

1 A bill to be entitled
2 An act relating to the commercial space
3 industry; amending s. 330.30, F.S.; exempting
4 certain spaceports from a provision of law
5 relating to the approval of airport sites and
6 the licensing of airports; amending s. 331.303,
7 F.S.; revising definitions with respect to the
8 Spaceport Florida Authority Act; amending s.
9 331.304, F.S.; revising the boundaries of
10 spaceport territory; amending s. 331.360, F.S.;
11 providing for the development of a spaceport
12 master plan; creating s. 332.008, F.S.;
13 providing limitation on the application of
14 chapter 332, F.S.; amending s. 334.03, F.S.;
15 redefining the term "transportation facility";
16 amending s. 334.30, F.S.; authorizing a fixed
17 guideway transportation system operating within
18 the Department of Transportation's right-of-way
19 to operate at any safe speed; amending s.
20 339.155, F.S.; revising a provision of law
21 governing transportation planning to include
22 reference to spaceport master plans; amending
23 s. 339.175, F.S.; including reference to
24 spaceports and aerospace development with
25 respect to metropolitan planning organizations;
26 creating the Commission on the Future of
27 Aeronautics and Space in Florida; providing for
28 qualifications and appointment of members;
29 directing the commission to study and make
30 recommendations regarding specified areas
31 relating to aeronautics and aerospace in the

1 state; requiring reports; amending s. 196.012,
2 F.S.; redefining the term "governmental
3 purpose"; amending ss. 212.031, 212.08, F.S.;
4 providing for exemptions from the tax on sales,
5 use, and other transactions; revising the
6 application of the sales tax exemption for
7 machinery and equipment used to increase
8 productive output with respect to such
9 machinery and equipment used in connection with
10 spaceport activities; amending s. 288.063,
11 F.S.; authorizing the Spaceport Florida
12 Authority to enter into contracts for
13 transportation projects; amending s. 288.075,
14 F.S.; adding the Office of Tourism, Trade, and
15 Economic Development and the Spaceport Florida
16 Authority to a list of economic development
17 agencies whose records are confidential;
18 amending s. 288.35, F.S.; redefining the term
19 "government agency"; amending s. 288.9415,
20 F.S.; authorizing the Spaceport Florida
21 Authority to apply for international trade
22 grants; amending s. 331.305, F.S.; authorizing
23 Spaceport Florida Authority personnel to
24 participate in specified education and
25 training; amending s. 331.309, F.S.; providing
26 that funds of the authority may be deposited
27 with the Florida Commercial Space Financing
28 Corporation; creating s. 331.3475, F.S.;
29 providing for the Spaceport Facility Loan
30 Guarantee Program; creating part III of ch.
31 331, F.S., the Florida Commercial Space

1 Financing Corporation Act; providing findings
2 and intent; providing definitions; creating the
3 Florida Commercial Space Financing Corporation;
4 specifying the functions the corporation is
5 authorized to carry out; providing for a board
6 of directors of the corporation and for
7 qualifications and appointment of members;
8 providing powers of the corporation and the
9 board; providing for fees; providing for rules;
10 providing for insurance, coinsurance, loan
11 guarantees, and loans for eligible
12 space-related transactions; directing the board
13 to establish an account to receive specified
14 resources; providing for deposits in the
15 account and for allocation of the account's
16 resources; providing for appointment of a
17 president of the corporation; providing powers
18 and duties of the president; requiring an
19 annual report; providing for development of a
20 research design to evaluate the corporation;
21 providing for a review and evaluation of the
22 corporation by the Office of Program Policy
23 Analysis and Government Accountability;
24 providing for periodic reviews and reports by
25 the Division of Banking; authorizing the
26 Spaceport Florida Authority to pledge certain
27 revenues to guarantee corporation loans;
28 creating s. 331.365, F.S.; creating the Florida
29 Space Industry and Research Facility
30 Development Program within the Spaceport
31 Florida Authority; providing that sales tax

1 revenues collected at the Kennedy Space Center
2 Visitor Complex and distributed to the
3 authority shall be used to fund certain
4 approved projects; providing duties of the
5 Office of Tourism, Trade, and Economic
6 Development; providing for audits; amending s.
7 212.20, F.S.; providing for distribution of the
8 state taxes collected pursuant to ch. 212,
9 F.S., at the Kennedy Space Center Visitor
10 Complex to the Spaceport Florida Authority;
11 providing for a minimum annual distribution;
12 creating s. 331.367, F.S.; creating the
13 Spaceport Management Council within the
14 Spaceport Florida Authority; providing that the
15 council shall make recommendations regarding
16 specified areas; providing for an executive
17 board and the membership thereof; providing
18 duties of the council; providing duties with
19 respect to a spaceport master plan; providing
20 for development of a Spaceport Economic
21 Development Plan; providing that the council
22 shall recommend projects to be funded pursuant
23 to the Florida Space Industry and Research
24 Facility Development Program; creating the
25 Florida Space Research Institute; prescribing
26 the purposes of the institute; providing for
27 management and operation of the institute;
28 requiring a report; amending s. 196.1994, F.S.;
29 providing that cargo carriers are exempt from
30 ad valorem taxes; providing intent; providing
31 legislative findings and declarations with

1 respect to the global competition that is
2 encountered by the state in attracting
3 commercial space business facilities; creating
4 the Florida Commercial Space Development
5 Incentive Program within the Office of Tourism,
6 Trade, and Economic Development; requiring
7 Enterprise Florida, Inc., to evaluate and
8 recommend high-impact commercial space
9 facilities eligible for a payment of moneys;
10 providing eligibility criteria; requiring that
11 such payments be approved by the Governor,
12 following consultation with the President of
13 the Senate and the Speaker of the House of
14 Representatives; requiring initiation of a
15 budget amendment to obtain funds from the
16 Working Capital Fund; requiring reimbursement
17 to the trust fund; providing certain
18 requirements for the contract awarding moneys;
19 requiring Enterprise Florida, Inc., to validate
20 contractor performance; providing for a report
21 to the Governor, the President of the Senate,
22 and the Speaker of the House of
23 Representatives; providing an appropriation;
24 providing for severability; providing effective
25 dates.

26
27 Be It Enacted by the Legislature of the State of Florida:

28
29 Section 1. Paragraph (d) of subsection (3) of section
30 330.30, Florida Statutes, 1998 Supplement, is amended to read:

1 330.30 Approval of airport sites and licensing of
2 airports; fees.--

3 (3) EXEMPTIONS.--The provisions of this section do not
4 apply to:

5 (d) An airport under the jurisdiction or control of a
6 county or municipal aviation authority or a county or
7 municipal port authority or the Spaceport Florida Authority;
8 however, the department shall license any such airport if such
9 authority does not elect to exercise its exemption under this
10 subsection.

11 Section 2. Subsection (25) is added to section
12 331.303, Florida Statutes, to read:

13 331.303 Definitions.--

14 (25) "Spaceport discretionary capacity improvement
15 projects" means capacity improvements that enhance space
16 transportation capacity at spaceports that have had one or
17 more orbital or suborbital flights during the previous
18 calendar year or have an agreement in writing for installation
19 of one or more regularly scheduled orbital or suborbital
20 flights upon the commitment of funds for stipulated spaceport
21 capital improvements.

22 Section 3. Section 331.304, Florida Statutes, is
23 amended to read:

24 331.304 Spaceport territory.--The following property
25 shall constitute spaceport territory:

26 (1) Certain real property located in Brevard County
27 that is included within the 1998 boundaries of Patrick Air
28 Force Base, Cape Canaveral Air Station, John F. Kennedy Space
29 Center.~~with the following boundaries:~~

30 ~~(a) Northern boundary--Latitude 28°32'30" North.~~

1 ~~(b) Eastern boundary--The mean high water line of the~~
2 ~~shore along the Atlantic Ocean.~~

3 ~~(c) Western boundary--Cape Road (State Road 401).~~

4 ~~(d) Southern boundary--Latitude 28°26' North.~~

5 (2) Certain real property located in Gulf County with
6 the following boundaries:

7 (a) Northern boundary--Latitude 29°40'45" North from
8 longitude 85°20' West in a westerly direction to the mean high
9 water line of the Gulf of Mexico.

10 (b) Eastern boundary--Longitude 85°20' West.

11 (c) Western boundary--The mean high water line of the
12 shore along the Gulf of Mexico.

13 (d) Southern boundary--The mean high water line of the
14 shore along the Gulf of Mexico.

15 (3) Certain real property located in Santa Rosa,
16 Okaloosa, and Walton Counties which is included within the
17 1997 boundaries of Eglin Air Force Base.

18 Section 4. Section 331.360, Florida Statutes, is
19 amended to read:

20 331.360 Joint project agreement or assistance.--

21 (1) It shall be the duty, function, and responsibility
22 of the Department of Transportation to promote the further
23 development and improvement of aerospace transportation
24 facilities, to address intermodal requirements and impacts of
25 the launch ranges, spaceports, and other space transportation
26 facilities, to assist in the development of joint-use
27 facilities and technology that support aviation and aerospace
28 operations, and to facilitate and promote cooperative efforts
29 between federal and state government entities to improve space
30 transportation capacity and efficiency. In carrying out this
31 duty and responsibility, the department may assist and advise,

1 cooperate with, and coordinate with federal, state, local, or
2 private organizations and individuals. The department may
3 administratively house its space transportation
4 responsibilities within an existing division or office.

5 (2) Notwithstanding any other provision of law, the
6 Department of Transportation may enter into a joint project
7 agreement with, or otherwise assist, the Spaceport Florida
8 Authority as necessary to effectuate the provisions of this
9 chapter and may allocate funds for such purposes in its 5-year
10 work program. However, the department may not fund the
11 administrative or operational costs of the authority.

12 (3) The authority shall develop a spaceport master
13 plan for expansion and modernization of space transportation
14 facilities within spaceport territories as defined in s.
15 331.303(22). The plan shall contain recommended projects to
16 meet current and future commercial, national, and state space
17 transportation requirements. The authority shall submit the
18 plan to any appropriate M.P.O. for review of intermodal
19 impacts. The authority shall submit the spaceport master plan
20 to the Department of Transportation and such plan may be
21 included within the department's 5-year work program of
22 qualifying aerospace discretionary capacity improvement under
23 s. 331.360(4). The plan shall identify appropriate funding
24 levels and include recommendations on appropriate sources of
25 revenue that may be developed to contribute to the State
26 Transportation Trust Fund.

