

By the Committee on Business Development & International Trade and Representatives Bradley, Ritchie, Hart, Wallace, Sanderson, Betancourt, Prieguez, Russell and Reddick

1                                    A bill to be entitled  
 2            An act relating to economic development;  
 3            amending s. 14.2015, F.S.; specifying the  
 4            programs and funds that the Office of Tourism,  
 5            Trade, and Economic Development is authorized  
 6            to administer; authorizing the office to expend  
 7            interest earned from certain trust fund  
 8            investments for program administration;  
 9            specifying the duties in connection with which  
 10          the office may enter into contracts; creating  
 11          the Office of Urban Opportunity within the  
 12          Office of Tourism, Trade, and Economic  
 13          Development and providing its duties; creating  
 14          s. 14.2019, F.S.; creating the Florida Trade  
 15          Council within the Executive Office of the  
 16          Governor; providing for its membership and  
 17          powers; providing for per diem and travel  
 18          expenses; directing the council to develop a  
 19          comprehensive strategic plan and allocate  
 20          resources to activities and programs that  
 21          incorporate plan strategies; providing for an  
 22          executive director and staff; amending s.  
 23          288.095, F.S.; revising provisions relating to  
 24          tax refunds paid from the Economic Development  
 25          Incentive Account; providing a limitation;  
 26          amending s. 288.1045, F.S., relating to the  
 27          qualified defense contractor tax refund  
 28          program; replacing references to the Department  
 29          of Commerce and the Division of Economic  
 30          Development with the Office of Tourism, Trade,  
 31          and Economic Development, and references to the

1 Secretary of Commerce with the director of the  
2 office; revising provisions relating to the  
3 limitation on such refunds; extending the  
4 expiration date for certification for such  
5 refunds; amending s. 288.106, F.S., relating to  
6 the tax refund program for qualified target  
7 industry businesses; providing for  
8 determination of number of employees for  
9 businesses registered as a statewide reporting  
10 unit; revising requirements to qualify as an  
11 expansion of an existing business or a rural  
12 county; revising the counties to which the  
13 local financial support exemption option  
14 applies; revising requirements for determining  
15 the amount of tax refund payments; revising the  
16 limitations on refunds for projects located in  
17 an enterprise zone, rural county, or rural  
18 city; authorizing acceptance of a letter from  
19 an authorized local economic development agency  
20 prior to passage of the required resolution by  
21 the local government; authorizing reduction of  
22 certain employment requirements for an  
23 expanding business in a rural city or county or  
24 enterprise zone under certain conditions;  
25 revising requirements relating to application  
26 approval; authorizing certification of less  
27 than allowable refunds under certain  
28 conditions; revising requirements relating to  
29 the tax refund agreement; authorizing inclusion  
30 of the value of county or municipal land  
31 conveyed to a business in the required local

1 financial support; authorizing the office to  
2 contract with Enterprise Florida, Inc., for  
3 certain administrative duties; amending s.  
4 288.107, F.S.; correcting a reference; creating  
5 the Institute on Urban Policy and Commerce at  
6 Florida Agricultural and Mechanical University  
7 and providing its purposes and duties;  
8 providing for the establishment of regional  
9 urban centers; requiring annual reports by the  
10 institute and the Governor; providing  
11 legislative findings with respect to attracting  
12 certain high-impact business facilities to the  
13 state; creating the Florida Economic  
14 Opportunities Incentive Fund within the Office  
15 of Tourism, Trade, and Economic Development and  
16 providing for transfer of certain funds  
17 thereto; directing Enterprise Florida, Inc., to  
18 evaluate proposals for use of funds for such  
19 facilities and make recommendations to the  
20 office; requiring approval by the Governor;  
21 providing for a contract between the director  
22 of the office and an approved business with  
23 respect to payment of such funds; requiring  
24 Enterprise Florida, Inc., to validate  
25 contractor performance; requiring a report;  
26 providing legislative findings with respect to  
27 the economic health of small communities;  
28 providing conditions for determining when a  
29 state of economic emergency exists in a  
30 community; providing for notification by a  
31 local government entity to the Governor, the

1 office, and Enterprise Florida, Inc., when such  
2 conditions exist; authorizing the Governor to  
3 waive eligibility criteria for certain programs  
4 or activities and take other action to resolve  
5 the economic emergency; providing effective  
6 dates.

7

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

9

10 Section 1. Paragraph (g) of subsection (2) of section  
11 14.2015, Florida Statutes, 1998 Supplement, is amended, and  
12 subsection (10) is added to said section, to read:

13 14.2015 Office of Tourism, Trade, and Economic  
14 Development; creation; powers and duties.--

15 (2) The purpose of the Office of Tourism, Trade, and  
16 Economic Development is to assist the Governor in working with  
17 the Legislature, state agencies, business leaders, and  
18 economic development professionals to formulate and implement  
19 coherent and consistent policies and strategies designed to  
20 provide economic opportunities for all Floridians. To  
21 accomplish such purposes, the Office of Tourism, Trade, and  
22 Economic Development shall:

23 (g)1. Administer the Florida Enterprise Zone Act under  
24 ss. 290.001-290.016, the community contribution tax credit  
25 program under ss. 220.183 and 624.5105, the tax refund program  
26 for qualified target industry businesses under s. 288.106 and  
27 for qualified defense contractors under s. 288.1045,  
28 high-impact performance incentives under s. 288.108, the base  
29 realignment and closure grants under s. 288.980(2)(a), Florida  
30 defense planning grants under s. 288.980(3)(a), the Florida  
31 Defense Implementation Grant Program under s. 288.980(3)(b),

1 military installation reuse planning and marketing grants  
2 under s. 288.980(3)(c), the defense-related business  
3 adjustment grant program under s. 288.980(4), the urban  
4 high-crime area job tax credit under s. 212.097, the rural job  
5 tax credit under s. 212.098, the WAGES pilot matching grant  
6 program under s. 8, chapter 97-278, Laws of Florida, the  
7 silicon technology sales tax exemption under s. 212.08(5)(j),  
8 brownfield redevelopment bonus refunds under s. 288.107, the  
9 brownfield areas loan guarantee program under s. 376.86,  
10 expedited permitting under s. 403.973(9), contracts for  
11 transportation projects under s. 288.063, the sports franchise  
12 facility program under s. 288.1162, the professional golf hall  
13 of fame facility program under s. 288.1168, the Florida Jobs  
14 Siting Act under ss. 403.950-403.972, the Rural Community  
15 Development Revolving Loan Fund under s. 288.065, the Regional  
16 Rural Development Grants Program under s. 288.018, the  
17 Certified Capital Company Act under s. 288.99, the Florida  
18 State Rural Development Council, and the Rural Economic  
19 Development Initiative. Notwithstanding the provisions of the  
20 laws cited in this subparagraph, the office may expend  
21 interest earned from the investment of program funds deposited  
22 in the Economic Development Trust Fund, the Grants and  
23 Donations Trust Fund, the Brownfield Property Ownership  
24 Clearance Assistance Revolving Loan Trust Fund, and the  
25 Economic Development Transportation Trust Fund to contract for  
26 the administration of the programs, or portions of the  
27 programs, enumerated in this subparagraph or similar programs  
28 assigned to the office by statute or through the  
29 appropriations process. These expenditures shall be subject  
30 to review under chapter 216.  
31

