

By the Committee on Business Development & International
Trade and Representatives Valdes and Eggelletion

1 A bill to be entitled
2 An act relating to economic development;
3 amending s. 114, chapter 96-320, Laws of
4 Florida; revising the definition of "matching
5 private funds"; amending s. 14.2015, F.S.;
6 removing redundant language; removing
7 provisions allowing the Office of Tourism,
8 Trade, and Economic Development to contract and
9 use a percentage of appropriated funds for
10 administrative purposes; amending s. 212.08,
11 F.S.; creating a sales tax exemption for the
12 purchase of certain pollution control machinery
13 and equipment; creating s. 220.190, F.S.;
14 creating the Florida work opportunity tax
15 credit; providing a corporate tax exemption for
16 hiring WAGES participants; providing penalties
17 for fraudulent and overstated claims; providing
18 for future repeal; amending s. 288.012, F.S.;
19 providing legislative intent; requiring the
20 Office of Tourism, Trade, and Economic
21 Development to develop a plan for State of
22 Florida foreign offices; requiring each foreign
23 office to have an operational plan; amending s.
24 288.047, F.S.; proscribing certain uses of
25 funds for the Quick-Response Training Program;
26 amending s. 288.1045, F.S.; proscribing certain
27 uses of funds for the qualified defense
28 contractor tax refund program; prohibiting the
29 expenditure of certain funds for business
30 relocation; providing for certain prorated tax
31 refunds; amending s. 288.106, F.S.; proscribing

1 certain uses of funds for the tax refund
2 program for qualified target industry
3 businesses; amending s. 288.9015, F.S.;
4 requiring Enterprise Florida, Inc., to prepare
5 a guide and checklist for starting and
6 operating a business in Florida; amending s.
7 288.903, F.S.; requiring the president of
8 Enterprise Florida, Inc., to coordinate
9 Enterprise Florida, Inc., activities with
10 respect to participants in the WAGES Program;
11 amending s. 288.905, F.S.; revising
12 requirements for the strategic plan prepared by
13 Enterprise Florida, Inc.; providing for
14 modifications and updates to the strategic
15 plan; requiring specific issues to be included
16 in the strategic plan; requiring the
17 development of measurable objectives and
18 performance outcomes; amending s. 288.906,
19 F.S.; revising requirements for the annual
20 report by Enterprise Florida, Inc.; requiring
21 specific evaluations and assessments to be
22 included in the annual report; requiring an
23 annual compliance and financial audit; amending
24 s. 290.0411, F.S.; revising the legislative
25 intent for the Florida Small Cities Community
26 Development Block Grant Program Act to include
27 pledging public money to guarantee loans;
28 amending s. 290.044, F.S.; expanding
29 administration of the Florida Small Cities
30 Community Development Block Grant Program Fund
31 to include loan guarantees; conforming

1 provisions; creating s. 290.0455, F.S.;

2 creating the Small Cities Community Development

3 Block Grant Loan Guarantee Program; providing

4 for the purpose, administration, and conditions

5 of the program; authorizing the Department of

6 Community Affairs to pledge revenues from the

7 community development block grant program in

8 order to guarantee certain loans; amending s.

9 290.047, F.S.; exempting the loan guarantee

10 program authorized under s. 290.0455, F.S.,

11 from certain grant ceiling requirements;

12 providing for grant ceilings under the

13 Community Development Block Grant Program to be

14 reduced based on defaults on guaranteed loans;

15 amending s. 290.048, F.S.; authorizing the

16 Department of Community Affairs to pledge

17 community development block grant revenues to

18 guarantee certain notes or obligations;

19 amending s. 311.11, F.S.; providing that the

20 Seaport Employment Training Grant Program shall

21 grant funds for the purpose of stimulating and

22 supporting seaport training and employment

23 programs; amending s. 320.20, F.S.; requiring

24 the deposit of a certain amount of funds into

25 the State Transportation Trust Fund;

26 prescribing the manner in which such funds may

27 be used; creating a tax refund program for

28 hiring certain school-aged employees; providing

29 for administration by the Office of Tourism,

30 Trade, and Economic Development; providing

31 definitions; providing for employment/tax

1 refund agreements; providing penalties for
2 fraudulent claims for refunds; providing for
3 future repeal; providing appropriations for
4 programs contained in this act; providing an
5 effective date.

6
7 Be It Enacted by the Legislature of the State of Florida:

8
9 Section 1. Subsection (3) of section 114 of chapter
10 96-320, Laws of Florida, is amended to read:

11 Section 114.

12 (3)(a) For the purposes of this section, matching
13 ~~private funds include a conveyance of property, employee wages~~
14 ~~paid during training, or payment or distribution of cash,~~
15 property, or anything of value, including contributions
16 in-kind having an attributable monetary value in any form,
17 made in response to a solicitation by Enterprise Florida,
18 Inc., and used exclusively by Enterprise Florida, Inc., in its
19 operations or programs. Contributions in-kind include, but
20 are not limited to, goods or services rendered. The cost of
21 the contribution shall be the reasonable cost to the sponsor
22 of the goods or services.

23 (b) Matching private funds do not include any payment,
24 distribution, or conveyance made by any entity to qualify for
25 any Enterprise Florida, Inc., state, or local incentive, grant
26 or loan program, or any funds received by Enterprise Florida,
27 Inc., pursuant to a grant or contract.

28 Section 2. Section 14.2015, Florida Statutes, 1996
29 Supplement, is amended to read:

30 14.2015 Office of Tourism, Trade, and Economic
31 Development; creation; powers and duties.--

1 (1) The Office of Tourism, Trade, and Economic
2 Development is created within the Executive Office of the
3 Governor. The director of the Office of Tourism, Trade, and
4 Economic Development shall be appointed by and serve at the
5 pleasure of the Governor.

6 (2) The purpose of the Office of Tourism, Trade, and
7 Economic Development is to assist the Governor in working with
8 the Legislature, state agencies, business leaders, and
9 economic development professionals to formulate and implement
10 coherent and consistent policies and strategies designed to
11 provide economic opportunities for all Floridians. To
12 accomplish such purposes, the Office of Tourism, Trade, and
13 Economic Development shall:

14 ~~(a) Contract, notwithstanding the provisions of part I~~
15 ~~of chapter 287, with Enterprise Florida, Inc., to guide,~~
16 ~~stimulate, and promote the economic and trade development of~~
17 ~~the state.~~

18 ~~(b) Contract with the Florida Commission on Tourism to~~
19 ~~guide, stimulate, and promote the travel and leisure~~
20 ~~development of the state.~~

21 (a)(c) Contract, notwithstanding the provisions of
22 part I of chapter 287, with the direct-support organization
23 created under s. 288.1228, or a designated Florida
24 not-for-profit corporation whose board members have had prior
25 experience in promoting, throughout the state, the economic
26 development of the Florida motion picture, television, radio,
27 video, recording, and entertainment industries, to guide,
28 stimulate, and promote the entertainment industry in the
29 state.

30 (b)(d) Contract, notwithstanding the provisions of
31 part I of chapter 287, with the direct-support organization

1 created under s. 288.1229 to guide, stimulate, and promote the
2 sports industry in the state.

3 (c)~~(e)~~ Monitor the activities of public-private
4 partnerships and state agencies in order to avoid duplication
5 and promote coordinated and consistent implementation of
6 programs in areas including, but not limited to, tourism;
7 international trade and investment; business recruitment,
8 creation, retention, and expansion; minority and small
9 business development; and rural community development.

10 (d)~~(f)~~ Facilitate the direct involvement of the
11 Governor and the Lieutenant Governor in economic development
12 projects designed to create, expand, and retain Florida
13 businesses and to recruit worldwide business.

14 (e)~~(g)~~ Assist the Governor, in cooperation with
15 Enterprise Florida, Inc., and the Florida Commission on
16 Tourism, in preparing an annual report to the Legislature on
17 the state of the business climate in Florida and on the state
18 of economic development in Florida which will include the
19 identification of problems and the recommendation of
20 solutions. This report shall be submitted to the President of
21 the Senate, the Speaker of the House of Representatives, the
22 Senate Minority Leader, and the House Minority Leader by
23 January 1 of each year, and it shall be in addition to the
24 Governor's message to the Legislature under the State
25 Constitution and any other economic reports required by law.

26 (f)~~(h)~~ Plan and conduct ~~quarterly~~ meetings of leaders
27 in business, government, and economic development called by
28 the Governor to address the business climate in the state,
29 develop a common vision for the economic future of the state,
30 and identify economic development efforts to fulfill that
31 vision.

1 ~~(g)~~(i) Administer the Florida Enterprise Zone Act
2 under ss. 290.001-290.016, the community contribution tax
3 credit program under ss. 220.183 and 624.5105, the tax refund
4 program for qualified target industry businesses under s.
5 288.106, contracts for transportation projects under s.
6 288.063, the sports franchise facility program under s.
7 288.1162, the professional golf hall of fame facility program
8 under s. 288.1168, the Florida Jobs Siting Act under ss.
9 403.950-403.972, the Rural Community Development Revolving
10 Loan Fund under s. 288.065, the Regional Rural Development
11 Grants Program under s. 288.018, the Florida State Rural
12 Development Council, and the Rural Economic Development
13 Initiative.

