

Bill No. CS for CS for SB 2524, 2nd Eng.

Amendment No. 010 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Representative(s) Valdes offered the following:

**Amendment to Amendment (243299) (with title amendment)**

On page 55, between lines 28 and 29, of the amendment

insert:

Section 30. Section 288.9530, Florida Statutes, is created to read:

288.9530 The Florida Business Expansion Corporation.--  
(1) The Florida Business Expansion Corporation is  
hereby created as a corporation not-for-profit, to be  
incorporated under the provisions of chapter 617. The  
corporation is organized on a nonstock basis. The corporation  
shall provide business expansion assistance to businesses in  
this state having job growth or emerging technology potential  
and fewer than 500 employees. The primary purpose of the  
corporation shall be to assist such Florida businesses to grow  
through the development of cross-border transactions which  
lead to increased revenues, cost reductions, sales or  
investments for Florida businesses. For purposes of this Act,  
"cross-border transactions" shall be defined as the formation

1 of joint venture, strategic alliance, investment, technology  
2 transfer or licensing, co-development, or other commercial  
3 relationships between Florida businesses and non-Florida  
4 entities. In providing its services, the corporation shall  
5 seek to recover its costs and expenditures of state funds via  
6 fee, equity participation, or any other form of revenue  
7 generation or recovery, and to achieve the self-sufficiency of  
8 its operations. It is the intent of the Legislature that the  
9 corporation achieve self-sufficiency within three years of its  
10 establishment. For the purposes of this section, the term  
11 "self-sufficiency" shall mean that the annual expenses of  
12 operation of the corporation shall be less than or equal to  
13 the total value of the compensation derived including fee,  
14 equity participation, or any other form of revenue generation  
15 or recovery from the operations of the corporation by June 30,  
16 2001.

17 (2) The corporation shall not duplicate the services  
18 and programs of Enterprise Florida, Inc., the Florida Export  
19 Finance Corporation, and any other existing economic  
20 development entity. The corporation programs are to serve  
21 small to mid-sized Florida firms in conducting transactions  
22 with entities located in other states and nations.

23 Section 31. Section 288.9531, Florida Statutes, is  
24 created to read:

25 288.9531 Powers and Duties of the Corporation.--

26 (1) In addition to all of the statutory powers of  
27 Florida not-for-profit corporations, the corporation shall  
28 have the power and duty to:

29 (a) Perform analyses of opportunities to Florida  
30 businesses from the formation of stronger and numerous  
31 commercial relationships through cross-border transactions;

1           (b) Locate Florida businesses which are strong  
2 candidates for business expansion and match such businesses  
3 with joint venture or strategic alliance partners, sources of  
4 investment capital, or purchasers or licensees of technology;

5           (c) Prepare selected Florida firms to achieve business  
6 expansion through preparation of business plans and marketing  
7 materials, arranging participation in major domestic and  
8 international events targeted towards industry participants  
9 and investors, and placement of articles in business press and  
10 trade publications;

11           (d) Counsel Florida businesses in the development and  
12 execution of cross-border transactions;

13           (e) Develop, in conjunction with target businesses,  
14 criteria for evaluation of potential cross-border transactions  
15 or strategic partners;

16           (f) Provide listings of strategic partners which meet  
17 agreed-upon criteria;

18           (g) Develop negotiating strategies and marketing  
19 materials designed to address the concerns of potential  
20 strategic partners;

21           (h) Approach and initiate discussions with potential  
22 strategic partners and investors;

23           (i) Present Florida small and medium-sized firms to  
24 potential strategic partners and investors;

25           (j) Identify and, in conjunction with associated  
26 professionals, provide guidance on critical business and legal  
27 issues associated with proposed transactions, including issues  
28 relating to transfers of assets, ownership of intellectual  
29 property, tax planning, and other relevant matters;

30           (k) Assist in the negotiation of pricing and terms of  
31 participation of the parties;

1           (l) Close cross-border transactions on behalf of  
2 Florida small and medium-sized firms, and manage outside  
3 professionals in the closing of the transaction;

4           (m) Handle issues that arise after closing to ensure  
5 continued success of the transaction; and

6           (n) Charge fees, in amounts to be determined by the  
7 board, to defray the operating costs of its programs.

8           (2) On or before December 31, 1998, the corporation  
9 shall submit to the Office of Tourism, Trade, and Economic  
10 Development a business plan providing further specifics of its  
11 operations, including, but not limited to, the following:

12           (a) A detailed operating budget;

13           (b) Specific goals and outcomes to be achieved by the  
14 corporation in the accomplishment of its statutory duties;

15           (c) Types of specific assistance to be rendered to  
16 Florida businesses, including detailed descriptions of the  
17 specific steps required to provide each type of assistance,  
18 and the projected costs of such assistance; and

19           (d) Specific provisions for the self-sufficient  
20 operation of the corporation prior to July 1, 2001, including  
21 specific projections of the compensation anticipated from  
22 generation of successful cross-border transactions.

23           (e) A description of the manner in which the  
24 corporation will interact with existing state-sponsored  
25 economic development entities.

26           (3) The business plan and the data upon which it is  
27 based shall constitute a public record and shall be  
28 distributed in a manner which will provide maximum benefit to  
29 Florida businesses.

30           (4) Prior to December 1 of each year, the corporation  
31 shall submit to the Governor, the President of the Senate, and

1 the Speaker of the House of Representatives, a complete and  
2 detailed report including, but not limited to:

3 (a) The report required in s. 288.9536.

4 (b) The operations and accomplishments of the  
5 corporation, including the number of businesses assisted by  
6 the corporation.

7 (c) Its assets and liabilities at the end of its most  
8 recent fiscal year, including a description of its outstanding  
9 cross-border transactions.

10 Section 32. Section 288.9532, Florida Statutes, is  
11 created to read:

12 288.9532 Board of directors.--

13 (1) The corporation shall have an initial board of  
14 directors consisting of the following persons:

15 (a) The President of Enterprise Florida, Inc., or his  
16 designee, who shall serve as the chair of the corporation;

17 (b) The Comptroller or designee;

18 (c) The Commissioner of Insurance or designee;

19 (d) The chair of the Florida Black Business Investment  
20 Board or designee;

21 (e) The chair of the Florida Export Finance  
22 Corporation or designee; and

23 (f) The chair of the Florida First Capital Finance  
24 corporation or designee.

25 (2) Notwithstanding the provisions of subsection (1),  
26 the board of directors may by resolution appoint to the board  
27 up to ten at-large members from the private sector, each of  
28 whom shall serve a 2-year term. Minority and gender  
29 representation shall be considered when making at-large  
30 appointments to the board. At-large members shall have the  
31 powers and duties of other members of the board. An at-large

1 member is eligible for reappointment, but may not vote on his  
2 or her own reappointment.

3 (3) The board shall ensure that its composition is  
4 reflective of the diversity of Florida's business community,  
5 and to the greatest degree possible shall include, but not be  
6 limited to, individuals representing small and medium-sized  
7 businesses, minority businesses, universities and other  
8 institutions of higher education, and international and  
9 domestic economic development organizations. A majority of  
10 at-large members of the board shall have significant  
11 experience in international business, with expertise in the  
12 areas of trade, transportation, finance, law, or  
13 manufacturing.

14 (4) Members of the board of directors shall serve  
15 without compensation, but members, the president, and staff  
16 may be reimbursed for all reasonable, necessary, and actual  
17 expenses, as determined by the board of directors.

18 (5) A majority of currently serving members of the  
19 board shall constitute a quorum for purposes of all business  
20 of the board.

21 Section 33. Section 288.9533, Florida Statutes, is  
22 created to read:

23 288.9533 Powers and Duties of the Board of  
24 Directors.--The board shall:

25 (1) Prior to the expenditure of funds from the Florida  
26 Business Expansion account, adopt bylaws and internal  
27 procedures which are necessary to carry out the  
28 responsibilities of the corporation. The articles and bylaws  
29 of the corporation shall be reviewed and approved by the  
30 Office of Tourism, Trade, and Economic Development prior to  
31 final adoption by the board;

1           (2) Hold regularly scheduled meetings, at least  
2 quarterly, in order to carry out the objectives and duties of  
3 the board;

4           (3) Develop a streamlined application and review  
5 process;

6           (4) Adopt rules and policies, including application  
7 and award criteria, regarding eligibility of businesses to  
8 receive assistance from the corporation. Such rules and  
9 policies shall include, but not be limited to, the  
10 requirements that the target businesses:

11           (a) Shall have substantial operations in Florida;

12           (b) Shall have products, business or technology in  
13 existence at the time of application;

14           (c) Shall have proven management;

15           (d) Shall be in a stage of business which is favorable  
16 to expansion of the business into international markets;

17           (e) Shall have products or technologies which have a  
18 substantial potential for beneficial effect on business  
19 expansion, business revenue or employment in Florida; and

20           (f) Shall have products or technologies which are  
21 potential technology or market leaders with substantial  
22 commercial potential in international markets.

23           (g) Shall not have engaged in any cross-border  
24 transactions prior to receipt of assistance from the  
25 corporation. Assistance from the corporation shall only be  
26 extended to targeted businesses when no conventional source of  
27 assistance is available for the business from public or  
28 private sources.

29           (5) Proposed awards of assistance shall be reviewed  
30 and approved at meetings of the board. The board shall give  
31 the highest priority to activities that offer the greatest

1 opportunity for economic development impact and cost recovery.

2 A business, including any affiliated corporations of such  
3 business, that has received any contractual assistance from  
4 the private sector entity selected pursuant to s. 288.9534, is  
5 not eligible to receive assistance from the corporation.

6 Section 34. Chapter 288.9534, Florida Statutes, is  
7 created to read:

8 288.9534 Management of the Corporation.--

9 (1) The activities of the corporation shall be  
10 administered under a contract with a private sector entity  
11 selected by the board no later than September 1, 1998. Such  
12 company shall have responsibility for performance of all  
13 statutory duties of the corporation, under the control and  
14 supervision of the board. Potential management companies  
15 shall:

16 (a) Have existing operations in Florida, and provide  
17 Florida-resident personnel to perform services under the  
18 contract;

19 (b) Have an established record of success in the  
20 creation of cross-border transactions, and at least ten years  
21 of operational experience in such business;

22 (c) Have staff with substantial financial and  
23 international affairs experience;

24 (d) Have international offices;

25 (e) Commit to a cash match expenditure of ten percent  
26 of the amount of the state contract issued pursuant to this  
27 section, with such cash to be provided from the capital of the  
28 contractor and expended directly in the pursuit of the  
29 statutory purposes of the corporation; and

30 (f) Have substantial experience in as many of the  
31 following areas as possible:



- 1           1. Arrangement of cross-border transactions;  
2           2. Development and implementation of market entry  
3 strategies for business expansion;  
4           3. Preparation of market analyses and strategic plans;  
5 and  
6           4. Work with foreign and domestic financial  
7 institutions, highly regulated industries and foreign  
8 governments.  
9           (2) The company selected pursuant to this subsection  
10 shall provide personnel to serve as officers of the  
11 corporation who shall perform on behalf of the corporation all  
12 of the customary functions of the offices they occupy.  
13           (3) The board shall provide by contract for division  
14 with the management company of total compensation derived from  
15 the operations of the corporation. Such division shall be made  
16 quarterly, and shall involve the total compensation of the  
17 corporation which are in excess of the expenses of the  
18 corporation for that quarter.  
19           (4) Prior to securing management services for the  
20 corporation, staffing of the corporation shall be provided by  
21 the Office of Tourism, Trade, and Economic Development, which  
22 shall provide to the board by August 7, 1998, a list of  
23 candidates qualified and desiring to perform the duties of the  
24 management company specified in this section. The Office of  
25 Tourism, Trade, and Economic Development shall also have  
26 responsibility for the establishment of performance measures  
27 and requirements which provide for the performance of the  
28 statutory duties of the corporation, as well as the following:  
29           (a) Specific outcomes from the performance of the  
30 management company, as well as timetables for the  
31 accomplishment of such outcomes;

1           (b) Requirements relating to the handling of state  
2 funds and providing for third party audit and financial review  
3 of the operations of the corporation;

4           (c) Reversion to the state of all assets of the  
5 corporation in the event of cessation of operations of the  
6 corporation; and

7           (d) Termination of the management company in the event  
8 of its failure to perform the duties or deliver the outcomes  
9 provided in the management contract.