27 (4) Subject to the availability of appropriated funds,
28 the department may participate in the capital cost of eligible
29 spaceport discretionary capacity improvement projects. The
30 annual legislative budget request shall be based on the
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1 proposed funding requested for approved spaceport
2 discretionary capacity improvement projects.

3 Section 5. Section 332.008, Florida Statutes, is
4 created to read:

5 332.008 Limitation on operation of chapter.--Nothing
6 in this chapter shall be construed to authorize expenditure of
7 aviation fuel tax revenues on space transportation projects.
8 Nothing in this chapter shall be construed to limit the
9 department's authority under s. 331.360.

10 Section 6. Subsection (31) of section 334.03, Florida
11 Statutes, is amended to read:

12 334.03 Definitions.--When used in the Florida
13 Transportation Code, the term:

14 (31) "Transportation facility" means any means for the
15 transportation of people or ~~and~~ property from place to place
16 which is constructed, operated, or maintained in whole or in
17 part from public funds. The term includes the property or
18 property rights, both real and personal, which have been or
19 may be established by public bodies for the transportation of
20 people or ~~and~~ property from place to place.

21 Section 7. Subsection (6) is added to section 334.30,
22 Florida Statutes, to read:

23 334.30 Private transportation facilities.--The
24 Legislature hereby finds and declares that there is a public
25 need for rapid construction of safe and efficient
26 transportation facilities for the purpose of travel within the
27 state, and that it is in the public's interest to provide for
28 the construction of additional safe, convenient, and
29 economical transportation facilities.

30 (6) Notwithstanding s. 341.327, a fixed-guideway
31 transportation system authorized by the department to be

1 wholly or partially within the department's right-of-way
2 pursuant to a lease granted under s. 337.251 may operate at
3 any safe speed.

4 Section 8. Paragraph (d) of subsection (2) of section
5 339.155, Florida Statutes, is amended, present paragraphs (w)
6 and (x) of that subsection are redesignated as paragraphs (x)
7 and (y), respectively, and a new paragraph (w) is added to
8 that subsection, to read:

9 339.155 Transportation planning.--The department shall
10 develop and annually update a statewide transportation plan,
11 to be known as the Florida Transportation Plan. The plan
12 shall be designed so as to be easily read and understood by
13 the general public.

14 (2) DEVELOPMENT CRITERIA.--The Florida Transportation
15 Plan shall consider the needs of the entire state
16 transportation system, examine the use of all modes of
17 transportation to effectively and efficiently meet such needs,
18 and provide for the interconnection of all types of modes in a
19 comprehensive intermodal transportation system. In developing
20 the Florida Transportation Plan, the department shall consider
21 the following:

22 (d) International border crossings and access to
23 ports, airports, spaceports, intermodal transportation
24 facilities, major freight distribution routes, national parks,
25 recreation and scenic areas, monuments and historic sites, and
26 military installations.

27 (w) The spaceport master plan approved by the
28 Spaceport Florida Authority.

29 Section 9. Paragraph (a) of subsection (2), paragraph
30 (b) of subsection (5), paragraph (a) of subsection (6),
31 paragraphs (a) and (c) of subsection (7), and paragraph (a) of

1 subsection (9) of section 339.175, Florida Statutes, 1998
2 Supplement, are amended to read:

3 339.175 Metropolitan planning organization.--It is the
4 intent of the Legislature to encourage and promote the
5 development of transportation systems embracing various modes
6 of transportation in a manner that will maximize the mobility
7 of people and goods within and through urbanized areas of this
8 state and minimize, to the maximum extent feasible, and
9 together with applicable regulatory government agencies,
10 transportation-related fuel consumption and air pollution. To
11 accomplish these objectives, metropolitan planning
12 organizations, referred to in this section as M.P.O.'s, shall
13 develop, in cooperation with the state, transportation plans
14 and programs for metropolitan areas. Such plans and programs
15 must provide for the development of transportation facilities
16 that will function as an intermodal transportation system for
17 the metropolitan area. The process for developing such plans
18 and programs shall be continuing, cooperative, and
19 comprehensive, to the degree appropriate, based on the
20 complexity of the transportation problems.

21 (2) VOTING MEMBERSHIP.--

22 (a) The voting membership of an M.P.O. shall consist
23 of not fewer than 5 or more than 19 apportioned members, the
24 exact number to be determined on an equitable
25 geographic-population ratio basis by the Governor, based on an
26 agreement among the affected units of general-purpose local
27 government as required by federal rules and regulations. The
28 Governor, in accordance with 23 U.S.C. s. 134, as amended by
29 the Intermodal Surface Transportation Efficiency Act of 1991,
30 may also provide for M.P.O. members who represent
31 municipalities to alternate with representatives from other

1 municipalities within the designated urban area that do not
2 have members on the M.P.O. County commission members shall
3 compose not less than one-third of the M.P.O. membership,
4 except for an M.P.O. with more than 15 members located in a
5 county with a five-member county commission or an M.P.O. with
6 19 members located in a county with no more than 6 county
7 commissioners, in which case county commission members may
8 compose less than one-third percent of the M.P.O. membership,
9 but all county commissioners must be members. All voting
10 members shall be elected officials of general-purpose
11 governments, except that an M.P.O. may include, as part of its
12 apportioned voting members, a member of a statutorily
13 authorized planning board,~~or~~ an official of an agency that
14 operates or administers a major mode of transportation, or an
15 official of the Spaceport Florida Authority. In metropolitan
16 areas in which authorities or other agencies have been, or may
17 be, created by law to perform transportation functions that
18 are not under the jurisdiction of a general-purpose local
19 government represented on the M.P.O., they shall be provided
20 voting membership on the M.P.O. The county commission shall
21 compose not less than 20 percent of the M.P.O. membership if
22 an official of an agency that operates or administers a major
23 mode of transportation has been appointed to an M.P.O.

24 (5) POWERS, DUTIES, AND RESPONSIBILITIES.--The powers,
25 privileges, and authority of an M.P.O. are those specified in
26 this section or incorporated in an interlocal agreement
27 authorized under s. 163.01. Each M.P.O. shall perform all
28 acts required by federal or state laws or rules, now and
29 subsequently applicable, which are necessary to qualify for
30 federal aid. It is the intent of this section that each M.P.O.
31 shall be involved in the planning and programming of

1 transportation facilities, including, but not limited to,
2 airports, intercity and high-speed rail lines, seaports, and
3 intermodal facilities, to the extent permitted by state or
4 federal law.

5 (b) In developing the long-range transportation plan
6 and the transportation improvement program required under
7 paragraph (a), each M.P.O. must, at a minimum, consider:

8 1. The preservation of existing transportation
9 facilities and, where practical, ways to meet transportation
10 needs by using existing facilities more efficiently;

11 2. The consistency of transportation planning with
12 applicable federal, state, and local energy conservation
13 programs, goals, and objectives;

14 3. The need to relieve congestion and prevent
15 congestion from occurring where it does not yet occur;

16 4. The likely effect of transportation policy
17 decisions on land use and development and the consistency of
18 transportation plans and programs with all applicable
19 short-term and long-term land use and development plans;

20 5. The programming of transportation enhancement
21 activities as required by federal law;

22 6. The effect of all transportation projects to be
23 undertaken in the metropolitan area, without regard to whether
24 such projects are publicly funded;

25 7. The provision of access to seaports, airports,
26 spaceports, intermodal transportation facilities, major
27 freight distribution routes, national and state parks,
28 recreation areas, monuments and historic sites, and military
29 installations;

30 8. The need for roads within the metropolitan area to
31 efficiently connect with roads outside the metropolitan area;

1 9. The transportation needs identified through the use
2 of transportation management systems required by federal or
3 state law;

4 10. The preservation of rights-of-way for construction
5 of future transportation projects, including the
6 identification of unused rights-of-way that may be needed for
7 future transportation corridors and the identification of
8 corridors for which action is most needed to prevent
9 destruction or loss;

10 11. Any available methods to enhance the efficient
11 movement of freight;

12 12. The use of life-cycle costs in the design and
13 engineering of bridges, tunnels, or pavement;

14 13. The overall social, economic, energy, and
15 environmental effects of transportation decisions;

16 14. Any available methods to expand or enhance transit
17 services and increase the use of such services; and

18 15. The possible allocation of capital investments to
19 increase security for transit systems.

20 (6) LONG-RANGE PLAN.--Each M.P.O. must develop a
21 long-range transportation plan that addresses at least a
22 20-year planning horizon. The plan must include both
23 long-range and short-range strategies and must comply with all
24 other state and federal requirements. The long-range plan must
25 be consistent, to the maximum extent feasible, with future
26 land use elements and the goals, objectives, and policies of
27 the approved local government comprehensive plans of the units
28 of local government located within the jurisdiction of the
29 M.P.O. The approved long-range plan must be considered by
30 local governments in the development of the transportation
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1 elements in local government comprehensive plans and any
2 amendments thereto. The long-range plan must, at a minimum:

3 (a) Identify transportation facilities, including, but
4 not limited to, major roadways, airports, seaports,
5 spaceports, commuter rail systems, transit systems, and
6 intermodal or multimodal terminals that will function as an
7 integrated metropolitan transportation system. The long-range
8 plan must give emphasis to those transportation facilities
9 that serve national, statewide, or regional functions, and
10 must consider the goals and objectives identified in the
11 Florida Transportation Plan as provided in s. 339.155.

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13 In the development of its long-range plan, each M.P.O. must
14 provide affected public agencies, representatives of
15 transportation agency employees, private providers of
16 transportation, other interested parties, and members of the
17 general public with a reasonable opportunity to comment on the
18 long-range plan. The long-range plan must be approved by the
19 M.P.O.

20 (7) TRANSPORTATION IMPROVEMENT PROGRAM.--Each M.P.O.
21 shall, in cooperation with the state and affected public
22 transportation operators, develop a transportation improvement
23 program for the area within the jurisdiction of the M.P.O. In
24 the development of the transportation improvement program,
25 each M.P.O. must provide affected public transit agencies,
26 representatives of transportation agency employees, private
27 providers of transportation, other interested parties, and
28 members of the general public with a reasonable opportunity to
29 comment on the transportation improvement program.