14 ~~(h)~~(j) Serve as contract administrator for the state
15 with respect to contracts with Enterprise Florida, Inc., the
16 Florida Commission on Tourism, and all direct-support
17 organizations under this act, excluding those relating to
18 tourism. To accomplish the provisions of this act and
19 applicable provisions of chapter 288, and notwithstanding the
20 provisions of part I of chapter 287, the office shall enter
21 into specific contracts with Enterprise Florida, Inc., the
22 Florida Commission on Tourism, and other appropriate
23 direct-support organizations. Such contracts may be multiyear
24 and shall include specific performance measures for each year.
25 The office shall provide the President of the Senate and the
26 Speaker of the House of Representatives with a report by
27 February 1 of each year on the status of these contracts,
28 including the extent to which specific contract performance
29 measures have been met by these contractors.

30 ~~(i)~~(k) Prepare and submit as a separate budget entity
31 a unified budget request for tourism, trade, and economic

1 development in accordance with chapter 216 for, and in
2 conjunction with, Enterprise Florida, Inc., and its boards,
3 the Florida Commission on Tourism and its direct-support
4 organization, the Florida Black Business Investment Board, and
5 the direct-support organizations created to promote the
6 entertainment and sports industries.

7 (3) The Chief Inspector General, as defined in s.
8 14.32:

9 (a) Shall advise public-private partnerships in their
10 development, utilization, and improvement of internal control
11 measures necessary to ensure fiscal accountability.

12 (b) May conduct, direct, and supervise audits relating
13 to the programs and operations of public-private partnerships.

14 (c) Shall receive and investigate complaints of fraud,
15 abuses, and deficiencies relating to programs and operations
16 of public-private partnerships.

17 (d) May request and have access to any records, data,
18 and other information of public-private partnerships that the
19 Chief Inspector General deems necessary to carry out his or
20 her responsibilities with respect to accountability.

21 (e) Shall monitor public-private partnerships for
22 compliance with the terms and conditions of contracts with the
23 Office of Tourism, Trade, and Economic Development and report
24 noncompliance to the Governor.

25 (f) Shall advise public-private partnerships in the
26 development, utilization, and improvement of performance
27 measures for the evaluation of their operations.

28 (g) Shall review and make recommendations for
29 improvements in the actions taken by public-private
30 partnerships to meet performance standards.

31

1 (4) The director of the Office of Tourism, Trade, and
2 Economic Development shall designate a position within the
3 office to advocate and coordinate the interests of minority
4 businesses. The person in this position shall report to the
5 director and shall be the primary point of contact for the
6 office on issues and projects important to the recruitment,
7 creation, preservation, and growth of minority businesses.

8 (5) The director of the Office of Tourism, Trade, and
9 Economic Development shall designate a position within the
10 office to advocate and coordinate the interests of rural
11 communities in the state. The person in this position shall
12 report to the director and shall be the primary point of
13 contact for the office on issues and projects important to the
14 economic capacity of Florida's rural communities.

15 (6)(a) In order to improve the state's regulatory
16 environment, the Office of Tourism, Trade, and Economic
17 Development shall consider the impact of agency rules on
18 businesses, provide one-stop permit information and
19 assistance, and serve as an advocate for businesses,
20 particularly small businesses, in their dealings with state
21 agencies.

22 (b) As used in this subsection, the term "permit"
23 means any approval of an agency required as a condition of
24 operating a business in this state, including, but not limited
25 to, licenses and registrations.

26 (c) The office shall have powers and duties to:

27 1. Review proposed agency actions for impacts on small
28 businesses and offer alternatives to mitigate such impacts, as
29 provided in s. 120.54.

30 2. In consultation with the Governor's rules
31 ombudsman, make recommendations to agencies on any existing

1 and proposed rules for alleviating unnecessary or
2 disproportionate adverse effects to businesses.

3 3. Make recommendations to the Legislature and to
4 agencies for improving permitting procedures affecting
5 business activities in the state. By October 1, 1997, and
6 annually thereafter, the Office of Tourism, Trade, and
7 Economic Development shall submit a report to the Legislature
8 containing the following:

9 a. An identification and description of methods to
10 eliminate, consolidate, simplify, or expedite permits.

11 b. An identification and description of those agency
12 rules repealed or modified during each calendar year to
13 improve the regulatory climate for businesses operating in the
14 state.

15 c. A recommendation for an operating plan and funding
16 level for establishing an automated one-stop permit registry
17 to provide the following services:

18 (I) Access by computer network to all permit
19 applications and approval requirements of each state agency.

20 (II) Assistance in the completion of such
21 applications.

22 (III) Centralized collection of any permit fees and
23 distribution of such fees to agencies.

24 (IV) Submission of application data and circulation of
25 such data among state agencies by computer network.

26
27 If the Legislature establishes such a registry, subsequent
28 annual reports must cover the status and performance of this
29 registry.

30 4. Serve as a clearinghouse for information on which
31 permits are required for a particular business and on the

1 respective application process, including criteria applied in
2 making a determination on a permit application. Each state
3 agency that requires a permit, license, or registration for a
4 business shall submit to the Office of Tourism, Trade, and
5 Economic Development by August 1 of each year a list of the
6 types of businesses and professions that it regulates and of
7 each permit, license, or registration that it requires for a
8 type of business or profession.

9 5. Obtain information and permit applications from
10 agencies and provide such information and permit applications
11 to the public.

12 6. Arrange, upon request, informal conferences between
13 a business and an agency to clarify regulatory requirements or
14 standards or to identify and address problems in the permit
15 review process.

16 7. Determine, upon request, the status of a particular
17 permit application.

18 8. Receive complaints and suggestions concerning
19 permitting policies and activities of governmental agencies
20 which affect businesses.

21 (d) Use of the services authorized in this subsection
22 does not preclude a person or business from dealing directly
23 with an agency.

24 (e) In carrying out its duties under this subsection,
25 the Office of Tourism, Trade, and Economic Development may
26 consult with state agency personnel appointed to serve as
27 economic development liaisons under s. 288.021.

28 (f) The office shall clearly represent that its
29 services are advisory, informational, and facilitative only.
30 Advice, information, and assistance rendered by the office
31 does not relieve any person or business from the obligation to

1 secure a required permit. The office is not liable for any
2 consequences resulting from the failure to issue or to secure
3 a required permit. However, an applicant who uses the services
4 of the office and who receives a written statement identifying
5 required state permits relating to a business activity may not
6 be assessed a penalty for failure to obtain a state permit
7 that was not identified, if the applicant submits an
8 application for each such permit within 60 days after written
9 notification from the agency responsible for issuing the
10 permit.

11 ~~(7) Notwithstanding any provision of law to the~~
12 ~~contrary, the Office of Tourism, Trade, and Economic~~
13 ~~Development may enter into contracts for assistance in~~
14 ~~administering programs or carrying out functions that are~~
15 ~~specifically assigned to the office. No more than 1 percent of~~
16 ~~the funds appropriated for a particular program or function~~
17 ~~may be used for such a contract related to that program or~~
18 ~~function. This subsection does not apply to contracts that the~~
19 ~~office enters into with Enterprise Florida, Inc., the Florida~~
20 ~~Commission on Tourism, or any direct-support organization.~~

21 (7)(8) The Office of Tourism, Trade, and Economic
22 Development shall develop performance measures, standards, and
23 sanctions for each program it administers under this act and,
24 in conjunction with the applicable entity, for each program
25 for which it contracts with another entity under this act.
26 The performance measures, standards, and sanctions shall be
27 developed in consultation with the legislative appropriations
28 committees and the appropriate substantive committees, and are
29 subject to the review and approval process provided in s.
30 216.177. The approved performance measures, standards, and
31

1 sanctions shall be included and made a part of each contract
2 entered into for delivery of programs authorized by this act.

3 (8)~~(9)~~ The Office of Tourism, Trade, and Economic
4 Development shall ensure that the contract between the Florida
5 Commission on Tourism and the commission's direct-support
6 organization contains a provision to provide the data on the
7 visitor counts and visitor profiles used in revenue
8 estimating, employing the same methodology used in fiscal year
9 1995-1996 by the Department of Commerce. The Office of
10 Tourism, Trade, and Economic Development and the Florida
11 Commission on Tourism must reach agreement with the Consensus
12 Estimating Conference principals before making any changes in
13 methodology used or information gathered.

14 Section 3. Paragraph (b) of subsection (5) of section
15 212.08, Florida Statutes, 1996 Supplement, is amended to read:

16 212.08 Sales, rental, use, consumption, distribution,
17 and storage tax; specified exemptions.--The sale at retail,
18 the rental, the use, the consumption, the distribution, and
19 the storage to be used or consumed in this state of the
20 following are hereby specifically exempt from the tax imposed
21 by this part.

