Florida Senate - 1998

 ${\bf By}$ the Committee on Commerce and Economic Opportunities and Senators Harris and Klein

	310-1101A-98
1	A bill to be entitled
2	An act relating to economic development;
3	amending s. 14.2015, F.S.; revising the
4	reporting requirements of the Office of
5	Tourism, Trade, and Economic Development
6	relating to permits and rules; authorizing the
7	Office of Tourism, Trade, and Economic
8	Development to coordinate establishment of a
9	one-stop permit registry; amending s. 212.096,
10	F.S.; expanding enterprise zone sales tax
11	credit to JTPA or WAGES Program participants
12	not residing in an enterprise zone; requiring
13	documentation; amending ss. 212.097 and
14	212.098, F.S.; clarifying the definition of a
15	"new business" under the Urban High-Crime Area
16	Job Tax Credit Program and the Rural Job Tax
17	Credit Program; providing that certain call
18	centers or similar customer service operations
19	are eligible businesses under these programs;
20	amending s. 220.03, F.S.; expanding enterprise
21	zone corporate tax credit to JTPA or WAGES
22	Program participants not residing in an
23	enterprise zone; amending s. 220.181, F.S.;
24	requiring documentation; amending s. 288.075,
25	F.S.; specifying that the prohibition against
26	contracting with entities that have requested
27	confidentiality concerning certain economic
28	development information does not apply to a
29	public officer or employee or an economic
30	development agency employee acting in his or
31	her official capacity; amending s. 288.095,

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CS for SB 760

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1	F.S.; establishing a cap on the total amount of
2	the state share of tax refunds which may be
3	approved for a single fiscal year under the tax
4	refund programs for qualified defense
5	contractors, qualified target industry
6	businesses, and brownfield redevelopment;
7	amending s. 288.1045, F.S.; conforming the
8	limitation on the amount of tax refunds
9	approved for payment under the qualified
10	defense contractor tax refund program to the
11	amount appropriated by the Legislature for such
12	refunds; correcting references relating to
13	program administration; amending s. 288.106,
14	F.S.; authorizing a reduced employment
15	threshold for expanding businesses in certain
16	rural areas or enterprise zones under the tax
17	refund program for qualified target industry
18	businesses; amending s. 288.1221, F.S.;
19	conforming legislative intent on the time
20	period covered by a tourism promotion marketing
21	plan to the time period covered by the
22	marketing plan prepared by the Florida
23	Commission on Tourism under s. 288.1224, F.S.;
24	amending s. 288.1222, F.S.; revising the
25	definition of "tourist" to clarify that the
26	term applies to a person participating in trade
27	or recreation activities outside the county of
28	permanent residence; amending s. 288.1223,
29	F.S.; eliminating an historical reference to
30	the first meeting of the Florida Commission on
31	Tourism; providing that the commission shall
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1	meet at least quarterly; providing that the
2	commission shall elect a vice chairman
3	annually; amending s. 288.1224, F.S.; requiring
4	the Florida Commission on Tourism to establish
5	a standing advisory committee on ecotourism and
6	heritage tourism; prescribing membership of the
7	committee; requiring the tourism commission to
8	incorporate ecotourism and heritage tourism
9	components into its marketing plan; providing
10	legislative findings and intent on ecotourism
11	and heritage tourism; authorizing an ecotourism
12	and heritage tourism promotion grant program;
13	prescribing application procedures, evaluation
14	criteria, eligible uses of funds, and
15	limitations on grant amounts under such
16	program; amending s. 288.90151, F.S.; revising
17	the matching private funding requirements for
18	Enterprise Florida, Inc.; providing for partial
19	release of funds placed in reserve under
20	specified circumstances; amending s. 288.9618,
21	F.S.; limiting the amount of appropriations for
22	the microenterprise program that may be used
23	for administrative expenses; creating s.
24	288.9958, F.S.; establishing the PRIDE Job
25	Placement Incentive Program; directing
26	Enterprise Florida, Inc., to examine the
27	current and potential economic development
28	contribution of the biotechnology industry and
29	other health technology industries to this
30	state; requiring Enterprise Florida, Inc., to
31	report to the Legislature on findings and
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1 recommendations; providing for designation of 2 an enterprise zone that encompasses a 3 brownfield project under certain circumstances; providing an effective date. 4 5 6 Be It Enacted by the Legislature of the State of Florida: 7 8 Section 1. Subsection (6) of section 14.2015, Florida Statutes, is amended to read: 9 10 14.2015 Office of Tourism, Trade, and Economic 11 Development; creation; powers and duties .--(6)(a) In order to improve the state's regulatory 12 environment, the Office of Tourism, Trade, and Economic 13 Development shall consider the impact of agency rules on 14 15 businesses, provide one-stop permit information and assistance, and serve as an advocate for businesses, 16 17 particularly small businesses, in their dealings with state 18 agencies. 19 (b) As used in this subsection, the term "permit" 20 means any approval of an agency required as a condition of 21 operating a business in this state, including, but not limited 22 to, licenses and registrations. (c) The office shall have powers and duties to: 23 24 1. Review proposed agency actions for impacts on small 25 businesses and offer alternatives to mitigate such impacts, as 26 provided in s. 120.54. 27 2. In consultation with the Governor's rules 28 ombudsman, make recommendations to agencies on any existing 29 and proposed rules for alleviating unnecessary or 30 disproportionate adverse effects to businesses. 31 4

1	3. Make recommendations to the Legislature and to
2	agencies for improving permitting procedures affecting
3	business activities in the state. By October 1, 1997, and
4	annually thereafter as part of the report prepared pursuant to
5	paragraph (2)(e), the Office of Tourism, Trade, and Economic
6	Development shall submit a report to the Legislature <u>on</u>
7	containing the following:
8	a. An identification and description of methods to
9	eliminate, consolidate, simplify, or expedite permits.
10	b. An identification and description of those agency
11	rules repealed or modified during each calendar year to
12	improve the regulatory climate for businesses operating in the
13	state.
14	c. A recommendation for an operating plan and funding
15	level for establishing an automated one-stop permit registry
16	to provide the following services:
17	(I) Access by computer network to all permit
18	applications and approval requirements of each state agency.
19	(II) Assistance in the completion of such
20	applications.
21	(III) Centralized collection of any permit fees and
22	distribution of such fees to agencies.
23	(IV) Submission of application data and circulation of
24	such data among state agencies by computer network.
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26	Subject to legislative appropriation, the Office of Tourism,
27	Trade, and Economic Development is authorized to coordinate
28	the establishment of such a one-stop permit registry,
29	including, but not limited to, working with all appropriate
30	state agencies on the implementation of the operating plan. If
31	the Legislature establishes such a registry is established,
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subsequent annual reports to the Legislature from the Office of Tourism, Trade, and Economic Development pursuant to this paragraph must cover the status and performance of this registry.

5 Serve as a clearinghouse for information on which 4. 6 permits are required for a particular business and on the 7 respective application process, including criteria applied in 8 making a determination on a permit application. Each state 9 agency that requires a permit, license, or registration for a 10 business shall submit to the Office of Tourism, Trade, and 11 Economic Development by August 1 of each year a list of the types of businesses and professions that it regulates and of 12 13 each permit, license, or registration that it requires for a type of business or profession. 14

15 5. Obtain information and permit applications from
16 agencies and provide such information and permit applications
17 to the public.

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

22 7. Determine, upon request, the status of a particular23 permit application.

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

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

30 (e) In carrying out its duties under this subsection,31 the Office of Tourism, Trade, and Economic Development may

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1 consult with state agency personnel appointed to serve as 2 economic development liaisons under s. 288.021. 3 (f) The office shall clearly represent that its services are advisory, informational, and facilitative only. 4 5 Advice, information, and assistance rendered by the office б does not relieve any person or business from the obligation to 7 secure a required permit. The office is not liable for any 8 consequences resulting from the failure to issue or to secure a required permit. However, an applicant who uses the services 9 10 of the office and who receives a written statement identifying 11 required state permits relating to a business activity may not be assessed a penalty for failure to obtain a state permit 12 that was not identified, if the applicant submits an 13 application for each such permit within 60 days after written 14 15 notification from the agency responsible for issuing the 16 permit. 17 Section 2. Subsection (1) and paragraph (a) of 18 subsection (3) of section 212.096, Florida Statutes, are 19 amended to read: 20 212.096 Sales, rental, storage, use tax; enterprise zone jobs credit against sales tax .--21 22 (1)For the purposes of the credit provided in this section: 23 24 (a) "Eligible business" means any sole proprietorship, 25 firm, partnership, corporation, bank, savings association, estate, trust, business trust, receiver, syndicate, or other 26 27 group or combination, or successor business, located in an 28 enterprise zone. An eligible business does not include any 29 business which has claimed the credit permitted under s. 30 220.181 for any new business employee first beginning 31 employment with the business after July 1, 1995. 7

