

By the Committee on Utilities & Communications and  
Representative Rojas

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           providing purposes of the campaign; requiring  
8           development and maintenance of a website for  
9           information and technology industry marketing  
10          and workforce recruitment; requiring a study  
11          group to explore the use of state employee  
12          pension funds for venture capital support for  
13          certain purposes; expressing support of  
14          activities to enhance information technology,  
15          including a network access point; amending s.  
16          212.08, F.S.; providing a sales tax exemption  
17          on sales of certain equipment used to deploy  
18          broadband technologies associated with a  
19          network access point; providing for future  
20          repeal of the exemption; requiring Enterprise  
21          Florida, Inc., to review existing business  
22          incubators and develop a plan to establish  
23          information technology business incubators in  
24          the state under certain circumstances;  
25          prescribing incubator components; requiring  
26          submission of the plan to the Governor and  
27          Legislature; providing an effective date.  
28  
29          WHEREAS, the information technology industry is growing  
30          rapidly and provides high-wage, high-skill jobs, and  
31

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. The State Technology Office shall  
17 facilitate the development of a network access point in this  
18 state, as needed.

19 Section 2. Creation and implementation of a marketing  
20 and image campaign.--

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

27 (2) The message of the campaign shall be to increase  
28 national and international awareness of this state as a state  
29 ideally suited for the successful advancement of the  
30 information technology business sector. Marketing strategies  
31 shall include development of promotional materials, Internet

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

12 Section 3. Development of an Internet-based system for  
13 information technology industry promotion and workforce  
14 recruitment.--

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

28 (2) The Department of Labor and Employment Security  
29 shall coordinate with the State Technology Office and the  
30 Workforce Development Board of Enterprise Florida, Inc., to  
31 ensure links, where feasible and appropriate, to existing job

1 information websites maintained by the state and state  
2 agencies and to ensure that information technology positions  
3 offered by the state and state agencies are posted on the  
4 information technology website.

5       Section 4. Enterprise Florida, Inc., shall establish a  
6 study group to explore the feasibility of using state employee  
7 pension funds to support venture capital funds that are either  
8 domiciled in this state or regularly invest in technology  
9 companies that are headquartered in this state. If the study  
10 group determines that this concept is feasible, the group  
11 shall prepare a working proposal governing the use of such  
12 funds, including any recommendations for action by the  
13 Legislature. Enterprise Florida, Inc., shall submit a report  
14 on the findings of the study group and, if prepared, the  
15 working proposal to the Governor, the President of the Senate,  
16 and the Speaker of the House of Representatives by October 1,  
17 2000.

18       Section 5. Establishment of a network access  
19 point.--The state actively supports efforts that enhance the  
20 information technology industry in this state, particularly  
21 those efforts that increase broadband technology. A critical  
22 initiative to enhance this industry in this state is  
23 determined to be the development of a network access point,  
24 which is defined to be a carrier-neutral, public-private  
25 Internet traffic exchange point. The state encourages private  
26 information technology businesses to forge partnerships to  
27 develop a network access point in this state. Moreover, the  
28 state recognizes the importance of a network access point that  
29 addresses the needs of small information technology  
30 businesses.

1           Section 6. 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 that 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 a network access point, which is defined as a  
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 purposes of this paragraph:

15           a. "Broadband technology" means packaged 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. This paragraph is repealed June 30, 2005.

27           Section 7. Establishment of information technology  
28 business incubators.--

29           (1) To foster the growth of the information technology  
30 industry in this state, Enterprise Florida, Inc., shall review  
31 the state's existing business incubators to determine whether

1 they are meeting the needs of the industry. If Enterprise  
2 Florida, Inc., finds that additional incubators are needed to  
3 fill an unmet need, Enterprise Florida, Inc., must develop a  
4 plan to establish information technology business incubators  
5 in this state. The plan may include recommendations for  
6 consideration by the Legislature which promote the location of  
7 private information technology business incubators in this  
8 state or recommendations to establish or promote information  
9 technology business incubators associated with public or  
10 private universities or colleges in this state. If the plan  
11 recommends the establishment of an incubator that would be  
12 associated with a university or college, the plan must provide  
13 for the financial self-sufficiency of the incubator within 2  
14 years after such establishment. The review and, if developed,  
15 the plan shall be presented to the Governor, the President of  
16 the Senate, and the Speaker of the House of Representatives by  
17 December 1, 2000.

18 (2) For the purposes of this section, an information  
19 technology business incubator is a facility that allows new  
20 businesses engaged in information technology to increase their  
21 probability of success through sharing needed equipment,  
22 services, and facilities, including substantially all of the  
23 following:

- 24 (a) Reception and meeting areas.  
25 (b) Secretarial services.  
26 (c) Accounting and bookkeeping services.  
27 (d) Research libraries.  
28 (e) Onsite financial, management, legal, and technical  
29 counseling.  
30 (f) Flexible lease arrangements for flexible space.  
31 (g) Computer and word-processing facilities.

- 1       (h) Office furniture rentals.
- 2       (i) Management and entrepreneurial training programs.
- 3       Section 8. This act shall take effect upon becoming a
- 4 law.

\*\*\*\*\*

HOUSE SUMMARY

8  
9 Requires the State Technology Office to facilitate  
10 development of a network access point in Florida.  
11 Requires Enterprise Florida, Inc, to create and implement  
12 a marketing and image campaign to help attract, develop,  
13 and retain information technology businesses. Requires  
14 development and maintenance of a website for information  
15 and technology industry marketing and workforce  
16 recruitment. Requires a study group to explore the use of  
17 state employee pension funds to support venture capital  
18 funds in Florida. Provides a sales tax exemption on sales  
19 of equipment used to deploy broadband technologies  
20 associated with a network access point. Requires  
21 Enterprise Florida, Inc., to review existing business  
22 incubators and develop a plan to establish information  
23 technology business incubators. See bill for details.  
24  
25  
26  
27  
28  
29  
30  
31