22 (5) EXEMPTIONS; ACCOUNT OF USE.--

23 (b) Machinery and equipment used to increase
24 productive output or control pollution.--

25 1. Industrial machinery and equipment purchased for
26 use in new businesses which manufacture, process, compound, or
27 produce for sale, or for exclusive use in spaceport activities
28 as defined in s. 212.02, items of tangible personal property
29 at fixed locations are exempt from the tax imposed by this
30 chapter upon an affirmative showing by the taxpayer to the
31 satisfaction of the department that such items are used in a

1 new business in this state. Such purchases must be made prior
2 to the date the business first begins its productive
3 operations, and delivery of the purchased item must be made
4 within 12 months of that date.

5 2. Industrial machinery and equipment purchased for
6 use in expanding manufacturing facilities or plant units which
7 manufacture, process, compound, or produce for sale, or for
8 exclusive use in spaceport activities as defined in s. 212.02,
9 items of tangible personal property at fixed locations in this
10 state are exempt from any amount of tax imposed by this
11 chapter in excess of \$50,000 per calendar year upon an
12 affirmative showing by the taxpayer to the satisfaction of the
13 department that such items are used to increase the productive
14 output of such expanded business by not less than 10 percent.

15 3. Industrial machinery and equipment purchased for
16 use by businesses which manufacture, process, compound, or
17 produce for sale items of tangible personal property at fixed
18 locations are exempt from the tax imposed by this chapter in
19 excess of \$50,000 per calendar year upon an affirmative
20 showing by the taxpayer to the satisfaction of the Department
21 of Revenue, in conjunction with the Department of
22 Environmental Protection, that such items are required for the
23 control or abatement of pollution by any agency of the United
24 States, this state, or any political subdivision of this
25 state.

26 4.3-a. To receive an exemption provided by
27 subparagraph 1., ~~or~~ subparagraph 2., or subparagraph 3., a
28 qualifying business entity shall apply to the department for a
29 temporary tax exemption permit. The application shall state
30 that a new business exemption, ~~or~~ expanded business exemption,
31 or pollution control exemption is being sought. Upon a

1 tentative affirmative determination by the department pursuant
2 to subparagraph 1., ~~or~~ subparagraph 2., or subparagraph 3.,
3 the department shall issue such permit.

4 b. The applicant shall be required to maintain all
5 necessary books and records to support the exemption. Upon
6 completion of purchases of qualified machinery and equipment
7 pursuant to subparagraph 1., ~~or~~ subparagraph 2., or
8 subparagraph 3., the temporary tax permit shall be delivered
9 to the department or returned to the department by certified
10 or registered mail.

11 c. If, in a subsequent audit conducted by the
12 department, it is determined that the machinery and equipment
13 purchased as exempt under subparagraph 1., ~~or~~ subparagraph 2.,
14 or subparagraph 3. did not meet the criteria mandated by this
15 paragraph or if commencement of production did not occur, if
16 applicable, the amount of taxes exempted at the time of
17 purchase shall immediately be due and payable to the
18 department by the business entity, together with the
19 appropriate interest and penalty, computed from the date of
20 purchase, in the manner prescribed by this chapter.

21 d. In the event a qualifying business entity fails to
22 apply for a temporary exemption permit or if the tentative
23 determination by the department required to obtain a temporary
24 exemption permit is negative, a qualifying business entity
25 shall receive the exemption provided in subparagraph 1., ~~or~~
26 subparagraph 2., or subparagraph 3. through a refund of
27 previously paid taxes. No refund may be made for such taxes
28 unless the criteria mandated by subparagraph 1., ~~or~~
29 subparagraph 2., or subparagraph 3. have been met and
30 commencement of production has occurred, if applicable.

31

1 ~~5.4.~~ The department shall promulgate rules governing
2 applications for, issuance of, and the form of temporary tax
3 exemption permits; provisions for recapture of taxes; and the
4 manner and form of refund applications. The department ~~and~~ may
5 establish guidelines as to the requisites for an affirmative
6 showing of increased productive output, of commencement of
7 production, or that machinery and equipment to control or
8 abate pollution is required by a government agency, and may
9 establish guidelines as to qualification for exemption.

10 ~~6.5.~~ The exemptions provided in subparagraphs 1., ~~and~~
11 2., ~~and~~ 3. do not apply to machinery or equipment purchased or
12 used by electric utility companies, communications companies,
13 phosphate or other solid minerals severance, mining, or
14 processing operations, oil or gas exploration or production
15 operations, publishing firms that do not export at least 50
16 percent of their finished product out of the state, any firm
17 subject to regulation by the Division of Hotels and
18 Restaurants of the Department of Business and Professional
19 Regulation, or any firm which does not manufacture, process,
20 compound, or produce for sale, or for exclusive use in
21 spaceport activities as defined in s. 212.02, items of
22 tangible personal property.

23 ~~7.6.~~ For the purposes of the exemptions provided in
24 subparagraphs 1., ~~and~~ 2., ~~and~~ 3., these terms have the
25 following meanings:

26 a. "Industrial machinery and equipment" means "section
27 38 property" as defined in s. 48(a)(1)(A) and (B)(i) of the
28 Internal Revenue Code, provided "industrial machinery and
29 equipment" shall be construed by regulations adopted by the
30 Department of Revenue to mean tangible property used as an
31 integral part of the manufacturing, processing, compounding,

1 or producing for sale, or for exclusive use in spaceport
2 activities as defined in s. 212.02, of items of tangible
3 personal property, or used for the control or abatement of
4 pollution. Such term includes parts and accessories only to
5 the extent that the exemption thereof is consistent with the
6 provisions of this paragraph.

7 b. "Productive output" means the number of units
8 actually produced by a single plant or operation in a single
9 continuous 12-month period, irrespective of sales. Increases
10 in productive output shall be measured by the output for 12
11 continuous months immediately following the completion of
12 installation of such machinery or equipment over the output
13 for the 12 continuous months immediately preceding such
14 installation. However, if a different 12-month continuous
15 period of time would more accurately reflect the increase in
16 productive output of machinery and equipment purchased to
17 facilitate an expansion, the increase in productive output may
18 be measured during that 12-month continuous period of time if
19 such time period is mutually agreed upon by the Department of
20 Revenue and the expanding business prior to the commencement
21 of production; provided, however, in no case may such time
22 period begin later than 2 years following the completion of
23 installation of the new machinery and equipment. The units
24 used to measure productive output shall be physically
25 comparable between the two periods, irrespective of sales.

26 ~~8.7.~~ Notwithstanding any other provision in this
27 paragraph to the contrary, in order to receive the exemption
28 provided in this paragraph a taxpayer must register with the
29 WAGES Program Business Registry established by the local WAGES
30 coalition for the area in which the taxpayer is located. Such
31 registration establishes a commitment on the part of the

1 taxpayer to hire WAGES program participants to the maximum
2 extent possible consistent with the nature of their business.

3 Section 4. Section 220.190, Florida Statutes, is
4 created to read:

5 220.190 Florida work opportunity tax credit.--

6 (1)(a) There shall be allowed a credit against the tax
7 imposed by this chapter to any business which employs a
8 targeted employee. The credit shall be computed as 10 percent
9 of the actual monthly wages paid in this state to the targeted
10 employee.

11 (b) For purposes of this section, a "targeted
12 employee" means any person who is a WAGES program participant
13 pursuant to chapter 414, who begins employment in the
14 operations of the business after July 1, 1997, and who has not
15 been previously employed within the preceding 12 months by the
16 business or a successor business claiming this credit. A
17 person shall be deemed to be employed by such a business if
18 the person performs duties in connection with the operations
19 of the business on at least a part-time basis, provided she or
20 he is performing such duties for an average of at least 20
21 hours per week each month throughout the year.

22 (c) For purposes of this section, the term "month"
23 means either a calendar month or the time period from any day
24 of any month to the corresponding day of the next succeeding
25 month or, if there is no corresponding day in the next
26 succeeding month, the last day of the succeeding month.

27 (d) This credit applies only with respect to wages
28 subject to unemployment tax and does not apply for any
29 targeted employee whose wages exceed \$2,000 a month. This
30 credit does not apply for any targeted employee who is
31 employed for any period less than 3 full months.

1 (e) If this credit is not fully used in any 1 year,
2 the unused amount may be carried forward for a period not to
3 exceed 5 years. The carryover credit may be used in a
4 subsequent year when the tax imposed by this chapter for such
5 year exceeds the credit for such year after applying the other
6 credits and unused credit carryovers in the order provided in
7 s. 220.02(10).

8 (2) To be eligible to receive a Florida work
9 opportunity tax credit, the business must file under oath with
10 the department a statement which includes a certification from
11 a local WAGES coalition that the targeted employee was a WAGES
12 participant for at least the 3 months prior to her or his
13 employment by an eligible business.

