b) The department may not enter into an agreement or a contract that has a term of more than 10 years. However, the department may enter into a successive agreement or contract for a specific project to extend the initial 10-year term if each successive agreement or contract is contingent upon the successful completion of the previous agreement or contract. This paragraph does not apply to an agreement or a contract for a project receiving a capital investment tax credit under s. 220.191 or an Innovation Incentive Program award under s. 288.1089.
- (c) The department shall provide a notice, including an updated description and evaluation, to the Legislature upon the final execution of each agreement or contract. Any agreement or contract executed by the department for a project under s. 288.108, s. 288.1088, or s. 288.1089 must embody performance conditions and timelines that were in the written description and evaluation submitted to the Legislature.
 - (7) (b) The release of funds for the incentive or incentives

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awarded to the applicant depends upon the statutory requirements of the particular incentive program. The department may only make a payment to a business after the department verifies that the business has met the required project performance conditions and statutory requirements, and only in the year in which the payment is scheduled to be paid pursuant to the agreement or contract. The department may not transfer outside of the state treasury any funds appropriated by the Legislature for incentive programs except as expressly provided in the General Appropriations Act or to make a payment as scheduled in an agreement or contract.

- (8) (4) The department shall validate contractor performance and report such validation in the annual incentives report required under s. 288.907.
- (9) (5) (a) The executive director may not approve an economic development incentive application unless the application includes a signed written declaration by the applicant which states that the applicant has read the information in the application and that the information is true, correct, and complete to the best of the applicant's knowledge and belief.
- (b) After an economic development incentive application is approved, the awardee shall provide, in each year that the department is required to validate contractor performance, a signed written declaration. The written declaration must state that the awardee has reviewed the information and that the information is true, correct, and complete to the best of the awardee's knowledge and belief.
 - (10) (6) The department is authorized to adopt rules to



implement this section.

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Section 7. Paragraphs (a), (c), and (e) of subsection (1), subsection (2), paragraph (e) of subsection (3), subsection (6), and paragraph (a) of subsection (7) of section 288.076, Florida Statutes, are amended to read:

288.076 Return on investment reporting for economic development programs. -

- (1) As used in this section, the term:
- (a) "Jobs" has the same meaning as provided in s. 288.106(2) s. 288.106(2)(i).
- (c) "Project" has the same meaning as provided in s. 288.106(2) s. 288.106(2) (m).
- (e) "State investment" means all state funds spent or foregone to benefit a business, including state funds appropriated to public and private entities, any state grants, tax exemptions, tax refunds, tax credits, and any other source of state funds which should reasonably be known to the department at the time of approval 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.
- (2)(a) The department shall maintain a website for the purpose of publishing the information described in this section. The information required to be published under this section must be provided in a format accessible to the public which enables users to search for and sort specific data and to easily view and retrieve all data at once.
- (b) The department must publish a summary document that provides for all active contracts the information required under

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subparagraphs (3)(b)1. and 2. and paragraphs (3)(e) and (f), including verified results. The summary document must be updated quarterly and easily accessible on the website.

- (3) Within 48 hours after expiration of the period of confidentiality for project information deemed confidential and exempt pursuant to s. 288.075, the department shall publish the following information pertaining to each project:
 - (e) Project performance goals.-
- 1. The incremental direct jobs attributable to the project, identifying the number of jobs generated and the number of jobs retained.
- 2. The number of jobs generated and the number of jobs retained by the project, and for projects commencing after October 1, 2013, the average annual wage of persons holding such jobs and the number of jobs generated and the number of jobs retained which provide health benefits for the employee.
- 3. The incremental direct capital investment in the state generated by the project.
- 4. The schedule of performance that the business is required to meet and the schedule of payments by the state under the terms of the contract. If a schedule is changed due to a contract amendment, modification, or extension, such change shall be noted.
- (6) Annually, the department shall publish information relating to the progress of Florida Enterprise Program 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.
 - (7) (a) Within 48 hours after expiration of the period of

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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. Within 48 hours after approval, the department shall publish any amendment, modification, or extension to a contract or agreement, redacted to protect the participant business from disclosure of information that remains confidential or exempt by law.

Section 8. Subsection (2) and paragraph (c) of subsection (3) of section 288.095, Florida Statutes, are amended, and subsections (4) and (5) are added to that section, to read: 288.095 Economic Development Trust Fund.-

(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 authorized under ss. 288.1045 and 288.106, and transferred from local governments for the purposes of the local financial support provided under ss. 288.1045, and 288.106, and 288.1088. Moneys in the Economic Development Incentives Account may only be expended pursuant to Legislative appropriation or an approved amendment to the department's operating budget pursuant to chapter 216 shall be subject to the provisions of s. 216.301(1)(a). Notwithstanding s. 216.301, and pursuant to s. 216.351, any balance in the account at the end of a fiscal year remains in the account and is available for carrying out the purposes of the account.

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- (c) Moneys in the Economic Development Incentives Account may be used only to pay tax refunds and make other payments authorized under s. 288.1045, s. 288.106, or s. 288.107, or s. 288.1088.
- (4) There is created, within the Economic Development Trust Fund, the Florida Enterprise Fund Account. The Florida Enterprise Fund Account consists of moneys appropriated to the account for purposes of the incentives programs authorized under ss. 288.0659, 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089. Moneys in the Florida Enterprise Fund Account may only be expended pursuant to Legislative appropriation or an approved amendment to the department's operating budget pursuant to chapter 216. Notwithstanding s. 216.301, and pursuant to s. 216.351, any balance in the account at the end of a fiscal year remains in the account and is available for carrying out the purposes of the account. Notwithstanding s. 17.61(3)(c), the department shall transfer interest earnings on a quarterly basis to the State Economic Enhancement and Development Trust Fund.
- (a) By January 2 of each year, the department shall provide to the Legislature a list of potential claims for payment that may be filed in the following fiscal year under ss. 288.0659, 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089.
- (b) By March 1 of each year, the department shall provide to the Legislature a list of actual claims for payment filed in the following fiscal year under ss. 288.0659, 288.1045, 288.106, 288.107, 288.108, 288.1088, and 288.1089.
- (5) (a) There is created, within the Economic Development Trust Fund, the Quick Action Closing Fund Escrow Account. The Quick Action Closing Fund Escrow Account consists of moneys

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transferred from Enterprise Florida, Inc., which were held in an escrow account on June 30, 2016, for approved contracts or agreements under s. 288.1088 and moneys for contracts or agreements under s. 288.1088 approved on or after July 1, 2016.

- (b) Moneys in the account are appropriated to make payments pursuant to agreements or contracts for projects authorized under s. 288.1088, or to make the transfers required pursuant to paragraph (d) or (e). Notwithstanding s. 216.301, and pursuant to s. 216.351, any balance in the account at the end of a fiscal year remains in the account and is available for carrying out the purposes of the account.
- (c) The department may make a payment from the account after an independent third party has verified that an applicant has satisfied all of the requirements of the agreement or contract and the department has determined that an applicant meets the required project performance criteria and that a payment is due.
- (d) The department shall determine, within 15 days after the end of each calendar quarter, whether moneys are in the account which are associated with an agreement or contract entered into pursuant to s. 288.1088 that the department has terminated, that has otherwise expired, or for which a business has not met performance conditions required by the agreement or contract. Any such funds held in the account must be returned to the State Economic Enhancement and Development Trust Fund within 10 days after the determination.
- (e) Moneys in the account shall be managed and invested to generate the maximum amount of interest earnings, consistent with the requirement that the moneys be available to make

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payments as required pursuant to Quick Action Closing Fund contracts or agreements. Notwithstanding s. 17.61(3)(c), the department shall transfer interest earnings on a quarterly basis to the State Economic Enhancement and Development Trust Fund.

Section 9. By July 10, 2016, Enterprise Florida, Inc., shall transfer any funds held in an escrow account on June 30, 2016, for approved Quick Action Closing Fund agreements or contracts to the department for deposit in the Quick Action Closing Fund Escrow Account within the Economic Development Trust Fund.

Section 10. Paragraphs (b), (j), and (k) of subsection (1) and paragraphs (b), (c), (d), (e), and (j) of subsection (3) of section 288.1045, Florida Statutes, are amended, paragraph (i) is added to subsection (5) of that section, and subsection (7) of that section is amended, to read:

288.1045 Qualified defense contractor and space flight business tax refund program.-

- (1) DEFINITIONS.—As used in this section:
- (b) "Average wage in the area" means the average of all wages and salaries in the state, the county, or in the standard metropolitan area in which the business unit is located.
- (i) (j) "Local financial support" means funding from local sources, public or private, which is paid to the Economic Development Trust Fund and which is equal to 20 percent of the annual tax refund for a qualified applicant.
- 1. Local financial support may include excess payments made to a utility company under a designated program to allow decreases in service by the utility company under conditions, regardless of when application is made.

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- 2. A qualified applicant may not provide, directly or indirectly, more than 5 percent of such funding in any fiscal year. The sources of such funding may not include, directly or indirectly, state funds appropriated from the General Revenue Fund or any state trust fund, excluding tax revenues shared with local governments pursuant to law.
- 3. A qualified applicant may not receive more than 80 percent of its total tax refunds from state funds that are allowed the applicant under this section.
- 4. The department may grant a waiver to a local government that reduces the required amount of local financial support for a project to 10 percent of the annual tax refund award or that eliminates the required amount of local financial support for a project located in an area designated by the Governor as a rural area of opportunity pursuant to s. 288.0656. To be eligible to receive a waiver that reduces or eliminates the required amount of local financial support, a local government must provide the department with:
- a. A resolution adopted by the governing body of the county or municipality in whose jurisdiction the project will be located, requesting that the applicant's project be waived from the local financial support requirement.
- b. A statement prepared by a certified public accountant, as that term is defined in s. 473.302, which describes the financial constraints preventing the local government from providing the local financial support required by this section. This sub-subparagraph does not apply to a county considered to be fiscally constrained pursuant to s. 218.67(1).
 - (k) "Local financial support exemption option" means the

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option to exercise an exemption from the local financial support requirement available to any applicant whose project is located in a county designated by the Rural Economic Development Initiative, if the county commissioners of the county in which the project will be located adopt a resolution requesting that the applicant's project be exempt from the local financial support requirement. Any applicant that exercises this option is not eligible for more than 80 percent of the total tax refunds allowed such applicant under this section.

- (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY DETERMINATION. -
- (b) Applications for certification based on the consolidation of a Department of Defense contract or a new Department of Defense contract must be submitted to the department as prescribed by the department and must include, but are not limited to, the following information:
- 1. The applicant's federal employer identification number, the applicant's Florida sales tax registration number, and a signature of an officer of the applicant.
- 2. The permanent location of the manufacturing, assembling, fabricating, research, development, or design facility in this state at which the project is or is to be located.
- 3. The Department of Defense contract numbers of the contract to be consolidated, the new Department of Defense contract number, or the "RFP" number of a proposed Department of Defense contract.
- 4. The date the contract was executed or is expected to be executed, and the date the contract is due to expire or is expected to expire.

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- 5. The commencement date for project operations under the contract in this state.
- 6. The number of net new full-time equivalent Florida jobs included in the project as of December 31 of each year and the average wage of such jobs.
- 7. The total number of full-time equivalent employees employed by the applicant in this state.
- 8. The percentage of the applicant's gross receipts derived from Department of Defense contracts during the 5 taxable years immediately preceding the date the application is submitted.
- 9. The number of full-time equivalent jobs in this state to be retained by the project.
- 10. A brief statement concerning the applicant's need for tax refunds, and the proposed uses of such refunds by the applicant.
- 11. A resolution adopted by the governing board of the county or municipality in which the project will be located, which recommends the applicant be approved as a qualified applicant, and which indicates that the necessary commitments of local financial support for the applicant exist. Prior to the adoption of the resolution, the county commission may review the proposed public or private sources of such support and determine whether the proposed sources of local financial support can be provided or, for any applicant whose project is located in a county designated by the Rural Economic Development Initiative, a resolution adopted by the county commissioners of such county requesting that the applicant's project be exempt from the local financial support requirement.
 - 12. Any additional information requested by the department.

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- (c) Applications for certification based on the conversion of defense production jobs to nondefense production jobs must be submitted to the department as prescribed by the department and must include, but are not limited to, the following information:
- 1. The applicant's federal employer identification number, the applicant's Florida sales tax registration number, and a signature of an officer of the applicant.
- 2. The permanent location of the manufacturing, assembling, fabricating, research, development, or design facility in this state at which the project is or is to be located.
- 3. The Department of Defense contract numbers of the contract under which the defense production jobs will be converted to nondefense production jobs.
- 4. The date the contract was executed, and the date the contract is due to expire or is expected to expire, or was canceled.
- 5. The commencement date for the nondefense production operations in this state.
- 6. The number of net new full-time equivalent Florida jobs included in the nondefense production project as of December 31 of each year and the average wage of such jobs.
- 7. The total number of full-time equivalent employees employed by the applicant in this state.
- 8. The percentage of the applicant's gross receipts derived from Department of Defense contracts during the 5 taxable years immediately preceding the date the application is submitted.
- 9. The number of full-time equivalent jobs in this state to be retained by the project.
 - 10. A brief statement concerning the applicant's need for

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tax refunds, and the proposed uses of such refunds by the applicant.

- 11. A resolution adopted by the governing board of the county or municipality in which the project will be located, which recommends the applicant be approved as a qualified applicant, and which indicates that the necessary commitments of local financial support for the applicant exist. Prior to the adoption of the resolution, the county commission may review the proposed public or private sources of such support and determine whether the proposed sources of local financial support can be provided or, for any applicant whose project is located in a county designated by the Rural Economic Development Initiative, a resolution adopted by the county commissioners of such county requesting that the applicant's project be exempt from the local financial support requirement.
 - 12. Any additional information requested by the department.
- (d) Applications for certification based on a contract for reuse of a defense-related facility must be submitted to the department as prescribed by the department and must include, but are not limited to, the following information:
- 1. The applicant's Florida sales tax registration number and a signature of an officer of the applicant.
- 2. The permanent location of the manufacturing, assembling, fabricating, research, development, or design facility in this state at which the project is or is to be located.
- 3. The business entity holding a valid Department of Defense contract or branch of the Armed Forces of the United States that previously occupied the facility, and the date such entity last occupied the facility.

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- 4. A copy of the contract to reuse the facility, or such alternative proof as may be prescribed by the department that the applicant is seeking to contract for the reuse of such facility.
- 5. The date the contract to reuse the facility was executed or is expected to be executed, and the date the contract is due to expire or is expected to expire.
- 6. The commencement date for project operations under the contract in this state.
- 7. The number of net new full-time equivalent Florida jobs included in the project as of December 31 of each year and the average wage of such jobs.
- 8. The total number of full-time equivalent employees employed by the applicant in this state.
- 9. The number of full-time equivalent jobs in this state to be retained by the project.
- 10. A brief statement concerning the applicant's need for tax refunds, and the proposed uses of such refunds by the applicant.
- 11. A resolution adopted by the governing board of the county or municipality in which the project will be located, which recommends the applicant be approved as a qualified applicant, and which indicates that the necessary commitments of local financial support for the applicant exist. Before the adoption of the resolution, the county commission may review the proposed public or private sources of such support and determine whether the proposed sources of local financial support can be provided or, for any applicant whose project is located in a county designated by the Rural Economic Development Initiative,

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a resolution adopted by the county commissioners of such county requesting that the applicant's project be exempt from the local financial support requirement.

- 12. Any additional information requested by the department.
- (e) To qualify for review by the department, the application of an applicant must, at a minimum, establish the following to the satisfaction of the department:
- 1. The jobs proposed to be provided under the application, pursuant to subparagraph (b) 6., subparagraph (c) 6., or subparagraph (j)6., must pay an estimated annual average wage equaling at least 115 percent of the average private sector wage in the area where the project is to be located.
- 2. The consolidation of a Department of Defense contract must result in a net increase of at least 25 percent in the number of jobs at the applicant's facilities in this state or the addition of at least 80 jobs at the applicant's facilities in this state.
- 3. The conversion of defense production jobs to nondefense production jobs must result in net increases in nondefense employment at the applicant's facilities in this state.
- 4. The Department of Defense contract or the space flight business contract does not cannot allow the business to include the costs of relocation or retooling in its base as allowable costs under a cost-plus, or similar, contract.
- 5. A business unit of the applicant must have derived not less than 60 percent of its gross receipts in this state from Department of Defense contracts or space flight business contracts over the applicant's last fiscal year, and must have derived not less than an average of 60 percent of its gross

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receipts in this state from Department of Defense contracts or space flight business contracts over the 5 years preceding the date an application is submitted pursuant to this section. This subparagraph does not apply to any application for certification based on a contract for reuse of a defense-related facility.