1           2. The office may enter into contracts in connection  
2 with the fulfillment of its duties concerning the Florida  
3 First Business Bond Pool under chapter 159, tax incentives  
4 under chapters 212 and 220, tax incentives under the Certified  
5 Capital Company Act in chapter 288, foreign offices under  
6 chapter 288, the Enterprise Zone program under chapter 290,  
7 the Seaport Employment Training program under chapter 311, the  
8 Florida Professional Sports Team License Plates under chapter  
9 320, Spaceport Florida under chapter 331, Job Siting and  
10 Expedited Permitting under chapter 403, the Rural Community  
11 Development Revolving Loan Fund under s. 288.065, the Regional  
12 Rural Development Grants Program under s. 288.018, the  
13 Certified Capital Company Act under s. 288.99, the Florida  
14 State Rural Development Council, the Rural Economic  
15 Development Initiative, the tax refund program for qualified  
16 target industry businesses under s. 288.106 and for qualified  
17 defense contractors under s. 288.1045, high-impact performance  
18 incentives under s. 288.108, the base realignment and closure  
19 grants under s. 288.980(2)(a), Florida defense planning grants  
20 under s. 288.980(3)(a), the Florida Defense Implementation  
21 Grant Program under s. 288.980(3)(b), military installation  
22 reuse planning and marketing grants under s. 288.980(3)(c),  
23 the defense-related business adjustment grant program under s.  
24 288.980(4), the urban high-crime area job tax credit under s.  
25 212.097, the rural job tax credit under s. 212.098, the WAGES  
26 pilot matching grant program under s. 8, chapter 97-278, Laws  
27 of Florida, the silicon technology sales tax exemption under  
28 s. 212.08(5)(j), brownfield redevelopment bonus refunds under  
29 s. 288.107, the brownfield areas loan guarantee program under  
30 s. 376.86, expedited permitting under 403.973(9), contracts  
31 for transportation projects under s. 288.063, and in carrying

1 out other functions that are specifically assigned to the  
2 office by law or through the appropriations process.

3 (10)(a) The Office of Urban Opportunity is created  
4 within the Office of Tourism, Trade, and Economic Development.  
5 The director of the Office of Urban Opportunity shall be  
6 appointed by and serve at the pleasure of the Governor.

7 (b) The purpose of the Office of Urban Opportunity  
8 shall be to administer the Front Porch Florida initiative, a  
9 comprehensive, community-based urban core redevelopment  
10 program that will empower urban core residents to craft  
11 solutions to the unique challenges of each designated  
12 community.

13 Section 2. Section 14.2019, Florida Statutes, is  
14 created to read:

15 14.2019 Florida Trade Council.--

16 (1) The Florida Trade Council is created within the  
17 Executive Office of the Governor. The council shall be  
18 responsible for assisting the Governor and Legislature in the  
19 establishment and maintenance of this state's global  
20 competitiveness by the development of a strategic statewide  
21 plan which will incorporate the different components of this  
22 state's major international trade and infrastructure programs  
23 and assure the strategic integration of each component.

24 (2)(a) The council shall consist of the following 12  
25 members: the director of the Office of Tourism, Trade, and  
26 Economic Development, the Commissioner of Agriculture or his  
27 or her designee, the Secretary of State or his or her  
28 designee, the Secretary of Transportation or his or her  
29 designee, a representative from Enterprise Florida, Inc., a  
30 representative from the Florida Seaport Transportation and  
31 Economic Development Council, a private sector representative

1 to be designated by the President of the Senate, a private  
2 sector representative to be designated by the Speaker of the  
3 House of Representatives, and four private sector members  
4 nominated by the above eight members and appointed by the  
5 Governor.

6 (b) The director of the Office of Tourism, Trade, and  
7 Economic Development shall serve as the chair of the council.

8 (c) Members appointed by the Governor, representatives  
9 from Enterprise Florida, Inc., and the Florida Seaport  
10 Transportation and Economic Development Council, and  
11 representatives designated by the President of the Senate and  
12 the Speaker of the House of Representatives shall serve for  
13 terms of 4 years. During the initial establishment of the  
14 council, the terms of two of the Governor's appointments and  
15 the representatives appointed by the President of the Senate  
16 and the Speaker of the House of Representatives shall be 2  
17 years.

18 (d) Members of the council shall serve without  
19 compensation but are entitled to receive reimbursement for per  
20 diem and travel expenses as provided in s. 112.061.

21 (3)(a) The council shall develop and fund a  
22 comprehensive strategic plan for the establishment and  
23 maintenance of a statewide international program that  
24 contains, at a minimum, the following elements:

25 1. The international programs of the entities  
26 represented on the council, including international and  
27 cultural relations plans developed by the Secretary of State  
28 pursuant to s. 15.18; the strategic development plan of  
29 Enterprise Florida, Inc., developed pursuant to s.  
30 288.905(2)(g); and the 5-year Florida Seaport Mission Plan and  
31 seaport intermodal projects developed by the Florida Seaport



1 Transportation and Economic Development Council pursuant to s.  
2 311.09(3).

3 2. A commercial strategy for regions and countries  
4 that are this state's strategic trading partners, as well as  
5 emerging markets that present potential benefits for Florida's  
6 economy. The plan shall consolidate and improve upon  
7 information obtained from Enterprise Florida, Inc., the  
8 Florida Trade Data Center, local economic development  
9 organizations, and federal databases.

10 3. Identification of international policy issues  
11 relating to economic, social, and cultural matters.

12 4. Identification of trade development programs that  
13 will enhance the capabilities of minority businesses to access  
14 global markets.

15 5. Performance measures to ensure that state funds are  
16 expended appropriately and efficiently.

17 (b) Based on the amount appropriated to the Florida  
18 International Trade and Promotion Trust Fund for the council,  
19 the council shall allocate appropriate resources to those  
20 activities and programs that incorporate the strategies  
21 delineated in the plan. The council shall act as a wholesale  
22 agent for such activities and programs, and shall leverage  
23 such resources when possible by funding programs, activities,  
24 and services of existing state and local service providers  
25 that facilitate the strategies delineated in the plan.

26 (4) The council shall create a transportation  
27 improvement plan for economic development projects.

28 (5) The council shall have all the powers necessary  
29 and convenient to carry out and effectuate the purposes and  
30 provisions of this section, including, but not limited to, the  
31 power to make and enter into contracts and other instruments

1 with public or private sector entities for the purpose of  
2 exercising or performing its powers and functions.

3 (6) The Governor shall appoint an executive director  
4 who shall serve under the direction, supervision, and control  
5 of the council. The executive director may employ additional  
6 staff as may be necessary and as authorized by the council.

7 All employees of the council are exempt from part II of  
8 chapter 110 and shall serve at the pleasure of the council.

9 The salaries and benefits of all employees of the council  
10 shall be set in accordance with the Selected Exempt Service;  
11 provided, the council shall have complete authority for fixing  
12 the salary of the executive director.