14 (3) Any business which has claimed this credit shall
15 not be allowed any credit for hiring a targeted employee under
16 the provisions of s. 212.096 or s. 220.181.

17 (4)(a) Any person who fraudulently claims this credit
18 is liable for repayment of the credit, plus a mandatory
19 penalty in the amount of 200 percent of the credit, plus
20 interest at the rate provided in s. 220.807, and commits a
21 felony of the third degree, punishable as provided in s.
22 775.082, s. 775.083, or s. 775.084.

23 (b) Any person who makes an underpayment of tax as a
24 result of a grossly overstated claim for this credit commits a
25 felony of the third degree, punishable as provided in s.
26 775.082, s. 775.083, or s. 775.084. For purposes of this
27 paragraph, a grossly overstated claim means a claim in an
28 amount in excess of 100 percent of the amount of credit
29 allowable under this section.

30 (5) The provisions of this section, except paragraph
31 (1)(e) and subsection (4) shall expire and be void on June 30,

1 2007, and no business shall be allowed to begin claiming a
2 work opportunity tax credit after that date; however, the
3 expiration of this section shall not affect the operation of
4 any credit for which a business has qualified under this
5 section prior to June 30, 2007, or any carryforward of unused
6 credit amounts as provided in paragraph (1)(e).

7 Section 5. Section 288.012, Florida Statutes, 1996
8 Supplement, is amended to read:

9 288.012 State of Florida foreign offices.--The
10 Legislature finds that the expansion of international trade
11 and tourism is vital to the overall health and growth of
12 Florida's economy. This expansion is hampered by the lack of
13 technical and business assistance, financial assistance, and
14 information services for Florida businesses. The Legislature
15 finds that these businesses could be assisted by providing
16 these services at State of Florida foreign offices. The
17 Legislature further finds that the accessibility and provision
18 of services at these offices can be enhanced through
19 cooperative agreements or strategic alliances between state
20 entities, local entities, foreign entities, and private
21 businesses.

22 (1) The Office of Tourism, Trade, and Economic
23 Development is authorized to:

24 (a) Establish and operate offices in foreign countries
25 for the purpose of promoting the trade and economic
26 development of the state, and promoting the gathering of trade
27 data information and research on trade opportunities in
28 specific countries.

29 (b) Enter into agreements with governmental and
30 private sector entities to establish and operate offices in
31 foreign countries containing provisions which may be in

1 conflict with general laws of the state pertaining to the
2 purchase of office space, employment of personnel, and
3 contracts for services. When agreements pursuant to this
4 section are made which set compensation in foreign currency,
5 such agreements shall be subject to the requirements of s.
6 215.425, but the purchase of foreign currency by the Office of
7 Tourism, Trade, and Economic Development to meet such
8 obligations shall be subject only to s. 216.311.

9 (c) By September 1, 1997, the Office of Tourism,
10 Trade, and Economic Development shall develop a plan for the
11 disposition of the current foreign offices and the development
12 and location of additional foreign offices. The plan shall
13 include, but is not limited to, a determination of the level
14 of funding needed to operate the current offices and any
15 additional offices and whether any of the current offices need
16 to be closed or relocated. Enterprise Florida, Inc., the
17 Florida Tourism Commission, the Florida Ports Council, the
18 Department of State, the Department of Citrus, and the
19 Department of Agriculture shall assist the Office of Tourism,
20 Trade, and Economic Development in the preparation of the
21 plan. All parties shall cooperate on the disposition or
22 establishment of the offices and ensure that needed space,
23 technical assistance, and support services are provided to
24 these entities at the offices.

25 (2) By June 30, 1998, each foreign office shall have
26 in place an operational plan approved by the participating
27 boards or other governing authority. This plan shall be
28 reviewed and updated each fiscal year and shall include, at a
29 minimum, the following:

30 (a) Specific policies and procedures encompassing the
31 entire scope of the operation and management of each office.

1 (b) A comprehensive, commercial strategic plan
2 identifying marketing opportunities and industry-sector
3 priorities for the foreign country or area in which a foreign
4 office is located.

5 (c) Provisions for access to information for Florida
6 businesses through the Florida Trade Data Center. Each
7 foreign office shall obtain and forward trade leads and
8 inquiries to the center on a regular basis as called for in
9 the plan pursuant to paragraph (1)(c).

10 (d) Identification of new and emerging market
11 opportunities for Florida businesses. Each foreign office
12 shall provide the Florida Trade Data Center with a compilation
13 of foreign buyers and importers in industry-sector priority
14 areas on an annual basis. In return, the Florida Trade Data
15 Center shall make available to each foreign office, and to the
16 entities identified in paragraph (1)(c), trade industry,
17 commodity, and opportunity information as specified in the
18 plan required in that paragraph. This information shall be
19 provided to the offices and the entities identified in
20 paragraph (1)(c) either free of charge or on a fee basis with
21 fees set only to recover the costs of providing the
22 information.

23 (e) Provision of access for Florida businesses to the
24 services of the Florida Trade Data Center, international trade
25 assistance services provided by state and local entities,
26 seaport and airport information, and other services identified
27 in the plan pursuant to paragraph (1)(c).

28 (f) Qualitative and quantitative performance measures
29 for each office including, but not limited to, the number of
30 businesses assisted, the number of trade leads and inquiries
31

1 generated, the number of foreign buyers and importers
2 contacted, and the amount and type of marketing conducted.

3 (3)~~(2)~~ The Office of Tourism, Trade, and Economic
4 Development, in connection with the establishment, operation,
5 and management of any of its offices located in a foreign
6 country, is exempt from the provisions of ss. 255.21, 255.25,
7 and 255.254 relating to leasing of buildings; ss. 283.33 and
8 283.35 relating to bids for printing; ss. 287.001-287.20
9 relating to purchasing and motor vehicles; and ss.
10 282.003-282.111 relating to communications, and from all
11 statutory provisions relating to state employment.

12 (a) The Office of Tourism, Trade, and Economic
13 Development may exercise such exemptions only upon prior
14 approval of the Governor.

15 (b) If approval for an exemption under this section is
16 granted as an integral part of a plan of operation for a
17 specified foreign office, such action shall constitute
18 continuing authority for the Office of Tourism, Trade, and
19 Economic Development to exercise the exemption, but only in
20 the context and upon the terms originally granted. Any
21 modification of the approved plan of operation with respect to
22 an exemption contained therein must be resubmitted to the
23 Governor for his or her approval. An approval granted to
24 exercise an exemption in any other context shall be restricted
25 to the specific instance for which the exemption is to be
26 exercised.

27 (c) As used in this subsection, the term "plan of
28 operation" means the plan developed pursuant to subsection (2)
29 ~~a compilation of the specific policies and procedures~~
30 ~~encompassing the entire scope of the operation and management~~
31

1 ~~of an office established by the Office of Tourism, Trade, and~~
2 ~~Economic Development in a foreign country.~~

3 (d) Upon final action by the Governor with respect to
4 a request to exercise the exemption authorized in this
5 subsection, the Office of Tourism, Trade, and Economic
6 Development shall report such action, along with the original
7 request and any modifications thereto, to the President of the
8 Senate and the Speaker of the House of Representatives within
9 30 days.

10 ~~(4)~~⁽³⁾ Where feasible and appropriate, and subject to
11 s. 288.1224(10), foreign offices established and operated
12 under this section may provide one-stop access to the economic
13 development, trade, and tourism information, services, and
14 programs of the state. Where feasible and appropriate, and
15 subject to s. 288.1224(10), such offices may also be
16 collocated with other foreign offices of the state.

17 ~~(5)~~⁽⁴⁾ The Office of Tourism, Trade, and Economic
18 Development is authorized to make and to enter into contracts
19 with Enterprise Florida, Inc., and the Florida Commission on
20 Tourism to carry out the provisions of this section. The
21 authority, duties, and exemptions provided in this section
22 apply to Enterprise Florida, Inc., and the Florida Commission
23 on Tourism to the same degree and subject to the same
24 conditions as applied to the Office of Tourism, Trade, and
25 Economic Development. To the greatest extent possible, such
26 contracts shall include provisions for cooperative agreements
27 or strategic alliances between state entities, foreign
28 entities, local entities, and private businesses to operate
29 foreign offices.

30 Section 6. Subsection (3) of section 288.047, Florida
31 Statutes, 1996 Supplement, is amended to read:

1 288.047 Quick-response training for economic
2 development.--

3 (3) Enterprise Florida, Inc., shall ensure that
4 instruction funded pursuant to this section is not available
5 through the local community college, school district, or
6 private industry council and that the instruction promotes
7 economic development by providing specialized entry-level
8 skills to new workers or supplemental skills to current
9 employees whose job descriptions are changing. Such funds may
10 not be expended to subsidize the ongoing staff development
11 program of any business or industry or to provide training for
12 instruction related to retail businesses. Funds made available
13 pursuant to this section may not be expended in connection
14 with the relocation of a business from one community to
15 another community in this state unless the Office of Tourism,
16 Trade, and Economic Development determines that without such
17 relocation the business will move outside this state or
18 determines that the business has a compelling economic
19 rationale for the relocation which creates additional jobs.