- 6. The reuse of a defense-related facility will must result in the creation of at least 100 jobs at such facility.
- 7. A new space flight business contract or the consolidation of a space flight business contract will must result in net increases in space flight business employment at the applicant's facilities in this state.
- (j) Applications for certification based upon a new space flight business contract or the consolidation of a space flight business contract must be submitted to the department as prescribed by the department and must include, but are not limited to, the following information:
- 1. The applicant's federal employer identification number, the applicant's Florida sales tax registration number, and a signature of an officer of the applicant.
- 2. The permanent location of the space flight business facility in this state where the project is or will be located.
- 3. The new space flight business contract number, the space flight business contract numbers of the contract to be consolidated, or the request-for-proposal number of a proposed space flight business contract.
- 4. The date the contract was executed and the date the contract is due to expire, is expected to expire, or was canceled.
 - 5. The commencement date for project operations under the



contract in this state.

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- 6. The number of net new full-time equivalent Florida jobs included in the project as of December 31 of each year and the average wage of such jobs.
- 7. The total number of full-time equivalent employees employed by the applicant in this state.
- 8. The percentage of the applicant's gross receipts derived from space flight business contracts during the 5 taxable years immediately preceding the date the application is submitted.
- 9. The number of full-time equivalent jobs in this state to be retained by the project.
- 10. A brief statement concerning the applicant's need for tax refunds and the proposed uses of such refunds by the applicant.
- 11. A resolution adopted by the governing board of the county or municipality in which the project will be located which recommends the applicant be approved as a qualified applicant and indicates that the necessary commitments of local financial support for the applicant exist. Prior to the adoption of the resolution, the county commission may review the proposed public or private sources of such support and determine whether the proposed sources of local financial support can be provided or, for any applicant whose project is located in a county designated by the Rural Economic Development Initiative, a resolution adopted by the county commissioners of such county requesting that the applicant's project be exempt from the local financial support requirement.
 - 12. Any additional information requested by the department.
 - (5) ANNUAL CLAIM FOR REFUND.—

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(i)1. If a business fails to timely submit documentation requested by the department as required in the agreement between the business and the department and such failure results in the department withholding an otherwise approved refund, then the business may receive the approved refund if: a. The business submits the documentation to the department. b. The business provides a written statement to the department detailing the extenuating circumstances that resulted in the failure to timely submit the documentation required by the agreement. c. Funds appropriated under this section remain available. d. The business was scheduled under the terms of the agreement to submit information to the department between January 1, 2014, and December 31, 2014. e. The business has met all other requirements of the agreement. 2. This paragraph expires December 31, 2017. (7) EXPIRATION.—An applicant may not be certified as qualified under this section after June 30, 2018 2014. A tax refund agreement existing on that date shall continue in effect in accordance with its terms. Section 11. Paragraphs (c), (j), (k), and (q) of subsection (2), paragraph (b) of subsection (4), paragraph (b) of subsection (5), subsection (8), and subsection (9) of section 288.106, Florida Statutes, are amended to read: 288.106 Tax refund program for qualified target industry

(2) DEFINITIONS.—As used in this section:

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- (c) "Average private sector wage in the area" means the statewide private sector average wage or the average of all private sector wages and salaries in the county or in the standard metropolitan area in which the business is located.
- (i) (j) "Local financial support" means funding from local sources, public or private, which that is paid to the Economic Development Trust Fund and which that is equal to 20 percent of the annual tax refund for a qualified target industry business.
- 1. A qualified target industry business may not provide, directly or indirectly, more than 5 percent of such funding in any fiscal year. The sources of such funding may not include, directly or indirectly, state funds appropriated from the General Revenue Fund or any state trust fund, excluding tax revenues shared with local governments pursuant to law.
- 2. A qualified target industry business may not receive more than 80 percent of its total tax refunds from state funds that are allowed the business under this section.
- 3. The department may grant a waiver to a local government that reduces the required amount of local financial support for a project to 10 percent of the annual tax refund award or that eliminates the required amount of local financial support for a project located in an area designated by the Governor as a rural area of opportunity pursuant to s. 288.0656. To be eligible to receive a waiver that reduces or eliminates the required amount of local financial support, a local government must provide the department with:
- a. A resolution adopted by the governing body of the county or municipality in whose jurisdiction the project will be located, requesting that the applicant's project be waived from

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the local financial support requirement.

- b. A statement prepared by a certified public accountant, as that term is defined in s. 473.302, which describes the financial constraints preventing the local government from providing the local financial support required by this section. This sub-subparagraph does not apply to a county considered fiscally constrained pursuant to s. 218.67(1).
- (k) "Local financial support exemption option" means the option to exercise an exemption from the local financial support requirement available to any applicant whose project is located in a brownfield area, a rural city, or a rural community. Any applicant that exercises this option is not eligible for more than 80 percent of the total tax refunds allowed such applicant under this section.
- (p) (q) "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 in consultation with Enterprise Florida, Inc.:
- 1. Future growth.—Industry forecasts should indicate strong expectation for future growth in both 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.
- 2. Stability.—The industry should not be subject to periodic layoffs, whether due to seasonality or sensitivity to volatile economic variables such as weather. The industry should



also be 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 should pay relatively high wages compared to statewide or area averages.
- 4. Market and resource independent.—The location of industry businesses should not be dependent on Florida markets or resources as indicated by industry analysis, except for businesses in the renewable energy industry.
- 5. Industrial base diversification and strengthening.—The industry should contribute 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.
- 6. Positive economic impact.—The industry is expected to have 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.

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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

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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 and business support services, respectively, or any business within NAICS code 611310 which offers only baccalaureate or higher degree programs that address health care workforce demand may be considered a target industry business only after the local governing body and Enterprise Florida, Inc., make a determination that the community where the business may locate has conditions affecting the fiscal and economic viability of the local community or area, including but not limited to, factors such as 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 location of such a business to the community. By January 1 of every 3rd year, beginning January 1, 2011, the department, in consultation with Enterprise Florida, Inc., 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 such target industries and submit the list to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

- (4) APPLICATION AND APPROVAL PROCESS.-
- (b) To qualify for review by the department, the application of a target industry business must, at a minimum, establish the following to the satisfaction of the department:
 - 1.a. The jobs proposed to be created under the application,

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pursuant to subparagraph (a) 4., must pay an estimated annual average wage equaling at least 115 percent of the average private sector wage in the area where the business is to be located or the statewide private sector average wage. The governing board of the local governmental entity providing the local financial support of the jurisdiction where the qualified target industry business is to be located shall notify the department and Enterprise Florida, Inc., which calculation of the average private sector wage in the area must be used as the basis for the business's wage commitment. In determining the average annual wage, the department shall include only new proposed jobs, and wages for existing jobs shall be excluded from this calculation.

b. The department may waive the average wage requirement at the request of the local governing body recommending the project and Enterprise Florida, Inc. The department may waive the wage requirement for a project located in a brownfield area designated under s. 376.80, in a rural city, in a rural community, in an enterprise zone, or for a manufacturing project at any location in the state if the jobs proposed to be created pay an estimated annual average wage equaling at least 100 percent of the average private sector wage in the area where the business is to be located, only if the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action. If the local governing body and Enterprise Florida, Inc., make such a recommendation, it must be transmitted in writing and must include an explanation of, and the specific justification for the waiver recommendation must be explained. If the department

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elects to waive the wage requirement, the waiver must be stated in writing and must include an explanation of, and the reasons for granting the waiver must be explained.

- 2. The target industry business's project must result in the creation of at least 10 jobs at the project and, in the case of an expansion of an existing business, must result in a net increase in employment of at least 10 percent at the business. At the request of the local governing body recommending the project and Enterprise Florida, Inc., the department may waive this requirement for a business in a rural community or enterprise zone if the merits of the individual project or the specific circumstances in the community in relationship to the project warrant such action. If the local governing body and Enterprise Florida, Inc., make such a request, the request must be transmitted in writing and must include an explanation of τ and the specific justification for the request must be explained. If the department elects to grant the request, the grant must be stated in writing, and explain why the request was granted the reason for granting the request must be explained.
- 3. The business activity or product for the applicant's project must be within an industry identified by the department as a target industry business that contributes to the economic growth of the state and the area in which the business is located, that produces a higher standard of living for residents of this state in the new global economy, or that can be shown to make an equivalent contribution to the area's and state's economic progress.
 - (5) TAX REFUND AGREEMENT.-
 - (b) Compliance with the terms and conditions of the

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agreement is a condition precedent for the receipt of a tax refund each year. The failure to comply with the terms and conditions of the tax refund agreement results in the loss of eligibility for receipt of all tax refunds previously authorized under this section and the revocation by the department of the certification of the business entity as a qualified target industry business, unless the business is eligible to receive and elects to accept a prorated refund under paragraph (6)(e) or the department grants the business an economic recovery extension.

1. A qualified target industry business may submit a request to the department for an economic recovery extension. The request must provide quantitative evidence demonstrating how negative economic conditions in the business's industry, the effects of a named hurricane or tropical storm, or specific acts of terrorism affecting the qualified target industry business have prevented the business from complying with the terms and conditions of its tax refund agreement.

2. Upon receipt of a request under subparagraph 1., the department has 45 days to notify the requesting business, in writing, whether its extension has been granted or denied. In determining whether an extension should be granted, the department shall consider the extent to which negative economic conditions in the requesting business's industry have occurred in the state or the effects of a named hurricane or tropical storm or specific acts of terrorism affecting the qualified target industry business have prevented the business from complying with the terms and conditions of its tax refund agreement. The department shall consider current employment

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statistics for this state by industry, including whether the business's industry had substantial job loss during the prior year, when determining whether an extension shall be granted.

3. As a condition for receiving a prorated refund under paragraph (6) (e) or an economic recovery extension under this paragraph, a qualified target industry business must agree to renegotiate its tax refund agreement with the department to, at a minimum, ensure that the terms of the agreement comply with current law and the department's procedures governing application for and award of tax refunds. Upon approving the award of a prorated refund or granting an economic recovery extension, the department shall renegotiate the tax refund agreement with the business as required by this subparagraph. When amending the agreement of a business receiving an economic recovery extension, the department may extend the duration of the agreement for a period not to exceed 2 years.

4. A qualified target industry business may submit a request for an economic recovery extension to the department in lieu of any tax refund claim scheduled to be submitted after January 1, 2009, but before July 1, 2012.

5. A qualified target industry business that receives an economic recovery extension may not receive a tax refund for the period covered by the extension.

(8) SPECIAL INCENTIVES.-If the department determines it is in the best interest of the public for reasons of facilitating economic development, growth, or new employment opportunities within a Disproportionally Affected County, the department may, between July 1, 2011, and June 30, 2014, waive any or all wage or local financial support eligibility requirements and allow a

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qualified target industry business from another state which relocates all or a portion of its business to a Disproportionally Affected County to receive a tax refund payment of up to \$6,000 multiplied by the number of jobs specified in the tax refund agreement under subparagraph (5) (a) 1. over the term of the agreement. Prior to granting such waiver, the executive director of the department shall file with the Governor a written statement of the conditions and circumstances constituting the reason for the waiver. Such business shall be eligible for the additional tax refund payments specified in subparagraph (3) (b) 4. if it meets the criteria. 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.

- (9) INCENTIVE PAYMENTS.—The incentive payments made to a business pursuant to this section are not repayments of the actual taxes paid to the state or to a local government by the business. The amount of state and local government taxes paid by a business serve as a limitation on the amount of incentive payments a business may receive.
- (10) EXPIRATION.—An applicant may not be certified as qualified under this section after June 30, 2020. A tax refund agreement existing on that date shall continue in effect in accordance with its terms.

Section 12. Paragraphs (b) and (c) of subsection (2) and subsection (5) of section 288.108, Florida Statutes, are amended to read:

288.108 High-impact business.-

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- (2) DEFINITIONS.—As used in this section, the term:
- (b) "Cumulative investment" means the total investment in buildings and equipment made by a qualified high-impact business since the beginning of construction of such facility. The term does not include funds granted to or spent on behalf of the qualifying business by the state, a local government, or other governmental entity; funds appropriated in the General Appropriations Act; or funds otherwise provided to the qualifying business by a state agency, local government, or other governmental entity.
- (c) "Eligible high-impact business" means a business in one of the high-impact sectors identified by Enterprise Florida, Inc., and certified by the department as provided in subsection $(5)_{r}$ which is making a cumulative investment in the state of at least \$50 million and creating at least 50 new full-time equivalent jobs in the state or a research and development facility making a cumulative investment of at least \$25 million and creating at least 25 new full-time equivalent jobs. Such investment and employment must be achieved in a period not to exceed 3 years after the date the business enters into an agreement with the department as provided in subsection (5) is certified as a qualified high-impact business.
- (5) APPLICATIONS; REVIEW, APPROVAL, AND CERTIFICATION PROCESS; GRANT AGREEMENT.-
- (a) The department shall review an application pursuant to s. 288.061 which is received from any eligible high-impact business, as defined in subsection (2), for consideration as a qualified high-impact business before the business has made a decision to locate or expand a facility in this state. The

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business must provide the following information:

- 1. A complete description of the type of facility, business operations, and product or service associated with the project.
- 2. The number of full-time equivalent jobs that will be created by the project and the average annual wage of those jobs.
- 3. The cumulative amount of investment to be dedicated to this project within 3 years.
- 4. 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.
- 5. A statement concerning the role the grant will play in the decision of the applicant business to locate or expand in this state.
 - 6. Any additional information requested by the department.
- (b) 1. Applications shall be reviewed and certified pursuant to s. 288.061.
- 2. The project must have an economic benefit ratio of at least 1 to 1.
- (c) The executive director of the department shall recommend to the Governor approval or disproval of a project pursuant to s. 288.061. The Governor may approve a high-impact business performance grant of less than \$2 million without consulting the Legislature and shall provide a written description and evaluation of the approved project to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval.
- (d) For any high-impact business performance grant awarded funding in the amount of \$2 million or more, the Governor shall

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provide a written description and evaluation of the project to the President of the Senate and the Speaker of the House of Representatives at least 14 days before approving the project. If the President of the Senate or the Speaker of the House of Representatives timely advises the Governor, in writing, that his or her planned or proposed action exceeds the delegated authority of the Governor or is contrary to legislative policy or intent, the Governor shall instruct the department to immediately suspend any action planned or proposed.

- (e) A written description and evaluation of an amendment, a modification, or an extension of an executed agreement which results in a 0.5-point or greater reduction in the economic benefit ratio of the project must be provided to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval. An amendment, a modification, or an extension may not be made to an executed agreement if:
- 1. Such action would result in an economic benefit ratio less than 1 to 1.
- 2. The award of state funds outlined in the agreement has not been reduced by a proportionate amount.
- (f) Upon the approval of the Governor, the department shall certify the applicant as a high-impact business and the qualified high-impact business shall enter into a performance grant agreement with the qualified high-impact business pursuant to s. 288.061 setting forth the conditions for payment of the qualified high-impact business performance grant. The agreement shall include the total amount of the qualified high-impact business facility performance grant award, the performance

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conditions that must be met to obtain the award, including the employment, average salary, investment, the methodology for determining if the conditions have been met, and the schedule of performance grant payments.

(g) The department shall validate contractor performance and report such validation in the annual incentives report required by s. 288.907. The agreement shall require the qualified high-impact business to submit proof of performance within a certain period of time from the required date of performance provided in the agreement, not to exceed 90 days.

Section 13. Section 288.1088, Florida Statutes, are amended to read:

288.1088 Florida Enterprise Program Quick Action Closing Fund. -

(1) (a) The Legislature finds that attracting, retaining, and providing favorable conditions for the growth of certain high-impact business facilities, privately developed critical rural infrastructure, or key facilities in economically distressed urban or rural communities which provide widespread economic benefits to the public through high-quality employment opportunities in such facilities or in related facilities attracted to the state, through the increased tax base provided by the high-impact facility and related businesses, through an enhanced entrepreneurial climate in the state and the resulting business and employment opportunities, and through the stimulation and enhancement of the state's universities and community colleges. In the global economy, there exists serious and fierce international competition for these facilities, and in most instances, when all available resources for economic

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development have been used, the state continues to encounter severe competitive disadvantages in vying for these business facilities. Florida's rural areas must provide a competitive environment for business in the information age. This often requires an incentive to make it feasible for private investors to provide infrastructure in those areas.