30 (a) Each M.P.O. is responsible for developing,
31 annually, a list of project priorities and a transportation

1 improvement program. The transportation improvement program
2 will be used to initiate federally aided transportation
3 facilities and improvements as well as other transportation
4 facilities and improvements including transit, rail, aviation,
5 spaceport, and port facilities to be funded from the State
6 Transportation Trust Fund within its metropolitan area in
7 accordance with existing and subsequent federal and state laws
8 and rules and regulations related thereto. The transportation
9 improvement program shall be consistent, to the maximum extent
10 feasible, with the approved local government comprehensive
11 plans of the units of local government whose boundaries are
12 within the metropolitan area of the M.P.O.

13 (c) The transportation improvement program must, at a
14 minimum:

15 1. Include projects and project phases to be funded
16 with state or federal funds within the time period of the
17 transportation improvement program and which are recommended
18 for advancement during the next fiscal year and 4 subsequent
19 fiscal years. Such projects and project phases must be
20 consistent, to the maximum extent feasible, with the approved
21 local government comprehensive plans of the units of local
22 government located within the jurisdiction of the M.P.O. For
23 informational purposes, the transportation improvement program
24 shall also include a list of projects to be funded from local
25 or private revenues.

26 2. Include projects within the metropolitan area which
27 are proposed for funding under 23 U.S.C. s. 134 of the Federal
28 Transit Act and which are consistent with the long-range plan
29 developed under subsection (6).

30 3. Provide a financial plan that demonstrates how the
31 transportation improvement program can be implemented;

1 indicates the resources, both public and private, that are
2 reasonably expected to be available to accomplish the program;
3 and recommends any innovative financing techniques that may be
4 used to fund needed projects and programs. Such techniques
5 may include the assessment of tolls, the use of value capture
6 financing, or the use of congestion pricing. The
7 transportation improvement program may include a project or
8 project phase only if full funding can reasonably be
9 anticipated to be available for the project or project phase
10 within the time period contemplated for completion of the
11 project or project phase.

12 4. Group projects and project phases of similar
13 urgency and anticipated staging into appropriate staging
14 periods.

15 5. Indicate how the transportation improvement program
16 relates to the long-range plan developed under subsection (6),
17 including providing examples of specific projects or project
18 phases that further the goals and policies of the long-range
19 plan.

20 6. Indicate whether any project or project phase is
21 inconsistent with an approved comprehensive plan of a unit of
22 local government located within the jurisdiction of the M.P.O.
23 If a project is inconsistent with an affected comprehensive
24 plan, the M.P.O. must provide justification for including the
25 project in the transportation improvement program.

26 7. Indicate how the improvements are consistent, to
27 the maximum extent feasible, with affected seaport,and
28 airport, and spaceport master plans and with public transit
29 development plans of the units of local government located
30 within the jurisdiction of the M.P.O.

31 (9) AGREEMENTS.--

1 (a) Each M.P.O. shall execute the following written
2 agreements, which shall be reviewed, and updated as necessary,
3 every 5 years:

4 1. An agreement with the department clearly
5 establishing the cooperative relationship essential to
6 accomplish the transportation planning requirements of state
7 and federal law.

8 2. An agreement with the metropolitan and regional
9 intergovernmental coordination and review agencies serving the
10 metropolitan areas, specifying the means by which activities
11 will be coordinated and how transportation planning and
12 programming will be part of the comprehensive planned
13 development of the area.

14 3. An agreement with operators of public
15 transportation systems, including transit systems, commuter
16 rail systems, airports, ~~and seaports,~~ and spaceports,
17 describing the means by which activities will be coordinated
18 and specifying how public transit, commuter rail, aviation,
19 ~~and seaport,~~ and aerospace planning and programming will be
20 part of the comprehensive planned development of the
21 metropolitan area.

22 Section 10. Commission on the Future of Aeronautics
23 and Space in Florida.--

24 (1) The Legislature finds that the aviation and
25 aerospace industries comprise an important segment of
26 Florida's present and future economy. Yet, there exists
27 intense nationwide competition for future development of these
28 industries. The state has the resources to help these
29 industries meet the challenges and opportunities of
30 competition and to establish itself as a prime location for
31 aviation and aerospace industries, thus creating a prime

1 environment for economic development and employment
2 opportunities. However, effective action and the necessary
3 coordination of resources must be based on a reliable
4 assessment of the present climate for such industries in the
5 state. Further, the various options available for legislative
6 action should be carefully considered.

7 (2) There is created the Commission on the Future of
8 Aeronautics and Space in Florida. The commission shall be
9 composed of the following 11 members:

10 (a) The chairs of the Transportation Committees of the
11 Senate and the House of Representatives.

12 (b) A representative of the Aviation Office of the
13 Department of Transportation, appointed by the Secretary of
14 Transportation.

15 (c) A representative of the Spaceport Florida
16 Authority, appointed by the board of supervisors of the
17 authority.

18 (d) Two members appointed by the Governor who are not
19 members of the Legislature.

20 (e) Two members appointed by the President of the
21 Senate.

22 (f) Two members appointed by the Speaker of the House
23 of Representatives.

24 (g) An active manager of an airport in Florida
25 appointed by the Florida Airport Manager's Association.

26 (3) The members appointed pursuant to paragraphs
27 (2)(d), (e), and (f), shall be selected so as to equitably
28 provide knowledge concerning and experience in the following
29 areas: commercial aviation; aviation manufacturing; aviation
30 operations and maintenance; aerospace manufacturing; aerospace
31 operations and maintenance; and aeronautics-related education.

1 (4) The members of the commission shall be appointed
2 within 30 days after the effective date of this act. The
3 commission shall serve until adjournment sine die of the 2001
4 Regular Session of the Legislature. Vacancies on the
5 commission shall be filled in the same manner as the original
6 appointment.

7 (5) Upon appointment of its members, the commission
8 shall meet to organize and select a chair and vice chair.
9 Meetings shall be held upon the call of the chair, but not
10 less frequently than quarterly.

11 (6) The members of the commission shall serve without
12 compensation but shall be entitled to be reimbursed for per
13 diem and travel expenses as provided in section 112.061,
14 Florida Statutes. The Department of Transportation shall
15 provide administrative staff support and travel and per diem
16 expenses for the commission.

17 (7) The commission shall:

18 (a) Survey current state and local laws, ordinances,
19 and rules that affect the development and regulation of the
20 aviation and aerospace industries in Florida and recommend
21 ways in which these regulations can be streamlined and revised
22 to operate more efficiently. The commission should also
23 consider whether regulation and oversight in the fields of
24 aviation and aerospace should be centralized under one
25 governmental agency.

26 (b) Examine the ways in which aviation and aerospace
27 industries, including the component elements of manufacturing,
28 assembly, marketing, servicing, maintenance, logistical
29 support, human resources, and related research and
30 development, can be attracted to locate permanently in the
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1 state, and recommend actions that can be taken by state and
2 local governments to accomplish this goal.

3 (c) Review existing studies to evaluate the
4 availability of commercial air services in Florida, identify
5 underserved locations, and recommend actions that can be taken
6 to improve the availability, efficiency, and economy of the
7 state's commercial air services.

8 (d) Identify the advances that can be expected in the
9 future in aeronautics and aerospace operations, air transport,
10 aeronautical education, and other aeronautical areas, and make
11 recommendations regarding how the state can anticipate,
12 encourage, and accommodate such advances.

13 (e) Identify aid that is available at the federal
14 level to assist in efforts to improve Florida's aeronautical
15 and aerospace competitive position, and recommend ways in
16 which the state can be most effective in obtaining that aid.

17 (f) Determine whether Florida's secondary and
18 postsecondary schools are producing a highly qualified
19 workforce in sufficient numbers to meet the needs of the
20 aviation and aerospace industries.

21 (8) The commission shall prepare a preliminary report
22 of its findings and recommendations by December 1, 2000, and a
23 final report by January 15, 2001. Copies of the reports shall
24 be submitted to the Governor, the President and the Minority
25 Leader of the Senate, and the Speaker and the Minority Leader
26 of the House of Representatives. After submission of the final
27 report, members of the commission may, with the approval of
28 the chair, receive reimbursement pursuant to subsection (6)
29 for travel necessary to consult with the Legislature
30 concerning issues raised by, and implementation of, the final
31 report, until termination of the commission.

1 Section 11. Subsection (6) of section 196.012, Florida
2 Statutes, is amended to read:

3 196.012 Definitions.--For the purpose of this chapter,
4 the following terms are defined as follows, except where the
5 context clearly indicates otherwise:

6 (6) Governmental, municipal, or public purpose or
7 function shall be deemed to be served or performed when the
8 lessee under any leasehold interest created in property of the
9 United States, the state or any of its political subdivisions,
10 or any municipality, agency, special district, authority, or
11 other public body corporate of the state is demonstrated to
12 perform a function or serve a governmental purpose which could
13 properly be performed or served by an appropriate governmental
14 unit or which is demonstrated to perform a function or serve a
15 purpose which would otherwise be a valid subject for the
16 allocation of public funds. For purposes of the preceding
17 sentence, an activity undertaken by a lessee which is
18 permitted under the terms of its lease of real property
19 designated as an aviation area on an airport layout plan which
20 has been approved by the Federal Aviation Administration and
21 which real property is used for the administration, operation,
22 business offices and activities related specifically thereto
23 in connection with the conduct of an aircraft full service
24 fixed base operation which provides goods and services to the
25 general aviation public in the promotion of air commerce shall
26 be deemed an activity which serves a governmental, municipal,
27 or public purpose or function. Any activity undertaken by a
28 lessee which is permitted under the terms of its lease of real
29 property designated as a public airport as defined in s.
30 332.004(14) by municipalities, agencies, special districts,
31 authorities, or other public bodies corporate and public

