

1 A bill to be entitled
2 An act relating to investments in education;
3 creating the Florida Education Technology
4 Foundation for certain purposes; providing for
5 a board of directors; providing for membership;
6 providing for appointing members; providing for
7 electing members; providing duties of the
8 board; providing for creation of Florida's
9 Future Investment Funds for certain purposes;
10 providing for investment of moneys in such
11 funds; providing for donating certain revenues
12 to the foundation; providing for contributing a
13 portion of investment interest to the
14 foundation for certain purposes; providing for
15 a reduced intangibles tax rate on securities in
16 Florida's Future Investment Funds under certain
17 circumstances; creating s. 212.0602, F.S.;
18 exempting the purchase or lease of certain
19 items by certain educational entities,
20 institutions, or organizations from the sales
21 and use tax under certain limited
22 circumstances; providing an effective date.

23
24 Be It Enacted by the Legislature of the State of Florida:

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26 Section 1. (1) The purpose of this section is to
27 provide a mechanism by which the business community in this
28 state can directly participate in providing assistance to the
29 growth and development of education enhancement in this state
30 through contributions to special state-sponsored investment
31 funds. The purpose of such funds is to provide funding for

1 computers, computer technology, training in computer
2 education, and scholarships for business-related careers for
3 the education system, including kindergarten through twelfth
4 grade, community colleges, and universities.

5 (2) The Florida Education Technology Foundation is
6 created as a nonprofit corporation for the purpose of
7 establishing a series of state-sponsored investment funds to
8 be known as Florida's Future Investment Funds. The purpose of
9 such funds is to provide a source of revenue which shall be
10 used by the foundation to provide funding for:

11 (a) Buying and maintaining computers and
12 computer-related technology for all levels of the education
13 system supported in whole or in part with public funds in this
14 state.

15 (b) Training teachers and faculty to use computer
16 equipment and technology and to teach the effective use of
17 computer equipment and technology.

18 (c) Scholarships for business-related fields.

19 (3) The foundation shall be governed by a board of
20 directors consisting of 11 members, one of whom shall be the
21 Commissioner of Education or his or her designee, one of whom
22 shall be the Treasurer or his or her designee, one of whom
23 shall be appointed by the President of the Senate, one of whom
24 shall be appointed by the Speaker of the House of
25 Representatives, and the remaining 7 of whom shall initially
26 be appointed by the Florida Council of 100 from membership of
27 the council and thereafter shall be elected by the
28 corporations and businesses that contribute moneys to a
29 Florida's Future Investment Fund. Of the first members
30 appointed by the Florida Council of 100, three shall be
31 appointed for a term of 1 year and four shall be appointed for

1 a term of 2 years. Thereafter, those members shall be elected
2 and shall serve for terms of 4 years. Each corporation shall
3 receive one vote for investing up to \$25 million in a
4 Florida's Future Investment Fund and shall receive an
5 additional vote for each additional investment of \$25 million.
6 A chair shall be elected by the members of the board and the
7 board shall meet at the call of the chair. In no event shall
8 the state or its officers, employees, or agencies be liable
9 for the actions of the foundation, its directors, or the fund
10 managers.

11 (4) The foundation shall establish Florida's Future
12 Investment Funds for the purpose of investing moneys placed in
13 such funds by corporations and businesses in this state and
14 receiving a portion of such interest to be used as provided in
15 subsection (2). The board of directors shall provide for the
16 administration and management of such funds to maximize the
17 return on investment of moneys in such funds. The board of
18 directors may hire outside managers to administer and invest
19 the moneys in the Florida's Future Investment Funds. The
20 board shall prescribe the level of prudence and ethical
21 standards to be followed by the fund managers. Alternatively,
22 moneys in the Florida's Future Investment Funds may be
23 invested by the State Board of Administration in accordance
24 with a trust agreement entered into between the board of
25 directors and the State Board of Administration in accordance
26 with sections 215.44-215.53, Florida Statutes. It is the
27 intent of the Legislature that administrative fees be as low
28 as possible. The staff of the Commissioner of Education shall
29 serve as support staff for the board of directors.

30 (5) A corporation or business participating in a
31 Florida's Future Investment Fund shall contribute a portion of

1 the interest earned on investments of moneys in the fund to
2 the Florida Education Technology Foundation to be used as
3 provided in subsection (2). The portion of interest earned
4 and donated may be determined by action of the board of
5 directors of the foundation.

6 (6) The provisions of chapter 119, Florida Statutes,
7 relating to public records and chapter 286, Florida Statutes,
8 relating to public meetings apply to all records and meetings
9 of the foundation. The financial records of the foundation
10 must be made available to the Auditor General for post audit
11 purposes.

12 (7) Within 90 days after its organization, the
13 foundation shall develop a business plan for the conduct of
14 its financial operations. Moneys realized from investment
15 gains must be distributed to schools in a manner consistent
16 with the business plan. Such moneys shall not be subject to
17 appropriation by the Legislature, and no school shall have any
18 other distribution of funds to which it is entitled reduced,
19 compromised, or supplanted as a result of its receipt of
20 moneys from the foundation.

21 Section 2. (1) Notwithstanding the provisions of
22 chapter 199, Florida Statutes, the tax imposed under section
23 199.032, Florida Statutes, on securities in a Florida's Future
24 Investment Fund shall apply at the rate of 1.85 mills when the
25 average daily balance in such funds exceeds \$2 billion and at
26 the rate of 1.70 mills when the average daily balance in such
27 funds exceeds \$5 billion.

28 (2) This section shall not apply in any year in which
29 the revenues of the foundation in the previous calendar year
30 are less than the tax savings allowed by this section. "Tax
31 savings" means the difference between the tax that would be

1 imposed pursuant to section 199.032, Florida Statutes, and the
2 tax rate specified in subsection (1).

3 Section 3. Section 212.0602, Florida Statutes, is
4 created to read:

5 212.0602 Education; limited exemption.--To facilitate
6 investment in education and job training, there is also exempt
7 from the taxes levied under this chapter, subject to the
8 provisions of this section, the purchase or lease of
9 materials, equipment, and other items by any entity,
10 institution, or organization that is primarily engaged in
11 teaching students to perform any of the activities or services
12 described in s. 212.031(1)(a)9., that conducts classes at a
13 fixed location located in this state, that is licensed under
14 chapter 246, and that has at least 500 enrolled students. Any
15 entity, institution, or organization meeting the requirements
16 of this section shall be deemed to qualify for the exemptions
17 in ss. 212.031(1)(a)9., 212.08(5)(f), and 212.08(12), and to
18 qualify for an exemption for its purchase or lease of
19 materials, equipment, and other items used for education or
20 demonstration of the school's curriculum. Nothing in this
21 section shall preclude an entity described in this section
22 from qualifying for any other exemption provided for in this
23 chapter.

24 Section 4. This act shall take effect upon becoming a
25 law.