10           Section 35. Section 288.9535, Florida Statutes, is  
11 created to read:

12           288.9535 Florida Business Expansion Account.--

13           (1) The board shall create the Florida Business  
14 Expansion account for the purpose of receiving state, federal,  
15 and private financial resources, and the return from  
16 employment of those resources, and for the purposes of the  
17 corporation. The account shall be under the exclusive control  
18 of the board.

19           (2) Resources in the account shall be allocated for  
20 operating expenses of the corporation and for other  
21 statutorily authorized purposes, including costs of research,  
22 provision of business assistance to targeted businesses, and  
23 other costs.

24           (3) Appropriations for the corporation shall be  
25 deposited into the account.

26           (4) The board may establish the account and any  
27 sub-accounts necessary and convenient for the operation of the  
28 corporation with state or federally chartered financial  
29 institutions in this state and may invest the assets of the  
30 account in permissible securities.

31           (5) At all times, the board shall attempt to maximize

1 the returns on funds in the account.

2 (6) All revenues received from the operations of the  
3 corporation shall be redeposited in the account to be used to  
4 promote the statutory purposes of the corporation.

5 (7) Under no circumstances shall the credit of the  
6 state be pledged by or on behalf of the corporation, nor shall  
7 the state be liable or obligated in any way for claims on the  
8 account or against the corporation.

9 Section 36. Section 288.9536, Florida Statutes, is  
10 created to read:

11 288.9536 Reporting and Review.--

12 (1) By September 1, 1999, the corporation in  
13 cooperation with the Office of Program Policy Analysis and  
14 Government Accountability shall develop a research design,  
15 including goals and measurable objectives for the corporation,  
16 which will provide the Legislature with a quantitative  
17 evaluation of the corporation. The corporation shall utilize  
18 the monitoring mechanisms and reports developed in the designs  
19 and provide these reports to the Governor, the President of  
20 the Senate, the Speaker of the House of Representatives, and  
21 the Office of Program Policy Analysis and Government  
22 Accountability.

23 (2) On January 31, 2000, and on January 31 of each  
24 succeeding year, the corporation shall prepare a report on the  
25 financial status of the corporation and the account and shall  
26 submit a copy of the report to the Governor, the President of  
27 the Senate, the Speaker of the House of Representatives, and  
28 the President of Enterprise Florida, Inc. The report shall  
29 specify the assets and liabilities of the account within the  
30 current fiscal year and shall include a list of the businesses  
31 assisted, the benefits obtained by each business assisted,

1 including, but not limited to, increased revenues, cost  
2 reductions, sales or investment which have been realized by  
3 such businesses.

4 (3) Prior to the 2001 regular session of the  
5 Legislature, the Office of Program Policy Analysis and  
6 Government Accountability shall perform a review and  
7 evaluation of the corporation using the research design  
8 promulgated pursuant to this section. The report shall review  
9 and comment on the operations and accomplishments of the  
10 corporation. A report of the findings and recommendations of  
11 the Office of Program Policy Analysis and Government  
12 Accountability shall be submitted to the President of the  
13 Senate and the Speaker of the House of Representatives prior  
14 to the 2001 regular session.

15 Section 37. The sum of \$1.5 million is hereby  
16 appropriated from the General Revenue Fund to the Florida  
17 Business Expansion Corporation. Ninety percent of such funds  
18 must be used to provide assistance to eligible businesses  
19 pursuant to s. 288.9533.

20 Section 38. The sum of \$100,000 is hereby appropriated  
21 from the General Revenue Fund to the Florida Council on  
22 International Development to establish and maintain a Florida  
23 State International Archive.

24 Section 39. Section 288.075, Florida Statutes, is  
25 amended to read:

26 288.075 Confidentiality of records.--

27 (1) As used in this section, the term "economic  
28 development agency" means the Office of Tourism, Trade, and  
29 Economic Development ~~Division of Economic Development of the~~  
30 ~~Department of Commerce~~, any industrial development authority  
31 created in accordance with part III of chapter 159 or by

1 special law, the public economic development agency that  
2 advises the county commission on the issuance of industrial  
3 revenue bonds of a county that does not have an industrial  
4 development authority created in accordance with part III of  
5 chapter 159 or by special law, or any research and development  
6 authority created in accordance with part V of chapter 159.  
7 The term also includes any private agency, person,  
8 partnership, corporation, or business entity when authorized  
9 by the state, a municipality, or a county to promote the  
10 general business interests or industrial interests of the  
11 state or that municipality or county.

12 (2) Upon written request from a private corporation,  
13 partnership, or person, records of an economic development  
14 agency which contain or would provide information concerning  
15 plans, intentions, or interests of such private corporation,  
16 partnership, or person to locate, relocate, or expand any of  
17 its business activities in this state are confidential and  
18 exempt from s. 119.07(1) and s. 24(a), Art. I of the State  
19 Constitution for 24 months after the date an economic  
20 development agency receives a request for confidentiality or  
21 until disclosed by an economic development agency pursuant to  
22 subsection (4) or by the party requesting confidentiality  
23 under this section. Confidentiality must be maintained until  
24 the expiration of the 24-month period or until documents or  
25 information are otherwise disclosed, whichever occurs first.  
26 This confidentiality does not apply when any party petitions a  
27 court of competent jurisdiction and, in the opinion of the  
28 court, proves need for access to such documents. This  
29 exemption expires October 2, 2001, and is subject to review by  
30 the Legislature under the Open Government Sunset Review Act of  
31 1995 in accordance with s. 119.15.

1           (3) This section does not waive any provision of  
2 chapter 120 or any other provision of law requiring a public  
3 hearing.

4           (4) A public officer or employee or any person who is  
5 an employee of an economic development agency may not enter  
6 into a binding agreement with any corporation, partnership, or  
7 person who has requested confidentiality of information  
8 pursuant to this section, until 90 days after such information  
9 is made public, unless such public officer or employee or  
10 economic development agency employee is acting in an official  
11 capacity.

12           (5) Any person who is an employee of an economic  
13 development agency who violates the provisions of this section  
14 is guilty of a misdemeanor of the second degree, punishable as  
15 provided in s. 775.082 or s. 775.083.

16           Section 40. Section 288.1045, Florida Statutes, is  
17 amended to read:

18           288.1045 Qualified defense contractor tax refund  
19 program.--

20           (1) DEFINITIONS.--As used in this section:

21           (a) "Consolidation of a Department of Defense  
22 contract" means the consolidation of one or more of an  
23 applicant's facilities under one or more Department of Defense  
24 contracts either from outside this state or from inside and  
25 outside this state, into one or more of the applicant's  
26 facilities inside this state.

27           (b) "Average wage in the area" means the average of  
28 all wages and salaries in the state, the county, or in the  
29 standard metropolitan area in which the business unit is  
30 located.

31           (c) "Applicant" means any business entity that holds a

1 valid Department of Defense contract or any business entity  
2 that is a subcontractor under a valid Department of Defense  
3 contract or any business entity that holds a valid contract  
4 for the reuse of a defense-related facility, including all  
5 members of an affiliated group of corporations as defined in  
6 s. 220.03(1)(b).

7 (d) "Office"~~"Division"~~ means the Office of Tourism,  
8 Trade, and Economic Development ~~Division of Economic~~  
9 ~~Development of the Department of Commerce.~~

10 (e) "Department of Defense contract" means a  
11 competitively bid Department of Defense contract or a  
12 competitively bid federal agency contract issued on behalf of  
13 the Department of Defense for manufacturing, assembling,  
14 fabricating, research, development, or design with a duration  
15 of 2 or more years, but excluding any contract to provide  
16 goods, improvements to real or tangible property, or services  
17 directly to or for any particular military base or  
18 installation in this state.

19 (f) "New Department of Defense contract" means a  
20 Department of Defense contract entered into after the date  
21 application for certification as a qualified applicant is made  
22 and after January 1, 1994.

23 (g) "Jobs" means full-time equivalent positions,  
24 consistent with the use of such terms by the Department of  
25 Labor and Employment Security for the purpose of unemployment  
26 compensation tax, resulting directly from a project in this  
27 state. This number does not include temporary construction  
28 jobs involved with the construction of facilities for the  
29 project.

30 (h) "Nondefense production jobs" means employment  
31 exclusively for activities that, directly or indirectly, are

1 unrelated to the Department of Defense.

2 (i) "Project" means any business undertaking in this  
3 state under a new Department of Defense contract,  
4 consolidation of a Department of Defense contract, or  
5 conversion of defense production jobs over to nondefense  
6 production jobs or reuse of defense-related facilities.

7 (j) "Qualified applicant" means an applicant that has  
8 been approved by the director ~~secretary~~ to be eligible for tax  
9 refunds pursuant to this section.

10 (k) ~~"Director"~~ ~~"Secretary"~~ means the director of the  
11 Office of Tourism, Trade, and Economic Development ~~Secretary~~  
12 ~~of Commerce~~.

13 (l) "Taxable year" means the same as in s.  
14 220.03(1)(z).

15 (m) "Fiscal year" means the fiscal year of the state.

16 (n) "Business unit" means an employing unit, as  
17 defined in s. 443.036, that is registered with the Department  
18 of Labor and Employment Security for unemployment compensation  
19 purposes or means a subcategory or division of an employing  
20 unit that is accepted by the Department of Labor and  
21 Employment Security as a reporting unit.

22 (o) "Local financial support" means funding from local  
23 sources, public or private, which is paid to the Economic  
24 Development Trust Fund and which is equal to 20 percent of the  
25 annual tax refund for a qualified applicant. Local financial  
26 support may include excess payments made to a utility company  
27 under a designated program to allow decreases in service by  
28 the utility company under conditions, regardless of when  
29 application is made. A qualified applicant may not provide,  
30 directly or indirectly, more than 5 percent of such funding in  
31 any fiscal year. The sources of such funding may not include,



1 directly or indirectly, state funds appropriated from the  
2 General Revenue Fund or any state trust fund, excluding tax  
3 revenues shared with local governments pursuant to law.

4 (p) "Contract for reuse of a defense-related facility"  
5 means a contract with a duration of 2 or more years for the  
6 use of a facility for manufacturing, assembling, fabricating,  
7 research, development, or design of tangible personal  
8 property, but excluding any contract to provide goods,  
9 improvements to real or tangible property, or services  
10 directly to or for any particular military base or  
11 installation in this state. Such facility must be located  
12 within a port, as defined in s. 313.21, and have been occupied  
13 by a business entity that held a valid Department of Defense  
14 contract or occupied by any branch of the Armed Forces of the  
15 United States, within 1 year of any contract being executed  
16 for the reuse of such facility. A contract for reuse of a  
17 defense-related facility may not include any contract for  
18 reuse of such facility for any Department of Defense contract  
19 for manufacturing, assembling, fabricating, research,  
20 development, or design.

21 (q) "Local financial support exemption option" means  
22 the option to exercise an exemption from the local financial  
23 support requirement available to any applicant whose project  
24 is located in a county designated by the Rural Economic  
25 Development Initiative, if the county commissioners of the  
26 county in which the project will be located adopt a resolution  
27 requesting that the applicant's project be exempt from the  
28 local financial support requirement. Any applicant that  
29 exercises this option is not eligible for more than 80 percent  
30 of the total tax refunds allowed such applicant under this  
31 section.

