

Committee on Commerce and Tourism

CS/CS/HB 879 — Targeted Economic Development

by Economic Affairs Committee; Finance and Tax Committee; and Rep. Eisnaugle and others (CS/CS/SB 1318 by Budget Subcommittee on Transportation, Tourism, and Economic Development Appropriations; Commerce and Tourism Committee; and Senator Benacquisto)

This bill modifies two state economic development incentives and extends eligibility for 11 different state incentives to eligible businesses in the two pilot Energy Economic Zones.

Specifically, the bill:

- Gives businesses participating in the Capital Investment Tax Credit program, pursuant to s. 220.191, F.S., an additional 10 years to claim their unused tax credits against their corporate tax liabilities.
- Renames one of the criteria for determining a “target industry business” for clarity purposes in the Qualified Target Industry (QTI) tax refund program, and specifies that special consideration should be given to applicant businesses that enhance trade opportunities and global logistics – which is one of the new additions to the 2011 Target Industry Sector List compiled by Enterprise Florida, Inc.
- Adds input from municipal governing bodies to recommend to the state on which private-sector wage calculation should be used as the baseline for calculating the QTI business’s required 115-percent annual average wage for the business’ new employees.
- Effective July 1, 2011, through June 30, 2014, specifies that the counties of Bay, Escambia, Franklin, Gadsden, Gulf, Jefferson, Leon, Okaloosa, Santa Rosa, Wakulla, and Walton may provide only a 10 percent local match – rather than the currently required 20 percent – to state funding for the QTI refund program.
- Augments the existing Energy Economic Zone (EEZ) Pilot Program language in s. 377.809, F.S., to:
 - Make all the sales and corporate tax incentives and benefits provided to businesses within ch. 290, F.S., enterprise zones pursuant to state law also will be available to businesses within EEZs, effective July 1, 2012. The two pilot EEZs are in Sarasota County and the City of Miami Beach;
 - Extend eligibility to EEZ businesses to receive higher tax refund subsidies, as do businesses in enterprise zones, and waives the minimum wage requirement of at least 115 percent of the average area private sector wage for EEZ businesses;
 - Specify that EEZ projects will have priority consideration for economic development transportation funding, pursuant to s. 288.063, F.S.;
 - Make EEZ projects eligible for Quick Response Training and Incumbent Worker Training incentive funds;
 - Cap the total amount of incentives at \$300,000 annually in each EEZ;
 - Specify that the EEZ ordinances to be approved by the two local governing boards will include business criteria and other information; and
 - Exempts a development in an EEZ from the DRI requirements of s. 380.06, F.S.

If approved by the Governor, these provisions take effect July 1, 2011.

Vote: Senate 39-0; House 114-0