- (b) The Legislature finds that the conclusion of the space shuttle program and the gap in civil human space flight will result in significant job losses that will negatively impact families, companies, the state and regional economies, and the capability level of this state's aerospace workforce. Thus, the Legislature also finds that this loss of jobs is a matter of state interest and great public importance. The Legislature further finds that it is in the state's interest for provisions to be made in incentive programs for economic development to maximize the state's ability to mitigate these impacts and to develop a more diverse aerospace economy.
- (c) The Legislature therefore declares that sufficient resources shall be available to respond to extraordinary economic opportunities and to compete effectively for these high-impact business facilities, critical private infrastructure in rural areas, and key businesses in economically distressed urban or rural communities, and that up to 20 percent of these resources may be used for projects to retain or create hightechnology jobs that are directly associated with developing a more diverse aerospace economy in this state.
- (2) There is created within the department the Florida Enterprise Program Quick Action Closing Fund. Projects eligible for receipt of funds from the program must Quick Action Closing



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- (a) Be in an industry identified as a target industry pursuant to the procedure specified as referenced in s. 288.106.
- (b) Have a positive economic benefit ratio of at least 2.5 to 1 $\frac{5}{100}$ to 1.
- (c) Be an inducement to the project's location or expansion in the state.
- (d) Pay an average annual wage of at least 125 percent of the average areawide or statewide private sector average wage in the area or, for a project to be located in an area designated as a rural area of opportunity, an average annual wage of at least 100 percent of the average private sector wage in the area.
- (e) Be supported by the local community in which the project is to be located. Support must include a resolution adopted by the governing board of the county or municipality in which the project will be located, which resolution recommends that the project be approved and specifies that the commitments of local financial support necessary for the business exist. Before the passage of such resolution, the department may also accept an official letter from an authorized local economic development agency that endorses the proposed project and pledges that sources of local financial support for such project exist. For the purposes of making pledges of local financial support under this paragraph, the authorized local economic development agency shall be officially designated by the passage of a one-time resolution by the local governing board. For purposes of this section, the term "local financial support" means funding from local sources, public or private, which is

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paid to the Economic Development Trust Fund and which is equal to 20 percent of the Florida Enterprise Program award to a business.

- 1. A business may not provide, directly or indirectly, more than 5 percent of such funding in any fiscal year. The sources of such funding may not include, directly or indirectly, state funds appropriated from the General Revenue Fund or any state trust fund, excluding tax revenues shared with local governments pursuant to law.
- 2. A business may not receive more than 80 percent of its total award under this section from state funds.
- 3. The department may grant a waiver to a local government that reduces the required amount of local financial support for a project to 10 percent of the award or that eliminates the required amount of local financial support for a project located in an area designated by the Governor as a rural area of opportunity pursuant to s. 288.0656. To be eligible to receive a waiver that reduces or eliminates the required amount of local financial support, a local government must provide the department with:
- a. A resolution adopted by the governing body of the county or municipality in whose jurisdiction the project will be located, requesting that the applicant's project be waived from the local financial support requirement.
- b. A statement prepared by a certified public accountant, as that term is defined in s. 473.302, which describes the financial constraints preventing the local government from providing the local financial support required by this section. This sub-subparagraph does not apply to a county considered

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fiscally constrained pursuant to s. 218.67(1).

- (f) Create at least 10 new jobs.
- (3) (a) The department and Enterprise Florida, Inc., shall jointly review applications pursuant to s. 288.061 and determine the eligibility of each project consistent with the criteria in subsection (2). Waiver of the criteria in subsection (2) these criteria may not be considered except as provided in subsection (2) (e) under the following criteria:
 - 1. Based on extraordinary circumstances;
- 2. In order to mitigate the impact of the conclusion of the space shuttle program; or
- 3. In rural areas of opportunity if the project would significantly benefit the local or regional economy.
- (4) (b) The department shall evaluate individual proposals for high-impact business facilities. Such evaluation must include, but need not be limited to:
- (a) $\frac{1}{1}$. A description of the type of facility or infrastructure, its operations, and the associated product or service associated with the facility.
- (b) 2. The number of full-time-equivalent jobs that will be created by the facility and the total estimated average annual wages of those jobs or, in the case of privately developed rural infrastructure, the types of business activities and jobs stimulated by the investment.
- (c) 3. The cumulative amount of investment to be dedicated to the facility within a specified period.
- (d) 4. A statement of any special impacts the facility is expected to stimulate in a particular business sector in the state or regional economy or in the state's universities and



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- (e) 5. A statement of the role the incentive is expected to play in the decision of the applicant business to locate or expand in this state or for the private investor to provide critical rural infrastructure.
- (f) 6. A report evaluating the quality and value of the company submitting a proposal. The report must include:
- 1.a. A financial analysis of the company, including an evaluation of the company's short-term liquidity ratio as measured by its assets to liabilities liability, the company's profitability ratio, and the company's long-term solvency as measured by its debt-to-equity ratio;
 - 2.b. The historical market performance of the company;
- 3.c. A review of any independent evaluations of the company;
- 4.d. A review of the latest audit of the company's financial statement and the related auditor's management letter; and
- 5.e. A review of any other types of audits that are related to the internal and management controls of the company.
 - (g) The amount of local financial support for the project.
- (5) (a) (c) 1. Within 7 business days after evaluating a project, The executive director of the department shall recommend to the Governor approval or disapproval of a project pursuant to s. 288.061 for receipt of funds from the Quick Action Closing Fund. In recommending a project, the department shall include proposed performance conditions that the project must meet to obtain incentive funds.
 - 2. The Governor may approve a project projects without

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consulting the Legislature for a project awarded projects requiring less than \$2 million in funding and shall provide a written description and evaluation of the approved project to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval.

- (b) For a project recommended for approval for an award of \$2 million or more, the Governor shall provide a written description and evaluation of the project to the President of the Senate and the Speaker of the House of Representatives at least 14 days before approving an award. If the President of the Senate or the Speaker of the House of Representatives timely advises the Governor, in writing, that his or her planned or proposed action exceeds the delegated authority of the Governor or is contrary to legislative policy or intent, the Governor shall instruct the department to immediately suspend any action planned or proposed.
- 3. For projects requiring funding in the amount of \$2 million to \$5 million, the Governor shall provide a written description and evaluation of a project recommended for approval to the chair and vice chair of the Legislative Budget Commission at least 10 days prior to giving final approval for a project. The recommendation must include proposed performance conditions that the project must meet in order to obtain funds.
- 4. If the chair or vice chair of the Legislative Budget Commission or the President of the Senate or the Speaker of the House of Representatives timely advises the Executive Office of the Governor, in writing, that such action or proposed action exceeds the delegated authority of the Executive Office of the Governor or is contrary to legislative policy or intent, the

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Executive Office of the Governor shall void the release of funds and instruct the department to immediately change such action or proposed action until the Legislative Budget Commission or the Legislature addresses the issue. Notwithstanding such requirement, any project exceeding \$5 million must be approved by the Legislative Budget Commission prior to the funds being released.

- (c) A written description and evaluation of an amendment, a modification, or an extension of an executed contract which results in a 0.5-point or greater reduction in the economic benefit ratio of the project must be provided to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval. An amendment, a modification, or an extension may not be made to an executed contract if:
- 1. Such action would result in an economic benefit ratio less than 2.5 to 1.
- 2. The award of state funds outlined in the contract has not been reduced by a proportionate amount.
- (6) (d) Upon the approval of the Governor, the department and the business shall enter into a contract pursuant to s. 288.061 that sets forth the conditions for payment of moneys from the fund. Such payment may not be made to the business until the scheduled performance conditions have been achieved. The contract must also include the minimum and maximum amount of funds that may be awarded, if applicable the total amount of funds awarded; the performance conditions that must be met to obtain the award, including, but not limited to, net new employment in the state, average salary, and total capital

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investment related to the minimum and maximum number of jobs that will be created, if applicable; a demonstration of demonstrate a baseline of current service and a measure of enhanced capability; the methodology for validating performance; the amount of local financial support that will be annually available and that will be paid into the Economic Development Trust Fund the schedule of payments from the fund; and sanctions for failure to meet performance conditions. The contract must provide that payment of moneys from the fund is contingent upon sufficient appropriation of funds by the Legislature. The department may not enter into a contract with a business if the local financial support resolution is not passed by the local governing body within 90 days after the department has issued the letter of certification.

(7) (e) The department shall validate contractor performance and report such validation in the annual incentives report required under s. 288.907. The contract shall require the business to submit proof of performance within a certain period of time from the required date of performance provided in the contract, not to exceed 90 days.

(8) (a) (4) Funds appropriated by the Legislature for purposes of implementing this section shall be placed in reserve and may only be released pursuant to the legislative consultation and review requirements set forth in this section.

(b) A scheduled payment from the fund may not be approved for a business unless the required local financial support has been paid into the account for that project. Funding from local sources includes any tax abatement granted to that business under s. 196.1995 or the appraised market value of municipal or

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county land conveyed or provided at a discount to that business. The amount of any scheduled payment from the fund to such business approved under this section must be reduced by the amount of any such tax abatement granted or the value of the land granted. A report listing all sources of the local financial support shall be provided to the department when such support is paid to the account.

Section 14. Paragraph (b) of subsection (2), subsection (4), subsection (7), and paragraph (b) of subsection (8) of section 288.1089, Florida Statutes, are amended to read:

288.1089 Innovation Incentive Program. -

- (2) As used in this section, the term:
- (b) "Average private sector wage" means the statewide average wage in the private sector or the average of all private sector wages in the county or in the standard metropolitan area in which the project is located as determined by the department.
- (4) To qualify for review by the department, the applicant must, at a minimum, establish the following to the satisfaction of the department:
- (a) The jobs created by the project must pay an estimated annual average wage equaling at least 130 percent of the average private sector wage in the area. The department may waive this average wage requirement at the request of Enterprise Florida, Inc., 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. A recommendation for waiver by Enterprise Florida, Inc., must include a specific justification for the waiver and be transmitted to the

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department in writing. If the department elects to waive the wage requirement, the waiver must be stated in writing and explain the reasons for granting the waiver must be explained.

- (b) A research and development project must:
- 1. Serve as a catalyst for an emerging or evolving technology cluster.
- 2. Demonstrate a plan for significant higher education collaboration.
- 3. Provide the state, at a minimum, a cumulative break-even economic benefit within a 20-year period.
- 4. Be provided with a one-to-one match from the local community. The match requirement may be reduced or waived in rural areas of opportunity or reduced in rural areas, brownfield areas, and enterprise zones. A local government that requests a waiver that reduces or eliminates the one-to-one match shall provide the department with a statement prepared by a Florida certified public accountant, as defined in s. 473.302, which describes the financial constraints preventing the local government from meeting the local financial support requirement of this section. This subparagraph does not apply to a county considered fiscally constrained pursuant to s. 218.67(1).
- (c) An innovation business project in this state, other than a research and development project, must:
- 1.a. Result in the creation of at least 1,000 direct, new jobs at the business; or
- b. Result in the creation of at least 500 direct, new jobs if the project is located in a rural area, a brownfield area, or an enterprise zone.
 - 2. Have an activity or product that is within an industry

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1577 that is designated as a target industry business under s. 1578 288.106 or a designated sector under s. 288.108.

- 3.a. Have a cumulative investment of at least \$500 million within a 5-year period; or
- b. Have a cumulative investment that exceeds \$250 million within a 10-year period if the project is located in a rural area, brownfield area, or an enterprise zone.
- 4. Be provided with a one-to-one match from the local community. The match requirement may be reduced or waived in rural areas of opportunity or reduced in rural areas, brownfield areas, and enterprise zones. A local government that requests a waiver that reduces or eliminates the one-to-one match shall provide the department with a statement prepared by a Florida certified public accountant, as defined in s. 473.302, which describes the financial constraints preventing the local government from meeting the local financial support requirement of this section. This subparagraph does not apply to a county considered fiscally constrained pursuant to s. 218.67(1).
- (d) For an alternative and renewable energy project in this state, the project must:
- 1. Demonstrate a plan for significant collaboration with an institution of higher education. +
- 2. Provide the state, at a minimum, a cumulative break-even economic benefit within a 20-year period. +
- 3. Include matching funds provided by the applicant or other available sources. The match requirement may be reduced or waived in rural areas of opportunity or reduced in rural areas, brownfield areas, and enterprise zones. +
 - 4. Be located in this state.; and

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5. Provide at least 35 direct, new jobs that pay an estimated annual average wage that equals at least 130 percent of the average private sector wage in the area.

(7) (a) The executive director of the department shall recommend to the Governor approval or disproval of a project pursuant to s. 288.061. The Governor may approve a project awarded less than \$2 million in funding without consulting the Legislature and shall provide a written description and evaluation of the approved project to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval. Upon receipt of the evaluation and recommendation from the department, the Governor shall approve or deny an award. In recommending approval of an award, the department shall include proposed performance conditions that the applicant must meet in order to obtain incentive funds and any other conditions that must be met before the receipt of any incentive funds. The Governor shall consult with the President of the Senate and the Speaker of the House of Representatives before giving approval for an award. Upon review and approval of an award by the Legislative Budget Commission, the Executive Office of the Governor shall release the funds.

(b) For a project recommended for approval for an award of \$2 million or more, the Governor shall provide a written description and evaluation of the project to the President of the Senate and the Speaker of the House of Representatives at least 14 days before approving an award. If the President of the Senate or the Speaker of the House of Representatives timely advises the Governor, in writing, that his or her planned or proposed action exceeds the delegated authority of the Governor

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or is contrary to legislative policy or intent, the Governor shall instruct the department to immediately suspend any action planned or proposed.

- (c) A written description and evaluation of an amendment, a modification, or an extension of an executed agreement which results in a 0.5-point or greater reduction in the economic benefit ratio of the project must be provided to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval. An amendment, a modification, or an extension may not be made to an executed agreement if:
- 1. Such action would result in an economic benefit ratio less than 1 to 1.
- 2. The award of state funds outlined in the agreement has not been reduced by a proportionate amount.
- (8) (a) After the conditions set forth in subsection (7) have been met, the department shall issue a letter certifying the applicant as qualified for an award. the department and the award recipient shall enter into an agreement pursuant to s. 288.061 that sets forth the conditions for payment of the incentive funds. The agreement must also include, at a minimum:
 - 1. The total amount of funds awarded.
- 2. The performance conditions that must be met in order to obtain the award or portions of the award, including, but not limited to, net new employment in the state, average wage, and total cumulative investment.
- 3. Demonstration of a baseline of current service and a measure of enhanced capability.
 - 4. The methodology for validating performance.

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5. The schedule of payments.

6. Sanctions for failure to meet performance conditions, including any clawback provisions.

- (b) Additionally, agreements signed on or after July 1, 2009, must include the following provisions:
- 2.1. Notwithstanding subsection (4), a requirement that the jobs created by the recipient of the incentive funds pay an annual average wage at least equal to the relevant industry's annual average wage or at least 130 percent of the average private sector wage in the area, whichever is greater.
- 3.2. A reinvestment requirement. Each recipient of an award shall reinvest up to 15 percent of net royalty revenues, including revenues from spin-off companies and the revenues from the sale of stock it receives from the licensing or transfer of inventions, methods, processes, and other patentable discoveries conceived or reduced to practice using its facilities in Florida or its Florida-based employees, in whole or in part, and to which the recipient of the grant becomes entitled during the 20 years following the effective date of its agreement with the department. Each recipient of an award also shall reinvest up to 15 percent of the gross revenues it receives from naming opportunities associated with any facility it builds in this state. Reinvestment payments shall commence no later than 6 months after the recipient of the grant has received the final disbursement under the contract and shall continue until the maximum reinvestment, as specified in the contract, has been paid. Reinvestment payments shall be remitted to the department for deposit in the Biomedical Research Trust Fund for companies specializing in biomedicine or life sciences, or in the Economic

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Development Trust Fund for companies specializing in fields other than biomedicine or the life sciences. If these trust funds no longer exist at the time of the reinvestment, the state's share of reinvestment shall be deposited in their successor trust funds as determined by law. Each recipient of an award shall annually submit a schedule of the shares of stock held by it as payment of the royalty required by this paragraph and report on any trades or activity concerning such stock. Each recipient's reinvestment obligations survive the expiration or termination of its agreement with the state.

- 4.3. Requirements for the establishment of internship programs or other learning opportunities for educators and secondary, postsecondary, graduate, and doctoral students.
- 5.4. A requirement that the recipient submit quarterly reports and annual reports related to activities and performance to the department, according to standardized reporting periods.
- 6.5. A requirement for an annual accounting to the department of the expenditure of funds disbursed under this section.

6. A process for amending the agreement.

(9) The department shall validate the performance of an innovation business, a research and development facility, or an alternative and renewable energy business that has received an award. The agreement shall require the innovation business to submit proof of performance within a certain period of time from the required date of performance provided in the agreement, not to exceed 90 days. At the conclusion of the innovation incentive award agreement, or its earlier termination, the department shall include in the annual incentives report required under s.