1 bodies politic of the state, a spaceport as defined in s.
2 331.303(19), or which is located in a deepwater port
3 identified in s. 403.021(9)(b) and owned by one of the
4 foregoing governmental units, subject to a leasehold or other
5 possessory interest of a nongovernmental lessee that is deemed
6 to perform an aviation, ~~or~~ airport, aerospace, ~~or~~ maritime, or
7 port purpose or operation shall be deemed an activity that
8 serves a governmental, municipal, or public purpose. The use
9 by a lessee, licensee, or management company of real property
10 or a portion thereof as a convention center, visitor center,
11 sports facility with permanent seating, concert hall, arena,
12 stadium, park, or beach is deemed a use that serves a
13 governmental, municipal, or public purpose or function when
14 access to the property is open to the general public with or
15 without a charge for admission. If property deeded to a
16 municipality by the United States is subject to a requirement
17 that the Federal Government, through a schedule established by
18 the Secretary of the Interior, determine that the property is
19 being maintained for public historic preservation, park, or
20 recreational purposes and if those conditions are not met the
21 property will revert back to the Federal Government, then such
22 property shall be deemed to serve a municipal or public
23 purpose. The term "governmental purpose" also includes a
24 direct use of property on federal lands in connection with the
25 Federal Government's Space Exploration Program or spaceport
26 activities as defined in s. 212.02(22). Real property and
27 tangible personal property owned by the Federal Government or
28 the Spaceport Florida Authority and used for defense and space
29 exploration purposes or which is put to a use in support
30 thereof shall be deemed to perform an essential national
31 governmental purpose and shall be exempt. "Owned by the

1 lessee" as used in this chapter does not include personal
2 property, buildings, or other real property improvements used
3 for the administration, operation, business offices and
4 activities related specifically thereto in connection with the
5 conduct of an aircraft full service fixed based operation
6 which provides goods and services to the general aviation
7 public in the promotion of air commerce provided that the real
8 property is designated as an aviation area on an airport
9 layout plan approved by the Federal Aviation Administration.
10 For purposes of determination of "ownership," buildings and
11 other real property improvements which will revert to the
12 airport authority or other governmental unit upon expiration
13 of the term of the lease shall be deemed "owned" by the
14 governmental unit and not the lessee. Providing two-way
15 telecommunications services to the public for hire by the use
16 of a telecommunications facility, as defined in s. 364.02(13),
17 and for which a certificate is required under chapter 364 does
18 not constitute an exempt use for purposes of s. 196.199,
19 unless the telecommunications services are provided by the
20 operator of a public-use airport, as defined in s. 332.004,
21 for the operator's provision of telecommunications services
22 for the airport or its tenants, concessionaires, or licensees,
23 or unless the telecommunications services are provided by a
24 public hospital. However, property that is being used to
25 provide such telecommunications services on or before October
26 1, 1997, shall remain exempt, but such exemption expires
27 October 1, 2004.

28 Section 12. Paragraph (a) of subsection (1) of section
29 212.031, Florida Statutes, 1998 Supplement, is amended to
30 read:

31

1 212.031 Lease or rental of or license in real
2 property.--

3 (1)(a) It is declared to be the legislative intent
4 that every person is exercising a taxable privilege who
5 engages in the business of renting, leasing, letting, or
6 granting a license for the use of any real property unless
7 such property is:

8 1. Assessed as agricultural property under s. 193.461.

9 2. Used exclusively as dwelling units.

10 3. Property subject to tax on parking, docking, or
11 storage spaces under s. 212.03(6).

12 4. Recreational property or the common elements of a
13 condominium when subject to a lease between the developer or
14 owner thereof and the condominium association in its own right
15 or as agent for the owners of individual condominium units or
16 the owners of individual condominium units. However, only the
17 lease payments on such property shall be exempt from the tax
18 imposed by this chapter, and any other use made by the owner
19 or the condominium association shall be fully taxable under
20 this chapter.

21 5. A public or private street or right-of-way occupied
22 or used by a utility for utility purposes.

23 6. A public street or road which is used for
24 transportation purposes.

25 7. Property used at an airport exclusively for the
26 purpose of aircraft landing or aircraft taxiing or property
27 used by an airline for the purpose of loading or unloading
28 passengers or property onto or from aircraft or for fueling
29 aircraft.

30 8.a. Property used at a port authority, as defined in
31 s. 315.02(2), exclusively for the purpose of oceangoing

1 vessels or tugs docking, or such vessels mooring on property
2 used by a port authority for the purpose of loading or
3 unloading passengers or cargo onto or from such a vessel, or
4 property used at a port authority for fueling such vessels, or
5 to the extent that the amount paid for the use of any property
6 at the port is based on the charge for the amount of tonnage
7 actually imported or exported through the port by a tenant.

8 b. The amount charged for the use of any property at
9 the port in excess of the amount charged for tonnage actually
10 imported or exported shall remain subject to tax except as
11 provided in sub-subparagraph a.

12 9. Property within spaceport territory leased from the
13 Spaceport Florida Authority which is used for spaceport
14 activities.

15 ~~10.9.~~ Property used as an integral part of the
16 performance of qualified production services. As used in this
17 subparagraph, the term "qualified production services" means
18 any activity or service performed directly in connection with
19 the production of a qualified motion picture, as defined in s.
20 212.06(1)(b), and includes:

21 a. Photography, sound and recording, casting, location
22 managing and scouting, shooting, creation of special and
23 optical effects, animation, adaptation (language, media,
24 electronic, or otherwise), technological modifications,
25 computer graphics, set and stage support (such as
26 electricians, lighting designers and operators, greensmen,
27 prop managers and assistants, and grips), wardrobe (design,
28 preparation, and management), hair and makeup (design,
29 production, and application), performing (such as acting,
30 dancing, and playing), designing and executing stunts,
31 coaching, consulting, writing, scoring, composing,

1 choreographing, script supervising, directing, producing,
2 transmitting dailies, dubbing, mixing, editing, cutting,
3 looping, printing, processing, duplicating, storing, and
4 distributing;

5 b. The design, planning, engineering, construction,
6 alteration, repair, and maintenance of real or personal
7 property including stages, sets, props, models, paintings, and
8 facilities principally required for the performance of those
9 services listed in sub-subparagraph a.; and

10 c. Property management services directly related to
11 property used in connection with the services described in
12 sub-subparagraphs a. and b.

13 11.10. Leased, subleased, or rented to a person
14 providing food and drink concessionaire services within the
15 premises of a movie theater, a business operated under a
16 permit issued pursuant to chapter 550, or any publicly owned
17 arena, sports stadium, convention hall, exhibition hall,
18 auditorium, or recreational facility. A person providing
19 retail concessionaire services involving the sale of food and
20 drink or other tangible personal property within the premises
21 of an airport shall be subject to tax on the rental of real
22 property used for that purpose, but shall not be subject to
23 the tax on any license to use the property. For purposes of
24 this subparagraph, the term "sale" shall not include the
25 leasing of tangible personal property.

26 12.11. Property occupied pursuant to an instrument
27 calling for payments which the department has declared, in a
28 Technical Assistance Advisement issued on or before March 15,
29 1993, to be nontaxable pursuant to rule 12A-1.070(19)(c),
30 Florida Administrative Code; provided that this subparagraph
31 shall only apply to property occupied by the same person

1 before and after the execution of the subject instrument and
2 only to those payments made pursuant to such instrument,
3 exclusive of renewals and extensions thereof occurring after
4 March 15, 1993.

5 Section 13. Paragraph (b) of subsection (5) of section
6 212.08, Florida Statutes, 1998 Supplement, is amended to read:

7 212.08 Sales, rental, use, consumption, distribution,
8 and storage tax; specified exemptions.--The sale at retail,
9 the rental, the use, the consumption, the distribution, and
10 the storage to be used or consumed in this state of the
11 following are hereby specifically exempt from the tax imposed
12 by this chapter.

13 (5) EXEMPTIONS; ACCOUNT OF USE.--

14 (b) Machinery and equipment used to increase
15 productive output.--

16 1. Industrial machinery and equipment purchased for
17 exclusive use by a new business in spaceport activities as
18 defined by s. 212.02 or for use in new businesses which
19 manufacture, process, compound, or produce for sale,~~or for~~
20 ~~exclusive use in spaceport activities as defined in s. 212.02,~~
21 items of tangible personal property at fixed locations are
22 exempt from the tax imposed by this chapter upon an
23 affirmative showing by the taxpayer to the satisfaction of the
24 department that such items are used in a new business in this
25 state. Such purchases must be made prior to the date the
26 business first begins its productive operations, and delivery
27 of the purchased item must be made within 12 months of that
28 date.

29 2.a. Industrial machinery and equipment purchased for
30 exclusive use by an expanding facility which is engaged in
31 spaceport activities as defined by s. 212.02 or for use in

1 expanding manufacturing facilities or plant units which
2 manufacture, process, compound, or produce for sale, ~~or for~~
3 ~~exclusive use in spaceport activities as defined in s. 212.02,~~
4 items of tangible personal property at fixed locations in this
5 state are exempt from any amount of tax imposed by this
6 chapter in excess of \$50,000 per calendar year upon an
7 affirmative showing by the taxpayer to the satisfaction of the
8 department that such items are used to increase the productive
9 output of such expanded facility or business by not less than
10 10 percent.

11 b. Notwithstanding any other provision of this
12 section, industrial machinery and equipment purchased for use
13 in expanding printing manufacturing facilities or plant units
14 that manufacture, process, compound, or produce for sale items
15 of tangible personal property at fixed locations in this state
16 are exempt from any amount of tax imposed by this chapter upon
17 an affirmative showing by the taxpayer to the satisfaction of
18 the department that such items are used to increase the
19 productive output of such an expanded business by not less
20 than 10 percent.

21 3.a. To receive an exemption provided by subparagraph
22 1. or subparagraph 2., a qualifying business entity shall
23 apply to the department for a temporary tax exemption permit.
24 The application shall state that a new business exemption or
25 expanded business exemption is being sought. Upon a tentative
26 affirmative determination by the department pursuant to
27 subparagraph 1. or subparagraph 2., the department shall issue
28 such permit.

29 b. The applicant shall be required to maintain all
30 necessary books and records to support the exemption. Upon
31 completion of purchases of qualified machinery and equipment

1 pursuant to subparagraph 1. or subparagraph 2., the temporary
2 tax permit shall be delivered to the department or returned to
3 the department by certified or registered mail.

4 c. If, in a subsequent audit conducted by the
5 department, it is determined that the machinery and equipment
6 purchased as exempt under subparagraph 1. or subparagraph 2.
7 did not meet the criteria mandated by this paragraph or if
8 commencement of production did not occur, the amount of taxes
9 exempted at the time of purchase shall immediately be due and
10 payable to the department by the business entity, together
11 with the appropriate interest and penalty, computed from the
12 date of purchase, in the manner prescribed by this chapter.

