

By the Committees on Governmental Oversight and Productivity;
Commerce and Economic Opportunities; and Senator Klein

302-1965-00

1 A bill to be entitled
2 An act relating to information technology;
3 requiring facilitation of a Network Access
4 Point by the State Technology Office; requiring
5 Enterprise Florida, Inc., to create and
6 implement a marketing and image campaign;
7 requiring development and maintenance of a
8 website for information and technology industry
9 marketing and workforce recruitment; requiring
10 a study group to explore the use of state
11 employee pension funds for venture capital
12 support; expressing support of activities to
13 enhance information technology, including a
14 Network Access Point; amending s. 212.08, F.S.;
15 providing a sales tax exemption on certain
16 equipment used to deploy broadband technologies
17 associated with a Network Access Point;
18 requiring a study by the Legislature to
19 identify obstacles related to the affordable
20 access to consumers by Internet service
21 providers; requiring a plan for the
22 establishment of information technology
23 incubators in the state; prescribing incubator
24 components; providing an effective date.

25
26 WHEREAS, to maintain economic competitiveness, it is
27 incumbent upon the state to create an entity that can
28 represent, promote, and enhance the information technology
29 industry in Florida, and

30 WHEREAS, the information technology industry is growing
31 rapidly and provides high-wage, high-skill jobs, and

1 WHEREAS, Florida can capitalize on its geographic
2 location and human-resource assets to develop an information
3 technology sector, and

4 WHEREAS, Florida can be recognized as a global leader
5 in the information technology industry, particularly in Latin
6 America, and

7 WHEREAS, it is in the interest of the Legislature and
8 the State of Florida to encourage and promote new information
9 technology businesses and to ensure that those businesses have
10 available to them technical, management, and business
11 counseling to provide the highest probability of success, NOW,
12 THEREFORE,

13
14 Be It Enacted by the Legislature of the State of Florida:

15
16 Section 1. Short title.--Sections 1 through 6 of this
17 act may be cited as the "itflorida.com Act of 2000."

18 Section 2. The State Technology Office shall
19 facilitate the development of a Network Access Point (NAP) in
20 Florida as needed.

21 Section 3. Creation and implementation of a marketing
22 and image campaign.--

23 (1) Enterprise Florida, Inc., in collaboration with
24 the private sector, shall create a marketing campaign to help
25 attract, retain, and develop information technology businesses
26 in Florida. The campaign must be coordinated with any existing
27 Florida economic development promotion efforts and must be
28 jointly funded from private and public resources.

29 (2) The message of the campaign must be to increase
30 national and international awareness of Florida as a state
31 ideally suited for the successful advancement of the

1 information technology business sector. Marketing strategies
2 must include development of promotional materials, Internet
3 and print advertising, public relations and media placement,
4 trade show attendance at information technology events, and
5 appropriate follow-up activities. Efforts to promote Florida
6 as a high-tech business leader must include identification and
7 coordination of existing business technology resources,
8 partnerships with economic development organizations and
9 private sector businesses, continued retention and growth of
10 Florida-based businesses that produce high-tech products or
11 use high-tech skills for manufacturing, and recruitment of new
12 business in such area.

13 Section 4. Development of an Internet-based system for
14 information technology industry promotion and workforce
15 recruitment.--

16 (1) The Department of Labor and Employment Security
17 shall facilitate efforts to ensure the development and
18 maintenance of a website that promotes and markets the
19 information technology industry in this state. The website
20 must be designed to inform the public concerning the scope of
21 the information technology industry in the state and must also
22 be designed to address the workforce needs of the industry.
23 The website must include, through links or actual content,
24 information concerning information technology businesses in
25 this state, including links to these businesses; information
26 concerning employment available at these businesses; and means
27 by which a jobseeker may post a resume on the website.

28 (2) The Department of Labor and Employment Security
29 shall coordinate with the State Technology Office, the
30 Department of Management Services, the Department of Labor and
31 Employment Security, and the Workforce Development Board of

1 Enterprise Florida, Inc., to ensure links, where feasible and
2 appropriate, to existing job-information websites maintained
3 by the state and its agencies and to ensure that information
4 technology positions offered by the state and its agencies are
5 posted on the information technology website.

6 Section 5. Enterprise Florida shall establish a study
7 group to explore the feasibility of using state-employee
8 pension funds to support venture-capital funds that are either
9 domiciled in Florida or regularly invest in technology
10 companies that are headquartered in this state. If the study
11 group determines that this concept is feasible, the group
12 shall prepare a working proposal governing the use of such
13 funds, including any recommendations for action by the
14 Legislature. Enterprise Florida shall submit a report on the
15 findings of the study group and the working proposal, if
16 prepared, to the Governor, the President of the Senate, and
17 the Speaker of the House of Representatives by October 1,
18 2000.

19 Section 6. Establishment of a Network Access
20 Point.--The state actively supports efforts that enhance the
21 information technology industry in Florida, particularly those
22 efforts that increase broadband technology. A critical
23 initiative to enhance this industry in Florida is determined
24 to be the development of a Network Access Point (NAP), a
25 carrier-neutral public-private Internet traffic exchange
26 point. The state encourages private information technology
27 businesses to forge partnerships to develop a NAP in Florida.
28 Moreover, the state recognizes the importance of a NAP that
29 addresses the needs of small information technology
30 businesses.