1 (b) "Month" means either a calendar month or the time 2 period from any day of any month to the corresponding day of 3 the next succeeding month or, if there is no corresponding day 4 in the next succeeding month, the last day of the succeeding 5 month. б (C) "New employee" means a person residing in an enterprise zone, a qualified Job Training Partnership Act 7 8 classroom training participant, or a WAGES Program participant 9 who begins employment with an eligible business after July 1, 10 1995, and who has not been previously employed within the 11 preceding 12 months by the eligible business, or a successor eligible business, claiming the credit allowed by this 12 13 section. 14 A person shall be deemed to be employed if the person performs 15 duties in connection with the operations of the business on a 16 17 regular, full-time basis, provided the person is performing such duties for an average of at least 36 hours per week each 18 19 month, or a part-time basis, provided the person is performing 20 such duties for an average of at least 20 hours per week each 21 month throughout the year. The person must be performing such duties at a business site located in the enterprise zone. 22 (3) In order to claim this credit, an eligible 23 24 business must file under oath with the governing body or 25 enterprise zone development agency having jurisdiction over the enterprise zone where the business is located, as 26 applicable, a statement which includes: 27 28 (a) For each new employee for whom this credit is 29 claimed, the employee's name and place of residence, including 30 the identifying number assigned pursuant to s. 290.0065 to the 31 enterprise zone in which the employee resides and, if 8

1 applicable, documentation that the employee is a qualified Job Training Partnership Act classroom training participant or a 2 3 WAGES Program participant. Subsection (2) of section 212.097, Florida 4 Section 3. 5 Statutes, is amended to read: б 212.097 Urban High-Crime Area Job Tax Credit 7 Program. --8 (2) As used in this section, the term: 9 (a) "Eligible business" means any sole proprietorship, 10 firm, partnership, or corporation that is located in a 11 qualified county and is predominantly engaged in, or is headquarters for a business predominantly engaged in, 12 13 activities usually provided for consideration by firms classified within the following standard industrial 14 classifications: SIC 01 through SIC 09 (agriculture, 15 forestry, and fishing); SIC 20 through SIC 39 (manufacturing); 16 17 SIC 422 (public warehousing and storage); SIC 70 (hotels and other lodging places); SIC 7391 (research and development); 18 19 SIC 7992 (public golf courses); and SIC 7996 (amusement parks). A call center or similar customer service operation 20 21 that services a multistate market or an international market is also an eligible business.Excluded from eligible receipts 22 are receipts from retail sales, except such receipts for 23 24 hotels and other lodging places classified in SIC 70, public golf courses in SIC 7992, and amusement parks in SIC 7996. 25 For purposes of this paragraph, the term "predominantly" means 26 that more than 50 percent of the business's gross receipts 27 28 from all sources is generated by those activities usually 29 provided for consideration by firms in the specified standard 30 industrial classification. The determination of whether the 31 business is located in a qualified high-crime area and the

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1 tier ranking of that area must be based on the date of 2 application for the credit under this section. Commonly owned 3 and controlled entities are to be considered a single business 4 entity.

5 "Qualified employee" means any employee of an (b) б eligible business who performs duties in connection with the 7 operations of the business on a regular, full-time basis for 8 an average of at least 36 hours per week for at least 3 months 9 within the qualified high-crime area in which the eligible 10 business is located. An owner or partner of the eligible 11 business is not a qualified employee. The term also includes an employee leased from an employee leasing company licensed 12 13 under chapter 468, if such employee has been continuously leased to the employer for an average of at least 36 hours per 14 week for more than 6 months. 15

"New business" means any eligible business first 16 (C) 17 beginning operation on a site in a qualified high-crime area 18 and clearly separate from any other commercial or business 19 operation of the business entity within a qualified high-crime 20 area. A business entity that operated an eligible business within a qualified high-crime area within the 48 months before 21 the period provided for application by subsection (3)date 22 shall not be considered a new business. 23

24 (d) "Existing business" means any eligible business25 that does not meet the criteria for a new business.

(e) "Qualified high-crime area" means an area selected by the Office of Tourism, Trade, and Economic Development in the following manner: every third year, the office shall rank and tier those areas nominated under subsection (8), according to the following prioritized criteria:

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1 1. Highest arrest rates within the geographic area for 2 violent crime and for such other crimes as drug sale, drug 3 possession, prostitution, vandalism, and civil disturbances; 4 2. Highest reported crime volume and rate of specific 5 property crimes such as business and residential burglary, б motor vehicle theft, and vandalism; 7 Highest percentage of reported index crimes that 3. 8 are violent in nature; Highest overall index crime volume for the area; 9 4. 10 and 11 Highest overall index crime rate for the geographic 5. 12 area. 13 Tier-one areas are ranked 1 through 5 and represent the 14 highest crime areas according to this ranking. Tier-two areas 15 are ranked 6 through 10 according to this ranking. Tier-three 16 17 areas are ranked 11 through 15. Section 4. Subsection (2) of section 212.098, Florida 18 19 Statutes, is amended to read: 20 212.098 Rural Job Tax Credit Program. --(2) As used in this section, the term: 21 "Eligible business" means any sole proprietorship, 22 (a) firm, partnership, or corporation that is located in a 23 24 qualified county and is predominantly engaged in, or is 25 headquarters for a business predominantly engaged in, activities usually provided for consideration by firms 26 classified within the following standard industrial 27 28 classifications: SIC 01 through SIC 09 (agriculture, 29 forestry, and fishing); SIC 20 through SIC 39 (manufacturing); SIC 422 (public warehousing and storage); SIC 70 (hotels and 30 31 other lodging places); SIC 7391 (research and development); 11

1 SIC 7992 (public golf courses); and SIC 7996 (amusement 2 parks). A call center or similar customer service operation 3 that services a multistate market or an international market is also an eligible business.Excluded from eligible receipts 4 5 are receipts from retail sales, except such receipts for б hotels and other lodging places classified in SIC 70, public 7 golf courses in SIC 7992, and amusement parks in SIC 7996. 8 For purposes of this paragraph, the term "predominantly" means that more than 50 percent of the business's gross receipts 9 10 from all sources is generated by those activities usually 11 provided for consideration by firms in the specified standard industrial classification. The determination of whether the 12 business is located in a qualified county and the tier ranking 13 of that county must be based on the date of application for 14 the credit under this section. Commonly owned and controlled 15 entities are to be considered a single business entity. 16 (b)

(b) "Qualified employee" means any employee of an eligible business who performs duties in connection with the operations of the business on a regular, full-time basis for an average of at least 36 hours per week for at least 3 months within the qualified county in which the eligible business is located. An owner or partner of the eligible business is not a qualified employee.

24 (C) "Qualified county" means a county that has a 25 population of fewer than 75,000 persons, or any county that has a population of 100,000 or less and is contiguous to a 26 county that has a population of less than 75,000, selected in 27 28 the following manner: every third year, the Office of 29 Tourism, Trade, and Economic Development shall rank and tier 30 the state's counties according to the following four factors: 31

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1 1. Highest unemployment rate for the most recent 2 36-month period. 3 2. Lowest per capita income for the most recent 4 36-month period. 5 Highest percentage of residents whose incomes are 3. б below the poverty level, based upon the most recent data 7 available. 8 4. Average weekly manufacturing wage, based upon the 9 most recent data available. 10 11 Tier-one qualified counties are those ranked 1 through 5 and represent the state's least-developed counties according to 12 13 this ranking. Tier-two qualified counties are those ranked 6 through 10, and tier-three counties are those ranked 11 14 through 15. 15 "New business" means any eligible business first 16 (d) 17 beginning operation on a site in a qualified county and 18 clearly separate from any other commercial or business 19 operation of the business entity within a qualified county. A 20 business entity that operated an eligible business within a 21 qualified county within the 48 months before the period provided for application by subsection (3) date shall not be 22 considered a new business. 23 24 (e) "Existing business" means any eligible business 25 that does not meet the criteria for a new business. Section 5. Paragraph (q) of subsection (1) of section 26 27 220.03, Florida Statutes, is amended to read: 28 220.03 Definitions.--(1) SPECIFIC TERMS.--When used in this code, and when 29 30 not otherwise distinctly expressed or manifestly incompatible 31 13

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1 with the intent thereof, the following terms shall have the 2 following meanings:

3 "New employee," for the purposes of the enterprise (q) zone jobs credit, means a person residing in an enterprise 4 5 zone, a qualified Job Training Partnership Act classroom б training participant, or a WAGES Program participant employed 7 at a business located in an enterprise zone who begins 8 employment in the operations of the business after July 1, 9 1995, and who has not been previously employed within the 10 preceding 12 months by the business or a successor business 11 claiming the credit pursuant to s. 220.181. A person shall be deemed to be employed by such a business if the person 12 13 performs duties in connection with the operations of the business on a full-time basis, provided she or he is 14 performing such duties for an average of at least 36 hours per 15 week each month, or a part-time basis, provided she or he is 16 17 performing such duties for an average of at least 20 hours per 18 week each month throughout the year. The person must be 19 performing such duties at a business site located in an 20 enterprise zone. The provisions of this paragraph shall expire 21 and be void on June 30, 2005. Section 6. Paragraph (a) of subsection (2) of section 22 220.181, Florida Statutes, is amended to read: 23

220.181 Enterprise zone jobs credit.--

(2) When filing for an enterprise zone jobs credit, a business must file under oath with the governing body or enterprise zone development agency having jurisdiction over the enterprise zone where the business is located, as applicable, a statement which includes:

30 (a) For each new employee for whom this credit is31 claimed, the employee's name and place of residence during the