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1722 288.907 a detailed description of whether the recipient of the 1723 innovation incentive grant achieved its specified outcomes.

Section 15. Subsection (5) is added to section 288.1097, Florida Statutes, to read:

288.1097 Qualified job training organizations; certification; duties.-

(5) Notwithstanding s. 624.4625(1)(b), a qualified job training organization that has been certified is eligible to participate in a self-insurance fund authorized by s. 624.4625.

Section 16. Effective upon becoming law, section 288.1169, Florida Statutes, is repealed.

Section 17. Effective upon becoming law, subsections (1), and (3), paragraphs (c), (d), (e), (f), (g), and (i) of subsection (4), paragraph (a) of subsection (5), paragraph (d) of subsection (6), subsections (7) and (9), and subsections (11) through (14) of section 288.11625, Florida Statutes, are amended to read:

288.11625 Sports development.

- (1) ADMINISTRATION.—The department shall serve as the state agency responsible for screening applicants for state funding under s. 212.20(6)(d)6.e. s. 212.20(6)(d)6.f.
- (3) PURPOSE.—The purpose of this section is to provide applicants state funding under s. 212.20(6)(d)6.e. s. 212.20(6)(d)6.f. for the public purpose of constructing, reconstructing, renovating, or improving a facility.
 - (4) APPLICATION AND CERTIFICATION APPROVAL PROCESS.-
- (c) Within 60 days after receipt of a completed application, the department shall complete its evaluation of the 1749 application as provided under subsection (5) and notify the

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applicant in writing of the department's decision to recommend approval of the applicant by the Legislature or to deny the application.

- (d) By each February 1, the department shall rank the applicants and provide to the Legislature the list of the recommended applicants in ranked order of projects most likely to positively impact the state based on criteria established under this section. The list must include the department's evaluation of the applicant.
- (e) A recommended applicant's request for funding must be approved by the Legislature, enacted by a general law or conforming bill approved by the Covernor in the manner provided in s. 8, Art. III of the State Constitution. After enactment, The department must certify an applicant and its approved request for funding, except as provided in paragraph (6)(f). The approved request for funding must be certified as an annual distribution amount, and the department must notify the Department of Revenue of the initial certification and the distribution amount.
- 1. An application by a unit of local government which is approved by the Legislature and subsequently certified by the department remains certified for the duration of the beneficiary's agreement with the applicant or for 30 years, whichever is less, provided the certified applicant has an agreement with a beneficiary at the time of initial certification by the department.
- 2. An application by a beneficiary or other applicant which is approved by the Legislature and subsequently certified by the department remains certified for the duration of the

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beneficiary's agreement with the unit of local government that owns the underlying property or for 30 years, whichever is less, provided the certified applicant has an agreement with the unit of local government at the time of initial certification by the department.

- 3. An applicant that is previously certified pursuant to this section does not need legislative approval certification each year to receive state funding.
- (f) An applicant that is recommended by the department but not certified approved by the Legislature may reapply and shall update any information in the original application as required by the department.
- (g) The department may certify recommend no more than one distribution under this section for any applicant, facility, or beneficiary at a time. A facility or beneficiary may not be the subject of more than one distribution under s. 212.20 at any time for any state-administered sports-related program, including s. 288.1162, s. 288.11621, s. 288.11631, or this section. This limitation does not apply if the applicant demonstrates that the beneficiary that is the subject of the distribution under s. 212.20 no longer plays at the facility that is the subject of the application under this section.
- (i) An application may be submitted to the department for evaluation and certification recommendation if the existing beneficiary has completed or will complete the terms of an existing distribution under chapter 212 for an existing facility before a distribution can be made.
 - (5) EVALUATION PROCESS.-
 - (a) Before certifying recommending an applicant to receive

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a state distribution under s. 212.20(6)(d)6.e. s. 212.20(6)(d)6.f., the department must verify that:

- 1. The applicant or beneficiary is responsible for the construction, reconstruction, renovation, or improvement of a facility and obtained at least three bids for the project.
- 2. If the applicant is not a unit of local government, a unit of local government holds title to the property on which the facility and project are, or will be, located.
- 3. If the applicant is a unit of local government in whose jurisdiction the facility is, or will be, located, the unit of local government has an exclusive intent agreement to negotiate in this state with the beneficiary.
- 4. A unit of local government in whose jurisdiction the facility is, or will be, located supports the application for state funds. Such support must be verified by the adoption of a resolution, after a public hearing, that the project serves a public purpose.
- 5. The applicant or beneficiary has not previously defaulted or failed to meet any statutory requirements of a previous state-administered sports-related program under s. 288.1162, s. 288.11621, s. 288.11631, or this section. Additionally, the applicant or beneficiary is not currently receiving state distributions under s. 212.20 for the facility that is the subject of the application, unless the applicant demonstrates that the franchise that applied for a distribution under s. 212.20 no longer plays at the facility that is the subject of the application.
- 6. The applicant or beneficiary has sufficiently demonstrated a commitment to employ residents of this state,

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contract with Florida-based firms, and purchase locally available building materials to the greatest extent possible.

- 7. If the applicant is a unit of local government, the applicant has a certified copy of a signed agreement with a beneficiary for the use of the facility. If the applicant is a beneficiary, the beneficiary must enter into an agreement with the department. The applicant's or beneficiary's agreement must also require the following:
- a. The beneficiary must reimburse the state for state funds that will be distributed if the beneficiary relocates or no longer occupies or uses the facility as the facility's primary tenant before the agreement expires. Reimbursements must be sent to the Department of Revenue for deposit into the General Revenue Fund.
- b. The beneficiary must pay for signage or advertising within the facility. The signage or advertising must be placed in a prominent location as close to the field of play or competition as is practicable, must be displayed consistent with signage or advertising in the same location and of like value, and must feature Florida advertising approved by the Florida Tourism Industry Marketing Corporation.
- 8. The project will commence within 12 months after receiving state funds or did not commence before January 1, 2013.
 - (6) DISTRIBUTION.-
- (d) The department shall notify the Department of Revenue of the applicant's initial certification, and the Department of Revenue shall begin distributions within 45 days after such notification or upon a date specified by the department as

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requested by the approved applicant, whichever is later.

- (7) CONTRACT.-An applicant approved by the Legislature and certified by the department must enter into a contract with the department which:
- (e) Requires the applicant to reimburse the state by electing to do one of the following:
- 1. After all distributions have been made, reimburse at the end of the contract term any amount by which the total distributions made under s. 212.20(6)(d)6.e. s. 212.20(6)(d)6.f. exceed actual new incremental state sales taxes generated by sales at the facility during the contract, plus a 5 percent penalty on that amount.
- 2. After the applicant begins to submit the independent analysis under paragraph (c), reimburse each year any amount by which the previous year's annual distribution exceeds 75 percent of the actual new incremental state sales taxes generated by sales at the facility.

Any reimbursement due to the state must be made within 90 days after the applicable distribution under this paragraph. If the applicant is unable or unwilling to reimburse the state for such amount, the department may place a lien on the applicant's facility. If the applicant is a municipality or county, it may reimburse the state from its half-cent sales tax allocation, as provided in s. 218.64(3). Reimbursements must be sent to the Department of Revenue for deposit into the General Revenue Fund.

- (9) REPORTS.-
- (a) On or before November 1 of each year, an applicant certified under this section and approved to receive state funds

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must submit to the department any information required by the department. The department shall summarize this information for inclusion in an its annual report to the Legislature under paragraph (4) (d).

(b) Every 5 years after an applicant receives its first monthly distribution, the department must verify that the applicant is meeting the program requirements. If the applicant fails to meet these requirements, the department shall notify the Governor and the Legislature in its next annual report under paragraph (4)(d) that the requirements are not being met and recommend future action. The department shall take into consideration extenuating circumstances that may have prevented the applicant from meeting the program requirements, such as force majeure events or a significant economic downturn.

(11) APPLICATION RELATED TO NEW FACILITIES OR PROJECTS COMMENCED BEFORE JULY 1, 2014. Notwithstanding paragraph (4) (e), the Legislative Budget Commission may approve an application for state funds by an applicant for a new facility or a project commenced between March 1, 2013, and July 1, 2014. Such an application may be submitted after May 1, 2014. The department must review the application and recommend approval to the Legislature or deny the application. The Legislative Budget Commission may approve applications on or after January 1, 2015. The department must certify the applicant within 45 days of approval by the Legislative Budget Commission. State funds may not be distributed until the department notifies the Department of Revenue that the applicant was approved by the Legislative Budget Commission and certified by the department. An applicant certified under this subsection is subject to the provisions and

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requirements of this section. An applicant that fails to meet the conditions of this subsection may reapply during future application periods.

- (11) (12) REPAYMENT OF DISTRIBUTIONS.—An applicant that is certified under this section may be subject to repayment of distributions upon the occurrence of any of the following:
- (a) An applicant's beneficiary has broken the terms of its agreement with the applicant and relocated from the facility or no longer occupies or uses the facility as the facility's primary tenant. The beneficiary must reimburse the state for state funds that will be distributed, plus a 5 percent penalty on that amount, if the beneficiary relocates before the agreement expires.
- (b) A determination by the department that an applicant has submitted information or made a representation that is determined to be false, misleading, deceptive, or otherwise untrue. The applicant must reimburse the state for state funds that have been and will be distributed, plus a 5 percent penalty on that amount, if such determination is made. If the applicant is a municipality or county, it may reimburse the state from its half-cent sales tax allocation, as provided in s. 218.64(3).
- (c) Repayment of distributions must be sent to the Department of Revenue for deposit into the General Revenue Fund.
- (12) (13) HALTING OF PAYMENTS.—The applicant may request in writing at least 20 days before the next monthly distribution that the department halt future payments. The department shall immediately notify the Department of Revenue to halt future payments.
 - (13) (14) RULEMAKING.—The department may adopt rules to



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Section 18. The amendments made to s. 288.11625, Florida Statutes, apply to applications received, evaluated, and recommended for approval by the Department of Economic Opportunity in Fiscal Year 2015-2016.

Section 19. Notwithstanding the repeal of section 288.1229, Florida Statutes, in s. 485, chapter 2011-142, Laws of Florida, section 288.1229, Florida Statutes, is revived, reenacted, and amended to read:

288.1229 Promotion and development of sports-related industries and amateur athletics; direct-support organization established; powers and duties .-

- (1) The Department of Economic Opportunity shall establish a direct-support organization known as the Florida Sports Foundation. The foundation shall The Office of Tourism, Trade, and Economic Development may authorize a direct-support organization to assist the department office in:
- (a) The promotion and development of the sports industry and related industries for the purpose of improving the economic presence of these industries in Florida.
- (b) The promotion of amateur athletic participation for the citizens of Florida and the promotion of Florida as a host for national and international amateur athletic competitions for the purpose of encouraging and increasing the direct and ancillary economic benefits of amateur athletic events and competitions.
- (c) The retention of professional sports franchises, including the spring training operations of Major League Baseball.
 - (2) The Florida Sports Foundation To be authorized as a



1983	direct-support organization, an organization must:
1984	(a) Be incorporated as a corporation not for profit
1985	pursuant to chapter 617.
1986	(b) 1 . Be governed by a board of directors, which must
1987	consist of 20 up to 15 members appointed by the Governor, which
1988	<u>include:</u>
1989	a. Ten members representing Florida major league franchises
1990	of Major League Baseball, National Basketball Association,
1991	National Football League, National Hockey League, and Major
1992	League Soccer teams domiciled in this state.
1993	b. A member representing Florida Sports Commissions.
1994	c. A member representing the boating and fishing industries
1995	<u>in Florida.</u>
1996	d. A member representing the golf industry in Florida.
1997	e. A member representing Major League Baseball spring
1998	training.
1999	f. A member representing the auto racing industry in
2000	Florida.
2001	g. Five members at-large and up to 15 members appointed by
2002	the existing board of directors. In making at-large
2003	appointments, the <u>governor</u> board must consider a potential
2004	member's background in community service and sports activism in,
2005	and financial support of, the sports industry, professional
2006	sports, or organized amateur athletics. Members must be
2007	residents of the state and highly knowledgeable about or active
2008	in professional or organized amateur sports.
2009	2. The board must contain representatives of all
2010	geographical regions of the state and must represent ethnic and

gender diversity. The terms of office of the members shall be 4

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years. No member may serve more than two consecutive terms. The Governor may remove any member for cause and shall fill all vacancies that occur.

- (c) Have as its purpose, as stated in its articles of incorporation, to receive, hold, invest, and administer property; to raise funds and receive gifts; and to promote and develop the sports industry and related industries for the purpose of increasing the economic presence of these industries in Florida.
- (d) Have a prior determination by the department Office of Tourism, Trade, and Economic Development that the organization will benefit the department office and act in the best interests of the state as a direct-support organization to the department office.
- (3) The Florida Sports Foundation shall operate under contract with the department. The department shall enter into a contract with the foundation by July 1, 2016. The contract must provide Office of Tourism, Trade, and Economic Development shall contract with the organization and shall include in the contract that:
- (a) The department office may review the foundation's organization's articles of incorporation.
- (b) The foundation organization shall submit an annual budget proposal to the department office, on a form provided by the department office, in accordance with department office procedures for filing budget proposals based upon the recommendation of the department office.
- (c) Any funds that the foundation organization holds in trust will revert to the state upon the expiration or



cancellation of the contract.

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- (d) The foundation organization is subject to an annual financial and performance review by the department office to determine whether the foundation organization is complying with the terms of the contract and whether it is acting in a manner consistent with the goals of the department office and in the best interests of the state.
- (e) The fiscal year of the foundation begins organization will begin July 1 of each year and ends end June 30 of the next ensuing year.
- (4) The department Office of Tourism, Trade, and Economic Development may allow the foundation organization to use the property, facilities, personnel, and services of the department office if the foundation organization provides equal employment opportunities to all persons regardless of race, color, religion, sex, age, or national origin, subject to the approval of the executive director of the department office.
- (5) The foundation organization shall provide for an annual financial audit in accordance with s. 215.981.
- (6) The foundation organization is not granted any taxing power.
- (7) In exercising the power provided in this section, the Office of Tourism, Trade, and Economic Development may authorize and contract with the direct-support organization existing on June 30, 1996, and authorized by the former Florida Department of Commerce to promote sports-related industries. An appointed member of the board of directors of such direct-support organization as of June 30, 1996, may serve the remainder of his or her unexpired term.

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- (7) (8) To promote amateur sports and physical fitness, the foundation direct-support organization shall:
 - (a) Develop, foster, and coordinate services and programs for amateur sports for the people of Florida.
- (b) Sponsor amateur sports workshops, clinics, conferences, and other similar activities.
- (c) Give recognition to outstanding developments and achievements in, and contributions to, amateur sports.
- (d) Encourage, support, and assist local governments and communities in the development of or hosting of local amateur athletic events and competitions.
- (e) Promote Florida as a host for national and international amateur athletic competitions.
- (f) Develop a statewide programs program of amateur athletic competition to be known as the "Florida Senior Games" and the "Sunshine State Games."
- (q) Continue the successful amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports created under former s. 14.22.
- (h) Encourage and continue the use of volunteers in its amateur sports programs to the maximum extent possible.
- (i) Develop, foster, and coordinate services and programs designed to encourage the participation of Florida's youth in Olympic sports activities and competitions.
- (j) Foster and coordinate services and programs designed to contribute to the physical fitness of the citizens of Florida.
- (8) (9) (a) The Sunshine State Games and Florida Senior Games shall \underline{both} be patterned after the Summer Olympics with

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variations as necessitated by availability of facilities, equipment, and expertise. The games shall be designed to encourage the participation of athletes representing a broad range of age groups, skill levels, and Florida communities. Participants shall be residents of this state. Regional competitions shall be held throughout the state, and the top qualifiers in each sport shall proceed to the final competitions to be held at a site in the state with the necessary facilities and equipment for conducting the competitions.

(b) The department Executive Office of the Governor is authorized to permit the use of property, facilities, and personal services of or at any State University System facility or institution by the direct-support organization operating the Sunshine State Games and Florida Senior Games. For the purposes of this paragraph, personal services includes full-time or parttime personnel as well as payroll processing.

Section 20. Section 288.125, Florida Statutes, is amended to read:

288.125 Definition of term "entertainment industry."-For the purposes of ss. 288.1254, 288.1256, 288.1258, 288.913, 288.914, and 288.915 ss. 288.1251-288.1258, the term "entertainment industry" means those persons or entities engaged in the operation of motion picture or television studios or recording studios; those persons or entities engaged in the preproduction, production, or postproduction of motion pictures, made-for-television movies, television programming, digital media projects, commercial advertising, music videos, or sound recordings; and those persons or entities providing products or services directly related to the preproduction, production, or

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postproduction of motion pictures, made-for-television movies, television programming, digital media projects, commercial advertising, music videos, or sound recordings, including, but not limited to, the broadcast industry.