- 1           (2) GRANTING OF A TAX REFUND; ELIGIBLE AMOUNTS.--
- 2           (a) There shall be allowed, from the Economic
- 3 Development Trust Fund, a refund to a qualified applicant for
- 4 the amount of eligible taxes certified by the director
- 5 ~~secretary~~ which were paid by such qualified applicant. The
- 6 total amount of refunds for all fiscal years for each
- 7 qualified applicant shall be determined pursuant to subsection
- 8 (3). The annual amount of a refund to a qualified applicant
- 9 shall be determined pursuant to subsection (5).
- 10          (b) A qualified applicant may not be qualified for any
- 11 project to receive more than \$5,000 times the number of jobs
- 12 provided in the tax refund agreement pursuant to subparagraph
- 13 (4)(a)1. A qualified applicant may not receive refunds of more
- 14 than 25 percent of the total tax refunds provided in the tax
- 15 refund agreement pursuant to subparagraph (4)(a)1. in any
- 16 fiscal year, provided that no qualified applicant may receive
- 17 more than \$2.5 million in tax refunds pursuant to this section
- 18 in any fiscal year.
- 19          (c) A qualified applicant may not receive more than
- 20 \$7.5 million in tax refunds pursuant to this section in all
- 21 fiscal years.
- 22          (d) Contingent upon an annual appropriation by the
- 23 Legislature, the director ~~secretary~~ may approve not more than
- 24 ~~the lesser of \$25 million~~ in tax refunds than or the amount
- 25 appropriated to the Economic Development Trust Fund for tax
- 26 refunds, for a fiscal year pursuant to subsection (5) and s.
- 27 288.095.
- 28          (e) For the first 6 months of each fiscal year, the
- 29 director ~~secretary~~ shall set aside 30 percent of the amount
- 30 appropriated for refunds pursuant to this section by the
- 31 Legislature to provide tax refunds only to qualified

1 applicants who employ 500 or fewer full-time employees in this  
2 state. Any unencumbered funds remaining undisbursed from this  
3 set-aside at the end of the 6-month period may be used to  
4 provide tax refunds for any qualified applicants pursuant to  
5 this section.

6 (f) After entering into a tax refund agreement  
7 pursuant to subsection (4), a qualified applicant may receive  
8 refunds from the Economic Development Trust Fund for the  
9 following taxes due and paid by the qualified applicant  
10 beginning with the applicant's first taxable year that begins  
11 after entering into the agreement:

12 1. Taxes on sales, use, and other transactions paid  
13 pursuant to chapter 212.

14 2. Corporate income taxes paid pursuant to chapter  
15 220.

16 3. Intangible personal property taxes paid pursuant to  
17 chapter 199.

18 4. Emergency excise taxes paid pursuant to chapter  
19 221.

20 5. Excise taxes paid on documents pursuant to chapter  
21 201.

22 6. Ad valorem taxes paid, as defined in s.  
23 220.03(1)(a) on June 1, 1996.

24  
25 However, a qualified applicant may not receive a tax refund  
26 pursuant to this section for any amount of credit, refund, or  
27 exemption granted such contractor for any of such taxes. If a  
28 refund for such taxes is provided by the office ~~Department of~~  
29 ~~Commerce~~, which taxes are subsequently adjusted by the  
30 application of any credit, refund, or exemption granted to the  
31 qualified applicant other than that provided in this section,

1 the qualified applicant shall reimburse the Economic  
2 Development Trust Fund for the amount of such credit, refund,  
3 or exemption. A qualified applicant must notify and tender  
4 payment to the office ~~Department of Commerce~~ within 20 days  
5 after receiving a credit, refund, or exemption, other than  
6 that provided in this section.

7 (g) Any qualified applicant who fraudulently claims  
8 this refund is liable for repayment of the refund to the  
9 Economic Development Trust Fund plus a mandatory penalty of  
10 200 percent of the tax refund which shall be deposited into  
11 the General Revenue Fund. Any qualified applicant who  
12 fraudulently claims this refund commits a felony of the third  
13 degree, punishable as provided in s. 775.082, s. 775.083, or  
14 s. 775.084.

15 (h) Funds made available pursuant to this section may  
16 not be expended in connection with the relocation of a  
17 business from one community to another community in this state  
18 unless the Office of Tourism, Trade, and Economic Development  
19 determines that without such relocation the business will move  
20 outside this state or determines that the business has a  
21 compelling economic rationale for the relocation which creates  
22 additional jobs.

23 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY  
24 DETERMINATION.--

25 (a) To apply for certification as a qualified  
26 applicant pursuant to this section, an applicant must file an  
27 application with the office ~~division~~ which satisfies the  
28 requirements of paragraphs (b) and (e), paragraphs (c) and  
29 (e), or paragraphs (d) and (e). An applicant may not apply for  
30 certification pursuant to this section after a proposal has  
31 been submitted for a new Department of Defense contract, after

1 the applicant has made the decision to consolidate an existing  
2 Department of Defense contract in this state for which such  
3 applicant is seeking certification, or after the applicant has  
4 made the decision to convert defense production jobs to  
5 nondefense production jobs for which such applicant is seeking  
6 certification.

7 (b) Applications for certification based on the  
8 consolidation of a Department of Defense contract or a new  
9 Department of Defense contract must be submitted to the office  
10 ~~division~~ as prescribed by the office ~~Department of Commerce~~  
11 and must include, but are not limited to, the following  
12 information:

13 1. The applicant's federal employer identification  
14 number, the applicant's Florida sales tax registration number,  
15 and a notarized signature of an officer of the applicant.

16 2. The permanent location of the manufacturing,  
17 assembling, fabricating, research, development, or design  
18 facility in this state at which the project is or is to be  
19 located.

20 3. The Department of Defense contract numbers of the  
21 contract to be consolidated, the new Department of Defense  
22 contract number, or the "RFP" number of a proposed Department  
23 of Defense contract.

24 4. The date the contract was executed or is expected  
25 to be executed, and the date the contract is due to expire or  
26 is expected to expire.

27 5. The commencement date for project operations under  
28 the contract in this state.

29 6. The number of full-time equivalent jobs in this  
30 state which are or will be dedicated to the project during the  
31 year and the average wage of such jobs.

1           7. The total number of full-time equivalent employees  
2 employed by the applicant in this state.

3           8. The percentage of the applicant's gross receipts  
4 derived from Department of Defense contracts during the 5  
5 taxable years immediately preceding the date the application  
6 is submitted.

7           9. The amount of:

8           a. Taxes on sales, use, and other transactions paid  
9 pursuant to chapter 212;

10           b. Corporate income taxes paid pursuant to chapter  
11 220;

12           c. Intangible personal property taxes paid pursuant to  
13 chapter 199;

14           d. Emergency excise taxes paid pursuant to chapter  
15 221;

16           e. Excise taxes paid on documents pursuant to chapter  
17 201; and

18           f. Ad valorem taxes paid

19

20 during the 5 fiscal years immediately preceding the date of  
21 the application, and the projected amounts of such taxes to be  
22 due in the 3 fiscal years immediately following the date of  
23 the application.

24           10. The estimated amount of tax refunds to be claimed  
25 in each fiscal year.

26           11. A brief statement concerning the applicant's need  
27 for tax refunds, and the proposed uses of such refunds by the  
28 applicant.

29           12. A resolution adopted by the county commissioners  
30 of the county in which the project will be located, which  
31 recommends the applicant be approved as a qualified applicant,

1 and which indicates that the necessary commitments of local  
2 financial support for the applicant exist. Prior to the  
3 adoption of the resolution, the county commission may review  
4 the proposed public or private sources of such support and  
5 determine whether the proposed sources of local financial  
6 support can be provided or, for any applicant whose project is  
7 located in a county designated by the Rural Economic  
8 Development Initiative, a resolution adopted by the county  
9 commissioners of such county requesting that the applicant's  
10 project be exempt from the local financial support  
11 requirement.

12           13. Any additional information requested by the office  
13 division.

14           (c) Applications for certification based on the  
15 conversion of defense production jobs to nondefense production  
16 jobs must be submitted to the office division as prescribed by  
17 the office ~~Department of Commerce~~ and must include, but are  
18 not limited to, the following information:

19           1. The applicant's federal employer identification  
20 number, the applicant's Florida sales tax registration number,  
21 and a notarized signature of an officer of the applicant.

22           2. The permanent location of the manufacturing,  
23 assembling, fabricating, research, development, or design  
24 facility in this state at which the project is or is to be  
25 located.

26           3. The Department of Defense contract numbers of the  
27 contract under which the defense production jobs will be  
28 converted to nondefense production jobs.

29           4. The date the contract was executed, and the date  
30 the contract is due to expire or is expected to expire, or was  
31 canceled.

- 1           5. The commencement date for the nondefense production  
2 operations in this state.
- 3           6. The number of full-time equivalent jobs in this  
4 state which are or will be dedicated to the nondefense  
5 production project during the year and the average wage of  
6 such jobs.
- 7           7. The total number of full-time equivalent employees  
8 employed by the applicant in this state.
- 9           8. The percentage of the applicant's gross receipts  
10 derived from Department of Defense contracts during the 5  
11 taxable years immediately preceding the date the application  
12 is submitted.
- 13           9. The amount of:
- 14           a. Taxes on sales, use, and other transactions paid  
15 pursuant to chapter 212;
- 16           b. Corporate income taxes paid pursuant to chapter  
17 220;
- 18           c. Intangible personal property taxes paid pursuant to  
19 chapter 199;
- 20           d. Emergency excise taxes paid pursuant to chapter  
21 221;
- 22           e. Excise taxes paid on documents pursuant to chapter  
23 201; and
- 24           f. Ad valorem taxes paid  
25
- 26 during the 5 fiscal years immediately preceding the date of  
27 the application, and the projected amounts of such taxes to be  
28 due in the 3 fiscal years immediately following the date of  
29 the application.
- 30           10. The estimated amount of tax refunds to be claimed  
31 in each fiscal year.



1           11. A brief statement concerning the applicant's need  
2 for tax refunds, and the proposed uses of such refunds by the  
3 applicant.

4           12. A resolution adopted by the county commissioners  
5 of the county in which the project will be located, which  
6 recommends the applicant be approved as a qualified applicant,  
7 and which indicates that the necessary commitments of local  
8 financial support for the applicant exist. Prior to the  
9 adoption of the resolution, the county commission may review  
10 the proposed public or private sources of such support and  
11 determine whether the proposed sources of local financial  
12 support can be provided or, for any applicant whose project is  
13 located in a county designated by the Rural Economic  
14 Development Initiative, a resolution adopted by the county  
15 commissioners of such county requesting that the applicant's  
16 project be exempt from the local financial support  
17 requirement.

18           13. Any additional information requested by the office  
19 division.

20           (d) Applications for certification based on a contract  
21 for reuse of a defense-related facility must be submitted to  
22 the office division as prescribed by the office ~~Department of~~  
23 ~~Commerce~~ and must include, but are not limited to, the  
24 following information:

25           1. The applicant's Florida sales tax registration  
26 number and a notarized signature of an officer of the  
27 applicant.

28           2. The permanent location of the manufacturing,  
29 assembling, fabricating, research, development, or design  
30 facility in this state at which the project is or is to be  
31 located.

1           3. The business entity holding a valid Department of  
2 Defense contract or branch of the Armed Forces of the United  
3 States that previously occupied the facility, and the date  
4 such entity last occupied the facility.

5           4. A copy of the contract to reuse the facility, or  
6 such alternative proof as may be prescribed by the office  
7 ~~department~~ that the applicant is seeking to contract for the  
8 reuse of such facility.

9           5. The date the contract to reuse the facility was  
10 executed or is expected to be executed, and the date the  
11 contract is due to expire or is expected to expire.

12           6. The commencement date for project operations under  
13 the contract in this state.

14           7. The number of full-time equivalent jobs in this  
15 state which are or will be dedicated to the project during the  
16 year and the average wage of such jobs.

17           8. The total number of full-time equivalent employees  
18 employed by the applicant in this state.

19           9. The amount of:

20           a. Taxes on sales, use, and other transactions paid  
21 pursuant to chapter 212.