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1 taxable year, including the identifying number assigned 2 pursuant to s. 290.0065 to the enterprise zone in which the 3 new employee resides, and, if applicable, documentation that 4 the employee is a qualified Job Training Partnership Act 5 classroom training participant or a WAGES Program participant. б Section 7. Section 288.075, Florida Statutes, is 7 amended to read: 8 288.075 Confidentiality of records.--9 (1) As used in this section, the term "economic 10 development agency" means the Division of Economic Development 11 of the Department of Commerce, any industrial development authority created in accordance with part III of chapter 159 12 13 or by special law, the public economic development agency that advises the county commission on the issuance of industrial 14 revenue bonds of a county that does not have an industrial 15 development authority created in accordance with part III of 16 17 chapter 159 or by special law, or any research and development 18 authority created in accordance with part V of chapter 159. 19 The term also includes any private agency, person, 20 partnership, corporation, or business entity when authorized by the state, a municipality, or a county to promote the 21 general business interests or industrial interests of the 22 state or that municipality or county. 23 24 (2) Upon written request from a private corporation, 25 partnership, or person, records of an economic development agency which contain or would provide information concerning 26 27 plans, intentions, or interests of such private corporation, 28 partnership, or person to locate, relocate, or expand any of 29 its business activities in this state are confidential and 30 exempt from s. 119.07(1) and s. 24(a), Art. I of the State 31 Constitution for 24 months after the date an economic 15

1 development agency receives a request for confidentiality or 2 until disclosed by an economic development agency pursuant to 3 subsection (4) or by the party requesting confidentiality under this section. Confidentiality must be maintained until 4 5 the expiration of the 24-month period or until documents or б information are otherwise disclosed, whichever occurs first. 7 This confidentiality does not apply when any party petitions a court of competent jurisdiction and, in the opinion of the 8 9 court, proves need for access to such documents. This exemption expires October 2, 2001, and is subject to review by 10 11 the Legislature under the Open Government Sunset Review Act of 1995 in accordance with s. 119.15. 12 13 (3) This section does not waive any provision of chapter 120 or any other provision of law requiring a public 14 15 hearing. (4) A public officer or employee or any person who is 16 17 an employee of an economic development agency may not enter 18 into a binding agreement with any corporation, partnership, or 19 person who has requested confidentiality of information pursuant to this section, until 90 days after such information 20 is made public, unless such public officer or employee or 21 22 economic development agency employee is acting in an official 23 capacity. 24 (5) Any person who is an employee of an economic 25 development agency who violates the provisions of this section is guilty of a misdemeanor of the second degree, punishable as 26 provided in s. 775.082 or s. 775.083. 27 28 Section 8. Subsection (3) of section 288.095, Florida 29 Statutes, is amended to read: 30 288.095 Economic Development Trust Fund.--31 16

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1	(3)(a) Contingent upon an annual appropriation by the
2	Legislature, the Office of Tourism, Trade, and Economic
3	Development may approve tax refunds pursuant to ss. 288.1045,
4	288.106, and 288.107. The office may not approve tax refunds
5	in excess of the amount appropriated to the Economic
6	Development Incentives Account for such tax refunds, for a
7	fiscal year pursuant to paragraph (b).
8	(b) The <u>combined</u> total amount of <u>the state share of</u>
9	tax refunds approved by the Office of Tourism, Trade, and
10	Economic Development pursuant to ss. 288.1045, 288.106, and
11	288.107 for a single fiscal year shall not exceed the lesser
12	of \$30 million or the amount appropriated to the Economic
13	Development Incentives Account for such state share of tax
14	refunds purposes for the fiscal year. In the event the
15	Legislature does not appropriate an amount sufficient to
16	satisfy projections by the office for tax refunds under ss.
17	288.1045, 288.106, and 288.107 in a fiscal year, the Office of
18	Tourism, Trade, and Economic Development shall, not later than
19	July 15 of such year, determine the proportion of each refund
20	claim which shall be paid by dividing the amount appropriated
21	for tax refunds for the fiscal year by the projected total of
22	refund claims for the fiscal year. The amount of each claim
23	for a tax refund shall be multiplied by the resulting
24	quotient. If, after the payment of all such refund claims,
25	funds remain in the Economic Development Incentives Account
26	for tax refunds, the office shall recalculate the proportion
27	for each refund claim and adjust the amount of each claim
28	accordingly.
29	(c) By September 30 of each year, the Office of
30	Tourism, Trade, and Economic Development shall submit a
31	complete and detailed report to the board of directors of
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1 Enterprise Florida, Inc., created under part VII of this 2 chapter, of all applications received, final decisions issued, 3 tax refund agreements executed, and tax refunds paid or other 4 payments made under all programs funded out of the Economic 5 Development Incentives Account, including analyses of benefits б and costs, types of projects supported, and employment and 7 investment created. The Office of Tourism, Trade, and Economic 8 Development shall also include a separate analysis of the 9 impact of such tax refunds on state enterprise zones 10 designated pursuant to s. 290.0065. By December 1 of each 11 year, the board of directors of Enterprise Florida, Inc., shall review and comment on the report, and the board shall 12 submit the report, together with the comments of the board, to 13 14 the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must discuss whether 15 the authority and moneys appropriated by the Legislature to 16 17 the Economic Development Incentives Account were managed and expended in a prudent, fiducially sound manner. 18 19 (d) Moneys in the Economic Development Incentives 20 Account may be used only to pay tax refunds and other payments 21 authorized under s. 288.1045, s. 288.106, or s. 288.107. (e) The Office of Tourism, Trade, and Economic 22 Development may adopt rules necessary to carry out the 23 24 provisions of this subsection, including rules providing for 25 the use of moneys in the Economic Development Incentives Account and for the administration of the Economic Development 26 27 Incentives Account. 28 Section 9. Section 288.1045, Florida Statutes, is 29 amended to read: 30 288.1045 Qualified defense contractor tax refund 31 program.--

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1 (1) DEFINITIONS.--As used in this section: 2 (a) "Consolidation of a Department of Defense 3 contract" means the consolidation of one or more of an 4 applicant's facilities under one or more Department of Defense 5 contracts either from outside this state or from inside and б outside this state, into one or more of the applicant's 7 facilities inside this state. "Average wage in the area" means the average of 8 (b) 9 all wages and salaries in the state, the county, or in the 10 standard metropolitan area in which the business unit is 11 located. "Applicant" means any business entity that holds a 12 (C) 13 valid Department of Defense contract or any business entity that is a subcontractor under a valid Department of Defense 14 contract or any business entity that holds a valid contract 15 for the reuse of a defense-related facility, including all 16 17 members of an affiliated group of corporations as defined in s. 220.03(1)(b). 18 19 (d) "Office" "Division" means the Office of Tourism, Trade, and Economic Development Division of Economic 20 21 Development of the Department of Commerce. "Department of Defense contract" means a 22 (e) competitively bid Department of Defense contract or a 23 24 competitively bid federal agency contract issued on behalf of the Department of Defense for manufacturing, assembling, 25 fabricating, research, development, or design with a duration 26 of 2 or more years, but excluding any contract to provide 27 28 goods, improvements to real or tangible property, or services 29 directly to or for any particular military base or 30 installation in this state. 31

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1	(f) "New Department of Defense contract" means a
2	Department of Defense contract entered into after the date
3	application for certification as a qualified applicant is made
4	and after January 1, 1994.
5	(g) "Jobs" means full-time equivalent positions,
б	consistent with the use of such terms by the Department of
7	Labor and Employment Security for the purpose of unemployment
8	compensation tax, resulting directly from a project in this
9	state. This number does not include temporary construction
10	jobs involved with the construction of facilities for the
11	project.
12	(h) "Nondefense production jobs" means employment
13	exclusively for activities that, directly or indirectly, are
14	unrelated to the Department of Defense.
15	(i) "Project" means any business undertaking in this
16	state under a new Department of Defense contract,
17	consolidation of a Department of Defense contract, or
18	conversion of defense production jobs over to nondefense
19	production jobs or reuse of defense-related facilities.
20	(j) "Qualified applicant" means an applicant that has
21	been approved by the <u>director</u> secretary to be eligible for tax
22	refunds pursuant to this section.
23	(k) <u>"Director"</u> "Secretary" means the <u>director of the</u>
24	Office of Tourism, Trade, and Economic Development Secretary
25	of Commerce .
26	(l) "Taxable year" means the same as in s.
27	220.03(1)(z).
28	(m) "Fiscal year" means the fiscal year of the state.
29	(n) "Business unit" means an employing unit, as
30	defined in s. 443.036, that is registered with the Department
31	of Labor and Employment Security for unemployment compensation
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COD	TNC. Words stricter are deletions: words underlined are additions

purposes or means a subcategory or division of an employing
 unit that is accepted by the Department of Labor and
 Employment Security as a reporting unit.