Section 21. Section 288.1251, Florida Statutes, is renumbered as section 288.913, Florida Statutes, and amended to read:

288.913 288.1251 Promotion and development of entertainment industry; Division Office of Film and Entertainment; creation; purpose; powers and duties .-

(1) CREATION.-

(a) The Division of Film and Entertainment There is hereby created within Enterprise Florida, Inc., the department the Office of Film and Entertainment for the purpose of developing, recruiting, marketing, promoting, and providing services to the state's entertainment industry. The division shall serve as a liaison between the entertainment industry and other state and local governmental agencies, local film commissions, and labor organizations.

(2) (b) COMMISSIONER.—The president of Enterprise Florida, Inc., shall appoint the film and entertainment commissioner, who is subject to confirmation by the Senate, within 90 days after the effective date of this act department shall conduct a national search for a qualified person to fill the position of Commissioner of Film and Entertainment when the position is vacant. The executive director of the department has the responsibility to hire the film commissioner. The commissioner is subject to the requirements of s. 288.901(1)(c). Qualifications for the film commissioner include, but are not

limited to, the following:

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(a) 1. At least 5 years' A working knowledge of and 2159 experience with the equipment, personnel, financial, and day-to-2160 day production operations of the industries to be served by the 2161 division Office of Film and Entertainment; 2162 (b) 2. Marketing and promotion experience related to the 2163 film and entertainment industries to be served; 2164 (c) $\frac{3}{1}$. Experience working with a variety of individuals 2165 representing large and small entertainment-related businesses, 2166 industry associations, local community entertainment industry 2167 liaisons, and labor organizations; and 2168 (d) 4. Experience working with a variety of state and local 2169 governmental agencies; and-2170 (e) A record of high-level involvement in production deals 2171 and contacts with industry decisionmakers. 2172 (3) + POWERS AND DUTIES.-2173 (a) In the performance of its duties, the Division Office of Film and Entertainment, in performance of its duties, shall 2174 2175 develop and periodically: 2176 1. In consultation with the Florida Film and Entertainment

office administration, and information. The plan must shall: a. be annual in construction and ongoing in nature.

development, marketing, promotion, liaison services, field

Advisory Council, update a 5-year the strategic plan every 5

Entertainment in the areas of entertainment industry

years to guide the activities of the division Office of Film and

- 1. At a minimum, the plan must address the following:
- a.b. Include recommendations relating to The organizational structure of the division, including any field offices outside



2186 the state office. 2187 b. The coordination of the division with local or regional 2188 offices maintained by counties and regions of the state, local 2189 film commissions, and labor organizations, and the coordination 2190 of such entities with each other to facilitate a working 2191 relationship. 2192 c. Strategies to identify, solicit, and recruit 2193 entertainment production opportunities for the state, including 2194 implementation of programs for rural and urban areas designed to 2195 develop and promote the state's entertainment industry. 2196 d.e. Include An annual budget projection for the division 2197 office for each year of the plan. 2198 d. Include an operational model for the office to use in 2199 implementing programs for rural and urban areas designed to: 2200 (I) develop and promote the state's entertainment industry. 2201 (II) Have the office serve as a liaison between the 2202 entertainment industry and other state and local governmental agencies, local film commissions, and labor organizations. 2203 2204 (III) Gather statistical information related to the state's 2205 entertainment industry. 2206 e. (IV) Provision of Provide information and service to 2207 businesses, communities, organizations, and individuals engaged 2208 in entertainment industry activities. (V) Administer field offices outside the state and 2209 2210 coordinate with regional offices maintained by counties and 2211 regions of the state, as described in sub-sub-subparagraph (II), 2212 as necessary. 2213 f.e. Include Performance standards and measurable outcomes 2214 for the programs to be implemented by the division office.

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- 2215 2. The plan shall be annually reviewed and approved by the 2216 board of directors of Enterprise Florida, Inc.
 - f. Include an assessment of, and make recommendations on, the feasibility of creating an alternative public-private partnership for the purpose of contracting with such a partnership for the administration of the state's entertainment industry promotion, development, marketing, and service programs.
 - 2. Develop, market, and facilitate a working relationship between state agencies and local governments in cooperation with local film commission offices for out-of-state and indigenous entertainment industry production entities.
 - 3. Implement a structured methodology prescribed for coordinating activities of local offices with each other and the commissioner's office
 - (b) The division shall also:
 - 1.4. Represent the state's indigenous entertainment industry to key decisionmakers within the national and international entertainment industry, and to state and local officials.
 - 2.5. Prepare an inventory and analysis of the state's entertainment industry, including, but not limited to, information on crew, related businesses, support services, job creation, talent, and economic impact and coordinate with local offices to develop an information tool for common use.
 - 3.6. Identify, solicit, and recruit entertainment production opportunities for the state.
 - 4.7. Assist rural communities and other small communities in the state in developing the expertise and capacity necessary

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for such communities to develop, market, promote, and provide services to the state's entertainment industry.

(c) (b) The division Office of Film and Entertainment, in the performance of its duties, may:

- 1. Conduct or contract for specific promotion and marketing functions, including, but not limited to, production of a statewide directory, production and maintenance of a an Internet website, establishment and maintenance of a toll-free telephone number, organization of trade show participation, and appropriate cooperative marketing opportunities.
- 2. Conduct its affairs, carry on its operations, establish offices, and exercise the powers granted by this act in any state, territory, district, or possession of the United States.
- 3. Carry out any program of information, special events, or publicity designed to attract the entertainment industry to Florida.
- 4. Develop relationships and leverage resources with other public and private organizations or groups in their efforts to publicize to the entertainment industry in this state, other states, and other countries the depth of Florida's entertainment industry talent, crew, production companies, production equipment resources, related businesses, and support services, including the establishment of and expenditure for a program of cooperative advertising with these public and private organizations and groups in accordance with the provisions of chapter 120.
- 5. Provide and arrange for reasonable and necessary promotional items and services for such persons as the division office deems proper in connection with the performance of the

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promotional and other duties of the division office.

- 6. Prepare an annual economic impact analysis on entertainment industry-related activities in the state.
- 7. Request or accept any grant, payment, or gift of funds or property made by this state, 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 division's Office of Film and Entertainment's 5-year strategic plan or those permitted activities authorized by enumerated in this paragraph. Such funds shall be deposited in a separate account with Enterprise Florida, Inc., the Grants and Donations Trust Fund of the Executive Office of the Governor for use by the division Office of Film and Entertainment in carrying out its responsibilities and duties as delineated in law. The division office 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 fulfilling its duties and responsibilities. The division office shall separately account for the public funds and the private funds deposited into the account trust fund.

Section 22. Section 288.1252, Florida Statutes, is renumbered as section 288.914, Florida Statutes, and amended to read:

- 288.914 288.1252 Florida Film and Entertainment Advisory Council; creation; purpose; membership; powers and duties.-
- (1) CREATION.-There is created within the department, for administrative purposes only, the Florida Film and Entertainment Advisory Council.

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(1) (2) CREATION AND PURPOSE.—The Florida Film and Entertainment Advisory Council is created purpose of the Council is to serve as an advisory body to the Division of Film and Entertainment within Enterprise Florida, Inc., and department and to the Office of Film and Entertainment to provide these offices with industry insight and expertise related to developing, marketing, and promoting, and providing service to the state's entertainment industry.

(2) MEMBERSHIP.

- (a) The council shall consist of 11 17 members, 5 7 to be appointed by the Governor, 3 - 5 to be appointed by the President of the Senate, and 3 $\frac{5}{}$ to be appointed by the Speaker of the House of Representatives.
- (b) When making appointments to the council, the Governor, the President of the Senate, and the Speaker of the House of Representatives shall appoint persons who are residents of the state and who are highly knowledgeable of, active in, and recognized as leaders in Florida's motion picture, television, video, sound recording, or other entertainment industries. These persons must shall include, but need not be limited to, representatives of local film commissions, representatives of entertainment associations, a representative of the broadcast industry, representatives of labor organizations in the entertainment industry, and board chairs, presidents, chief executive officers, chief operating officers, or persons of comparable executive position or stature of leading or otherwise important entertainment industry businesses and offices. Council members must shall be appointed in such a manner as to equitably represent the broadest spectrum of the entertainment industry



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- (c) Council members shall serve for 4-year terms. A council member serving as of July 1, 2016, may serve the remainder of his or her term, but upon the conclusion of the term or upon vacancy, the appointment must be made in accordance with this section.
- (d) Subsequent appointments shall be made by the official who appointed the council member whose expired term is to be filled.
- (e) In addition to the 11 17 appointed members of the council, 1 representative from each of Enterprise Florida, Inc., CareerSource Florida, Inc., and VISIT Florida shall serve as ex officio, nonvoting members of the council.
- (f) Absence from three consecutive meetings shall result in automatic removal from the council.
- (q) A vacancy on the council shall be filled for the remainder of the unexpired term by the official who appointed the vacating member.
- (h) No more than one member of the council may be an employee of any one company, organization, or association.
- (i) Any member shall be eligible for reappointment but may not serve more than two consecutive terms.
 - (3) (4) MEETINGS; ORGANIZATION. -
- (a) The council shall meet at least no less frequently than once each quarter of the calendar year, and but may meet more often as determined necessary set by the council.
- (b) The council shall annually elect from its appointed membership one member to serve as chair of the council and one member to serve as vice chair. The Division Office of Film and

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Entertainment shall provide staff assistance to the council, which must shall include, but need not be limited to, keeping records of the proceedings of the council, and serving as custodian of all books, documents, and papers filed with the council.

- (c) A majority of the members of the council constitutes shall constitute a quorum.
- (d) Members of the council shall serve without compensation, but are shall be entitled to reimbursement for per diem and travel expenses in accordance with s. 112.061 while in performance of their duties.
- (4) + POWERS AND DUTIES.—The Florida Film and Entertainment Advisory Council has shall have all the power powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, including, but not limited to, the power to:
- (a) Adopt bylaws for the governance of its affairs and the conduct of its business.
- (b) Advise the Division and consult with the Office of Film and Entertainment on the content, development, and implementation of the <u>division's</u> 5-year strategic plan to guide the activities of the office.
- (c) Review the Commissioner of Film and Entertainment's administration of the programs related to the strategic plan, and Advise the Division of Film and Entertainment commissioner on the division's programs and any changes that might be made to better meet the strategic plan.
- (d) Consider and study the needs of the entertainment industry for the purpose of advising the Division of Film and

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Entertainment film commissioner and the department.

- (e) Identify and make recommendations on state agency and local government actions that may have an impact on the entertainment industry or that may appear to industry representatives as an official state or local actions action affecting production in the state, and advise the Division of Film and Entertainment of such actions.
- (f) Consider all matters submitted to it by the Division of Film and Entertainment film commissioner and the department.
- (g) Advise and consult with the film commissioner and the department, at their request or upon its own initiative, regarding the promulgation, administration, and enforcement of all laws and rules relating to the entertainment industry.
- (g) (h) Suggest policies and practices for the conduct of business by the Office of Film and Entertainment or by the department that will improve interaction with internal operations affecting the entertainment industry and will enhance related state the economic development initiatives of the state for the industry.
- (i) Appear on its own behalf before boards, commissions, departments, or other agencies of municipal, county, or state government, or the Federal Government.
- Section 23. Section 288.1253, Florida Statutes, is renumbered as section 288.915, Florida Statutes, and amended to read:
 - 288.915 288.1253 Travel and entertainment expenses.-
- (1) As used in this section, the term "travel expenses" means the actual, necessary, and reasonable costs of transportation, meals, lodging, and incidental expenses normally

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incurred by an employee of the Division Office of Film and Entertainment within Enterprise Florida, Inc., as which costs are defined and prescribed by rules adopted by the department rule, subject to approval by the Chief Financial Officer.

- (2) Notwithstanding the provisions of s. 112.061, the department shall adopt rules by which the Division of Film and Entertainment it may make expenditures by reimbursement to: the Governor, the Lieutenant Governor, security staff of the Governor or Lieutenant Governor, the Commissioner of Film and Entertainment, or staff of the Division Office of Film and Entertainment for travel expenses or entertainment expenses incurred by such individuals solely and exclusively in connection with the performance of the statutory duties of the division Office of Film and Entertainment. The rules are subject to approval by the Chief Financial Officer before adoption. The rules shall require the submission of paid receipts, or other proof of expenditure prescribed by the Chief Financial Officer, with any claim for reimbursement.
- (3) The Division Office of Film and Entertainment shall include in the annual report for the entertainment industry financial incentive program required under s. 288.1256(10) s. 288.1254(10) a report of the division's office's expenditures for the previous fiscal year. The report must consist of a summary of all travel, entertainment, and incidental expenses incurred within the United States and all travel, entertainment, and incidental expenses incurred outside the United States, as well as a summary of all successful projects that developed from such travel.
 - (4) The Division Office of Film and Entertainment and its

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employees and representatives, when authorized, may accept and use complimentary travel, accommodations, meeting space, meals, equipment, transportation, and any other goods or services necessary for or beneficial to the performance of the division's office's duties and purposes, so long as such acceptance or use is not in conflict with part III of chapter 112. The department shall, by rule, develop internal controls to ensure that such goods or services accepted or used pursuant to this subsection are limited to those that will assist solely and exclusively in the furtherance of the division's office's goals and are in compliance with part III of chapter 112. Notwithstanding this subsection, the division and its employees and representatives may not accept any complimentary travel, accommodations, meeting space, meals, equipment, transportation, or other goods or services from an entity or a party, including an employee, a designee, or a representative of such entity or party, which has received, has applied to receive, or anticipates that it will receive through an application, funds under s. 288.1256. If the division or its employee or representative accepts such goods or services, the division or its employee or representative is subject to the penalties provided in s. 112.317.

(5) A Any claim submitted under this section is not required to be sworn to before a notary public or other officer authorized to administer oaths, but a any claim authorized or required to be made under any provision of this section shall contain a statement that the expenses were actually incurred as necessary travel or entertainment expenses in the performance of official duties of the Division Office of Film and Entertainment and shall be verified by written declaration that it is true and

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correct as to every material matter. A Any person who willfully makes and subscribes to a any claim that which he or she does not believe to be true and correct as to every material matter or who willfully aids or assists in, procures, or counsels or advises with respect to, the preparation or presentation of a claim pursuant to this section which that is fraudulent or false as to any material matter, whether such falsity or fraud is with the knowledge or consent of the person authorized or required to present the claim, commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. Whoever receives a reimbursement by means of a false claim is civilly liable, in the amount of the overpayment, for the reimbursement of the public fund from which the claim was paid.

Section 24. Paragraph (a) of subsection (5), paragraph (c) of subsection (9), and subsection (10) of section 288.1254, Florida Statutes, are amended to read:

288.1254 Entertainment industry financial incentive program.-

- (5) TRANSFER OF TAX CREDITS.-
- (a) Authorization. Upon application to the Office of Film and Entertainment and approval by the department, a certified production company, or a partner or member that has received a distribution under paragraph (4)(g), may elect to transfer, in whole or in part, any unused credit amount granted under this section. An election to transfer any unused tax credit amount under chapter 212 or chapter 220 must be made no later than 5 years after the date the credit is awarded, after which period the credit expires and may not be used. The department shall notify the Department of Revenue of the election and transfer.

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- (9) AUDIT AUTHORITY; REVOCATION AND FORFEITURE OF TAX CREDITS; FRAUDULENT CLAIMS.-
- (c) Forfeiture of tax credits.-A determination by the Department of Revenue, as a result of an audit pursuant to paragraph (a) or from information received from the department Office of Film and Entertainment, that an applicant received tax credits pursuant to this section to which the applicant was not entitled is grounds for forfeiture of previously claimed and received tax credits. The applicant is responsible for returning forfeited tax credits to the Department of Revenue, and such funds shall be paid into the General Revenue Fund of the state. Tax credits purchased in good faith are not subject to forfeiture unless the transferee submitted fraudulent information in the purchase or failed to meet the requirements in subsection (5).
- (10) ANNUAL REPORT.—Each November 1, the department Office of Film and Entertainment shall submit an annual report for the previous fiscal year to the Governor, the President of the Senate, and the Speaker of the House of Representatives which outlines the incentive program's return on investment and economic benefits to the state. The report must also include an estimate of the full-time equivalent positions created by each production that received tax credits under this section and information relating to the distribution of productions receiving credits by geographic region and type of production. The report must also include the expenditures report required under s. 288.915(3) s. 288.1253(3) and the information describing the relationship between tax exemptions and incentives to industry growth required under s. 288.1258(5).