20 Section 7. Paragraph (h) is added to subsection (3)
21 and paragraph (g) is added to subsection (5) of section
22 288.1045, Florida Statutes, 1996 Supplement, and paragraph (c)
23 of subsection (4) of said section is amended, to read:

24 288.1045 Qualified defense contractor tax refund
25 program.--

26 (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.--

27 (h) Funds made available pursuant to this section may
28 not be expended in connection with the relocation of a
29 business from one community to another community in this state
30 unless the Office of Tourism, Trade, and Economic Development
31 determines that without such relocation the business will move

1 outside this state or determines that the business has a
2 compelling economic rationale for the relocation which creates
3 additional jobs.

4 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND
5 AGREEMENT.--

6 (c) The agreement shall be signed by the secretary and
7 the authorized officer of the qualified applicant ~~within 30~~
8 ~~days after the entry of a final order certifying the qualified~~
9 ~~applicant pursuant to subsection (3).~~

10 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE
11 CONTRACTOR.--

12 (g) A prorated tax refund, less a 5 percent penalty,
13 shall be approved for a qualified applicant provided all other
14 applicable requirements have been satisfied and the applicant
15 proves to the satisfaction of the director that it has
16 achieved at least 80 percent of its projected employment.

17 Section 8. Paragraph (b) of subsection (3) of section
18 288.106, Florida Statutes, 1996 Supplement, is amended to
19 read:

20 288.106 Tax refund program for qualified target
21 industry businesses.--

22 (3) TAX REFUND; ELIGIBLE AMOUNTS.--

23 (b) The director may approve a qualified target
24 industry business to receive tax refund payments of up to
25 \$5,000 times the number of jobs specified in the tax refund
26 agreement under subparagraph (5)(a)1., or up to \$7,500 times
27 the number of jobs if the project is located in an enterprise
28 zone. A qualified target industry business may not receive
29 refund payments of more than 25 percent of the total tax
30 refunds specified in the tax refund agreement under
31 subparagraph (5)(a)1. in any fiscal year. Further, a qualified

1 target industry business may not receive more than \$1.5
2 million in refunds under this section in any single fiscal
3 year, or more than \$2.5 million in any single fiscal year if
4 the project is located in an enterprise zone. A qualified
5 target industry may not receive more than \$5 million in refund
6 payments under this section in all fiscal years, or more than
7 \$7.5 million if the project is located in an enterprise zone.
8 Funds made available pursuant to this section may not be
9 expended in connection with the relocation of a business from
10 one community to another community in this state unless the
11 Office of Tourism, Trade, and Economic Development determines
12 that without such relocation the business will move outside
13 this state or determines that the business has a compelling
14 economic rationale for the relocation which creates additional
15 jobs.

16 Section 9. Paragraph (b) of subsection (3) of section
17 288.9015, Florida Statutes, 1996 Supplement, is amended, and
18 subsection (5) is added to said section, to read:

19 288.9015 Enterprise Florida, Inc.; purpose; duties.--

20 (3) It shall be the responsibility of Enterprise
21 Florida, Inc., to develop a comprehensive approach to
22 workforce development that will result in better employment
23 opportunities for the residents of this state. Such
24 comprehensive approach must include:

25 (b) Training, educating, and assisting target
26 populations, such as those who are economically disadvantaged
27 or who participate in the WAGES Program or otherwise receive
28 public assistance to become independent, self-reliant, and
29 self-sufficient. This approach must ensure the effective use
30 of federal, state, local, and private resources in reducing
31 the need for public assistance.

1 (5) As part of its business development and marketing
2 responsibilities, Enterprise Florida, Inc., shall prepare a
3 business guide and checklist that contains basic information
4 on the federal, state, and local requirements for starting and
5 operating a business in this state. The guide and checklist
6 must describe how additional information can be obtained on
7 any such requirements and shall include, to the extent
8 feasible, the names, addresses, and telephone numbers of
9 appropriate government agency representatives. The guide and
10 checklist must also contain information useful to persons who
11 may be starting a business for the first time, including, but
12 not limited to, information on business structure, financing,
13 and planning.

14 Section 10. Paragraph (h) of subsection (3) of section
15 288.903, Florida Statutes, 1996 Supplement, is redesignated as
16 paragraph (i) and a new paragraph (h) is added to subsection
17 (3) of said section to read:

18 288.903 Board of directors of Enterprise Florida,
19 Inc.; president; employees.--

20 (3) The president:

21 (h) Shall coordinate all activities and
22 responsibilities of Enterprise Florida, Inc., with respect to
23 participants in the WAGES Program.

24 Section 11. Section 288.905, Florida Statutes, 1996
25 Supplement, is amended to read:

26 288.905 Duties of the board of directors of Enterprise
27 Florida, Inc.--

28 (1) In the performance of its functions and duties,
29 the board of directors may establish and implement policies,
30 strategies, and programs for Enterprise Florida, Inc., and its
31 boards. ~~In developing such policies, strategies, and programs,~~

1 ~~the board of directors shall, among other things, address the~~
2 ~~needs of blighted inner-city communities that have~~
3 ~~unacceptable levels of unemployment and economic~~
4 ~~disinvestment, with the ultimate goal of creating jobs for the~~
5 ~~residents of such communities.~~In developing such policies,
6 strategies, and programs, the board of directors shall solicit
7 advice from and consider the recommendations of its boards.

8 (2) The board of directors shall, in conjunction with
9 the Office of Tourism, Trade, and Economic Development,
10 develop a strategic plan for economic development for the
11 State of Florida. Such plan shall be submitted to the
12 Governor, the President of the Senate, the Speaker of the
13 House of Representatives, the Senate Minority Leader, and the
14 House Minority Leader by January 1, 1997, and shall be updated
15 or modified before January 1, 1998, and annually thereafter.
16 The plan must be approved by the board of directors prior to
17 submission to the Governor and Legislature. The plan shall
18 include, but is not limited to, the following:

19 (a) Allocation of public and private resources to
20 specific activities that will return the greatest benefit to
21 Florida's economy. Including delineation on the amount of
22 funds that should be expended on each component of the plan.

23 (b) Identification of programs that will enhance the
24 capabilities of small and minority businesses. The plan
25 should include ways to improve and increase the access to
26 information, services, and assistance for small and minority
27 businesses.

28 (c)1. Specific provisions for the stimulation of
29 economic development and job creation in rural areas and
30 mid-size cities and counties of the state. These provisions
31 shall include, but are not limited to, the identification of

1 all rural counties in the state and rural cities located in
2 nonrural counties; the identification of all mid-size cities
3 and counties in the state; the identification of the economic
4 development and job creation goals of the rural cities and
5 counties and mid-size cities; the identification of rural
6 areas of critical concern; the identification of specific
7 local, state, and federal financial and technical assistance
8 resources available to rural cities and counties and mid-size
9 cities and counties for economic and community development;
10 the identification of private sector resources available to
11 rural cities and counties and mid-size cities and counties for
12 economic and community development; and specific methods for
13 the use of the resources identified in the plan to meet the
14 goals identified in the plan.

15 2. Enterprise Florida, Inc., shall involve the local
16 governments of the cities and counties identified pursuant to
17 subparagraph 1., as well as any other local, state, and
18 federal rural development entities, both public and private,
19 in developing and carrying out any provisions.

20 (d)1. Specific provisions for the stimulation of
21 economic development and job creation in small businesses and
22 minority businesses. These provisions shall include, but are
23 not limited to, the identification of federal, state, and
24 local financial and technical resources available for small
25 businesses and minority businesses; and specific methods for
26 the use of the resources identified in the plan to meet the
27 goal of job creation in small businesses and minority
28 businesses in the state.

29 2. Enterprise Florida, Inc., shall involve local,
30 state, and federal small business and minority business
31

1 development agencies and organizations, both public and
2 private, in developing and carrying out any provisions.

3 (e) Creation of workforce training programs that lead
4 to better employment opportunities and higher wages.

5 (f) Promotion of business formation, expansion,
6 recruitment, and retention, including programs that enhance
7 access to appropriate forms of financing for businesses in
8 this state.

9 (g) Promotion of the successful long-term
10 internationalization of this state, including programs that
11 establish viable overseas markets, generate foreign
12 investment, assist in meeting the financing requirements of
13 export-ready firms, broaden opportunities for international
14 join venture relationships, use the resources of academic and
15 other institutions, coordinate trade assistance and
16 facilitation services, and facilitate availability of and
17 access to education and training programs which will assure
18 requisite skills and competencies necessary to compete
19 successfully in the global marketplace.

20 (h) Promotion of the growth of high technology and
21 other value-added industries and jobs.

22 (i) Addressing the needs of blighted inner-city
23 communities that have unacceptable levels of unemployment and
24 economic disinvestment, with the ultimate goal of creating
25 jobs for the residents of such communities.