"Local financial support" means funding from local 4 (0) 5 sources, public or private, which is paid to the Economic 6 Development Trust Fund and which is equal to 20 percent of the 7 annual tax refund for a qualified applicant. Local financial 8 support may include excess payments made to a utility company 9 under a designated program to allow decreases in service by 10 the utility company under conditions, regardless of when 11 application is made. A qualified applicant may not provide, directly or indirectly, more than 5 percent of such funding in 12 13 any fiscal year. The sources of such funding may not include, 14 directly or indirectly, state funds appropriated from the General Revenue Fund or any state trust fund, excluding tax 15 revenues shared with local governments pursuant to law. 16

17 (q) "Contract for reuse of a defense-related facility" means a contract with a duration of 2 or more years for the 18 19 use of a facility for manufacturing, assembling, fabricating, 20 research, development, or design of tangible personal property, but excluding any contract to provide goods, 21 improvements to real or tangible property, or services 22 directly to or for any particular military base or 23 24 installation in this state. Such facility must be located within a port, as defined in s. 313.21, and have been occupied 25 by a business entity that held a valid Department of Defense 26 contract or occupied by any branch of the Armed Forces of the 27 28 United States, within 1 year of any contract being executed 29 for the reuse of such facility. A contract for reuse of a defense-related facility may not include any contract for 30 31 reuse of such facility for any Department of Defense contract

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for manufacturing, assembling, fabricating, research,
 development, or design.

3 "Local financial support exemption option" means (q) the option to exercise an exemption from the local financial 4 5 support requirement available to any applicant whose project б is located in a county designated by the Rural Economic Development Initiative, if the county commissioners of the 7 county in which the project will be located adopt a resolution 8 9 requesting that the applicant's project be exempt from the 10 local financial support requirement. Any applicant that 11 exercises this option is not eligible for more than 80 percent of the total tax refunds allowed such applicant under this 12 13 section.

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

There shall be allowed, from the Economic 15 (a) Development Trust Fund, a refund to a qualified applicant for 16 17 the amount of eligible taxes certified by the director secretary which were paid by such qualified applicant. The 18 19 total amount of refunds for all fiscal years for each 20 qualified applicant shall be determined pursuant to subsection (3). The annual amount of a refund to a qualified applicant 21 shall be determined pursuant to subsection (5). 22

(b) A qualified applicant may not be qualified for any 23 24 project to receive more than \$5,000 times the number of jobs 25 provided in the tax refund agreement pursuant to subparagraph (4)(a)1. A qualified applicant may not receive refunds of more 26 than 25 percent of the total tax refunds provided in the tax 27 28 refund agreement pursuant to subparagraph (4)(a)1. in any 29 fiscal year, provided that no qualified applicant may receive more than \$2.5 million in tax refunds pursuant to this section 30 31 in any fiscal year.

1 (c) A qualified applicant may not receive more than 2 \$7.5 million in tax refunds pursuant to this section in all 3 fiscal years. (d) Contingent upon an annual appropriation by the 4 5 Legislature, the director secretary may approve not more than б the lesser of \$25 million in tax refunds than or the amount 7 appropriated to the Economic Development Trust Fund for tax 8 refunds, for a fiscal year pursuant to subsection (5) and s. 9 288.095. 10 (e) For the first 6 months of each fiscal year, the 11 director secretary shall set aside 30 percent of the amount appropriated for refunds pursuant to this section by the 12 13 Legislature to provide tax refunds only to qualified applicants who employ 500 or fewer full-time employees in this 14 state. Any unencumbered funds remaining undisbursed from this 15 set-aside at the end of the 6-month period may be used to 16 17 provide tax refunds for any qualified applicants pursuant to 18 this section. 19 (f) After entering into a tax refund agreement 20 pursuant to subsection (4), a qualified applicant may receive 21 refunds from the Economic Development Trust Fund for the following taxes due and paid by the qualified applicant 22 beginning with the applicant's first taxable year that begins 23 24 after entering into the agreement: 25 1. Taxes on sales, use, and other transactions paid pursuant to chapter 212. 26 27 2. Corporate income taxes paid pursuant to chapter 28 220. 29 Intangible personal property taxes paid pursuant to 3. 30 chapter 199. 31 23

1 4. Emergency excise taxes paid pursuant to chapter 2 221. 3 Excise taxes paid on documents pursuant to chapter 5. 201. 4 5 Ad valorem taxes paid, as defined in s. 6. б 220.03(1)(a) on June 1, 1996. 7 8 However, a qualified applicant may not receive a tax refund 9 pursuant to this section for any amount of credit, refund, or 10 exemption granted such contractor for any of such taxes. If a 11 refund for such taxes is provided by the office Department of Commerce, which taxes are subsequently adjusted by the 12 application of any credit, refund, or exemption granted to the 13 qualified applicant other than that provided in this section, 14 the qualified applicant shall reimburse the Economic 15 Development Trust Fund for the amount of such credit, refund, 16 17 or exemption. A qualified applicant must notify and tender 18 payment to the office Department of Commerce within 20 days after receiving a credit, refund, or exemption, other than 19 that provided in this section. 20 (g) Any qualified applicant who fraudulently claims 21 this refund is liable for repayment of the refund to the 22 Economic Development Trust Fund plus a mandatory penalty of 23 24 200 percent of the tax refund which shall be deposited into the General Revenue Fund. Any qualified applicant who 25 fraudulently claims this refund commits a felony of the third 26 degree, punishable as provided in s. 775.082, s. 775.083, or 27 s. 775.084. 28 29 (h) Funds made available pursuant to this section may 30 not be expended in connection with the relocation of a 31 business from one community to another community in this state 24 **CODING:**Words stricken are deletions; words underlined are additions. 1 unless the Office of Tourism, Trade, and Economic Development 2 determines that without such relocation the business will move 3 outside this state or determines that the business has a 4 compelling economic rationale for the relocation which creates 5 additional jobs.

6 (3) APPLICATION PROCESS; REQUIREMENTS; AGENCY
7 DETERMINATION.--

8 (a) To apply for certification as a qualified 9 applicant pursuant to this section, an applicant must file an 10 application with the office division which satisfies the 11 requirements of paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs (d) and (e). An applicant may not apply for 12 13 certification pursuant to this section after a proposal has been submitted for a new Department of Defense contract, after 14 the applicant has made the decision to consolidate an existing 15 Department of Defense contract in this state for which such 16 17 applicant is seeking certification, or after the applicant has 18 made the decision to convert defense production jobs to 19 nondefense production jobs for which such applicant is seeking certification. 20

(b) Applications for certification based on the consolidation of a Department of Defense contract or a new Department of Defense contract must be submitted to the <u>office</u> division as prescribed by the <u>office</u> Department of Commerce and must include, but are not limited to, the following information:

The applicant's federal employer identification
 number, the applicant's Florida sales tax registration number,
 and a notarized signature of an officer of the applicant.
 The permanent location of the manufacturing,

31 assembling, fabricating, research, development, or design

25

1 facility in this state at which the project is or is to be 2 located. 3 3. The Department of Defense contract numbers of the contract to be consolidated, the new Department of Defense 4 5 contract number, or the "RFP" number of a proposed Department б of Defense contract. 7 4. The date the contract was executed or is expected 8 to be executed, and the date the contract is due to expire or 9 is expected to expire. 10 5. The commencement date for project operations under 11 the contract in this state. The number of full-time equivalent jobs in this 12 6. 13 state which are or will be dedicated to the project during the year and the average wage of such jobs. 14 7. The total number of full-time equivalent employees 15 employed by the applicant in this state. 16 17 8. The percentage of the applicant's gross receipts 18 derived from Department of Defense contracts during the 5 19 taxable years immediately preceding the date the application 20 is submitted. 21 9. The amount of: 22 a. Taxes on sales, use, and other transactions paid 23 pursuant to chapter 212; 24 b. Corporate income taxes paid pursuant to chapter 220; 25 26 Intangible personal property taxes paid pursuant to c. 27 chapter 199; 28 Emergency excise taxes paid pursuant to chapter d. 29 221; 30 e. Excise taxes paid on documents pursuant to chapter 31 201; and 26

1 f. Ad valorem taxes paid 2 3 during the 5 fiscal years immediately preceding the date of the application, and the projected amounts of such taxes to be 4 5 due in the 3 fiscal years immediately following the date of б the application. 7 10. The estimated amount of tax refunds to be claimed 8 in each fiscal year. 9 11. A brief statement concerning the applicant's need 10 for tax refunds, and the proposed uses of such refunds by the 11 applicant. A resolution adopted by the county commissioners 12 12. 13 of the county in which the project will be located, which 14 recommends the applicant be approved as a qualified applicant, and which indicates that the necessary commitments of local 15 financial support for the applicant exist. Prior to the 16 17 adoption of the resolution, the county commission may review 18 the proposed public or private sources of such support and 19 determine whether the proposed sources of local financial 20 support can be provided or, for any applicant whose project is located in a county designated by the Rural Economic 21 Development Initiative, a resolution adopted by the county 22 commissioners of such county requesting that the applicant's 23 24 project be exempt from the local financial support 25 requirement. 13. Any additional information requested by the office 26 27 division. 28 (C) Applications for certification based on the 29 conversion of defense production jobs to nondefense production 30 jobs must be submitted to the office division as prescribed by 31 27