13 Section 3. Paragraphs (a) and (b) of subsection (3) of  
14 section 288.095, Florida Statutes, are amended to read:

15 288.095 Economic Development Trust Fund.--

16 (3)(a) ~~Contingent upon an annual appropriation by the~~  
17 ~~Legislature,~~The Office of Tourism, Trade, and Economic  
18 Development may approve applications for certification tax  
19 refunds pursuant to ss. 288.1045(3),~~and~~ 288.106(4),~~and~~  
20 ~~288.107.~~ However, in no case shall the total state share of  
21 tax refund payments scheduled in all active certifications for  
22 any one fiscal year exceed \$35 million.~~The office may not~~  
23 ~~approve tax refunds in excess of the amount appropriated to~~  
24 ~~the Economic Development Incentives Account for such tax~~  
25 ~~refunds, for a fiscal year pursuant to paragraph (b).~~

26 (b) The total amount of tax refund claims ~~refunds~~  
27 approved for payment by the Office of Tourism, Trade, and  
28 Economic Development based on actual project performance  
29 pursuant to ss. 288.1045, 288.106, and 288.107 shall not  
30 exceed the amount appropriated to the Economic Development  
31 Incentives Account for such purposes for the fiscal year. In

1 the event the Legislature does not appropriate an amount  
2 sufficient to satisfy projections by the office for tax  
3 refunds under ss. 288.1045, 288.106, and 288.107 in a fiscal  
4 year, the Office of Tourism, Trade, and Economic Development  
5 shall, not later than July 15 of such year, determine the  
6 proportion of each refund claim which shall be paid by  
7 dividing the amount appropriated for tax refunds for the  
8 fiscal year by the projected total of refund claims for the  
9 fiscal year. The amount of each claim for a tax refund shall  
10 be multiplied by the resulting quotient. If, after the payment  
11 of all such refund claims, funds remain in the Economic  
12 Development Incentives Account for tax refunds, the office  
13 shall recalculate the proportion for each refund claim and  
14 adjust the amount of each claim accordingly.

15 Section 4. Effective June 30, 1999, section 288.1045,  
16 Florida Statutes, is amended to read:

17 288.1045 Qualified defense contractor tax refund  
18 program.--

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

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

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

30 (c) "Applicant" means any business entity that holds a  
31 valid Department of Defense contract or any business entity

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

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

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

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

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

29 (h) "Nondefense production jobs" means employment  
30 exclusively for activities that, directly or indirectly, are  
31 unrelated to the Department of Defense.

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

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

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

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

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

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

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

1 General Revenue Fund or any state trust fund, excluding tax  
2 revenues shared with local governments pursuant to law.

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

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

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

1 (a) There shall be allowed, from the Economic  
2 Development Trust Fund, a refund to a qualified applicant for  
3 the amount of eligible taxes certified by the director  
4 ~~secretary~~ which were paid by such qualified applicant. The  
5 total amount of refunds for all fiscal years for each  
6 qualified applicant shall be determined pursuant to subsection  
7 (3). The annual amount of a refund to a qualified applicant  
8 shall be determined pursuant to subsection (5).

9 (b) A qualified applicant may not be qualified for any  
10 project to receive more than \$5,000 times the number of jobs  
11 provided in the tax refund agreement pursuant to subparagraph  
12 (4)(a)1. A qualified applicant may not receive refunds of more  
13 than 25 percent of the total tax refunds provided in the tax  
14 refund agreement pursuant to subparagraph (4)(a)1. in any  
15 fiscal year, provided that no qualified applicant may receive  
16 more than \$2.5 million in tax refunds pursuant to this section  
17 in any fiscal year.

18 (c) A qualified applicant may not receive more than  
19 \$7.5 million in tax refunds pursuant to this section in all  
20 fiscal years.

21 (d) Contingent upon an annual appropriation by the  
22 Legislature, the director ~~secretary~~ may approve no not more  
23 ~~than the lesser of \$25 million in tax refunds than or~~ the  
24 amount appropriated to the Economic Development Trust Fund for  
25 tax refunds, for a fiscal year pursuant to subsection (5) and  
26 s. 288.095.

27 (e) For the first 6 months of each fiscal year, the  
28 director ~~secretary~~ shall set aside 30 percent of the amount  
29 appropriated for refunds pursuant to this section by the  
30 Legislature to provide tax refunds only to qualified  
31 applicants who employ 500 or fewer full-time employees in this

1 state. Any unencumbered funds remaining undisbursed from this  
2 set-aside at the end of the 6-month period may be used to  
3 provide tax refunds for any qualified applicants pursuant to  
4 this section.

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

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

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

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

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

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

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

23  
24 However, a qualified applicant may not receive a tax refund  
25 pursuant to this section for any amount of credit, refund, or  
26 exemption granted such contractor for any of such taxes. If a  
27 refund for such taxes is provided by the office ~~Department of~~  
28 ~~Commerce~~, which taxes are subsequently adjusted by the  
29 application of any credit, refund, or exemption granted to the  
30 qualified applicant other than that provided in this section,  
31 the qualified applicant shall reimburse the Economic



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

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

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

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

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

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

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

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

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

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

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

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

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

31

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

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

7           9. The amount of:

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

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

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

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

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

18          f. Ad valorem taxes paid

19  
20 during the 5 fiscal years immediately preceding the date of  
21 the application, and the projected amounts of such taxes to be  
22 due in the 3 fiscal years immediately following the date of  
23 the application.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19           9. The amount of:

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

31

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

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

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

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

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

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

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

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

28           (g) The office ~~division~~ shall forward its written  
29 findings and evaluation on each application meeting the  
30 requirements of paragraphs (b) and (e), paragraphs (c) and  
31 (e), or paragraphs (d) and (e) to the director ~~secretary~~

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

12 (h) Within 30 days after receipt of the office's  
13 ~~division's~~ findings and evaluation, the director ~~secretary~~  
14 shall enter a final order that either approves or disapproves  
15 an application. The decision must be in writing and provide  
16 the justifications for either approval or disapproval. If  
17 appropriate, the director ~~secretary~~ shall enter into a written  
18 agreement with the qualified applicant pursuant to subsection  
19 (4).

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

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

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

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

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

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

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

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

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

30           (b) Compliance with the terms and conditions of the  
31 agreement is a condition precedent for receipt of tax refunds

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

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

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

12  
13 "This agreement is neither a general obligation  
14 of the State of Florida, nor is it backed by  
15 the full faith and credit of the State of  
16 Florida. Payment of tax refunds are conditioned  
17 on and subject to specific annual  
18 appropriations by the Florida Legislature of  
19 funds sufficient to pay amounts authorized in  
20 s. 288.1045 ~~288.104~~, Florida Statutes."  
21

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

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

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

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

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

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

1 30 days after the date the claim for the annual tax refund is  
2 received by the office ~~Department of Commerce~~.

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

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

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

31 (6) ADMINISTRATION.--

1           (a) The office ~~may department shall~~ adopt rules  
2 pursuant to chapter 120 for the administration of this  
3 section.

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

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

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

29           (7) EXPIRATION.--An applicant may not be certified as  
30 qualified under this section after June 30, 2003 ~~1999~~.

31



1 Section 5. Section 288.106, Florida Statutes, 1998  
2 Supplement, is amended to read:

3 288.106 Tax refund program for qualified target  
4 industry businesses.--

5 (1) LEGISLATIVE FINDINGS AND DECLARATIONS.--The  
6 Legislature finds that attracting, retaining, and providing  
7 favorable conditions for the growth of target industries  
8 provides high-quality employment opportunities for citizens of  
9 this state and enhances the economic foundations of this  
10 state. It is the policy of this state to encourage the growth  
11 of a high-value-added employment and economic base by  
12 providing tax refunds to qualified target industry businesses  
13 that create new high-wage employment opportunities in this  
14 state by expanding existing businesses within this state or by  
15 bringing new businesses to this state.

16 (2) DEFINITIONS.--As used in this section:

17 (a) "Account" means the Economic Development  
18 Incentives Account within the Economic Development Trust Fund  
19 established under s. 288.095.