13 d. In the event a qualifying business entity fails to
14 apply for a temporary exemption permit or if the tentative
15 determination by the department required to obtain a temporary
16 exemption permit is negative, a qualifying business entity
17 shall receive the exemption provided in subparagraph 1. or
18 subparagraph 2. through a refund of previously paid taxes. No
19 refund may be made for such taxes unless the criteria mandated
20 by subparagraph 1. or subparagraph 2. have been met and
21 commencement of production has occurred.

22 4. The department shall promulgate rules governing
23 applications for, issuance of, and the form of temporary tax
24 exemption permits; provisions for recapture of taxes; and the
25 manner and form of refund applications and may establish
26 guidelines as to the requisites for an affirmative showing of
27 increased productive output, commencement of production, and
28 qualification for exemption.

29 5. The exemptions provided in subparagraphs 1. and 2.
30 do not apply to machinery or equipment purchased or used by
31 electric utility companies, communications companies,

1 phosphate or other solid minerals severance, mining, or
2 processing operations, oil or gas exploration or production
3 operations, publishing firms that do not export at least 50
4 percent of their finished product out of the state, any firm
5 subject to regulation by the Division of Hotels and
6 Restaurants of the Department of Business and Professional
7 Regulation, or any firm which does not manufacture, process,
8 compound, or produce for sale, ~~or for exclusive use in~~
9 ~~spaceport activities as defined in s. 212.02,~~ items of
10 tangible personal property or which does not use such
11 machinery and equipment in spaceport activities as required by
12 this paragraph.

13 6. For the purposes of the exemptions provided in
14 subparagraphs 1. and 2., these terms have the following
15 meanings:

16 a. "Industrial machinery and equipment" means "section
17 38 property" as defined in s. 48(a)(1)(A) and (B)(i) of the
18 Internal Revenue Code, provided "industrial machinery and
19 equipment" shall be construed by regulations adopted by the
20 Department of Revenue to mean tangible property used as an
21 integral part of spaceport activities or of the manufacturing,
22 processing, compounding, or producing for sale, ~~or for~~
23 ~~exclusive use in spaceport activities as defined in s. 212.02,~~
24 of items of tangible personal property. Such term includes
25 parts and accessories only to the extent that the exemption
26 thereof is consistent with the provisions of this paragraph.

27 b. "Productive output" means the number of units
28 actually produced by a single plant or operation in a single
29 continuous 12-month period, irrespective of sales. Increases
30 in productive output shall be measured by the output for 12
31 continuous months immediately following the completion of

1 installation of such machinery or equipment over the output
2 for the 12 continuous months immediately preceding such
3 installation. However, if a different 12-month continuous
4 period of time would more accurately reflect the increase in
5 productive output of machinery and equipment purchased to
6 facilitate an expansion, the increase in productive output may
7 be measured during that 12-month continuous period of time if
8 such time period is mutually agreed upon by the Department of
9 Revenue and the expanding business prior to the commencement
10 of production; provided, however, in no case may such time
11 period begin later than 2 years following the completion of
12 installation of the new machinery and equipment. The units
13 used to measure productive output shall be physically
14 comparable between the two periods, irrespective of sales.

15 7. Notwithstanding any other provision in this
16 paragraph to the contrary, in order to receive the exemption
17 provided in this paragraph a taxpayer must register with the
18 WAGES Program Business Registry established by the local WAGES
19 coalition for the area in which the taxpayer is located. Such
20 registration establishes a commitment on the part of the
21 taxpayer to hire WAGES program participants to the maximum
22 extent possible consistent with the nature of their business.

23 Section 14. Subsection (4) of section 288.063, Florida
24 Statutes, 1998 Supplement, is amended, present subsections
25 (7), (8), and (9) are redesignated as subsections (8), (9),
26 and (10), respectively, and a new subsections (7) is added to
27 that section, to read:

28 288.063 Contracts for transportation projects.--

29 (4) The Office of Tourism, Trade, and Economic
30 Development may adopt criteria by which transportation
31 projects are to be specified and identified. In approving

1 transportation projects for funding, the Office of Tourism,
2 Trade, and Economic Development shall consider factors
3 including, but not limited to, the cost per job created or
4 retained considering the amount of transportation funds
5 requested; the average hourly rate of wages for jobs created;
6 the reliance on the program as an inducement for the project's
7 location decision; the amount of capital investment to be made
8 by the business; the demonstrated local commitment; the
9 location of the project in an enterprise zone designated
10 pursuant to s. 290.0055; the location of the project in a
11 community development corporation service area as defined in
12 s. 290.035(2); the location of the project in a spaceport
13 territory as defined in s. 331.304; the unemployment rate of
14 the surrounding area; the poverty rate of the community; and
15 the adoption of an economic element as part of its local
16 comprehensive plan in accordance with s. 163.3177(7)(j). The
17 Office of Tourism, Trade, and Economic Development may contact
18 any agency it deems appropriate for additional input regarding
19 the approval of projects.

20 (7) For the purpose of this section, the Spaceport
21 Florida Authority may serve as the local government or as the
22 contracting agency for transportation projects within
23 spaceport territory as defined by s. 331.304.

24 Section 15. Subsection (1) of section 288.075, Florida
25 Statutes, is amended to read:

26 288.075 Confidentiality of records.--

27 (1) As used in this section, the term "economic
28 development agency" means the Office of Tourism, Trade, and
29 Economic Development ~~Division of Economic Development of the~~
30 ~~Department of Commerce~~, any industrial development authority
31 created in accordance with part III of chapter 159 or by

1 special law, the Spaceport Florida Authority created in part
2 II of chapter 331,the public economic development agency that
3 advises the county commission on the issuance of industrial
4 revenue bonds of a county that does not have an industrial
5 development authority created in accordance with part III of
6 chapter 159 or by special law, or any research and development
7 authority created in accordance with part V of chapter 159.
8 The term also includes any private agency, person,
9 partnership, corporation, or business entity when authorized
10 by the state, a municipality, or a county to promote the
11 general business interests or industrial interests of the
12 state or that municipality or county.

13 Section 16. Subsection (2) of section 288.35, Florida
14 Statutes, is amended to read:

15 288.35 Definitions.--The following terms, wherever
16 used or referred to in this part, shall have the following
17 meanings:

18 (2) "Government agency" means the state or any county
19 or political subdivision thereof; any state agency; any
20 consolidated government of a county, and some or all of the
21 municipalities located within said county; any chartered
22 municipality in the state; and any of the institutions of such
23 consolidated governments, counties, or municipalities.
24 Specifically included are airports, port authorities, ~~and~~
25 industrial authorities, and the Spaceport Florida Authority.

26 Section 17. Subsection (2) of section 288.9415,
27 Florida Statutes, is amended to read:

28 288.9415 International Trade Grants.--

29 (2) A county, municipality, economic development
30 council, the Spaceport Florida Authority,or a not-for-profit
31 association of businesses organized to assist in the promotion

1 of international trade may apply for a grant of state funds
2 for the promotion of international trade.

3 Section 18. Subsections (1) and (18) of section
4 331.305, Florida Statutes, is amended to read:

5 331.305 Powers of the authority.--The authority shall
6 have the power to:

7 (1) Exercise all powers granted to corporations under
8 the Florida Business General Corporation Act, chapter 607.

9 (18) Establish a personnel management system for
10 hiring employees and setting employee benefit packages. The
11 personnel of the authority are ~~shall not be~~ considered to be
12 within the state employment system, but are eligible to
13 participate in state employee education and training
14 opportunities established under s. 110.1099.

15 Section 19. Subsection (2) of section 331.309, Florida
16 Statutes, 1998 Supplement, is amended to read:

17 331.309 Treasurer; depositories; fiscal agent.--

18 (2) The board is authorized to select as depositories
19 in which the funds of the board and of the authority shall be
20 deposited any qualified public depository as defined in s.
21 280.02, upon such terms and conditions as to the payment of
22 interest by such depository upon the funds so deposited as the
23 board may deem just and reasonable. Funds of the authority may
24 also be deposited with the Florida Commercial Space Financing
25 Corporation created by s. 331.407.The funds of the authority
26 may be kept in or removed from the State Treasury upon written
27 notification from the chair of the board to the State
28 Comptroller.

29 Section 20. Section 331.3475, Florida Statutes, is
30 created to read:

31 331.3475 Spaceport Facility Loan Guarantee Program.--

1 (1) The Spaceport Florida Authority may determine the
2 situations and circumstances for its participation in
3 agreements with the Federal Government, financial
4 institutions, and others associated with the development of
5 aerospace facilities pursuant to this section for a limited
6 state guaranty of up to 30 years of loan guarantees or loan
7 loss reserves issued pursuant to law. The limited state loan
8 guaranty applies only to the primary lenders loans for
9 development of projects as defined in s. 331.303(16) in
10 spaceport territories where a federal agency, federal
11 contractor, or affiliated entity or contractor is the
12 leaseholder. A state guaranty of private loans or a loan loss
13 reserve may be authorized for lenders licensed to operate in
14 the state upon a determination by the authority that such an
15 arrangement would be in the public interest and the likelihood
16 of the success of the loan is great.

17 (2) Approval of a proposed loan guarantee shall be by
18 an Aerospace Facility Financing Review Council, which shall
19 consist of the Secretary of Transportation or the secretary's
20 designee, the Executive Director of the State Board of
21 Administration or the executive director's designee, and the
22 director of the Governor's Office of Tourism, Trade, and
23 Economic Development or the director's designee. The
24 chairperson of the council shall be the director of the
25 Governor's Office of Tourism, Trade, and Economic Development.
26 Staff services for activities of the council shall be provided
27 as needed by the member agencies.

28 (3) The Spaceport Florida Authority may enter into an
29 investment agreement obligating existing revenues on deposit
30 or future revenues projected to be available for deposit in
31

1 the segregated account provided for by s. 331.365(2). The
2 investment must be limited as follows:

3 (a) Not more than \$50 million of the existing revenues
4 on deposit or future revenues projected to be available for
5 deposit in the segregated account provided for by s. 331.365
6 may be at risk at any time on loan guarantees or as loan loss
7 reserves.

8 (b) The investment earnings may not be used to
9 guarantee any loan guaranty or loan loss reserve agreement for
10 a period longer than 30 years.