1 the office Department of Commerce and must include, but are 2 not limited to, the following information: 3 The applicant's federal employer identification 1. number, the applicant's Florida sales tax registration number, 4 5 and a notarized signature of an officer of the applicant. б 2. The permanent location of the manufacturing, assembling, fabricating, research, development, or design 7 8 facility in this state at which the project is or is to be 9 located. 10 3. The Department of Defense contract numbers of the 11 contract under which the defense production jobs will be converted to nondefense production jobs. 12 13 4. The date the contract was executed, and the date the contract is due to expire or is expected to expire, or was 14 15 canceled. 5. The commencement date for the nondefense production 16 17 operations in this state. The number of full-time equivalent jobs in this 6. 18 19 state which are or will be dedicated to the nondefense 20 production project during the year and the average wage of 21 such jobs. 7. The total number of full-time equivalent employees 22 employed by the applicant in this state. 23 24 8. The percentage of the applicant's gross receipts derived from Department of Defense contracts during the 5 25 taxable years immediately preceding the date the application 26 27 is submitted. 28 9. The amount of: 29 Taxes on sales, use, and other transactions paid а. pursuant to chapter 212; 30 31 28

1	b. Corporate income taxes paid pursuant to chapter
2	220;
3	c. Intangible personal property taxes paid pursuant to
4	chapter 199;
5	d. Emergency excise taxes paid pursuant to chapter
6	221;
7	e. Excise taxes paid on documents pursuant to chapter
8	201; and
9	f. Ad valorem taxes paid
10	
11	during the 5 fiscal years immediately preceding the date of
12	the application, and the projected amounts of such taxes to be
13	due in the 3 fiscal years immediately following the date of
14	the application.
15	10. The estimated amount of tax refunds to be claimed
16	in each fiscal year.
17	11. A brief statement concerning the applicant's need
18	for tax refunds, and the proposed uses of such refunds by the
19	applicant.
20	12. A resolution adopted by the county commissioners
21	of the county in which the project will be located, which
22	recommends the applicant be approved as a qualified applicant,
23	and which indicates that the necessary commitments of local
24	financial support for the applicant exist. Prior to the
25	adoption of the resolution, the county commission may review
26	the proposed public or private sources of such support and
27	determine whether the proposed sources of local financial
28	support can be provided or, for any applicant whose project is
29	located in a county designated by the Rural Economic
30	Development Initiative, a resolution adopted by the county
31	commissioners of such county requesting that the applicant's
	29

1 project be exempt from the local financial support 2 requirement. 3 13. Any additional information requested by the office division. 4 5 (d) Applications for certification based on a contract б for reuse of a defense-related facility must be submitted to 7 the office division as prescribed by the office Department of 8 Commerce and must include, but are not limited to, the following information: 9 10 1. The applicant's Florida sales tax registration 11 number and a notarized signature of an officer of the applicant. 12 13 2. The permanent location of the manufacturing, 14 assembling, fabricating, research, development, or design 15 facility in this state at which the project is or is to be 16 located. 17 3. The business entity holding a valid Department of Defense contract or branch of the Armed Forces of the United 18 19 States that previously occupied the facility, and the date 20 such entity last occupied the facility. 4. A copy of the contract to reuse the facility, or 21 such alternative proof as may be prescribed by the office 22 department that the applicant is seeking to contract for the 23 24 reuse of such facility. 25 5. The date the contract to reuse the facility was executed or is expected to be executed, and the date the 26 contract is due to expire or is expected to expire. 27 28 6. The commencement date for project operations under 29 the contract in this state. 30 31 30

1 7. The number of full-time equivalent jobs in this 2 state which are or will be dedicated to the project during the 3 year and the average wage of such jobs. The total number of full-time equivalent employees 4 8. 5 employed by the applicant in this state. б 9. The amount of: 7 Taxes on sales, use, and other transactions paid a. 8 pursuant to chapter 212. 9 b. Corporate income taxes paid pursuant to chapter 10 220. 11 Intangible personal property taxes paid pursuant to с. 12 chapter 199. 13 d. Emergency excise taxes paid pursuant to chapter 221. 14 15 Excise taxes paid on documents pursuant to chapter e. 201. 16 17 f. Ad valorem taxes paid during the 5 fiscal years 18 immediately preceding the date of the application, and the 19 projected amounts of such taxes to be due in the 3 fiscal 20 years immediately following the date of the application. The estimated amount of tax refunds to be claimed 21 10. in each fiscal year. 22 11. A brief statement concerning the applicant's need 23 24 for tax refunds, and the proposed uses of such refunds by the 25 applicant. 12. A resolution adopted by the county commissioners 26 of the county in which the project will be located, which 27 28 recommends the applicant be approved as a qualified applicant, 29 and which indicates that the necessary commitments of local 30 financial support for the applicant exist. Prior to the 31 adoption of the resolution, the county commission may review 31

1 the proposed public or private sources of such support and 2 determine whether the proposed sources of local financial 3 support can be provided or, for any applicant whose project is 4 located in a county designated by the Rural Economic 5 Development Initiative, a resolution adopted by the county б commissioners of such county requesting that the applicant's 7 project be exempt from the local financial support 8 requirement. 9 13. Any additional information requested by the office 10 division. 11 (e) To qualify for review by the office division, the application of an applicant must, at a minimum, establish the 12 following to the satisfaction of the office division: 13 The jobs proposed to be provided under the 14 1. 15 application, pursuant to subparagraph (b)6. or subparagraph (c)6., must pay an estimated annual average wage equaling at 16 17 least 115 percent of the average wage in the area where the 18 project is to be located. 19 2. The consolidation of a Department of Defense 20 contract must result in a net increase of at least 25 percent 21 in the number of jobs at the applicant's facilities in this state or the addition of at least 80 jobs at the applicant's 22 facilities in this state. 23 24 3. The conversion of defense production jobs to 25 nondefense production jobs must result in net increases in nondefense employment at the applicant's facilities in this 26 27 state. 28 The Department of Defense contract cannot allow the 4. 29 business to include the costs of relocation or retooling in 30 its base as allowable costs under a cost-plus, or similar, 31 contract. 32

1	5. A business unit of the applicant must have derived
2	not less than 70 percent of its gross receipts in this state
3	from Department of Defense contracts over the applicant's last
4	fiscal year, and must have derived not less than 80 percent of
5	its gross receipts in this state from Department of Defense
6	contracts over the 5 years preceding the date an application
7	is submitted pursuant to this section. This subparagraph does
8	not apply to any application for certification based on a
9	contract for reuse of a defense-related facility.
10	6. The reuse of a defense-related facility must result
11	in the creation of at least 100 jobs at such facility.
12	(f) Each application meeting the requirements of
13	paragraphs (b) and (e), paragraphs (c) and (e), or paragraphs
14	(d) and (e) must be submitted to the <u>office</u> division for a
15	determination of eligibility. The office division shall
16	review, evaluate, and score each application based on, but not
17	limited to, the following criteria:
18	1. Expected contributions to the state strategic
19	economic development plan adopted by Enterprise Florida, Inc.,
20	taking into account the extent to which the project
21	contributes to the state's high-technology base, and the
22	long-term impact of the project and the applicant on the
23	state's economy.
24	2. The economic benefit of the jobs created or
25	retained by the project in this state, taking into account the
26	cost and average wage of each job created or retained, and the
27	potential risk to existing jobs.
28	3. The amount of capital investment to be made by the
29	applicant in this state.
30	4. The local commitment and support for the project
31	and applicant.
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1 5. The impact of the project on the local community, 2 taking into account the unemployment rate for the county where 3 the project will be located. The dependence of the local community on the 4 6. 5 defense industry. б 7. The impact of any tax refunds granted pursuant to 7 this section on the viability of the project and the 8 probability that the project will occur in this state if such 9 tax refunds are granted to the applicant, taking into account 10 the expected long-term commitment of the applicant to economic 11 growth and employment in this state. The length of the project, or the expected 12 8. 13 long-term commitment to this state resulting from the project. The office division shall forward its written 14 (q) findings and evaluation on each application meeting the 15 requirements of paragraphs (b) and (e), paragraphs (c) and 16 17 (e), or paragraphs (d) and (e) to the director secretary within 60 calendar days of receipt of a complete application. 18 19 The office division shall notify each applicant when its 20 application is complete, and when the 60-day period begins. In its written report to the director secretary, the office 21 division shall specifically address each of the factors 22 specified in paragraph (f), and shall make a specific 23 24 assessment with respect to the minimum requirements 25 established in paragraph (e). The office division shall include in its report projections of the tax refund claims 26 that will be sought by the applicant in each fiscal year based 27 28 on the information submitted in the application. 29 (h) Within 30 days after receipt of the office's division's findings and evaluation, the <u>director</u> secretary 30 31 shall enter a final order that either approves or disapproves 34

1 an application. The decision must be in writing and provide 2 the justifications for either approval or disapproval. If 3 appropriate, the <u>director</u> secretary shall enter into a written 4 agreement with the qualified applicant pursuant to subsection 5 (4).

б The director secretary may not enter any final (i) 7 order that certifies any applicant as a qualified applicant 8 when the value of tax refunds to be included in that final order exceeds the available amount of authority to enter final 9 10 orders as determined in s. 288.095(3)aggregate amount of tax 11 refunds for all qualified applicants projected by the division in any fiscal year exceeds the lesser of \$25 million or the 12 amount appropriated for tax refunds for that fiscal year. A 13 final order that approves an application must specify the 14 maximum amount of a tax refund that is to be available to the 15 contractor in each fiscal year and the total amount of tax 16 17 refunds for all fiscal years.

18 (j) This section does not create a presumption that an 19 applicant should receive any tax refunds under this section.