20 (b) "Authorized local economic development agency"  
21 means any public or private entity, including those defined by  
22 s. 288.075(1), authorized by a county or municipality to  
23 promote the general business or industrial interests of that  
24 county or municipality.

25 ~~(c)~~~~(b)~~ "Average private sector wage in the area" means  
26 the statewide private sector average wage or the average of  
27 all private sector wages and salaries in the county or in the  
28 standard metropolitan area in which the business is located.

29 ~~(d)~~~~(c)~~ "Business" means an employing unit, as defined  
30 in s. 443.036, which is registered with the Department of  
31 Labor and Employment Security for unemployment compensation

1 purposes or a subcategory or division of an employing unit  
2 which is accepted by the Department of Labor and Employment  
3 Security as a reporting unit. In the event a business chooses  
4 to register with the Department of Labor and Employment  
5 Security as a statewide reporting unit, only the employees  
6 located at the physical site of the qualified target industry  
7 project shall be considered employees of the business.

8 (e)(d) "Corporate headquarters business" means an  
9 international, national, or regional headquarters office of a  
10 multinational or multistate business enterprise or national  
11 trade association, whether separate from or connected with  
12 other facilities used by such business.

13 (f)(e) "Office" means the Office of Tourism, Trade,  
14 and Economic Development.

15 (g)(f) "Enterprise zone" means an area designated as  
16 an enterprise zone pursuant to s. 290.0065.

17 (h)(g) "Expansion of an existing business" means the  
18 expansion of an existing Florida ~~a~~ business by or through  
19 additions to real and personal property ~~on a site collocated~~  
20 ~~with a commercial or industrial operation owned by the same~~  
21 ~~business~~, resulting in a net increase in employment of not  
22 less than 10 percent at such business.

23 (i)(h) "Fiscal year" means the fiscal year of the  
24 state.

25 (j)(i) "Jobs" means full-time equivalent positions, as  
26 such terms are consistent with terms used by the Department of  
27 Labor and Employment Security and the United States Department  
28 of Labor for purposes of unemployment compensation tax  
29 administration and employment estimation, resulting directly  
30 from a project in this state. This number shall not include  
31 temporary construction jobs involved with the construction of

1 facilities for the project or any jobs which have previously  
2 been included in any application for tax refunds under s.  
3 288.104 or this section.

4       (k)(j) "Local financial support" means funding from  
5 local sources, public or private, which is paid to the  
6 Economic Development Trust Fund and which is equal to 20  
7 percent of the annual tax refund for a qualified target  
8 industry business. A qualified target industry business may  
9 not provide, directly or indirectly, more than 5 percent of  
10 such funding in any fiscal year. The sources of such funding  
11 may not include, directly or indirectly, state funds  
12 appropriated from the General Revenue Fund or any state trust  
13 fund, excluding tax revenues shared with local governments  
14 pursuant to law.

15       (l)(k) "Local financial support exemption option"  
16 means the option to exercise an exemption from the local  
17 financial support requirement available to any applicant whose  
18 project is located in a county with a population of 75,000 or  
19 less, or in a county with a population of 100,000 or less  
20 which is contiguous to a county with a population of 75,000 or  
21 less designated by the Rural Economic Development Initiative.  
22 Any applicant that exercises this option shall not be eligible  
23 for more than 80 percent of the total tax refunds allowed such  
24 applicant under this section.

25       (m)(l) "New business" means a business which  
26 heretofore did not exist in this state, first beginning  
27 operations on a site located in this state and clearly  
28 separate from any other commercial or industrial operations  
29 owned by the same business.

30       (n)(m) "Project" means the creation of a new business  
31 or expansion of an existing business.

1           (o)~~(n)~~ "Director" means the Director of the Office of  
2 Tourism, Trade, and Economic Development.

3           (p)~~(o)~~ "Target industry business" means a corporate  
4 headquarters business or any business that is engaged in one  
5 of the target industries identified pursuant to the following  
6 criteria developed by the office in consultation with  
7 Enterprise Florida, Inc.:

8           1. Future growth.--Industry forecasts should indicate  
9 strong expectation for future growth in both employment and  
10 output, according to the most recent available data. Special  
11 consideration should be given to Florida's growing access to  
12 international markets or to replacing imports.

13           2. Stability.--The industry should not be subject to  
14 periodic layoffs, whether due to seasonality or sensitivity to  
15 volatile economic variables such as weather. The industry  
16 should also be relatively resistant to recession, so that the  
17 demand for products of this industry is not necessarily  
18 subject to decline during an economic downturn.

19           3. High wage.--The industry should pay relatively high  
20 wages compared to statewide or area averages.

21           4. Market and resource independent.--The location of  
22 industry businesses should not be dependent on Florida markets  
23 or resources as indicated by industry analysis.

24           5. Industrial base diversification and  
25 strengthening.--The industry should contribute toward  
26 expanding or diversifying the state's or area's economic base,  
27 as indicated by analysis of employment and output shares  
28 compared to national and regional trends. Special  
29 consideration should be given to industries that strengthen  
30 regional economies by adding value to basic products or  
31

1 building regional industrial clusters as indicated by industry  
2 analysis.

3           6. Economic benefits.--The industry should have strong  
4 positive impacts on or benefits to the state and regional  
5 economies.

6  
7 The office, in consultation with Enterprise Florida, Inc.,  
8 shall develop a list of such target industries annually and  
9 submit such list as part of the final agency legislative  
10 budget request submitted pursuant to s. 216.023(1). A target  
11 industry business may not include any industry engaged in  
12 retail activities; any electrical utility company; any  
13 phosphate or other solid minerals severance, mining, or  
14 processing operation; any oil or gas exploration or production  
15 operation; or any firm subject to regulation by the Division  
16 of Hotels and Restaurants of the Department of Business and  
17 Professional Regulation.

18           ~~(q)(p)~~ "Taxable year" means taxable year as defined in  
19 s. 220.03(1)(z).

20           ~~(r)(q)~~ "Qualified target industry business" means a  
21 target industry business that has been approved by the  
22 director to be eligible for tax refunds pursuant to this  
23 section.

24           ~~(s)(r)~~ "Rural county" means a county with a population  
25 of 75,000 or less, or a county with a population of 100,000 or  
26 less which is contiguous to a county with a population of  
27 75,000 or less.

28           ~~(t)(s)~~ "Rural city" means a city with a population of  
29 10,000 or less, or a city with a population of greater than  
30 10,000 but less than 20,000 which has been determined by the  
31 Office of Tourism, Trade, and Economic Development to have

1 economic characteristics such as, but not limited to, a  
2 significant percentage of residents on public assistance, a  
3 significant percentage of residents with income below the  
4 poverty level, or a significant percentage of the city's  
5 employment base in agriculture-related industries.

6 (3) TAX REFUND; ELIGIBLE AMOUNTS.--

7 (a) There shall be allowed, from the account, a refund  
8 to a qualified target industry business for the amount of  
9 eligible taxes certified by the director which were paid by  
10 such business. The total amount of refunds for all fiscal  
11 years for each qualified target industry business must be  
12 determined pursuant to subsection (4). The annual amount of a  
13 refund to a qualified target industry business must be  
14 determined pursuant to subsection (6).