22           b. Corporate income taxes paid pursuant to chapter  
23 220.

24           c. Intangible personal property taxes paid pursuant to  
25 chapter 199.

26           d. Emergency excise taxes paid pursuant to chapter  
27 221.

28           e. Excise taxes paid on documents pursuant to chapter  
29 201.

30           f. Ad valorem taxes paid during the 5 fiscal years  
31 immediately preceding the date of the application, and the

1 projected amounts of such taxes to be due in the 3 fiscal  
2 years immediately following the date of the application.

3 10. The estimated amount of tax refunds to be claimed  
4 in each fiscal year.

5 11. A brief statement concerning the applicant's need  
6 for tax refunds, and the proposed uses of such refunds by the  
7 applicant.

8 12. A resolution adopted by the county commissioners  
9 of the county in which the project will be located, which  
10 recommends the applicant be approved as a qualified applicant,  
11 and which indicates that the necessary commitments of local  
12 financial support for the applicant exist. Prior to the  
13 adoption of the resolution, the county commission may review  
14 the proposed public or private sources of such support and  
15 determine whether the proposed sources of local financial  
16 support can be provided or, for any applicant whose project is  
17 located in a county designated by the Rural Economic  
18 Development Initiative, a resolution adopted by the county  
19 commissioners of such county requesting that the applicant's  
20 project be exempt from the local financial support  
21 requirement.

22 13. Any additional information requested by the office  
23 division.

24 (e) To qualify for review by the office division, the  
25 application of an applicant must, at a minimum, establish the  
26 following to the satisfaction of the office division:

27 1. The jobs proposed to be provided under the  
28 application, pursuant to subparagraph (b)6. or subparagraph  
29 (c)6., must pay an estimated annual average wage equaling at  
30 least 115 percent of the average wage in the area where the  
31 project is to be located.

1           2. The consolidation of a Department of Defense  
2 contract must result in a net increase of at least 25 percent  
3 in the number of jobs at the applicant's facilities in this  
4 state or the addition of at least 80 jobs at the applicant's  
5 facilities in this state.

6           3. The conversion of defense production jobs to  
7 nondefense production jobs must result in net increases in  
8 nondefense employment at the applicant's facilities in this  
9 state.

10           4. The Department of Defense contract cannot allow the  
11 business to include the costs of relocation or retooling in  
12 its base as allowable costs under a cost-plus, or similar,  
13 contract.

14           5. A business unit of the applicant must have derived  
15 not less than 70 percent of its gross receipts in this state  
16 from Department of Defense contracts over the applicant's last  
17 fiscal year, and must have derived not less than 80 percent of  
18 its gross receipts in this state from Department of Defense  
19 contracts over the 5 years preceding the date an application  
20 is submitted pursuant to this section. This subparagraph does  
21 not apply to any application for certification based on a  
22 contract for reuse of a defense-related facility.

23           6. The reuse of a defense-related facility must result  
24 in the creation of at least 100 jobs at such facility.

25           (f) Each application meeting the requirements of  
26 paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs  
27 (d) and (e) must be submitted to the office division for a  
28 determination of eligibility. The office division shall  
29 review, evaluate, and score each application based on, but not  
30 limited to, the following criteria:

31           1. Expected contributions to the state strategic

1 economic development plan adopted by Enterprise Florida, Inc.,  
2 taking into account the extent to which the project  
3 contributes to the state's high-technology base, and the  
4 long-term impact of the project and the applicant on the  
5 state's economy.

6           2. The economic benefit of the jobs created or  
7 retained by the project in this state, taking into account the  
8 cost and average wage of each job created or retained, and the  
9 potential risk to existing jobs.

10           3. The amount of capital investment to be made by the  
11 applicant in this state.

12           4. The local commitment and support for the project  
13 and applicant.

14           5. The impact of the project on the local community,  
15 taking into account the unemployment rate for the county where  
16 the project will be located.

17           6. The dependence of the local community on the  
18 defense industry.

19           7. The impact of any tax refunds granted pursuant to  
20 this section on the viability of the project and the  
21 probability that the project will occur in this state if such  
22 tax refunds are granted to the applicant, taking into account  
23 the expected long-term commitment of the applicant to economic  
24 growth and employment in this state.

25           8. The length of the project, or the expected  
26 long-term commitment to this state resulting from the project.

27           (g) The office division shall forward its written  
28 findings and evaluation on each application meeting the  
29 requirements of paragraphs (b) and (e), paragraphs (c) and  
30 (e), or paragraphs (d) and (e) to the director ~~secretary~~  
31 within 60 calendar days of receipt of a complete application.

1 The office division shall notify each applicant when its  
2 application is complete, and when the 60-day period begins. In  
3 its written report to the director secretary, the office  
4 ~~division~~ shall specifically address each of the factors  
5 specified in paragraph (f), and shall make a specific  
6 assessment with respect to the minimum requirements  
7 established in paragraph (e). The office division shall  
8 include in its report projections of the tax refund claims  
9 that will be sought by the applicant in each fiscal year based  
10 on the information submitted in the application.

11 (h) Within 30 days after receipt of the office's  
12 ~~division's~~ findings and evaluation, the director secretary  
13 shall enter a final order that either approves or disapproves  
14 an application. The decision must be in writing and provide  
15 the justifications for either approval or disapproval. If  
16 appropriate, the director secretary shall enter into a written  
17 agreement with the qualified applicant pursuant to subsection  
18 (4).

19 (i) The director secretary may not enter any final  
20 order that certifies any applicant as a qualified applicant  
21 when the value of tax refunds to be included in that final  
22 order exceeds the available amount of authority to enter final  
23 orders as determined in s. 288.095(3)~~aggregate amount of tax~~  
24 ~~refunds for all qualified applicants projected by the division~~  
25 ~~in any fiscal year exceeds the lesser of \$25 million or the~~  
26 ~~amount appropriated for tax refunds for that fiscal year.~~ A  
27 final order that approves an application must specify the  
28 maximum amount of a tax refund that is to be available to the  
29 contractor in each fiscal year and the total amount of tax  
30 refunds for all fiscal years.

31 (j) This section does not create a presumption that an

1 applicant should receive any tax refunds under this section.

2 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND  
3 AGREEMENT.--

4 (a) A qualified applicant shall enter into a written  
5 agreement with the office ~~department~~ containing, but not  
6 limited to, the following:

7 1. The total number of full-time equivalent jobs in  
8 this state that are or will be dedicated to the qualified  
9 applicant's project, the average wage of such jobs, the  
10 definitions that will apply for measuring the achievement of  
11 these terms during the pendency of the agreement, and a time  
12 schedule or plan for when such jobs will be in place and  
13 active in this state. This information must be the same as the  
14 information contained in the application submitted by the  
15 contractor pursuant to subsection (3).

16 2. The maximum amount of a refund that the qualified  
17 applicant is eligible to receive in each fiscal year.

18 3. An agreement with the office ~~department~~ allowing  
19 the office ~~department~~ to review and verify the financial and  
20 personnel records of the qualified applicant to ascertain  
21 whether the qualified applicant is complying with the  
22 requirements of this section.

23 4. The date after which, each fiscal year, the  
24 qualified applicant may file an annual claim pursuant to  
25 subsection (5).

26 5. That local financial support shall be annually  
27 available and will be paid to the Economic Development Trust  
28 Fund.

29 (b) Compliance with the terms and conditions of the  
30 agreement is a condition precedent for receipt of tax refunds  
31 each year. The failure to comply with the terms and conditions

1 of the agreement shall result in the loss of eligibility for  
2 receipt of all tax refunds previously authorized pursuant to  
3 this section, and the revocation of the certification as a  
4 qualified applicant by the director ~~secretary~~.

5 (c) The agreement shall be signed by the director  
6 ~~secretary~~ and the authorized officer of the qualified  
7 applicant.

8 (d) The agreement must contain the following legend,  
9 clearly printed on its face in bold type of not less than 10  
10 points:

11  
12 "This agreement is neither a general obligation  
13 of the State of Florida, nor is it backed by  
14 the full faith and credit of the State of  
15 Florida. Payment of tax refunds are conditioned  
16 on and subject to specific annual  
17 appropriations by the Florida Legislature of  
18 funds sufficient to pay amounts authorized in  
19 s. 288.1045 ~~s. 288.104~~, Florida Statutes."  
20

21 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE  
22 CONTRACTOR.--

23 (a) Qualified applicants who have entered into a  
24 written agreement with the office ~~department~~ pursuant to  
25 subsection (4) and who have entered into a valid new  
26 Department of Defense contract, commenced the consolidation of  
27 a Department of Defense contract, commenced the conversion of  
28 defense production jobs to nondefense production jobs or who  
29 have entered into a valid contract for reuse of a  
30 defense-related facility may apply once each fiscal year to  
31 the office ~~Department of Commerce~~ for tax refunds. The



1 application must be made on or after the date contained in the  
2 agreement entered into pursuant to subsection (4) and must  
3 include a notarized signature of an officer of the applicant.

4 (b) The claim for refund by the qualified applicant  
5 must include a copy of all receipts pertaining to the payment  
6 of taxes for which a refund is sought, and data related to  
7 achieving each performance item contained in the tax refund  
8 agreement pursuant to subsection (4). The amount requested as  
9 a tax refund may not exceed the amount for the fiscal year in  
10 the written agreement entered pursuant to subsection (4).

11 (c) A tax refund may not be approved for any qualified  
12 applicant unless local financial support has been paid to the  
13 Economic Development Trust Fund in that fiscal year. If the  
14 local financial support is less than 20 percent of the  
15 approved tax refund, the tax refund shall be reduced. The tax  
16 refund paid may not exceed 5 times the local financial support  
17 received. Funding from local sources includes tax abatement  
18 under s. 196.1995 provided to a qualified applicant. The  
19 amount of any tax refund for an applicant approved under this  
20 section shall be reduced by the amount of any such tax  
21 abatement, and the limitations in subsection (2) and paragraph  
22 (3)(h) shall be reduced by the amount of any such tax  
23 abatement. A report listing all sources of the local financial  
24 support shall be provided to the office ~~division~~ when such  
25 support is paid to the Economic Development Trust Fund.

26 (d) The director ~~secretary~~, with assistance from the  
27 office ~~division~~, the Department of Revenue, and the Department  
28 of Labor and Employment Security, shall determine the amount  
29 of the tax refund that is authorized for the qualified  
30 applicant for the fiscal year in a written final order within  
31 30 days after the date the claim for the annual tax refund is

1 received by the office ~~Department of Commerce~~.

2 (e) The total amount of tax refunds approved by the  
3 director ~~secretary~~ under this section in any fiscal year may  
4 not exceed the amount appropriated to the Economic Development  
5 Trust Fund for such purposes for the fiscal year. If the  
6 Legislature does not appropriate an amount sufficient to  
7 satisfy projections by the office ~~division~~ for tax refunds in  
8 a fiscal year, the director ~~secretary~~ shall, not later than  
9 July 15 of such year, determine the proportion of each refund  
10 claim which shall be paid by dividing the amount appropriated  
11 for tax refunds for the fiscal year by the projected total  
12 amount of refund claims for the fiscal year. The amount of  
13 each claim for a tax refund shall be multiplied by the  
14 resulting quotient. If, after the payment of all such refund  
15 claims, funds remain in the Economic Development Trust Fund  
16 for tax refunds, the director ~~secretary~~ shall recalculate the  
17 proportion for each refund claim and adjust the amount of each  
18 claim accordingly.

19 (f) Upon approval of the tax refund pursuant to  
20 paragraphs (c) and (d), the Comptroller shall issue a warrant  
21 for the amount included in the final order. In the event of  
22 any appeal of the final order, the Comptroller may not issue a  
23 warrant for a refund to the qualified applicant until the  
24 conclusion of all appeals of the final order.

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

30 (6) ADMINISTRATION.--

31 (a) The office may ~~department shall~~ adopt rules

1 pursuant to chapter 120 for the administration of this  
2 section.