20 (4) QUALIFIED DEFENSE CONTRACTOR TAX REFUND 21 AGREEMENT.--

(a) A qualified applicant shall enter into a written
agreement with the <u>office</u> department containing, but not
limited to, the following:

1. The total number of full-time equivalent jobs in this state that are or will be dedicated to the qualified applicant's project, the average wage of such jobs, the definitions that will apply for measuring the achievement of these terms during the pendency of the agreement, and a time schedule or plan for when such jobs will be in place and active in this state. This information must be the same as the

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1 information contained in the application submitted by the 2 contractor pursuant to subsection (3). 3 The maximum amount of a refund that the qualified 2. applicant is eligible to receive in each fiscal year. 4 5 3. An agreement with the office department allowing б the office department to review and verify the financial and 7 personnel records of the qualified applicant to ascertain 8 whether the qualified applicant is complying with the 9 requirements of this section. The date after which, each fiscal year, the 10 4. 11 qualified applicant may file an annual claim pursuant to subsection (5). 12 5. 13 That local financial support shall be annually 14 available and will be paid to the Economic Development Trust 15 Fund. (b) Compliance with the terms and conditions of the 16 17 agreement is a condition precedent for receipt of tax refunds 18 each year. The failure to comply with the terms and conditions of the agreement shall result in the loss of eligibility for 19 20 receipt of all tax refunds previously authorized pursuant to 21 this section, and the revocation of the certification as a 22 qualified applicant by the director secretary. 23 (c) The agreement shall be signed by the director 24 secretary and the authorized officer of the qualified 25 applicant. The agreement must contain the following legend, 26 (d) 27 clearly printed on its face in bold type of not less than 10 28 points: 29 30 "This agreement is neither a general obligation 31 of the State of Florida, nor is it backed by 36

1 the full faith and credit of the State of 2 Florida. Payment of tax refunds are conditioned 3 on and subject to specific annual 4 appropriations by the Florida Legislature of 5 funds sufficient to pay amounts authorized in б s. 288.1045 s. 288.104, Florida Statutes." 7 8 (5) ANNUAL CLAIM FOR REFUND FROM A QUALIFIED DEFENSE 9 CONTRACTOR . --10 (a) Qualified applicants who have entered into a 11 written agreement with the office department pursuant to subsection (4) and who have entered into a valid new 12 Department of Defense contract, commenced the consolidation of 13 a Department of Defense contract, commenced the conversion of 14 defense production jobs to nondefense production jobs or who 15 have entered into a valid contract for reuse of a 16 17 defense-related facility may apply once each fiscal year to the office Department of Commerce for tax refunds. The 18 19 application must be made on or after the date contained in the 20 agreement entered into pursuant to subsection (4) and must 21 include a notarized signature of an officer of the applicant. (b) The claim for refund by the qualified applicant 22 must include a copy of all receipts pertaining to the payment 23 24 of taxes for which a refund is sought, and data related to 25 achieving each performance item contained in the tax refund agreement pursuant to subsection (4). The amount requested as 26 a tax refund may not exceed the amount for the fiscal year in 27 28 the written agreement entered pursuant to subsection (4). 29 (c) A tax refund may not be approved for any qualified 30 applicant unless local financial support has been paid to the 31 Economic Development Trust Fund in that fiscal year. If the 37

1 local financial support is less than 20 percent of the 2 approved tax refund, the tax refund shall be reduced. The tax 3 refund paid may not exceed 5 times the local financial support received. Funding from local sources includes tax abatement 4 5 under s. 196.1995 provided to a qualified applicant. The б amount of any tax refund for an applicant approved under this 7 section shall be reduced by the amount of any such tax 8 abatement, and the limitations in subsection (2) and paragraph 9 (3)(h) shall be reduced by the amount of any such tax 10 abatement. A report listing all sources of the local financial 11 support shall be provided to the office division when such support is paid to the Economic Development Trust Fund. 12

(d) The <u>director</u> secretary, with assistance from the <u>office</u> division, the Department of Revenue, and the Department of Labor and Employment Security, shall determine the amount of the tax refund that is authorized for the qualified applicant for the fiscal year in a written final order within 30 days after the date the claim for the annual tax refund is received by the office Department of Commerce.

20 (e) The total amount of tax refunds approved by the director secretary under this section in any fiscal year may 21 not exceed the amount appropriated to the Economic Development 22 Trust Fund for such purposes for the fiscal year. If the 23 24 Legislature does not appropriate an amount sufficient to 25 satisfy projections by the office division for tax refunds in a fiscal year, the director secretary shall, not later than 26 July 15 of such year, determine the proportion of each refund 27 28 claim which shall be paid by dividing the amount appropriated 29 for tax refunds for the fiscal year by the projected total 30 amount of refund claims for the fiscal year. The amount of 31 each claim for a tax refund shall be multiplied by the

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1 resulting quotient. If, after the payment of all such refund 2 claims, funds remain in the Economic Development Trust Fund 3 for tax refunds, the <u>director</u> secretary shall recalculate the 4 proportion for each refund claim and adjust the amount of each 5 claim accordingly.

6 (f) Upon approval of the tax refund pursuant to 7 paragraphs (c) and (d), the Comptroller shall issue a warrant 8 for the amount included in the final order. In the event of 9 any appeal of the final order, the Comptroller may not issue a 10 warrant for a refund to the qualified applicant until the 11 conclusion of all appeals of the final order.

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

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(6) ADMINISTRATION.--

18 (a) The <u>office may</u> department shall adopt rules
19 pursuant to chapter 120 for the administration of this
20 section.

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

(c) To facilitate the process of monitoring and auditing applications made under this program, the <u>office</u> department may provide a list of qualified applicants to the Department of Revenue, the Department of Labor and Employment Security, or to any local government or authority. The office

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1 department may request the assistance of said entities with 2 respect to monitoring the payment of the taxes listed in 3 subsection (2). 4 (d) By December 1 of each year, the office department 5 shall submit a complete and detailed report to the Governor, 6 the President of the Senate, and the Speaker of the House of 7 Representatives of all tax refunds paid under this section, 8 including analyses of benefits and costs, types of projects 9 supported, employment and investment created, geographic 10 distribution of tax refunds granted, and minority business 11 participation. The report must indicate whether the moneys appropriated by the Legislature to the qualified applicant tax 12 13 refund program were expended in a prudent, fiducially sound 14 manner. 15 (7) EXPIRATION. -- An applicant may not be certified as qualified under this section after June 30, 1999. 16 17 Section 10. Paragraph (b) of subsection (4) of section 288.106, Florida Statutes, is amended to read: 18 19 288.106 Tax refund program for qualified target industry businesses. --20 21 (4) APPLICATION AND APPROVAL PROCESS. --22 To qualify for review by the office, the (b) application of a target industry business must, at a minimum, 23 24 establish the following to the satisfaction of the office: The jobs proposed to be provided under the 25 1. application, pursuant to subparagraph (a)4., must pay an 26 27 estimated annual average wage equaling at least 115 percent of 28 the average private sector wage in the area where the business 29 is to be located or the statewide private sector average wage. 30 The office may waive this average wage requirement at the 31 request of the local governing body recommending the project 40

1 and Enterprise Florida, Inc. The wage requirement may only be waived for a project located in a rural city or county or in 2 3 an enterprise zone and only when the merits of the individual project or the specific circumstances in the community in 4 5 relationship to the project warrant such action. If the local б governing body and Enterprise Florida, Inc., make such a 7 recommendation, it must be transmitted in writing and the specific justification for the waiver recommendation must be 8 9 explained. If the director elects to waive the wage 10 requirement, the waiver must be stated in writing and the 11 reasons for granting the waiver must be explained. The target industry business's project must result 12 2. in the creation of at least 10 jobs at such project and, if an 13 expansion of an existing business, must result in a net 14 increase in employment of not less than 10 percent at such 15 business. Notwithstanding the definition of the term 16 expansion of an existing business" under paragraph (2)(g), at 17 the request of the local governing body recommending the 18 19 project and Enterprise Florida, Inc., the office may define an expansion of an existing business" in a rural city, a rural 20 county, or an enterprise zone as the expansion of a business 21 resulting in a net increase in employment of less than 10 22 percent at such business, if the merits of the individual 23 24 project or the specific circumstances in the community in 25 relationship to the project warrant such action. If the local governing body and Enterprise Florida, Inc., make such a 26 27 request, it must be transmitted in writing and the specific justification for the request must be explained. If the 28 29 director elects to accept such request, such election must be 30 stated in writing and the reason for granting the request must 31 be explained.