15 (b) Upon approval by the director, a qualified target  
16 industry business shall be allowed tax refund payments equal  
17 to \$3,000 times the number of jobs specified in the tax refund  
18 agreement under subparagraph (5)(a)1., or equal to \$6,000  
19 times the number of jobs if the project is located in a rural  
20 county or city or an enterprise zone. Further, a qualified  
21 target industry business shall be allowed additional tax  
22 refund payments equal to \$1,000 times the number of jobs  
23 specified in the tax refund agreement under subparagraph  
24 (5)(a)1. if such jobs pay an annual average wage of at least  
25 150 percent of the average private sector wage in the area, or  
26 equal to \$2,000 times the number of jobs if such jobs pay an  
27 annual average wage of at least 200 percent of the average  
28 private sector wage in the area.~~The director may approve a~~  
29 ~~qualified target industry business to receive tax refund~~  
30 ~~payments of up to \$5,000 times the number of jobs specified in~~  
31 ~~the tax refund agreement under subparagraph (5)(a)1., or up to~~

1 ~~\$7,500 times the number of jobs if the project is located in~~  
2 ~~an enterprise zone.~~ A qualified target industry business may  
3 not receive refund payments of more than 25 percent of the  
4 total tax refunds specified in the tax refund agreement under  
5 subparagraph (5)(a)1. in any fiscal year. Further, a qualified  
6 target industry business may not receive more than \$1.5  
7 million in refunds under this section in any single fiscal  
8 year, or more than ~~\$3~~\$2.5 million in any single fiscal year  
9 if the project is located in an enterprise zone, rural county,  
10 or rural city. A qualified target industry may not receive  
11 more than \$5 million in refund payments under this section in  
12 all fiscal years, or more than ~~\$10~~\$7.5 million if the project  
13 is located in an enterprise zone, rural county, or rural city.  
14 Funds made available pursuant to this section may not be  
15 expended in connection with the relocation of a business from  
16 one community to another community in this state unless the  
17 Office of Tourism, Trade, and Economic Development determines  
18 that without such relocation the business will move outside  
19 this state or determines that the business has a compelling  
20 economic rationale for the relocation and that the relocation  
21 will create additional jobs.

22 (c) After entering into a tax refund agreement under  
23 subsection (5), a qualified target industry business may  
24 receive refunds from the account for the following taxes due  
25 and paid by that business beginning with the first taxable  
26 year of the business which begins after entering into the  
27 agreement:

- 28 1. Taxes on sales, use, and other transactions under
- 29 chapter 212.
- 30 2. Corporate income taxes under chapter 220.

31

- 1           3. Intangible personal property taxes under chapter
- 2 199.
- 3           4. Emergency excise taxes under chapter 221.
- 4           5. Excise taxes on documents under chapter 201.
- 5           6. Ad valorem taxes paid, as defined in s. 220.03(1).
- 6           7. Insurance premium tax under s. 624.509.
- 7

8 However, a qualified target industry business may not receive  
9 a refund under this section for any amount of credit, refund,  
10 or exemption granted to that business for any of such taxes.  
11 If a refund for such taxes is provided by the office, which  
12 taxes are subsequently adjusted by the application of any  
13 credit, refund, or exemption granted to the qualified target  
14 industry business other than as provided in this section, the  
15 business shall reimburse the account for the amount of that  
16 credit, refund, or exemption. A qualified target industry  
17 business shall notify and tender payment to the office within  
18 20 days after receiving any credit, refund, or exemption other  
19 than one provided in this section.

20           (d) A qualified target industry business that  
21 fraudulently claims a refund under this section:

22           1. Is liable for repayment of the amount of the refund  
23 to the account, plus a mandatory penalty in the amount of 200  
24 percent of the tax refund which shall be deposited into the  
25 General Revenue Fund.

26           2. Is guilty of a felony of the third degree,  
27 punishable as provided in s. 775.082, s. 775.083, or s.  
28 775.084.

29           (4) APPLICATION AND APPROVAL PROCESS.--

30           (a) To apply for certification as a qualified target  
31 industry business under this section, the business must file



1 an application with the office before the business has made  
2 the decision to locate a new business in this state or before  
3 the business had made the decision to expand an existing  
4 business in this state. The application shall include, but is  
5 not limited to, the following information:  
6       1. The applicant's federal employer identification  
7 number and the applicant's state sales tax registration  
8 number.  
9       2. The permanent location of the applicant's facility  
10 in this state at which the project is or is to be located.  
11       3. A description of the type of business activity or  
12 product covered by the project, including four-digit SIC codes  
13 for all activities included in the project.  
14       4. The number of full-time equivalent jobs in this  
15 state that are or will be dedicated to the project and the  
16 average wage of those jobs. If more than one type of business  
17 activity or product is included in the project, the number of  
18 jobs and average wage for those jobs must be separately stated  
19 for each type of business activity or product.  
20       5. The total number of full-time equivalent employees  
21 employed by the applicant in this state.  
22       6. The anticipated commencement date of the project.  
23       7. The amount of:  
24       a. Taxes on sales, use, and other transactions paid  
25 under chapter 212;  
26       b. Corporate income taxes paid under chapter 220;  
27       c. Intangible personal property taxes paid under  
28 chapter 199;  
29       d. Emergency excise taxes paid under chapter 221; and  
30       e. Excise taxes on documents paid under chapter 201.  
31

1           8. The estimated amount of tax refunds to be claimed  
2 in each fiscal year.

3           9. A brief statement concerning the role that the tax  
4 refunds requested will play in the decision of the applicant  
5 to locate or expand in this state.

6           10. An estimate of the proportion of the sales  
7 resulting from the project that will be made outside this  
8 state.

9           11. A resolution adopted by the governing board of the  
10 county or municipality in which the project will be located,  
11 which resolution recommends that certain types of businesses  
12 be approved as a qualified target industry business and states  
13 that the commitments of local financial support necessary for  
14 the target industry business exist. In advance of the passage  
15 of such resolution, the office may also accept an official  
16 letter from an authorized local economic development agency  
17 which endorses the proposed target industry project and  
18 pledges that sources of local financial support for such  
19 project exist. For the purpose of making pledges of local  
20 financial support under this subsection, the authorized local  
21 economic development agency shall be officially designated by  
22 the passage of a resolution by the local governing authority.  
23 ~~Before adoption of the resolution, the governing board may~~  
24 ~~review the proposed public or private sources of such support~~  
25 ~~and determine whether the proposed sources of local financial~~  
26 ~~support can be provided.~~

27           12. Any additional information requested by the  
28 office.

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

1           1. The jobs proposed to be provided under the  
2 application, pursuant to subparagraph (a)4., must pay an  
3 estimated annual average wage equaling at least 115 percent of  
4 the average private sector wage in the area where the business  
5 is to be located or the statewide private sector average wage.  
6 The office may waive this average wage requirement at the  
7 request of the local governing body recommending the project  
8 and Enterprise Florida, Inc. The wage requirement may only be  
9 waived for a project located in a brownfield area designated  
10 under s. 376.80 or in a rural city or county or in an  
11 enterprise zone and only when the merits of the individual  
12 project or the specific circumstances in the community in  
13 relationship to the project warrant such action. If the local  
14 governing body and Enterprise Florida, Inc., make such a  
15 recommendation, it must be transmitted in writing and the  
16 specific justification for the waiver recommendation must be  
17 explained. If the director elects to waive the wage  
18 requirement, the waiver must be stated in writing and the  
19 reasons for granting the waiver must be explained.

