

By Representative K. Smith

1                                   A bill to be entitled  
2           An act relating to economic development;  
3           providing a short title; providing intent;  
4           amending s. 163.3177, F.S.; providing  
5           requirements for the future land use element of  
6           a local government comprehensive plan with  
7           respect to rural areas; amending s. 212.098,  
8           F.S.; authorizing the Office of Tourism, Trade,  
9           and Economic Development to recommend to the  
10          Legislature additions to or deletions from the  
11          list of standard industrial classifications  
12          used to determine an eligible business for  
13          purposes of the Rural Job Tax Credit Program;  
14          providing an appropriation to the Rural  
15          Community Development Revolving Loan Fund;  
16          amending s. 288.106, F.S., relating to the tax  
17          refund program for qualified target industry  
18          businesses; providing a definition; authorizing  
19          the office to reduce certain employment  
20          requirements for an expanding business in a  
21          rural community or enterprise zone under  
22          certain conditions; creating the Rural Economic  
23          Development Initiative within the office and  
24          providing its duties and responsibilities;  
25          directing specified agencies to select a  
26          representative to work with the initiative;  
27          providing for an annual report; authorizing the  
28          office to accept and administer moneys  
29          appropriated for grants to assist rural  
30          communities to develop and implement strategic  
31          economic development plans; providing for

1 review of grant applications; providing an  
2 effective date.

3

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

5

6 Section 1. Short title.--This act may be cited as the  
7 "Rural Economic Development Enhancement Act."

8

Section 2. Legislative intent.--

9

10 (1) The Legislature finds and declares that because of  
11 climate, tourism, industrialization, technological advances,  
12 federal and state government policies, transportation, and  
13 migration, Florida's urban communities have grown rapidly over  
14 the past 40 years. This growth and prosperity, however, have  
15 not been shared by Florida's rural communities, although they  
16 are the stewards of the vast majority of the land and natural  
17 resources. Without this land and these resources, the state's  
18 growth and prosperity cannot continue. In short, successful  
19 rural communities are essential to the overall success of the  
20 state's economy.

21 (2) The Legislature further finds and declares that  
22 many rural areas of the state are experiencing not only a lack  
23 of growth, but severe and sustained economic distress. Median  
24 household incomes are significantly less than the state's  
25 median household income level. Job creation rates trail those  
26 in more urbanized areas. In many cases, rural counties have  
27 lost jobs, which handicaps local economies and drains wealth  
28 from these communities. These and other factors, including  
29 government policies, amplify and compound social, health, and  
30 community problems, making job creation and economic  
31 development even more difficult. Moreover, the Legislature  
finds that traditional program and service delivery is often

1 hampered by the necessarily rigid structure of the programs  
2 themselves, and the lack of local resources.

3 (3) It is the intent of the Legislature to provide for  
4 the most efficient and effective delivery of programs of  
5 assistance and support to rural communities, including the  
6 use, where appropriate, of regulatory flexibility through  
7 multiagency coordination and adequate funding. Therefore, the  
8 Legislature determines and declares that the provisions of  
9 this act fulfill an important state interest.

10 Section 3. Paragraph (a) of subsection (6) of section  
11 163.3177, Florida Statutes, 1998 Supplement, is amended to  
12 read:

13 163.3177 Required and optional elements of  
14 comprehensive plan; studies and surveys.--

15 (6) In addition to the requirements of subsections  
16 (1)-(5), the comprehensive plan shall include the following  
17 elements:

18 (a) A future land use plan element designating  
19 proposed future general distribution, location, and extent of  
20 the uses of land for residential uses, commercial uses,  
21 industry, agriculture, recreation, conservation, education,  
22 public buildings and grounds, other public facilities, and  
23 other categories of the public and private uses of land. The  
24 future land use plan shall include standards to be followed in  
25 the control and distribution of population densities and  
26 building and structure intensities. The proposed  
27 distribution, location, and extent of the various categories  
28 of land use shall be shown on a land use map or map series  
29 which shall be supplemented by goals, policies, and measurable  
30 objectives. Each land use category shall be defined in terms  
31 of the types of uses included and specific standards for the

