

By the Committee on Commerce and Economic Opportunities; and
Senator Kirkpatrick

310-2031-99

1 A bill to be entitled
2 An act relating to the creation of the Rural
3 Infrastructure Fund; creating s. 288.0655,
4 F.S.; creating the Rural Infrastructure Fund
5 within the Office of Tourism, Trade, and
6 Economic Development; providing for a specified
7 annual deposit into the Economic Development
8 Trust Fund in support of the Rural
9 Infrastructure Fund; prescribing the purpose
10 and uses of the Rural Infrastructure Fund;
11 directing the office to develop guidelines
12 relating to administration of grants under the
13 Rural Infrastructure Fund; specifying that
14 certain appropriations are not subject to
15 reversion; amending s. 320.20, F.S.; requiring
16 the annual deposit of a specified amount of
17 motor vehicle registration funds into the
18 Economic Development Trust Fund in support of
19 the Rural Infrastructure Fund; prescribing the
20 manner in which such funds may be used in
21 support of bonds or other debt instruments;
22 specifying that certain debts related to the
23 Rural Infrastructure Fund shall not constitute
24 a general obligation of the state; prohibiting
25 diversion of such rural infrastructure funds;
26 providing a contingent effective date.

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28 Be It Enacted by the Legislature of the State of Florida:

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30 Section 1. Section 288.0655, Florida Statutes, is
31 created to read:

1 288.0655 Rural Infrastructure Fund.--
2 (1) There is created within the Office of Tourism,
3 Trade, and Economic Development the Rural Infrastructure Fund
4 to facilitate the planning, preparing, and financing of
5 infrastructure projects in rural communities which will
6 encourage job creation, capital investment, and the
7 strengthening and diversification of rural economies by
8 promoting tourism, trade, and economic development.
9 (2) On July 1, 1999, and annually thereafter, \$8
10 million shall be deposited in the Economic Development Trust
11 Fund, as provided in s. 320.20(5), solely for the purpose of
12 funding the Rural Infrastructure Fund.
13 (3)(a) Funds under this section shall be distributed
14 by the office through a grant program that maximizes the use
15 of federal, local, and private resources, including, but not
16 limited to, those available under the Small Cities Community
17 Development Block Grant Program.
18 (b) To facilitate access of rural communities and
19 rural areas of critical economic concern as defined by the
20 Rural Economic Development Initiative to infrastructure
21 funding programs of the Federal Government, such as those
22 offered by the U.S. Department of Agriculture and the U.S.
23 Department of Commerce, the office may award grants to
24 applicants for such federal programs for up to 30 percent of
25 the total infrastructure project cost. Eligible projects must
26 be related to specific job-creating opportunities. Eligible
27 uses of funds shall include improvements to public
28 infrastructure for industrial or commercial sites and upgrades
29 to or development of public tourism infrastructure. Authorized
30 infrastructure may include the following public or
31 public-private partnership facilities: sewer and water

1 capacity facilities, including stormwater systems; electrical
2 facilities; telecommunications facilities; natural gas
3 facilities; roads or other remedies to transportation
4 impediments; nature-based tourism facilities; or other
5 physical requirements necessary to facilitate tourism, trade,
6 and economic development activities in the community.

7 (c) To facilitate timely response and induce the
8 location or expansion of specific job-creating opportunities,
9 the office may award grants for infrastructure feasibility
10 studies, design and engineering activities, or other
11 infrastructure planning and preparation activities. Authorized
12 grants shall be for up to \$50,000 for an employment project
13 with a business committed to create at least 100 jobs, up to
14 \$150,000 for an employment project with a business committed
15 to create at least 300 jobs, and up to \$300,000 for a project
16 in a rural area of critical economic concern. Grants awarded
17 under this paragraph may be used in conjunction with grants
18 awarded under paragraph (b), provided that the total amount of
19 both grants does not exceed 30 percent of the total project
20 cost. In evaluating applications under this paragraph, the
21 office shall consider the extent to which the application
22 seeks to minimize administrative and consultant expenses.

23 (d) By September 1, 1999, the office shall pursue
24 execution of a memorandum of agreement with the U.S.
25 Department of Agriculture under which state funds available
26 through the Rural Infrastructure Fund may be advanced, in
27 excess of the prescribed state share, for a project that has
28 received from the department a preliminary determination of
29 eligibility for federal financial support. State funds in
30 excess of the prescribed state share which are advanced
31 pursuant to this paragraph and the memorandum of agreement

1 shall be reimbursed when funds are awarded under an
2 application for federal funding.

3 (e) To enable local governments to access the
4 resources available pursuant to s. 403.973(16), the office may
5 award grants for surveys, feasibility studies, and other
6 activities related to the identification and preclearance
7 review of land that is suitable for preclearance review.
8 Authorized grants under this paragraph shall not exceed
9 \$75,000 each, except in the case of a project in a rural area
10 of critical economic concern, in which case the grant shall
11 not exceed \$300,000. Any funds awarded under this paragraph
12 must be matched at a level of 50 percent with local funds,
13 except that any funds awarded for a project in a rural area of
14 critical economic concern must be matched at a level of 33
15 percent with local funds. In evaluating applications under
16 this paragraph, the office shall consider the extent to which
17 the application seeks to minimize administrative and
18 consultant expenses.

