

By the Committees on Comprehensive Planning, Local and Military Affairs; Commerce and Economic Opportunities; and Senator Silver

316-1804A-99

1 A bill to be entitled
2 An act relating to empowerment zones; creating
3 s. 290.0491, F.S.; creating the "Florida
4 Empowerment Zone Act"; defining terms;
5 providing legislative intent; providing for
6 administration by the Department of Community
7 Affairs; providing an appropriation; providing
8 requirements for eligibility; amending s.
9 212.097, F.S.; defining as a "qualified
10 high-crime area" areas receiving 1999 federal
11 empowerment zone designation; amending s.
12 212.098, F.S.; defining as a "qualified county"
13 a county that contains an area receiving 1999
14 enterprise community designation; amending s.
15 290.0065, F.S.; designating areas receiving
16 1999 federal empowerment zone or rural
17 enterprise community designations as state
18 enterprise zones and authorizing satellite
19 enterprise zones; providing an effective date.

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

23 Section 1. Section 290.0491, Florida Statutes, is
24 created to read:

25 290.0491 Florida Empowerment Zones.--

26 (1) SHORT TITLE.--This section may be cited as the
27 "Florida Empowerment Zone Act."

28 (2) DEFINITIONS.--As used in this section, the term:

29 (a) "Department" means the Department of Community
30 Affairs.

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1 (b) "Federal Empowerment Zone Program" means the
2 empowerment zone program established in 26 U.S.C. s. 1391 et
3 seq.

4 (c) "Nominated area" means an area nominated for
5 participation in the Federal Empowerment Zone Program.

6 (d) "Sponsoring designee" means the lead entity that
7 applied for and received the empowerment zone designation, but
8 does not include other entities that joined in the
9 application.

10 (3) LEGISLATIVE INTENT.--The Legislature recognizes
11 that it is in the public interest that the state create
12 economic opportunity in poverty-stricken areas and rebuild
13 such areas by empowering the people and communities within
14 these areas to create jobs and opportunities. The U.S.
15 Congress in 1997 provided that an additional 20 areas may be
16 designated as federal empowerment zones by January 1, 1999,
17 and, as such, be eligible for federal funding under the
18 Federal Empowerment Zone Program. The Legislature seeks to
19 promote local governments in submitting the strongest possible
20 proposals under the Federal Empowerment Zone Program by
21 establishing a companion state empowerment zone program.

22 (4) EMPOWERMENT ZONE PROGRAM.--There is created an
23 economic development program to be known as the Florida
24 Empowerment Zone Program. The program shall exist for 10 years
25 and, except as otherwise provided by law, be operated by the
26 Department of Community Affairs in conjunction with the
27 Federal Empowerment Zone Program.

28 (5) FUNDING.--Beginning in fiscal year 1999-2000, the
29 sum of \$5,250,000 is appropriated to the Department of
30 Community Affairs from the General Revenue Fund each year
31 during the 10-year program. The funds must be distributed by

1 the department to each sponsoring designee within the state
2 which was announced in January 1999 as having the Federal
3 Empowerment Zone designation under 26 U.S.C. s. 1391(g) or to
4 each community that was awarded in January 1999 the Rural
5 Enterprise Community designation, except that the Department
6 of Community Affairs may retain up to 2 percent of the annual
7 appropriation for state administrative costs associated with
8 the program. From those funds, at least \$4.9 million but no
9 more than \$5 million must be distributed to an urban
10 sponsoring designee and at least \$245,000 but no more than
11 \$250,000 must be distributed to a rural sponsoring designee or
12 Rural Enterprise Community, if the rural sponsoring designee
13 or Rural Enterprise Community has matched the amount with
14 local funds. The funds must be used for the benefit of the
15 nominated area and are contingent upon the sponsoring designee
16 or Rural Enterprise Community receiving Empowerment Zone or
17 Enterprise Community funds under federal law and meeting the
18 local-match requirements imposed by the Federal Empowerment or
19 Enterprise Community regulations and this section.

20 (6) GENERAL POWERS OF THE DEPARTMENT OF COMMUNITY
21 AFFAIRS.--The department has all the powers necessary to carry
22 out the purposes of the Florida Empowerment Zone Program
23 including the power to adopt and enforce rules not
24 inconsistent with this section for the administration of the
25 fund. The department shall evaluate the performance of the
26 Florida Empowerment Zone program recipients against the
27 milestones, outcomes, and performance measures contained in
28 the application's strategic plan as submitted for designation
29 as an empowerment zone.

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1 Section 2. Paragraph (e) of subsection (2) of section
2 212.097, Florida Statutes, 1998 Supplement, is amended to
3 read:

4 212.097 Urban High-Crime Area Job Tax Credit
5 Program.--

6 (2) As used in this section, the term:

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

12 1. Highest arrest rates within the geographic area for
13 violent crime and for such other crimes as drug sale, drug
14 possession, prostitution, vandalism, and civil disturbances;

15 2. Highest reported crime volume and rate of specific
16 property crimes such as business and residential burglary,
17 motor vehicle theft, and vandalism;

18 3. Highest percentage of reported index crimes that
19 are violent in nature;

20 4. Highest overall index crime volume for the area;
21 and

22 5. Highest overall index crime rate for the geographic
23 area.

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25 Tier-one areas are ranked 1 through 5 and represent the
26 highest crime areas according to this ranking. Tier-two areas
27 are ranked 6 through 10 according to this ranking. Tier-three
28 areas are ranked 11 through 15. Notwithstanding this
29 definition, "qualified high-crime area" also means an area
30 that has been designated as a federal Empowerment Zone
31 pursuant to the Taxpayer Relief Act of 1997. Such a designated

1 area is ranked in Tier Three until the areas are reevaluated
2 by the Office of Tourism, Trade, and Economic Development.