20           2. The target industry business's project must result  
21 in the creation of at least 10 jobs at such project and, if an  
22 expansion of an existing business, must result in a net  
23 increase in employment of not less than 10 percent at such  
24 business. However, at the request of the local governing body  
25 recommending the project and Enterprise Florida, Inc., the  
26 office may approve an expansion of an existing business under  
27 this section in a rural city, a rural county, or an enterprise  
28 zone that results in a net increase in employment of less than  
29 10 percent at the business if the merits of the individual  
30 project or the specific circumstances in the community in  
31 relation to the project warrant this action. If the local

1 governing body and Enterprise Florida, Inc., make such a  
2 request, it must be transmitted in writing and the specific  
3 justification for the request must be explained. If the  
4 director elects to accept such request, this decision must be  
5 stated in writing and the reasons for granting the request  
6 must be explained.

7           3. The business activity or product for the  
8 applicant's project is within an industry or industries that  
9 have been identified by the office to be high-value-added  
10 industries that contribute to the area and to the economic  
11 growth of the state and that produce a higher standard of  
12 living for citizens of this state in the new global economy or  
13 that can be shown to make an equivalent contribution to the  
14 area and state's economic progress. The director must approve  
15 requests to waive the wage requirement for brownfield areas  
16 designated under s. 376.80 unless it is demonstrated that such  
17 action is not in the public interest.

18           (c) Each application meeting the requirements of  
19 paragraph (b) must be submitted to the office for  
20 determination of eligibility. The office shall review and  
21 evaluate each application based on, but not limited to, the  
22 following criteria:

23           1. Expected contributions to the state strategic  
24 economic development plan adopted by Enterprise Florida, Inc.,  
25 taking into account the long-term effects of the project and  
26 of the applicant on the state economy.

27           2. The economic benefit of the jobs created by the  
28 project in this state, taking into account the cost and  
29 average wage of each job created.

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

- 1           4. The local commitment and support for the project.
- 2           5. The effect of the project on the local community,  
3 taking into account the unemployment rate for the county where  
4 the project will be located.
- 5           6. The effect of any tax refunds granted pursuant to  
6 this section on the viability of the project and the  
7 probability that the project will be undertaken in this state  
8 if such tax refunds are granted to the applicant, taking into  
9 account the expected long-term commitment of the applicant to  
10 economic growth and employment in this state.
- 11           7. The expected long-term commitment to this state  
12 resulting from the project.
- 13           8. A review of the business's past activities in this  
14 state or other states, including whether such business has  
15 been subjected to criminal or civil fines and penalties.  
16 Nothing in this subparagraph shall require the disclosure of  
17 confidential information.
- 18           (d) The office shall forward its written findings and  
19 evaluation concerning each application meeting the  
20 requirements of paragraph (b) to the director within 45  
21 calendar days after receipt of a complete application. The  
22 office shall notify each target industry business when its  
23 application is complete, and of the time when the 45-day  
24 period begins. In its written report to the director, the  
25 office shall specifically address each of the factors  
26 specified in paragraph (c) and shall make a specific  
27 assessment with respect to the minimum requirements  
28 established in paragraph (b). The office shall include in its  
29 report projections of the tax refund claim that will be sought  
30 by the target industry business in each fiscal year based on  
31 the information submitted in the application.

1           (e)1. Within 30 days after receipt of the office's  
2 findings and evaluation, the director shall issue a letter of  
3 certification ~~enter a final order~~ that either approves or  
4 disapproves the application of the target industry business.  
5 The decision must be in writing and must provide the  
6 justifications for approval or disapproval.

7           2. If appropriate, the director shall enter into a  
8 written agreement with the qualified target industry business  
9 pursuant to subsection (5).

10           (f) The director may not certify ~~enter a final order~~  
11 ~~that certifies~~ any target industry business as a qualified  
12 target industry business if the value of tax refunds to be  
13 included in that letter of certification ~~final order~~ exceeds  
14 the available amount of authority to certify new businesses  
15 ~~enter final orders~~ as determined in s. 288.095(3). In the  
16 event the commitments of local financial support represent  
17 less than 20 percent of the eligible tax refund payments, or  
18 to otherwise preserve the viability and fiscal integrity of  
19 the program, the director may certify a qualified target  
20 industry business to receive tax refund payments of less than  
21 the allowable amounts specified in paragraph (3)(b).A letter  
22 of certification ~~final order~~ that approves an application must  
23 specify the maximum amount of tax refund that will be  
24 available to the qualified industry business in each fiscal  
25 year and the total amount of tax refunds that will be  
26 available to the business for all fiscal years.

27           (g) Nothing in this section shall create a presumption  
28 that an applicant will receive any tax refunds under this  
29 section. However, the office may issue nonbinding opinion  
30 letters, upon the request of prospective applicants, as to the  
31 applicants' eligibility and the potential amount of refunds.

1           (5) TAX REFUND AGREEMENT.--

2           (a) Each qualified target industry business must enter  
3 into a written agreement with the office which specifies, at a  
4 minimum:

5           1. The total number of full-time equivalent jobs in  
6 this state that will be dedicated to the project, the average  
7 wage of those jobs, the definitions that will apply for  
8 measuring the achievement of these terms during the pendency  
9 of the agreement, and a time schedule or plan for when such  
10 jobs will be in place and active in this state. This  
11 information must be the same as the information contained in  
12 the application submitted by the business under subsection  
13 (4).

14           2. The maximum amount of tax refunds which the  
15 qualified target industry business is eligible to receive on  
16 the project and the maximum amount of a tax refund that the  
17 qualified target industry business is eligible to receive in  
18 each fiscal year.

19           3. That the office may review and verify the financial  
20 and personnel records of the qualified target industry  
21 business to ascertain whether that business is in compliance  
22 with this section.

23           4. The date after which, in each fiscal year, the  
24 qualified target industry business may file an annual claim  
25 under subsection (6).

26           5. That local financial support will be annually  
27 available and will be paid to the account. The director may  
28 not enter into a written agreement with a qualified target  
29 industry business if a local financial support resolution is  
30 not passed by the local governing authority within 90 days

31

1 after issuance of the letter of certification pursuant to  
2 subsection (4).

3 (b) Compliance with the terms and conditions of the  
4 agreement is a condition precedent for the receipt of a tax  
5 refund each year. The failure to comply with the terms and  
6 conditions of the tax refund agreement results in the loss of  
7 eligibility for receipt of all tax refunds previously  
8 authorized under this section and the revocation by the  
9 director of the certification of the business entity as a  
10 qualified target industry business.

11 (c) The agreement must be signed by the director and  
12 by an authorized officer of the qualified target industry  
13 business within 120 ~~30~~ days after the issuance of the letter  
14 of certification ~~entry of a final order certifying the~~  
15 ~~business entity as a qualified target industry business~~ under  
16 subsection (4).

17 (d) The agreement must contain the following legend,  
18 clearly printed on its face in bold type of not less than 10  
19 points in size: "This agreement is neither a general  
20 obligation of the State of Florida, nor is it backed by the  
21 full faith and credit of the State of Florida. Payment of tax  
22 refunds are conditioned on and subject to specific annual  
23 appropriations by the Florida Legislature of moneys sufficient  
24 to pay amounts authorized in section 288.106, Florida  
25 Statutes."

26 (6) ANNUAL CLAIM FOR REFUND.--

27 (a) A qualified target industry business that has  
28 entered into a tax refund agreement with the office under  
29 subsection (5) may apply once each fiscal year to the office  
30 for a tax refund. The application must be made on or after the  
31 date specified in that agreement.