19 (4) The office, in consultation with Enterprise
20 Florida, Inc., VISIT Florida, the Department of Environmental
21 Protection, and the Florida Fish and Wildlife Conservation
22 Commission, as appropriate, shall review applications and
23 evaluate the economic benefit of the projects and their
24 long-term viability. The office shall have final approval for
25 any grant under this section and must make a grant decision
26 within 30 days after receiving a completed application.

27 (5) By September 1, 1999, the office shall, in
28 consultation with the organizations listed in subsection (4)
29 and other organizations, develop guidelines and criteria
30 governing submission of applications for funding, review and
31 evaluation of such applications, and approval of funding under

1 this section. The office shall consider factors including, but
2 not limited to, the project's potential for enhanced job
3 creation or increased capital investment, the demonstration of
4 local public and private commitment, the location of the
5 project in an enterprise zone, the location of the project in
6 a community development corporation service area as defined in
7 s. 290.035(2), the location of the project in a county
8 designated under s. 212.097, the unemployment rate of the
9 surrounding area, and the poverty rate of the community.

10 (6) Notwithstanding the provisions of s. 216.301,
11 funds appropriated for the purposes of this section shall not
12 be subject to reversion.

13 Section 2. Present subsection (5) of section 320.20,
14 Florida Statutes, is redesignated as subsection (6) and a new
15 subsection (5) is added to that section to read:

16 320.20 Disposition of license tax moneys.--The revenue
17 derived from the registration of motor vehicles, including any
18 delinquent fees and excluding those revenues collected and
19 distributed under the provisions of s. 320.081, must be
20 distributed monthly, as collected, as follows:

21 (5) Notwithstanding any other provision of law except
22 subsections (1), (2), (3), and (4), on July 1, 1999, and
23 annually thereafter, \$8 million shall be deposited in the
24 Economic Development Trust Fund under s. 288.095, solely for
25 the purposes of funding the Rural Infrastructure Fund under s.
26 288.0655. Such revenues may be assigned, pledged, or set aside
27 as a trust for the payment of principal or interest on bonds,
28 grant anticipation notes, variable-rate demand obligations
29 including, but not limited to, tax-exempt commercial paper and
30 derivative instruments, or any other form of indebtedness, or
31 may be used to purchase credit support to permit such

1 borrowings, issued by a governing body under s. 163.01(7)(d),
2 or an appropriate local government having jurisdiction
3 thereof, or collectively by interlocal agreement among any
4 applicable government; however, such debt shall not constitute
5 a general obligation of the state. The state covenants with
6 holders of such revenue bonds or other instruments of
7 indebtedness issued hereunder that it will not repeal or
8 impair or amend in any manner that will materially and
9 adversely affect the rights of such holders as long as bonds
10 authorized by this subsection are outstanding. Any revenues
11 that are not pledged to the repayment of bonds as authorized
12 by this subsection may be used for purposes authorized under
13 the Rural Infrastructure Fund. The Office of Tourism, Trade,
14 and Economic Development shall approve distribution of funds
15 for rural infrastructure related to tourism, trade, and
16 economic development. The office and the Department of
17 Transportation are authorized to perform such acts as are
18 required to facilitate and implement the provisions of this
19 subsection. To better enable the counties and the Office of
20 Tourism, Trade, and Economic Development to cooperate to their
21 mutual advantage, the governing body of each government may
22 exercise powers provided to municipalities or counties in s.
23 163.01(7)(d). The use of funds provided under this subsection
24 is limited to eligible projects listed in s. 288.0655.
25 Unexpended proceeds derived from a project completed with the
26 use of program funds, beyond operating costs and debt service,
27 shall be restricted to further capital improvements consistent
28 with tourism, trade, and economic development infrastructure
29 purposes and used for no other purpose. Use of such unexpended
30 proceeds for purposes other than tourism, trade, and economic
31 development infrastructure is prohibited. Any funds deposited

1 in the Economic Development Trust Fund for the purposes of the
2 Rural Infrastructure Fund under s. 288.0655 may not be
3 diverted to any other purpose. Any such diversion shall
4 trigger immediate repayment to the Economic Development Trust
5 Fund from the Working Capital Trust Fund.

6 Section 3. This act shall take effect July 1, 1999,
7 but it shall not take effect unless it is enacted by at least
8 a three-fifths vote of the membership of each house of the
9 Legislature.

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11 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
12 COMMITTEE SUBSTITUTE FOR
13 Senate Bill 1572

14 This committee substitute creates the Rural Infrastructure
15 Fund within the Office of Tourism, Trade, and Economic
16 Development. Provides for \$8 million from motor vehicle
17 registration funds to be deposited annually in the Economic
18 Development Trust Fund in support of the Rural Infrastructure
19 Fund. The funds may be used to support a bond issuance (funds
20 may be assigned, pledged, or set aside as a trust for payment
of principal or interest on bonds). Bond proceeds will provide
grants for infrastructure in support of specific economic
development projects, including storm water systems,
electrical, telecommunications, natural gas, roads, and nature
based tourism facilities. Funds will also support feasibility
studies.

21 This committee substitute shall take effect July 1, 1999, but
22 it shall not take effect unless it is enacted by at least a
23 three-fifths vote of the membership of each house of the
24 Legislature.
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