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2534 Section 25. Effective upon becoming law, subsection (11) of section 288.1254, Florida Statutes, is amended to read: 2535 2536

288.1254 Entertainment industry financial incentive program.-

- (11) REPEAL.—This section is repealed April 1, 2016 July 1, 2016, except that:
- (a) Tax credits certified under paragraph (3)(d) before April 1, 2016 July 1, 2016, may be awarded under paragraph (3)(f) on or after April 1, 2016 July 1, 2016, if the other requirements of this section are met.
- 1. A qualified production must facilitate the submittal of all required information under subparagraph (3)(f)1. to the department by August 1, 2016. A qualified production that does not meet this requirement may not be awarded tax credits. A waiver of the deadline is not permitted.
- 2. The department must complete the review of the accountant's submittal, report the final verified amount of actual qualified expenditures, and determine and approve the final tax credit award amount to each certified applicant based on the final verified amount of actual qualified expenditures as required in subparagraph (3)(f)2. by June 30, 2017. Tax credits may not be awarded to any qualified production if the determination and approval is not made by June 30, 2017. A wavier of the deadline is not permitted.
- 3. The Department of Revenue shall deny any credit claimed on a tax return when that credit was awarded on or after July 1, 2017.
- (b) 1. The department must publish a report on its website by May 30, 2016, providing the number of:



2563 a. Certified productions that submitted data substantiating 2564 each qualified expenditure as required under sub-subparagraph 2565 (3)(f)1.a.;2566 b. Certified productions currently under review by 2567 independent certified public accountants as required under sub-2568 subparagraphs (3) (f) 1.a. and b.; 2569 c. Compliance audits submitted by the accountants and 2570 currently under review by the department as required under sub-2571 subparagraph (3) (f) 1.b.; and 2572 d. Final tax credit award determinations and approvals that 2573 the department has made as required under sub-subparagraph 2574 (3) (f) 1.a. and subparagraph (3) (f) 2. 2575 2. The department must update the report on its website by 2576 September 1, 2016, and December 30, 2016. 2577 (c) Notwithstanding paragraph (7)(c), tax credits may not 2578 be certified on or after April 1, 2016, and the Department of 2579 Revenue shall deny any credit claimed on a tax return when that 2580 credit was certified under paragraph (3)(d) on or after April 1, 2016. 2581 2582 (d) (b) Tax credits carried forward under paragraph (4) (e) 2583 remain valid for the period specified. 2584 (e) (c) Subsections (5), (8), and (9) shall remain in effect 2585 until July 1, 2021. 2586 Section 26. Section 288.1256, Florida Statutes, is created 2587 to read: 2588 288.1256 Entertainment Action Fund.-2589 (1) The Entertainment Action Fund is created within the 2590 department in order to respond to extraordinary opportunities

and to compete effectively with other states to attract and

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retain production companies and to provide favorable conditions for the growth of the entertainment industry in this state.

- (2) As used in this section, the term:
- (a) "Division" means the Division of Film and Entertainment within Enterprise Florida, Inc.
- (b) "Principal photography" means the filming of major or significant components of a project which involve lead actors.
- (c) "Production" means a theatrical, direct-to-video, or direct-to-Internet motion picture; a made-for-television motion picture; visual effects or digital animation sequences produced in conjunction with a motion picture; a commercial; a music video; an industrial or educational film; an infomercial; a documentary film; a television pilot program; a presentation for a television pilot program; a television series, including, but not limited to, a drama, a reality show, a comedy, a soap opera, a telenovela, a game show, an awards show, or a miniseries production; a direct-to-Internet television series; or a digital media project by the entertainment industry. One season of a television series is considered one production. The term does not include a weather or market program; a sporting event or a sporting event broadcast; a gala; a production that solicits funds; a home shopping program; a political program; a political documentary; political advertising; a gambling-related project or production; a concert production; a local, a regional, or an Internet-distributed-only news show or current-events show; a sports news or a sports recap show; a pornographic production; or any production deemed obscene under chapter 847. A production may be produced on or by film, tape, or otherwise by means of a motion picture camera; an electronic camera or device; a tape

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device; a computer; any combination of the foregoing; or any 2621 2622 other means, method, or device.

- (d) "Production company" means a corporation, limited liability company, partnership, or other legal entity engaged in one or more productions in this state.
- (e) "Production expenditures" means the costs of tangible and intangible property used for, and services performed primarily and customarily in, production, including preproduction and postproduction, but excluding costs for development, marketing, and distribution. The term includes, but is not limited to:
- 1. Wages, salaries, or other compensation paid to legal residents of this state, including amounts paid through payroll service companies, for technical and production crews, directors, producers, and performers.
- 2. Net expenditures for sound stages, backlots, production editing, digital effects, sound recordings, sets, and set construction. As used in this paragraph, the term "net expenditures" means the actual amount of money a project spent for equipment or other tangible personal property, after subtracting any consideration received for reselling or transferring the item after the production ends, if applicable.
- 3. Net expenditures for rental equipment, including, but not limited to, cameras and grip or electrical equipment.
- 4. Up to \$300,000 of the costs of newly purchased computer software and hardware unique to the project, including servers, data processing, and visualization technologies, which are located in and used exclusively in this state for the production of digital media.

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- 2650 5. Expenditures for meals, travel, and accommodations. 2651
 - (f) "Project" means a production in this state meeting the requirements of this section. The term does not include a production:
 - 1. In which less than 70 percent of the positions that make up its production cast and below-the-line production crew are filled by legal residents of this state, whose residency is demonstrated by a valid Florida driver license or other stateissued identification confirming residency, or students enrolled full-time in an entertainment-related course of study at an institution of higher education in this state; or
 - 2. That contains obscene content as defined in s. 847.001(10).
 - (g) "Qualified expenditures" means production expenditures incurred in this state by a production company for:
 - 1. Goods purchased or leased from, or services, including, but not limited to, insurance costs and bonding, payroll services, and legal fees, which are provided by a vendor or supplier in this state which is registered with the Department of State or the Department of Revenue, has a physical location in this state, and employs one or more legal residents of this state. This does not include rebilled goods or services provided by an in-state company from out-of-state vendors or suppliers. If services provided by the vendor or supplier include personal services or labor, only personal services or labor provided by residents of this state, evidenced by the required documentation of residency in this state, qualify.
 - 2. Payments to legal residents of this state in the form of salary, wages, or other compensation up to a maximum of \$400,000



per resident. A completed declaration of residency in this state must accompany the documentation submitted to the department for reimbursement.

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- For a project involving an event, such as an awards show, the term does not include expenditures solely associated with the event itself and not directly required by the production. The term does not include expenditures incurred before the agreement is signed. The production company may not include in the calculation for qualified expenditures the original purchase price for equipment or other tangible property that is later sold or transferred by the production company for consideration. In such cases, the qualified expenditure is the net of the original purchase price minus the consideration received upon
- (h) "Underutilized county" means a county in which less than \$500,000 in qualified expenditures were made in the last 2 fiscal years.
- (3) A production company may apply for funds from the Entertainment Action Fund for a production or successive seasons of a production. The division shall review and evaluate applications to determine the eligibility of each project consistent with the requirements of this section. The division shall leverage funds to select projects that maximize the return to the state. The division must accept applications for at least 3 months, and shall provide public notice of the application period. The division may allow multiple, nonoverlapping application periods in a fiscal year subject to the availability of funds. The division shall review and evaluate applications

sale or transfer.

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timely received during the application period to identify any competitive projects to recommend for approval as provided in this section. The division may determine that no applications were submitted which meet the requirements of this section and maximize the return to the state.

- (4) The division, in its review and evaluation of applications, must consider the following criteria, which are listed in order of priority, with the highest priority given to paragraph (a):
- (a) The number of state residents who will be employed in full-time equivalent and part-time positions related to the project, the duration of such employment, and the average wages paid to such residents. Preference shall be given to a project that expects to pay higher than the statewide average wage.
- (b) The amount of qualified and nonqualified expenditures that will be made in this state.
- (c) Planned or executed contracts with production facilities or soundstages in this state and the percentage of principal photography or production activity that will occur at each location.
- (d) Planned preproduction and postproduction to occur in this state.
- (e) The amount of capital investment, especially fixed capital investment, to be made directly by the production company in this state related to the project and the amount of any other capital investment to be made in this state related to the project.
 - (f) The duration of the project in this state.
 - (g) The amount and duration of principal photography or

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production activity that will occur in an underutilized county.

- (h) The extent to which the production company will promote Florida, including the production of marketing materials promoting this state as a tourist destination or a film and entertainment production destination; placement of state agency logos in the production and credits; authorized use of production assets, characters, and themes by this state; promotional videos for this state included on optical disc formats; and other marketing integration.
- (i) The employment of students enrolled full-time in an entertainment-related course of study at an institution of higher education in this state or of graduates from such an institution within 12 months after graduation.
- (j) Plans to work with entertainment industry-related courses of study at an institution of higher education in this state.
- (k) Local support and any local financial commitment for the project.
- (1) The project is about this state or shows this state in a positive light.
- (m) A review of the production company's past activities in this state or other states.
- (n) The length of time the production company has made productions in this state, the number of productions the production company has made in this state, and the production company's overall commitment to this state. This includes a production company that is based in this state.
- (o) Expected contributions to this state's economy, consistent with the state strategic economic development plan



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- (p) The expected effect of the award on the viability of the project and the probability that the project would be undertaken in this state if funds are granted to the production company.
- (5) A production company must have financing in place for a project before it applies for funds under this section.
- (6) The department shall prescribe a form upon which an application must be made to the division. At a minimum, the application must include:
- (a) The applicant's federal employer identification number, reemployment assistance account number, and state sales tax registration number, as applicable. If such numbers are not available at the time of application, they must be submitted to the department in writing before the disbursement of any payments.
 - (b) The signature of the applicant.
- (c) A detailed budget of planned qualified and nonqualified expenditures in this state.
- (d) The type and amount of capital investment that will be made in this state.
- (e) The locations in this state where the project will occur.
- (f) The anticipated commencement date and duration of the project.
- (q) The proposed number of state residents and nonstate residents who will be employed in full-time equivalent and parttime positions related to the project and wages paid to such persons.



2795 (h) The total number of full-time equivalent employees 2796 employed by the production company in this state, if applicable. 2797 (i) Proof of financing for the project. 2798 (j) The amount of promotion of Florida which the production 2799 company will provide for the state. 2800 (k) An attestation verifying that the information provided 2801 on the application is true and accurate. 2802 (1) Any additional information requested by the department 2803 or division. 2804 (7) The division and department must make a recommendation 2805 to the Governor to approve or deny a project pursuant to s. 2806 288.061. An award of funds may constitute up to 30 percent of 2807 qualified expenditures in this state and may not fund wages paid 2808 to nonresidents. The division may recommend an award of funds 2809 that is less than 30 percent of qualified expenditures in this state. A production must start within 1 year after the date the 2810 project is approved by the Governor. The recommendation must 2811 2812 include the performance conditions that the project must meet to 2813 obtain funds. (a) The Governor may approve an award of less than \$2 2814 2815 million without consulting the Legislature and shall provide a written description and evaluation of the approved project to 2816 2817 the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval. 2818 2819 (b) For a project recommended for approval for an award of \$2 million or more, the Governor shall provide a written 2820 2821 description and evaluation of the project to the President of 2822 the Senate and the Speaker of the House of Representatives at least 14 days before approving the award. If the President of 2823

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the Senate or the Speaker of the House of Representatives timely advises the Governor, in writing, that his or her planned or proposed action exceeds the delegated authority of the Governor or is contrary to legislative policy or intent, the Governor shall instruct the department to immediately suspend any action planned or proposed.

- (c) A written description and evaluation of an amendment, a modification, or an extension of an executed agreement must be provided to the President of the Senate and the Speaker of the House of Representatives within 1 business day after approval. An amendment, a modification, or an extension may not be made to an executed agreement if the award of state funds outlined in the agreement has not been reduced by a proportionate amount.
- (8) Upon the approval of the Governor, the department and the production company shall enter into an agreement pursuant to s. 288.061 that also specifies:
- (a) The performance conditions the production company must meet to obtain payment of moneys from the fund. Performance conditions must include the criteria considered in the review and evaluation of the application. Performance conditions must relate to activity that occurs in this state.
- (b) That the department may review and verify any records of the production company to ascertain whether that company is in compliance with this section and the agreement.
- (c) That payment of moneys from the fund is contingent upon sufficient appropriation of funds by the Legislature.
- (9) The agreement must be finalized and signed by an authorized officer of the production company within 90 days after the Governor's approval. A production company that

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receives funds under this section may not receive benefits under s. 288.1258 for the same production.

(10) (a) The department shall validate contractor performance and report such validation in an annual report. The agreement shall require the production company to submit proof of performance within a certain period of time from the required date of performance provided in the agreement, not to exceed 90 days.

(b) Each November 1, the department and the division shall submit an annual report for the previous fiscal year to the Governor, the President of the Senate, and the Speaker of the House of Representatives which outlines the program's return on investment and economic benefits to the state. The report must also include an estimate of the full-time equivalent positions created by each production that received a grant under this section and information relating to the distribution of productions receiving credits by geographic region and type of production. In addition, the report must include the expenditures report required under s. 288.915, the information describing the relationship between tax exemptions and incentives to industry growth required under s. 288.1258(5), and program performance information required under this section.

(11) The department may not approve awards in excess of the amount appropriated for a fiscal year. The department must maintain a schedule of funds to be paid from the appropriation for the fiscal year that begins on July 1. For the first 6 months of each fiscal year, the department shall set aside 50 percent of the amount appropriated for the fund by the Legislature. At the end of the 6-month period, these funds are

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available to provide funding under this section for applications submitted on or after January 1. The department or division may not accept any applications or conditionally commit funds or grant priority to a production company if funds are not available in the current period.

- (12) A production company that submits fraudulent information under this section is liable for reimbursement of the reasonable costs and fees associated with the review, processing, investigation, and prosecution of the fraudulent claim. A production company that receives a payment under this section through a claim that is fraudulent is liable for reimbursement of the payment amount, plus a penalty in an amount double the payment amount. The penalty is in addition to any criminal penalty for which the production company is liable for the same acts. The production company is also liable for costs and fees incurred by the state in investigating and prosecuting the fraudulent claim.
- (13) The department or division may not waive any provision or provide an extension of time to meet any requirement of this section.
- (14) This section expires on July 1, 2026. An agreement in existence on that date shall continue in effect in accordance with its terms.

Section 27. Section 288.1258, Florida Statutes, is amended to read:

288.1258 Entertainment industry qualified production companies; application procedure; categories; duties of the Department of Revenue; records and reports.-

(1) PRODUCTION COMPANIES AUTHORIZED TO APPLY.-

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- (a) Any production company engaged in this state in the production of motion pictures, made-for-TV motion pictures, television series, commercial advertising, music videos, or sound recordings may submit an application for exemptions under ss. 212.031, 212.06, and 212.08 to the Department of Revenue to be approved by the Department of Economic Opportunity Office of Film and Entertainment as a qualified production company for the purpose of receiving a sales and use tax certificate of exemption from the Department of Revenue to exempt purchases on or after the date that the completed application is filed with the Department of Revenue.
- (b) As used in For the purposes of this section, the term "qualified production company" means any production company that has submitted a properly completed application to the Department of Revenue and that is subsequently qualified by the Department of Economic Opportunity Office of Film and Entertainment.
 - (2) APPLICATION PROCEDURE.
- (a) The Department of Revenue shall will review all submitted applications for the required information. Within 10 working days after the receipt of a properly completed application, the Department of Revenue shall will forward the completed application to the Department of Economic Opportunity Office of Film and Entertainment for approval.
- (b) 1. The Department of Economic Opportunity Office of Film and Entertainment shall establish a process by which an entertainment industry production company may be approved by the department office as a qualified production company and may receive a certificate of exemption from the Department of Revenue for the sales and use tax exemptions under ss. 212.031,

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2940 212.06, and 212.08. A production company that receives a sales 2941 tax exemption certificate under this section for a production 2942 may not receive benefits under s. 288.1256 for the same 2943 production.