11 (4) A lender seeking approval of a limited state
12 guaranty for a loan from the Aerospace Facility Financing
13 Review Council must first provide to the Spaceport Florida
14 Authority and the council a report demonstrating that the
15 lender has reviewed the project and determined its feasibility
16 in accordance with its standard procedures. The procedures
17 include, but are not limited to:

18 (a) Obtaining a satisfactory credit report from a
19 source deemed reliable by the lender;

20 (b) Investigating the background and experience of the
21 manager of the project and determining that the managing
22 entity appears to possess the experience, competence, and
23 capacity to manage the project;

24 (c) Determining that conditions exist to establish a
25 financially sound development project that exposes the state
26 loan guarantee program to a reasonable or negligible level of
27 risk;

28 (d) Determining that the federal agency with
29 jurisdiction over the area where the development project is
30 located has committed in-kind resources, financial incentives,
31 or financial resources to the total project cost; and

1 (e) Evaluating the prospects for continued funding of
2 the program or programs that will be the primary users of the
3 project.

4 (5) A lender covered by a limited state guaranty for a
5 loan is not entitled to file a claim for loss pursuant to the
6 guaranty unless all reasonable and normal remedies available
7 to and customary for lending institutions for resolving
8 problems of loan repayments are exhausted. If the lender has
9 received collateral security in connection with the loan, the
10 lender must first exhaust all available remedies against the
11 collateral security.

12 (6) The council may establish requirements for the
13 issuance of loan guarantees, including contractual provisions
14 to foster reimbursement, in the event of default, to the
15 guarantee fund.

16 (7) The council may receive public and private funds,
17 federal grants, and private donations in carrying out its
18 responsibilities.

19 (8) The authority shall include in the annual report
20 required under s. 331.310(13), a description of its activities
21 and agreements approved relating to development of spaceport
22 territory under this section. This section shall be reviewed
23 by the Legislature by October 1, 2004, and a determination
24 made related to the need to continue or modify this section.
25 New loan guarantees may not be approved in 2005 until the
26 review by the Legislature has been completed and a
27 determination has been made as to the feasibility of
28 continuing the use of the segregated account provided for by
29 s. 331.365 to guarantee portions of loans under this section.

30 Section 21. Part III of chapter 331, Florida Statutes,
31 consisting of sections 331.401, 331.403, 331.405, 331.407,

1 331.409, 331.411, 331.415, 331.417, 331.419, and 331.421, is
2 created to read:

3 331.401 Short title.--Sections 331.401-331.421 may be
4 cited as the "Florida Commercial Space Financing Corporation
5 Act."

6 331.403 Legislative findings and intent.--The
7 Legislature finds that the expansion of state and federal
8 support for the aerospace industry in Florida is critical to
9 the continued development of a viable commercial space
10 industry and the technical and scientific job base for its
11 citizens. This development of commercial opportunities in
12 Florida is slowed by the lack of traditional business
13 financing tools such as securitization for industrial
14 development. Florida's launch industry is also being
15 challenged by the provision of such industry assistance by
16 other countries. Florida's aerospace industry could be
17 assisted by a corporation established to work with the United
18 States Export-Import Bank, the Small Business Administration,
19 the National Aeronautics and Space Administration, and other
20 federal, state, and private sources to provide information,
21 technical assistance, and financial support. It is the
22 intention of the Legislature to retain and expand job
23 opportunities for Florida citizens through this mechanism.

24 331.405 Definitions.--As used in this part:

25 (1) "Account" means the account established pursuant
26 to s. 331.415.

27 (2) "Authority" means the Spaceport Florida Authority
28 created by s. 331.302.

29 (3) "Board" means the governing body of the
30 corporation.

31

1 (4) "Corporation" means the Florida Commercial Space
2 Financing Corporation.

3 (5) "Domiciled in this state" means registered to do
4 business in Florida.

5 (6) "Financing agreement" has the same meaning as in
6 s. 331.303(10).

7 (7) "Financial institution" has the same meaning as in
8 s. 655.005(1)(h).

9 (8) "Member" means an individual appointed to be a
10 member of the board.

11 (9) "President" means the chief executive officer of
12 the corporation.

13 331.407 Florida Commercial Space Financing
14 Corporation.--

15 (1) The Florida Commercial Space Financing Corporation
16 is created as a corporation not for profit. The corporation
17 shall have all the powers, rights, privileges, and authority
18 as provided under chapter 617 and this part. The corporation
19 shall be organized on a nonstock basis. The purpose of the
20 corporation is to expand employment and income opportunities
21 for residents of this state by providing businesses domiciled
22 in this state with information, technical assistance, and
23 financial assistance to support space-related transactions, in
24 order to increase the development within the state of
25 commercial aerospace products, activities, services, and
26 facilities.

27 (2) The corporation shall have the power and authority
28 to carry out the following functions:

29 (a) To coordinate its efforts with programs and goals
30 of the United States Air Force, the National Aeronautics and
31 Space Administration, the Export-Import Bank, the

1 International Trade Administration of the United States
2 Department of Commerce, the Foreign Credit Insurance
3 Association, Enterprise Florida, Inc., and its boards, and
4 other private and public programs and organizations, domestic
5 and foreign.

6 (b) To establish a network of contacts among those
7 domestic and foreign public and private organizations which
8 provide information, technical assistance, and financial
9 support to the aerospace industry.

10 (c) To assemble, publish, and disseminate information
11 on financing opportunities and techniques of financing
12 aerospace projects, programs, and activities; sources of
13 public and private aerospace financing assistance; and sources
14 of space-related financing.

15 (d) To organize, host, and participate in seminars and
16 other forums designed to disseminate information and technical
17 assistance regarding space-related financing.

18 (e) To insure, coinsure, lend, and guarantee loans,
19 and to originate for sale direct space-related loans, pursuant
20 to criteria, bylaws, policies, and procedures adopted by the
21 board.

22 (f) To capitalize, underwrite, and secure funding for
23 aerospace infrastructure, satellites, launch vehicles, and any
24 service which supports aerospace launches.

25 (g) To construct, lease, or sell aerospace
26 infrastructure, satellites, launch vehicles, and any other
27 related activities and services.

28 (h) To acquire property, including real, personal,
29 tangible, intangible, or mixed, under such conditions as the
30 board may deem necessary or desirable, and sell or otherwise
31 dispose of the same.

1 (i) To make and exercise any and all contracts or
2 other instruments necessary or convenient to the exercise of
3 its powers, including financing agreements.

4 331.409 Powers and limitations.--

5 (1) The corporation may charge fees to help defray the
6 operating expenses of its programs. The amount of fees shall
7 be determined by the board.

8 (2) The total of loans, guarantees, direct loan
9 originations for sale, and insured transactions outstanding
10 shall not be more than five times the balance of the account.
11 The board may elect to require a higher reserve.

12 (3) The board shall adopt rules with respect to the
13 terms and limits for loans, guarantees, and direct loan
14 originations, but a loan guarantee or a direct loan
15 origination shall not exceed 90 percent of the transaction
16 contract.

17 (4) In providing assistance, the board shall create a
18 fiscal strategy for Florida which will guide and facilitate
19 the successful expansion of space-related jobs.

20 (5) The board shall explore the possibility of
21 organizing financial institutions and international bank
22 syndicates for the purpose of offering nonrecourse financing
23 to the Florida aerospace industry.

24 (6) The board may exercise all powers granted to
25 not-for-profit corporations under chapter 617.

26 (7) The board shall manage all funds in its possession
27 and invest in permissible securities.

28 331.411 Board of directors; powers and duties.--

29 (1) There is created a board of directors of the
30 corporation, which shall consist of up to 7 voting members as
31 follows:

1 (a) One representative appointed by each of the
2 following:

3 1. The board of supervisors of the Spaceport Florida
4 Authority.

5 2. The board of directors of the Florida Export
6 Finance Corporation.

7 3. The director of the Office of Tourism, Trade, and
8 Economic Development.

9 4. The board of directors of Enterprise Florida, Inc.

10 5. The Secretary of Transportation.

11 (b) The Governor shall appoint the following members:

12 1. A member representing the investment banking
13 industry.

14 2. An attorney at law in private practice.

15

16 The board shall also include two ex officio nonvoting members,
17 a member of the House of Representatives selected by the
18 Speaker of the House of Representatives, and a member of the
19 Senate selected by the President of the Senate, both of whom
20 shall serve 2-year terms.

21 (2) Each voting member shall serve a 3-year term,
22 beginning on July 1. Members appointed pursuant to paragraph
23 (1)(a) shall serve at the pleasure of the appointing
24 authority. Members appointed pursuant to paragraph (1)(b)
25 shall serve at the pleasure of the Governor. Initial
26 appointments shall be made no later than 60 days after the
27 effective date of this act.

28 (3)(a) No person appointed pursuant to paragraph
29 (1)(a) may be employed full time by any entity that applies
30 for financial support.

31

1 (b) The members of the board who are federal employees
2 shall not vote on any financial matter, but may vote on all
3 corporate policies and procedures.

4 (c) All board members must be residents of the state.

5 (4) The board shall hold its initial meeting no later
6 than 30 days after the members have been appointed.

7 (5) At its first meeting, the board shall appoint a
8 president of the corporation from qualified candidates who
9 have been screened and interviewed by the Spaceport Florida
10 Authority.

11 (6) Board members shall serve without compensation but
12 may be reimbursed for all necessary expenses in the
13 performance of their duties, including attending board
14 meetings and conducting board business.

15 (7) The board shall:

16 (a) Prior to the expenditure of funds from the
17 account, adopt bylaws, rules, and policies necessary to carry
18 out its responsibilities under this part, particularly with
19 respect to the implementation of the corporation's programs to
20 insure, coinsure, lend, provide loan guarantees, and make
21 direct, guaranteed, or collateralized loans to support
22 space-related transactions.

23 (b) Hold regularly scheduled meetings, at least
24 quarterly, in order to carry out the objectives and
25 responsibilities of the board.

26 (c) Adopt policies, including criteria, establishing
27 which space-related transactions shall be eligible for
28 insurance, coinsurance, loan guarantees, and direct,
29 guaranteed, or collateralized loans which may be extended by
30 the corporation. To implement this paragraph, the board shall
31 adopt rules which include the following criteria:

1 1. Any individual signing any corporation loan
2 application and loan or guarantee agreement must have an
3 equity interest in the business applying for financial
4 assistance.