3 (b) The office ~~department~~ may verify information  
4 provided in any claim submitted for tax credits under this  
5 section with regard to employment and wage levels or the  
6 payment of the taxes with the appropriate agency or authority  
7 including the Department of Revenue, the Department of Labor  
8 and Employment Security, or any local government or authority.

9 (c) To facilitate the process of monitoring and  
10 auditing applications made under this program, the office  
11 ~~department~~ may provide a list of qualified applicants to the  
12 Department of Revenue, the Department of Labor and Employment  
13 Security, or to any local government or authority. The office  
14 ~~department~~ may request the assistance of said entities with  
15 respect to monitoring the payment of the taxes listed in  
16 subsection (2).

17 (d) By December 1 of each year, the office ~~department~~  
18 shall submit a complete and detailed report to the Governor,  
19 the President of the Senate, and the Speaker of the House of  
20 Representatives of all tax refunds paid under this section,  
21 including analyses of benefits and costs, types of projects  
22 supported, employment and investment created, geographic  
23 distribution of tax refunds granted, and minority business  
24 participation. The report must indicate whether the moneys  
25 appropriated by the Legislature to the qualified applicant tax  
26 refund program were expended in a prudent, fiducially sound  
27 manner.

28 (7) EXPIRATION.--An applicant may not be certified as  
29 qualified under this section after June 30, 1999.

30 Section 41. Paragraph (b) of subsection (4) of section  
31 288.106, Florida Statutes, is amended to read:

1           288.106 Tax refund program for qualified target  
2 industry businesses.--

3           (4) APPLICATION AND APPROVAL PROCESS.--

4           (b) To qualify for review by the office, the  
5 application of a target industry business must, at a minimum,  
6 establish the following to the satisfaction of the office:

7           1. The jobs proposed to be provided under the  
8 application, pursuant to subparagraph (a)4., must pay an  
9 estimated annual average wage equaling at least 115 percent of  
10 the average private sector wage in the area where the business  
11 is to be located or the statewide private sector average wage.  
12 The office may waive this average wage requirement at the  
13 request of the local governing body recommending the project  
14 and Enterprise Florida, Inc. The wage requirement may only be  
15 waived for a project located in a rural city or county or in  
16 an enterprise zone and only when the merits of the individual  
17 project or the specific circumstances in the community in  
18 relationship to the project warrant such action. If the local  
19 governing body and Enterprise Florida, Inc., make such a  
20 recommendation, it must be transmitted in writing and the  
21 specific justification for the waiver recommendation must be  
22 explained. If the director elects to waive the wage  
23 requirement, the waiver must be stated in writing and the  
24 reasons for granting the waiver must be explained.

25           2. The target industry business's project must result  
26 in the creation of at least 10 jobs at such project and, if an  
27 expansion of an existing business, must result in a net  
28 increase in employment of not less than 10 percent at such  
29 business. Notwithstanding the definition of the term  
30 "expansion of an existing business" under paragraph (2)(g), at  
31 the request of the local governing body recommending the

1 project and Enterprise Florida, Inc., the office may define an  
2 "expansion of an existing business" in a rural city, a rural  
3 county, or an enterprise zone as the expansion of a business  
4 resulting in a net increase in employment of less than 10  
5 percent at such business, if the merits of the individual  
6 project or the specific circumstances in the community in  
7 relationship to the project warrant such action. If the local  
8 governing body and Enterprise Florida, Inc., make such a  
9 request, it must be transmitted in writing and the specific  
10 justification for the request must be explained. If the  
11 director elects to accept such request, such election must be  
12 stated in writing and the reason for granting the request must  
13 be explained.

14           3. The business activity or product for the  
15 applicant's project is within an industry or industries that  
16 have been identified by the office to be high-value-added  
17 industries that contribute to the area and to the economic  
18 growth of the state and that produce a higher standard of  
19 living for citizens of this state in the new global economy or  
20 that can be shown to make an equivalent contribution to the  
21 area and state's economic progress.

22           Section 42. Section 15.18, Florida Statutes, is  
23 amended to read:

24           15.18 International and cultural relations.--The  
25 Divisions of Cultural Affairs, Historical Resources, and  
26 Library and Information Services of the Department of State  
27 promote programs having substantial cultural, artistic, and  
28 indirect economic significance that emphasize American  
29 creativity. The Secretary of State, as the head administrator  
30 of these divisions, shall hereafter be known as "Florida's  
31 Chief Cultural Officer." As this officer, the Secretary of

1 State is encouraged to initiate and develop relationships  
2 between the state and foreign cultural officers, their  
3 representatives, and other foreign governmental officials in  
4 order to promote Florida as the center of American creativity.  
5 The Secretary of State shall coordinate international  
6 activities pursuant to this section with Enterprise Florida,  
7 Inc., and any other organization the secretary deems  
8 appropriate ~~the Florida International Affairs Commission~~. For  
9 the accomplishment of this purpose, the Secretary of State  
10 shall have the power and authority to:

11 (1) Disseminate any information pertaining to the  
12 State of Florida which promotes the state's cultural assets.

13 (2) Plan and carry out activities designed to cause  
14 improved cultural and governmental programs and exchanges with  
15 foreign countries.

16 (3) Plan and implement cultural and social activities  
17 for visiting foreign heads of state, diplomats, dignitaries,  
18 and exchange groups.

19 (4) Encourage and cooperate with other public and  
20 private organizations or groups in their efforts to promote  
21 the cultural advantages of Florida.

22 (5) Establish and maintain the list prescribed in s.  
23 55.605(2)(g), relating to recognition of foreign money  
24 judgments.

25 ~~(6)(5)~~ Serve as the liaison with all foreign consular  
26 and ambassadorial corps, as well as international  
27 organizations, that are consistent with the purposes of this  
28 section.

29 ~~(7)(6)~~ Provide, arrange, and make expenditures for the  
30 achievement of any or all of the purposes specified in this  
31 section.

1           ~~(8)(7)~~ Notwithstanding the provisions of part I of  
2 chapter 287, promulgate rules for entering into contracts  
3 which are primarily for promotional services and events, which  
4 may include commodities involving a service. Such rules shall  
5 include the authority to negotiate costs with the offerors of  
6 such services and commodities who have been determined to be  
7 qualified on the basis of technical merit, creative ability,  
8 and professional competency. The rules shall only apply to the  
9 expenditure of funds donated for promotional services and  
10 events. Expenditures of appropriated funds shall be made only  
11 in accordance with part I of chapter 287.

12           Section 43. Paragraph (g) of subsection (2) of section  
13 55.605, Florida Statutes, is amended to read:

14           55.605 Grounds for nonrecognition.--

15           (2) A foreign judgment need not be recognized if:

16           (g) The foreign jurisdiction where judgment was  
17 rendered would not give recognition to a similar judgment  
18 rendered in this state. For purposes of this paragraph, the  
19 Secretary of State shall establish and maintain a list of  
20 foreign jurisdictions where the condition specified in this  
21 paragraph has been found to apply.

22           Section 44. Sections 288.99, 288.9951, 288.9952,  
23 288.9953, 288.9954, 288.9955, 288.9956, and 288.9957, Florida  
24 Statutes, are designated as part XI of chapter 288, Florida  
25 Statutes, and the Division of Statutory Revision is requested  
26 to designate that part "Workforce Development Board."

27           Section 45. Section 288.9620, Florida Statutes, is  
28 transferred, renumbered as section 288.99, Florida Statutes,  
29 and amended to read:

30           (Substantial rewording of section. See  
31 s. 288.9620, F.S., for present text.)

1           288.99 Workforce Development Board.--  
2           (1) The Legislature finds that the growth and  
3 competitive strength of Florida's economy depend upon the  
4 state's ability to attract and support industries that add to  
5 the value of the state's social capital as well as to its  
6 economic capital. It is crucial to the retention and growth of  
7 these high-value-added industries to assure that skilled human  
8 resources are adequate in quality and quantity. The  
9 Legislature intends to adopt a uniform policy to guide  
10 education, training, and employment programs, so that the  
11 combined efforts of all the programs accomplish the following  
12 objectives:  
13           (a) Provide for a skilled workforce to enable Florida  
14 to compete in a global economy.  
15           (b) Respond to changes in technology and to emerging  
16 industries.  
17           (c) Promote the development of market-driven programs  
18 through a planning and funding system based upon products of  
19 the Occupational Forecasting Conference created in s. 216.136.  
20           (d) Base evaluations of program success on student and  
21 participant outcomes rather than processes.  
22           (e) Coordinate state, federal, local, and private  
23 funds for maximum impact.  
24           (f) Encourage the participation, education, and  
25 training of members of populations selected by state or  
26 federal policy to receive additional resources, guidance, or  
27 services. The selected populations must include people with  
28 disabilities or economic disadvantages, especially those who  
29 are participants in the WAGES Program, are eligible for public  
30 assistance, or are dislocated workers.  
31           (2) There is created within the nonprofit corporate



1 structure of Enterprise Florida, Inc., a nonprofit  
2 public-private Workforce Development Board. The purpose of  
3 the Workforce Development Board, also known as the Jobs and  
4 Education Partnership, is to create a Florida economy  
5 characterized by better employment opportunities leading to  
6 higher wages by creating and maintaining a highly skilled  
7 workforce that responds to the rapidly changing technology and  
8 diversified market opportunities critical to this mission.

9 (3)(a) The Workforce Development Board shall be  
10 governed by a board of directors consisting of the following  
11 members:

- 12 1. The Commissioner of Education.
- 13 2. The Secretary of the Department of Elderly Affairs.
- 14 3. The Secretary of the Department of Children and  
15 Family Services.
- 16 4. The Secretary of the Department of Labor and  
17 Employment Security.
- 18 5. The Chancellor of the State University System or  
19 the Chancellor's designee.
- 20 6. The Executive Director of the State Community  
21 College System or the executive director's designee.
- 22 7. A member of the Senate, to be appointed by the  
23 President of the Senate as an ex officio member of the board  
24 and serve at the pleasure of the President.
- 25 8. A member of the House of Representatives, to be  
26 appointed by the Speaker of the House of Representatives as an  
27 ex officio member of the board and serve at the pleasure of  
28 the Speaker.
- 29 9. Eleven to 13 members from the public and private  
30 sectors who possess an understanding of the broad spectrum of  
31 education, training, and employment needs of the residents of

1 the state, with the majority from the private sector, to be  
2 appointed by the Governor, subject to Senate confirmation.  
3 Membership must be consistent with Pub. L. No. 97-300, as  
4 amended, including the requirement that organized labor  
5 representatives must constitute not less than 15 percent of  
6 the membership and represent those industries critical to the  
7 state's economic base, as well as that portion of the state's  
8 population which has limited employment skills and work  
9 experience. The members from the public sector must also  
10 include an occupational dean of a community college and a  
11 school district vocational director with responsibility for  
12 postsecondary programs. The members from the private sector  
13 must include a private business representative from a private  
14 industry council, at least one representative of a regional  
15 workforce development board, a representative of organized  
16 labor, as well as two representatives from licensed, private  
17 postsecondary institutions in the state currently  
18 participating in vocational education and job training  
19 programs provided that at least one of these members is  
20 recommended by the Florida Association of Postsecondary  
21 Schools and Colleges.

22 (b) Additional members may be appointed, subject to  
23 Senate confirmation, when necessary to conform to the  
24 requirements of the Job Training Partnership Act or the  
25 requirements of any other federal act establishing or  
26 designating a Human Resources Investment Council or other  
27 federal workforce development board.

28 (c) Private-sector members appointed by the Governor  
29 must be appointed for 4-year, staggered terms. Public-sector  
30 members appointed by the Governor must be appointed to 4-year  
31 terms. At least 50 percent of the Governor's appointees must

1 be members of regional workforce development boards. The  
2 regional workforce development boards may nominate members for  
3 the Governor's consideration.