1 density or intensity of use. The future land use plan shall  
2 be based upon surveys, studies, and data regarding the area,  
3 including the amount of land required to accommodate  
4 anticipated growth; the projected population of the area; the  
5 character of undeveloped land; the availability of public  
6 services; ~~and~~ the need for redevelopment, including the  
7 renewal of blighted areas and the elimination of nonconforming  
8 uses which are inconsistent with the character of the  
9 community; and, in rural areas, the need for job creation,  
10 capital investment, and economic development which will  
11 strengthen and diversify the community's economy. The future  
12 land use plan may designate areas for future planned  
13 development use involving combinations of types of uses for  
14 which special regulations may be necessary to ensure  
15 development in accord with the principles and standards of the  
16 comprehensive plan and this act. In rural areas, the amount of  
17 land designated for future planned industrial use shall  
18 reflect the need for job creation, capital investment, and the  
19 necessity to strengthen and diversify the local economies, and  
20 shall not be limited by the existing population base or other  
21 factors relating to low density population and undiversified  
22 economies.The future land use plan of a county may also  
23 designate areas for possible future municipal incorporation.  
24 The land use maps or map series shall generally identify and  
25 depict historic district boundaries and shall designate  
26 historically significant properties meriting protection. The  
27 future land use element must clearly identify the land use  
28 categories in which public schools are an allowable use. When  
29 delineating the land use categories in which public schools  
30 are an allowable use, a local government shall include in the  
31 categories sufficient land proximate to residential

1 development to meet the projected needs for schools in  
2 coordination with public school boards and may establish  
3 differing criteria for schools of different type or size.  
4 Each local government shall include lands contiguous to  
5 existing school sites, to the maximum extent possible, within  
6 the land use categories in which public schools are an  
7 allowable use. All comprehensive plans must comply with this  
8 paragraph no later than October 1, 1999, or the deadline for  
9 the local government evaluation and appraisal report,  
10 whichever occurs first. The failure by a local government to  
11 comply with this requirement will result in the prohibition of  
12 the local government's ability to amend the local  
13 comprehensive plan as provided by s. 163.3187(6). An amendment  
14 proposed by a local government for purposes of identifying the  
15 land use categories in which public schools are an allowable  
16 use is exempt from the limitation on the frequency of plan  
17 amendments contained in s. 163.3187. The future land use  
18 element shall include criteria which encourage the location of  
19 schools proximate to urban residential areas to the extent  
20 possible and shall require that the local government seek to  
21 collocate public facilities, such as parks, libraries, and  
22 community centers, with schools to the extent possible.

23 Section 4. Paragraph (a) of subsection (2) of section  
24 212.098, Florida Statutes, 1998 Supplement, is amended to  
25 read:

26 212.098 Rural Job Tax Credit Program.--

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

28 (a) "Eligible business" means any sole proprietorship,  
29 firm, partnership, or corporation that is located in a  
30 qualified county and is predominantly engaged in, or is  
31 headquarters for a business predominantly engaged in,

1 activities usually provided for consideration by firms  
2 classified within the following standard industrial  
3 classifications: SIC 01 through SIC 09 (agriculture,  
4 forestry, and fishing); SIC 20 through SIC 39 (manufacturing);  
5 SIC 422 (public warehousing and storage); SIC 70 (hotels and  
6 other lodging places); SIC 7391 (research and development);  
7 SIC 7992 (public golf courses); and SIC 7996 (amusement  
8 parks). Excluded from eligible receipts are receipts from  
9 retail sales, except such receipts for hotels and other  
10 lodging places classified in SIC 70, public golf courses in  
11 SIC 7992, and amusement parks in SIC 7996. In addition, the  
12 Office of Tourism, Trade, and Economic Development may, as  
13 part of its final budget request submitted pursuant to s.  
14 216.023, recommend additions to or deletions from the list of  
15 standard industrial classifications used to determine an  
16 eligible business, and the Legislature may implement such  
17 recommendations. For purposes of this paragraph, the term  
18 "predominantly" means that more than 50 percent of the  
19 business's gross receipts from all sources is generated by  
20 those activities usually provided for consideration by firms  
21 in the specified standard industrial classification. The  
22 determination of whether the business is located in a  
23 qualified county and the tier ranking of that county must be  
24 based on the date of application for the credit under this  
25 section. Commonly owned and controlled entities are to be  
26 considered a single business entity.

27 Section 5. There is appropriated from the General  
28 Revenue Fund for fiscal year 1999-2000 the sum of \$2 million  
29 to the Rural Community Development Revolving Loan Fund in the  
30 Office of Tourism, Trade, and Economic Development to  
31 implement the provisions of s. 288.065, Florida Statutes.

1           Section 6. Paragraph (t) is added to subsection (2) of  
2 section 288.106, Florida Statutes, 1998 Supplement, and  
3 paragraph (b) of subsection (4) of said section is amended, to  
4 read:

5           288.106 Tax refund program for qualified target  
6 industry businesses.--

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

8           (t) "Rural community" means:

9           1. A county with a population of 75,000 or less.

10           2. A county with a population of 100,000 or less that  
11 is contiguous to a county with a population of 75,000 or less.

12           3. A city within a county described in subparagraph 1.  
13 or subparagraph 2.

14  
15 For purposes of this paragraph, population shall be determined  
16 in accordance with the most recent official estimate pursuant  
17 to s. 186.901.