5 2. Applicants must be domiciled in this state and will
6 be contractually obligated to use Florida launch facilities to
7 the maximum extent possible.

8 (d) Adopt requirements to ensure the full repayment of
9 loans and loan guarantees, plus accrued interest,
10 full-recourse claims, and indemnities on direct loan
11 originations sold by the corporation, and the solvency of any
12 insurance and coinsurance program extended under this part.

13 (e) Approve any extension of insurance, coinsurance,
14 loans, loan guarantees, or direct loan originations for sale
15 under this part.

16 (f) Consult with Enterprise Florida, Inc., and its
17 boards, or any state or federal agency, to ensure that their
18 respective loan guarantee or working capital loan origination
19 programs are not duplicative and that each program makes full
20 use, to the extent practicable, of the resources of the other.

21 (g) Work to secure a delegated line of authority from
22 the United States Export-Import Bank or other appropriate
23 federal or state agency or private sector entity in order to
24 take advantage of possible funding or guarantee sources.

25 (h) Develop a streamlined application and review
26 process.

27 331.415 Authority to create account.--

28 (1) The board shall create an account for the purposes
29 of this part to receive state, federal, and private financial
30 resources, and the return from investments of those resources.
31 The account shall be under the exclusive control of the board.

1 (2) Resources in the account shall be allocated for
2 operating expenses of the corporation and for other purposes
3 authorized by this part.

4 (3)(a) Appropriations for the corporation shall be
5 deposited into the account.

6 (b) The board may deposit the resources of the account
7 with state or federally chartered financial institutions in
8 this state and may invest the remaining portion in permissible
9 securities.

10 (c) At all times, the board shall attempt to maximize
11 the returns on funds in the account.

12 (d) All funds received from the activities of the
13 corporation shall be redeposited in the account to be used to
14 support the purposes of this part.

15 (4) Any claims against the account shall be paid
16 solely from the account. Under no circumstances shall the
17 credit of the state be pledged other than funds appropriated
18 by law to the account, nor shall the state be liable or
19 obligated in any way for claims on the account or against the
20 corporation.

21 331.417 President.--

22 (1) The board shall appoint a president. The president
23 shall be knowledgeable about the aerospace industry and its
24 financing programs.

25 (2) The president shall serve at the pleasure of the
26 board and shall receive a salary and benefits as fixed by the
27 board.

28 (3) The president shall administer the programs of the
29 corporation and perform such duties as are delegated by the
30 board.

31 (4) The president may, upon approval of the board:

1 (a) Contract for services.

2 (b) Hold public hearings.

3 (c) Call upon and reimburse for services any state
4 agency or department for assistance in carrying out the
5 objectives of this part.

6 (d) Participate with government or private industry in
7 programs for technical assistance, loans, technology transfer,
8 or any other programs related to this part.

9 (e) Undertake or commission studies on methods to
10 increase financial resources to expand the financial
11 assistance to aerospace-related industries in this state.

12 (f) Hire staff and provide training for them and other
13 individuals involved in finance assistance, including such
14 training sessions as may be provided by the United States
15 Export-Import Bank and other organizations.

16 (g) Exercise any other powers as may be necessary to
17 carry out the purposes of this part.

18 (5) The president shall provide staff to the board as
19 requested.

20 (6) The president shall submit an annual budget to be
21 approved by the board.

22 331.419 Reports and audits.--

23 (1) By December 31 of each year, the corporation shall
24 submit to the Governor, the President of the Senate, the
25 Speaker of the House of Representatives, the Senate Minority
26 Leader, and the House Minority Leader a complete and detailed
27 report setting forth:

28 (a) An evaluation of its activities and
29 recommendations for change.

30 (b) The corporation's impact on the participation of
31 private banks and other private organizations and individuals

1 in the corporation's financing programs, and other economic
2 and social benefits to businesses in this state.

3 (c) Its assets and liabilities at the end of its most
4 recent fiscal year.

5 (2) By September 1, 2000, the corporation, in
6 cooperation with the Office of Program Policy Analysis and
7 Government Accountability, shall develop a research design,
8 including goals and measurable objectives for the corporation,
9 which will provide the Legislature with a quantitative
10 evaluation of the corporation. The corporation shall utilize
11 the monitoring mechanisms and reports developed in the designs
12 and provide these reports to the Governor, the President of
13 the Senate, the Speaker of the House of Representatives, and
14 the Office of Program Policy Analysis and Government
15 Accountability.

16 (3) Prior to the 2001 Regular Session of the
17 Legislature, the Office of Program Policy Analysis and
18 Government Accountability shall perform a review and
19 evaluation of the corporation using the research design
20 promulgated pursuant to subsection (2). The report shall
21 critique the corporation. A report of the findings and
22 recommendations of the Office of Program Policy Analysis and
23 Government Accountability shall be submitted to the President
24 of the Senate and the Speaker of the House of Representatives
25 prior to the 2001 Regular Session.

26 (4) The Division of Banking of the Department of
27 Banking and Finance shall review the corporation's activities
28 once every 24 months to determine compliance with this part
29 and related laws and rules and to evaluate the corporation's
30 operations. The division shall prepare a report based on its
31 review and evaluation with recommendation for any corrective

1 action. The president shall submit to the division regular
2 reports on the corporation's activities. The content and
3 frequency of such reports shall be determined by the division.
4 The division may charge a fee for conducting the review and
5 evaluation and preparing the related report, which fee shall
6 not be in excess of the examination fee paid by chartered or
7 licensed financial institutions.

8 331.421 Pledge of revenues by authority.--The
9 Spaceport Florida Authority may pledge existing revenues on
10 deposit or future revenues projected to be available for
11 deposit in the segregated account provided for by s.
12 331.365(2) in order to guarantee, in whole or in part, the
13 payment of principal and interest on a loan made by the
14 corporation, subject to the review and certification by the
15 Office of Tourism, Trade, and Economic Development as provided
16 in s. 331.365(3) and approval by the Aerospace Facility
17 Financing Review Council as provided in s. 331.3475.

18 Section 22. Section 331.365, Florida Statutes, is
19 created to read:

20 331.365 Florida Space Industry and Research Facility
21 Development Program.--

22 (1) There is created the Florida Space Industry and
23 Research Facility Development Program within the Spaceport
24 Florida Authority to finance space industry research,
25 manufacturing, and other industrial support facilities,
26 projects, and programs that will improve the statewide
27 development of space-related economic and academic
28 opportunities.

29 (2) State taxes imposed pursuant to chapter 212 which
30 are collected at the Kennedy Space Center Visitor Complex
31 shall be distributed to the Spaceport Florida Authority as

1 provided by s. 212.20(6)(f) and shall be used to fund the
2 Florida Space Industry and Research Facility Development
3 Program. Such funds shall be distributed quarterly by the
4 Department of Revenue to the Spaceport Florida Authority. The
5 Spaceport Florida Authority shall place all of such funds in a
6 segregated account, and the account and its activity shall be
7 subject to an annual audit.

8 (3) Program funds shall be used to fund approved
9 projects as defined by s. 331.303(16) that have been
10 recommended by the Spaceport Management Council created by s.
11 331.367 and approved by the Spaceport Florida Authority board
12 of supervisors. The Office of Tourism, Trade, and Economic
13 Development shall review and certify funding proposals for
14 consistency with this section.

15 (4) Any project or project user which receives funding
16 under this program shall institute procedures to ensure that
17 jobs created as a result of the state funding shall be subject
18 to equal opportunity hiring practices in the manner provided
19 in s. 110.112.

20 (5) The Office of Tourism, Trade, and Economic
21 Development shall subject any project that receives funds
22 pursuant to this section to a final audit. The office may
23 adopt rules and perform such other acts as are necessary to
24 ensure that the final audits are conducted and that any
25 deficiency or questioned costs noted by the audit are
26 resolved.

27 Section 23. Present paragraph (f) of subsection (6) of
28 section 212.20, Florida Statutes, 1998 Supplement, is
29 redesignated as paragraph (g), and a new paragraph (f) is
30 added to that subsection, to read:

31

1 212.20 Funds collected, disposition; additional powers
2 of department; operational expense; refund of taxes
3 adjudicated unconstitutionally collected.--

4 (6) Distribution of all proceeds under this chapter
5 shall be as follows:

6 (f) Proceeds from the state taxes imposed pursuant to
7 this chapter which are collected at the Kennedy Space Center
8 Visitor Complex shall be distributed by the department to the
9 Spaceport Florida Authority for use as provided in s. 331.365.
10 However, the authority shall receive a minimum of \$4 million
11 each fiscal year under this paragraph and, if in any fiscal
12 year such proceeds are less than \$4 million, additional
13 proceeds under this chapter shall be distributed to the
14 authority to assure such minimum distribution.

15 Section 24. Section 331.367, Florida Statutes, is
16 created to read:

17 331.367 Spaceport Management Council.--

18 (1) The Spaceport Management Council is created within
19 the Spaceport Florida Authority to provide coordination and
20 recommendations on projects and activities that will increase
21 the operability and capabilities of Florida's space launch
22 facilities, increase statewide space-related industry and
23 opportunities, and promote space education and research within
24 the state. The council shall work to develop integrated
25 facility and programmatic development plans to address
26 commercial, state, and federal requirements and to identify
27 appropriate private, state, and federal resources to implement
28 these plans.

29 (2) The council shall make recommendations regarding:
30
31

1 (a) Projects to be funded under the Florida Space
2 Industry and Research Facility Development Program created by
3 s. 331.365.

4 (b) The development of a spaceport master plan.

5 (c) The projects and levels of commercial financing
6 required from the Florida Commercial Space Financing
7 Corporation created by s. 331.407.

8 (d) Development and expansion of space-related
9 education and research programs within Florida, including
10 recommendations to be provided to the State University System,
11 the Division of Community Colleges, and the Department of
12 Education.

13 (e) The regulation of spaceports and federal and state
14 policy.

15 (f) Florida's approach to the Federal Government
16 regarding requests for funding of space development.

17 (3)(a) The council shall consist of an executive
18 board, which shall consist of representatives of governmental
19 organizations with responsibilities for developing or
20 operating space transportation facilities, and a Space
21 Industry Committee, which shall consist of representatives of
22 Florida's space industry.