1           (b) The claim for refund by the qualified target  
2 industry business must include a copy of all receipts  
3 pertaining to the payment of taxes for which the refund is  
4 sought and data related to achievement of each performance  
5 item specified in the tax refund agreement. The amount  
6 requested as a tax refund may not exceed the amount specified  
7 for that fiscal year in that agreement.

8           (c) A tax refund may not be approved for a qualified  
9 target industry business unless the required local financial  
10 support has been paid into the account in that fiscal year. If  
11 the local financial support provided is less than 20 percent  
12 of the approved tax refund, the tax refund must be reduced. In  
13 no event may the tax refund exceed an amount that is equal to  
14 5 times the amount of the local financial support received.  
15 Further, funding from local sources includes any tax abatement  
16 granted to that business under s. 196.1995, or the appraised  
17 market value of municipal or county land conveyed or provided  
18 at a discount to that business by any county, municipality, or  
19 other public entity. ~~and~~ The amount of any tax refund for  
20 such business approved under this section must be reduced by  
21 the amount of any such tax abatement granted or the value of  
22 the land granted; and the limitations in subsection (3) and  
23 paragraph (4)(f) must be reduced by the amount of any such tax  
24 abatement or the value of the land granted. A report listing  
25 all sources of the local financial support shall be provided  
26 to the office when such support is paid to the account.

27           (d) A prorated tax refund, less a 5-percent penalty,  
28 shall be approved for a qualified target industry business  
29 provided all other applicable requirements have been satisfied  
30 and the business proves to the satisfaction of the director  
31

1 that it has achieved at least 80 percent of its projected  
2 employment.

3 (e) The director, with such assistance as may be  
4 required from the office, the Department of Revenue, or the  
5 Department of Labor and Employment Security, shall specify by  
6 written final order the amount of the tax refund that is  
7 authorized for the qualified target industry business for the  
8 fiscal year within 30 days after the date that the claim for  
9 the annual tax refund is received by the office.

10 (f) The total amount of tax refund claims ~~refunds~~  
11 approved by the director under this section in any fiscal year  
12 must not exceed the amount authorized under s. 288.095(3).

13 (g) Upon approval of the tax refund under paragraphs  
14 (c), (d), and (e), the Comptroller shall issue a warrant for  
15 the amount specified in the final order. If the final order is  
16 appealed, the Comptroller may not issue a warrant for a refund  
17 to the qualified target industry business until the conclusion  
18 of all appeals of that order.

19 (7) ADMINISTRATION.--

20 (a) The office is authorized to verify information  
21 provided in any claim submitted for tax credits under this  
22 section with regard to employment and wage levels or the  
23 payment of the taxes to the appropriate agency or authority,  
24 including the Department of Revenue, the Department of Labor  
25 and Employment Security, or any local government or authority.

26 (b) To facilitate the process of monitoring and  
27 auditing applications made under this program, the office may  
28 provide a list of qualified target industry businesses to the  
29 Department of Revenue, to the Department of Labor and  
30 Employment Security, or to any local government or authority.  
31 The office may request the assistance of those entities with

1 respect to monitoring the payment of the taxes listed in  
2 subsection (3).

3 (c) The office may contract with Enterprise Florida,  
4 Inc., for the administration of the program, or portions of  
5 the program, excluding the approval of applications for  
6 certification, the issuance of letters of certification, and  
7 the final authorization for the payment of tax refund claims.

8 (8) EXPIRATION.--This section expires June 30, 2004.

9 Section 6. Paragraph (e) of subsection (1) of section  
10 288.107, Florida Statutes, 1998 Supplement, is amended to  
11 read:

12 288.107 Brownfield redevelopment bonus refunds.--

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

14 (e) "Eligible business" means a qualified target  
15 industry business as defined in s. 288.106(2)~~(e)~~.

16 Section 7. (1) There is created the Institute on  
17 Urban Policy and Commerce as a Type I Institute under the  
18 Board of Regents at Florida Agricultural and Mechanical  
19 University to improve the quality of life in urban communities  
20 through research, teaching, and outreach activities.

21 (2) The major purposes of the institute are to pursue  
22 basic and applied research on urban policy issues confronting  
23 the inner-city areas and neighborhoods in the state; to  
24 influence the equitable allocation and stewardship of federal,  
25 state, and local financial resources; to train a new  
26 generation of civic leaders and university students interested  
27 in approaches to community planning and design; to assist with  
28 the planning, development, and capacity building of urban area  
29 nonprofit organizations and government agencies; to develop  
30 and maintain a database relating to inner-city areas; and to  
31

1 support the community development efforts of inner-city areas,  
2 neighborhood-based organizations, and municipal agencies.

3 (3) The institute shall research and recommend  
4 strategies concerning critical issues facing the underserved  
5 population in urban communities, including, but not limited  
6 to, transportation and physical infrastructure; affordable  
7 housing; tourism and commerce; environmental restoration; job  
8 development and retention; child care; public health;  
9 life-long learning; family intervention; public safety; and  
10 community relations.

11 (4) The institute shall establish regional urban  
12 centers to be located in the inner cities of St. Petersburg,  
13 Tampa, Jacksonville, Orlando, West Palm Beach, Fort  
14 Lauderdale, Miami, Daytona Beach, and Pensacola to assist  
15 urban communities on critical economic, social, and  
16 educational problems affecting the underserved population.

17 (5) Before January 1 of each year, the institute shall  
18 submit a report of its critical findings and recommendations  
19 for the prior year to the President of the Senate, the Speaker  
20 of the House of Representatives, and the appropriate  
21 committees of the Legislature. The report shall be titled "The  
22 State of Unmet Needs in Florida's Urban Communities" and shall  
23 include, but is not limited to, a recommended list of  
24 resources that could be made available for revitalizing urban  
25 communities; significant accomplishments and activities of the  
26 institute; and recommendations concerning the expansion,  
27 improvement, or termination of the institute.

28 (6) The Governor shall submit an annual report to the  
29 Legislature on the unmet needs in the state's urban  
30 communities.

31

1           Section 8. Florida Economic Opportunities Incentive  
2 Fund.--

3           (1)(a) The Legislature finds that attracting,  
4 retaining, and providing favorable conditions for the growth  
5 of certain high-impact business facilities provides widespread  
6 economic benefits to the public through high-quality  
7 employment opportunities in such facilities and in related  
8 facilities attracted to the state, through the increased tax  
9 base provided by the high-impact facility and businesses in  
10 related sectors, through an enhanced entrepreneurial climate  
11 in the state and the resulting business and employment  
12 opportunities, and through the stimulation and enhancement of  
13 the state's universities and community colleges. In the global  
14 economy, there exists serious and fierce international  
15 competition for these facilities, and in most instances, when  
16 all available resources for economic development have been  
17 used, the state continues to encounter severe competitive  
18 disadvantages in vying for these high-impact business  
19 facilities.

20           (b) The Legislature therefore declares that sufficient  
21 resources shall be available to respond to extraordinary  
22 economic opportunities and to compete effectively for these  
23 high-impact business facilities.

24           (2)(a) There is created within the Office of Tourism,  
25 Trade, and Economic Development the Florida Economic  
26 Opportunities Incentive Fund.

27           (b) Upon the approval of the Governor, moneys may be  
28 transferred to the Florida Economic Opportunities Incentive  
29 Fund from the Working Capital Fund or other unappropriated  
30 surplus funds, not to exceed \$50 million in any one fiscal  
31 year.