4 (d) The chair of the board of directors of the  
5 Workforce Development Board and the vice chair of the board of  
6 directors of Enterprise Florida, Inc., shall jointly select a  
7 list of nominees for appointment to the board of directors of  
8 the Workforce Development Board from a slate of candidates  
9 submitted by the board of directors of Enterprise Florida,  
10 Inc. The chair of the board of directors of the Workforce  
11 Development Board and vice chair of the board of directors of  
12 Enterprise Florida, Inc., may request that additional  
13 candidates be submitted by the board of directors of  
14 Enterprise Florida, Inc., if the chair and vice chair cannot  
15 agree on a list of nominees submitted. Appointments to the  
16 board of directors of the Workforce Development Board shall be  
17 made by the Governor from the list of nominees jointly  
18 selected by the chair of the board of directors of the  
19 Workforce Development Board and vice chair of the board of  
20 directors of Enterprise Florida, Inc. Appointees shall  
21 represent all geographic regions of the state, including both  
22 urban and rural regions. The importance of minority and  
23 gender representation shall be considered when making  
24 nominations for each position on the board of directors of the  
25 Workforce Development Board. A vacancy on the board of  
26 directors of the Workforce Development Board shall be filled  
27 for the remainder of the unexpired term in the same manner as  
28 the original appointment.

29 (e) The Governor shall appoint members from the public  
30 sector and private sector to the board of directors of the  
31 Workforce Development Board within 30 days after the receipt

1 of the nominations from the board of directors of Enterprise  
2 Florida, Inc.

3 (f) A member of the board of directors of the  
4 Workforce Development Board may be removed by the Governor for  
5 cause. Absence from three consecutive meetings results in  
6 automatic removal.

7 (4) The board of directors of the Workforce  
8 Development Board may appoint subcommittees to fulfill its  
9 responsibilities, to comply with federal requirements, or to  
10 obtain technical assistance and must incorporate members of  
11 regional workforce development boards and former boards and  
12 commissions into its structure. These subcommittees may  
13 provide the board of directors of the Workforce Development  
14 Board with technical advice, policy consultation, and  
15 information about workforce development issues.

16 (5)(a) The board of directors of the Workforce  
17 Development Board shall be chaired by a board member  
18 designated by the Governor.

19 (b) The president of the Workforce Development Board  
20 shall be hired by the president of Enterprise Florida, Inc.,  
21 and shall serve in the capacity of an executive director and  
22 secretary of the Workforce Development Board. The president of  
23 Enterprise Florida, Inc., shall hire any additional staff  
24 within the parameters established by the board of directors of  
25 Enterprise Florida, Inc.

26 (c) The board of directors of the Workforce  
27 Development Board shall meet at least quarterly and at other  
28 times upon call of its chair.

29 (d) A majority of the total current membership of the  
30 board of directors of the Workforce Development Board  
31 comprises a quorum of the board.

1       (e) A majority of those voting is required to organize  
2 and conduct the business of the Workforce Development Board,  
3 except that a majority of the entire board of directors of the  
4 Workforce Development Board is required to adopt or amend the  
5 operational plan.

6       (f) Except as delegated or authorized by the board of  
7 directors of the Workforce Development Board, individual  
8 members have no authority to control or direct the operations  
9 of the Workforce Development Board or the actions of its  
10 officers and employees, including the president.

11       (g) The board of directors of the Workforce  
12 Development Board may delegate to its president those powers  
13 and responsibilities it deems appropriate.

14       (h) Members of the board of directors of the Workforce  
15 Development Board and its subcommittees shall serve without  
16 compensation, but these members, the president, and all  
17 employees of the Workforce Development Board may be reimbursed  
18 for all reasonable, necessary, and actual expenses, as  
19 determined by the board of directors of Enterprise Florida,  
20 Inc.

21       (i) The board of directors of the Workforce  
22 Development Board may establish an executive committee  
23 consisting of the chair and at least two additional board  
24 members selected by the board of directors. The executive  
25 committee shall have such authority as the board of directors  
26 of the Workforce Development Board delegates to it, except  
27 that the board of directors may not delegate to the executive  
28 committee authority to take action that requires approval by a  
29 majority of the entire board of directors.

30       (j) Each member of the board of directors of the  
31 Workforce Development Board who is not otherwise required to

1 file a financial disclosure pursuant to s. 8, Art. II of the  
2 State Constitution or s. 112.3144 must file disclosure of  
3 financial interests pursuant to s. 112.3145.

4 (6) The Workforce Development Board shall have all the  
5 powers and authority, not explicitly prohibited by statute,  
6 necessary or convenient to carry out and effectuate the  
7 purposes of this section, as well as its functions, duties,  
8 and responsibilities, including, but not limited to, the  
9 following:

10 (a) Advising and assisting in the formulation and  
11 coordination of the state's economic policy regarding  
12 workforce development critical to achieve the purposes of the  
13 board, as stated in this section and consistent with the  
14 policies of the board of directors of Enterprise Florida, Inc.

15 (b) Using a corporate seal.

16 (c) Advising and assisting in developing the state's  
17 strategic workforce development plan and subsequent  
18 implementation plans as part of the strategic economic  
19 development plan of Enterprise Florida, Inc.

20 (d) Designing the state's workforce development  
21 strategy as the state's Human Resource Investment Council,  
22 recommending a market-driven, placement-based,  
23 community-managed, and customer-focused workforce development  
24 system and promoting that system's implementation at the state  
25 and local level. The strategy should establish standards and  
26 measures for job placement cost, direct customer service  
27 costs, and overall service delivery costs to measure  
28 performance for various categories of workers as well as  
29 performance when taking into account the difficulties  
30 confronted by workers. Unless otherwise required by federal  
31 law, at least 90 percent of the funding covered by this

1 strategy must go into direct customer service costs. Of the  
2 allowable administrative overhead, appropriate amounts shall  
3 be expended to procure independent job placement performance  
4 evaluations.

5 (e) Evaluating the performance and effectiveness of  
6 Florida's workforce development programs.

7 (f) Reporting to the board of directors of Enterprise  
8 Florida, Inc., regarding its recommendations, functions,  
9 duties, and responsibilities.

10 (g) Soliciting, borrowing, accepting, receiving,  
11 investing, and expending funds from any public or private  
12 source.

13 (h) Contracting with public and private entities as  
14 necessary to further the directives of this section, except  
15 that any contract made with an organization represented on the  
16 board of directors of Enterprise Florida, Inc., or on the  
17 board of directors of the Workforce Development Board must be  
18 approved by a two-thirds vote of the entire board of directors  
19 of the Workforce Development Board, and, if applicable, the  
20 board member representing such organization shall abstain from  
21 voting. No more than 65 percent of the dollar value of all  
22 contracts or other agreements entered into in any fiscal year,  
23 exclusive of grant programs, shall be made with an  
24 organization represented on the board of directors of  
25 Enterprise Florida, Inc., or the board of directors of the  
26 Workforce Development Board. An organization represented on  
27 the board of directors of the Workforce Development Board or  
28 on the board of directors of Enterprise Florida, Inc., may not  
29 enter into a contract to receive a state-funded economic  
30 development incentive or similar grant, unless such incentive  
31 award is specifically endorsed by a two-thirds vote of the

1 entire board of directors of the Workforce Development Board.  
2 The member of the board of directors of the Workforce  
3 Development Board representing such organization, if  
4 applicable, shall abstain from voting and refrain from  
5 discussing the issue with other members of the board. No more  
6 than 50 percent of the dollar value of grants issued by the  
7 board in any fiscal year may go to businesses associated with  
8 members of the board of directors of the Workforce Development  
9 Board.

10 (i) Approving an annual budget.  
11 (j) Carrying forward any unexpended state  
12 appropriations into succeeding fiscal years.

13 (k) Providing an annual report to the board of  
14 directors of Enterprise Florida, Inc., by November 1 which  
15 includes a copy of an annual financial and compliance audit of  
16 its accounts and records conducted by an independent certified  
17 public accountant and performed in accordance with rules  
18 adopted by the Auditor General.

19 (l) Serving as the designated State Human Resource  
20 Investment Council, as described in Pub. L. No. 102-367, Title  
21 VII, with responsibility for policy, planning, and  
22 accountability for the state's workforce development strategy.

23 (m) Working with affected communities, councils, and  
24 agencies to develop and implement a transition plan  
25 consolidating and coordinating these groups and their funding  
26 into the state's workforce development strategy.

27 (n) Implementing a charter process that uses regional  
28 workforce development boards whose membership,  
29 responsibilities, and authority must be consistent with  
30 federal and state law. Such charter process must align local  
31 workforce groups' resources and services under the regional



1 workforce development boards' plans to eliminate unwarranted  
2 duplication, minimize administrative costs, and increase  
3 responsiveness to business, communities, and workers.

4 (o) Identifying resources that can be directed to  
5 charters and designs that can make state expenditures more  
6 job-placement-focused and performance-based.

7 (p) Establishing procedures to award resources and  
8 incentives to chartered communities and to measure the job  
9 placement outcomes of those charters, rewarding positive  
10 outcomes, and penalizing negative outcomes, ultimately  
11 revoking failing charters. Notwithstanding s. 216.351, to  
12 allow time for documenting program performance, funds  
13 allocated for the incentives provided in this section and s.  
14 239.249 must be carried forward to the next fiscal year and  
15 must be awarded for the current year's performance, unless  
16 federal law requires the funds to revert at the year's end.

17 (q) Developing workforce development innovations in  
18 consultation with business, labor, community groups, workforce  
19 development groups, educational institutions, research groups,  
20 and agencies.

21 (7) The Workforce Development Board may take any  
22 action that it deems necessary to achieve the purposes of this  
23 section and consistent with the policies of the board of  
24 directors of Enterprise Florida, Inc., in partnership with  
25 private enterprises, public agencies, and other organizations.  
26 The Workforce Development Board shall advise and make  
27 recommendations to the board of directors of Enterprise  
28 Florida, Inc., and through that board of directors to the  
29 State Board of Education and the Legislature concerning action  
30 needed to bring about the following benefits to the state's  
31 social and economic resources:

1       (a) A state employment, education, and training policy  
2 that ensures that programs to prepare workers are responsive  
3 to present and future business and industry needs and  
4 complement the initiatives of the boards of Enterprise  
5 Florida, Inc.

6       (b) A funding system that provides incentives to  
7 improve the outcomes of vocational education programs, and of  
8 registered apprenticeship and work-based learning programs,  
9 and that focuses resources on occupations related to new or  
10 emerging industries that add greatly to the value of the  
11 state's economy.

12       (c) A comprehensive approach to the education and  
13 training of target populations such as those who have  
14 disabilities, are economically disadvantaged, receive public  
15 assistance, are not proficient in English, or are dislocated  
16 workers. This approach should ensure the effective use of  
17 federal, state, local, and private resources in reducing the  
18 need for public assistance.

19       (d) The designation of institutes of applied  
20 technology composed of postsecondary institutions working  
21 together with business and industry to ensure that technical  
22 and vocational education programs use the most advanced  
23 technology and instructional methods available and respond to  
24 the changing needs of business and industry.

25       (e) A system to project and evaluate labor market  
26 supply and demand using the results of the Occupational  
27 Forecasting Conference created in s. 216.136 and the career  
28 education performance standards identified in s. 239.233.

29       (f) A review of the performance of public programs  
30 that are responsible for economic development, education,  
31 employment, and training. The review must include an analysis

1 of the return on investment of these programs.

2 (8) By December 1 of each year, Enterprise Florida,  
3 Inc., shall submit to the Governor, the President of the  
4 Senate, the Speaker of the House of Representatives, the  
5 Senate Minority Leader, and the House Minority Leader a  
6 complete and detailed report by the Workforce Development  
7 Board setting forth:

8 (a) The audit in subsection (9), if conducted.

9 (b) The operations and accomplishments of the  
10 partnership including the programs or entities listed in  
11 subsection (7).