26 (j) Identifying business sectors that are of current
27 or future importance to the state's economy and to the state's
28 worldwide business image, and developing specific strategies
29 to promote the development of such sectors.

30 (3)(a) The strategic plan shall also include
31 recommendations regarding specific performance standards and

1 measurable outcomes. By July 1, 1997, Enterprise Florida,
2 Inc., in consultation with the Office of Program Policy
3 Analysis and Government Accountability, shall establish
4 performance-measure outcomes for Enterprise Florida, Inc., and
5 its boards. Enterprise Florida, Inc., in consultation with
6 the Office of Program Policy Analysis and Government
7 Accountability, shall develop a plan for monitoring its
8 operations to ensure that performance data are maintained and
9 supported by records of the organization. By July 1, 1998, and
10 biennially thereafter, Enterprise Florida, Inc., in
11 consultation with the Office of Program Policy Analysis and
12 Government Accountability, shall review the
13 performance-measure outcomes for Enterprise Florida, Inc., and
14 its boards, and make any appropriate modifications to them. In
15 developing measurable objectives and performance outcomes,
16 Enterprise Florida, Inc., shall consider the effect of its
17 programs, activities, and services on its client population.
18 Enterprise Florida, Inc., shall establish standards such as
19 job growth among client firms, growth in the number and
20 strength of businesses within targeted sectors, client
21 satisfaction, venture capital dollars invested in small and
22 minority businesses, businesses retained and recruited,
23 employer wage growth, minority business participation in
24 technology assistance and development programs, and increased
25 export sales among client companies to use in evaluating
26 performance toward accomplishing the mission of Enterprise
27 Florida, Inc.

28 (b) The performance standards and measurable outcomes
29 established and regularly reviewed by Enterprise Florida,
30 Inc., under this subsection must also include benchmarks and
31 goals to measure the impact of state economic development

1 policies and programs. Such benchmarks and goals may include,
2 but are not limited to:

3 1. Net annual job growth rate in this state compared
4 to neighboring southern states and the United States as a
5 whole.

6 2. Unemployment rate in this state compared to
7 neighboring southern states and the United States as a whole.

8 3. Wage distribution based on the percentage of people
9 working in this state who earned 15 percent below the state
10 average, within 15 percent of the state average, and 15
11 percent or more above the state average.

12 4. Annual percentage of growth in the production of
13 goods and services within Florida compared to neighboring
14 southern states and the United States as a whole.

15 5. Changes in jobs in this state by major industry
16 based on the percentage of growth or decline in the number of
17 full-time or part-time jobs in this state.

18 6. Number of new business startups in this state.

19 7. Goods produced in this state that are exported to
20 other countries.

21 8. Capital investment for commercial and industrial
22 purposes, agricultural production and processing, and
23 international trade.

24 (c)~~(b)~~ Prior to the 1999 Regular Session of the
25 Legislature, the Office of Program Policy Analysis and
26 Government Accountability shall conduct a review of Enterprise
27 Florida, Inc., and its boards. The review shall be
28 comprehensive in its scope, but, at a minimum, must be
29 conducted in such a manner as to specifically determine:

30 1. The progress towards achieving the established
31 outcomes.

1 2. The circumstances contributing to the
2 organization's ability to achieve, not achieve, or exceed its
3 established outcomes.

4 3. The progress towards achieving the established
5 goals of the Cypress Equity Fund and whether the strategy
6 underlying the fund is appropriate.

7 4. Whether it would be sound public policy to continue
8 or discontinue funding the organization, and the consequences
9 of discontinuing the organizations. The report shall be
10 submitted by January 1, 1999, to the President of the Senate,
11 the Speaker of the House of Representatives, the Senate
12 Minority Leader, and the House Minority Leader.

13 (d)~~(c)~~ Prior to the 2003 Regular Session of the
14 Legislature, the Office of Program Policy Analysis and
15 Government Accountability, shall conduct another review of
16 Enterprise Florida, Inc., and its boards using the criteria in
17 paragraph(c)~~(b)~~. The report shall be submitted by January 1,
18 2003, to the President of the Senate, the Speaker of the House
19 of Representatives, the Senate Minority Leader, and the House
20 Minority Leader.

21 (4) The board of directors shall coordinate the
22 economic development activities and policies of Enterprise
23 Florida, Inc., with municipal, county, and regional economic
24 development organizations to establish and further develop the
25 role of local economic development organizations as the
26 primary service-delivery agents for economic development
27 services. Where feasible, the board shall work with regional
28 economic development organizations in the delivery of services
29 of Enterprise Florida, Inc., and its boards.

30 (5) Enterprise Florida, Inc., shall deposit into
31 African-American-qualified public depositories and

1 Hispanic-American-qualified public depositories a portion of
2 any moneys received by Enterprise Florida, Inc., and its
3 boards from the state.

4 Section 12. Subsection (1) of section 288.906, Florida
5 Statutes, 1996 Supplement, is amended to read:

6 288.906 Annual report of Enterprise Florida, Inc.;
7 audits; confidentiality.--

8 (1) Prior to December 1 of each year, Enterprise
9 Florida, Inc., shall submit to the Governor, the President of
10 the Senate, the Speaker of the House of Representatives, the
11 Senate Minority Leader, and the House Minority Leader a
12 complete and detailed report including, but not limited to,
13 the following setting forth:

14 (a) A description of the operations and
15 accomplishments of Enterprise Florida, Inc., and its boards,
16 and identifying any major trends, initiatives, or developments
17 affecting the performance of any program or activity. ~~Its~~
18 operations and accomplishments during the fiscal year;

19 (b) An evaluation of progress towards achieving
20 organizational goals and specific performance outcomes, both
21 short term and long term, established pursuant to s. 288.905.
22 Its business and operational plan and its economic development
23 plan, including recommendations on methods for implementing
24 and funding the economic development plan;

25 (c) Methods for implementing and funding the
26 operations of Enterprise Florida, Inc., and its boards. ~~Its~~
27 assets and liabilities at the end of its most recent fiscal
28 year; and

29 (d) A description of the operations and
30 accomplishments of Enterprise Florida, Inc., and its boards,
31 with respect to furthering the development and viability of

1 small and minority businesses, including any accomplishments
2 relating to capital access and technology and business
3 development programs. A copy of an annual financial and
4 compliance audit of its accounts and records conducted by an
5 independent certified public accountant performed in
6 accordance with rules adopted by the Auditor General.

7 (e) A description of the operations and
8 accomplishments of Enterprise Florida, Inc., and its boards
9 with respect to furthering the development and viability of
10 rural cities and counties, and mid-size cities and counties in
11 this state.

12 (f) A description and evaluation of the operations and
13 accomplishments of Enterprise Florida, Inc., and its boards
14 with respect to interaction with local and private economic
15 development organizations, including an identification of any
16 specific programs or activities which promoted the activities
17 of such organizations and an identification of any specific
18 programs or activities which promoted a comprehensive and
19 coordinated approach to economic development in this state.

20 (g) An assessment of employee training and job
21 creation that directly benefits participants in the WAGES
22 Program.

23 (h) An annual compliance and financial audit of
24 accounts and records by an independent certified public
25 accountant at the end of its most recent fiscal year performed
26 in accordance with rules adopted by the Auditor General.

27
28 The detailed report required by this subsection shall also
29 include the information identified in paragraphs (a)-~~(h)~~(d),
30 if applicable, for any board established within the corporate
31 structure of Enterprise Florida, Inc.

1 Section 13. Section 290.0411, Florida Statutes, is
2 amended to read:
3 290.0411 Legislative intent and purpose of ss.
4 290.0401-290.049.--It is the intent of the Legislature to
5 provide the necessary means to develop, preserve, redevelop,
6 and revitalize Florida communities exhibiting signs of decline
7 or distress by enabling local governments to undertake the
8 necessary community development programs. The overall
9 objective is to create viable communities by providing decent
10 housing and suitable living environments and expanding
11 economic opportunities, principally for persons of low or
12 moderate income. The purpose of ss. 290.0401-290.049 is to
13 assist local governments in carrying out effective community
14 development activities to arrest and reverse community decline
15 and restore community vitality. Community development
16 activities to maintain viable communities, revitalize existing
17 communities, expand economic development and employment
18 opportunities, and improve housing conditions and expand
19 housing opportunities, providing direct benefit to persons of
20 low or moderate income, are the primary purposes of ss.
21 290.0401-290.049. The Legislature, therefore, declares that
22 the development, redevelopment, preservation, and
23 revitalization of communities in this state and all the
24 purposes of ss. 290.0401-290.049 are public purposes for which
25 public money may be borrowed, expended, loaned, pledged to
26 guarantee loans, and granted.