31

1 Section 7. Paragraph (n) is added to subsection (5) of
2 section 212.08, Florida Statutes, to read:

3 212.08 Sales, rental, use, consumption, distribution,
4 and storage tax; specified exemptions.--The sale at retail,
5 the rental, the use, the consumption, the distribution, and
6 the storage to be used or consumed in this state of the
7 following are hereby specifically exempt from the tax imposed
8 by this chapter.

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

10 (n) Equipment used to deploy broadband technologies.--

11 1. Beginning July 1, 2000, equipment purchased by a
12 communications service provider which is necessary for use in
13 the deployment of broadband technologies in the state as part
14 of the direct participation by the communications service
15 provider in the Network Access Point (NAP), or
16 carrier-neutral, public-private Internet traffic exchange
17 point, in this state shall be exempt from the tax imposed by
18 this chapter. This exemption inures to the communications
19 service provider only through a refund of previously paid
20 taxes. A refund shall be authorized upon an affirmative
21 showing by the taxpayer to the satisfaction of the department
22 that the requirements of this paragraph have been met.

23 2. To be entitled to a refund, an eligible
24 communications service provider must file under oath with the
25 department an application that includes:

26 a. The name and address of the communications service
27 provider claiming to be entitled to the refund.

28 b. A specific description of the property for which
29 the exemption is sought, including its serial number or other
30 permanent identification number.

31 c. The location of the property.

1 d. The sales invoice or other proof of purchase of the
2 property, showing the amount of sales tax paid, the date of
3 purchase, and the name and address of the sales tax dealer
4 from whom the property was purchased.

5 3. An application for a refund pursuant to this
6 paragraph must be submitted to the department within 6 months
7 after the eligible property is purchased.

8 4. The provisions of s. 212.095 do not apply to any
9 refund application made pursuant to this paragraph. The
10 department shall adopt rules governing the manner and form of
11 refund applications and may establish guidelines as to the
12 requisites for an affirmative showing of qualification for
13 exemption under this paragraph.

14 5. For the purposes of this paragraph, the term:

15 a. "Broadband technology" means packetized technology
16 that has the capability of supporting transmission speeds of
17 at least 1.544 megabits per second in both directions.

18 b. "Communications service provider" means a company
19 that supports or provides individuals and other companies with
20 access to the Internet and other related services.

21 c. "Equipment" includes Asynchronous Transfer Mode
22 switches, Digital Subscriber Line Access Multiplexers,
23 routers, servers, multiplexers, fiber optic connector
24 equipment, database equipment, and other network equipment
25 used to provide broadband technology and information services.

26 6. The provisions of this paragraph expire June 30,
27 2005.

28 Section 8. By October 1, 2000, the Legislature,
29 through its appropriate committee structure, and using the
30 resources of the Governor's Chief Technology Officer and the
31 Information Service Technology Task Force, shall perform a

1 study that identifies obstacles related to the ability of
2 Internet service providers to have affordable access to
3 consumers, including, when appropriate, the identification of
4 solutions that potentially eliminate such obstacles.

5 Section 9. Establishment of information technology
6 business incubators.--

7 (1) To foster the growth of the information technology
8 industry in this state, Enterprise Florida shall review the
9 state's existing business incubators to determine whether they
10 are meeting the needs of the industry. If Enterprise Florida
11 finds that additional incubators are needed to fill an unmet
12 need, it must develop a plan to establish information
13 technology business incubators in this state. The plan may
14 include recommendations for consideration by the Legislature
15 which promote the location of private information technology
16 business incubators in the state, or it may include
17 recommendations to establish or promote information technology
18 business incubators associated with public or private
19 universities or colleges in this state. If the plan recommends
20 the establishment of an incubator that would be associated
21 with a university or college, the plan must provide for the
22 financial self-sufficiency of the incubator within 2 years.
23 The review and the plan, if developed, must be presented to
24 the Governor, the President of the Senate, and the Speaker of
25 the House of Representatives by December 1, 2000.

26 (2) For the purposes of this section, an information
27 technology business incubator is a facility that allows new
28 businesses engaged in information technology to increase their
29 probability of success through sharing needed equipment,
30 services, and facilities, including substantially all of the
31 following:

- 1 (a) Reception and meeting areas.
2 (b) Secretarial services.
3 (c) Accounting and bookkeeping services.
4 (d) Research libraries.
5 (e) Onsite financial, management, legal, and technical
6 counseling.
7 (f) Flexible lease arrangements for flexible space.
8 (g) Computer and word-processing facilities.
9 (h) Office furniture rentals.
10 (i) Management and entrepreneurial training programs.
11 Section 10. This act shall take effect upon becoming a
12 law.

13
14 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
15 COMMITTEE SUBSTITUTE FOR
16 CS/SB 1334

- 17 Eliminates language creating the not-for-profit corporation
18 known as itflorida.com.
19 Requires the State Technology Office to facilitate the
20 development of a Network Access Point (NAP) in Florida as
21 needed.
22 Requires the Department of Labor and Employment Security to
23 facilitate the development and maintenance of a website that
24 promotes and markets the information technology industry in
25 Florida.
26 Requires Enterprise Florida, in collaboration with the private
27 sector, to create a marketing campaign to attract information
28 technology businesses in Florida.
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30 explore the feasibility of using state employee pension funds
31 to support venture capital funds that are domiciled in
Florida.