23 (b) The following individuals shall serve on the
24 executive board:

25 1. The executive director of the Spaceport Florida
26 Authority or his or her designee.

27 2. The director of the John F. Kennedy Space Center or
28 his or her designee.

29 3. The Commander of the United States Air Force 45th
30 Space Wing or his or her designee.

31

1 4. The Commander of the Naval Ordnance Test Unit or
2 his or her designee.

3 5. The Secretary of Transportation or his or her
4 designee.

5 6. The president of Enterprise Florida, Inc., or his
6 or her designee, as an ex officio nonvoting member.

7 7. The director of the Office of Tourism, Trade, and
8 Economic Development or his or her designee, as an ex officio
9 nonvoting member.

10 (4) Each member shall be appointed to serve for a
11 3-year term, beginning July 1. Initial appointments shall be
12 made no later than 60 days after the effective date of this
13 act.

14 (5) The executive board shall hold its initial meeting
15 no later than 30 days after the members have been appointed.
16 The Space Industry Committee shall hold its initial meeting no
17 later than 60 days after the members have been appointed.

18 (6) All council members must be residents of the
19 state.

20 (7) The council shall adopt bylaws governing the
21 manner in which the business of the council shall be
22 conducted. The bylaws shall specify the procedure by which the
23 chairperson of the council is elected.

24 (8) The council shall provide infrastructure and
25 program requirements and develop other information to be
26 utilized in a 5-year spaceport master plan. The council shall
27 define goals and objectives concerning the development of
28 spaceport facilities and an intermodal transportation system
29 consistent with the goals of the Florida Transportation Plan
30 developed pursuant to s. 339.155.

31

1 (9) The council shall provide requirements and other
2 information to be utilized in the development of a 5-year
3 Spaceport Economic Development Plan, defining the goals and
4 objectives of the council concerning the development of space
5 manufacturing, research and development, and educational
6 facilities.

7 (10)(a) The council shall adopt procedures for
8 evaluating projects which may be funded under s. 331.365. The
9 rules shall provide criteria for evaluating the economic
10 benefit of the project, measured by the potential for the
11 proposed project to increase manufacturing activity,
12 international commerce, spaceport revenues, and the number of
13 jobs.

14 (b) The council shall review and recommend projects
15 eligible to be funded pursuant to the Florida Space Industry
16 and Research Facility Development Program.

17 (c) The Office of Tourism, Trade, and Economic
18 Development shall review the list of projects approved by the
19 council to evaluate the economic benefit of the projects. The
20 office shall identify those projects that it determines do not
21 offer an economic benefit to the state, and shall notify the
22 council of its findings.

23 (11) The council shall meet at the call of its
24 chairperson, at the request of a majority of its membership,
25 or at such times as may be prescribed in its bylaws. However,
26 the council must meet at least semiannually. A majority of
27 voting members of the council constitutes a quorum for the
28 purpose of transacting the business of the council. A vote of
29 the majority of the voting members present is sufficient for
30 any action of the council, unless the bylaws of the council
31 require a greater vote for a particular action.

1 (12) Members of the council shall serve without
2 compensation but are entitled to receive reimbursement for per
3 diem and travel expenses as provided in s. 112.061. The
4 council may elect to establish an administrative staff to
5 provide services to the council on matters relating to the
6 Florida Space Industry and Research Facility Development
7 Program and the council's other activities. The Spaceport
8 Florida Authority shall pay the cost for such administrative
9 services.

10 Section 25. (1) There is created the Florida Space
11 Research Institute the purpose of which is to serve as an
12 industry-driven center for research, leveraging the state's
13 resources in a collaborative effort to support Florida's space
14 industry and its transition to commercialization.

15 (2) The institute shall operate as a public/private
16 partnership under the direction of a board comprised of
17 representatives of the Spaceport Florida Authority, Enterprise
18 Florida, Inc., the Florida Aviation and Aerospace Alliance,
19 and four additional space industry representatives selected by
20 the core membership of the board.

21 (3) The board of the Florida Space Research Institute
22 shall:

23 (a) Set the strategic direction for the institute
24 including research priorities, the scope of research projects,
25 and the timeframes for completion.

26 (b) Invite the participation of public and private
27 universities including, but not limited to, the University of
28 Central Florida, the University of Florida, the University of
29 South Florida, Florida State University, Florida Institute of
30 Technology, and the University of Miami.

31

1 (c) Select a lead university to serve as coordinator
2 of research and as the administrative entity of the institute.

3 (4) By December 1 of each year, the institute shall
4 submit a report of its activities and accomplishments for the
5 prior fiscal year to the Governor, the President of the
6 Senate, and the Speaker of the House of Representatives. The
7 report shall also include recommendations regarding actions
8 the state should take to enhance the development of
9 space-related businesses, including:

10 (a) Future research activities.

11 (b) The development of capital and technology
12 assistance to new and expanding industries.

13 (c) The removal of regulatory impediments.

14 (d) The establishment of business development
15 incentives.

16 (e) The initiation of education and training programs
17 to ensure a skilled workforce.

18 Section 26. Florida Commercial Space Development
19 Incentive Program.--

20 (1)(a) The Legislature finds that attracting,
21 retaining, and providing favorable conditions for the growth
22 of commercial space facilities provides widespread economic
23 benefits to the public through high-quality employment
24 opportunities in such facilities and in related facilities
25 attracted to the state, through the increased tax base
26 provided by such facilities and businesses in related sectors,
27 through an enhanced entrepreneurial climate in the state and
28 the resulting business and employment opportunities, and
29 through the stimulation and enhancement of the state's
30 universities and community colleges. In the global economy,
31 there exists serious and fierce international competition for

1 commercial space facilities, and in most instances, when all
2 available resources for economic development have been used,
3 the state continues to encounter severe competitive
4 disadvantages in vying for these high-impact business
5 facilities.

6 (b) The Legislature therefore declares that sufficient
7 resources shall be available to respond to such extraordinary
8 economic opportunities and to compete effectively for these
9 commercial space facilities and related businesses, including
10 but not limited to facilities and businesses related to a
11 reusable launch vehicle or similar space-transportation
12 system.

13 (2) There is created within the Office of Tourism,
14 Trade, and Economic Development the Florida Commercial Space
15 Development Incentive Program.

16 (3)(a) Enterprise Florida, Inc., shall evaluate
17 individual proposals for commercial space business facilities
18 and forward recommendations regarding the use of moneys under
19 the program for such facilities to the director of the Office
20 of Tourism, Trade, and Economic Development. Such evaluation
21 and recommendation must include, but need not be limited to:

22 1. A description of the type of facility, its business
23 operation, and the product or service associated with the
24 facility.

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

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

30 4. A statement of any special impacts the facility is
31 expected to stimulate in a particular business sector in the

1 state or regional economy or in the state's universities and
2 community colleges.

3 5. A statement of environmental or regulatory issues
4 involved with the project.

5 6. A statement in which Enterprise Florida, Inc., must
6 indicate that in its best judgment the commercial space
7 business facility project will not occur at the proposed site
8 in Florida without the use of the incentive program.

9 7. A statement on the manner in which program funds
10 will be used under the project.

11 (b) The business must have provided a performance bond
12 that guarantees the creation of jobs for at least 10 years.

13 (c) The high-impact business facility must create at
14 least 1,000 jobs, or create at least 300 jobs in a rural
15 community or a distressed urban-core community. The jobs to be
16 created must pay a wage that exceeds the average wage in the
17 affected community by 20 percent, and the employer must
18 provide a health-benefit package for employees.

19 (3) Upon receipt of the evaluation and recommendation
20 from Enterprise Florida, Inc., the director shall recommend
21 approval or disapproval of a project for receipt of funds
22 under the Florida Commercial Space Development Incentive
23 Program to the Governor. In recommending a commercial space
24 business facility, the director shall include proposed
25 performance conditions that the facility must meet to obtain
26 incentive funds. The Governor shall consult with the President
27 of the Senate and the Speaker of the House of Representatives
28 before giving approval for a project.

29 (4) Upon approving a project, the Governor, through
30 the director of the Office of Tourism, Trade, and Economic
31 Development, shall initiate a budget amendment under chapter

1 216, Florida Statutes, requesting a specific amount for an
2 approved project to be paid from the Working Capital Fund. The
3 total amount of all approved projects in any one fiscal year
4 shall not exceed \$10 million.

5 (5)(a) Upon the approval of the budget amendment, the
6 director of the Office of Tourism, Trade, and Economic
7 Development and the commercial space business shall enter into
8 a contract that sets forth the conditions for payment of
9 moneys under this program. The contract must include the total
10 amount of funds awarded; the performance conditions that must
11 be met to obtain the award, including, but not limited to, net
12 new employment in the state, average salary, and total capital
13 investment; the methodology for validating performance; the
14 schedule of payments under the program; the manner in which
15 funds will be utilized; and sanctions for failure to meet
16 performance conditions.

17 (b) Enterprise Florida, Inc., shall validate
18 contractor performance. Such validation shall be reported
19 within 6 months after completion of the contract to the
20 Governor, the President of the Senate, and the Speaker of the
21 House of Representatives.

22 Section 27. If any provision of this act or the
23 application thereof to any person or circumstance is held
24 invalid, the invalidity does not affect other provisions or
25 applications of the act which can be given effect without the
26 invalid provision or application, and to this end the
27 provisions of this act are declared severable.

28 Section 28. Section 196.1994, Florida Statutes, is
29 amended to read:

30 196.1994 Space laboratories and carriers exemption.--
31

1 (1) Notwithstanding other provisions of this chapter,
2 modules, pallets,racks, lockers, and their necessary
3 associated hardware and subsystems owned by any person and
4 intended for use as space laboratories launched into space
5 aboard the space shuttle for the primary purpose of conducting
6 scientific research in space or as cargo carriers launched
7 into space aboard the space shuttle for the primary purpose of
8 transporting or storing cargo are deemed to carry out a
9 scientific purpose and are exempt from ad valorem taxation.

10 (2) This section is repealed July 1, 2004.

11 Section 29. It is the intent of the Legislature that
12 the amendment to section 196.1994, Florida Statutes, by this
13 section clarifies and confirms existing law with respect to
14 the tax exemption provided for herein.

15 Section 30. This act shall take effect July 1, 1999,
16 except that sections 22 and 23 of this act shall take effect
17 July 1, 2000.