

STORAGE NAME: h3931.ted

DATE: March 3, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 3931 (PCB TED 98-17)

RELATING TO: Economic Development Grants

SPONSOR(S): Transportation & Economic Development Appropriations

COMPANION BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROP. YEAS 10 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

A process would be established that would allow for a thorough evaluation of requested grants by Florida's established entities for economic development - Enterprise Florida, Inc., the Florida Commission on Tourism and the Office of Tourism, Trade and Economic Development.

This grant program will be structured in a fashion similar to the Historical Grant program outlined in section 267.0167, Florida Statutes, and managed through the Department of State. That is, OTTED would present to the Legislature a prioritized list of economic development grant candidates through its Legislative Budget Request in the Governor's Budget Recommendations. In order to develop this list, OTTED will develop criteria and procedures for administering the process with Enterprise Florida, Inc. and the Florida Commission on Tourism working cooperatively to review and rank the grant candidates.

Criteria established by OTTED shall include a preference for projects that provide the highest economic return for the state as a whole, or a particular region, county, city or community, and the projects are unable to fit any other state grant programs.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Economic development grants are generally sought as a direct appropriation during the Legislature's annual budget deliberations.

B. EFFECT OF PROPOSED CHANGES:

A process would be established that would allow for a thorough evaluation of requested grants by Florida's established entities for economic development - Enterprise Florida, Inc., the Florida Commission on Tourism and the Office of Tourism, Trade and Economic Development.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes, the bill would require Enterprise Florida, Inc. and the Florida Commission on Tourism to review and rank grant applications for the greatest positive impact on Florida's economy.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Section 14.2015, Florida Statutes.

E. SECTION-BY-SECTION RESEARCH:

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

C. **DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

1. Direct Private Sector Costs:

None

2. Direct Private Sector Benefits:

None

3. Effects on Competition, Private Enterprise and Employment Markets:

None

D. **FISCAL COMMENTS:**

This bill is designed to provide the Governor and the appropriations committees with better and more organized information regarding the multitude of general economic development grant requests that surface annually during the appropriations process. This information should help the Legislature prioritize funds for these grants should such funds be available.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. **APPLICABILITY OF THE MANDATES PROVISION:**

N/A

B. **REDUCTION OF REVENUE RAISING AUTHORITY:**

N/A

C. **REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:**

N/A

STORAGE NAME: h3931.ted

DATE: March 3, 1998

PAGE 7

V. COMMENTS:

The grant program contemplated in this bill may help to address the ever growing list of festivals, special events, and capital expenditures that come before the Legislature during session in the name of economic development. Further, this process should help to certify the organizations seeking grants and allow for proper scrutiny of the dollars being requested.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS:

Prepared by:

Legislative Research Director:

Allen D. Joseph

Barry G. Brooks