1           (3)(a) Enterprise Florida, Inc., shall evaluate  
2 individual proposals for high-impact business facilities and  
3 forward recommendations regarding the use of moneys in the  
4 fund for such facilities to the director of the Office of  
5 Tourism, Trade, and Economic Development. Such evaluation and  
6 recommendation must include, but need not be limited to:

7           1. A description of the type of facility, its business  
8 operation, and the product or service associated with the  
9 facility.

10           2. The number of full-time-equivalent jobs that will  
11 be created by the facility and the total estimated average  
12 annual wages of those jobs.

13           3. The cumulative amount of investment to be dedicated  
14 to the facility within a specified period.

15           4. A statement of any special impacts the facility is  
16 expected to stimulate in a particular business sector in the  
17 state or regional economy or in the state's universities and  
18 community colleges.

19           5. A statement of the role the incentive is expected  
20 to play in the decision of the applicant business to locate or  
21 expand in this state.

22           (b) Upon receipt of the evaluation and recommendation  
23 from Enterprise Florida, Inc., the director shall recommend  
24 approval or disapproval of a project for receipt of funds from  
25 the Florida Economic Opportunities Incentive Fund to the  
26 Governor. In recommending a high-impact business facility, the  
27 director shall include proposed performance conditions that  
28 the facility must meet to obtain incentive funds. The Governor  
29 shall consult with the President of the Senate and the Speaker  
30 of the House of Representatives before giving final approval  
31 for a project.

1       (c) Upon the approval of the Governor, the director of  
2 the Office of Tourism, Trade, and Economic Development and the  
3 high-impact business shall enter into a contract that sets  
4 forth the conditions for payment of moneys from the fund. The  
5 contract must include the total amount of funds awarded; the  
6 performance conditions that must be met to obtain the award,  
7 including, but not limited to, net new employment in the  
8 state, average salary, and total capital investment; the  
9 methodology for validating performance; the schedule of  
10 payments from the fund; and sanctions for failure to meet  
11 performance conditions.

12       (d) Enterprise Florida, Inc., shall validate  
13 contractor performance. Such validation shall be reported  
14 within 6 months after completion of the contract to the  
15 Governor, the President of the Senate, and the Speaker of the  
16 House of Representatives.

17       Section 9. Response to economic emergencies in small  
18 communities.--

19       (1) The Legislature finds that attracting, retaining,  
20 and providing favorable conditions for businesses which  
21 contribute to the economic health of small communities through  
22 the generation of business and employment opportunities is in  
23 the public interest. The Legislature recognizes that  
24 conditions may exist where criteria for existing economic  
25 development programs prevent some businesses from  
26 participating and that existing criteria should be waived in  
27 order to allow businesses which are significant employers in  
28 these small communities to participate in these programs in  
29 order to improve the economic health of these communities.  
30 The Legislature further recognizes that the loss of an  
31 industry or the inability of a significant employer to open or

1 reopen a business in a small community creates a state of  
2 economic emergency within that community.

3 (2) A community is in a state of economic emergency  
4 when any of the following conditions occur:

5 (a) Closure of a business which is a significant  
6 employer of workers in the community.

7 (b) Closure of a business which significantly affects  
8 the operations of other businesses which are significant  
9 employers of workers in the community.

10 (c) A business which would be a significant employer  
11 of workers in the community is unable to open or reopen due to  
12 a lack of economic incentives or a business environment which  
13 is not favorable to the opening or reopening of that business.

14 (d) The community experiences substantial unemployment  
15 due to the closure of a major industry.

16 (3) A local government entity shall notify the  
17 Governor, the Office of Tourism, Trade, and Economic  
18 Development, and Enterprise Florida, Inc., when one or more of  
19 the conditions specified in subsection (2) have occurred or  
20 will occur if action is not taken to assist the local  
21 governmental entity or the affected community.

22 (4) Upon notification that one or more of the  
23 conditions described in subsection (2) exist, the Governor or  
24 his or her designee shall contact the local governmental  
25 entity to determine what actions have been taken by the local  
26 governmental entity or the affected community to resolve the  
27 economic emergency. The Governor has the authority to waive  
28 the eligibility criteria of any program or activity  
29 administered by the Office of Tourism, Trade, and Economic  
30 Development, or Enterprise Florida, Inc., to provide economic  
31 relief to the affected community by granting participation in



1 such programs or activities. The Governor shall consult with  
2 the President of the Senate and the Speaker of the House of  
3 Representatives and shall take other action, as necessary, to  
4 resolve the economic emergency in the most expedient manner  
5 possible.

6           Section 10. Except as otherwise provided herein, this  
7 act shall take effect October 1, 1999.

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

\*\*\*\*\*

HOUSE SUMMARY

Specifies the programs and funds that the Office of Tourism, Trade, and Economic Development is authorized to administer. Authorizes the office to expend interest earned from certain trust fund investments for program administration. Creates the Office of Urban Opportunity within the Office of Tourism, Trade, and Economic Development and provides its duties. Creates the Florida Trade Council within the Executive Office of the Governor and directs the council to develop a comprehensive strategic plan and allocate resources to activities and programs that incorporate plan strategies.

Revises provisions relating to tax refunds paid from the Economic Development Incentive Account and provides a limitation.

Updates language with respect to administration of the qualified defense contractor tax refund program by the Office of Tourism, Trade, and Economic Development. Revises provisions relating to the limitation on such refunds and extends the expiration date for certification for such refunds to 2003.

Revises provisions relating to the tax refund program for qualified target industry businesses. Provides for determination of number of employees for businesses registered as a statewide reporting unit. Revises requirements to qualify as an expansion of an existing business or a rural county. Revises the counties to which the local financial support exemption option applies. Revises requirements for determining the amount of tax refund payments. Revises the limitations on refunds for projects located in an enterprise zone, rural county, or rural city. Authorizes acceptance of a letter from an authorized local economic development agency prior to passage of the required resolution by the local government. Authorizes reduction of certain employment requirements for an expanding business in a rural city or county or enterprise zone under certain conditions. Revises requirements relating to application approval. Authorizes certification of less than allowable refunds under certain conditions. Revises requirements relating to the tax refund agreement. Authorizes inclusion of the value of county or municipal land conveyed to a business in the required local financial support. Authorizes the office to contract with Enterprise Florida, Inc., for certain administrative duties.

Creates the Institute on Urban Policy and Commerce at Florida Agricultural and Mechanical University. Provides for the establishment of regional urban centers. Requires annual reports by the institute and the Governor.

1 Provides legislative findings with respect to attracting  
2 certain high-impact business facilities to the state.  
3 Creates the Florida Economic Opportunities Incentive Fund  
4 within the Office of Tourism, Trade, and Economic  
5 Development. Directs Enterprise Florida, Inc., to make  
6 recommendations for use of funds for such facilities.  
7 Upon approval by the Governor, provides for a contract  
8 between the office and an approved business with respect  
9 to payment of such funds.

10 Provides legislative findings with respect to the  
11 economic health of small communities. Provides conditions  
12 for determining when a state of economic emergency exists  
13 in a community and provides for notification by a local  
14 government entity to the Governor, the office, and  
15 Enterprise Florida, Inc., when such conditions exist.  
16 Authorizes the Governor to waive eligibility criteria for  
17 certain programs or activities and take other action to  
18 resolve the economic emergency.

19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31