27 Section 14. Subsections (1), (2), (3), and (4) of
28 section 290.044, Florida Statutes, are amended to read:

29 290.044 Florida Small Cities Community Development
30 Block Grant Program Fund; administration; distribution.--
31

1 (1) The Florida Small Cities Community Development
2 Block Grant Program Fund is created. All revenue designated
3 for deposit in such fund shall be deposited by the appropriate
4 agency. The department shall administer this fund as a grant
5 and loan guarantee program for carrying out the purposes of
6 ss. 290.0401-290.049 ~~this act~~.

7 (2) The department shall distribute such funds as loan
8 guarantees and grants to eligible local governments on the
9 basis of a competitive selection process.

10 (3) The department shall define the broad community
11 development objective to be achieved by the activities in each
12 of the following grant program categories, and require
13 applicants for grants to compete against each other in these
14 grant program categories:

- 15 (a) Housing.
- 16 (b) Economic development.
- 17 (c) Neighborhood revitalization.
- 18 (d) Commercial revitalization.

19 (4) The percentage of funds distributed in each of the
20 grant program categories from federal funds for federal fiscal
21 year 1985 shall be established by the Legislature in the
22 appropriation process for the 1984 regular session and shall
23 be established annually thereafter in the same manner. The
24 department shall submit its recommendation on the distribution
25 percentages to the Governor and Legislature as part of its
26 regular budget proposals. The department shall provide for the
27 set-aside of an amount of up to 10 percent of the funds
28 allocated to the neighborhood revitalization category in its
29 distribution percentages for use in any eligible local
30 government jurisdiction for which an emergency or natural
31 disaster has been declared by executive order. Such funds may

1 only be provided to a local government to fund eligible
2 emergency-related activities for which no other source of
3 federal, state, or local disaster funds is available. The
4 department shall provide for such set-aside by rule. In the
5 last quarter of the state fiscal year, any funds not allocated
6 under the emergency-related set-aside shall be used to fully
7 fund any applications which were partially funded due to
8 inadequate funds in the most recently completed neighborhood
9 revitalization category funding cycle, and then any remaining
10 funds shall be distributed to the next unfunded applications.

11 Section 15. Section 290.0455, Florida Statutes, is
12 created to read:

13 290.0455 Small Cities Community Development Block
14 Grant Loan Guarantee Program.--

15 (1) The Small Cities Community Development Block Grant
16 Loan Guarantee Program is created. The department shall
17 administer the loan guarantee program pursuant to s. 108 of
18 Title I of the Housing and Community Development Act of 1974,
19 as amended, and as further amended by s. 910 of the
20 Cranston-Gonzalez National Affordable Housing Act. The purpose
21 of the Small Cities Community Development Block Grant Loan
22 Guarantee Program is to guarantee, or to make commitments to
23 guarantee, notes or other obligations issued by public
24 entities for the purposes of financing activities enumerated
25 in 24 C.F.R. s. 570.703.

26 (2) Activities assisted under the loan guarantee
27 program must meet the requirements contained in 24 C.F.R. ss.
28 570.700-570.710 and may not otherwise be financed in whole or
29 in part from the Florida Small Cities Community Development
30 Block Grant Program.

31

1 (3) The department may pledge existing revenues on
2 deposit or future revenues projected to be available for
3 deposit in the Florida Small Cities Community Development
4 Block Grant Program in order to guarantee, in whole or in
5 part, the payment of principal and interest on a loan made
6 under the loan guarantee program.

7 (4) The department must submit all applications it
8 receives to the United States Department of Housing and Urban
9 Development for loan approval, in the order received, subject
10 to the department determining that the application meets all
11 eligibility requirements contained in 24 C.F.R. ss.
12 570.700-570.710, and provided that the applicant has submitted
13 the proposed activity to a loan underwriter to document its
14 financial feasibility.

15 (5) The maximum amount of loan guarantee commitments
16 that any eligible local government may receive may be limited
17 to \$7 million pursuant to 24 C.F.R. s. 570.705, and the
18 maximum amount of loan guarantee commitments statewide may not
19 exceed an amount equal to five times the amount of the most
20 recent grant received by the department under the Florida
21 Small Cities Community Development Block Grant Program.

22 (6) Loans guaranteed by the loan guarantee program
23 must be repaid within 20 years.

24 (7) Loan guarantees may be used for an activity only
25 if the local government provides evidence to the department
26 that alternative financing services were investigated and were
27 unavailable or insufficient to meet the financing needs of the
28 activity.

29 (8) The department must, before approving an
30 application for a loan, evaluate the applicant's prior
31 administration of block grant funds for community development.

1 The evaluation of past performance must take into account the
2 procedural aspects of previous grants or loans as well as
3 substantive results. If the department finds that any
4 applicant has failed to substantially accomplish the results
5 proposed in the applicant's last previously funded
6 application, the department may prohibit the applicant from
7 receiving a loan or may penalize the applicant in the rating
8 of the current application.

9 Section 16. Subsections (7) and (8) are added to
10 section 290.047, Florida Statutes, to read

11 290.047 Establishment of grant ceilings and maximum
12 administrative cost percentages; elimination of population
13 bias.--

14 (7) Grant ceilings do not apply to the loan guarantee
15 program authorized in s. 290.0455.

16 (8) If an applicant was the sponsor of an activity
17 under the Small Cities Community Development Block Grant Loan
18 Guarantee Program, and the loan for such activity is in
19 default, thereby requiring the department to reduce its annual
20 grant award in order to pay the annual debt service on the
21 applicant's loan, the department shall reduce the grant
22 ceiling available to such applicant in an amount equal to the
23 amount of the state's grant award required to be used for the
24 loan debt service.

25 Section 17. Subsection (6) is added to section
26 290.048, Florida Statutes, to read:

27 290.048 General powers of Department of Community
28 Affairs under ss. 290.0401-290.049.--The department has all
29 the powers necessary or appropriate to carry out the purposes
30 and provisions of the program, including the power to:

31

1 (6) Pledge community development block grant revenues
2 from the Federal Government in order to guarantee notes or
3 other obligations of a public entity which are approved
4 pursuant to s. 290.0455.

5 Section 18. Subsection (1) of section 311.11, Florida
6 Statutes, 1996 Supplement, is amended to read:

7 311.11 Seaport Employment Training Grant Program.--

8 (1) The Office of Tourism, Trade, and Economic
9 Development, in cooperation with the Florida Seaport
10 Transportation and Economic Development Council, shall
11 establish a Seaport Employment Training Grant Program within
12 the office. The office shall ~~may~~ grant funds appropriated by
13 the Legislature to the program for the purpose of stimulating
14 and supporting seaport training and employment programs which
15 will seek to match state and local training programs with
16 identified job skills associated with employment opportunities
17 in the port, maritime, and transportation industries, and for
18 the purpose of providing such other training, educational, and
19 information services as required to stimulate jobs in the
20 described industries ~~to seaport employment training programs~~
21 ~~for the purpose of training residents in job skills associated~~
22 ~~with employment opportunities related to economic development~~
23 ~~activities developed by any seaport member of the council or~~
24 ~~developed by the private sector in cooperation with any~~
25 ~~seaport member of the council.~~ Funds may be used for the
26 purchase of equipment to be used for training purposes, hiring
27 instructors, and any other purpose associated with the
28 training program. The office's contribution to any specific
29 training program may not exceed 50 percent of the total cost
30 of the program. Matching contributions ~~from the seaport and~~
31 ~~its private sector component~~ may include services in kind,

1 including, but not limited to, training instructors, equipment
2 usage, and training facilities.

3 Section 19. Subsection (4) of section 320.20, Florida
4 Statutes, 1996 Supplement, is renumbered as subsection (5) and
5 a new subsection (4) is added to said section to read:

6 320.20 Disposition of license tax moneys.--The revenue
7 derived from the registration of motor vehicles, including any
8 delinquent fees and excluding those revenues collected and
9 distributed under the provisions of s. 320.081, must be
10 distributed monthly, as collected, as follows:

11 (4) Notwithstanding any other provision of law except
12 subsections (1), (2), and (3), on July 1, 1997, and annually
13 thereafter, \$10 million shall be deposited in the State
14 Transportation Trust Fund solely for the purposes of funding
15 the Florida Seaport Transportation and Economic Development
16 Program as provided in chapter 311 and for funding seaport
17 intermodal projects of statewide significance as provided in
18 s. 341.053. Such revenues shall be distributed to any port
19 listed in s. 311.09(1), to be used for funding projects as
20 follows:

21 (a) For seaport intermodal projects as described in s.
22 341.053(5), which are identified in the 5-year Florida Seaport
23 Mission Plan as provided in 311.09(3); and

24 (b) On a 50-50 matching basis for projects as
25 described in s. 311.07(3)(b).