3 Section 3. Paragraph (c) of subsection (2) of section
4 212.098, Florida Statutes, 1998 Supplement, is amended to
5 read:

6 212.098 Rural Job Tax Credit Program.--

7 (2) As used in this section, the term:

8 (c) "Qualified county" means a county that has a
9 population of fewer than 75,000 persons, or any county that
10 has a population of 100,000 or less and is contiguous to a
11 county that has a population of less than 75,000, selected in
12 the following manner: every third year, the Office of
13 Tourism, Trade, and Economic Development shall rank and tier
14 the state's counties according to the following four factors:

15 1. Highest unemployment rate for the most recent
16 36-month period.

17 2. Lowest per capita income for the most recent
18 36-month period.

19 3. Highest percentage of residents whose incomes are
20 below the poverty level, based upon the most recent data
21 available.

22 4. Average weekly manufacturing wage, based upon the
23 most recent data available.

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25 Tier-one qualified counties are those ranked 1 through 5 and
26 represent the state's least-developed counties according to
27 this ranking. Tier-two qualified counties are those ranked 6
28 through 10, and tier-three counties are those ranked 11
29 through 17 ~~15~~. Notwithstanding this definition, "qualified
30 county" also means a county that contains an area that has
31 been designated as a federal Enterprise Community pursuant to

1 the 1999 Agricultural Appropriations Act. Such a designated
2 area shall be ranked in Tier Three until the areas are
3 reevaluated by the Office of Tourism, Trade, and Economic
4 Development.

5 Section 4. Subsection (5) of section 290.0065, Florida
6 Statutes, 1998 Supplement, is amended, and subsection (12) is
7 added to that section, to read:

8 290.0065 State designation of enterprise zones.--

9 (5) Notwithstanding s. 290.0055, an area designated as
10 a federal empowerment zone or enterprise community pursuant to
11 Title XIII of the Omnibus Budget Reconciliation Act of 1993,
12 the Taxpayer Relief Act of 1997, or the 1999 Agricultural
13 Appropriations Act shall be designated a state enterprise zone
14 as follows:

15 (a) An area designated as an urban empowerment zone or
16 urban enterprise community pursuant to Title XIII of the
17 Omnibus Budget Reconciliation Act of 1993 or the Taxpayer
18 Relief Act of 1997 shall be designated a state enterprise zone
19 by the department upon completion of the requirements set out
20 in paragraph (d), except in the case of a county as defined in
21 s. 125.011(1) which, notwithstanding s. 290.0055, may
22 incorporate and include such designated urban empowerment zone
23 or urban enterprise community areas within the boundaries of
24 its state enterprise zones without any limitation as to size.

25 (b) An area designated as a rural empowerment zone or
26 rural enterprise community pursuant to Title XIII of the
27 Omnibus Budget Reconciliation Act of 1993 or the 1999
28 Agricultural Appropriations Act shall be designated a state
29 enterprise zone by the department upon completion of the
30 requirements set out in paragraph (d).

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1 (c) Any county or municipality having jurisdiction
2 over an area designated as a state enterprise zone pursuant to
3 this subsection, other than a county defined in s. 125.011(1),
4 may not apply for designation of another area.

5 (d) Prior to designating such areas as state
6 enterprise zones, the department shall ensure that the
7 governing body having jurisdiction over the zone submits the
8 strategic plan required pursuant to 7 C.F.R. part 25 or 24
9 C.F.R. part 597 to the department, and creates an enterprise
10 zone development agency pursuant to s. 290.0056.

11 (e) The department shall place any area designated as
12 a state enterprise zone pursuant to this subsection in the
13 appropriate category established in subsection (3), and
14 include such designations within the limitations on state
15 enterprise zone designations set out in subsection (1).

16 (12) Before December 31, 1999, any county as defined
17 in s. 125.011(1) may create a satellite enterprise zone not
18 exceeding 3 square miles in area outside of and,
19 notwithstanding anything contained in s. 290.0055(4) or
20 elsewhere, in addition to the previously designated 20 square
21 miles of enterprise zones. The Office of Tourism, Trade, and
22 Economic Development shall amend the boundaries of the areas
23 previously designated by any such county as enterprise zones
24 upon the receipt of a resolution adopted by such governing
25 body describing the satellite enterprise zone, as long as the
26 additional area is consistent with the categories, criteria,
27 and limitations imposed by s. 290.0055, provided that the
28 20-square-mile limitation and the requirements imposed by s.
29 290.0055(4)(d) do not apply to such satellite enterprise zone.

30 Section 5. This act shall take effect upon becoming a
31 law.

1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 CS/SB 214
4 Qualifies businesses located in that portion of Miami-Dade
5 County designated a federal empowerment zone as eligible for
6 the Urban High-Crime Tax Credit program.
7 Qualifies businesses located in Immokalee, as a designated
8 rural enterprise community, as eligible for the Rural Job Tax
9 Credit Program.
10 Authorizes enterprise zone designation for the areas within
11 Miami-Dade County designated as a federal empowerment zone and
12 the area of Immokalee designated as a rural enterprise
13 community.
14 Authorizes the creation of a satellite enterprise zone, not to
15 exceed three miles in size, outside of the boundaries of
16 existing enterprise zones located in Miami-Dade County.
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