12 (9) The Auditor General may, pursuant to his or her  
13 own authority or at the direction of the Legislative Auditing  
14 Committee, conduct an audit of the Workforce Development Board  
15 or the programs or entities created by the Workforce  
16 Development Board.

17 (10) The Workforce Development Board, in collaboration  
18 with the regional workforce development boards, the Office of  
19 Program Policy Analysis and Government Accountability, and  
20 appropriate state agencies and local public and private  
21 service providers, must establish uniform measures and  
22 standards, to gauge the performance of the workforce  
23 development strategy. These measures and standards must be  
24 organized into three outcome tiers.

25 (a) The first tier must be organized to provide  
26 benchmarks for systemwide outcomes. The Workforce Development  
27 Board must, in collaboration with the Office of Program Policy  
28 Analysis and Government Accountability, establish goals for  
29 the tier one outcomes. The resources of the University of  
30 Florida Bureau of Economics and Business Research, the  
31 Department of Labor and Employment Security, the Commission on

1 Government Accountability to the People, the Florida Education  
2 and Training Placement Information Program, and the  
3 Occupational Forecasting Conference, as well as any other  
4 relevant federal, state, or private sources, may be consulted  
5 for assistance in establishing standards and measures, for  
6 providing data collection and ensuring data reliability, or  
7 for data evaluation and interpretation by the Workforce  
8 Development Board. Systemwide outcomes may include employment  
9 in occupations demonstrating continued growth in wages,  
10 continued employment after 3, 6, 12, and 24 months, reduction  
11 in and elimination of public assistance reliance, job  
12 placement, employer satisfaction, and positive return on  
13 investment of public resources.

14 (b) The second tier must be organized to provide a set  
15 of benchmark outcomes for each of the four strategic  
16 components of the workforce development strategy. A set of  
17 standards and measures must be developed for One-Stop Career  
18 Centers, School-to-Work, Welfare-to-Work, and High Skills/High  
19 Wage, targeting the specific goals of that particular  
20 strategy. Cost per entered employment, earnings at placement,  
21 retention in employment, job placement, and entered employment  
22 rate must be included among the performance outcome measures.  
23 The resources of the University of Florida Bureau of Economics  
24 and Business Research, the Department of Labor and Employment  
25 Security, the Commission on Government Accountability to the  
26 People, the Florida Education and Training Placement  
27 Information Program, and the Occupational Forecasting  
28 Conference, as well as any other relevant federal, state, or  
29 private sources, may be consulted for assistance in  
30 establishing standards and measures, for providing data  
31 collection and ensuring data reliability, or for data

1 evaluation and interpretation by the Workforce Development  
2 Board.

3 1. Appropriate measures for One-Stop Career Centers  
4 may include direct job placements at minimum wage, at a wage  
5 level established by the Occupational Forecasting Conference,  
6 and at a wage level above the level established by the  
7 Occupational Forecasting Conference.

8 2. Appropriate measures for the School-to-Work  
9 component may include the number of students enrolling and  
10 completing work-based programs including apprenticeship  
11 programs, job placement rate, job retention rate, wage at  
12 placement, and wage growth.

13 3. Welfare-to-Work measures may include job placement  
14 rate, job retention rate, wage at placement, wage growth,  
15 reduction and elimination of reliance on public assistance,  
16 and savings resulting from reduced reliance on public  
17 assistance.

18 4. High Skills/High Wage measures may include job  
19 placement rate, job retention rate, wage at placement, and  
20 wage growth.

21 (c) A third tier of measures and standards shall be  
22 the operational and output measures to be used by the agency  
23 implementing programs, and it may be specific to federal  
24 requirements. The tier three standards must be developed by  
25 the agencies implementing programs, and the Workforce  
26 Development Board may be consulted in this effort. Such  
27 outputs must be reported to the Workforce Development Board by  
28 the appropriate implementing agency.

29 (d) Regional differences must be reflective of the  
30 establishment of performance goals and may include job  
31 availability, unemployment rates, average worker wage, and

1 available employable population. All performance goals must be  
2 derived from the goals, principles, and strategies established  
3 in the Workforce Florida Act of 1996.

4 (e) Job placement must be reported pursuant to s.  
5 229.8075. Positive outcomes for providers of education and  
6 training must be consistent with ss. 239.233 and 239.245.

7 (f) The uniform measures of success that are adopted  
8 by the Workforce Development Board or the regional workforce  
9 development boards must be developed in a manner that provides  
10 for an equitable comparison of the relative success or failure  
11 of any service provider in terms of positive outcomes.

12 Section 46. Section 446.601, Florida Statutes, is  
13 transferred, renumbered as section 288.9951, Florida Statutes,  
14 and amended to read:

15 288.9951 ~~446.601~~ Short title; legislative intent.--

16 (1) This section may be cited as the "Workforce  
17 Florida Act of 1996."

18 (2) The goal of this section is to utilize the  
19 workforce development system to upgrade dramatically  
20 Floridians' workplace skills, economically benefiting the  
21 workforce, employers, and the state.

22 (3) These principles should guide the state's efforts:

23 (a) Floridians must upgrade their skills to succeed in  
24 today's workplace.

25 (b) In business, workforce skills are the key  
26 competitive advantage.

27 (c) Workforce skills will be Florida's key  
28 job-creating incentive for business.

29 (d) Budget cuts, efficiency, effectiveness, and  
30 accountability mandate the consolidation of program services  
31 and the elimination of unwarranted duplication.

- 1 (e) Streamlined state and local partnerships must  
2 focus on outcomes, not process.
- 3 (f) Locally designed, customer-focused, market-driven  
4 service delivery works best.
- 5 (g) Job training curricula must be developed in  
6 concert with the input and needs of existing employers and  
7 businesses, and must consider the anticipated demand for  
8 targeted job opportunities, as specified by the Occupational  
9 Forecasting Conference under s. 216.136.
- 10 (h) Job placement, job retention, and  
11 return-on-investment should control workforce development  
12 expenditures and be a part of the measure for success and  
13 failure.
- 14 (i) Success will be rewarded and failure will have  
15 consequences.
- 16 (j) Job placement success will be publicly measured  
17 and reported to the Legislature.
- 18 (k) Apprenticeship programs, pursuant to s. 446.011,  
19 which provide a valuable opportunity for preparing citizens  
20 for productive employment, will be encouraged.
- 21 (4) The workforce development strategy shall be  
22 designed by the Workforce Development Board ~~Enterprise Florida~~  
23 ~~Jobs and Education Partnership~~ pursuant to s. 288.99 ~~s.~~  
24 ~~288.0475~~, and shall be centered around the four integrated  
25 strategic components of One-Stop Career Centers,  
26 School-to-Work, Welfare-to-Work, and High Skills/High Wage  
27 Jobs.
- 28 (a) One-Stop Career Centers are the state's initial  
29 customer-service contact strategy for offering every Floridian  
30 access, through service sites, telephone, or computer  
31 networks, to the following services:

- 1           1. Job search, referral, and placement assistance.
- 2           2. Career counseling and educational planning.
- 3           3. Consumer reports on service providers.
- 4           4. Recruitment and eligibility determination.
- 5           5. Support services, including child care and
- 6 transportation.
- 7           6. Employability skills training.
- 8           7. Adult education and basic skills training.
- 9           8. Technical training leading to a certification and
- 10 degree.
- 11          9. Claim filing for unemployment compensation
- 12 services.
- 13          10. Temporary income, health, nutritional, and housing
- 14 assistance.
- 15          11. Child care and transportation assistance to gain
- 16 employment.
- 17          12. Other appropriate and available workforce
- 18 development services.
- 19          (b) School-to-Work is the state's youth and adult
- 20 workforce education strategy for coordinating business,
- 21 education, and the community to support students in achieving
- 22 long-term career goals, and for ensuring the workforce is
- 23 prepared with the academic and occupational skills required
- 24 for success.
- 25          (c) Welfare-to-Work is the state's strategy for
- 26 encouraging self-sufficiency and minimizing dependence upon
- 27 public assistance by emphasizing job placement and transition
- 28 support services for welfare recipients.
- 29          (d) High Skills/High Wage is the state's strategy for
- 30 aligning education and training programs with the Occupational
- 31 Forecasting Conference under s. 216.136, for meeting the job



1 demands of the state's existing businesses, and for providing  
2 a ready workforce which is integral to the state's economic  
3 development goal of attracting new and expanding businesses.

4 (5) The workforce development system shall utilize a  
5 charter process approach aimed at encouraging local design and  
6 control of service delivery and targeted activities. The  
7 Workforce Development Board ~~Enterprise Florida Jobs and~~  
8 ~~Education Partnership~~ shall be responsible for granting  
9 charters to regional workforce development boards which have a  
10 membership consistent with the requirements of federal and  
11 state law and which have developed a plan consistent with the  
12 state's workforce development strategy and with the strategic  
13 components of One-Stop Career Centers, School-to-Work,  
14 Welfare-to-Work, and High Skills/High Wage. The plan shall  
15 specify methods for allocating the resources and programs in a  
16 manner that eliminates unwarranted duplication, minimizes  
17 administrative costs, meets the existing job market demands  
18 and the job market demands resulting from successful economic  
19 development activities, ensures access to quality workforce  
20 development services for all Floridians, and maximizes  
21 successful outcomes. As part of the charter process, the  
22 Workforce Development Board ~~Enterprise Florida Jobs and~~  
23 ~~Education Partnership~~ shall establish incentives for effective  
24 coordination of federal and state programs, outline rewards  
25 for successful job placements, and institute collaborative  
26 approaches among local service providers. Local  
27 decisionmaking and control shall be important components for  
28 inclusion in this charter application.

29 Section 47. Section 446.602, Florida Statutes, is  
30 transferred, renumbered as section 288.9952, Florida Statutes,  
31 and amended to read:

1            288.9952 ~~446.602~~ Regional workforce development  
2 boards.--

3            (1) One regional workforce development board shall be  
4 appointed in each designated service delivery area. The  
5 membership and responsibilities of the board shall be  
6 consistent with Pub. L. No. 97-300, as amended. The board  
7 shall be appointed by the chief elected official or his or her  
8 designee of the local county or city governing bodies or  
9 consortiums of county and/or city governmental units that  
10 exist through interlocal agreements and shall include:

11            (a) At least 51 percent of the members of each board  
12 being from the private sector and being chief executives,  
13 chief operating officers, owners of business concerns, or  
14 other private sector executives with substantial management or  
15 policy responsibility.

16            (b) Representatives of organized labor and  
17 community-based organizations, who shall constitute not less  
18 than 15 percent of the board members.

19            (c) Representatives of educational agencies, including  
20 presidents of local community colleges, superintendents of  
21 local school districts, licensed private postsecondary  
22 educational institutions participating in vocational education  
23 and job training in the state and conducting programs on the  
24 Occupational Forecasting Conference list or a list validated  
25 by the regional workforce development board; vocational  
26 rehabilitation agencies; economic development agencies; public  
27 assistance agencies; and public employment service. One of  
28 the representatives from licensed private postsecondary  
29 educational institutions shall be from a degree-granting  
30 institution, and one from an institution offering certificate  
31 or diploma programs. One of these members shall be a

1 nonprofit, community-based organization which provides direct  
2 job training and placement services to hard-to-serve  
3 individuals including the target population of people with  
4 disabilities.

5  
6 The current Private Industry Council may be restructured, by  
7 local agreement, to meet the criteria for a regional workforce  
8 development board.

9 (2) In addition to the duties and functions specified  
10 by the Workforce Development Board ~~Enterprise Florida Jobs and~~  
11 ~~Education Partnership~~ and by the interlocal agreement approved  
12 by the local county or city governing bodies, the regional  
13 workforce development board shall have the following  
14 responsibilities:

15 (a) Review, approve, and ratify the local Job Training  
16 Partnership Act plan which also must be signed by the chief  
17 elected officials.

18 (b) Conclude agreements necessary to designate the  
19 fiscal agent and administrative entity.