18           (4) APPLICATION AND APPROVAL PROCESS.--

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

22           1. The jobs proposed to be provided under the  
23 application, pursuant to subparagraph (a)4., must pay an  
24 estimated annual average wage equaling at least 115 percent of  
25 the average private sector wage in the area where the business  
26 is to be located or the statewide private sector average wage.  
27 The office may waive this average wage requirement at the  
28 request of the local governing body recommending the project  
29 and Enterprise Florida, Inc. The wage requirement may only be  
30 waived for a project located in a brownfield area designated  
31 under s. 376.80 or in a rural city or county or in an

1 enterprise zone and only when the merits of the individual  
2 project or the specific circumstances in the community in  
3 relationship to the project warrant such action. If the local  
4 governing body and Enterprise Florida, Inc., make such a  
5 recommendation, it must be transmitted in writing and the  
6 specific justification for the waiver recommendation must be  
7 explained. If the director elects to waive the wage  
8 requirement, the waiver must be stated in writing and the  
9 reasons for granting the waiver must be explained.

10           2. The target industry business's project must result  
11 in the creation of at least 10 jobs at such project and, if an  
12 expansion of an existing business, must result in a net  
13 increase in employment of not less than 10 percent at such  
14 business. However, at the request of the local governing body  
15 recommending the project and Enterprise Florida, Inc., the  
16 office may approve an expansion of an existing business under  
17 this section in a rural community or an enterprise zone that  
18 results in a net increase in employment of less than 10  
19 percent if the merits of the individual project or the  
20 specific circumstances in the community in relation to the  
21 project warrant this action. If the local governing body and  
22 Enterprise Florida, Inc., make such a recommendation, it must  
23 be transmitted in writing and the specific justification for  
24 the request must be explained. If the director elects to  
25 accept such request, this decision must be stated in writing  
26 and the reasons for granting the request must be explained.

27           3. The business activity or product for the  
28 applicant's project is within an industry or industries that  
29 have been identified by the office to be high-value-added  
30 industries that contribute to the area and to the economic  
31 growth of the state and that produce a higher standard of



1 living for citizens of this state in the new global economy or  
2 that can be shown to make an equivalent contribution to the  
3 area and state's economic progress. The director must approve  
4 requests to waive the wage requirement for brownfield areas  
5 designated under s. 376.80 unless it is demonstrated that such  
6 action is not in the public interest.

7 Section 7. Rural Economic Development Initiative.--

8 (1) The Rural Economic Development Initiative, known  
9 as "REDI," is created within the Office of Tourism, Trade, and  
10 Economic Development, and the participation of state and  
11 regional agencies in this initiative is authorized.

12 (2) As used in this section:

13 (a) "Economic distress" means conditions affecting the  
14 fiscal and economic viability of a rural community, including  
15 such factors as low per capita income, low per capita taxable  
16 values, high unemployment, high underemployment, low weekly  
17 earned wages compared to the state average, low housing values  
18 compared to the state average, high percentages of the  
19 population receiving public assistance, high poverty levels  
20 compared to the state average, and a lack of year-round stable  
21 employment opportunities.

22 (b) "Rural community" means:

- 23 1. A county with a population of 75,000 or less.  
24 2. A county with a population of 100,000 or less that  
25 is contiguous to a county with a population of 75,000 or less.  
26 3. A city within a county described in subparagraph 1.  
27 or subparagraph 2.

28  
29 For purposes of this paragraph, population shall be determined  
30 in accordance with the most recent official estimate pursuant  
31 to s. 186.901.

1       (3) REDI shall be responsible for coordinating and  
2 focusing the efforts and resources of state and regional  
3 agencies on the problems which affect the fiscal, economic,  
4 and community viability of Florida's economically distressed  
5 rural communities, working with local governments,  
6 community-based organizations, and private organizations that  
7 have an interest in the growth and development of these  
8 communities to find ways to balance environmental and growth  
9 management issues with local needs.

10       (4) REDI shall review and evaluate the impact of  
11 statutes and rules on rural communities and shall work to  
12 minimize any adverse impact.

13       (5) REDI shall facilitate better access to state  
14 resources by promoting direct access and referrals to  
15 appropriate state and regional agencies and statewide  
16 organizations. REDI may undertake outreach, capacity-building,  
17 and other advocacy efforts to improve conditions in rural  
18 communities. These activities may include sponsorship of  
19 conferences and achievement awards.

20       (6)(a) No later than August 1, 1999, the head of each  
21 of the following agencies and organizations shall designate a  
22 high-level staff person from within the agency or organization  
23 to serve as the REDI representative for the agency or  
24 organization:

- 25       1. The Department of Community Affairs.
- 26       2. The Department of Transportation.
- 27       3. The Department of Environmental Protection.
- 28       4. The Department of Agriculture and Consumer  
29 Services.
- 30       5. The Department of State.
- 31       6. The Department of Health.