1 3. The business activity or product for the 2 applicant's project is within an industry or industries that 3 have been identified by the office to be high-value-added industries that contribute to the area and to the economic 4 5 growth of the state and that produce a higher standard of б living for citizens of this state in the new global economy or 7 that can be shown to make an equivalent contribution to the area and state's economic progress. 8 9 Section 11. Subsection (1) of section 288.1221, 10 Florida Statutes, is amended to read: 11 288.1221 Legislative intent.--(1) It is the intent of the Legislature to establish a 12 public-private partnership to provide policy direction to and 13 technical expertise in the promotion and marketing of the 14 state's tourism attributes. The Legislature further intends to 15 authorize this partnership to recommend the tenets of an 16 17 industry standard 4-year 5-year marketing plan for an annual marketing plan for tourism promotion and recommend a 18 19 comparable organizational structure to carry out such a plan. 20 The Legislature intends to have such a plan funded by that portion of the rental car surcharge annually dedicated to the 21 Tourism Promotional Trust Fund, pursuant to s. 212.0606, and 22 by the tourism industry. The Legislature intends that the 23 24 exercise of this authority by the public-private partnership shall take into consideration the recommendations made to the 25 1992 Legislature in the report submitted by the Florida 26 Tourism Commission created pursuant to chapter 91-31, Laws of 27 28 Florida. 29 Section 12. Subsection (2) of section 288.1222, 30 Florida Statutes, is amended to read: 31 42

1 288.1222 Definitions.--For the purposes of ss. 2 288.017, 288.121-288.1226, and 288.124, the term: 3 "Tourist" means any person who participates in (2) trade or recreation activities outside the county country of 4 5 his or her permanent residence or who rents or leases б transient living quarters or accommodations as described in s. 7 125.0104(3)(a). 8 Section 13. Paragraphs (f) and (g) of subsection (2) of section 288.1223, Florida Statutes, are amended to read: 9 10 288.1223 Florida Commission on Tourism; creation; 11 purpose; membership. --12 (2) (f) The commission shall hold its first meeting no 13 later than September 1992 and must meet at least quarterly. A 14 majority of the members shall constitute a quorum for the 15 purpose of conducting business. 16 17 The Governor shall serve as chair of the (q) 18 commission. The commission shall annually biennially elect one 19 of its tourism-industry-related members as vice chair, who shall preside in the absence of the chair. 20 21 Section 14. Subsections (12) and (13) are added to section 288.1224, Florida Statutes, to read: 22 23 288.1224 Powers and duties.--The commission: 24 (12) Shall, upon completion of the plan required under 25 subsection (11), establish a standing statewide advisory 26 committee of the commission to assist the commission with 27 implementation of such plan, including, but not limited to, helping to develop and review ecotourism and heritage tourism 28 29 policies, coordinate governmental and private-sector interests 30 in ecotourism and heritage tourism, and integrate federal, 31 state, regional, and local ecotourism and heritage tourism

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1 marketing strategies. The chairman of the commission shall appoint members of the advisory committee based upon 2 3 recommendations from the commission. Members shall include: (a) Representatives of the state governmental 4 5 organizations identified in paragraph (11)(a). б (b) A representative of Enterprise Florida, Inc. 7 Representatives of regional ecotourism or heritage (C) 8 tourism committees or associations that are established by 9 local tourism organizations throughout the state. 10 (d) Representatives of the private sector with 11 experience in environmental, historical, cultural, recreational, or other tourism-related activities. 12 (e) Representatives of two not-for-profit 13 14 environmental organizations with expertise in environmental resource protection and land management. 15 Representatives from any other organizations that 16 (f) the chairman of the commission, based upon recommendations 17 from the commission, deems appropriate. 18 19 (13) Shall incorporate ecotourism and heritage tourism components into its comprehensive tourism marketing plan for 20 21 the state, including, but not limited to: Promoting travel experiences that combine visits 22 (a) to commercial destinations in the state with visits to 23 24 nature-based or heritage-based sites in the state; 25 (b) Promoting travel experiences that combine visits 26 to multiple nature-based or heritage-based sites within a 27 region or within two or more regions in the state; (c) Assisting local and regional tourism organizations 28 29 in incorporating ecotourism and heritage tourism components 30 into local marketing plans and in establishing cooperative 31

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1 local or regional advisory committees on ecotourism and heritage tourism; and 2 3 (d) Working with local and regional tourism organizations to identify ecotourism and heritage tourism 4 5 sites, including identifying private-sector businesses engaged in activities supporting or related to ecotourism and heritage б 7 tourism. 8 Section 15. (1) The Legislature finds that tourism associated with the natural, cultural, and historical assets 9 10 of this state constitutes one of the fastest growing segments 11 of the travel and tourism industry. Such ecotourism and heritage tourism hold significant potential for contributing 12 to the economic well-being of this state and its citizens 13 through the generation of revenues and the creation of jobs. 14 The Legislature further finds that there are opportunities to 15 promote travel experiences that link this state's traditional 16 17 travel destinations with its ecotourism or heritage tourism destinations, and to promote travel experiences that link 18 19 ecotourism or heritage tourism destinations within a county or among multiple counties. Overarching these findings is the 20 21 Legislature's recognition that the state's ecotourism and heritage tourism assets must be preserved and maintained if 22 they are to be enjoyed by future generations. It is the intent 23 24 of the Legislature to encourage the promotion of sustainable ecotourism and heritage tourism in this state. 25 (2)(a) Subject to a specific appropriation in the 26 27 General Appropriations Act, the Florida Commission on Tourism, in cooperation with the Office of Tourism, Trade, and Economic 28 Development, is authorized to establish and administer an 29 30 ecotourism and heritage tourism promotion grant program, for the 1998-1999 fiscal year, in order to assist localities and 31

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1 regions in promoting such tourism or the economic development activities related to such tourism. 2 3 (b) An eligible grant applicant is a governmental or not-for-profit tourism or economic development organization in 4 5 this state. An application may be submitted jointly on behalf б of a combination of such organizations, in which case the 7 organizations together shall be deemed to be one applicant. An 8 organization may not participate in the submission of more 9 than one application. 10 (c) An applicant must submit a grant application to 11 the Florida Commission on Tourism through the commission's direct-support organization. The application must include a 12 requested grant amount and a detailed plan governing the 13 proposed use of the grant award. The commission, with the 14 assistance of its direct-support organization, shall review 15 each application and shall submit award recommendations to the 16 17 Office of Tourism, Trade, and Economic Development for final 18 approval. 19 (d) The Florida Commission on Tourism and the Office of Tourism, Trade, and Economic Development together shall 20 21 establish guidelines for administering this program and shall establish criteria for the competitive evaluation of grant 22 applications. Evaluation criteria must include, but need not 23 24 be limited to: 1. The employment and other economic needs of the 25 community or region that is the subject of the application. 26 27 The extent to which the plan submitted with the 2. 28 application links tourism sites within the community or region 29 or links tourism sites within two or more communities or 30 regions. 31

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1	3. Whether the community or region that is the subject
2	of the application has been identified by WAGES Program
3	administrators as an area of critical concern because of a low
4	ratio of new jobs to number of WAGES clients.
5	4. The extent to which the plan submitted with the
6	application includes efforts to help ensure that use of the
7	site or sites for ecotourism or heritage tourism activities
8	does not jeopardize the environmental value or the
9	sustainability of the resources.
10	(e) Eligible uses of funds under this program include:
11	1. Marketing ecotourism or heritage tourism sites;
12	2. Rehabilitating or establishing ecotourism or
13	heritage tourism sites;
14	3. Marketing areas as appropriate sites for the
15	location or expansion of businesses engaged in, or that
16	facilitate, ecotourism or heritage tourism activities;
17	4. Establishing local or regional ecotourism and
18	heritage tourism advisory and promotion organizations.
19	(f) Each grant awarded to an applicant under this
20	program shall not exceed \$50,000. Before allocating any grant
21	award under this program, the Office of Tourism, Trade, and
22	Economic Development shall enter into a grant agreement with
23	the grant recipient governing the use of such grant award.
24	Section 16. Section 288.90151, Florida Statutes, is
25	amended to read:
26	288.90151 Funding for contracting with Enterprise
27	Florida, Inc
28	(1) (a) From funds appropriated from the General
29	Revenue Fund to the Office of Tourism, Trade, and Economic
30	Development for the purpose of annually contracting with
31	Enterprise Florida, Inc., 10 percent of such funds for the
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1 fiscal year 1996-1997, 20 percent of such funds for the fiscal 2 year 1997-1998, 30 percent of such funds for the fiscal year 3 1998-1999, 40 percent of such funds for the fiscal year 4 1999-2000, and 50 percent of such funds for the fiscal year 5 2000-2001 shall be placed in reserve by the Executive Office б of the Governor. The funds may be released through a budget 7 amendment, in accordance with chapter 216, as requested by 8 Enterprise Florida, Inc., through the Office of Tourism, 9 Trade, and Economic Development if Enterprise Florida, Inc., 10 has provided sufficient documentation that the same amount of 11 matching private funds as the amount placed in reserve has been contributed during the same fiscal year to Enterprise 12 13 Florida, Inc., in support of its economic development efforts. If sufficient documentation is not provided by the end of the 14 15 fiscal year, such funds shall revert back to the General Revenue Fund. 16 17 (b) In fiscal years 1999-2000 and 2000-2001, 50 percent of the funds placed in reserve may be released by the 18 19 same budget amendment process if Enterprise Florida, Inc., has 20 provided sufficient documentation that the amount of matching private funds contributed during the same fiscal year to 21 Enterprise Florida, Inc., is equal to 75 percent of the funds 22 placed in reserve. The remaining funds in reserve may be 23 24 released by the same budget amendment process if Enterprise 25 Florida, Inc., meets the requirements of paragraph (a). 26 27 In each fiscal year, at least 55 percent of the matching 28 private funds required to be documented under this subsection 29 must be comprised of the first category of matching private 30 funds described in subsection (3). 31 48