- 2. Upon determination by the department Office of Film and Entertainment that a production company meets the established approval criteria and qualifies for exemption, the department Office of Film and Entertainment shall return the approved application or application renewal or extension to the Department of Revenue, which shall issue a certificate of exemption.
- 3. The department Office of Film and Entertainment shall deny an application or application for renewal or extension from a production company if it determines that the production company does not meet the established approval criteria.
- (c) The department Office of Film and Entertainment shall develop, with the cooperation of the Department of Revenue, the Division of Film and Entertainment within Enterprise Florida, Inc., and local government entertainment industry promotion agencies, a standardized application form for use in approving qualified production companies.
- 1. The application form shall include, but not be limited to, production-related information on employment, proposed budgets, planned purchases of items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08, a signed affirmation from the applicant that any items purchased for which the applicant is seeking a tax exemption are intended for use exclusively as an integral part of entertainment industry preproduction, production, or postproduction activities engaged

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in primarily in this state, and a signed affirmation from the department Office of Film and Entertainment that the information on the application form has been verified and is correct. In lieu of information on projected employment, proposed budgets, or planned purchases of exempted items, a production company seeking a 1-year certificate of exemption may submit summary historical data on employment, production budgets, and purchases of exempted items related to production activities in this state. Any information gathered from production companies for the purposes of this section shall be considered confidential taxpayer information and shall be disclosed only as provided in s. 213.053.

- 2. The application form may be distributed to applicants by the department, the Division Office of Film and Entertainment, or local film commissions.
- (d) All applications, renewals, and extensions for designation as a qualified production company shall be processed by the department Office of Film and Entertainment.
- (e) If In the event that the Department of Revenue determines that a production company no longer qualifies for a certificate of exemption, or has used a certificate of exemption for purposes other than those authorized by this section and chapter 212, the Department of Revenue shall revoke the certificate of exemption of that production company, and any sales or use taxes exempted on items purchased or leased by the production company during the time such company did not qualify for a certificate of exemption or improperly used a certificate of exemption shall become immediately due to the Department of Revenue, along with interest and penalty as provided by s.

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212.12. In addition to the other penalties imposed by law, any person who knowingly and willfully falsifies an application, or uses a certificate of exemption for purposes other than those authorized by this section and chapter 212, commits a felony of the third degree, punishable as provided in ss. 775.082, 775.083, and 775.084.

- (3) CATEGORIES.—
- (a) 1. A production company may be qualified for designation as a qualified production company for a period of 1 year if the company has operated a business in Florida at a permanent address for a period of 12 consecutive months. Such a qualified production company shall receive a single 1-year certificate of exemption from the Department of Revenue for the sales and use tax exemptions under ss. 212.031, 212.06, and 212.08, which certificate shall expire 1 year after issuance or upon the cessation of business operations in the state, at which time the certificate shall be surrendered to the Department of Revenue.
- 2. The Office of Film and Entertainment shall develop a method by which A qualified production company may submit a new application for annually renew a 1-year certificate of exemption upon the expiration of that company's certificate of exemption; however, upon approval of the department, such qualified production company may annually renew the 1-year certificate of exemption for a period of up to 5 years without submitting requiring the production company to resubmit a new application during that 5-year period.
- 3. Each year, or upon surrender of the certificate of exemption to the Department of Revenue, the Any qualified production company shall may submit to the department aggregate

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data for production-related information on employment, expenditures in this state, capital investment, and purchases of items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08 for inclusion in the annual report required under subsection (5) a new application for a 1-year certificate of exemption upon the expiration of that company's certificate of exemption.

- (b) 1. A production company may be qualified for designation as a qualified production company for a period of 90 days. Such production company shall receive a single 90-day certificate of exemption from the Department of Revenue for the sales and use tax exemptions under ss. 212.031, 212.06, and 212.08, which certificate shall expire 90 days after issuance or upon the cessation of business operations in the state, at which time, with extensions contingent upon approval of the Office of Film and Entertainment. the certificate shall be surrendered to the Department of Revenue upon its expiration.
- 2. A qualified production company may submit a new application for a 90-day certificate of exemption each quarter upon the expiration of that company's certificate of exemption; however, upon approval of the department, such qualified production company may renew the 90-day certificate of exemption for a period of up to 1 year without submitting a new application during that 1-year period.
- 3.2. Each 90 days, or upon surrender of the certificate of exemption to the Department of Revenue, the qualified Any production company shall may submit to the department aggregate data for production-related information on employment, expenditures in this state, capital investment, and purchases of

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items exempted from sales and use taxes under ss. 212.031, 212.06, and 212.08 for inclusion in the annual report required under subsection (5) a new application for a 90-day certificate of exemption upon the expiration of that company's certificate of exemption.

- (4) DUTIES OF THE DEPARTMENT OF REVENUE.
- (a) The Department of Revenue shall review the initial application and notify the applicant of any omissions and request additional information if needed. An application shall be complete upon receipt of all requested information. The Department of Revenue shall forward all complete applications to the department Office of Film and Entertainment within 10 working days.
- (b) The Department of Revenue shall issue a numbered certificate of exemption to a qualified production company within 5 working days of the receipt of an approved application, application renewal, or application extension from the department Office of Film and Entertainment.
- (c) The Department of Revenue may adopt promulgate such rules and shall prescribe and publish such forms as may be necessary to effectuate the purposes of this section or any of the sales tax exemptions which are reasonably related to the provisions of this section.
- (d) The Department of Revenue is authorized to establish audit procedures in accordance with the provisions of ss. 212.12, 212.13, and 213.34 which relate to the sales tax exemption provisions of this section.
- (5) RELATIONSHIP OF TAX EXEMPTIONS AND INCENTIVES TO INDUSTRY GROWTH; REPORT TO THE LEGISLATURE.—The department

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Office of Film and Entertainment shall keep annual records from the information provided on taxpayer applications for tax exemption certificates and regularly reported as required in this section beginning January 1, 2001. These records also must reflect a ratio of the annual amount of sales and use tax exemptions under this section, plus the funds granted $\frac{incentives}{incentives}$ awarded pursuant to s. 288.1256 s. 288.1254 to the estimated amount of funds expended by certified productions. In addition, the department office shall maintain data showing annual growth in Florida-based entertainment industry companies and entertainment industry employment and wages. The employment information must include an estimate of the full-time equivalent positions created by each production that received funds tax credits pursuant to s. 288.1256 s. 288.1254. The department Office of Film and Entertainment shall include this information in the annual report for the entertainment industry financial incentive program required under s. 288.1256(10) s. 288.1254(10).

Section 28. Paragraphs (a) and (b) of subsection (5) of section 288.901, Florida Statutes, are amended to read:

288.901 Enterprise Florida, Inc.-

- (5) APPOINTED MEMBERS OF THE BOARD OF DIRECTORS. -
- (a) In addition to the Governor or his or her designee, the board of directors shall consist of the following appointed members:
 - 1. The Commissioner of Education or his or her designee.
 - 2. The Chief Financial Officer or his or her designee.
 - 3. The Attorney General or his or her designee.
 - 4. The Commissioner of Agriculture or his or her designee.

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- 3114 5. The chairperson of the board of directors of CareerSource Florida, Inc. 3115
 - 6. The Secretary of State or his or her designee.
 - 7. The president of CareerSource Florida, Inc.
 - 8.7. Twelve members from the private sector, six of whom shall be appointed by the Governor, three of whom shall be appointed by the President of the Senate, and three of whom shall be appointed by the Speaker of the House of Representatives. Members appointed by the Governor are subject to Senate confirmation.
 - (b) In making their appointments, the Governor, the President of the Senate, and the Speaker of the House of Representatives shall ensure that the composition of the board of directors reflects the diversity of Florida's business community and is representative of the economic development goals in subsection (2). The board must include at least one director for each of the following areas of expertise: international business, tourism marketing, the space or aerospace industry, managing or financing a minority-owned business, manufacturing, finance and accounting, and rural economic development sports marketing.

Section 29. Subsection (1) of section 288.9015, Florida Statutes, is amended to read:

288.9015 Powers of Enterprise Florida, Inc.; board of directors.-

(1) Enterprise Florida, Inc., shall 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

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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.

Section 30. Paragraph (c) of subsection (1), paragraph (d) of subsection (2), and subsection (3) of section 288.907, Florida Statutes, are amended, and subsection (14) is added to that section, to read:

288.907 Annual incentives report.—By December 30 of each year, Enterprise Florida, Inc., in conjunction with the department, shall provide the Governor, the President of the Senate, and the Speaker of the House of Representatives a detailed incentives report quantifying the economic benefits for all of the economic development incentive programs marketed by Enterprise Florida, Inc. The annual incentives report must include:

- (1) For each incentive program:
- (c) The actual amount of private capital invested, the actual number of jobs created, the actual number of jobs created which provide health benefits for the employee, the actual number of jobs retained, the actual number of jobs retained which provide health benefits for the employee, and actual wages paid for incentive agreements completed during the previous 3 years for each target industry sector.
- (2) For projects completed during the previous state fiscal year:
- (d) The projects for which a tax refund, tax credit, or cash grant agreement was executed, identifying for each project:
 - 1. The number of jobs committed to be created and the



3172 number of those jobs that will provide health benefits for the 3173 employee. 3174 2. The number of jobs committed to be retained and the 3175 number of those jobs that will provide health benefits for the 3176 employee. 3177 3.2. The amount of capital investments committed to be 3178 made. 3179 4.3. The annual average wage committed to be paid. 3180 5.4. The amount of state economic development incentives 3181 committed to the project from each incentive program under the 3182 project's terms of agreement with the Department of Economic 3183 Opportunity. 3184 6.5. The amount and type of local matching funds committed 3185 to the project. 3186 (3) For economic development projects that received tax 3187 refunds, tax credits, or cash grants under the terms of an 3188 agreement for incentives: 3189 (a) The number of jobs actually created and the number of 3190 those jobs that provided health benefits for the employee. 3191 (b) The number of jobs actually retained and the number of 3192 those jobs that provided health benefits for the employee. 3193 (c) (b) The amount of capital investments actually made. 3194 (d) (c) The annual average wage paid. (14) For the previous fiscal year, information relating to 3195 3196 any of the following changes made to an agreement: 3197 (a) Contract extensions. 3198 (b) Amendments or modifications that alter a performance 3199 condition that a project must meet to receive payment.

Section 31. Subsection (1) of section 288.92, Florida

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3201 Statutes, is amended to read: 3202 288.92 Divisions of Enterprise Florida, Inc.-3203 (1) Enterprise Florida, Inc., may create and dissolve 3204 divisions as necessary to carry out its mission. Each division 3205 shall have distinct responsibilities and complementary missions. 3206 At a minimum, Enterprise Florida, Inc., shall have divisions 3207 related to the following areas: 3208 (a) International Trade and Business Development; 3209 (b) Business Retention and Recruitment; 3210 (c) Tourism Marketing; 3211 (d) Minority Business Development; and 3212 (e) Film and Entertainment Sports Industry Development. 3213 Section 32. Paragraph (c) of subsection (3) and subsection 3214 (4) of section 288.980, Florida Statutes, are amended to read: 3215 288.980 Military base retention; legislative intent; grants 3216 program.-3217 (3) 3218 (c) The department shall require that an applicant: 3219 1. Represent a local government with a military 3220 installation or military installations that could be adversely 3221 affected by federal actions. 3222 2. Agree to match at least 30 percent of any grant awarded. 3223 3. Prepare a coordinated program or plan of action 3224 delineating how the eligible project will be administered and 3225 accomplished. 3226 3.4. Provide documentation describing the potential for 3227 changes to the mission of a military installation located in the 3228 applicant's community and the potential impacts such changes 3229 will have on the applicant's community.

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- (4) The Florida Defense Reinvestment Grant Program is established to respond to the need for this state to work in conjunction with defense-dependent communities in developing and implementing strategies and approaches that will help communities support the missions of military installations, and in developing and implementing alternative economic diversification strategies to transition from a defense economy to a nondefense economy. The department shall administer the program.
- (a) Eligible applicants include defense-dependent counties and cities, and local economic development councils located within such communities. The program shall be administered by the department and Grant awards may be provided to support community-based activities that:
 - 1. (a) Protect existing military installations;
- 2.(b) Diversify or grow the economy of a defense-dependent community; or
- 3.(c) Develop plans for the reuse of closed or realigned military installations, including any plans necessary for infrastructure improvements needed to facilitate reuse and related marketing activities.
- (b) Applications for grants under paragraph (a) this subsection must include a coordinated program of work or plan of action delineating how the eligible project will be administered and accomplished, which must include a plan for ensuring close cooperation between civilian and military authorities in the conduct of the funded activities and a plan for public involvement. An applicant must agree to match at least 30 percent of any grant awarded.

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Section 33. Section 288.9937, Florida Statutes, is amended to read:

288.9937 Evaluation of programs. - The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability shall analyze and, 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 by the Office of Economic and Demographic Research must determine the economic benefits, as defined in s. 288.005, and 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 by the Office of Program Policy Analysis and Government Accountability must also identify any inefficiencies in the programs and provide recommendations for changes to the programs. Each The office shall submit a report to the President of the Senate and the Speaker of the House of Representatives by January 15 \pm , 2018. This section expires January 31, 2018.

Section 34. 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

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volunteer giving to stay in this state and be administered by the Florida Sports Foundation Enterprise Florida, Inc., to support amateur sports, and because the United States Olympic Committee and the Florida Sports Foundation Enterprise Florida, Inc., are nonprofit organizations dedicated to providing athletes with support and training and preparing athletes of all ages and skill levels for sports competition, and because the Florida Sports Foundation 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 the Florida Sports Foundation 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 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

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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 championships 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 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.

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- 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 as specified in s. 288.1229(5). 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 and Florida Senior 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 PGA TOUR, the Florida Sports Foundation 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

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"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 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., 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.

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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 as specified in s. 288.1229(5). 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 courts.

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Section 35. Subsection (18) of section 177.031, Florida Statutes, is amended to read:

177.031 Definitions.—As used in this part:

(18) "Subdivision" means the division of land into three or more lots, parcels, tracts, tiers, blocks, sites, units, or any other division of land; and includes establishment of new streets and alleys, additions, and resubdivisions; and, when appropriate to the context, relates to the process of subdividing or to the lands or area subdivided. The term includes nonresidential divisions of land unless a governing body adopts an ordinance that authorizes nonresidential land divisions for unplatted lands.

Section 36. Subsection (5) of section 196.1995, Florida Statutes, is amended to read:

196.1995 Economic development ad valorem tax exemption.

(5) Upon a majority vote in favor of such authority, the board of county commissioners or the governing authority of the municipality, at its discretion, by ordinance may exempt from ad valorem taxation up to 100 percent of the assessed value of all improvements to real property made by or for the use of a new business and of all tangible personal property of such new business, or up to 100 percent of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business. To qualify for this exemption, the improvements to real property must be made or the tangible personal property must be added or increased after approval by motion or resolution of the local governing body, subject to

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ordinance adoption or on or after the day the ordinance is adopted. However, if the authority to grant exemptions is approved in a referendum in which the ballot question contained in subsection (3) appears on the ballot, the authority of the board of county commissioners or the governing authority of the municipality to grant exemptions is limited solely to new businesses and expansions of existing businesses that are located in an enterprise zone or brownfield area. Property acquired to replace existing property shall not be considered to facilitate a business expansion. Replacement or refreshment of datacenter equipment for a datacenter shall be considered to be part of a new business for a datacenter that qualifies for this exemption. The exemption applies only to taxes levied by the respective unit of government granting the exemption. The exemption does not apply, however, to taxes levied for the payment of bonds or to taxes authorized by a vote of the electors pursuant to s. 9(b) or s. 12, Art. VII of the State Constitution. Any such exemption shall remain in effect for up to 10 years with respect to any particular facility, or up to 20 years for a qualifying datacenter, regardless of any change in the authority of the county or municipality to grant such exemptions. The exemption shall not be prolonged or extended by granting exemptions from additional taxes or by virtue of any reorganization or sale of the business receiving the exemption. Section 37. Section 189.033, Florida Statutes, is amended

to read:

189.033 Independent special district services in disproportionally affected county; rate reduction for providers providing economic benefits.—If the governing body of an

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independent special district that provides water, wastewater, and sanitation services in a disproportionally affected county, as provided defined in s. 220.191(1)(g)1. 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.

Section 38. Paragraph (a) of subsection (14) of section 196.012, Florida Statutes, is 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:

- (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 which pays, paying an average wage for such new jobs which that is above the average wage in the area and, 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 s.



288.106(2) s. 288.106(2)(q);

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- 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 if+ provided such office space houses 50 or more full-time employees of such business or organization and; 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.

Section 39. Effective upon becoming law, 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

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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 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

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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 shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

- 6. Of the remaining proceeds:
- a. 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

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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 s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in 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 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 s. 288.1162(5) or 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 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

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lump sum payment of \$999,996 shall be made after and before July 1, 2000.

d.e. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in 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 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 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 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 s. 288.11631(3).

e.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 subsubparagraph.