- 1           7. The Department of Children and Family Services.
- 2           8. The Department of Corrections.
- 3           9. The Department of Labor and Employment Security.
- 4           10. The Fish and Wildlife Conservation Commission.
- 5           11. Each water management district.
- 6           12. Enterprise Florida, Inc.
- 7           13. The Florida Commission on Tourism or VISIT
- 8 Florida, Inc.
- 9           14. The Florida Regional Planning Council Association.
- 10          15. The Florida State Rural Development Council.

11

12 An alternate for each designee shall also be chosen, and the

13 names of the designees and alternates shall be sent to the

14 director of the Office of Tourism, Trade, and Economic

15 Development.

16           (b) Each REDI representative must have comprehensive

17 knowledge of his or her agency's functions, both regulatory

18 and service in nature, and of the state's economic goals,

19 policies, and programs. This person shall be the primary point

20 of contact for his or her agency with REDI on issues and

21 projects relating to economically distressed rural communities

22 and with regard to expediting project review, shall ensure a

23 prompt effective response to problems arising with regard to

24 rural issues, and shall work closely with the other REDI

25 representatives in the identification of opportunities for

26 preferential awards of program funds and allowances and waiver

27 of program requirements when necessary to encourage and

28 facilitate long-term private capital investment and job

29 creation.

30           (c) The REDI representatives shall work with REDI in

31 the review and evaluation of statutes and rules for adverse

1 impact on rural communities and the development of alternative  
2 proposals to mitigate that impact.

3 (d) Each REDI representative shall be responsible for  
4 ensuring that each district office or facility of his or her  
5 agency is informed about the Rural Economic Development  
6 Initiative and for providing assistance throughout the agency  
7 in the implementation of REDI activities.

8 (7) REDI shall submit a report to the Governor, the  
9 President of the Senate, and the Speaker of the House of  
10 Representatives each year on or before February 1 on all REDI  
11 activities. This report shall include a status report on all  
12 projects currently being coordinated through REDI, the number  
13 of preferential awards and allowances made pursuant to this  
14 section, the dollar amount of such awards, and the names of  
15 the recipients. The report shall also include a description of  
16 all waivers of program requirements granted. The report shall  
17 also include information as to the economic impact of the  
18 projects coordinated by REDI.

19 Section 8. Florida rural economic development strategy  
20 grants.--

21 (1) As used in this section, "rural community" means:

22 (a) A county with a population of 75,000 or less.

23 (b) A county with a population of 100,000 or less that  
24 is contiguous to a county with a population of 75,000 or less.

25 (c) A city within a county described in paragraph (a)  
26 or paragraph (b).

27  
28 For purposes of this subsection, population shall be  
29 determined in accordance with the most recent official  
30 estimate pursuant to s. 186.901.

31

1           (2) The Office of Tourism, Trade, and Economic  
2 Development may accept and administer moneys appropriated to  
3 the office for providing grants to assist rural communities to  
4 develop and implement strategic economic development plans.

5           (3) A rural community, an economic development  
6 organization in a rural area, or a regional organization made  
7 up of rural communities or such economic development  
8 organizations may apply for such grants.

9           (4) Enterprise Florida, Inc., and VISIT Florida, Inc.,  
10 shall establish criteria for reviewing grant applications.  
11 These criteria shall include, but are not limited to, the  
12 degree of participation and commitment by the local community  
13 and the application's consistency with local comprehensive  
14 plans or the application's proposal to ensure such  
15 consistency. The International Trade and Economic Development  
16 Board of Enterprise Florida, Inc., and VISIT Florida, Inc.,  
17 shall review each application for a grant and shall submit  
18 annually to the office for approval a list of all applications  
19 that are recommended by the board and VISIT Florida, Inc.,  
20 arranged in order of priority. The office may approve grants  
21 only to the extent that funds are appropriated for such grants  
22 by the Legislature.

23           Section 9. This act shall take effect July 1, 1999.  
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HOUSE SUMMARY

Creates the "Rural Economic Development Enhancement Act."

Provides requirements for the future land use element of a local government comprehensive plan with respect to rural areas.

Authorizes the Office of Tourism, Trade, and Economic Development to recommend to the Legislature additions to or deletions from the list of standard industrial classifications used to determine an eligible business for purposes of the Rural Job Tax Credit Program.

Provides an appropriation to the Rural Community Development Revolving Loan Fund.

Revises provisions relating to the tax refund program for qualified target industry businesses. Authorizes the office to reduce certain employment requirements for an expanding business in a rural community or enterprise zone under certain conditions.

Creates the rural Economic Development Initiative within the office and provides its duties and responsibilities. Directs specified agencies to select a representative to work with the initiative. Provides for an annual report.

Authorizes the office to accept and administer moneys appropriated for grants to assist rural communities to develop and implement strategic economic development plans and provides for review of grant applications.