1	(2) Prior to the 1999 Regular Session of the
2	Legislature, the Office of Program Policy Analysis and
3	Government Accountability shall conduct a review of the
4	contributions made to Enterprise Florida, Inc., during the
5	prior 3 years pursuant to this section. The review must be
6	conducted in such a manner as to determine the amount and type
7	of matching private funds contributed and the circumstances
8	affecting the ability to achieve or not achieve the specified
9	amount of matching private funds for each year. Based on this
10	information and historical data, the Office of Program Policy
11	Analysis and Governmental Accountability shall determine
12	whether the funding levels of matching private funds for
13	fiscal year 1999-2000, and fiscal year 2000-2001, as specified
14	in this section, are appropriate. This report shall be
15	submitted by January 1, 1999, to the President of the Senate,
16	the Speaker of the House of Representatives, the Senate
17	Minority Leader, and the House Minority Leader.
18	(3) For the purposes of this section, matching private
19	funds shall be divided into two categories. The first category
20	of matching private funds shall include any payment of cash
21	made in response to a solicitation by Enterprise Florida,
22	Inc., and used exclusively by Enterprise Florida, Inc., in its
23	operations or programs, excluding any payment of cash made by
24	any entity to qualify for any Enterprise Florida, Inc., state,
25	or local incentive, grant, or loan program, or any cash
26	received by Enterprise Florida, Inc., pursuant to a grant or
27	contract. The second category of matching private funds shall
28	include a conveyance of property, or payment or distribution
29	of property or anything of value, including contributions
30	in-kind having an attributable monetary value in any form, and
31	including any payment of cash not counted within the first
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1 category of matching private funds. Contributions in-kind include, but are not limited to, goods or services rendered. 2 3 The cost of the contribution shall be the reasonable cost to the sponsor of the goods or services. 4 5 Section 17. Subsection (3) is added to section б 288.9618, Florida Statutes, to read: 7 288.9618 Microenterprises.--8 (3) Not more than 15 percent of the funds appropriated 9 each fiscal year for activities under this section may be used 10 for administrative expenses of the Office of Tourism, Trade, 11 and Economic Development or for administrative expenses of the organization with which the office contracts under this 12 13 section. Section 18. Section 288.9958, Florida Statutes, is 14 15 created to read: 288.9958 PRIDE Job Placement Incentive Program. --16 17 (1) The Legislature recognizes that the location of some correctional facilities has been determined by the desire 18 19 to provide employment opportunities for residents of communities that have not experienced the economic growth of 20 other portions of the state. Partnerships between the state 21 and the corporation authorized by chapter 946 to manage 22 correctional work programs may result in increased employment 23 24 opportunities for local citizens. To assist the corporation authorized by chapter 946 in economic development initiatives 25 that specifically enhance the employment opportunities for 26 27 WAGES participants, the PRIDE Job Placement Incentive Program 28 is created. 29 (2) The PRIDE Job Placement Incentive Program is 30 created to encourage the use of correctional facilities in the economic development of the state. The program shall be 31 50

1 administered by the Workforce Development Board of Enterprise Florida, Inc. The Workforce Development Board shall adopt 2 3 guidelines for the administration of this program. The Workforce Development Board may authorize a 4 (a) 5 grant of \$1,000 to the corporation authorized by chapter 946, б or a business working in association with such corporation, 7 for full-time employment of a WAGES participant in those 8 workforce development regions identified by the Workforce Development Board pursuant to subsection (3). The incentive 9 payment shall be paid incrementally, with a payment of \$250 10 11 upon initial employment, \$250 at an employment duration of six months, and \$500 at an employment duration of one year. Such 12 grants are provided to off-set the costs of business location 13 and training the local workforce. Grants may not be issued for 14 the employment of individuals who have participated in a 15 prison rehabilitative industry program in the two years prior 16 17 to employment. WAGES participants eligible for employment in the 18 (b) 19 PRIDE Job Placement Incentive Program must be referred by local WAGES coalitions to the corporation authorized by 20 21 chapter 946. Awarding of grants is dependent upon legislative appropriation; however, no more than \$100,000 shall be awarded 22 statewide in any fiscal year, and no more than \$25,000 may be 23 24 awarded for jobs provided in any particular workforce region. (3) The Workforce Development Board shall determine 25 those workforce development regions in the state which have 26 27 the fewest employment opportunities per WAGES participant. The five workforce development regions designated by the Workforce 28 29 Development Board as having the fewest employment 30 opportunities per WAGES participant are those in which the corporation authorized by chapter 946 or businesses working in 31 51

1 association with such corporation may be eligible for job 2 placement incentives. 3 (4) Businesses that have accepted a job placement incentive pursuant to this section may also be eligible to 4 5 apply for any tax credits, wage supplementation, wage subsidy, б or employer payment for that employee which are authorized in law or by agreement with the employer. 7 8 (5) WAGES participants may be employed by the 9 corporation authorized by chapter 946 in those facilities 10 managed by such corporation if approved by the Department of 11 Corrections and after development of a safety plan for those WAGES participants employed in such a facility. 12 As part of the sector strategy approach to 13 Section 19. economic development planning identified in section 14 288.905(2)(j), Florida Statutes, Enterprise Florida, Inc., 15 shall examine the current and potential economic development 16 contribution of the biotechnology industry and other health 17 technology industries to this state. In conducting this 18 19 examination, Enterprise Florida, Inc., shall work in conjunction with representatives of the biotechnology industry 20 21 and other health technology industries in this state. Such examination shall include, but not be limited to, an 22 identification of impediments to the maintenance and growth of 23 these industries in this state. One of the issues Enterprise 24 Florida, Inc., shall consider is whether there are impediments 25 to the transfer of technology stemming from the state's 26 27 policies governing the working relationships between 28 university scientists and private businesses. Enterprise 29 Florida, Inc., shall also consider issues related to tax 30 policies applicable to these industries, the capital and financing needs of these industries, and the research and 31

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1 development needs of these industries, as well as any other issues that Enterprise Florida, Inc., and the private-sector 2 3 representatives deem significant. Enterprise Florida, Inc., shall report to the Legislature on its findings by October 1, 4 5 1998, including any recommendations for legislative or other б action to improve the business climate for these industries. 7 Section 20. Notwithstanding any provision of law to 8 the contrary, the governing body of a municipality or county 9 containing a United States Environmental Protection Agency 10 brownfield pilot project that was designated as of May 1, 11 1997, may apply to the Office of Tourism, Trade, and Economic Development for designation of one enterprise zone 12 encompassing the brownfield pilot project if the project is 13 located in a county with a population less than one million. 14 The application must be submitted by December 31, 1999, and 15 must comply with the requirements of section 290.0055, Florida 16 17 Statutes, except section 290.0055(3), Florida Statutes. Notwithstanding the provisions of section 290.0065, Florida 18 19 Statutes, limiting the total number of enterprise zones designated and the number of enterprise zones within a 20 population category, the Office of Tourism, Trade, and 21 Economic Development shall designate one enterprise zone under 22 this section if the zone is consistent with the limitations 23 24 imposed under this section. The Office of Tourism, Trade, and 25 Economic Development shall establish the initial effective date of the enterprise zone designated pursuant to this 26 27 section. 28 Section 21. This act shall take effect July 1, 1998. 29 30 31

1	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR
2	<u>SB 760</u>
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4	The committee substitute differs substantially from Senate
5	Bill 760 through the inclusion of additional provisions:
6 classroom training participant or a WAGES Program participant	Allowing a new employee who is a Job Training Partnership Act classroom training participant or a WAGES Program participant
7	to provide a basis for the employer job tax credit against sales or corporate income tax under the enterprise zone
8	program, regardless of whether the employee resides in the zone;
9	Providing for the establishment of a new enterprise zone in a
10	community that has a U.S. Environmental Protection Agency brownfield pilot project;
11	Expanding the list of eligible businesses under the urban
12	high-crime area and rural job tax credit programs to include certain call centers or similar customer service operations;
13	Making conforming and technical amendments to the entire statute governing the Qualified Defense Contractor (QDC) Tax
14	Refund , rather than to one subsection only, in order to limit
15	the amount of tax refunds that may be approved for a single fiscal year to the amount appropriated by the Legislature for
16	such refunds under s. 288.095, F.S., and in order to change references from the Department of Commerce to the Office of
17	Tourism, Trade, and Economic Development (OTTED);
18	Authorizing OTTED to allow an expanding business in a rural city, a rural county, or an enterprise zone to participate in
19	the Qualified Target Industry (QTI) Tax Refund Program even if the expansion project does not result in a net increase in
20	employment of 10 percent at the business;
21	Revising certain provisions governing the Florida Commission on Tourism, including providing for the election of a vice chairman on an annual rather than biennial basis;
22	chairman on an annual rather than biennial basis;
23	Directing the tourism commission to establish a standing advisory committee on ecotourism and heritage tourism and to
24	incorporate such tourism components into the overall tourism marketing plan for the state;
25	Authorizing the tourism commission to establish a promotion
26	grant program for ecotourism and heritage tourism, subject to legislative appropriation;
27	Limiting the portion of appropriations for the microenterprise program that may be used for administrative expenses;
28	Creating the PRIDE Job Placement Incentive Program to
29	encourage the use of correctional facilities in the economic development of the state; and
30	Requiring Enterprise Florida, Inc., to examine the current and
31	potential contribution of the biotechnology industry and other health-technology industries to the economic development of 54

CS for SB 760