20 (c) Complete assurances required for the Workforce  
21 Development Board ~~Enterprise Florida Jobs and Education~~  
22 ~~Partnership~~ charter process and provide ongoing oversight  
23 related to administrative costs, duplicated services, career  
24 counseling, economic development, equal access, compliance and  
25 accountability, and performance outcomes.

26 (3) The Workforce Development Board ~~Enterprise Florida~~  
27 ~~Jobs and Education Partnership~~ shall, ~~by January 1, 1997,~~  
28 design and implement a training program for the regional  
29 workforce development boards to familiarize board members with  
30 the state's workforce development goals and strategies.

31

1 The regional workforce development board shall designate all  
2 local service providers and shall not transfer this authority  
3 to a third party. In order to exercise independent oversight,  
4 the regional workforce development board shall not be a direct  
5 provider of intake, assessment, eligibility determinations, or  
6 other direct provider services.

7 Section 48. Section 446.603, Florida Statutes, is  
8 transferred, renumbered as section 288.9953, Florida Statutes,  
9 and amended to read:

10 288.9953 ~~446.603~~ Untried Worker Placement and  
11 Employment Incentive Act.--

12 (1) This section may be cited as the "Untried Worker  
13 Placement and Employment Incentive Act."

14 (2) For purposes of this section, the term "untried  
15 worker" means a person who is a hard-to-place participant in  
16 the welfare-to-work programs of the Department of Labor and  
17 Employment Security or the Department of Children and Family  
18 ~~Health and Rehabilitative~~ Services because they have  
19 limitations associated with the long-term receipt of welfare  
20 and difficulty in sustaining employment.

21 (3) The Department of Labor and Employment Security  
22 and the Department of Children and Family ~~Health and~~  
23 ~~Rehabilitative~~ Services, working with the Workforce  
24 Development Board ~~Enterprise Florida Jobs and Education~~  
25 ~~Partnership~~, shall develop five Untried Worker Placement and  
26 Employment Incentive pilot projects in at least five different  
27 counties.

28 (4) In these pilots, incentive payments will be made  
29 to for-profit or not-for-profit agents selected by the  
30 regional workforce development boards who successfully place  
31 untried workers in full-time employment for 6 months with an

1 employer after the employee successfully completes a  
2 probationary placement of no more than 6 months with that  
3 employer. Full-time employment that includes health care  
4 benefits will receive an additional incentive payment.

5 (5) The for-profit and not-for-profit agents shall  
6 contract to provide services for no more than 1 year.  
7 Contracts may be renewed upon successful review by the  
8 contracting agent.

9 (6) The Department of Labor and Employment Security  
10 and the Department of Children and Family Health and  
11 Rehabilitative Services, working with the Workforce  
12 Development Board ~~Enterprise Florida Jobs and Education~~  
13 ~~Partnership~~, shall develop an incentive schedule that costs  
14 the state less per placement than the state's 12-month  
15 expenditure on a welfare recipient.

16 (7) During an untried worker's probationary placement,  
17 the for-profit or not-for-profit agent shall be the employer  
18 of record of that untried worker, and shall provide workers'  
19 compensation and unemployment compensation coverage as  
20 provided by law. The business employing the untried worker  
21 through the agent may be eligible to apply for any tax  
22 credits, wage supplementation, wage subsidy, or employer  
23 payment for that employee that are authorized in law or by  
24 agreement with the employer. After satisfactory completion of  
25 such a probationary period, an untried worker shall not be  
26 considered an untried worker.

27 (8) This section shall not be used for the purpose of  
28 displacing or replacing an employer's regular employees, and  
29 shall not interfere with executed collective bargaining  
30 agreements. Untried workers shall be paid by the employer at  
31 the same rate as similarly situated and assessed workers in

1 the same place of employment.

2 (9) An employer that demonstrates a pattern of  
3 unsuccessful placements shall be disqualified from  
4 participation in these pilots because of poor return on the  
5 public's investment.

6 (10) The Department of Labor and Employment Security  
7 and the Department of Children and Family Health and  
8 ~~Rehabilitative~~ Services, working with the Workforce  
9 Development Board ~~Enterprise Florida Jobs and Education~~  
10 ~~Partnership~~, may offer to any employer that chooses to employ  
11 untried workers such incentives and benefits that are  
12 available and provided in law, as long as the long-term, cost  
13 savings can be quantified with each such additional  
14 inducement.

15 (11) Unless otherwise reenacted, this section shall be  
16 repealed on July 1, 1999.

17 Section 49. Section 446.604, Florida Statutes, is  
18 transferred, renumbered as section 288.9954, Florida Statutes,  
19 and amended to read:

20 288.9954 ~~446.604~~ One-Stop Career Centers.--

21 (1) The Department of Management Services shall  
22 coordinate among the agencies a plan for a One-Stop Career  
23 Center Electronic Network made up of One-Stop Career Centers  
24 that are operated by the Department of Labor and Employment  
25 Security, the Department of Children and Family Health and  
26 ~~Rehabilitative~~ Services, the Department of Education, and  
27 other authorized public or private for-profit or  
28 not-for-profit agents. The plan shall identify resources  
29 within existing revenues to establish and support such  
30 electronic network for service delivery that includes the  
31 Florida Communities Network.

1           (2) The network shall assure that a uniform method is  
2 used to determine eligibility for and management of services  
3 provided by agencies that conduct workforce development  
4 activities. The Department of Management Services shall  
5 develop strategies to allow access to the databases and  
6 information management systems of the following systems in  
7 order to link information in those databases with the One-Stop  
8 Career Centers:

9           (a) The Unemployment Compensation System of the  
10 Department of Labor and Employment Security.

11           (b) The Job Service System of the Department of Labor  
12 and Employment Security.

13           (c) The FLORIDA System and the components related to  
14 Aid to Families with Dependent Children, food stamps, and  
15 Medicaid eligibility.

16           (d) The Workers' Compensation System of the Department  
17 of Labor and Employment Security.

18           (e) The Student Financial Assistance System of the  
19 Department of Education.

20           (f) Enrollment in the public postsecondary education  
21 system.

22  
23 The systems shall be fully coordinated at both the state and  
24 local levels by July 1, 1999.

25           Section 50. Section 446.605, Florida Statutes, is  
26 transferred, renumbered as section 288.9955, Florida Statutes,  
27 and amended to read:

28           288.9955 ~~446.605~~ Applicability of Workforce Florida  
29 Act of 1996.--Unless otherwise provided herein, the Workforce  
30 Florida Act of 1996 shall apply to the State Human Resource  
31 Investment Council and any regional workforce development

1 boards in existence on the effective date of such act.  
2 Regional workforce development boards shall be reconstituted,  
3 if necessary, to meet the requirements of the Workforce  
4 Florida Act of 1996. In addition, the Workforce Development  
5 Board ~~Enterprise Florida Jobs and Education Partnership~~ shall  
6 review each charter granted prior to the effective date of the  
7 Workforce Florida Act of 1996 to assure its compliance with  
8 the provisions of such act.

9 Section 51. Section 446.606, Florida Statutes, is  
10 transferred, renumbered as section 288.9956, Florida Statutes,  
11 and amended to read:

12 288.9956 ~~446.606~~ Designation of primary service  
13 providers.--Designation of primary service providers shall not  
14 be made until the regional workforce development boards have  
15 been reconstituted in compliance with the Workforce Florida  
16 Act of 1996.

17 Section 52. Section 446.607, Florida Statutes, is  
18 transferred, renumbered as section 288.9957, Florida Statutes,  
19 and amended to read:

20 288.9957 ~~446.607~~ Consultation, consolidation, and  
21 coordination.--The Workforce Development Board ~~Enterprise~~  
22 ~~Florida Jobs and Education Partnership~~ and any state public  
23 assistance policy board established pursuant to law shall  
24 consult with each other in developing each of their statewide  
25 implementation plans and strategies. The regional workforce  
26 development boards and any local public assistance policy  
27 boards established pursuant to law may elect to consolidate  
28 into one board provided that the consolidated board membership  
29 complies with the requirements of Pub. L. No. 97-300, as  
30 amended, and with any other law delineating the membership  
31 requirements for either of the separate boards. The regional



1 workforce development boards and any respective local public  
2 assistance policy board established pursuant to law shall  
3 collaboratively coordinate, to the maximum extent possible,  
4 the local services and activities provided by and through each  
5 of these boards and their designated local service providers.

6 Section 53. Subsection (5) of section 288.902, Florida  
7 Statutes, is amended to read:

8 288.902 Enterprise Florida Nominating Council.--

9 (5) Notwithstanding the provisions of ss. 288.901,  
10 288.9412, 288.9512, and 288.9611, ~~and 288.9620~~ regarding the  
11 process of selecting nominees for a board, all nominations  
12 shall be conducted in accordance with the provisions of this  
13 section. All statutory requirements of board members and all  
14 statutory requirements regarding the composition of all boards  
15 shall be considered and complied with throughout the  
16 nominating process.

17  
18

19 ===== T I T L E A M E N D M E N T =====

20 And the title is amended as follows:

21 On page 109, line 1, of the amendment

22  
23

after "archive" insert:

24 creating s. 288.9530, F.S.; providing for the  
25 creation of the Florida Business Expansion  
26 Corporation to provide business expansion  
27 assistance to businesses in the state having  
28 job growth or emerging technology potential;  
29 creating s. 288.9531, F.S.; providing for  
30 powers and duties of the corporation; creating  
31 s. 288.9532, F.S., and s. 288.9533, F.S.;

1           creating the corporation board of directors and  
2           providing for their powers and duties; creating  
3           s. 288.9534, F.S.; providing that the  
4           corporation contracts with an experienced  
5           management company to administer and perform  
6           the duties of the corporation; creating s.  
7           288.9535, F.S.; creating the Florida Business  
8           Expansion Account to receive state, federal,  
9           and private financial resources for the purpose  
10          of funding the objectives of the corporation;  
11          creating s. 288.9536, F.S.; providing for the  
12          reporting and review requirements of the  
13          corporation; providing appropriations; amending  
14          s. 288.075, F.S.; replacing a reference to the  
15          Department of Commerce with a reference to the  
16          Office of Tourism, Trade, and Economic  
17          Development in the definition of "economic  
18          development agency" under a provision relating  
19          to the confidentiality of certain economic  
20          development information; specifying that the  
21          prohibition against contracting with entities  
22          that have requested confidentiality concerning  
23          certain economic development information does  
24          not apply to a public officer or employee or an  
25          economic development agency employee acting in  
26          his or her official capacity; amending s.  
27          288.1045, F.S.; conforming the limitation on  
28          the amount of tax refunds approved for payment  
29          under the qualified defense contractor tax  
30          refund program to the amount appropriated by  
31          the Legislature for such refunds; correcting

1 references relating to program administration;  
2 amending s. 288.106, F.S.; authorizing a  
3 reduced employment threshold for expanding  
4 businesses in certain rural areas or enterprise  
5 zones under the tax refund program for  
6 qualified target industry businesses; amending  
7 s. 15.18, F.S.; providing for coordination of  
8 international activities of the Department of  
9 State; requiring the Secretary of State to  
10 maintain lists relating to foreign money  
11 judgments; amending s. 55.605, F.S.; requiring  
12 the Secretary of State to create and maintain a  
13 specified list relative to foreign money  
14 judgments; requesting designation of part XI  
15 of chapter 288 as the workforce development  
16 board; transferring and amending s. 288.9620,  
17 F.S.; providing legislative findings; creating  
18 the Workforce Development Board within  
19 Enterprise Florida, Inc.; providing for a board  
20 of directors and for officers and employees;  
21 providing duties of the board and of its board  
22 of directors; providing for reports and audits;  
23 requiring measures and standards of workforce  
24 development strategy; transferring and amending  
25 ss. 446.601, 446.602, 446.603, 446.604,  
26 446.605, 446.606, 446.607, F.S.; conforming  
27 terminology and cross-references; amending s.  
28 288.902, F.S.; deleting an obsolete  
29 cross-reference;  
30  
31