26
27 Such revenues may be assigned, pledged, or set aside as a
28 trust for the payment of principle or interest on bonds, tax
29 anticipation certificates, or any other form of indebtedness
30 issued by an individual port or appropriate local government
31 having jurisdiction thereof, or collectively by interlocal

1 agreement among any of the ports, or used to purchase credit
2 support to permit such borrowings. However, such debt shall
3 not constitute a general obligation of the State of Florida.
4 The state does hereby covenant with holders of such revenue
5 bonds or other instruments of indebtedness issued hereunder
6 that it will not repeal or impair or amend in any manner which
7 will materially and adversely affect the rights of holders so
8 long as bonds authorized by this section are outstanding. Any
9 revenues which are not pledged to the repayment of bonds as
10 authorized by this section may be utilized for purposes
11 authorized under the Florida Seaport Transportation and
12 Economic Development Program. This revenue source is in
13 addition to any amounts provided for and appropriated in
14 accordance with subsection (3) and s. 311.07. The Florida
15 Seaport Transportation and Economic Development Council shall
16 approve distribution of funds to ports for projects which have
17 been approved pursuant to s. 311.09(5)-(9) or for seaport
18 intermodal projects identified in the 5-year Florida Seaport
19 Mission Plan as provided in s. 311.09(3). The council and the
20 Department of Transportation are authorized to perform such
21 acts as are required to facilitate and implement the
22 provisions of this subsection. To better enable the ports to
23 cooperate to their mutual advantage, the governing body of
24 each port may exercise powers provided to municipalities or
25 counties in s. 163.01(7)(d) subject to the provisions of
26 chapter 311 and special acts, if any, pertaining to a port.
27 The use of funds provided pursuant to this subsection are
28 limited to eligible projects listed in this subsection. The
29 provision of s. 311.07(4), do not apply to any funds received
30 pursuant to this subsection.
31

1 Section 20. Employing and Training our Youths
2 (ENTRY).--
3 (1) DEFINITIONS.--As used in this section:
4 (a) "Director" means the executive director of the
5 Office of Tourism, Trade, and Economic Development.
6 (b) "Eligible business" means any sole proprietorship,
7 firm, partnership, corporation, bank, savings association,
8 estate, trust, business trust, receiver, syndicate, or other
9 group or combination, or successor business.
10 (c) "Eligible youth employee" means a student between
11 the ages of 15 and 18 currently enrolled at a Florida public
12 school, who has not been previously employed within the
13 preceding 12 months by the eligible business, or a successor
14 eligible business, claiming the credit allowed in this
15 section. The youth employee shall be deemed to be employed if
16 the youth performs duties in connection with the operations of
17 the business on a regular basis, provided the youth is
18 performing such duties on an average of at least 12 hours per
19 week each month throughout the year and is being paid for such
20 duties at a rate no less than the minimum wage established
21 pursuant to federal law.
22 (d) "Fiscal year" means the fiscal year of the state.
23 (e) "Office" means the Office of Tourism, Trade, and
24 Economic Development.
25 (f) "Public school" shall have the same meaning as in
26 section 228.041(1)(a), Florida Statutes.
27 (2) TAX REFUND; ELIGIBLE AMOUNTS.--
28 (a) Contingent upon an annual appropriation by the
29 Legislature, the director may approve an eligible business to
30 receive tax refund payments of up to \$1,600 per eligible youth
31 employee. An eligible business may not receive tax refund

1 payments for more than five eligible youth employees in any
2 single fiscal year.

3 (b) After entering into an employment/tax refund
4 agreement under subsection (3), an eligible business may
5 receive refunds for the following taxes or fees due and paid
6 by that business:

7 1. Taxes on sales, use, and other transactions under
8 part I of chapter 212, Florida Statutes.

9 2. Corporate income taxes under chapter 220, Florida
10 Statutes.

11 3. Intangible personal property taxes under chapter
12 199, Florida Statutes.

13 4. Emergency excise taxes under chapter 221, Florida
14 Statutes.

15 5. Excise taxes on documents under chapter 201,
16 Florida Statutes.

17 6. Ad valorem taxes paid, as defined in section
18 220.03(1), Florida Statutes.

19 7. Insurance premium taxes under section 624.509,
20 Florida Statutes.

21 8. Occupational license fees under chapter 205,
22 Florida Statutes.

23

24 However, an eligible business may not receive a refund under
25 this section for any amount of credit, refund, or exemption
26 granted to that business for any of such taxes or fees. If a
27 refund for such taxes or fees is provided by the office, which
28 taxes or fees are subsequently adjusted by the application of
29 any credit, refund, or exemption granted to the eligible
30 business other than as provided in this section, the business
31 shall reimburse the office for the amount of that credit,

1 refund, or exemption. An eligible business shall notify and
2 tender payment to the office within 20 days after receiving
3 any credit, refund, or exemption other than the one provided
4 in this section.

5 (c) An eligible business that fraudulently claims a
6 refund under this section:

7 1. Is liable for repayment of the amount of refund to
8 the office, plus a mandatory penalty in the amount of 200
9 percent of the tax refund which shall be deposited in the
10 General Revenue Fund.

11 2. Is guilty of a felony of the third degree,
12 punishable as provided in section 775.082, section 775.083, or
13 section 775.084, Florida Statutes.

14 (3) ADMINISTRATION.--

15 (a) To apply for tax refunds pursuant to this section,
16 an eligible business must file an employment/tax refund
17 application, developed by the office, at the public school the
18 eligible youth employee attends.

19 (b) The public school shall forward the application to
20 the office within 5 calendar days after receipt of a complete
21 application. Within 10 calendar days after receipt of the
22 application, the office shall enter a final order that either
23 approves or disapproves the application. The decisions must
24 be in writing and must provide the justifications for approval
25 or disapproval.

26 (c) An eligible business that has been approved by the
27 office to receive tax refunds may apply to the office for a
28 refund at the end of each calendar quarter the eligible youth
29 employee is employed by the business. An eligible business
30 may not receive refund payments of more than 25 percent of the
31 total tax refunds due such business under this section each

1 calendar quarter. Termination of employment of an eligible
2 youth employee shall result in loss of eligibility for tax
3 refunds for such employee under this section.

4 (d) The claim for refund by an eligible business must
5 include a copy of all receipts pertaining to the payment of
6 taxes for which the refund is sought.

7 (e) Nothing in this section shall create a presumption
8 that an eligible business will receive any tax refund under
9 this section.

10 (f) The office is authorized to develop rules and
11 forms, pursuant to chapter 120, Florida Statutes, to implement
12 the provisions of this section. The office is authorized to
13 verify information provided in any claim submitted for tax
14 credits under this section with regard to employment and wage
15 levels or the payment of the taxes to the appropriate agency
16 or authority, including the Department of Revenue, the
17 Department of Labor and Employment Security, or any local
18 government or authority.

19 (4) REPEAL.--The provisions of this section shall
20 expire and be void on June 30, 2007.

21 Section 21. (1) The sum of \$500,000 is hereby
22 appropriated from the General Revenue Fund to the Florida
23 International Trade and Promotion Trust Fund for fiscal year
24 1997-1998 to fund the Seaport Employment Training Grant
25 Program contained in section 311.11, Florida Statutes.

26 (2) There is hereby appropriated from the State
27 Transportation Trust Fund \$10 million to the Department of
28 Transportation to fund the Florida Seaport Transportation and
29 Economic Development Program as provided in chapter 311,
30 Florida Statutes, and pursuant to section 320.20(4), Florida
31 Statutes, for fiscal year 1997-1998.

1 (3) The sum of \$2 million is hereby appropriated from
2 the General Revenue Fund to the Economic Development Trust
3 Fund for fiscal year 1997-1998 to fund tax refunds issued
4 pursuant to the ENTRY Tax Refund Program contained in section
5 20 of this act.

6 Section 22. This act shall take effect July 1, 1997.

7
8 *****

9 HOUSE SUMMARY

10 Revises various provisions of law with respect to
11 economic development to:

- 12 1. Revise the definition of the term "matching
13 private funds" with respect to Enterprise Florida, Inc.
- 14 2. Eliminate provisions allowing the Office of
15 Tourism, Trade, and Economic Development to contract and
16 use a percentage of appropriated funds for administrative
17 purposes.
- 18 3. Create a sales tax exemption for the purchase of
19 described pollution control machinery and equipment.
- 20 4. Create the Florida work opportunity tax credit
21 to provide a tax exemption for hiring WAGES participants.
- 22 5. Require the Office of Tourism, Trade, and
23 Economic Development to develop a plan for the State of
24 Florida foreign offices and to require those offices each
25 to have an operational plan.
- 26 6. Require Enterprise Florida, Inc., to prepare a
27 guide and checklist for starting and operating a business
28 in Florida.
- 29 7. Direct the president of Enterprise Florida,
30 Inc., to coordinate activities with respect to
31 participants in the WAGES Program.
8. Revise requirements with respect to described
 reports by Enterprise Florida, Inc.
9. Revise the Florida Small Cities Community
 Development Block Grant Program Act to include pledging
 public moneys to guarantee loans.
10. Provide that the Seaport Employment Training
 Grant Program shall grant funds for the purpose of
 stimulating and supporting seaport training and
 employment programs.
11. Create a tax refund for hiring certain youths.
12. Provide appropriations for the purposes of the
 act.

 See bill for details.