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f.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 40. Paragraph (a) of subsection (2) of section 220.196, Florida Statutes, is amended to read:

220.196 Research and development tax credit.-

- (2) TAX CREDIT.—
- (a) As provided in this section, a business enterprise is eligible for a credit against the tax imposed 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 s. 288.106(2) 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

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application for credit. The Department of Economic Opportunity shall provide such a letter upon receiving a request.

Section 41. Subsection (7) of section 288.11621, Florida Statutes, is amended to read:

288.11621 Spring training baseball franchises.-

- (7) STRATEGIC PLANNING.—The department shall request assistance from the Florida Sports Foundation Enterprise Florida, Inc., and the Florida Grapefruit League Association to develop a comprehensive strategic plan to:
 - (a) Finance spring training facilities.
- (b) Monitor and oversee the use of state funds awarded to applicants.
- (c) Identify the financial impact that spring training has on the state and ways in which to maintain or improve that impact.
- (d) Identify opportunities to develop public-private partnerships to engage in marketing activities and advertise spring training baseball.
- (e) Identify efforts made by other states to maintain or develop partnerships with baseball spring training teams.
- (f) Develop recommendations for the Legislature to sustain or improve this state's spring training tradition.

Section 42. Effective upon becoming law, paragraph (c) of subsection (2) and paragraphs (a), (c), and (d) of subsection

- (3) of section 288.11631, Florida Statutes, are amended to read:
- 288.11631 Retention of Major League Baseball spring training baseball franchises.-
 - (2) CERTIFICATION PROCESS.-
 - (c) Each applicant certified on or after July 1, 2013,

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shall enter into an agreement with the department which:

- 1. Specifies the amount of the state incentive funding to be distributed. The amount of state incentive funding per certified applicant may not exceed \$20 million. However, if a certified applicant's facility is used by more than one spring training franchise, the maximum amount may not exceed \$50 million, and the Department of Revenue shall make distributions to the applicant pursuant to s. 212.20(6)(d)6.d. s.212.20(6)(d)6.c.
- 2. States the criteria that the certified applicant must meet in order to remain certified. These criteria must include a provision stating that the spring training franchise must reimburse the state for any funds received if the franchise does not comply with the terms of the contract. If bonds were issued to construct or renovate a facility for a spring training franchise, the required reimbursement must be equal to the total amount of state distributions expected to be paid from the date the franchise violates the agreement with the applicant through the final maturity of the bonds.
- 3. States that the certified applicant is subject to decertification if the certified applicant fails to comply with this section or the agreement.
- 4. States that the department may recover state incentive funds if the certified applicant is decertified.
- 5. Specifies the information that the certified applicant must report to the department.
 - 6. Includes any provision deemed prudent by the department.
 - (3) USE OF FUNDS.-
 - (a) A certified applicant may use funds provided under s.

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212.20(6)(d)6.d. s. 212.20(6)(d)6.e. only to:

- 1. Serve the public purpose of constructing or renovating a facility for a spring training franchise.
- 2. 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 construction or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.
- (c) The Department of Revenue may not distribute funds under s. 212.20(6)(d)6.d. s. 212.20(6)(d)6.e. until July 1, 2016. Further, the Department of Revenue may not distribute funds to an applicant certified on or after July 1, 2013, until it receives notice from the department that:
- 1. The certified applicant has encumbered funds under either subparagraph (a) 1. or subparagraph (a) 2.; and
- 2. If applicable, any existing agreement with a spring training franchise for the use of a facility has expired.
- (d) 1. All certified applicants shall place unexpended state funds received pursuant to s. 212.20(6)(d)6.d. s. 212.20(6)(d)6.e. in a trust fund or separate account for use only as authorized in this section.
- 2. A certified applicant may request that the department notify the Department of Revenue to suspend further distributions of state funds made available under s. 212.20(6)(d)6.d. $\frac{12.20(6)(d)6.e.}{6}$ for 12 months after expiration of an existing agreement with a spring training franchise to provide the certified applicant with an opportunity to enter into a new agreement with a spring training franchise,

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at which time the distributions shall resume.

3. The expenditure of state funds distributed to an applicant certified after July 1, 2013, must begin within 48 months after the initial receipt of the state funds. In addition, the construction or renovation of a spring training facility must be completed within 24 months after the project's commencement.

Section 43. Subsection (5) of section 477.0135, Florida Statutes, is amended to read:

477.0135 Exemptions.-

(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 Department of Economic Opportunity Office of Film and Entertainment as a project qualified production as defined in s. 288.1256 \pm 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 44. For the purpose of incorporating the amendment made by this act to section 288.106, Florida Statutes, in a reference thereto, subsection (11) of section 159.803, Florida Statutes, is reenacted 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 45. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2016.

A bill to be entitled

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3818 ======= T I T L E A M E N D M E N T ========== 3819 And the title is amended as follows:

Delete everything before the enacting clause and insert:

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An act relating to economic development; amending s. 20.60, F.S.; requiring the Department of Economic Opportunity to contract with a direct-support organization to promote the sports industry and the participation of residents in certain athletic competitions in this state and to promote the state as a host for certain athletic competitions; amending s. 220.191, F.S.; revising the definition of the term

3832 provision; conforming a cross-reference; amending s. 3833 288.0001, F.S.; conforming cross-references; requiring 3834 the Office of Economic and Demographic Research and

the Office of Program Policy Analysis and Government Accountability to provide a detailed analysis of the

"cumulative capital investment"; deleting an obsolete

retention of Major League Baseball spring training baseball franchises; amending s. 288.005, F.S.;

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defining the term "average private sector wage in the area"; revising the definition of the term "economic benefits"; amending s. 288.047, F.S.; revising purposes of the Quick-Response Training Program; specifying requirements and limitations with respect to the approval of applications, the execution of agreements, and reimbursement amounts under the program; requiring the Department of Economic Opportunity to transfer funds to CareerSource Florida, Inc., if certain conditions exist; eliminating a required set aside of funds appropriated to the program; authorizing, rather than requiring, an educational institution receiving program funding to be included in the grant agreement prepared by CareerSource Florida, Inc.; authorizing certain matching contributions to be counted toward the private sector support of Enterprise Florida, Inc.; amending s. 288.061, F.S.; requiring the Department of Economic Opportunity to prescribe a specified application form; requiring the incentive application to include specified information; requiring the department to review such applications under certain circumstances; requiring the Office of Economic and Demographic Research to include certain guidelines for the calculation of economic benefits; providing requirements for an amended definition by the office; prohibiting the department from attributing to a business certain investments for specified purposes; requiring the department to consider certain

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investments for specified purposes; requiring the department's evaluation of the application to include specified information; requiring the executive director of the department to provide a recommendation to the Governor during a specified timeframe for certain projects; providing requirements for certain recommendations; requiring the department and the applicant to enter into an agreement or a contract; providing requirements for the contract or agreement; prohibiting the department from entering into an agreement or a contract that has a term of longer than 10 years; authorizing the department to enter into a successive agreement or contract for a specified project under certain circumstances; providing applicability; requiring the department to provide specified notice to the Legislature upon the final execution of each contract or agreement; requiring the return of funds under certain circumstances; amending s. 288.076, F.S.; revising definitions; conforming cross-references; providing requirements for information that the department is required to publish on a certain website; amending s. 288.095, F.S.; conforming provisions to changes made by the act; providing that moneys credited to the Economic Development Trust Fund Account consist of specified funds; providing that any balance in the account at the end of the fiscal year remains in the account and are available for carrying out the purposes of the account; creating the Florida Enterprise Fund Account;

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providing that moneys credited to the Florida Enterprise Fund Fund Account consist of specified funds; providing that any balance in the account at the end of the fiscal year remains in the account and are available for carrying out the purposes of the account; requiring the department to submit certain information to the Legislature; creating the Quick Action Closing Fund Escrow Account; providing the composition of the account; restricting the usage of moneys in the escrow account to specified payments; requiring specified funds to be deposited by the department in the State Economic Enhancement and Development Trust Funds within a specified period; requiring funds in the escrow account to be managed under specified investment practices; requiring that the funds be made available to make specified payments; requiring the department to transfer interest earnings on a quarterly basis to the State Economic Enhancement and Development Trust Fund; amending s. 288.1045, F.S.; deleting the definition of the term "average wage in the area"; revising the application process for the qualified defense contractor and space flight business tax refund program; authorizing a business to receive an approved refund if the business fails to submit certain documentation under certain circumstances; extending an expiration date; conforming provisions to changes made by the act; amending s. 288.106, F.S.; deleting the definition of the term "average private sector

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wage in the area"; revising terms; revising the application process for the tax refund program for qualified target industry businesses; removing provisions regarding economic recovery extensions of certain tax refund agreements; making technical changes; providing that certain incentive payments are not repayment of actual taxes paid; providing that actual taxes paid limit the amount of incentive payments a business may receive; amending s. 288.108, F.S.; revising definitions; requiring a certain economic benefit ratio; authorizing the Governor to approve certain grants without consulting the Legislature; requiring the Governor to provide written descriptions and evaluations to the Legislature under certain circumstances; requiring the Executive Office of the Governor to take certain action upon the Legislature's timely advice; providing requirements for amendments, modifications, or extensions of certain contracts; requiring the department to validate certain performance and to report such validation; requiring the agreement to include certain information; conforming provisions to changes made by the act; amending s. 288.1088, F.S.; renaming the Quick Action Closing Fund as the Florida Enterprise Program; revising the requirements for projects eligible for receipt of funds from the fund; requiring local financial support; defining a term; requiring a certain waiver request to be transmitted in writing to the department with an explanation of the specific

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justification for the request; requiring the Governor to provide written descriptions and evaluations to the Legislature under certain circumstances; requiring the Executive Office of the Governor to take certain action upon the Legislature's timely advice; providing requirements for amendments, modifications, or extensions of certain contracts; prohibiting the payment of moneys from the fund to a business until the scheduled goals have been achieved; revising the information that must be included in a contract that sets forth the conditions for payments of moneys from the fund; conforming provisions to changes made by the act; amending s. 288.1089, F.S.; deleting the definition of the term "average private sector wage"; conforming provisions to changes made by the act; providing requirements for the waiver of certain requirements for research and development projects, innovation business projects, and alternative and renewable energy projects; requiring the department to provide certain recommendations to the Governor; authorizing the Governor to approve certain grants without consulting the Legislature; requiring the Governor to provide written descriptions and evaluations to the Legislature under certain circumstances; requiring the Executive Office of the Governor to take certain action upon the Legislature's timely advice; providing requirements for amendments, modifications, or extensions of certain contracts; revising the information that must be included in a

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contract that sets forth the conditions for payments of moneys from the fund; conforming provisions to changes made by the act; amending s. 288.1097, F.S.; authorizing a qualified job training organization to participate in a self-insurance fund; repealing s. 288.1169, F.S., relating to state agency funding of the International Game Fish Association World Center facility; amending s. 288.11625, F.S.; requiring applications to be certified by the department for distributions, rather than approved by the Legislature; conforming provisions to changes made by the act; deleting obsolete provisions; providing applicability; reviving, reenacting, and amending s. 288.1229, F.S., relating to the promotion and development of sports-related industries and amateur athletics; requiring the department to create a direct-support organization to assist the department in certain promotion and development; naming the direct support organization the Florida Sports Foundation; specifying the purpose of the foundation; specifying requirements for the foundation, including appointment of a governing board; requiring that the foundation operate under written contract with the department; specifying provisions that must be included in the contract; providing that the department may allow the foundation to use certain facilities, personnel, and services if it complies with certain provisions; requiring an annual financial audit of the foundation; specifying duties of the

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foundation; deleting residency requirements for participants of the Sunshine State Games and Florida Senior Games; deleting certain competition requirements; conforming provisions to changes made by the act; amending s. 288.125, F.S.; revising the applicability of the term "entertainment industry"; renumbering and amending s. 288.1251, F.S.; renaming the Office of Film and Entertainment within the department as the Division of Film and Entertainment within Enterprise Florida, Inc.; requiring the division to serve as a liaison between the entertainment industry and other agencies, commissions, and organizations; requiring the president of Enterprise Florida, Inc., to appoint the film and entertainment commissioner within a specified period of time; revising the requirements of the division's strategic plan; renumbering and amending s. 288.1252, F.S.; revising the powers and duties of the Florida Film and Entertainment Advisory Council; revising council membership; conforming provisions to changes made by the act; renumbering and amending s. 288.1253, F.S.; prohibiting the division and its employees and representatives from accepting specified accommodations, goods, or services from specified parties; providing that a person who accepts any such goods or services is subject to specified penalties; conforming provisions to changes made by the act; amending s. 288.1254, F.S.; revising the date of repeal; authorizing, an award of credits after April

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1, 2016, under certain conditions; requiring the department to make a determination by a date certain; requiring the department to publish periodic reports; prohibiting the award of tax credits after July 1, 2017; requiring the Department of Revenue to deny certain credits received on or after certain dates; creating s. 288.1256, F.S.; creating the Entertainment Action Fund within the Department of Economic Opportunity; defining terms; authorizing a production company to apply for funds from the Entertainment Action Fund in certain circumstances; requiring the division to review and evaluate applications to determine the eligibility of each project; requiring the division to select projects that maximize the return to the state; requiring certain criteria to be considered by the division; requiring a production company to have financing for a project before it applies for action funds; requiring the department to prescribe a form for an application with specified information; requiring that the division and the department make a recommendation to the Governor to approve or deny an award within a specified timeframe after the completion of the review and evaluation; providing that an award of funds may not constitute more than a specified percentage of qualified expenditures in this state; prohibiting the use of such funds to pay wages to nonresidents; requiring a production to start within a specified period after it is approved by the Governor; requiring that the

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recommendation include performance conditions that the project must meet to obtain funds; authorizing the Governor to approve certain awards without consulting the Legislature; requiring the Governor to provide written descriptions and evaluations to the Legislature under certain circumstances; requiring the Executive Office of the Governor to take certain action upon the Legislature's timely advice; providing requirements for amendments, modifications, or extensions of certain contracts; revising the information that must be included in a contract that sets forth the conditions for payments of moneys from the fund; requiring the department and the production company to enter into a specified agreement after approval by the Governor; requiring that the agreement be finalized and signed by an authorized officer of the production company within a specified period after approval by the Governor; prohibiting an approved production company from simultaneously receiving specified benefits for the same production; requiring that the department validate contractor performance and report such validation in the annual report; prohibiting the department from approving awards in excess of the amount appropriated for a fiscal year; requiring the department to maintain a schedule of funds; prohibiting the department or division from accepting applications or conditionally committing funds under certain circumstances; providing that a production company that submits fraudulent information

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is liable for reimbursement of specified costs; providing a penalty; prohibiting the department or division from waiving any provision or providing an extension of time to meet specified requirements; providing an expiration date; amending s. 288.1258, F.S.; conforming provisions to changes made by the act; prohibiting an approved production company from simultaneously receiving benefits under specified provisions for the same production; requiring the department to develop a standardized application form in cooperation with the division and other agencies; requiring the production company to submit aggregate data on specified topics; authorizing a production company to renew its certificate of exemption for a specified period; amending s. 288.901, F.S.; revising the members of the board of directors of Enterprise Florida, Inc.; amending s. 288.907 , F.S.; requiring reporting on the number of jobs that provide health benefits to employees; requiring reporting on amendments, modifications, or extensions of certain contracts; amending s. 288.92, F.S.; revising the required divisions within Enterprise Florida, Inc.; amending s. 288.980, F.S.; authorizing grant awards for activities that grow the economy of a defensedependent community; making technical changes; amending s. 288.9937, F.S.; requiring the Office of Program Policy Analysis and Government Accountability to analyze and evaluate certain programs for a specified period; requiring the Office of Economic and

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Demographic Research to determine the economic benefits of certain programs; requiring the Office of Program Policy Analysis and Government Accountability to identify inefficiencies in certain programs and to recommend changes to such programs; revising the date by which each office must submit a report to certain persons; amending s. 320.08058, F.S.; conforming provisions to changes made by the act; amending uses of the proceeds of the Florida Professional Sports Team license plate; amending s. 177.031, F.S.; revising the term "subdivision"; amending s. 196.1995, F.S.; providing that replacement or refreshment of datacenter equipment is exempt from ad valorem taxation under certain circumstances; amending ss. 189.033, 196.012, 212.20, 220.196, 288.11631, 288.9015, and 477.0135, F.S.; conforming provisions to changes made by the act; deleting obsolete provisions; reenacting s. 159.803(11), F.S., relating to the definition of the term "Florida First Business Project," to incorporate the amendment made to s. 288.106, F.S., in reference thereto; providing effective dates.